

Portugal

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1. Fintech regulatory framework: a summary of the most relevant laws and regulations concerning fintech and financial innovation.

Under the Portuguese legal landscape, there is no specific law applicable to fintech enterprises.

Fintech is a portmanteau for 'financial technology'. It is a catch-all term for technology used to augment, streamline, digitise or disrupt traditional financial services. Considering this, it is only natural that there are not, at least at the European Union level and in Portugal, specific licences only applicable to fintechs in a general sense, even though some legal frameworks may seem more attractive to this specific sector.

The key to understanding where fintechs lie, in terms of applicable legal regime, is to comprehend exactly what that company offers. The main legal and regulatory frameworks applicable to fintechs are as follows.

Payment services and e-money related activities

- *Payment institutions and e-money institutions*: activities are regulated under Decree-Law No 91/2018, of 12 November 2018 – the Payment Services and e-Money Legal Regime (RJSPME¹), which transposed Directive (EU) 2015/2366 (the second Payment Services Directive or PSD2) in Portugal. Under this category, there is an exemption regime established under PSD2 foreseen for 'smaller' payment institutions. RJSPME adopted this partial exemption for payment institutions who want to perform all payment services with the exception of money remittance, payment initiation services and account information services.²
- *Open banking service providers*: such as payment initiation service providers (PISPs) and account information service providers (AISPs) are regulated under RJSPME.
- *Technical service providers (TSPs)*: support the provision of payment services without entering into possession, at any time, of client funds, are regulated under RJSPME.
- *Limited network exemptions*: applicable to entities that provide services based on specific payment instruments that can only be used to a limited extent, such as payment instruments used in limited networks or payment instruments used to pay for a very limited range of goods and services, are regulated under RJSPME.

Crypto asset services

Law No 83/2017, of 18 August, as amended, on anti-money laundering and combating the financing of terrorism ('Portuguese AML/CFT Law') sets forth the legal framework applicable to virtual asset service providers (VASPs), when such entities provide certain services with crypto assets in the name or on behalf of clients. This legal framework foresees both the prior registration and subsequent supervision of such entities, only for anti-money laundering and counter-financing of terrorism (AML/CFT) purposes. Following the amendment of the Portuguese AML/CFT Law

1 For the initials for the Portuguese translation of 'Payment Services and e-Money Legal Regime' – '*Regime Jurídico dos Serviços de Pagamento e da Moeda Eletrónica*'.

2 Section 3 further details this framework.

setting forth the legal framework applicable to VASPs, the Bank of Portugal (BdP) published two notices further developing the regime:

- BdP's Notice No 3/2021, of 13 April, regulates the actual registration procedure with the BdP, applicable to entities that intend to pursue the activities with virtual assets, in Portuguese territory;
- BdP's Notice No 1/2023, of 24 January, establishes the necessary aspects to ensure compliance with the duties to prevent money laundering and terrorist financing, within the scope of the activity of entities that carry out activities with virtual assets.

Following the enactment of Regulation (EU) 2023/1114 on Markets in Crypto-Assets (MiCAR), and its direct applicability in Portugal, the Portuguese government has proposed a local implementation act, which is still under discussion in Parliament (see Section 2) .

Credit intermediaries

A credit intermediary participates in the credit granting process and can provide the following services:

- presentation of credit agreements to consumers;
- proposing credit agreements to consumers;
- assisting consumers in the preparatory stages of credit agreements;
- concluding credit agreements with consumers on behalf of creditors; and
- consultancy.

The credit intermediary is not authorised to grant credit or intervene in the marketing of other banking products or services, such as term deposits or payment services. Even if a credit intermediary intervenes, the credit is always granted by an institution authorised to grant credit (eg, credit institutions).

Considering the less demanding regime of credit intermediaries, in comparison with credit institutions and the range of digital means via which this type of activity may be exercised, some fintechs find this figure appropriate for their business model.

Crowdfunding

Crowdfunding is a field of the financial services sector that has been significantly influenced by growth of fintech companies. Crowdfunding platforms are regulated by Law No 102/2015, of 24 August, Law No 3/2018 of 9 February, by the Portuguese Securities Market Commission (CMVM) Regulation No 1/2016, and by Ordinance no. 344/2015, of 12 October.

The following categories of crowdfunding are permitted in Portugal:

- *Donation-based crowdfunding*: funds are collected as donations for specific projects or causes, without the expectation of financial return.
- *Reward-based crowdfunding*: donors contribute financially and receive non-financial rewards in return, such as products or services.
- *Loan-based crowdfunding*: involves the lending of money by investors to projects or companies, with the expectation of receiving the invested amount plus interest within a specified period.
- *Investment-based crowdfunding*: investors acquire ownership stakes in companies or projects and have the potential to gain financial returns based on the performance.

There are several requirements and obligations on both crowdfunding platforms and projects or companies seeking funding, namely:

- *Registration with CMVM*: entails compliance with specific rules and obligations, including, among others: (1) identification of the applicant, including identification of the shareholders and identification of the ultimate beneficial owner; (2) identification of the members of the management body; (3) description of the business model; and (4) management report and accounts.
- *Transparency and information*: crowdfunding platforms must provide clear, accurate and transparent information about the projects or companies seeking funding, as well as the associated risks. This includes disclosing information about the project's objectives, the use of raised funds, investment risks and refund policies.
- *Fundraising limit*: the legislation establishes limits for fundraising in each crowdfunding category.
- *Investor protection*: crowdfunding platforms must assess the suitability of the investment for each investor's profile to ensure they have awareness and understanding of the associated risks.

