

Doing Business 2011

Spain

**Making
a Difference for
Entrepreneurs**

COMPARING BUSINESS REGULATION IN 183 ECONOMIES



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Doing Business 2011
Business Reforms

Doing Business 2011: Making a Difference for Entrepreneurs is the eighth in a series of annual reports investigating regulations that enhance business activity and those that constrain it. *Doing Business* presents quantitative indicators on business regulations and the protection of property rights that can be compared across 183 economies, from Afghanistan to Zimbabwe, over time.

A set of regulations affecting 9 stages of a business's life are measured: starting a business, dealing with construction permits, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business. Data in *Doing Business 2011* are current as of June 1, 2010*. The indicators are used to analyze economic outcomes and identify what reforms have worked, where, and why.

The Doing Business methodology has limitations. Other areas important to business such as an economy's proximity to large markets, the quality of its infrastructure services (other than those related to trading across borders), the security of property from theft and looting, the transparency of government procurement, macroeconomic conditions or the underlying strength of institutions, are not studied directly by Doing Business. To make the data comparable across economies, the indicators refer to a specific type of business, generally a local limited liability company operating in the largest business city. Because standard assumptions are used in the data collection, comparisons and benchmarks are valid across economies. The data not only highlight the extent of obstacles to doing business; they also help identify the source of those obstacles, supporting policymakers in designing reform.

The data set covers 183 economies: 46 in Sub-Saharan Africa, 32 in Latin America and the Caribbean, 25 in Eastern Europe and Central Asia, 24 in East Asia and Pacific, 18 in the Middle East and North Africa and 8 in South Asia, as well as 30 OECD high-income economies.

The following pages present the summary Doing Business indicators for Spain. The data used for this economy profile come from the Doing Business database and are summarized in graphs. These graphs allow a comparison of the economies in each region not only with one another but also with the "good practice" economy for each indicator.

The good-practice economies are identified by their position in each indicator as well as their overall ranking and by their capacity to provide good examples of business regulation to other countries. These good-practice economies do not necessarily rank number 1 in the topic or indicator, but they are in the top 10.

More information is available in the full report. *Doing Business 2011: Making a Difference for Entrepreneurs* presents the indicators, analyzes their relationship with economic outcomes and recommends reforms. The data, along with information on ordering the report, are available on the Doing Business website (www.doingbusiness.org).

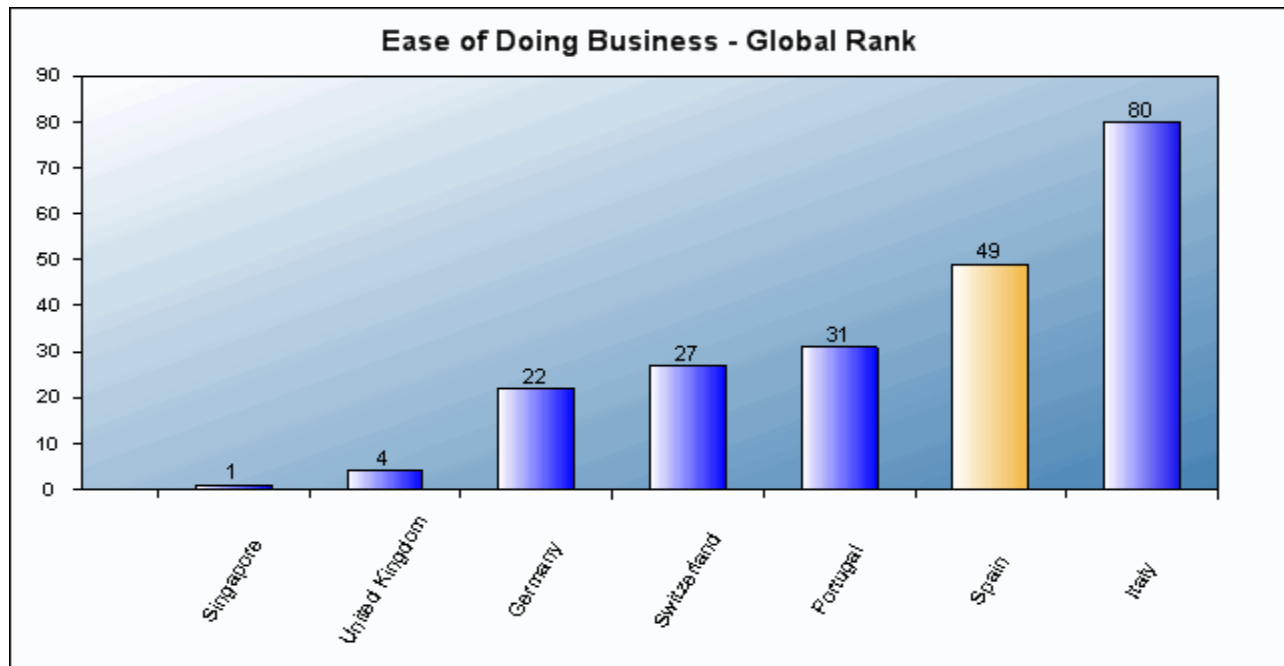
* Except for the Paying Taxes indicator that refers to the period January to December of 2009.

