



# Can Portugal become a preferred destination for investors?

In 2018, Portugal won the 25<sup>th</sup> edition of the World Travel Awards for «Best Destination in the World» and «Best European Destination». But is Portugal just a nice country to visit or can Portugal become a preferred destination for investors?



MACEDO VITORINO & ASSOCIADOS  
Sociedade de Advogados, RL

In 2018, Portugal won the 25<sup>th</sup> edition of the World Travel Awards for «Best Destination in the World» and «Best European Destination» for the second consecutive year, along with 15 other awards.

Lisbon was voted «Best Destination City» and «Best City Break Destination». Madeira was considered the «Best Insular Destination» and Passadiços do Paiva «Best Adventure Tourism Attraction».

Portugal won awards for «Best Tourism Organization» and «Best Conservation Company». The Portuguese airline TAP won three awards. Five hotels in Portugal received awards, including «World's Leading City Hotel», «World's Leading Classic Hotel» and «World's Leading Design Hotel».

The World Travel Awards reward excellence across all sectors of the global travel and tourism industry. Portugal beat many other recognized destinations such as South Africa, Brazil, Spain, Greece, India, Indonesia, Jamaica, Malaysia, Maldives, Morocco, New Zealand, Kenya, Rwanda, Sri Lanka and Vietnam.

Portugal was also recognized as «Best World and European Golf Destination» in the World Golf Awards in 2018.

The surge in tourism has been fuelling Portugal's economic growth since 2014 with significant investments in new hotels and residential projects for short-term leases.

Since 2013, the number of international visitors increased from € 15,9 million to € 24,6 million in 2017. According to the Portuguese National Statistics Institute, tourism-related revenues reached € 15,2 million in 2017.

Foreign direct investment (FDI) increased 61%. Unemployment fell to 8,9% and 7.657 new jobs were created as a direct result of FDI.



The afflux of tourists is offering Portugal an unique opportunity for showcasing the country's best qualities, attract new business ventures and make Lisbon one of Europe's best cities to create innovative companies.

Lisbon is now recognized as a popular city for entrepreneurship, innovation, internationalization and financing of startups.

According to EY, the perception of investors of Portugal's future attractiveness for business increased 7% since 2013.

Portugal promotes the creation of startups through the [«Startup Visa»](#), a hosting program for foreign investors who wish to develop new projects in Portugal. Applicants for startup residence visas must among other things:

- Have a real and effective interest in developing a new venture, such as the creation of innovation-based businesses;
- Propose a project with the potential to create at least five jobs in its first 24 months; and
- Have the support of a certified incubator.

In November 2018, Lisbon hosted the annual edition of the Web Summit, now the largest event for startups in the world. The Web Summit brought about 60.000 visitors and 2.250 companies from 170 countries to Portugal.

The City of Lisbon secured the Web Summit for the next 10 years and created «Hub Criativo do Beato», a new business incubation project in the centre of Lisbon that will house innovative and technology-driven companies. Factory Berlin, one of Europe's largest incubators, Mercedes-Benz and Web Summit are among the first companies to secure a place at Hub Criativo do Beato.

For further information about Portugal's economy and key legal aspects visit our web platform [«Why Portugal»](#)

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Macedo Vitorino & Associados has a truly international practice. We have strong relationships with many of the leading international firms in Europe, the United States and Asia, which enable us to handle effectively any cross border legal matters.

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- **Dispute resolution**
- **Employment**
- **Formation of joint ventures**
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- **Foreign investment**
- **Incorporation of companies and registration of branches**
- **Property law**
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