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D4.2 Business establishment conditions in selected regions

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List of abbreviations

CSR Case Study Responsible

CS Case Study

DBR Doing Business report

LLC limited Liability Company

NWFP Non-wood forest product

PSC Points of Single Contact

SMAF SME Access to Finance Index

SME Small and medium-sized enterprise

UK United Kingdom

VAT Value Added Tax Identification number

Consortium partners included

All 14 StarTree case-study regions: Alentejo Region (Portugal), Šumadija and Western Serbia (Serbia), Bursa Province (Turkey), Catalonia (Spain), Latvia (Latvia), North-east Romania (Romania), North Karelia (Finland), Osrednjeslovenska Region (Slovenia), Province of Valladolid (Spain), Eastern Scotland (United Kingdom), Styria Region (Austria), Trentino-Alto Adige (Italy), Waldemärker Region (Germany), West Wales and the Valley (United Kingdom)



Executive summary

The aim of this deliverable titled “Business establishment conditions” is to understand formal conditions (e.g. financial, legal) and requirements for the start of a business (e.g. ease or difficulty and length of time for starting a business, access to credit, etc.) and the availability of institutional support for this endeavour. After analysing the answers of the 14 case study regions, we can stress the following main results:

1. Support and credits for entrepreneurs and start-up companies

In all the case study regions, there is economic support for start-up companies and it is mostly provided by the government (public economic support). In 12 of the 14 case study regions there is also a specific support dedicated to rural areas which is mainly given by the government (in 9 case study regions). The majorities of case study regions have organizations (public organizations or private companies) dedicated to support start-up business and related to the rural sector. We observe a wide range of possibilities in all case study regions related to credits options as in some cases we can find international microfinance institutions (e.g. Romania), finance institutions (Catalonia- Catalan Finance Institute, the official Credit Institute in Castilla y León), national and private banks offering different types of loans depending on the type of company and the activity, networks of business angels (BANCAL created in Castilla y León), private investors acting like private sponsors or banks with loans orientated specifically to SMEs (in the case of the Oresdnjde region- Slovenia).

2. Needs for permits and licenses specific for the NWFP sector

When asking about the licenses and permits specific for the NWFP sector in each partner country, two scenarios were considered:

- Scenario in which the company produces NWFPs
- Scenario in which the company processes NWFPs

In the case of producing NWFPs, in the majority of case study regions (8 of the 14 case studies), there is a special need for a license or permit : 2 cases studies (Trentino-Alto Adige region and Eastern-Scotland) specify that this permit corresponds to the landowner’s permission and can take a form of a written or verbal agreement, for 5 case studies it is a permit specific for NWFPs (game license for Osrednje and Styria-cork/pine kernels/truffles in Catalonia, wild flora/fauna/fungi in Serbia, pine kernels/pine resin/mushroom in Valladolid) In the case of processing them, in the majority of cases studies there is no need of permits or licenses in order to operate in the rural environment.

3. Steps, cost and length of administrative procedures to start-up a business

Regarding the length and cost of administrative procedures, there is quite a disparity between all case study regions as the time needed to gather and fill in all the administrative papers ranges between one day (Portugal) and several months (12 months being the longest period reported from Castilla y León) in the case of companies producing NWFPs. The differences between administrative procedures depend on several factors; the ability to register a business on-line can significantly speed up the process (and this is



often the intent with the installation of on-line procedures), the number of steps and authorizations required from several entities can slow down procedures.

In terms of the costs incurred, we observe the same level of disparity as the cost varies between 1 euro and 50.000 Euros. In the majority of the case study regions a prospective company has to demonstrate it has access to a minimum starting capital. We observe the same disparities in the case of businesses which process NWFPs and the slight differences in terms of length, cost of administrative procedures are due either to the type of company (company producing NWFPs or company processing them- Finland, Portugal, Valladolid, Italia and Serbia) or to the legal form (only in the case of Scotland).



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1 Introduction and contextualization



Figure 1: Regulations as measured by Doing Business firms throughout their life cycle. Source: Doing Business 2014: Understanding regulations for small and medium-size enterprises. World Bank, 2014.

Business regulations have a high stake and influence on the process of starting-up a firm or launching a new product line or service in an existing company as they set the basic conditions necessary for doing business. Figure 1 shows to what extent the legal framework on business affects each component of the firm from starting-up a business to situations of bankruptcy, including daily operations (e.g., paying taxes). In WP4 Section II we focus on the first steps of a firm as well as on the financial and material incentives provided either by public or private bodies, such as the ease to access to certain credits or subsidies. The objective is to draw comparative conclusions regarding business development conditions among the 14 case studies participating in

the StarTree project.

The World Bank¹ report on doing business (see the explanation of the contents and methodology used in the report in the section 2. Materials and methods) points out that the most efficient companies (those with the highest ranking in the World Bank classification) are the ones whose countries count on a solid regulatory system based on strong institutions and low transactions costs. Anyway the reasons for success for these firms seem to rest upon a subtle balance between the protections provided by good rules and a dynamic private sector whose potential isn't hindered by excessive regulations. *What is the business regulation pattern is in the 14 case studies? In what extent does it affects the innovation and production potential of NWFP firms in each case study?* Those are the main questions we should be able to answer by analysing the responses to the WP4 Section II questionnaire.

2 Materials and methods

The aim of the Task 4.2 "Business establishment conditions" is to understand formal conditions (e.g. financial, legal) and requirements for the start of a business (e.g. ease or difficulty and length of time for starting a business, access to credit, etc.) and the availability of institutional support for this endeavour. To illustrate the situation in the non-wood forest products (NWFP) sector of each StarTree case study (CS) regions, a questionnaire was developed.

¹ World Bank. 2013, "Doing Business 2014: Understanding regulations for small and medium-size enterprises", Washington, DC: World Bank

As explained in the Data Collection Handbook (StarTree Deliverable 1.2), the questionnaire consisted of two parts, with common and specific questions. The latter depend on the type of enterprise the respondent was answering for.

For this section the respondent had to imagine that he or she wants to start up two types of enterprises either:

- in the producer's sector (producer) or
- devoted to processing of edible NWFPs (processor)

These "imaginary" enterprises had to fulfil the following requirements:

- to be an Small and Medium-sized (SME) enterprise
- to be either a Limited Liability Company (LLC) or any kind of legal form if and only if justified as the main legal form in the CS region
- is active in the production (wild or cultivated) or processing of edible NWFP
- is established in a rural environment and has at most ²10 employees

The first part included general questions on the basic steps and procedures to start up a business and the support given by public or private bodies (e.g., subsidies, economic, financial incentives, support programmes, options in terms of access to credits and funding). In the second part of the questionnaire, the respondent had to answer twice the questions in order to get two different scenarios (one for a company in the producer's sector (producer) and the other one for a firm devoted to processing of edible NWFPs (processor)) for each case-study region about length and cost of administrative procedures as well as the existence of mandatory capital for starting-up the business.

The questionnaire was sent and completed by each case study responsible (CSR).

In order to complete the analysis of the questionnaires, the following sources or documents were reviewed:

- World Bank "Doing Business report" prepared by the World Bank
- SME Access to Finance Index (SMAF) developed by the European Commission

The World Bank "**Doing Business report**" is published annually since 2003. It points to important trends in regulatory reform and identifies the regions and economies making the biggest improvements for local entrepreneurs. The starting a business part of the report includes processes for obtaining all necessary licenses and permits, and for completing any required notifications, verifications or inscriptions for the company and employees with relevant authorities.

The methodology is based on a detailed list of procedures, along with the time and cost of complying with each procedure under normal circumstances and the paid-minimal capital requirement. Local incorporation lawyers, notaries and government officials complete and check the data. The report presents a ranking on the ease of starting a business based on four indicators that measure the:

² Please note that these requirements are specific for the questionnaire and it is not based on the definition of the European Union of small and medium-sized enterprise that is to say an enterprise with a number of employees up to 250 and a turnover which ranges from 2 million (can be inferior or equal) and 50 million can be inferior or equal)



- procedures to legally start and operate a company (number)
 - o Preregistration (for example, name verification or reservation, notarization)
 - o Registration in the economy's largest business city
 - o Post registration (for example, social security registration, company seal)
- time required to complete each procedure (calendar days)
 - o Does not include time spent gathering information
 - o Each procedure starts on a separate day
 - o Procedure completed once final document is received
 - o No prior contact with officials
- cost required to complete each procedure (% of income per capita)
 - o Official costs only, no bribes
 - o No professional fees unless services required by law
- paid-in minimum capital (% of income per capita)
 - o Funds deposited in a bank or with a notary before registration (or within 3 months), as a % of income per capita

Each annual report is published on-line and can be downloaded. The annexes present the values of the indicators for each country as well as their ranking calculated as the simple average of the percentile rankings on each of the 10 topics included in the index in Doing Business 2013: starting a business, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency.

The information presented in this report is important in the framework of the project as it allows us to have a comparative approach between the different European partners of the project and more specifically about which are the trends in regulatory reforms in each country participating in the StarTree. Besides, it can help to obtain an overview of legal, economic and administrative procedures and their complexity.

At the European level also the **SME Access to Finance Index (SMAF)** developed by the European Commission was reviewed, in order to monitor developments in the SME's access to financial capital and analyse differences between Member States. It provides an indication of the development of SME's access to finance over time for the EU and its Members States. The index (EU 2007=100) allows comparison between different countries and is compounded of sub-indices such as: access to debt finances, access to equity finances and perceptions of SME to accessing finance. The interpretation of the overall SMAF and its sub-indices is very interesting because it reveals whether a country has a poor performance against the access to finance or not (respectively with low and high values) and whether the country demonstrates a relative improvement regarding accessing finances or not in the last years (a year-on-year increase testifies of this improvement). The **Small Business Act (SBA) Fact Sheets** is the document in which each country is analysed on the basis of the SMAF index. The European Commission provides in its website a summary of the essential information country per country in the basis of this SBA.



3 Results

3.1 Doing Business Report

Data extracted from the World Bank's DBR were analyzed to have a first picture on the ease of starting and doing business in the 12 countries involved in the StarTree project (Table 1).

Table 1: Overview of rankings of the 12 StarTree countries involved in the study from a doing business point of view and among 189 world economies (Source: World Bank. 2013)

| | | |
|---|--|--|
| <p>AUSTRIA Ease of doing business (rank) 30 Starting a business (rank) 138 Procedures (number) 8 Time (days) 25 Cost (% of income per capita) 4.8 Minimum capital (% of income per capita) 47.8</p> | <p>FINLAND Ease of doing business (rank) 12 Starting a business (rank) 55 Procedures (number) 3 Time (days) 14 Cost (% of income per capita) 1.1 Minimum capital (% of income per capita) 7.0</p> | <p>GERMANY Ease of doing business (rank) 21 Starting a business (rank) 111 Procedures (number) 9 Time (days) 14.5 Cost (% of income per capita) 4.7 Minimum capital (% of income per capita) 0.0</p> |
| <p>ITALY Ease of doing business (rank) 65 Starting a business (rank) 90 Procedures (number) 6 Time (days) 6 Cost (% of income per capita) 14.2 Minimum capital (% of income per capita) 9.8</p> | <p>LATVIA Ease of doing business (rank) 24 Starting a business (rank) 57 Procedures (number) 4 Time (days) 12.5 Cost (% of income per capita) 1.9 Minimum capital (% of income per capita) 0.0</p> | <p>PORTUGAL Ease of doing business (rank) 31 Starting a business (rank) 32 Procedures (number) 3 Time (days) 2.5 Cost (% of income per capita) 2.4 Minimum capital (% of income per capita) 0.0</p> |
| <p>ROMANIA Ease of doing business (rank) 73 Starting a business (rank) 60 Procedures (number) 5 Time (days) 8.5 Cost (% of income per capita) 2.4 Minimum capital (% of income per capita) 0.7</p> | <p>SERBIA Ease of doing business (rank) 93 Starting a business (rank) 45 Procedures (number) 6 Time (days) 11.5 Cost (% of income per capita) 7.2 Minimum capital (% of income per capita) 0.0</p> | <p>SLOVENIA Ease of doing business (rank) 33 Starting a business (rank) 38 Procedures (number) 2 Time (days) 6 Cost (% of income per capita) 0.0 Minimum capital (% of income per capita) 44.1</p> |
| <p>SPAIN Ease of doing business (rank) 52 Starting a business (rank) 142 Procedures (number) 10 Time (days) 23 Cost (% of income per capita) 4.7 Minimum capital (% of income per capita) 13.4</p> | <p>TURKEY Ease of doing business (rank) 69 Starting a business (rank) 93 Procedures (number) 6 Time (days) 6 Cost (% of income per capita) 12.7 Minimum capital (% of income per capita) 13.2</p> | <p>UNITED KINGDOM Ease of doing business (rank) 10 Starting a business (rank) 28 Procedures (number) 6 Time (days) 12 Cost (% of income per capita) 0.3 Minimum capital (% of income per capita) 0.0</p> |



To understand better **the ranking on the ease of starting up a business**, the indicators “procedures”, “time”, “cost” and “minimum capital” can be used (Table 1). Among the StarTree countries United Kingdom, Portugal and Slovenia are the best ranked. We observe that for both UK and Portugal, there is no minimum capital required to start up a business and in the case of Slovenia the administrative procedures are free of charge. Despite the length of administrative procedures in the UK, the country remains the easiest place to start up a business within the 12 StarTree countries; one of the reasons can be the low cost for administrative procedures and that there is no minimum capital required. While Portugal and Slovenia do not fulfil both of these conditions.

