

INVEST IN AZORES

AZORES BUSINESS DEVELOPMENT SOCIETY

Industrial Licensing

Regional Legislative Decree No. 5/2012/A, of January 17th(in attachment), establishes the Regime of Exercise of the Industrial Activity in the Autonomous Region of the Azores.

On the other hand, Regional Regulatory Decree No. 14/2012/ A, of May 22nd (in attachment), regulates certain aspects established in that licensing regime.

The licensing system for industrial activity in the Autonomous Region of the Azores seeks, in a fast and modern way, to respond to the demands of the sector.

With a view to increasing dematerialization of procedures, administrative debureaucratization and simplification of procedures, a tool is created that enables economic operators to send license applications and other communications electronically (I send the link bellow).

Link for applying for industrial licensing: <http://li.sre.azores.gov.pt/Paginas/licencas.aspx>

Since the website is all in Portuguese, including the application forms, we strongly advise you to seek the help of an economist/consultant/accountant to help you in all the application process.

Guiding principles

- Risk and accident assessment and prevention;
- Safeguarding public health and workers;
- Security of persons and goods;
- Hygiene and safety of workplaces;
- Spatial planning;
- Energy and ecological efficiency;
- Guarantee of environmental quality.

Principle of liability

The industrialist is solely responsible for any disturbances or accidents that result, directly or indirectly, from non-compliance with the legal norms to the industrial activity he or she exercises. Where anomaly is detected in the operation of the establishment, the operator shall take appropriate measures to rectify the situation and, if necessary, suspend the operation and shall immediately inform the regional management with competence in the field of industry.

Activities subject to industrial licensing

The activities indicated in the Annex of Regional Legislative Decree No. 5/2012/A, of January 17th (Division 11).

Typology of industrial establishments

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Industrial establishments in the Autonomous Region of the Azores are classified as follows:

1. Type 1

- Contracted electrical power exceeding 100 KVA;
- Number of workers more than 20;
- Subject to environmental impact statement or environmental license;
- Subject to hazardous waste management operations.

2. Type 2

- Contracted electrical power equal to or less than 100 KVA and greater than 25 KVA;
- Number of workers equal to or less than 20 and greater than 4.

3. Type 3

- Contracted electrical power equal to or less than 25 KVA;
- Number of workers equal to or less than 4;
- Covered area up to 200 square meters;
- Activity without special danger to the environment.

Temporary industrial activity

An activity carried out for a period of time not exceeding two years for implementing a specific purpose, whether or not implemented on a mobile structure, and which is not included in the specific environmental impact assessment, integrated pollution prevention and control, as in for the control of major-accident hazards involving dangerous substances.

Location

Establishments should be located in industrial sites or other locations planned for industrial use in municipal spatial planning. Industrial establishments to be installed outside industrial zones need prior authorization of location to be issued by the entities that have jurisdiction over those zones.

Phases of industrial licensing

Industrial establishments are subject to the following licensing phases:

1. Installation/Alteration

- Type 1
- Type 2

Alterations in industrial establishments that already have a previously approved installation license do not require licensing provided that:

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- Do not change the typology of the establishment;
- Does not lead to harmful effects on workers' safety, public health, property and the environment.

However, the industrialist must request an inspection to verify the alterations made.

2. Exploitation

- Type 1
- Type 2
- Type 3

Temporary industrial activities

Coordination

The coordination of the entire industrial licensing process is the responsibility of the Regional Directorate for Investment and Competitiveness, which is the sole interlocutor with the industrial sector.

Installation and alteration license

Type 1 and type 2 industrial establishments are subject to a request for installation or alteration (prior authorization).

The installation or alteration license lasts for one year, from the date of its issue, and may be renewed for periods of one year, up to a maximum of three renewals, and this period may be extended for reasons not attributable to the entrepreneur.

Operating license

The operating license shall be issued upon verification by inspection of the conformity of the installation or alteration of the industrial establishment with the applicable legal rules and regulations.

Communications and endorsements

The industrial operator shall communicate to the coordinating entity the following facts:

- Alterations made in the industrial establishment which do not result in a change in the typology of the establishment or represent harmful effects on the safety of workers, public health, goods and the environment;

- Property transmission of the or exploitation of the industrial establishment;
- Cessation of the exercise of the activity;
- Withdrawal of the equipment of the industrial establishment;
- Suspension of the exercise of the activity for a period exceeding two years;

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- Suspension of the exercise of the activity for a period of more than twelve weeks in the case of the food industries. In this situation the restart of the activity must be preceded by a verification of conditions, at the request of the industrialist.

Claims

Any person may submit duly substantiated claims regarding the installation, alteration, exploitation and deactivation of any industrial establishment with the licensing entity, or of the entity to whom the rights and interests in question are safeguarded.

Counterfeiting and fines

Failure to comply with the conditions set out in the Industrial Activity Act in the Autonomous Region of the Azores constitutes a misdemeanor punishable by a fine ranging from a minimum of € 250.00 to a maximum of € 10,000.00 for natural persons and a minimum of € 450.00 and a maximum of € 45,000.00 for legal persons.

Registration of Industrial Establishments

Article 11 of the Regional Legislative Decree no. 5/2012 A, of January 17th, establishes that all industrial establishments in the Region must be registered.

Ordinance no. 22/2013, of April 18th (in attachment), lists the elements that must be included in the register of industrial establishments.

The information contained in the registration form of industrial establishments is updated every three years, and whenever there is a change in the respective licensing process.

Disclaimer

This document is for information purposes only. It partially reflects but does not disclose completely nor substitute the knowledge of the full legislation governing incentives in Portugal. SDEA is available to assess specific business plans and to determine how specific investments may qualify for incentives packages and what, if any, type of packages may be applicable to the investment.