

Commercial Paper: a new boost for short-term financing?

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Decree-Law No. 102/2026 of 22 May introduces the fourth amendment to Decree-Law No. 69/2004 of 25 March, which governs short-term securities known as commercial paper.

The purpose of this decree-Law is to simplify the commercial paper regime, making it more attractive and functional, not only for companies seeking short-term financing, but also for investors seeking greater diversification or favouring shorter maturities.

The reform rests on three key pillars:

- commercial paper is now expressly defined as debt securities issued for a term of less than one year (whereas previously the term was 397 days or less);
- the regime of prior notification of the prospectus to the Portuguese Securities Market Commission has been thoroughly overhauled. The obligation to provide prior notification remains only for offers directed at unspecified recipients, preceded by solicitation or advertising, or directed at more than 150 retail investors, with the Portuguese Securities Market Commission retaining the right to raise objections within 10 working days – after which the issue may commence. The obligation to give prior notice of advertising material to the Portuguese Securities Market Commission remains in force; and
- offers (both public and private) are no longer required to involve a financial intermediary, whilst the obligation to appoint a sponsor^[1] for the issue remains only in the case of issuers without legal certification of financial statements or an audit of the accounts carried out by a statutory auditor or a firm of statutory auditors.

A number of updates are also introduced to the commercial paper regime (namely by replacing references to qualified investors with professional investors and updating the cross-references to the provisions of the Securities Code and the Asset Management Regime).

This legislation seeks to reposition commercial paper as a more flexible and competitive instrument in the national financial market, by simplifying procedures and reducing regulatory burdens. It remains to be seen whether this debt instrument can establish itself as a genuine alternative to short-term bank financing for companies.

^[1] Credit institutions or companies issuing securities admitted to trading on regulated markets that hold a controlling interest in the issuing entity.

Thinking about tomorrow? Let's talk today.



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