The worst ranked StarTree countries to start a business venture are Spain, Austria and Germany. The number and length of procedures for these three is higher than in other StarTree countries. In Spain and Austria, more than 20 days are needed to get your business venture created. Also in Austria the minimum capital required is the highest of all 12 countries but still this indicator doesn't allow us to draw definitive conclusions as we observe that in Slovenia, yet ranked as one the easiest place to start a business in, the minimum capital requirement is high, even higher than in Spain.

Besides, the better results for some countries regarding the ease of starting a business are related with the implementation of good practices such as:

- Implementation of online procedures
- no minimum capital requirements
- existence of one-stop shop points, where a single contact is available for easy completion of formalities. In the European Union, there is the EUGO network promoted by the European Commission that gathers all the points of single contacts in each of the member states (all StarTree countries except Turkey and Slovenia). The points of single contact are online e-government portals that address entrepreneurs' issues in terms of new business opportunities, business expansion in other EU countries. The information that can be found in the PSC deals with rules, regulations and formalities as well as the online procedures necessary to start up a new business.

The provided indicators can help us to distinguish between the “easiest” and the “most difficult” StarTree countries to start a new business venture, but they are only a sample of indicators and thus might not provide an accurate picture.

If we take a closer look at the steps that some of the above-mentioned countries have taken to ease the start up of a business, we observe that most of them are undertaking business registration reforms in stages and often as part of larger regulatory reform programs. Through this approach they intend to create greater firm satisfaction, savings, more registered business ventures as well as financial resources and job opportunities. The DBR recorded some of these reforms in all the 189 ranked economies; we highlight some of them within the countries pointed out as being the easiest to start up a company in UK, Portugal and Slovenia.

For instance, in 2014 the UK made starting a business a lot more easier than it used to be by providing model articles for use in preparing memorandums and articles of associations that are two of the key administrative documents for the constitution of a company. In the case of Portugal, first in 2012, the government allowed company founders to choose the amount of minimum capital. Finally, in Slovenia, we



can quote the 2010- reforms reducing the time for company registration, allowing for simultaneous tax registration and eliminating the company seal.

If we observe the **indicator of ease of doing business**, the trends are quite different because, although UK remains the easiest country to do business, followed by Finland and Germany. On the other hand, Serbia Romania, Turkey and Italy appear to be the most difficult countries to make business.

To better understand differences between countries in terms of the “ease of doing business”, we refer once again to the DBR as it explains the different factors to, which this indicator takes into account, like:

- the ease of starting up a business in terms of cost, minimum capital requirement and length of procedures
- the complexity and cost of regulatory processes such as dealing with construction permits, getting electricity, registering property, paying taxes and trading across borders
- the strength of legal institutions in terms the access to credits, protection of investors (disclosure and liability in related-party transactions), enforcement of contracts (procedures, time and cost to resolve a commercial dispute), resolution of insolvency (time, cost, outcome and recovery rate) and employment of workers (flexibility in the regulation of employment)

As an illustration, we can quote the rankings related to construction permits, paying taxes and enforcing contracts. Serbia obtains the lowest ranking of all StarTree countries regarding construction permits followed by Romania, Turkey and Italy. In terms of taxes, they are the highest in Serbia and Italy. We can highlight that Italy also appears as the country with less facilities regarding time, procedures and cost when dealing with a commercial dispute, while Turkey has less flexibility in the regulation of employment among all 12 StarTree countries.

3.2 SME Access to Finance Index

The SMAF index is the result of the calculation and combination of the debt finance sub-index and the equity finance sub-index. Behind each of these two sub-indices, there is a series of indicators as detailed below and according to the European Commission:

DEBT FINANCE SUB-INDEX

- Percentage of firms using bank loans
- Interest rates on loans up to 250 thousand Euros
- Interest rates for overdrafts
- Percentage of firms using bank overdraft, credit line and credit cards overdraft
- Percentage of firms using leasing or hire purchase or factoring (acquisition of credits coming from the selling of real estate)
- Percentage of companies not applying for bank loan because of a possible rejection
- Rejected loan applications and unacceptable loan offers
- Willingness of banks to provide a loan calculated on the basis of the percentage of respondents who indicated a deterioration in the access to the loans in question

EQUITY FINANCE SUB-INDEX



- Total venture capital investment in thousands of Euros and as a percentage of the gross domestic product as it is commonly used in economy to measure the growth of an economy year to year
- Number of venture capital beneficiary SMEs ranked according to their gross domestic product
- Total volumes invested by business angels invested given as a percentage of the gross domestic product
- Number of deals where business angels invested given as a percentage of the gross domestic product
- Percentage of firms feeling confident to discuss about financing with equity investors/venture capital firms

Figure 2: Presentation of the SMAF index in 10 of the 12 StarTree countries

| | | SMAF index (EU = 100, 2007) | | | | | |
|-----------------------|-----------|-----------------------------|-------|-------|-------|-------|-------|
| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Austria | AT | 110,5 | 110,4 | 117,1 | 120,4 | 120,6 | 119,9 |
| Germany | DE | 108,5 | 109,0 | 112,7 | 114,2 | 113,4 | 120,4 |
| Spain | ES | 85,4 | 83,1 | 80,1 | 89,3 | 99,4 | 93,9 |
| Finland | FI | 106,2 | 106,2 | 112,2 | 122,1 | 117,1 | 114,5 |
| Italy | IT | 102,1 | 104,1 | 110,3 | 110,3 | 104,8 | 95,3 |
| Latvia | LV | 87,3 | 88,2 | 77,4 | 96,6 | 112,9 | 112,5 |
| Portugal | PT | 94,2 | 93,5 | 96,3 | 98,1 | 91,1 | 84,6 |
| Romania | RO | 91,0 | 88,2 | 85,6 | 91,2 | 91,7 | 93,9 |
| Slovenia | SI | 99,0 | 97,2 | 100,5 | 103,7 | 105,1 | 104,8 |
| United Kingdom | UK | 103,3 | 106,1 | 113,1 | 109,6 | 105,8 | 105,3 |
| European Union | EU | 100,0 | 99,5 | 102,1 | 104,4 | 103,9 | 104,1 |
| Euro zone | € | 101,6 | 101,4 | 105,7 | 107,0 | 104,9 | 104,6 |

The evolution of the SMAF index in the 10 of the 12 StarTree countries (Serbia and Turkey are excluded from this SMAF index) is shown in the figure 2. In general, the value of the SMAF index has been rising since 2008. Countries with a better access to financial resources over the 2007-2012 period are Germany and Austria, while the worst access is shown for Portugal, Spain, Italy and Romania. It is interesting to stress that in Spain for example, it coincides with the results shown in the previous section, where Spain was the country with the lowest score in terms of ease in starting-up a business. If we observe the evolution of the SMAF index over the period 2007-2012, we can see the majority of the 10 countries has improved the access to financial resources (Austria, Germany, Spain, Finland, Latvia, Romania, Slovenia, UK), while the Portugal and Italy haven't. One of the key elements to understand this increase can be the drop of interest



rates for loans and overdrafts since 2009, which results in an improvement of the debt finance sub-index score (which can be applied generally for 25 of 28 member States on the overall period 2007-2013). Other trends of interest to help understand the rise and fall of the SMAF index are (i) the fall of the venture capital investment between 2007 and 2009 and (ii) the slight increase of the business angel investments between 2007 and 2013.

3.3 Results of the first part of the questionnaire (Common part)

The first part of questionnaire addressed general issues of in the early stages of the SMEs' lifecycle such as:

- The steps and procedures that need to be undertaken to start-up a SME (or any legal form dominant in the respondent's region)
- The possibility of registering a new business online and explanation of steps and procedures for signing in and completing the whole process
- The existence and characteristics of economic support provided by the government for entrepreneurs and start-up companies in each region as well as existence and characteristics of economic support specific for SME in the rural sector.
- The existence and characteristics of public organizations or private companies dedicated to support start-up businesses as well as existence and characteristics of public organizations or private companies dedicated to support businesses related to the rural sector
- The options to find some credits for business ventures in each CS region

3.3.1 Steps and procedures to be undertaken to start-up a SME

To understand better the barriers of business start-up, it was first necessary to focus on the main steps an entrepreneur should take. Thus, for each case study region the Case Study Responsible (CSR) had to describe the steps of establishing a Limited Liability Company (LLC) or any other legal form different from LLC but the main legal form in the region. We must note that some CSRs opted for providing general information on steps and procedures independently from the legal form.

As an introduction Figure 3 shows the keys to understand the relations between cost and length of administrative procedures (paying or depositing a minimum capital, preregistration, registration and post-registration) to start a business. By procedure we mean any interaction of the company founders with external parties (e.g., government agencies, lawyers, auditors or notaries). Also the DBR records all the procedures required of all businesses but doesn't take into account sector-specific procedures (licenses or permits) and it is precisely the aim of this section: getting a general overview of procedures for companies in any kind of sector. The longer (number of days) these procedures take, the more cost it generates.



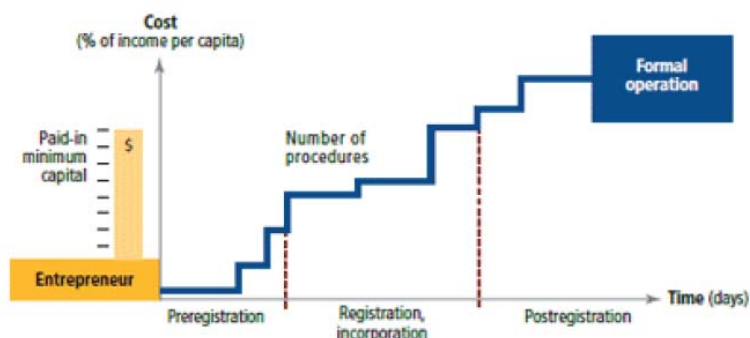


Figure 3: Time, cost, paid-in minimum capital and number of procedures to get a local limited liability company up and running

To facilitate cross-regional comparison (for more details of the procedures, please refer to Annex 1), we use categories defined in the DBR:

- Preregistration: all procedures dealing with name verification or reservation, notarization
- Registration
- Post-registration: all procedures dealing for instance with social security registration, company seal.

Table 2: Details of the main procedures in each of the StarTree CS region for launching a new business

| Name of the CS | Preregistration | Registration | Postregistration |
|----------------------|--|---|---|
| CS1 Alentejo | <ul style="list-style-type: none"> - Business plan - Choosing the legal form - Arranging financing and support | <ul style="list-style-type: none"> - Establish the company - Forma an association - Choose the location of the company | |
| CS2 Bursa | <ul style="list-style-type: none"> - Activity of the company explained - Turkish chamber of trade checking business name - Business declared in Journal of Trade record | <ul style="list-style-type: none"> - Certificate of opening and working of place business is required - Registration to the related chambers (depending on the activity) and payment of a fee for opening | |
| CS3 Catalonia | <ul style="list-style-type: none"> - Business plan - Looking for local for future company - Opening of documents processing - Public writing of constitution | <ul style="list-style-type: none"> - Creation of the commercial name - Constitution of LLC: social status, VAT Number (number of fiscal identification) | <ul style="list-style-type: none"> -Declaration at the State Census (Social Security) - Registering the patents in the Register of Patents and Brands |
| CS4 Eastern Scotland | <ul style="list-style-type: none"> - Check through the Companies House database that the company name is not already yet in use | <ul style="list-style-type: none"> - Register through HM Revenue & Customs (UK Government) as for any type of company (sole trader, partnership, LLC) providing National Insurance Number, name, date of birth and contact details, company name and address, date of start of trading and explication of business' activities | <ul style="list-style-type: none"> - need of opening a bank account |



| Name of the CS | Preregistration | Registration | Postregistration |
|---|---|---|--|
| | | <ul style="list-style-type: none"> - Choose a company name - Register with Companies House | |
| CS5 Latvia | <ul style="list-style-type: none"> - Decision regarding the foundation | <ul style="list-style-type: none"> - Payment of the equity capital - Registration in the register of enterprises (name of the company, purpose of the activities of the company, legal address, amount of equity capital, quantitative structure of the boards of directors) - registration in the State Revenue Service | <ul style="list-style-type: none"> - opening of a bank account |
| CS6 North Karelia | <ul style="list-style-type: none"> - Idea - Business plan - Choosing the form of the enterprise - Find out if entrepreneurship needs a license | <ul style="list-style-type: none"> - Start-up notification to Finnish business Information System - Possibility of registering to the Register of Companies, subject to VAT, preliminary taxation register and to the register of employers. | <ul style="list-style-type: none"> - sorting out the accounting and taking all the necessary insurances |
| CS7 Osrednjeslovenska-Slovenia (in this case the sole trader form is described because it is the most common one ⁹) | <ul style="list-style-type: none"> - Certify name for the company | <ul style="list-style-type: none"> - Register type of business activities - Register the company in the tax registry to obtain tax identification number (VAT Number) | <ul style="list-style-type: none"> - registration in the health and pension in insurance system |
| CS8 Styria | <ul style="list-style-type: none"> - Obtain information from the Styrian Federal Economic Chamber that the start-up is really a new enterprise - Notarization of statutes/contracts of business or declaration of establishment | <ul style="list-style-type: none"> - Deposit minimum capital requirement on a bank account - Registration of the company at the local court (declaration of establishment prenotarized, articles of association, declaration of acknowledgement of payment of first deposit of money, etc) - Signing in as member in the Chamber of Commerce - Tax office registration in order to obtain the VAT number | <ul style="list-style-type: none"> - Register trade with the Styrian administrative authority - Register employees for Social Security - Register with the Styrian Municipality |
| CS9 Suceava | <ul style="list-style-type: none"> - Registration of the company name | <ul style="list-style-type: none"> - Establishing headquarters, filling in required disclaimers - Prepare Articles of Incorporation (Like: Identification of the members, Form, name and registered office, Statements of shareholders; The object of the company, specifying, the Company's Statute, scope and main activity, social capital, secondary offices, Operating time of the society, The dissolution and liquidation of the company) - Opening bank account and deposit social capital | <ul style="list-style-type: none"> - Registration at the National Trade Register Office |