Other fintech-related products

Some fintechs build their business model with the primary objective of integrating with traditional financial entities (eg, banks). In many of these cases, fintechs step in to aid incumbents in ensuring better and more efficient compliance (eg, credit scoring, onboarding solutions, monitoring and screening, among others). In these scenarios, even if no financial activity is specifically carried out, fintechs should pay special attention to the applicable legislation to make their services/products more attractive (and compliant) for incumbents. This may include compliance with outsourcing requirements, considering national legislation and the guidelines set forth by the European Banking Authority (EBA), and also, the recently enacted Regulation (EU) 2022/2554 on digital operational resilience (DORA).

New legislation and regulation

DORA

Regulation (EU) 2022/2554 on digital operational resilience sets forth rules not only for financial entities, but also to ICT providers for such entities. Many fintech providers will be required to comply with the rules established therein if they wish to provide services to those institutions. Following the regulation's entry into force on 17 January 2025, the following year was defined by the concerted efforts of numerous fintech providers to ensure the effective implementation of its provisions as outlined in Portugal's PL 64/XXV/2025.

MiCAR

Regulation (EU) 2023/1114 on Markets in Crypto-Assets is the first piece of EU legislation that intends on further regulating and harmonising existing legislation related to crypto assets and related services.

DLT Regime

Decree-Law No 66/2023, of 8 August, implemented the EU provisions on the use of distributed ledger technology (DLT) to issue, trade and settle financial instruments issued through DLT, namely in regard to the issuance of debt instruments. The provisions address the technological challenges linked to the financial disintermediation triggered by the use of DLT, including the form of representation and registration.

EU AML Package

Four pieces of legislation intended to strengthen the EU's AML/CFT rules, including:³

- the Anti-Money Laundering Act (AMLA): a regulation providing for the creation of a new EU-wide AML/CFT authority, which started operation in the summer of 2025;
- the Sixth Anti-Money Laundering Directive (AMLD6): focusing on supervisory and financial intelligence unit aspects;
- the Anti-Money Laundering Regulation (AMLR): a regulation on AML/CFT (essentially focusing on customer due diligence aspects); and
- a revised version of the 2015 Regulation on Transfers of Funds to trace crypto asset transfers.

³ Under EU legislative procedure.

eIDAS 2.0

An evolution of Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market (eIDAS 1). This update aims to increase security and reliability of electronic identification and trust services within the EU, with the objective of ensuring a seamless and secure digital environment within the EU by ending the implementation gaps that occurred within different Member States. In addition, the 'European digital identity wallet' will be made available to all EU citizens.

Payment services package

The European Commission has been advancing a broad legislative package that includes a proposed amendment to the existing Payment Services Directive (the 'PSD3 proposal') and a new Payment Services Regulation (the 'PSR'). These initiatives focus on areas such as open banking, strong customer authentication, and fraud prevention. In addition, the Commission has proposed a Regulation on a Framework for Financial Data Access (the FIDAR), which entered the trilogue phase in 2025.

2. Regulations on crypto assets: a summary of the legal framework regarding crypto assets and how they are regulated.

VASP framework

The Portuguese law that specifically addressed services provided with crypto assets (or virtual assets) was the Portuguese AML Law, which transposed Directive (EU) 2018/843 on AML/CFT (AMLD5). This law set forth a registration procedure mandatory for persons (whether natural or legal) seeking to provide certain services to clients with virtual assets – the so-called VASPs – and their subsequent supervision. This registration was mandatory only for AML/CFT supervision purposes; hence, it is not the same as a standard licensing procedure carried out, for example, by a regulated financial entity.

The VASP framework was established prior to the adoption of MiCAR, which introduced a harmonised regime across the EU for the issuance of tokens, and the authorisation and supervision of crypto asset service providers (CASPs).

Since 30 December 2024, and pending the national act designating the competent MiCAR authority, BdP has clarified that it no longer assesses or authorises CASPs and is not accepting authorisation requests. Until the government enacts the implementing law, VASPs that were operating in compliance before 30 December 2024 may continue under the MiCAR transitional regime until 1 July 2026 or until they are authorised/refused, whichever occurs first. The government may shorten or disapply the transition if it finds the pre-MiCAR national framework less stringent. BdP's prior AML/CFT registration role (since 2021) remains the basis for which a limited set of entities may continue operating during this interim period.

Since the original submission of this guide, Law No 69/2025 of 22 December 2025 has been published, ensuring the implementation in Portugal of MiCAR. The law designates the Bank of Portugal and the CMVM as the competent authorities for the purposes of MiCAR, according to their respective supervisory competences, including in relation to issuers, offerors and persons seeking to trade crypto-assets, as well as crypto-asset service providers.

Under the current Portuguese framework, issuers, offerors and persons seeking to trade crypto-assets in Portugal must comply with the relevant MiCAR requirements, including, where applicable, prior notification or authorisation requirements and crypto-asset white paper obligations. In addition, any legal person intending to provide crypto-asset services in Portugal must submit an application for authorisation as a crypto-asset service provider to the Bank of Portugal, which assesses such applications in coordination with the CMVM. The transitional regime applicable to entities registered with the Bank of Portugal for virtual asset activities as at 30 December 2024 applied until 1 July 2026, or until authorisation was granted or refused under MiCAR, whichever occurred first. Such prior registration does not exempt entities from the MiCAR authorisation procedure and does not constitute a simplified authorisation process.

The implementation of MiCAR

The Portuguese law that specifically addressed services provided with crypto assets (or virtual assets in the normative definition) was the Portuguese AML Law, which transposed the Directive (EU) 2018/843 on AML/CFT ('AMLD5'). This law set forth a registration procedure mandatory for persons (whether natural or legal) seeking to provide certain services to clients with virtual assets – the so called VASPs - and their subsequent supervision. Note however that this registration was mandatory only for AML/CFT supervision purposes; hence, it is not the same as a standard licensing procedure carried out, for example, by a regulated financial entity.

The VASP framework was established before the adoption of MiCAR, which introduced a harmonised regime across the EU for the issuance of crypto assets and the authorisation and supervision of CASPs. Since 30 December 2024, the provision of crypto asset services in the EU has been conditional upon prior authorisation as a CASP under MiCAR, subject to the applicable transitional regime.

