

# CONSTRUCTION AND PUBLIC WORKS



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**“COMPANIES WISHING TO OPERATE IN THIS AREA, PARTICULARLY IN THE EXECUTION OF PUBLIC WORKS, MUST FULFIL SEVERAL ESSENTIAL REQUIREMENTS, GUARANTEEING QUALITY, SAFETY AND TRANSPARENCY IN THE CONTRACTING PROCESS.”**

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Construction plays a crucial role in the country's urban and housing development and is a highly regulated sector under Portuguese law.

Companies wishing to operate in this area, particularly in the execution of public works, must fulfil several essential requirements, guaranteeing quality, safety and transparency in the contracting process.

In order to be able to operate in the construction sector, it is essential that companies fulfil certain legal criteria, set out in various rules and regulations, such as:

- **Licence or Registration Document:** According to Decree-Law no. 12/2004, of 9 January, construction companies must be registered with the Instituto dos Mercados de Obras Públicas e Particulares e do Imobiliário (IMOPPI), and the holder is authorised to carry out work that falls within the scope of their licence.
- **Technical qualifications:** As required by the Portuguese Public Contracts Code (CCP), approved by Decree-Law no. 18/2008 of 29 January, companies must have qualified technical staff to ensure that the work is carried out to the required standards.
- **Safety and Hygiene at Work:** Decree-Law 273/2003 of 29 October defines safety and hygiene at work in the construction industry, with the aim of mitigating occupational risks.
- **Qualification documents:** Depending on their size, companies must provide proof of qualification and the absence of impediments, as stipulated in articles 81 and 55 of the CCP.

In addition to the above-mentioned requirements, it is necessary to check those set out in Ministerial Order 412-H/99 of 4 June, which include:

- 1 - the identification and good repute of the company;
- 2 - its technical capacity (in terms of human resources and equipment); and
- 3 - experience in construction work and economic and financial capacity.

These requirements are deemed to be met by submitting data provided by state bodies or certifying entities attesting to the organisation's suitability to take part in public tenders.



Participation in public tenders for works is regulated by the Portuguese Public Contracts Code, which defines the different possible procedures for awarding works.

The main procedures include:

- **The open call for tenders:** open to all companies that fulfil the requirements and submit tenders on time;
- **The restricted tender by prior qualification:** in which only previously qualified companies can submit tenders;
- **Direct award:** applied in exceptional cases, such as situations of urgency in the execution of works, in accordance with the dictates of article 162 et seq. of the CCP.

The selection of bids and companies is based on objective evaluation criteria, which lead to negotiation and discussion of matters such as price and execution time, guaranteeing environmental sustainability and transparency and efficiency in the award of projects.

Recently, in the context of a public tender, 18 (eighteen) municipalities in the Lisbon Metropolitan Area (AML) were approved to build or rehabilitate 10,500 (ten thousand five hundred) homes under the Recovery and Resilience Plan (PRR),

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with more than 42% (forty-two per cent) of the applications and proposals submitted by the competing entities being approved.

With around 4,700 (four thousand seven hundred) properties already delivered, the local councils are continuing to work on implementing the remaining projects, guaranteeing a rapid response to the difficult access to housing in the Lisbon Metropolitan Area.

This case is an example of excellence in demonstrating the importance of public works contracts, and their certification in public tenders, in improving housing conditions and boosting the construction sector.

We can therefore conclude that the evolution of the execution of these works and their impact on the housing market continues to be a fractious issue in everyday life, which we will be following diligently.