| Name of the CS | Preregistration | Registration | Postregistration |
|--|--|---|--|
| CS10 Sumadija and Western Serbia | <ul style="list-style-type: none"> - Notarize the memorandum of association at the Basic Courtor at the Municipality | <ul style="list-style-type: none"> - Pay registration fees - Apply and obtain the registration certificate, tax identification number, pension fund and health fund certificates, certify the signatures for opening bank account | <ul style="list-style-type: none"> - Make stamps and seal - Register with local tax authority - Register employment contracts |
| CS11 Trentino Alto Aldige | | <ul style="list-style-type: none"> - Certify new business - Certificate of usability of the buildings | |
| CS12 Valladolid | <ul style="list-style-type: none"> - Business plan - Feasibility plan - Advice of the right legal from to choose with the Chamber of Commerce | <ul style="list-style-type: none"> - Opening of activity through the regional government and registrations with licenses and specific registers (industrial, medical, food, trade, transport, tourism, etc) - Articles of association and registration in the adequate Register | <ul style="list-style-type: none"> - Liability civil insurance must be obtained |
| CS13 Waldmärker | <p>Creation of a business plan, compulsory if there is an intention to apply for subsidies; otherwise it is strongly recommended.</p> | <ul style="list-style-type: none"> - Registration at the trading supervision department - Registration at the local tax and revenue office registration at the corresponding Chamber (Commerce, industry, etc depending on the activity) - Trade registers registration if applicable (depending on the legal form of the business). - Registration at the local tax and revenue office. - Registration at the Chamber of Industry and Commerce/Chamber of Handcraft/Chamber of Agriculture (depending on the area of business activities) - Clarify user rights of business name | <ul style="list-style-type: none"> - Application for the membership at the employer's liability insurance coverage - Registration at the Federal Employment Agency if number employees requires it - There might be further qualifications and licenses needed, such as a certification of good conduct, insurance certificates, degrees, diplomas and many more. |
| CS14 West Wales and the Valley | <ul style="list-style-type: none"> - Check through the Companies House database that the company name is not already yet in use | <ul style="list-style-type: none"> - Register through HM Revenue & Customs (UK Government) as for any type of company (sole trader, partnership, LLC) providing National Insurance Number, name, date of birth and contact details, company name and address, date of start of trading and explication of business' activities - Choose a company name - Register with Companies House | <ul style="list-style-type: none"> - Need of opening a bank account |

In order to put it into a nutshell, we can point out some of the most common steps for starting-up a business in the different CS regions.

- Preregistration phase:



- Preparing a business plan is non-mandatory but strongly recommended in Finland, Portugal, Spain (both Catalonia and Valladolid) and Germany. In the later case it is mandatory if applying for subsidies
- Checking enterprise name and activities in order to make sure the business or its name isn't already yet in use like in United Kingdom (both Scotland and Wales), Austria and Turkey

- Registration phase (common to all CS regions):

- Sign in the proper registers depending on the company's activity (food, trade, industry, etc.)
- Registration at the local tax and revenue office in order to obtain accreditations, VAT number, etc.
- Opening a bank account for depositing the minimum mandatory capital was quoted for Styria, Romania and Catalonia

- Post-registration phase:

- Registration of the brand or patent in order to protect both the commercial name of the company and its activities

Finally, we must highlight that in all CS regions, except in Serbia and Turkey, portals or websites are available where all the procedures can be accomplished on-line, to save time and money. Annexe 2 provides detailed steps that need to be undertaken for registering a new business on-line.

3.3.2 Existence and characteristics of support provided by the government

In all case study regions governments can provide business ventures with subsidies, funding and technical assistance. Thus, the aim of this section is to find out whether the support is only economic or includes also mentoring and personal/technical assessment for "young" businesses. The support the government provides includes:

- **General support** - economic and technical support addressed to SMEs **in any kind of environment and for any sector** (companies in urban, peri-urban and rural areas and in the industrial, agricultural, forestry, food sector among other sectors). General support thus refers to grants, sponsorships, subsidies or help in finding funding/financing partners but also to personal advice about starting businesses from the legal, economic, social point of view

- **Support specific to rural areas** - economic and technical support addressed to SMEs in rural environment only. General support thus refers to grants, sponsorships, subsidies or help in finding funding/financing partners but also to personal advice on starting businesses from the legal, economic, social point of view for businesses located in rural areas.

Table 3 presents information about the existence of General Support support to start-up companies (results for rural sector will be detailed further on in section 3.1.4) in the case study regions.

Table 3: Existence and characteristics of general support for entrepreneurs and start-up companies in the 14 case-study regions



| Name of CS | General Support | Type of General Support |
|----------------------------------|-----------------|-------------------------|
| CS1 Alentejo | YES | PUBLIC |
| CS2 Bursa | YES | PUBLIC |
| CS3 Catalonia | YES | PUBLIC |
| CS4 Eastern Scotland | YES | PUBLIC |
| CS5 Latvia | YES | PUBLIC |
| CS6 North Karelia | YES | PUBLIC |
| CS7 Osrednje- slovenska region | YES | PUBLIC |
| CS8 Styria | YES | PUBLIC |
| CS9 Suceava | YES | PUBLIC/PRIVATE |
| CS10 Sumadija and Western Serbia | YES | PUBLIC |
| CS11 Trentino Alto Adige | YES | PRIVATE |
| CS12 Valladolid | YES | PRIVATE |
| CS13 Waldmärker | YES | PUBLIC |
| CS14 West Wales and the Valley | YES | PUBLIC |

In all case study regions, the support for start-up companies is provided by governments either at local/regional or national level. Only in the case of Romania the support is both, public and private.

This general support provided by the government consists of:

- **Promoting the participation or application of start-ups in national and local/regional-scaled programmes.** This way, business ventures might access more easily to subsidies or grants in order to fund their own projects. These programmes include:

- *National programmes* as frameworks for the implementation of the EU policy on economic and social matters (i.e., currently for the period 2014-2020). For example, in Portugal the National Strategic Reference Framework aims at enhancing knowledge, science, technology and innovation and gathers opportunities for start-ups for innovating.
- *Regional Programmes* funded by the European Regional Development Fund (ERDF), which allow regional governments in European countries to manage their own regional development fund. Some of the partners (Slovenia and Valladolid) quote them as a source of funding for enterprises but in this case the regional governments act only as intermediaries between entrepreneurs and the EU.

- **Funding entrepreneurs and start-up companies through:**

- *Autonomous public institutions.* One example is Turkey, where the Turkish scientific and technological research council (TUBITAK) provides entrepreneurs with programs financing up to



75% of their innovation processes, or the Small and Medium Enterprises Development Organization called KOSGEB, which offers economic support for entrepreneurs and start-up companies through financing interests for investment loans. Another example comes from Catalonia where the Agency “Invest in Catalonia” (ACCIÓ) offers different types of subsidies and grants which are aimed at innovation, internationalization and investment projects. In North Karelia (Finland), the Centre for Economic Development, Transport and the Environment (ELY Centres) provides assistance in questions related to entrepreneurship and subsidy services for developing the company. In Styria (Austria), the Styrian Agency for Entrepreneurship Promotion provides economic support by facilitating cheaper bank credit rates or financing 20% of investment capital for business ventures.

- *Financial institution.* In Latvia, the State Joint Company Latvian Development Financial Institution Altum (former Mortgage and Land Bank of Latvia, a state-owned bank) implements state support programmes for funding development of small and medium businesses. In Slovenia, the Slovenian Enterprise Fund acts as a facilitator and provider of funds for SMEs. In the case of Romania, the National Loan Guarantee Fund for SME provides guarantees to commercial banks or financial institutions for loans.
- *Local programmes* addressed to specific areas or type of entrepreneurship. In the case of Scotland, the Enterprise Ready Fund stood out as a government funded programme which distributed up to 75 000 Euros to help maintain, develop and grow Scotland’s enterprising third sector. In Romania, the National Agency for SMEs implements programmes for the development and support of entrepreneurship.
- *Specific subsidies* as described in the Trentino Alto Adige region in Italy where several public mechanisms exist to subsidize the creation of new business ventures by covering the start-up cost for enterprises called “seed money” or the “marketing fund” used by the companies to enlarge their customer networks.

- Advising and orientating entrepreneurs on their businesses through:

- *Public web portals* providing entrepreneurs with tools and methods on how to develop a business idea and consolidate it, as well as how to find the funding and credit lines. In Catalonia, the Catalunya Emprèn (“Catalonia Undertakes”) web portal gathers for different types of entrepreneurships (e.g., female entrepreneurship, sole traders, cooperatives, and young entrepreneurship) support programmes, which include detailed explanations of steps to be taken when establishing an enterprise, information on existing funding and subsidies, and about best places or professionals providing personal assessment.
- *Public local offices* where the entrepreneur can look for business advisers and information. In Scotland, the Business Gateway stands out a wide range of professional resources and support, helping the entrepreneur to identify funding sources, networking with other businesses or simply need advice on tax, marketing or sales. In Serbia, the National Agency for Regional Development offers the following services in matters of starting a company: entrepreneurial services such as advice in the field of finance and law, business start-up training or mentoring that includes a relatively long process of support for enterprises that find themselves in a crucial moment.
- *Specific schemes* such as the “Business Wales scheme” delivered by different business support companies, which includes support for preparing business plans, finance options, research &



development, legal structures, and is usually a prescribed number of hours of time from a qualified business consultant.

3.3.3 Existence and characteristics of support provided by public institutions or private organisations

Not only governments, but also private organisations might provide general support (as defined in the section 3.1.2) to business ventures. Table 4 provides an overview what type of institutions provide start-up support in the case study regions.

Table 4: Existence and characteristics of general support from either public or private organisations in order to support start-ups

| Name of CS | General Support | Type of General Support |
|----------------------------------|-----------------|-------------------------|
| CS1 Alentejo | YES | PRIVATE |
| CS2 Bursa | NO | - |
| CS3 Catalonia | YES | PUBLIC |
| CS4 Eastern Scotland | YES | PRIVATE |
| CS5 Latvia | YES | PUBLIC |
| CS6 North Karelia | YES | PUBLIC |
| CS7 Osrednje- slovenska region | YES | PRIVATE |
| CS8 Styria | YES | PUBLIC |
| CS9 Suceava | YES | PUBLIC |
| CS10 Sumadija and Western Serbia | YES | PUBLIC |
| CS11 Trentino Alto Adige | YES | PRIVATE |
| CS12 Valladolid | YES | PRIVATE |
| CS13 Waldmärker | YES | PRIVATE |
| CS14 West Wales and the Valley | YES | PRIVATE |

In all case study regions except in Turkey, there are public or private institutions dedicated to provide general support to start-up businesses. The majority of these institutions are private (in 7 case study regions).

Private organisations are providing general support in following forms:

- **By promoting the competitiveness of companies through the development and diffusion of an innovative and entrepreneurial practice and culture, and offering training courses in the field of “doing business”.** In Portugal, the Entrepreneurial Association for Innovation provides a free training programme



in technology commercialization aiming at supporting the transfer of knowledge created in Portuguese research and development institutions. In Slovenia, business incubators, technology-transfer offices support the complete process of creating new business. In Spain (Valladolid), the Entrepreneur Service Points are providing the entrepreneur with information, documentation processing, consulting, training and support on business finance. Finally, in Italy the federations of craftsmen and agriculture, among other private professional organisation, offer assessment on doing business but specifically for the trade that it represents.

- **By supporting and awarding specific fields of entrepreneurship**, such as the social one, to acknowledge the special work that these types of companies do. In Scotland, the consortium of social enterprise support agencies, Just Enterprise, stands out as a provider of business support and development services to Enterprising Third Sector Organisations across the country or the Welsh Foundation dedicated to offering a series of awards for social entrepreneurs.

Regarding the public institutions, the characteristics of the general support are quite similar to the ones explained in the section 3.1.2 (General support provided by the government). The state is likely to bring support to entrepreneurship through public agencies, institutions, and foundations, providing:

- **Support to improve the competitiveness and the innovation in SMEs** through public agencies (e.g., Finnish Funding Agency for Technology (TEKES))

- **Advice and orientation to entrepreneurs on their businesses** through free assessment offered by public agencies. In Catalonia, Barcelona Activa is one of these public agencies subsidized by the city's town hall and aiming at assisting the entrepreneur in his/her procedures from the idea until the initialization of the business.

- **Special support for young innovative enterprises** such as in Finland where TEKES provides assessment for innovative business ventures with the aim of speeding up their growth and their globalizing.

In the case of Romania and Serbia, the public institutions quoted in this section are the same as the ones presented in the section about general support provided by the government. In Serbia, this is the National Agency for Regional Development that offers some of the following services in matters of starting a company: entrepreneurial services such as advice in the field of finance and law, business start-up training or mentoring that includes a relatively long process of support for enterprises that find themselves in a crucial moment. In Romania, it is the National Loan Guarantee Fund for SME provides guarantees to commercial banks or financial institutions for those seeking loans.

To put it into a nutshell, we can say that the reality is more complex than it seems regarding the funding of start-up businesses because although partners declare the support comes from public or private institutions, we do observe a "mix" of private and public funding coming due to:

- The nature of the institutions themselves (semi-public, private/public, etc)
- The kind of funds offered by the institution (can be private institutions but looking for public funds)

3.3.4 Support specific to rural areas



The aim was to find out if there was any kind of support given to rural areas coming from either the government or private and public institutions.