Portugal has since enacted Law No 69/2025, of 22 December, which ensures the implementation of MiCAR in Portugal. The law designates the Bank of Portugal and the CMVM as the competent authorities for the purposes of MiCAR, according to their respective supervisory competences. Under the current framework, applications for authorisation as a CASP must be submitted to the Bank of Portugal, which assesses such applications in coordination with the CMVM.

Entities that were duly registered with the Bank of Portugal as VASPs under Law No 83/2017 and Notice No 3/2021, and whose commencement of activity had been reported before 30 December 2024, benefited from the MiCAR transitional regime. Under that regime, such entities could continue to provide virtual asset services within the limits of their existing registration until 1 July 2026, or until authorisation as a CASP was granted or refused, whichever occurred first. During the transitional period, those entities remained subject to Law No 83/2017, Notice No 1/2023 and the remaining applicable AML/CFT obligations.

By contrast, entities that had not completed registration and commenced activity before 30 December 2024 did not benefit from the MiCAR transitional regime and could not rely on the former VASP registration framework to provide virtual asset services in Portugal. In addition, prior registration as a VASP does not exempt an entity from the need to obtain authorisation as a CASP under MiCAR and does not constitute a simplified authorisation procedure.

The Portuguese transitional regime applicable to entities registered with the Bank of Portugal for virtual asset activities applied until 1 July 2026, or until authorisation as a CASP was granted or refused under MiCAR, whichever occurred first. Following the end of that transitional period, entities that were operating under the former VASP registration regime may only continue to provide crypto-asset services in Portugal if they have obtained authorisation under MiCAR or are otherwise entitled to provide such services under MiCAR.

This position is also aligned with ESMA's statement on MiCA transitional measures, which emphasised that CASPs not authorised under MiCAR should have orderly wind-down plans in place where transitional periods have expired or are about to expire, and that national competent authorities should be ready to enforce against the unauthorised provision of crypto-asset services.

Since the entry into force of Law No 69/2025, of 22 December, the MiCAR authorisation and notification framework is operational in Portugal. Accordingly, CASPs authorised in another EU Member State may provide crypto-asset services in Portugal under the MiCAR passporting framework, without requiring a separate Portuguese authorisation, provided that the relevant notification procedure under MiCAR has been completed. Similarly, CASPs established in Portugal that intend to provide crypto-asset services in other Member States must submit the relevant cross-border notification to the Bank of Portugal in accordance with Article 65 of MiCAR.

Securities laws and regulations

Some crypto assets, due to their intrinsic characteristics, may qualify as securities and be subject to existing securities regulations – most notably regulations applicable to public offerings of securities and/or securities trading venues.

CMVM has clarified the elements that may qualify tokens as securities, namely:

- if they may be considered documents (whether in dematerialised or physical form) representative of one or more rights of a private and economic nature; and
- if, given their particular characteristics, they are similar to typical securities under Portuguese law.

For the purpose of verifying the second item, the CMVM will consider any elements, including those made available to potential investors (which may include any information documents, such as a white paper), that may entail the issuer's obligation to undertake any actions from which the investor may draw an expectation to have a return on its investment, such as:

- to grant the right to any type of income (eg, the right to receive earnings or interest); or
- undertaking certain actions, by the issuer or a related entity, aimed at increasing the token's value.

For example, tokens that represent rights and/or economic interests in a predetermined venture, project or company (such as tokens granting the holder a right to take part in the profits of a venture, project or company or even currency-type tokens) will in principle be subject to securities laws and regulations.

Since the Portuguese competent authorities follow the rules and guidelines set by their EU counterparts, it is worth mentioning that the European Securities and Markets Authority's (ESMA's) position regarding the regulatory implications when a crypto asset qualifies as a financial instrument is adopted in Portugal. In the particular case of initial coin offerings (ICOs) being subject to securities laws, ESMA provides advice on the potential application of, notably:

- Directive 2013/50/EU ('Transparency Directive');
- Directive 2014/65/EU on Markets in Financial Instruments (MiFID II);
- Regulation (EU) No 600/2014 on Markets in Financial Instruments ('MiFID Regulation') and respective implementing acts;
- Regulation (EU) No 596/2014 and Regulation (EU) No 236/2012 ('Market Abuse Regulation' and 'Short-Selling Regulation');
- Directive 2009/44/EC ('Settlement Finality Directive');
- Regulation (EU) No 909/2014 ('Central Securities Depository Regulation');
- Directive 2011/61/EU on alternative investment fund managers ('AIFM Directive'); and
- Regulation (EU) No 2017/1129 ('Prospectus Regulation').

All of the abovementioned legislation has been transposed into the Portuguese legal framework, and the rules set forth therein are reflected namely in the Portuguese Securities Code.

In this context, if a token is qualified as a security, the relevant national laws shall apply, including, inter alia, those related to the issuance, representation and transmission of securities, public offerings (if applicable), marketing of financial instruments for the purposes of MiFID II, information quality requirements and market abuse rules.

Finally, in the particular case of an ICO or a security token offering (STO), should they qualify as a public offering, a prospectus should be drafted and submitted to CMVM for approval, along with any marketing materials, provided that no exemption applies in relation to the obligation to draw a prospectus.

General laws and regulations

The lack of specific laws and regulations addressing crypto assets in particular does not mean that crypto assets/tokens that are not subject to the above laws and regulations are completely unregulated. Existing legal frameworks apply in accordance with the subject matter/characteristics of the crypto asset/token/service in stake. The following regimes may be applied to some crypto assets/services, depending on the specific case at hand:

- the Portuguese Civil Code;
- intellectual property laws with relation to the creation and licensing of underlying IP rights;
- Regulation (EU) 2022/2065 (the Digital Services Act);
- Decree-Law No 7/2004, the e-Commerce Law;
- consumer protection laws, notably Decree-Law No 24/2014, the Distance and Off-Premises Law, and the Decree-Law No 84/2021, the Digital Goods, Content and Services Law;
- the Advertising Code; and
- other sector-specific rules that may apply.

