



## Portuguese Parliament puts an end to the recent new PPP law

*The PPP framework approved on December 2019 did not withstand the pressure of the left wing of Portuguese Parliament and has been now terminated.*

Decree-Law 107/2019, of December 4, granting powers to the Council of Ministers to establish the main terms and conditions of the public-private partnerships (PPP), has been terminated with effect from 19 March 2020 by way of the Portuguese Parliament Resolution 16/2020.

The Portuguese Parliament decided to revoke the new PPP law and to restore the previous framework, returning the decision-making powers to the finance minister together with the minister with powers in each PPP project area.

Municipalities and autonomous regions lose again the freedom to set up their own PPPs without government supervision.

It is worth remembering that the PPP regime was enacted last December under great deal of criticism from left and right wing of the Parliament, because it was said to grant discretionary powers to the Council of Ministers to set up new PPPs and to modify the existing ones.

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We cannot speculate that Covid-19 was the cause of this change: the Parliament did not want to make sure the Government and the municipalities focus their efforts on the Covid-19 pandemic economic contingency measures; or to avoid unnecessary Council of Ministers meetings. There were other reasons, certainly political ones, coming from the left wing of the Parliament (and in this case somehow strangely supported by the social democrats) where the animosity against the healthcare PPP model is growing, notwithstanding the good results of most healthcare concessions now being terminated.

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