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## NEW REGULATION ON PRIVATE EMPLOYMENT AGENCIES

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A new Regulation on Private Employment Agencies (Decree No. 36/2016 of 31 August) was recently published in the Government Gazette (Boletim da Republica), repealing the previous regulation, which was approved by Decree No. 6/2001 of 20 February.

Although not introducing very fundamental changes to the previous arrangements, we hereby highlight the following, due to their potential practical impact:

- It is now compulsory to include the designation "**Private Employment Agency**" in the corporate name of the individual or company, and it is now furthermore required to include the Tax Identification Number (**NUIT** – "Número Único de Identificação Tributária").
- The requirement to include the criminal record with the application has been removed.
- The required documents to be attached to the application are the following:
  - An applicant's declaration that he/she is committed to provide a security bond within 15 days after notification of the acceptance of his/her request;
  - A proof of payment of a fee in an amount equal to 10 minimum wages in the non-financial services sector; and
  - Presentation of the registration form at the INSS - National Institute of Social Security stating the taxpayer identification number for the purpose of officious certification, and an quittance certificate from the Taxation Authorities.

- Establishes as mandatory the constitution of a bank guarantee or insurance in favour of the competent and expert authority in the field of employment for the two license types (the normal and the special licenses) in an amount corresponding to 100 minimum wages in the non-financial services sector.
- Mandating an annual update of the security (/ the bond) by reference to the amount of the minimum wage in the sector of non-financial services.
- Provides the possibility for the granting of two types of licenses, normal and special to the same Private Employment Agency, unlike that provided Decree No. 6/2001 of 20 February, in which the Private Employment Agency had to choose only one license.

Finally, we call the attention to the entities that already have business licenses as Private Employment Agency, that they have a period of twelve (12) months to fulfil the requirements of the new Regulation.

The new Regulations for Private Employment Agencies do not apply to activities relating to dockworkers.