Finally, party autonomy always carries some weight. Hence, parties may contractually agree on some rules where they do not contradict mandatory legal provisions.

3. Payment service providers and digital wallets: a summary of regulations applying to payment service providers and/or digital wallets.

Payment service providers and digital wallets are regulated according to the rules established under the RJSPME, which transposed PSD2 into the national legal framework.

Digital wallets

The provision of digital wallets is considered a payment service in itself (ie, issuing payment instruments), if the manner in which the digital wallet is provided does not allow for the application of the exemptions foreseen by PSD2.

Nevertheless, entities may provide digital wallets and still not fall under the applicable RJSPME rules if:

- providers or issuers of such wallets merely support the ‘provision of payment services without at any time coming into possession of the funds being transferred, including data processing and storage, trust and privacy protection services, authentication of data and entities, the provision of communication and IT networks or the provision and maintenance of terminals and devices used for payment services, with the exception of payment initiation services and account information services’; and/or
- if the services being provided are based on digital wallets that can only be used on a limited basis and which are:
 - instruments which only allow the acquisition of goods or services by their holder on the premises of the issuer or on a restricted network of service providers directly linked by a commercial agreement to a professional issuer; and/or
 - instruments that can only be used to acquire a very restricted range of goods or services.

BdP's Notice No 3/2023 regulates further aspects surrounding the limited networks and is based on the EBA Guidelines on the limited network exclusions under PSD2.

Partially exempted payment service providers

Apart from the general legal framework applicable to payment service providers, PSD2 left the door open to EU Member States to allow for 'smaller' payment institutions to be exempt from compliance. This may be an attractive solution for smaller fintech companies who wish to provide certain services without having to go through all the licensing hurdles. Notwithstanding, these exempted entities may not passport their activity onto other Member States.

Portuguese legislation only allows access to a partial exemption for payment institutions who want to perform all payment services with the exception of money remittance, payment initiations services (PIS) and account information services (AIS).

The scope of the exemption is decided via a case-by-case analysis by the BdP – but never includes general verifications regarding business plan, fit and proper assessment, procedures for safeguarding client funds, governance and risk assessment and management arrangements, and AML/CFT verifications.

For the application for such exemption, payment institutions must have:

- the monthly average of the total value of payment transactions executed by the legal person over the preceding 12 months, including transactions executed through any agent for which it assumes full responsibility, or, where applicable, as projected in its business plan, must not exceed €3m;
- no person having been appointed as responsible for its management to have been convicted for any financial crimes; and
- an initial share capital of €50,000.

These entities must request, from the BdP, a formal decision regarding the possibility of benefitting from this partial exemption.

4. Special support for fintechs: a description of special programmes supporting the fintech ecosystem, fintech startups (eg, regulatory sandboxes and accelerator programmes) and regulations regarding special support.

Over the past few years, Portugal has established itself as a prominent European fintech hub. This has led to substantial investments, along with an influx of founders, entrepreneurs, investors and various other players in the market.

The increased interest in financial technology can be attributed to several factors. Firstly, the digital services sector has witnessed significant growth, creating a favourable environment for the intersection of technology into the traditional financial sector. Additionally, the overall market capitalisation of the fintech sector has been on a consistent upward trajectory. Moreover, there

has been an uptick in investment from experienced and more sophisticated market players. The government, regulators and the general ecosystem has been providing support to fintechs via several different initiatives.

Regulatory sandboxes

Decree-Law No 67/2021, of 30 July, sets the framework for the creation of regulatory sandboxes (designated 'Technological Free Zones'). The envisaged sandboxes intend to create 'safe spaces' in which companies can test innovative products, services and business models without immediately incurring all the normal regulatory consequences related to the activity. Any entity that wishes to apply to create a Technological Free Zone must fill in an application or submit a declaration of interest on the website of the National Innovation Agency and follow the relevant formal procedure.⁴

Portugal FinLab

An innovation hub/communication channel between market players and the Portuguese regulatory authorities (banking, securities and insurance). Through it, the authorities provide guidelines on how to navigate and operate in the regulatory system. The purpose of Portugal FinLab is to support the development of innovative solutions in fintech and related fields through cooperation and mutual understanding. The participants come together to give advice on the applicable legal frameworks, based on the information provided by candidates. Candidates are selected based on the preliminary information submitted during pitch days. Around five projects are selected; for each, a comprehensive and detailed report with non-binding positions is submitted, with obstacles identified and critical issues highlighted. Portugal FinLab has received positive reviews from its participants and is, for the time being, the most effective way for fintech players to obtain direct advice from regulators and supervisors.

Fintech + channel

An open channel directly to BdP, through which companies may clarify questions related to innovation in financial products and services, as well as a range of relevant information in this field,

Fintech meetings

These are organised by BdP on up-and-coming topics which may impact the fintech sector.

Forum for payment systems and initiatives

Relaunched in 2018, this is an advisory structure organised by BdP that brings together the main national stakeholders involved in the supply and demand of payment services, as well as

⁴ At the time of writing, the government has approved the creation of three Technological Free Zones: (1) ZLT Matosinhos (2023), focused on urban mobility and carbon neutrality; (2) ZLT Viana do Castelo (2025), dedicated to ocean-based renewable energies; and (3) ZLT Aveiro (2025), dedicated to communications and electronics.

government representatives. Its mission is to contribute to the implementation of safe, efficient and innovative payment solutions in the Portuguese market. The forum seeks to answer the challenges of the retail payment market by promoting an atmosphere of cooperation amongst its diverse stakeholders.