Table 5: Existence and characteristics of support from either public or private organisations or the government in order to support start-ups specifically in the rural sector

| Name of CS | Support specific to rural areas (Government) | Type of support specific to rural areas (Government) | Support specific to rural areas (Private /Public institutions) | Type of support specific to rural areas (Private /Public institutions) |
|----------------------------------|--|--|--|--|
| CS1 Alentejo | YES | PUBLIC | NO | - |
| CS2 Bursa | NO | - | NO | - |
| CS3 Catalonia | YES | PRIVATE | YES | PRIVATE |
| CS4 Eastern Scotland | YES | PRIVATE | YES | PRIVATE |
| CS5 Latvia | YES | PUBLIC | YES | PUBLIC |
| CS6 North Karelia | YES | PUBLIC | YES | PUBLIC |
| CS7 Osrednje- slovenska region | YES | PUBLIC | YES | PUBLIC |
| CS8 Styria | YES | PUBLIC | NO | - |
| CS9 Suceava | YES | PUBLIC | YES | PUBLIC |
| CS10 Sumadija and Western Serbia | YES | PUBLIC | YES | PUBLIC |
| CS11 Trentino Alto Adige | YES | PRIVATE | YES | PRIVATE |
| CS12 Valladolid | NO | - | NO | - |
| CS13 Waldmärker | YES | PUBLIC | NO | - |
| CS14 West Wales and the Valley | YES | PUBLIC | NO | - |

Support specific to rural areas and provided through the Government itself or through public institutions, it aims at:

- **Supporting the expansion of enterprises in the rural sector.** In Finland, the Agencies for Rural Affairs offer a series of specific economic and technical support for entrepreneurs located in rural environment and willing to expand their activity outside the field of agriculture during the launching phases.
- **Promoting the participation or application of start-ups in rural development programmes** as these programmes might provide entrepreneurs with grants in case of applying to specific calls depending on the sector of activity (LEADER for remote rural areas for instance). In Alentejo Region (Portugal), in Slovenia (although it is mentioned that it is done through an agency which mediates the measures foreseen by the RDP- Rural Development Programme-) or in Wales (Rural Development Plan) there are many examples of local rural development programmes. In the Waldmärker region, the European Agricultural Fund for Rural



Development constitutes the most important source of subsidies for enterprises in rural areas. In Serbia, the Directorate for Agrarian Payments as part of the Ministry of Agriculture, Forestry and Water Management with call for applications on subsidies in rural development.

- **Assessing farmers about subsidies and multifunctional farms.** The **Chambers of Agriculture** in the case of Styria which are semi-public structures addressing specific issues of rural areas and farming activities, provide for example consultancy and support for instance on establishing tourism on farms, “schooling” on farms, or provide subsidies for bee-keeping or (conventional) forest management.

We must note that in Italia there are also **rural development plan subsidies** available for several agriculture and forest sub-sector. Generally the higher support is given to the start-up (80% of subsidies and 20% must be direct investment of the entrepreneur) while on running activities the subsidies do not exceed the 50% (i.e. change in the production of the commodity) except for producing environmental service.

In the case of both Valladolid and Turkey (region of Bursa), there is no support specific to rural areas but in the majority of the case study regions this support does exist and is mostly public and provided directly by the government (9 case study regions). In the case of 3 case study regions this support is private. There are also public or private institutions dedicated to supporting businesses in rural areas; the majority of case study does declare that it exists (8 case study regions) whereas 6 of them say it doesn't.

In the case of Catalonia, Eastern Scotland and Trentino Aldige the support specific to rural areas exists but it is private.

Regarding the type of support specific to rural areas and provided through private organisations, it aims at:

- **Sponsoring or subsidizing entrepreneurship in rural areas** through **sponsorships programmes** like in Scotland through the Princes Countryside Funds which provide grants of up to £50,000 (around 63,000 €) to projects that aim to improve service provision in rural areas, support rural enterprise, support farming businesses, provide training opportunities for young people or educate people about the value of the countryside. Funds are mostly donated by businesses. In Italy, - the private sector offers soft loans, but the interest rate is generally higher than public. The loans are promoted by Cooperative credits funds.

- **Assessing on business establishment conditions through a personal programme.** In the case of Catalonia also, there is the private CEDRICAT Foundation (developing programs of support to start-up businesses such as the FITA or Rural100 Programme but these programs are funded by the government (National Government through the Spanish Ministry of Competitiveness and Industries or Regional through the Provincial Government of Lerida).

3.3.5 Credits

Finally in order to understand even better the environment in which start-up companies develop we also asked the respondents about the existence of credits lines to support financially the business ventures.



Table 6: Existence and characteristics of credits lines in the CS regions

| Name of CS | Existence of credits lines | Type of credits |
|-------------------------------|----------------------------|---|
| CS1 Alentejo | YES | <ul style="list-style-type: none"> - Governmental funding schemes or agencies/organisations - Microcredit - Banking services - Venture capital (<i>Financial capital` provided to start-up companies with high potential</i>) |
| CS2 Bursa | YES | <ul style="list-style-type: none"> - Bank financing |
| CS3 Catalonia | YES | <ul style="list-style-type: none"> - Governmental funding schemes or agencies/organisations - Private investors or Business Angels Networks - Crowdfunding platforms - Bank financing |
| CS4 Eastern Scotland | YES | <ul style="list-style-type: none"> - Governmental funding schemes or agencies/organisations - Bank loans - Peer-to-peer lenders - Equity-based crowdfunding - Business Angels - Venture Capital funding - Credit unions - Funding specifically for social enterprises |
| CS5 Latvia | YES | <ul style="list-style-type: none"> - Bank credits - Business angels within the Latvian Private Investor Association |
| CS6 North Karelia | YES | <ul style="list-style-type: none"> - Governmental funding schemes or agencies/organisations - Bank loans |
| CS7 Osrednje-slovenska region | YES | <ul style="list-style-type: none"> - Bank loans orientated specifically for SMEs - Governmental funding schemes or agencies/organisations - Venture Capital companies |
| CS8 Styria | YES | <ul style="list-style-type: none"> - Governmental funding schemes or agencies/organisations - Chamber of Commerce's service for finding credits |
| CS9 Suceava | YES | <ul style="list-style-type: none"> - Microcredit |



| Name of CS | Existence of credits lines | Type of credits |
|----------------------------------|----------------------------|--|
| | | - Banks credits |
| CS10 Sumadija and Western Serbia | YES | - Bank loans |
| CS11 Trentino Alto Adige | YES | - Soft loans (rate below the market's rates) |
| CS12 Valladolid | YES | - Governmental funding schemes or agencies/organisations - Business Angel network - Participation loans (loans realized by several lenders to a single borrower) - Venture Capital - Microcredits orientated towards ecofriendly solutions (Ecomicrocredits) - Credits specifically for social enterprise |
| CS13 Waldmärker | YES | - Credits - Governmental funding schemes or agencies/organisations (offering subsidies and free advisory) |
| CS14 West Wales and the Valley | YES | - Bank loans - Credits specifically for social enterprise - Governmental funding schemes or agencies/organisations offering microloans - Business angels |

We observe a wide range of possibilities in all case study regions related to credits options aiming at:

- Setting up businesses or companies in the early stage of its life cycle through:

- **Facilitating access to financing solutions and technical assistance.** In Portugal, the Agency for Competitiveness and Innovation offers a specific financing programme for small business ventures. For Finland, the Foundation for Finnish inventions and entrepreneurs seeks promising ideas and innovations with international growth potential, and help turn those into business activities. In Scotland, there are the commercial loan providers providing loans and credit facilities without having a banker's license which turns out to be a quicker and less restrictive way of getting credit for young entrepreneurs. The Austrian Chamber of Commerce supports any entrepreneur who has started a new business with finding the more suitable credits.
- **Facilitating access to bank financing on favourable terms relative to the market or with favourable interest rates.** In Spain, these are financial contributions which are have to be



returned within specific deadlines, a specific interest rate, and usually it is linked to some support programmes promoted for instance by the Official Credit Institute in Valladolid or the Catalan Finance Institute in Catalonia specifically. In Scotland, the Credit Unions consist of a self-help co-operative whose members pool their savings in order to provide each other with credits at low interest rate. In Slovenia, a wide series of commercial banks offer SME-orientated loans for new enterprises which short-term ones and subsidized governmental measures. In Waldmärker, there are credits specific for SMEs and only available at the regional level such as the MikroSTARTer.

- **Getting in touch with a wide community or networks of private investors.** The Business Angels is one the best-known example of “angel investors” acting as providers for capital for a business start-up. In Scotland, Catalonia, Valladolid and Wales, these are quoted as an influent source of funding for business ventures. In Latvia, it is done through the Latvian Private Investor Association.

- **Broad community of sponsors of innovative projects through micro-donations.** In Catalonia, the crowdfunding platforms such as Verkami , act as sponsors for projects or start-ups through voluntary donations. In Scotland, the Crowdcube website is an equity-based form of crowdfunding in which investors invest risk capital in return for shares in the company.

- **Matching individuals or small-businesses with savers willing to invest.** In Scotland, the peer-to-peer lenders websites such as Funding circle gathers borrowers and investors. The risk to the investor can be mitigated by spreading each individual loan in small chunks across many different businesses or the investor can choose for themselves which business to invest in and borrowers can apply for a loan without affecting their credit rating.

- **Promoting small businesses with added value.** In Scotland, the Community Development Finance Institutions lend to organisations and individuals’ projects with a special commitment towards either the society, culture or the environment. In Valladolid, the Eco-microcredits provide micro businesses with less than 10 employees and committed to the environment with loans. Also in Valladolid, the social enterprise credits are given in priority to companies in the sectors of empowerment and attention to persons at risk of social exclusion. In Wales, social enterprise can benefit from loans through the Communities Investment fund that offers loans with interest rates just below those from the market.

- **Supporting specifically businesses with high growth potential** through venture capital funding that if to say a form of private equity investment where a business obtains long-term funding usually in exchange for a share of its equity like in Scotland or Slovenia.

3.4 Results of the second part of the questionnaire (Specific part)

In the second part of the questionnaire, the aim was to identify type, costs and duration of procedures necessary for the establishment of an enterprise. In order to have an overview of the legislative environment, in the CS regions for companies producing and processing NWFPs the respondents were asked to give information about:

- Special licenses or permits needed for operating in the rural environment or in the NWFP sector
- Time (length of procedures) necessary to start a new business



- needed minimum capital for starting a business
- cost for starting a new business not taking into account the administrative procedures

3.4.1 Legal forms for the scenarios

The legal form of the company should have been Limited Liability Company (LLC) in order to facilitate the comparison of the results between case study regions. However, in some regions the LLC is not the most common enterprise type, thus other forms were chosen.

Table 7: Detail of legal forms chosen by each CS region in each of the two scenarios (producer and processing)

| Name of CS | Legal form for the company in the producer's sector (PRODUCER) | Legal form for the company devoted to processing of edible NWFPs (PROCESSING) |
|----------------------------------|--|--|
| CS1 Alentejo | Limited liability company Product: WILD MUSHROOM COLLECTION | Limited liability company Product: PINE NUTS (Pinus pinea) |
| CS2 Bursa | Limited liability company | Limited liability company |
| CS3 Catalonia | Limited Liability Company | Limited liability company |
| CS4 Eastern Scotland | SOLE TRADER | Limited liability company |
| CS5 Latvia | Limited liability company | Limited liability company |
| CS6 North Karelia | Other: LIMITED PARTNERSHIP Product: BERRIES AND MUSHROOMS | Limited liability company |
| CS7 Osrednje- slovenska region | SOLE TRADER | Limited liability company |
| CS8 Styria | Limited liability company | One-person business or Limited liability company |
| CS9 Suceava | Limited liability company | Limited liability company Product: MUSHROOMS |
| CS10 Sumadija and Western Serbia | Limited liability company | Limited liability company |
| CS11 Trentino Alto Adige | Small entrepreneur Product: CHESTNUT | Limited liability company |
| CS12 Valladolid | Limited liability company | Limited liability company |



| Name of CS | Legal form for the company in the producer's sector (PRODUCER) | Legal form for the company devoted to processing of edible NWFPs (PROCESSING) |
|--------------------------------|---|--|
| CS13 Waldmärker | Other: Assumably sole trader or non-incorporated business | Other: Assumably sole trader or non-incorporated business |
| CS14 West Wales and the Valley | Limited liability company Product: MOSS OR FOLIAGE | Limited liability company Product: PRESERVES FROM WILD/FORAGED FOOD/MAKING TEA/BREWING BEER with NWFP as part of the ingredients |

LLC is a legal form that combines the limited liability features of a corporation with the tax efficiencies and operational flexibility of the partnership legal form. The members of a LLC (owners), can consist of one, two or more individuals, corporations and even other LLCs. One of its main characteristics and advantages is its limited liability that is to say that the members are shielded from business decisions or actions of the LLC; in case of the company incurring debts or being sued, members' personal assets are likely to be exempted. LLCs stand out for their operational ease as there is less registration paperwork and smaller start-up costs than for the rest of the legal forms. Finally regarding the share of profits within a LLC, the restrictions are lower because members can distribute profits as they see fit³.

The sole trader is the legal form corresponding to a business ran by an individual and in which this individual can keep all the benefits for him/herself after paying taxes. This is the simplest legal form in terms of administrative procedures but at the same time, the individual will have three main legal responsibility: for any losses the business makes, regarding the invoices for items bought for the business (stock or equipment) and finally for keeping records of each business operation (sales and purchases⁴).

The limited partnership is a special type of partnership that consist of a single business where two or more people share ownership, but where these partners have limited liability and limited input when dealing with management decision, depending on each partner's investment percentage when founding the company. It constitutes an attractive way for short-terms companies as procedures are easy and inexpensive because the time and money are basically spent on building the partnership agreement⁵.