Note: 2008-2010 Doing Business data and rankings have been recalculated to reflect changes to the methodology and the addition of new economies (in the case of the rankings).

Economy Rankings - Ease of Doing Business

Spain is ranked 49 out of 183 economies. Singapore is the top ranked economy in the Ease of Doing Business.

Spain - Compared to global good practice economy as well as selected economies:



Spain's ranking in Doing Business 2011

Rank	Doing Business 2011
Ease of Doing Business	49
Starting a Business	147
Dealing with Construction Permits	49
Registering Property	54
Getting Credit	46
Protecting Investors	93
Paying Taxes	71
Trading Across Borders	54
Enforcing Contracts	52
Closing a Business	19

Summary of Indicators - Spain

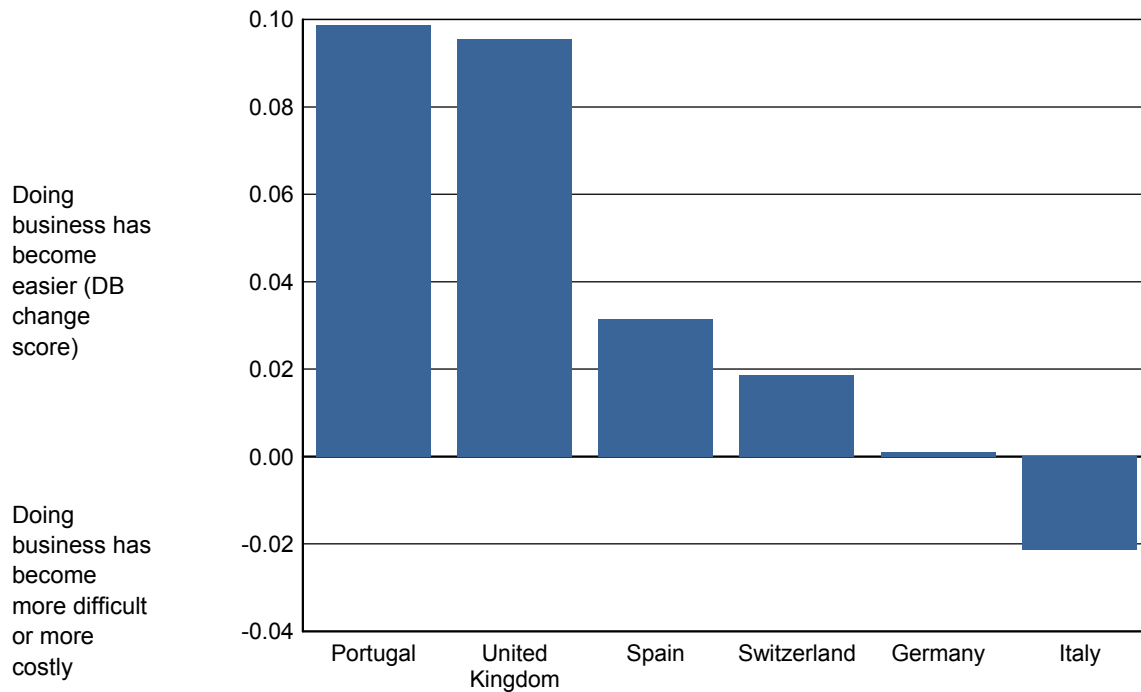
Starting a Business	Procedures (number)	10
	Time (days)	47
	Cost (% of income per capita)	15.1
	Min. capital (% of income per capita)	13.5
Dealing with Construction Permits	Procedures (number)	11
	Time (days)	233
	Cost (% of income per capita)	47.4
Registering Property	Procedures (number)	4
	Time (days)	18
	Cost (% of property value)	7.1
Getting Credit	Strength of legal rights index (0-10)	6
	Depth of credit information index (0-6)	5
	Public registry coverage (% of adults)	54.6
	Private bureau coverage (% of adults)	10.7
Protecting Investors	Extent of disclosure index (0-10)	5
	Extent of director liability index (0-10)	6
	Ease of shareholder suits index (0-10)	4
	Strength of investor protection index (0-10)	5.0
Paying Taxes	Payments (number per year)	8
	Time (hours per year)	197
	Profit tax (%)	20.9
	Labor tax and contributions (%)	35.0
	Other taxes (%)	0.7
	Total tax rate (% profit)	56.5
Trading Across Borders	Documents to export (number)	6
	Time to export (days)	9
	Cost to export (US\$ per container)	1221
	Documents to import (number)	7
	Time to import (days)	10
	Cost to import (US\$ per container)	1221