BdP guidelines/best practices

BdP publishes, from time to time, guidelines in respect to certain topics (eg, digital onboarding). While these guidelines are not binding, given that BdP is the entity responsible for the supervision and licensing of fintech companies, these are a highly accurate representation of the thoughts of the authority.

5. Open banking: a summary of regulations regarding open banking and direct or indirect regulations that affect open banking.

The legal framework applicable to open banking derives from PSD2, allowing third-party financial service providers to access financial information from banks and other financial institutions via application programming interfaces (APIs).

The two main open banking service providers foreseen under RJSPME are PISPs and AISPs, which, under the type of services provided and the principle of proportionality, are subject to lighter licensing and supervision requirements than fully fledged payment and e-money institutions. As such, for entities wishing to provide only these two services, and no other payment services, there are different licensing and supervision requirements.

PISPs and AISPs, when exclusively providing one or both of these services, are not subject to capital requirements applicable to PIs as they do not hold client funds. For AISPs, the simplification of the applicable requirements has been carried out by the creation of a specific licensing framework applicable to them. However, this is not the case for PISPs.

When accessing licensing applications for AISPs and PISPs, BdP (along with other EU competent authorities) adapts the level of detail required to the particular service or services that the applicant intends to provide: namely their nature, scope, complexity and riskiness, as well as to the institution's size and internal organisation.

AML/CFT requirements are not applicable for AISPs and largely do not apply to PISPs. However, security and data protection requirements are applicable to both types of entities, particularly regarding strong customer authentication (SCA) and secure communications (SCS).

Even though AISPs and PISPs have no own fund requirements, the fulfilment of their responsibilities must be ensured through the compulsory subscription of professional liability insurance or an 'equivalent guarantee'. This is a necessary condition for their authorisation and registration; however it is not straightforward as the insurance policies cannot have a determined insurance deductible. They must be revolving and also have an extensible period of at least two years. This raises the possibility of applicants having to obtain tailor-made insurance policies.

All marketing and advertising efforts by these entities must adhere to the general rules applicable to financial institutions. Marketing and advertising materials must clearly identify the entity responsible for the offering or advertising, and ensure that consumers can easily understand the main features and terms of the promoted products or services.

6. Regulation of virtual asset service providers.

Virtual asset service providers in Portugal are currently still regulated under Law No 83/2017, which establishes a mandatory registration regime with BdP for entities:

- providing exchange services between virtual assets and fiat currencies;
- exchange services between virtual assets;
- transfer services allowing movement of virtual assets from one address or wallet to another; and
- custodian wallet services that safeguard private cryptographic keys on behalf of customers.

This registration was required exclusively for AML/CFT supervision purposes and does not constitute a full licensing regime comparable to that applicable to regulated financial entities.

Following the entry into force of MiCAR's EU-wide regime for CASPs, the provision of crypto asset services within the EU now requires prior authorisation as a CASP.

However, Portugal has not yet enacted the national implementing legislation necessary to designate the national competent authority and create a CASP framework. In this context, the BdP publicly clarified in a press release on 3 January 2025 that, while national implementation is currently under legislative discussion, it is not empowered to receive nor process MiCAR authorisations or passport notifications, nor any new VASP authorisations under Law No 83/2017. Consequently, the effective recognition and supervision of MiCAR authorisations in Portugal remains temporarily suspended pending the entry into force of the national implementing framework.

During this interim period, VASPs duly registered with BdP under Law No 83/2017 whose commencement of activity was reported before 30 December 2024 may continue to provide virtual asset services under the transitional regime established by Article 143 of MiCAR until 1 July 2026 or until their MiCAR authorisation is granted or refused, whichever occurs first, provided they remain fully compliant with all applicable AML/CFT obligations. These entities are deemed CASPs for purposes of MiCAR.

The BdP has suspended the processing of new VASP registration applications pending the adoption of national implementing legislation for MiCAR, meaning entities that were not previously registered as VASPs cannot currently obtain authorisation or registration to provide crypto asset services in Portugal.

The draft national implementing legislation currently under parliamentary discussion envisages a shared supervisory model, whereby BdP would retain prudential supervision and AML/CFT competences, while CMVM would assume organisational and conduct of business supervision.

Law No 69/2025 of 22 December 2025 now ensures the implementation of MiCAR in Portugal. The law designates the Bank of Portugal and the CMVM as the competent authorities for the purposes of MiCAR, according to their respective supervisory competences. Under the current framework, applications for authorisation as a crypto-asset service provider are submitted to the Bank of Portugal, which assesses them in coordination with the CMVM. The former VASP registration regime is no longer a standalone route for new market entry and is subject to the transitional provisions laid down in the Portuguese MiCAR implementing law.

Entities authorised in another EU Member State will now be able to provide crypto asset services in Portugal under the passporting mechanism set out in Articles 60–65 of MiCAR, without requiring a separate national authorisation.

The registration requirement applies when services are exercised within Portuguese territory, which includes:

- legal persons incorporated in Portugal to carry out activities with virtual assets;
- natural or legal persons with domicile or establishment in Portugal engaged in such activities; and
- natural or legal persons who must submit a statement of commencement of activity to the Portuguese Tax Authority due to their virtual asset activities.

BdP is currently the competent authority responsible for registration and verification of compliance with applicable AML/CFT provisions. According to the public list published by the Bank of Portugal, eight entities are currently registered for the exercise of activities with virtual assets under the pre-MiCA framework.

Under MiCAR, once the national implementation framework becomes operational, CASPs will be subject to comprehensive prudential, conduct of business, and organisational requirements, including:

- minimum capital or prudential safeguards;
- governance and internal control arrangements;
- client asset protection and segregation obligations; and
- specific requirements depending on the services provided (such as custody policies, trading platform rules, or portfolio management competence).

Authorisation granted under MiCAR will enable passporting rights across all EU Member States.