For the "NWFP producer" scenario, most of the case study regions selected the LLC form, except Turkey, Eastern Scotland, Latvia, Styria and Serbia. In the case of "NWFP processors", more case study regions selected LLC and only Serbia and Waldmärker selected other forms. Some of the partners also indicated what kind of product was produced or processed in the company to give a better approximation and have a more realistic image.

³ Source: SBA. GOV The US Small Business Administration, An Official Website of the United States Government, www.sba.gov

⁴ Source: www.gov.uk/business-legal-structures

⁵ Source: SBA. GOV The US Small Business Administration, An Official Website of the United States Government, www.sba.gov



3.4.2 Needs for permits and licenses to produce or process NWFPs

On the basis of these 2 scenarios, we explored what requirements in terms of operating licenses and permits have to be fulfilled in the case study regions.

Table 8: Need for special licenses or permits either to produce or to process NWFPs

| Name of CS | Need of special licenses or permits for a company (PRODUCERS) | Need of special licenses or permits for a company (PROCESSING) |
|----------------------------------|---|--|
| CS1 Alentejo | NO | YES |
| CS2 Bursa | NO | NO |
| CS3 Catalonia | YES | NO |
| CS4 Eastern Scotland | YES | NO |
| CS5 Latvia | NO | NO |
| CS6 North Karelia | NO | NO |
| CS7 Osrednje- slovenska region | YES | YES |
| CS8 Styria | YES | YES |
| CS9 Suceava | YES | YES |
| CS10 Sumadija and Western Serbia | YES | YES |
| CS11 Trentino Alto Adige | NO | NO |
| CS12 Valladolid | YES | NO |
| CS13 Waldmärker | YES | YES |
| CS14 West Wales and the Valley | NO | NO |

In the majority of case study regions (8 of the 14 case studies) NWFP producers, need special license or permit to work with NWFP:

- **Catalonia:** the license/permit is related to the type of product or activity carried out by the company. In the case of NWFPs a license is needed for harvesting truffles/pine kernels and cork (Order of 5th July 1995 that modifies the Order of 18th of July of 1991 that orders the harvest and trade of pine kernel from *Pinus pinea* and Order LCAT 1994\462 of 9th of August 1994 that modifies the ordinance of 15th of July 1991 (LCAT 1991\315), of regulation of the truffle sector).
- **Eastern Scotland:** the landowners' permission to harvest any NWFPs in case of not owning the land. This can be a simple verbal agreement, though it would be better if a written agreement is prepared.



- **Slovenia:** in the case of mushrooms and berries, it exists a regulation for the daily collection of both products restricting it to 2 kg per head.
- **Styria:** According to the Austrian Forest Law only the forest owner can collect the NWFPs in his forest for commercial purposes. Everybody else is limited to 2kg mushrooms or berries per head and day, which is considered as picking for “personal use”. The Austrian natural protection law limits the amounts forest owners can collect not to “overexploit the resources”.
- **Romania:** Collecting and commercializing any type of plants is regulated by the Ministerial Order 410/11.04.2011 A company has to request a special permit from the Regional Agency for Environmental Protection. To obtain such a permit a number of documents have to be submitted, like request for the permit, copy of the payment of the requested tariff, agreement from the forest owner or administrator, declaration of adequately equipped acquisition places, study done by a specialised unit regarding the status of the biological resource which is harvested, approved by the Academy commission and paid by the company.
- **Serbia:** Permit for collection of wild flora, fauna and fungi. The possession of this Permit is prescribed by Decree on putting under control the use and trade of wild flora and fauna.⁶
- **Valladolid:** the following permits and licenses are required: mycological collection license according the MyasRC regulation in Castilla y León (Order of March 12, 1984 stated in Article 7.2, paragraph 4, with respect to the sale of wild mushrooms, the need for authorization and prior medical examination), licenses for the use of pine cones and pine nuts (Law MAM/341/2008) and local licenses for the use of resin in MUP (public use of forest).
- **Waldmärker:** Permission required for all commercial activities with NWFP. The commercial gathering of NWFP needs to be permitted by the responsible nature conservation administration. The legal basis is the Federal Nature Conservation Act 2010 (§39, Abs (4)). Furthermore the legal basis of free entry right to the places of NWFP gathering activities must be fulfilled. Depending on the Forestry Act of the federal states of Germany it might be mandatory to have an agreement with the land (forest) owner. However, there is no special license needed for the operation of a business in rural areas.

On the other hand in North Karelia is no need for any specific permit or license for commercial harvesting of NWFP. However, companies producing or processing food must notify the corresponding authority at least four weeks before starting the business. A notification is also required when the composition of the product changes as regards to its ingredients. Further provisions on the notification are laid down in the Decree of the Ministry of Agriculture and Forestry foresee constant quality controls for ensuring that food,

⁶ (2005/a). Decree on putting under control the use and trade of wild flora and fauna. Official Gazette of Republic of Serbia, No 31/05 and 45/05 – correction, 22/07 and 38/08, Belgrade

places of primary production and food premises, together with the operations conducted in these places and premises, meet the requirements set for them in the food regulations.

Also in Trentino - Alto Adige there is no need for obtaining a specific permit or license to operate. However, a landowner has the right to indicate in his forest the property rights related to NWFP (e.g., chestnuts).

In Wales, no specific permits are needed if the NWFP is produced/harvested on own land. However, if the harvesting/collecting is done on other property, the permit has to be purchased/obtained from the landowner. Licenses are also required for harvesting any species listed on the Schedule of the Wildlife and Countryside Act.

In the case of NWFP processing in the majority of cases studies (8 out of 14 case study regions) there is no need for permits or licenses. However, in the following regions permits/licences are needed:

- **Portugal:** permits/licenses are needed for specific products/operations such as pine kernels (seasons for harvesting). Decreto-Lei n.º 528/99, defines the collection period for stone pine (*Pinus pinea*) cones. However, the rules can be changed for specific years. Further, the environmental licenses policies follow the guidelines of the Directiva n.º 96/61/CE do Conselho, de 24 de Setembro, which for specific activities requires the Environmental Assessment (APA) and / or technical opinion.
- **Slovenia:** For processing honey-based products and herbs for pharmaceutical uses the company has to be registered in the craftsmanship registry, but special craftsmanship licence is not needed. On the other hand for processing plant/animal derived food e.g. forest fruits, herbs, mushrooms/game meat, special conditions have to be met regarding food safety and processing facilities standards (e.g. Rules concerning the sanitation for the processing of food of plant origin as supplementary activities on farms 93/2001; Rules on conditions for production and processing the foodstuffs of animal origin at the farm for direct sale to the ultimate consumer 27/2009; Rules on the establishments carrying out activities involving food of animal origin 27/2009). In some cases special educational/professional requirements are set. In general process and requirements are often more demanding for a processing than a producing company. However, for selling herbs, mushrooms, chestnut and berries in raw form, no such rules apply.
- **Romania: Mushrooms.** The processing of mushroom is subject to a special regulation: Law nr. 30/2006 regarding the rules for public health applying when using mushrooms from spontaneous flora, which sets regulation regarding the harvesting, transport, commercialization, processing and the use of such mushrooms. The processing of mushrooms has to be done only after has been controlled by a specialised inspector from the public health authority, the commercialisation of mushrooms has to be done only in authorised places and only on the base of an authorisation for commercialisation emitted by a specialised inspector from the public health authority, the transport of the mushrooms from a processing place to the market place has to be done based on the authorisation for commercialisation



- **Serbia:** Permit for collection of wild flora, fauna and fungi. The possession of this Permit is prescribed by Decree on putting under control the use and trade of wild flora and fauna⁷.
- **Waldmärker:** Processors and retailers of edible NWPFs need to fulfil certain standards in dependence on the certification scheme used (e.g. IFS) and to fulfil federal regulations (e.g. Infektionsschutzgesetz, Lebensmittel- Bedarfsgegenstände- und Futtermittelgesetzbuch LFGB). In the case of honey, processors and retailers have to comply with labelling rules which are set by the “Honigverordnung” and with the rules set by the “Lebensmittelhygiene Verordnung LMHV”. Finally for game, all hunters dealing with game must be qualified persons according to the “Lebensmittelhygiene Verordnung LMHV”

Furthermore, general licenses are required for all food products processors (e.g., health, labeling, quality, etc ...).

In the case of **Scotland**, there is no need for a specific NWFP processing license or permit, but still for food businesses, the premises must be registered with the environmental health service at the local council at least 28 days before opening. Food business operators are required by law to ensure that food handlers receive appropriate supervision and instruction/training in food hygiene in line with their work activity. The person responsible for developing and maintaining the business's food safety management procedures must have received adequate training to enable them to do this. However, food handlers do not have to hold a food hygiene certificate. The necessary skills may be obtained through on-the-job training, self-study or relevant prior experience [<http://www.food.gov.uk/business-industry/caterers/training/>]. The relevant statutory instruments are the Food Safety Act 2002 and the Food Hygiene Regulations 2006

In the **North Karelia** there is no need for special NWFP processing permit, but all the actors dealing with the food must notify the adequate institution at least four weeks before starting the business. A food business operator who prepares a food supplement or has a food supplement prepared or imports a food supplement shall notify this to the Finnish Food Safety Authority EVIRA. A notification is required when the composition of the product changes as regards to its characteristic substances. Further provisions on the notification are issued by Decree of the Ministry of Agriculture and Forestry⁸. The company needs to do constant quality controls for ensuring that food, places of primary production and food premises, together with the operations conducted in these places and premises, meet the requirements set for them in the food regulations.

3.4.3 Length and costs of administrative procedures and minimum capital

Regarding the length and cost of administrative procedures as shown in tables 9 and 10 and referring to the procedures described in the section 3.1.1 and more precisely in the table 2 , there is quite disparity

⁷ (2005/a). Decree on putting under control the use and trade of wild flora and fauna. Official Gazette of Republic of Serbia, No 31/05 and 45/05 – correction, 22/07 and 38/08, Belgrade

⁸ Decree of the Ministry of Agriculture and Forestry on food supplements (78/2010)



between all case study regions as the time needed to gather and fill in all the administrative papers is comprised between one day (Portugal) and several months (12 months being the longest period detected for Castilla y León) in the case of companies producing NWFPs and in the case of the cost, we observe the same type of disparities as the cost varies between 1 euro and 50.000 Euros. The differences between administrative procedures might depend on several factors; if it exists any on-line system fastening up the processes, the number of steps but also in case the authorizations has to be delivered by several entities, the process can be slowed down. Regarding the cost and capital to start-up a business, in the majority of cases study regions it is required that the company has a minimum starting capital. We observe the same disparities in the case of businesses which process NWFPs and the differences in terms of length, cost of administrative procedures are due to the legal form which is different. For example in the case of Finland (North Karelia), in the case of a sole trader company the length of administrative procedures is 20 working days in the case of starting-up a sole trader company and 4 weeks in the case of the limited liability company. Most of the case studies indicated the same type of legal form both for companies producing NWFPs and the one processing them therefore we don't observe any differences.

Table 9: Comparison of length of administrative procedures between a company producing NWFPs and the one processing them

| Name of CS | Length of administrative procedures (PRODUCERS) | Length of administrative procedures (PROCESSING) |
|----------------------------------|---|--|
| CS1 Alentejo | 1 Day | 1 Day |
| CS2 Bursa | 1-2 Weeks | 1-2 Weeks |
| CS3 Catalonia | 28 Days | 28 Days |
| CS4 Eastern Scotland | 1 Day | 2 weeks |
| CS5 Latvia | 1 Month | 1 Month |
| CS6 North Karelia | 20 Working days | 4 Weeks |
| CS7 Osrednje- slovenska region | 1-2 Weeks | 1 Week |
| CS8 Styria | 1-2 Months | 1 Month |
| CS9 Suceava | 3 days to establish the company and 2-3 weeks to get additional permits | 2 Weeks |
| CS10 Sumadija and Western Serbia | 2 Weeks | 2 Weeks |
| CS11 Trentino Alto Adige | 30 Weeks | 1 Day |
| CS12 Valladolid | 12 Months | 12 Months |
| CS13 Waldmärker | 5 Days | 5 Days |



| Name of CS | Length of administrative procedures (PRODUCERS) | Length of administrative procedures (PROCESSING) |
|--------------------------------|---|--|
| CS14 West Wales and the Valley | 3-6 Weeks | 3-6 Weeks |

Table 10: Comparison of minimum mandatory capital and cost of administrative procedures between a company producing NWFPs and the one processing them

| Name of CS | Minimum mandatory capital to start-up a business (PRODUCERS) | Cost of administrative procedures (average) | Minimum mandatory capital to start-up a business PROCESSORS | Cost of administrative procedures (average) |
|-------------------------------|--|--|---|---|
| CS1 Alentejo | 5000 | 360 | 1 | 360 |
| CS2 Bursa | 3700 | 1285 | 3700 | 1285 |
| CS3 Catalonia | 3000 | 2500 | 3000 | 2500 |
| CS4 Eastern Scotland | 0 | 0 | 0 | 12 |
| CS5 Latvia | 1.41 euro or 2817.7 euro | 141 EUROS | 2817.7 EUROS or 1.41 euros | 141 |
| CS6 North Karelia | (Silent partner has to invest capital, but the amount is not regulated by the law) | 380 | 2500 | 380 |
| CS7 Osrednje-slovenska region | 0 | 50 | 7500 | 50-300 |
| CS8 Styria | 10 000 | 1800 | 10000 | 1800 |
| CS9 Suceava | 45 | In Romania the approximate cost would be minimum 80€ur (350 lei) to 250 Eur with Company's Statute and Consulting companies taxes. Additional the company has to pay 250 lei (56 euro) in order to get the authorisation from the Regional Agency for Environmental Protection | 45 | In Romania the approximate cost would be minimum 80€ur (350 lei) to 250 Eur with Company's Statute and Consulting companies taxes. |



| Name of CS | Minimum mandatory capital to start-up a business (PRODUCERS) | Cost of administrative procedures (average) | Minimum mandatory capital to start-up a business PROCESSORS | Cost of administrative procedures (average) |
|----------------------------------|--|---|---|---|
| CS10 Sumadija and Western Serbia | 1 | 350 | 1 | 350 |
| CS11 Trentino Alto Adige | 1 | 1500 | 0 | 1065 |
| CS12 Valladolid | 3 | 3 | 3 | 1 |
| CS13 Waldmärker | 0-50.000 | 43 | 0-50.000 Euros | 43 |
| CS14 West Wales and the Valley | 0 | 15-500 | 0 | 15-500 |

Comparison with data from the DBR

As described before, the Doing Business World Bank report focuses on the country level, cross-comparing indexes dealing with the ease to run a business and among other elements, the ease to start-up a business. Although the Doing Business WB report focuses on the country level, it gives some interesting thoughts about the ranking of the countries in which are the 14 case study regions in comparison with other European countries as it is showed in the figure below.