Enforcing Contracts	Procedures (number)	39
	Time (days)	515
	Cost (% of claim)	17.2
Closing a Business	Recovery rate (cents on the dollar)	76.3
	Time (years)	1.0
	Cost (% of estate)	11

The 5 year measure of cumulative change illustrates how the business regulatory environment has changed in 174 economies from *Doing Business 2006* to *Doing Business 2011*. Instead of highlighting which countries currently have the most business friendly environment, this new approach shows the extent to which an economy's regulatory environment for business has changed compared with 5 years ago.

This snapshot reflects all cumulative changes in an economy's business regulation as measured by the Doing Business indicators-such as a reduction in the time to start a business thanks to a one-stop shop or an increase in the strength of investor protection index thanks to new stock exchange rules that tighten disclosure requirements for related-party transactions.

This figure shows the distribution of cumulative change across the 9 indicators and time between *Doing Business 2006* and *Doing Business 2011*



Many economies have undertaken reforms to smooth the starting a business process in stages—and often as part of a larger regulatory reform program. A number of studies have shown that among the benefits of streamlining the process to start a business have been greater firm satisfaction and savings and more registered businesses, financial resources and job opportunities. Economies with higher entry costs are associated with a larger informal sector and a smaller number of legally registered firms.

Some reform outcomes

In Egypt reductions of the minimum capital requirement in 2007 and 2008 led to an increase of more than 30% in the number of limited liability companies.

In Portugal creation of One-Stop Shop in 2006 and 2007 resulted in a reduction of time to start a business from 54 days to 5. In 2007 and 2008 new business registrations were up by 60% compared with 2006.

In Malaysia reduction of registration fees in 2008 led to an increase in registrations by 16% in 2009.

What does Starting a Business measure?

Procedures to legally start and operate a company (number)

- Preregistration (for example, name verification or reservation, notarization)
- Registration
- Post registration (for example, social security registration, company seal)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior contact with officials

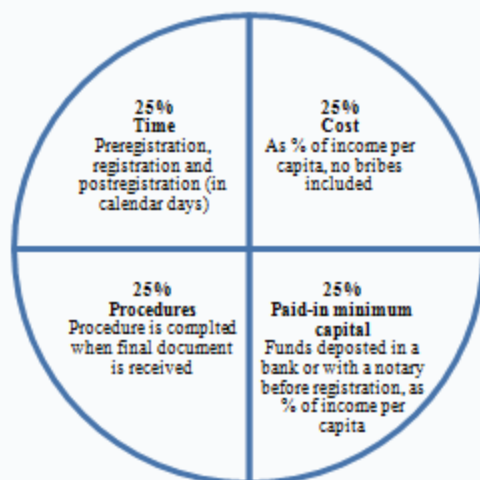
Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- No professional fees unless services required by law

Paid-in minimum capital (% of income per capita)

- Deposited in a bank or with a notary prior to registration begins

Starting a Business: getting a local limited liability company up and running
Rankings are based on 4 subindicators



Case Study Assumptions

- Doing Business records all procedures that are officially required for an entrepreneur to start up and formally operate an industrial or commercial business.
- Any required information is readily available and that all agencies involved in the start-up process function without corruption.