7. AML and the Travel Rule in crypto asset transactions.

Portugal imposes AML/CFT obligations on VASPs under Law No 83/2017 (as amended). These duties are operationalised by BdP Notice No 1/2023 of 24 January, which adapts Notice No 1/2022 to the virtual asset context and sets out detailed systems, controls, governance and information-handling requirements for VASPs. The Notice aligns national practice with the international framework – anticipating elements of the EU AML/CFT legislative package – and is consistent with

Financial Action Task Force (FATF) Recommendation 15 and FATF's 2021 updated guidance for a risk-based approach to virtual assets/VASPs.

At the EU level, Regulation (EU) 2023/1113 on information accompanying transfers of funds and certain crypto assets (the 'Travel Rule Regulation'), which entered into force on 30 December 2024, requires CASPs to collect, verify and transmit originator and beneficiary information for crypto asset transfers, including cross-border transactions. VASPs registered with BdP and operating before 30 December 2024 are recognised as CASPs for purposes of this Regulation.

The Travel Rule Regulation reflects the international standards developed by the Financial Action Task Force (FATF) in relation to virtual assets and virtual asset service providers. In 2019, FATF updated its standards to require Travel Rule-type obligations, originally developed for wire transfers, to be applied to virtual asset transfers, on the basis that such transfers may give rise to comparable money laundering and terrorist financing (ML/TF) risks. FATF's subsequent guidance and reports have also emphasised the need for ongoing monitoring of illicit-finance risks and emerging ML/TF risks associated with the VASP sector.

In parallel, the EU adopted the horizontal AML Regulation, which creates a single, directly applicable rulebook for AML/CFT and expressly recognises CASPs as obliged entities. From 10 July 2027, CASPs must apply the Regulation's granular requirements, while Member States may still address specific national risks.

Unlicensed exchanges pose material risks to the crypto asset ecosystem: even licensed exchanges can be misused for money laundering schemes. In contrast, exchanges that maintain robust know-your-customer (KYC) records are often essential to help competent authorities link on-chain transactions to real-world identities. The EU's Travel Rule complements both AML/CFT rules and MiCAR in the crypto asset sector by requiring CASPs to collect, verify and transmit sender and recipient information so that it accompanies transfers throughout the payment chain. This approach enhances transparency and strengthens traceability, reducing the opacity that previously facilitated illicit use; by aligning crypto transfer standards with traditional funds-transfer rules, it also supports the sector's integration into the broader financial system, bolstering investor/consumer confidence.

The Travel Rule framework requires originator CASPs to ensure that transfers are accompanied by:

- the originator's name;
- distributed ledger address and/or account number;
- full address, official personal document number, customer identification number or date and place of birth; and
- the beneficiary's name and distributed ledger address and/or account number.

This information must be submitted securely in advance of, or simultaneously with, the transfer. The originator CASP must verify the accuracy of the originator's identity in accordance with customer due diligence requirements and must not initiate or execute transfers before full compliance.

Beneficiary CASPs must detect missing or incomplete originator and beneficiary information, obtain and hold the required information, and verify beneficiary identity before making assets available.

Where information is missing or incomplete, risk-based procedures must be applied to reject, return or request the required information, with repeated failures by counterparty CASPs escalated, restricted or terminated, and reported to the competent authority. Intermediary CASPs must transmit and retain all received information, detect deficiencies, and apply risk-based actions.

For transfers to or from self-hosted addresses (unhosted wallets), CASPs must collect originator and beneficiary information and, for transfers exceeding €1,000, verify whether the self-hosted address is effectively owned or controlled by the client. Enhanced risk mitigation measures apply to such transfers, including risk-based identification and verification, obtaining additional information on origin and destination of crypto assets, and enhanced ongoing monitoring.

The Travel Rule obligations apply to all crypto asset transfers regardless of amount, whether domestic or cross-border, representing a significant departure from traditional funds transfers where domestic transfers below certain thresholds may be exempt. CASPs must also apply customer due diligence measures at €1,000 for occasional transfers, with at least identification measures required below this threshold.

BdP is the competent authority for AML/CFT supervision of VASPs in Portugal, overseeing compliance with Law No 83/2017 and related rules for AML/CFT purposes. Since 2020, BdP has also been responsible for the registration of entities intending to act as VASPs and verifying compliance with the relevant provisions governing AML/CTF. The Portuguese Financial Intelligence Unit receives suspicious transaction reports, which VASPs must submit promptly regardless of amount, along with responses to information requests.

The current status of implementation is that the Travel Rule framework is fully enforceable through directly applicable EU regulations, with Regulation (EU) 2023/1113 applying from 30 December 2024 and Regulation (EU) 2024/1624 (the horizontal AML Regulation, which designates CASPs as obliged entities) applying from 10 July 2027. National AML obligations under Law No 83/2017 and BdP's Notice No 1/2023 are already in force and apply to VASPs operating in Portugal.

Portugal has adopted a comprehensive and enforceable AML/Travel Rule framework for VASPs through directly applicable EU regulations supplemented by national legislation. The Travel Rule applies to all crypto asset transfers regardless of amount, whether domestic or cross-border, with no *de minimis* exemption. VASPs must collect, verify and transmit complete originator and beneficiary information, implement enhanced controls for self-hosted addresses (particularly for transfers exceeding €1,000), maintain robust suspicious transaction monitoring and FIU reporting systems, and ensure General Data Protection Regulation (GDPR)-compliant data handling.

8. Enforcement and cross-border recognition of tokenisation, and structuring of secured transactions involving crypto assets.

In Portugal, the legal framework governing the structuring of financial instruments linked to tokenised assets remains at a preliminary and evolving stage. Although no specific legal framework currently governs 'tokenisation' or the use of crypto assets as collateral, the general legal principles and statutes applicable to financial instruments and the granting of security under Portuguese law continue to apply and must be adapted on a case-by-case basis. For that purpose, the qualification

of specific digital assets (and rights arising thereof) is crucial for determining the relevant applicable security interest.