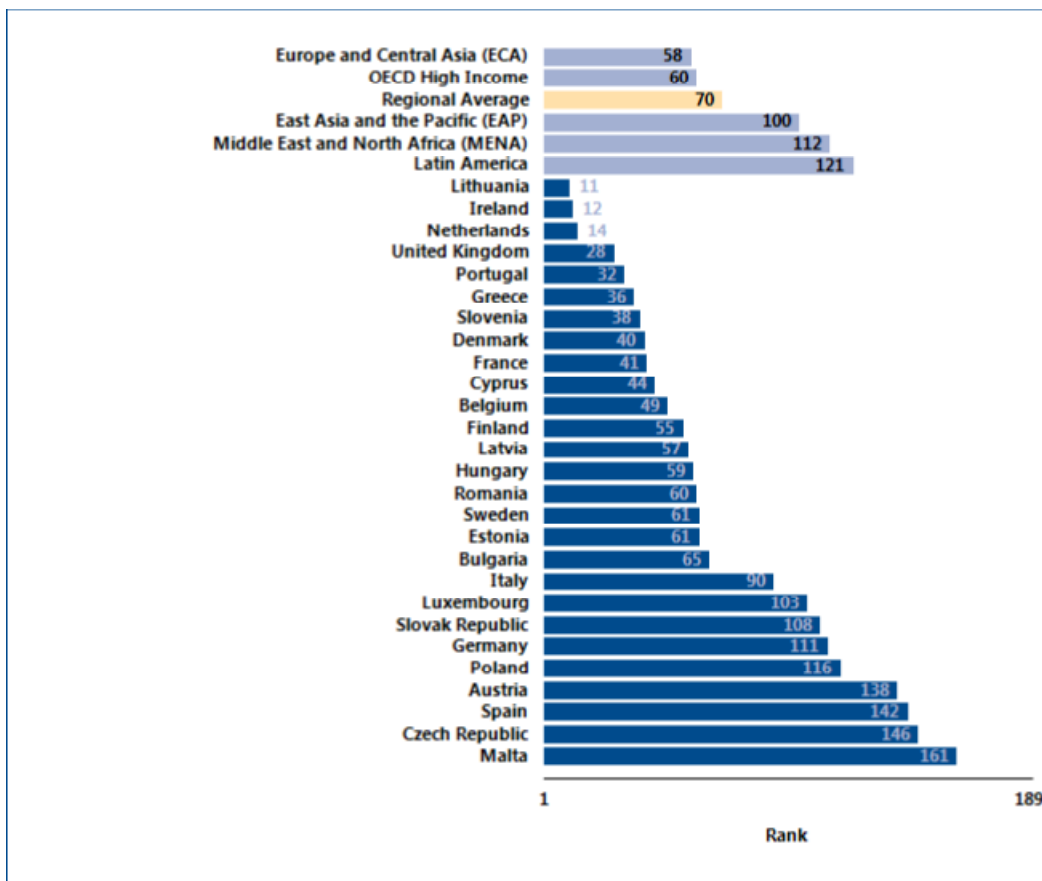


Figure 4. How economies in European Union (EU) rank on the ease of starting a business

We might distinguish 2 categories of countries:

- Countries ranked before 70 which corresponds to the regional average in the European Union; it is the case of UK (28), Portugal (32), Slovenia (38), Finland (55), Latvia (57), Romania (60)
- Countries ranked beyond 70 such as Italy (90), Germany (111), Austria (138), Spain (142)

We note that the countries in which it is easier to start-up a business according to the Doing Business ranking is UK and the most difficult is Spain. The absolute values of the indicators tell another part of the story (table 1.1). Policy makers can learn much by comparing the indicators for their economy with those for the lowest- and highest-scoring economies in the region as well as those for the best performers globally. These comparisons may reveal unexpected strengths in an area of business regulation—such as a regulatory process that can be completed with a small number of procedures in a few days and at a low cost.

The table 11 that follow shows the lowest and best regional performance for each of the three indicators (procedures, time, cost and paid-in minimum capital).

| Indicator | Lowest regional performance | Best regional performance | Regional average | Best global performance |
|---|-----------------------------|---------------------------|------------------|-------------------------|
| Starting a Business (rank) | 161 (Malta) | 11 (Lithuania) | 70 | 1 (New Zealand) |
| Procedures (number) | 11 (Malta) | 2 (Slovenia) | 5 | 1 (New Zealand)* |
| Time (days) | 40.0 (Malta) | 3.0 (Portugal) | 13.3 | 1.0 (New Zealand) |
| Cost (% of income per capita) | 14.3 (Poland) | 0.0 (Slovenia) | 4.2 | 0.0 (Slovenia) |
| Paid-in Min. Capital (% of income per capita) | 47.8 (Austria) | 0.0 (11 Economies*) | 10.8 | 0.0 (112 Economies*) |

Table 11 Summary of Doing Business indicators for European Union (EU)

Best rankings: Slovenia in terms of number of procedures, in terms of length of procedures 3 days for Portugal (in the questionnaire it says that for Alentejo region it is one day) and the cost is 0 for example in Slovenia and it is the same figure as the one in the Osrednje- slovenska region.

It is showed in the table 12 the ranking at the World scale of the ease of doing business of 189 economies:

Table 12: Ranking of the 12 EU StarTree countries both regarding the ease of DOING Business and the ease of STARTING one

| Name of CS | Doing business ranking on the ease of DOING business (WORLD SCALE) | Doing business ranking on the ease of STARTING business (WORLD SCALE) |
|---|--|---|
| CS1 Alentejo PORTUGAL | 31 | 32 |
| CS2 Bursa TURKEY | 69 | 93 |
| CS3 Catalonia SPAIN | 52 | 142 |
| CS4 Eastern Scotland SCOTLAND/UK | 10 | 28 |
| CS5 Latvia LATVIA | 24 | 57 |
| CS6 North Karelia FINLAND | 12 | 55 |
| CS7 Osrednje- slovenska region SLOVENIA | 33 | 38 |
| CS8 Styria AUSTRIA | 30 | 138 |
| CS9 Suceava ROMANIA | 73 | 60 |
| CS10 Sumadija and Western Serbia SERBIA | 93 | 45 |



| Name of CS | Doing business ranking on the ease of DOING business (WORLD SCALE) | Doing business ranking on the ease of STARTING business (WORLD SCALE) |
|---|--|---|
| CS11 Trentino Alto Adige ITALY | 65 | 90 |
| CS12 Valladolid SPAIN | 52 | 142 |
| CS13 Waldmärker GERMANY | 21 | 111 |
| CS14 West Wales and the Valley WALES/UK | 10 | 28 |

We show the ease of doing business which includes starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and finally resolving insolvency vs. the ease of starting businesses.

In relation to the 189 economies and when it comes to starting a business we find disparities that are even more confirmed at the local scale by the Business establishment questionnaire, with countries such as Spain, Austria or Germany where it seems to be pretty easy to run a business but where the number of procedures, time and cost is higher than the rest of the 11 countries and rank beyond the level 100.



Conclusions

In the different 14 CS regions where the Business establishment conditions study was carried out, we stand out the following main conclusions:

- Regarding the registration process, the majority of CS regions (13 of them) can register their business on-line

- Regarding the support the start-ups are provided with when launching their business venture, they do receive:

- General support from the government or public institutions. Indeed, the government provides entrepreneurs and start-up companies with economic and general support and the majority of them (13 case study regions) declare that it is 100% public support. This general support aims at promoting the participation or application of start-ups in national and local/regional-scaled programmes, funding entrepreneurs and start-up companies through and advising and orientating entrepreneurs on their businesses.
- General support from private organisations that promote the competitiveness of companies through the development and diffusion of an innovative and entrepreneurial practice and culture and offering training courses in the field of “doing business”, supporting and awarding specific fields of entrepreneurship such as the social one, support the competitiveness and the innovation in SMEs, advise and orientate entrepreneurs on their businesses and finally provide special support for young innovative enterprises
- Support specific for rural areas. In the case of being public, this specific support consists of supporting the expansion of enterprises in the rural sector, promoting the participation or application of start-ups in rural development programmes, assessing farmers about subsidies and multifunctional farms. In the case of being private, it consists then of sponsoring or subsidizing entrepreneurship in rural areas through sponsorships programmes. In the case of both Valladolid and Turkey (region of Bursa), there is no support specific to rural areas but in the majority of the case study regions this support does exist and is mostly public and provided directly by the government (9 case study regions). In the case of 3 case study regions this support is private. There are also public or private institutions dedicated to supporting businesses in rural areas; the majority of case study does declare that it exists (8 case study regions) whereas 6 of them say it doesn't.

- Regarding the credits, in all CS regions there is the possibility to access to different types of credits. Majority of them are the Governmental funding schemes or agencies providing credits to start-ups as mentioned in 9 CS regions (Scotland, Finland, Valladolid, Catalonia, West Wales and the Valley and Waldmärker), then comes bank funding that remains as the most quoted way of getting credits (13 CS regions quote it, all except Styria), Business Angels investors or networks of Business Angels (5 of them quote them: Catalonia, Scotland, Latvia, Valladolid, West Wales), Venture Capital (4 of them quoted it: Portugal, Scotland, Slovenia, Valladolid), microcredits (Portugal, Romania, Valladolid and West Wales and the Valley) and finally crowdfunding both in Scotland and in Catalonia. They aim at supporting thanks to a wide community of sponsors innovative project through microdonations, matching individuals or small-businesses with savers willing to invest in them, promoting small businesses with added value, supporting



specifically businesses with high growth potential and mainly setting up businesses or companies in the early stage of its life cycle.

- When asking about the licenses and permits specific for the NWFP sector in each partner country, two scenarios were considered:

- Scenario in which the company produces NWFPs
- Scenario in which the company processes NWFPs

In the case of producing NWFPs, in the majority of case study regions (8 of the 14 case studies), there is a special need for a license or permit : 2 cases studies (Trentino-Alto Adige region and Eastern-Scotland) specify that this permit corresponds to the landowner's permission and can take a form of a written or verbal agreement, for 5 case studies it is a permit specific for NWFPs (game license for Osrednje and Styria-cork/pine kernels/truffles in Catalonia, wild flora/fauna/fungi in Serbia, pine kernels/pine resin/mushroom in Valladolid) In the case of processing them, in the majority of cases studies there is no need of permits or licenses in order to operate in the rural environment.

- Regarding the length and cost of administrative procedures, there is quite a disparity between all case study regions as the time needed to gather and fill in all the administrative papers ranges between one day (Portugal) and several months (12 months being the longest period reported from Castilla y León) in the case of companies producing NWFPs. The differences between administrative procedures depend on several factors; the ability to register a business on-line can significantly speed up the process (and this is often the intent with the installation of on-line procedures), the number of steps and authorizations required from several entities can slow down procedures.

- In terms of the costs incurred, we observe the same level of disparity as the cost varies between 1 euro and 50.000 Euros. In the majority of the case study regions a prospective company has to demonstrate it has access to a minimum starting capital. We observe the same disparities in the case of businesses which process NWFPs and the slight differences in terms of length, cost of administrative procedures are due either to the type of company (company producing NWFPs or company processing them- Finland, Portugal, Valladolid, Italia and Serbia) or to the legal form (only in the case of Scotland).