Structure and types of collateral

Collateral securing obligations arising from digital asset transactions may take various forms and objects, namely:

- the tokenised asset itself;
- receivables or other rights linked to the tokenised asset or its underlying assets, when applicable, such as movable assets, real estate, shares or bank accounts.

In the specific context of collateral over digital assets, Portuguese law does not provide a dedicated framework setting out specific procedures for the creation and perfection of security interests. As a result, parties must rely on the general provisions of the Portuguese Civil Code, supplemented by the relevant procedural and registration rules applicable to secured transactions.

In practice, this requires careful contractual drafting to ensure that the collateral is clearly identified, and enforceability is preserved in accordance with Portuguese law. For the purposes of this text, we will focus on pledges over movable assets as the most common collateral associated with digital assets.

Creation and perfection of security interests

Under Portuguese law, the creation of a security interest over rights and movable assets (which, in principle, encompasses security over digital assets) is governed by the legal framework applicable to pledges (*penhores*) set out in the Portuguese Civil Code. As a form of security interest, a pledge grants its beneficiary a preferential right to payment from the proceeds of the sale of the pledged asset, ahead of unsecured creditors.

The creation of a valid pledge requires compliance with both formal and substantive requirements designed to ensure its effectiveness and opposability to third parties. Fundamentally, a pledge must be evidenced by a written agreement that clearly identifies:

- the secured obligation; and
- the pledged asset.

In addition to this formal element, the pledge must be accompanied by an act that places the pledged asset under the pledgee's effective control, thereby manifesting the transfer of possession or dominion that distinguishes a true security interest from a mere contractual promise to grant security.

Traditionally, effective control is achieved through public registration or the physical delivery of the asset to the pledgee or, in certain cases, through functional equivalents that produce the same legal and practical effect. Such equivalents include the transfer of possession, custody or control in

a manner that enables the pledgee to exercise immediate and independent power over the asset, without reliance on the pledgor's cooperation or consent.

In practice, the manner in which control is established depends on the nature of the collateral. For tangible movable assets, actual or constructive possession by the pledgee is generally required to perfect the security interest. In contrast, for intangible or dematerialised assets (including as book-entry securities, bank accounts or digital tokens), possession in the traditional or physical sense is not possible. In these cases, control may be achieved through contractual or technical mechanisms that ensure the pledgee's exclusive authority or access to the asset. Examples include segregated custody and formal control agreements with financial intermediaries to prevent unauthorised transfers. In the context of digital assets, where custody often depends on the management of private cryptographic keys, control may be achieved through custody-as-a-service frameworks, provided such arrangements effectively isolate the pledged tokens from the pledgor's unilateral reach.

When digital assets are held by a third-party custodian, the perfection of the pledge typically requires the delivery of a joint notice executed by both the pledgor and the pledgee and addressed to the custodian, instructing that control over the relevant assets or the associated private keys be exercised solely in accordance with the pledgee's directions. This notice operates as the functional equivalent of delivery in traditional pledge law, ensuring that the custodian recognises the pledgee's superior right to the asset *vis-à-vis* the pledgor and third parties.

Stamp duty

The granting of security is generally subject to stamp duty. Stamp duty is triggered if the relevant documentation is executed in Portugal or if the obligor, pledgor or guarantor is a Portuguese-resident entity, irrespective of whether the assets themselves are held onshore or offshore.

For purposes of taxation, the taxable base is calculated either on the principal amount of the underlying obligation or, when a security interest is involved, on the maximum secured amount, which is commonly capped to reflect the value of the security assets or the total exposure of the guarantor. To provide certainty and limit the fiscal impact, parties often specify an agreed maximum for the value of secured obligations.

The applicable stamp tax rates are generally determined by the term of the obligation or the duration of the security interest as follows.

Duration	Applicable rate (%)
< 12 months	0.04 per month or fraction thereof
≥ 1 year and ≤ 5 years	0.5
≥ 5 years	0.6

Notably, no stamp tax is levied on if the security interests are materially accessory to a principal obligation that is already subject to Portuguese stamp tax and is granted simultaneously, which is the case with loans and other such financial transactions.

Recognition of foreign governing law clauses

Portuguese courts generally uphold and give effect to contractual choice-of-law clauses, in accordance with the provisions set out in Regulation (EC) No 593/2008 ('Rome I Regulation') on the law applicable to contractual obligations and the Portuguese Civil Code provisions on private international law.

Accordingly, parties are generally free to select the governing law applicable to their contractual relationship: such choice will be recognised and enforced by Portuguese courts provided that the application of the chosen law does not contravene fundamental principles of Portuguese public policy (*ordre public*) or mandatory provisions of Portuguese law deemed essential to the protection of public interests.

However, when the contractual relationship involves the creation, perfection or enforcement of security interests over assets located in Portugal, the principle of *lex rei sitae* (the law of the place where the asset is situated) applies. This means that, while some obligational aspects of the contract (such as the validity and interpretation of the agreement between the parties) may be governed by a foreign law, the *in rem* dimension of the contract, including the creation, perfection, ranking and enforcement of security rights, will typically be subject to Portuguese law.

This distinction is particularly relevant to secured transactions. Although the contractual terms of a security or collateral agreement referencing such assets may be validly governed by a foreign law, the enforcement of the security interest in Portugal may be conditioned upon compliance with Portuguese law requirements, especially where the collateral or elements of the transaction have a territorial connection to Portugal. These include, for example, registration with the competent registry, or delivery and possession requirements under the Civil Code.

Enforcement in case of default

Upon the occurrence of a default, a secured creditor in Portugal may seek to enforce its security interest in accordance with the procedural and substantive requirements of Portuguese law. As a general rule, enforcement proceedings are conducted judicially through an enforcement proceeding (*ação executiva*) before the competent court, culminating in the judicial sale of the encumbered asset and the application of the sale proceeds to satisfy the secured obligations.

Portuguese law adopts a traditionally restrictive approach to out-of-court enforcement. Remedies such as the unilateral appropriation of collateral by the secured creditor are generally prohibited, except in limited and expressly regulated circumstances provided by statute – most notably under Decree-Law No 105/2004, which governs financial collateral arrangements, and Decree-Law No 75/2017, which regulates commercial pledges.

In the context of crypto assets, the absence of a specific enforcement regime under Portuguese law implies that, even where a digital asset pledge has been validly constituted, the secured creditor must generally obtain an enforcement title (such as a notarised document evidencing the secured obligation or a final court judgment) before being authorised to initiate formal enforcement proceedings. The subsequent sale of the collateral would then proceed under the general enforcement procedures applicable to movables or intangible assets, adapted to the nature of the digital asset in question.

9. Litigation and jurisdiction on crypto assets: legal implications of disputes involving crypto assets.

In Portugal, questions of jurisdiction, recognition, and enforcement are governed primarily by Regulation (EU) No 1215/2012 (the 'Brussels I Recast Regulation'), and by the Portuguese Code of Civil Procedure.

A party's submission to a foreign jurisdiction is generally legally valid and enforceable under Portuguese law, provided that it satisfies the standard requirements for contractual validity, including express consent, written form, and the existence of a genuine connection between the designated jurisdiction and the underlying legal relationship or dispute.

Portuguese courts typically respect and uphold contractual jurisdiction clauses designating a foreign forum, particularly where:

- the agreement has been freely negotiated between commercial parties of comparable bargaining power;
- the chosen forum has a material or legitimate connection to the transaction; and
- the clause does not contravene Portuguese public policy (*ordre public*) or mandatory provisions of national law, including those aimed at preventing fraudulent or abusive conduct.

Under the Brussels I Recast Regulation, if a contractual clause designates the courts of another EU Member State as competent, those courts have exclusive jurisdiction, and Portuguese courts are required to decline competence. Where the chosen forum is located outside the EU, Portuguese courts will generally respect an exclusive jurisdiction clause, except where the dispute falls within matters of exclusive Portuguese jurisdiction, such as issues relating to immovable property situated in Portugal or enforcement proceedings on Portuguese territory.

In practice, Portuguese courts will enforce judgments rendered by a foreign court pursuant to a valid jurisdiction clause, subject to the recognition procedure under Articles 978 and following of the Portuguese Code of Civil Procedure. Recognition may be refused only on limited grounds, including a violation of Portuguese public policy, improper service of process, or conflict with a prior final judgment.

In summary, Portuguese law recognises and enforces both submissions to foreign jurisdiction and exclusive jurisdiction clauses in crypto asset disputes, provided these arrangements do not infringe public policy or mandatory territorial competence rules. In the absence of a crypto-specific jurisdictional framework, traditional principles of private international law continue to govern these matters.

10. Intellectual property and crypto assets: legal protection, ownership, enforcement, and monetisation of IP rights related to digital and virtual assets.

Under Portuguese jurisdiction, innovations and inventions are protected under the legal framework of industrial property rights foreseen in the Industrial Property Code, notably through patents and utility models. The protection is granted by the Instituto Nacional da Propriedade Industrial

(INPI) and is subject to strict patentability requirements: novelty (not form part of the state of the art), inventive step (non-obviousness), and industrial applicability. Patents may cover products or processes that solve technical problems or provide new technical solutions, with the scope of protection defined by the claims of the patent, interpreted in light of the description and drawings.

The general rule on the ownership of patents is that the inventor is entitled to it. However, the Industrial Property Code provides that an employer has the right to the patent in relation to any inventions created by an employee during an employment agreement, provided that inventing is expressly envisaged in the employment agreement. The law recognises the inventor's right to be named as such, even if the patent is held by another entity, and provides for remuneration rights if the inventive activity is not specially compensated.

Enforcement and defence of industrial property rights against third-party claims may involve judicial or administrative mechanisms. The parties may resort to courts to resolve any disputes concerning infringement, nullity, and invalidity of patents and utility models. The courts also provide for provisional and protective measures, such as injunctions and preservation or obtaining of evidence, upon demonstration of a reasonable likelihood of infringement or violation of rights. The burden of proof lies with the party challenging the patent's validity or alleging infringement, although the patent grant confers a presumption of validity. It is also possible for patent owners to request customs border actions to detect and prevent the importation of patent-infringing products into Portuguese territory.

Regarding the protection of inventions in foreign jurisdictions, the decision to seek protection abroad depends on strategic commercial considerations, including the size and relevance of the market, manufacturing locations and potential for enforcement. It is essentially a matter of pondering the costs and benefits of obtaining and maintaining protection in other jurisdictions.

Can IP over crypto assets be monetised locally, and are there any legal restrictions?

Under MiCAR, crypto assets means a digital representation of a value or of a right that is able to be transferred and stored electronically using DLT or similar technology.

As such, rights (including IP rights) that are integrated into or underpin such crypto assets can in principle be monetised (eg, licensing, tokenising IP or creating digital tokens representing IP rights).

Portuguese IP laws still apply locally even though the IP rights are incorporated in a crypto asset; if IP is embedded in crypto assets (eg, an underlying software, patent, copyright or design) those IP rights must be properly protected, assigned/licensed, and enforceable to be monetised. There is, therefore, no explicit legal prohibition preventing IP rights in crypto assets from being monetised. However, software as such cannot be protected by patent, its protection being ensured through copyright. The Portuguese legislation follows the European system whereby patents are reserved for inventions that have a technical effect, and such effect does not occur in software (as such) or crypto assets (as such).

Even though monetisation is possible, IP protection must be clear. If underlying IP rights are ambiguous, difficulties in enforceability may arise (eg, regarding ownership, licences and assignments). This is particularly relevant in the case an IP right is tokenised IP without secured chains of title.



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