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- Decree of the Ministry of Agriculture and Forestry on food supplements (78/2010)



Annexes

Annexe 1: Steps to start a business (SME type) in each of the case study region

Steps to start a business

| Name of the Case Study | Answer to Question 1 |
|------------------------|--|
| CS1 Alentejo | <p>Details</p> <p>The basic steps to start up a business are the followings: • Business plan • Choosing the legal form of the company • Arranging financing and support • Establish the company • Form an association • Choose the installation location of the company • Start economic activity</p> <p>Source</p> <p>http://www.portaldaempresa.pt/CVE/pt/Criacao/#</p> <p>Comments</p> <p>To Form an association, two methods are available: - “Empresa na hora”: This method allows an association constitute a single counter and immediately, allowing immediate obtaining Card Tax and the electronic publication of the articles of association and articles of association. - Traditional method: The constitution of the association in this way involves several steps, in different entities and at different times as the drafting of statutes, the meeting of the first general meeting, the certificate request Admissibility, completion and delivery of the deed of declaration of commencement activity.</p> |
| CS2 Bursa | <ul style="list-style-type: none"> • Min 2 and max 50 partners are needed • Official title must be selected as Turkish • The activity of company must be explained • Chamber of trade checks business name and the title • %0,4 of the capital should be paid to Competition Authority • The business is declared in the Journal of Trade record • Tax identification number is required • Record books are needed and validated based on balance sheet • The certificate of opening and working of place of business is required • A fee or charge depending on the size of place of business is paid. • The registration to the related chambers and paying the required charge are necessary |
| CS3 Catalonia | <p>Details</p> |



The basic steps to startup a Limited Liability Company (S.L) in Catalonia, are the following (Source: Oficina Virtual de Tràmits , Generalitat de Catalunya. Information about the steps to create your own SL) : 1. From the idea to the business (Not mandatory, but yes recommended) (Source: www.inicia.gencat.cat/inicia/cat/guia_tramits/index44001.jsp) - Make a business plan that has to include a market study - Analyze all the information contained in the business plan. A business plan comprises: a presentation of the startup, a definition of the products and services, an economic and financial study in order to check on the viability of the company. 2. Looking for a locale for the future company (in case the entrepreneur needs one): - have a look at the Property Register in order to get information about the juridical situation of a specific land either appealing for an informative note or a certificate from the Property Register - have a look at the municipal cadastre in order to be aware of the lands/activities that would surround our enterprise 3. Opening of documents processing and licenses - The town hall has to authorize the business. The costs and duration depend on the type of enterprise. If a license is needed (for example if company in the sector of alimentation and process of food an environmental license will be required and has to be delivered by the town hall where you settle your business). Ask information at the Section of Licenses of Activity from your Town Hall 4. Creating the SL - Creation of the “commercial name” of the company and registration in the Register of Patents and Brands managed by the Spanish Ministry of Industry - Constitution of the SL (“Public writing of constitution”): social status, DNI of the partners or CIF, certificate of social denomination delivered by the Central Mercantile Register, certificate of the bank for the deposit. Usually all these steps are done throughout a notary. - Previous declaration of initialization of activity (throughout the Tax Administration (in Catalonia, State Administration called Hisenda) and request of provisional CIF - Liquidation of ITPAJD (Impost de transmissions patrimonials I actes jurídics documentats) which is an impost on patrimony and juridical acts - Inscription at the Mercantile Register 5. Starting the activity - Declaration at the State Census - Social security - In the case of having a patent, it should be declared and registered in the Register of patents and brands

Source

www.inicia.gencat.cat/inicia/cat/guia_tramits/index44001.jsp

Comments

CS4 Eastern Scotland

Sole Trader

The very simplest form of business to set up is for an individual to become a Sole Trader. To do this you have to register with HM Revenue & Customs as self-employed (<http://www.hmrc.gov.uk/working/intro/selfemployed.htm>). Nothing else is necessary, unless business turnover is more than the VAT threshold (currently £79,000) in which case you'll also normally have to register for VAT (<http://www.hmrc.gov.uk/vat/index.htm>).

Partnership

Very similar to Sole Trader, but you also have to tell them that you are in a partnership with (an)other self-employed (person)people. It is recommended that you hire a lawyer to draw up a partnership agreement, but it is not a legal requirement.

Limited Company



(1) Register with HMRC - the same as for a Sole Trader.

(2) Choose a company name. You need to search the Companies House database to check that your company name is not already in use. The name chosen also has to comply with certain rules.

(3) Register with Companies House. This can be done online, or using a printed form, or you can hire an agent who will help (<http://www.companieshouse.gov.uk/toolsToHelp/formationAgents.shtml>).

(4) To operate the company you also need to open a bank account in the name of the business (this is recommended for a Sole Trader, but it is not essential).

Phone call to Business Gateway Aberdeen (<http://www.bgateway.com/local-offices/aberdeen/>); <http://www.hmrc.gov.uk/startup/>;
<http://www.companieshouse.gov.uk/infoAndGuide/companyRegistration.shtml>

CS5 Latvia

Process of registration in Latvia

Decision regarding the foundation >>> Payment of the equity capital >>> Registration in the Register of Enterprises >>> Opening of a bank account >>> Registration in the State Revenue Service

Easy management system and modest equity capital (up to now the minimal equity capital of the limited liability company is only 1.40 EURO!) are the main features of the LLC. Shareholders are not responsible for liabilities with their own property and bear the risk of losses only in the amount of their contributions. According to many people, exactly this circumstance makes the registration of LLC so popular and in-demand for conducting of small and medium business.

For Register of Enterprises need to give following information:

- Firm (name) of the company.
- Term or purpose of the activities of the company (if the company is established for a definite time period or for achievement of a defined purpose).
- Legal address
- Amount of the equity capital, number of shares and par value.
- Quantitative structure of the board of directors of the company and the rights of the members of the board of directors to represent the company jointly or individually.



| | |
|---|---|
| | <p>http://www.ur.gov.lv/eng/registries.html</p> |
| <p>CS6 North Karelia</p> | <ol style="list-style-type: none"> 1. Idea 2. Business plan (possible to get help from several organizations (www.josek.fi) and business inquisitor (Science park Joensuu)) 3. Choosing the form of enterprise (business name, partnership, limited partnership, limited company and cooperative) 4. Find out if the entrepreneurship needs a license (licensed trade) 5. Start-up notification to the Finnish Business Information System 6. By the start-up notice it is possible to register to the Register of Companies, subject to VAT, preliminary taxation register and to the register of employers. 7. Sorting out the accounting and taking all the necessary insurances |
| <p>CS7 Osrednjeslovenska-Slovenia</p> | <p>e-VEM portal: The most common form of enterprise in Osrednjeslovenska region is sole trader. The basic set of steps that have to be taken when starting a business are to: (1) certify a name of the company; (2) register the type(s) of business activities; (3) register the company in the tax registry to obtain the tax identification number; (4) register in the health and pension insurance system. The procedure for sole trader and one-person limited liability company is almost the same, very simple and free of charge at least up to administrative registry. To start a limited liability company a minimum start capital of 7.500 EUR and an establishment act (single-person company) or partnership agreement (multi-person company) have to be provided. For other organizational forms, longer a more complex procedure is required. Types of business activity are categorized into three groups; special business activities, for which special conditions are set and/or specific authorities have to give permission for practicing an activity; craftsmanship, for which usually craft permit is necessary; and unregulated activities, for which no special requirements exist. There is no difference in the abovementioned procedure among regions.</p> <p>http://evem.gov.si/evem/en/home.evem</p> |
| <p>CS8 Styria</p> | <p>In Styria the basic steps to start a business are the following (find the time it takes in brackets):</p> |



1. You have to obtain the confirmation from the Styrian Federal Economic Chamber (Wirtschaftskammer Steiermark: <https://www.wko.at/Content.Node/Interessenvertretung/st/index.html>) that the start-up company is really a new enterprise (1 day)
 2. You have to notarize the statutes/articles of association (=the contract of business) or the declaration of establishment (=small size start-up) with a lawyer or a notarior/solicitor (4 days, costs: € 1.500.-)
 3. Deposit the minimum capital requirement in the bank (1 day, costs at bank: € 30.-)
 4. If you start a „Austrian limited liability company“ (Gesellschaft mit beschränkter Haftung, GmbH) you have to register the company at the local court (Handelsgericht) for this you need the following documents: the declaration of establishment notarized; articles of association; a declaration (accompanied by a banker's confirmation) that the demanded amount of primary deposit, to be paid in cash, has been paid; evidence that the free disposability of the paid primary deposit by managing directors is not restricted by counterclaims; specimen signatures of the managing directors; and confirmation by the tax authorities that the capital transaction tax on the formation has been paid or is guaranteed. If the court has doubts about the company name, it may request an opinion from the Chamber of Commerce. A GmbH comes into legal existence upon registration in the commercial registry. (7days)
- The following company information is inter alia listed and published in the commercial registry: corporate name, registered office and address, name and the date of birth of the company's representatives and shareholders, nominal capital.
5. Please note that in Austria there is obligatory membership for all enterprises in the chamber of commerce.
 6. Tax Office registration (obtain a VAT number) The commercial register automatically informs tax authorities of the registration of new companies. In turn, tax authorities usually respond by requesting that the company file for tax registration. One of the following forms must be filed with the tax authority: Form 15, or 24 (available at www.bmf.gv.at/), and the articles of association, the opening balance sheet, an excerpt of the company register, an identification card of a managing director, a specimen signature sheet of the representatives must be filed as attachments. The authority issues the tax number within 10 to 14 days. The VAT number is usually issued simultaneously with the tax identification number. (10 Days)
 7. Register trade (Gewerbeanmeldung) with the Styrian administrative authority (Bezirksverwaltungsbehörde): You can register in person, by postal mail, or over the Internet.
 8. Register employees for social security (like in Catalonia, see example below) (1 day)
 9. Register with the Styrian municipality: The Austrian federal Municipalities levy community taxes on all businesses. In addition, particular activities (e.g., organizing a public event) may trigger municipal stamp duties or other minor duties and taxes (e.g., advertising fees "Werbeabgaben"). (1 day)
- <https://www.wko.at/Content.Node/Interessenvertretung/st/index.html>



CS9 Suceava

In Romania the basic steps to start up a business are the followings:

- Registration of the company name (The application will content a number of three proposed names chosen in order of preference.)

-Establishing headquarters

-Filing required disclaimers; specimen signatures

-Prepare Articles of Incorporation (Like: Identification of the members, Form, name and registered office, Statements of shareholders;The object of the company, specifying, the Company's Statute, scope and main activity, social capital, secondary offices, Operating time of the society, The dissolution and liquidation of the company)

-Opening a bank account and deposit social capital

-Preparing the file containing all the necessary documents for company registration, Reservation of Company's Name

The National Trade Register Office <http://www.onrc.ro/indexe.php> (facility for students for start-up a business)

Roughly, the legal administrative procedures are:

- Administrative procedures to give legal status to the company. The complexity and cost depend on the legal form to be given to the company. The cost of these procedures is not relevant to deciding whether or not to launch the company.

- Administrative procedures to legalize the activity and the location of the company. They are the activity license, urban license, and if you need to build something then a building license. You must request them on the local council in your municipality where you will place your business.

- Administrative procedures to legalize the employment of those working in the company. The complexity and cost depend on the number of people who will work in the company and their relationship to it. They are procedures that have immediate consequences in the treasury of the company, because once people are registered to social security, it has to be paid each month. <http://www.onrc.ro/documente/ghid/5.pdf>

The Ministry of Finance www.mfinante.ro, The Council Regulation (EC) no. 2157/2001 <http://eur-lex.europa.eu/> Establishment of European society through the merger of two companies based in two different states of the EU. <http://www.onrc.ro/documente/ghid>



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| <p>CS10</p> <p>Sumadija and Western Serbia</p> | <ol style="list-style-type: none"> 1. Notarize the memorandum of association at the Basic Court or at the Municipality 2. Pay registration fees 3. Apply and obtain the registration certificate, tax identification number, pension fund (PIO Fund) and Health Fund certificates, certify the signatures for opening bank account 4. Make Stamp and seal 5. Register with local tax authority 6. Register the employment contracts with the Employment Organization/Fund <p>http://www.doingbusiness.org/data/exploreeconomies/serbia/starting-a-business/</p> |
| <p>CS11 Trentino Alto Adige</p> | <p>Anyone can start a business according the art. 41 of the Italian constitution. The general principles and limitations are stated already in the Constitution, though several rules have been set up in the Civil Code (here after c.c.). The enterprise starts always from the idea of an "entrepreneur" that pursues the profit (art. 2082 c.c.) producing good and services within an "organized activity". It seems quite obvious, but it is a crucial definition in order to classify the professional by non-professional activities; this last consider as occasional with an alternative taxation system. There are different two main categories of entrepreneurs: the ones that do not use employees (so called "small entrepreneurs" art. 2083 c.c.) and the one that hire employees labour forces. The two hypothetical examples we will consider in the specific part, they will take already two different legal path already at this stage, as well partially to the registration procedures.</p> <p>Once a person starts to produce and sell regularly the products he/she produce, he/she has to consider some income thresholds (art. 34 Presidential Decree 633/72, and amendments). So,</p> <ul style="list-style-type: none"> - if the total gross income he/she has in a year does not exceed the 2582.28 €, he/she has declare the income without paying VAT or any income taxation (the producer must keep all the invoices of the years) - while if he/she earn between 2582.28 and 7746.85 €, the producers has to declare the income and pay income taxation (but not VAT) (the producer must keep all the in voices of the year - finally, if the producer exceed the 7746.85 €, he/she must register the company in the national database of companies (held by the provincial Chamber of Commerce - |



ComUnica portal <http://starweb.infocamere.it/starweb/index.jsp>), obtain the VAT code and pay the income and VAT taxes.

In the last case, the producer has to certify the new business (in Italian "Segnalazione Certificata di Inizio Attività - SCIA) according to the art. 19 of the Law 241/90. The entrepreneur has also to demonstrate he/she has the individual minimal requirement (moral and professional), he/she has the minimum requirement of the health and hygienic condition of the rooms used for the work, and finally the compliance with the urban plan. The producer has to record to the national pension system and according to the annual turnover and the type of the company (law n. 40/2007). The producer must also apply for "certificate of usability" of the buildings he/she uses according to the Act 380/2001 art. 24-26.

Reference:

- Civil Code
- Quoted Laws in the text
- www.registroimprese.it

CS12 Valladolid

In Castilla y León (Spain) the basic steps to start up a rural company are:

The business plan: we must describe the project and its characteristics; define specific ideas and how to implement it. This helps to the entrepreneur to clarify his ideas, useful to present the project to potential partners or a bank.

The feasibility plan: It is the study accompanying business plan to analyze the economics of the business plan, include the provisions for expenses or investments at the beginning of the activity, the economic resources available, funding sources and an estimate of income for the first three years, to analyze whether the business is profitable. In the Tax Office we can obtain the tax identification number (NIF), the declaration of commencement of operations and identification labels.

In the Social Security Treasury fits the company and its opening trading account. Also here is pending discharge in the Special Scheme for Self-Employed, membership and registration of workers.

In the Regional government communication is done opening activity, authorizations, licenses and specific registers (industrial, medical, food, trade, transport, tourism, etc..).

In the council we get the information, advice, delivery of documentation, recording and processing of municipal licensing activities and urban facilities and the opening of the premises license or change of ownership application.

In the Chambers of Commerce we can get free advice on the legal form of the company that best suit, administrative procedures, obligations to government and information on grants and aid.



Guests may request registration in the tax office in the city, 036 (Declaration census registration, modification and low in the Census of entrepreneurs, professionals and retainers).

Finally, you can write the articles of association of the company and register it in the Register.

Similarly, we must not forget the compulsory insurance. The liability insurance civil liability for damage that may cause the company to develop its business or professional. According to the legal form chosen, the liability shall be unlimited and can be answered only by the capital. The simplest way is to take legal individual entrepreneur. If the company is going to be small, the entrepreneur can save many steps and procedures at the beginning of the activity, since it does not have to acquire a legal personality. Its constitution is faster than that of a commercial company.

CS13 Waldmärker

Basic steps to start-up a business in Germany:

- Registration at the trading supervision department of the municipality (Gewerbeordnungsamt).
- Trade register registration if applicable (depending on the legal form of the business).
- Registration at the local tax and revenue office.
- Registration at the Chamber of Industry and Commerce/Chamber of Handcraft/Chamber of Agriculture...(depending on the area of business activities)
- Application for the membership at the employer's liability insurance coverage (Berufsgenossenschaft).
- Creation of a business plan, compulsory if there is an intention to apply for subsidies; otherwise it is strongly recommended.
- Registration at the Federal Employment Agency (Agentur für Arbeit) if applicable (depending on number of employees).
- Clarify user rights of business name.
- Depending on the branch of business activity, there might be further qualifications and licences needed, such as a certification of good conduct, insurance certificates, degrees, diplomas and many more.

In Germany the number of steps to start-up a business are generally dependent on the legal form of the business and the branch of trade where the business will be installed. Basically the entrepreneur needs to register the business activities at the trading supervision department of the municipality before actually starting the activities. Information will then be automatically transferred to the Chamber of Industry and Commerce or others, the tax and revenue office and to the employer's liability insurance.



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| | <p>The legal form of the business directs the necessity of listing the business at the trade register. If there are employees involved in business activities, a registration at the Federal Employment Agency is mandatory.</p> <p>Depending on the size, legal form and activity of the business there might be numerous further licences and qualifications needed.</p> <p>www.existenzgruender.de; www.bmwi.de</p> |
| <p>CS14 West Wales and the Valley</p> | <p>Initial steps to starting up a business (limited company) in Wales</p> <ul style="list-style-type: none"> - Register with Companies House. This can be done online, by post or using an agent. In order to do this you need to provide the company name and registered address, details of directors and shareholders (if any), and constitution and articles of association. These will vary with different company set-ups. Once this is done you have a certificate of incorporation which confirms the company exists legally. - Register with HMRC (Her Majesties Revenue and Customs) for tax purposes. You can do this via a joint registration with Companies House if you are already trading, or directly with HMRC when you start trading. - Set up a business Bank Account –a limited company must have a separate business account as they are a separate legal entity <p>Procedures to set up a Ltd Company are relatively quick and easy in Wales/UK. Besides a company there are other legal forms which can be used to establish a business:</p> <ul style="list-style-type: none"> - Sole trader - Partnership - Community Interest Company - Co-operative - Industrial Provident Society |



The last three are forms intended for social enterprises. All are fairly easy to set up though there are more checks on social enterprises. There is ample help and advice available along the way. Cost isn't a big factor in setting up the company. It can take between £15 and £500 depending on whether you do it yourself or pay an agent to do it for you.

There are few if any regional procedures to go through when registering a company or company activity. It will depend on the type of business you are running, e.g. Food based businesses will need to have a license for their premises from their local authority, and you will need to register to dispose of any hazardous waste or discharge from any processes you are running.

When/if you start employing people or paying yourself, you will need to provide details to HMRC in order to comply with procedures for paying national insurance and income tax (through PAYE – pay as you earn) which are now done online and through direct bank transfers. This will place an extra administrative and financial burden on the company, though the UK government is currently offering exemption from a percentage of the employers' contributions for small businesses.

If the company turns over more than £77,000 per year then it will need to be VAT registered and charge 20% VAT and pay this over to HMRC.

<http://www.hmrc.gov.uk/startup/> <http://www.companieshouse.gov.uk/about/guidance.shtml>

Annexe 2: Characteristics of on-line portals to register start-ups in each case-study region

| Name of the Case Study | Characteristics of the portal for registering on-line your business |
|------------------------|--|
| CS1 Alentejo | <p>Details</p> <p>The Company Portal gives access structured in a simple and uniform way of services required for the performance of various economic activities in the country information.</p> <p>Source</p> <p>http://www.portaldaempresa.pt/CVE/pt/EOL/</p> <p>Comments</p> |



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| | Search for Entrepreneur Tour and find all the information and services necessary for opening or running your business. |
| CS2 Bursa | NO |
| CS3 Catalonia | <p>Details</p> <p>Yes. CIRCE, The Information Centre & Business Setup Network is an information system that makes it possible to setup online various forms of mercantile societies in Spain (website: http://portal.circe.es/es-ES/Paginas/Home.aspx). The entrepreneur is only required to fill in the Single Electronic Document (DUE – Documento Único Electrónico) which includes a number of sections. CIRCE automatically takes all the necessary steps to create the company, getting in touch with all the Public Agencies involved (Tax Administration Agency, Social Security, Trade Companies Registrars, Notary's Office, etc.) In Catalonia it is also possible to register (for self-employed, SL or SLNE) a new business/enterprise on-line throughout the Business Management Office (OGE: Oficinas de Gestión Empresarial, website link: www.gencat.cat/canalempresa).The OGE is the office responsible for informing, assessing, receiving, initiating, managing and resolving processes of opening, expanding, modifying data or transferring in companies which develop activities en relation with agriculture, environment, health, mines, energy, industrial security and private security. It also manages the register of patents and brands of Catalonia for the Spanish Office of Patents and Brands.</p> <p>Source</p> <p>http://portal.circe.es/es-ES/Paginas/Home.aspx, www.gencat.cat/canalempresa</p> <p>Comments</p> |
| CS4 Eastern Scotland | <p>Yes.</p> <p>Register with HMRC:</p> <p>Sole Trader http://www.hmrc.gov.uk/working/intro/selfemployed.htm</p> <p>You have to provide</p> <ul style="list-style-type: none"> - your National Insurance number - your name, date of birth and contact details - your company name and address, when you started trading, and a brief description of what your business does |



Register for VAT if your turnover is bigger than the threshold: <http://www.hmrc.gov.uk/vat/start/register/how-to-register.htm>

- IN SOME CASES YOU MUST REGISTER FOR VAT BY POST, NOT ONLINE - details are here: <http://www.hmrc.gov.uk/vat/start/register/how-to-register.htm#4>

- otherwise follow the link from this page for an online form: <http://www.hmrc.gov.uk/vat/start/register/how-to-register.htm>

Limited Company:

(1) Register the business with HMRC, including every PAYE employee

- <https://online.hmrc.gov.uk/registration/newbusiness/introduction>

- VAT (if turnover is above threshold) <http://www.hmrc.gov.uk/vat/start/register/how-to-register.htm>

(2) Choose a name, and search to check that it is not already being used: <http://www.companieshouse.gov.uk/info>

(3) Register with Companies House

<http://www.companieshouse.gov.uk/infoAndGuide/companyRegistration.shtml> (linking to:
<https://ewf.companieshouse.gov.uk//runpage?page=welcome>)

You have to provide:

- name and address of the company;

- details of at least one Director and the company Secretary;

- details of Share Capital and Shareholders;

- payment (currently £15).



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| | <p>http://www.companieshouse.gov.uk/infoAndGuide/companyRegistration.shtml</p> |
| <p>CS5 Latvia</p> | <p>Yes. Procedure can be dealt electronically by downloading and filling in applications, adding necessary documents, signing with the secure digital signature and sending to an e-mail of the competent authority (for example, requirements of Register of Enterprises). Affirmations of fees and payments via i-banks, before submitting electronically must be signed by the person's (payers) secure digital signature. It can be done in website https://www.latvija.lv/</p> <p>https://www.latvija.lv/</p> |
| <p>CS6 North Karelia</p> | <p>Yes, at the webpage: https://www.perustayritys.fi/.</p> <p>The procedure includes the phases 3-7 listed above. The program automatically brings in all the necessary documents for registering new business and documents that banks and insurance companies might need. The service is developed together with the state authority, banks and insurance companies. The entrepreneur can fill in all the notifications for the taxation, National board of patents and registration of Finland, banks and insurance companies. At the same time it is possible to choose oneself a company to take care insurance against loss or damage and retirement pension insurance as well as bank. It is also possible to choose some additional services for a starting entrepreneur.</p> <p>(Costs for registering business: sole trader 105 €, limited partnership/partnership 225 €, limited company 380 € and other forms of company e.g. co-operative 380 € and auxiliary firm-name 95 €</p> <p>https://www.perustayritys.fi/</p> |



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| CS7 Osrednjeslovenska- Slovenia | <p>Yes. The e-VEM portal is a web-based service for registering enterprises (website: http://evem.gov.si/evem/en/home.evem). For registering a sole trader or one-person limited liability company this service is sufficient to carry out all the key steps in starting up the business. You have to have a digital certificate of the certification authority of Republic of Slovenia and then one has to follow a series of entries into e-form. After completion, the referent checks the entry and the proposal can be examined and approved by the court. After a positive revision the company gets registered in the business registry of Slovenia. From more complex forms of enterprises some steps have to be completed at the notary office.</p> |
| CS8 Styria | <p>YES, at the local Styrian administrative authority</p> <p>Only step 7. can be registered online("7.Register trade (Gewerbebeanmeldung) with the Styrian administrative authority (Bezirksverwaltungsbehörde): You can register in person, by postal mail, or over the Internet.")- please look in question 1.</p> <p>Bezirksverwaltungsbehörde: https://egov.stmk.gv.at/eform/gewerbe/start.do?wfjs_enabled=true&wfjs_orig_req=%2Fstart.do%3Fevent%3Dview%26generalid%3DWT_GE_GB_GA&vid=f0ddf01f49da593d&wfjs_orig_req=%2Fstart.do%3Fevent%3Dview%26generalid%3DWT_GE_GB_GA&vid=f0dd</p> |
| CS9 Suceava | <p>No It is not possible to register a business 100% online, but you can be beneficent of help by register to a on-line portal (National Office of Trade Register - https://portal.onrc.ro/ONRCPortalWeb/ONRCPortal.portal). Here you can find all kinds of on-line services like documents you can fill-in on-line, forms and applications which can be a real help.</p> <p>https://portal.onrc.ro/ONRCPortalWeb/ONRCPortal.portal</p> |



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| CS10 Sumadija and Western Serbia | NO |
| CS11 Trentino Alto Adige | <p>Yes, it is. The producers can register himself is the following www.registroimprese.it</p> <p>In the web-site the producer need to find the portal named "ComUnica" (http://www.registroimprese.it/comunica#tab=cosa&under-tab=corsi or http://starweb.infocamere.it/starweb/index.jsp) and fill all the information required. Within one few minutes the company is open and he/she can start to run his business keeping the register of VAT debts and credits.</p> <p>Reference: www.registroimprese.it</p> |
| CS12 Valladolid | <p>CIRCE network (Network Information Center of Entrepreneurship) of the Directorate General of Small and Medium Enterprises, Ministry of Industry, Tourism and Trade. http://portal.circe.es/en-US/Paginas/home.aspx</p> <p>The PAIT (Points of counseling and Initial Processing) are dependent offices Public Administration and public and private entities that provide advice on the establishment of the company, and providing information services face online processing of projects and during the early years of the Limited Liability Company. They also help to initiate the administrative process of incorporation through the Single Electronic Document (DUE).</p> <p>http://www.circe.es/Circe.publico.web/articulo.aspx?titulo=Definicion+de+PAIT</p> <p>Ade on line Processing: From where entrepreneurs and / or companies may make your request and the different steps for the processing of their cases.</p> <p>http://www.empresas.jcyl.es/web/jcyl/Empresas/es/Plantilla100/1259064077157/_/_/_</p> |
| CS13 Waldmärker | <p>No. Not at regional level. In the administrative procedure of business registration some steps can be completed electronically, such as the registration at the Federal Employment Agency, but personal registration at the trading supervision is required. However there is the option of procuration if personal registration is not applicable. In some federal states of Germany (Bayern, Hamburg, Rheinland-Pfalz) the registration of a new business can be</p> |



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| | <p>submitted electronically.</p> <p>expert interview</p> |
| <p>CS14 West Wales and the Valley</p> | <p>Yes. You can register a new company online at Companies House. It is possible to register several different types of company online. http://www.companieshouse.gov.uk/infoAndGuide/companyRegistration.shtml, as long as you are using model (or standard) articles of association. You need to provide the Company name and address, details of officers of the company, share capital and shareholder details (if relevant) and payment. Companies House will automatically notify HMRC that a company has been set up. You can either use the companies House joint registration service or register with HMRC separately for tax purposes</p> <p>. http://www.companieshouse.gov.uk/infoAndGuide/companyRegistration.shtml</p> |





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