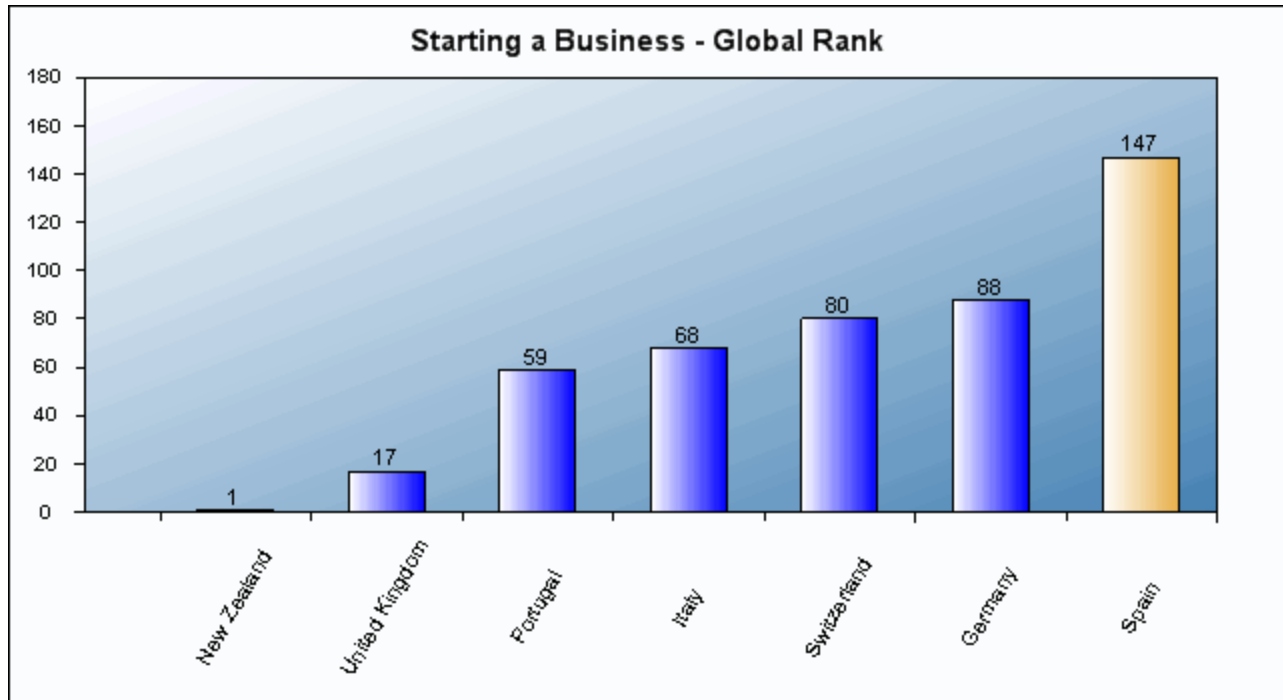
The business:

- is a limited liability company, located in the largest business city
- conducts general commercial activities
- is 100% domestically owned
- has a start-up capital of 10 times income per capita
- has a turnover of at least 100 times income per capita
- has at least 10 and up to 50 employees
- does not qualify for investment incentives or any special benefits
- leases the commercial plant and offices and is not a proprietor of real estate

1. Benchmarking Starting a Business Regulations:

Spain is ranked 147 overall for Starting a Business.

Ranking of Spain in Starting a Business - Compared to good practice and selected economies:



The following table shows Starting a Business data for Spain compared to good practice and comparator economies:

Good Practice Economies	Procedures (number)	Time (days)	Cost (% of income per capita)	Min. capital (% of income per capita)
Denmark*			0.0	
New Zealand*	1	1		0.0

<i>Selected Economy</i>				
Spain	10	47	15.1	13.5

<i>Comparator Economies</i>				
Germany	9	15	4.8	0.0
Italy	6	6	18.5	10.1
Portugal	6	6	6.5	34.1
Switzerland	6	20	2.1	27.2
United Kingdom	6	13	0.7	0.0

* The following economies are also good practice economies for :

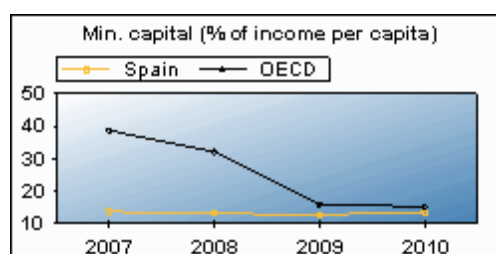
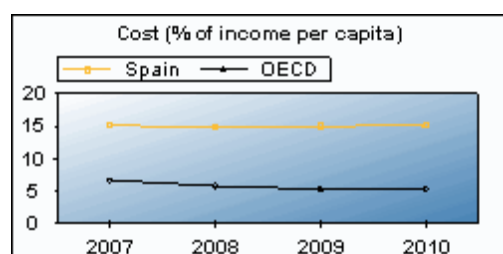
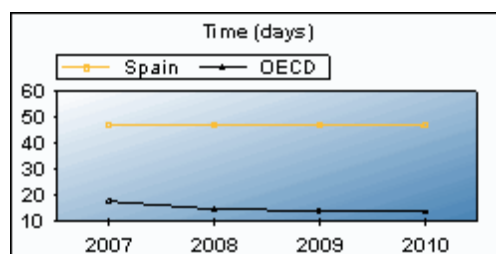
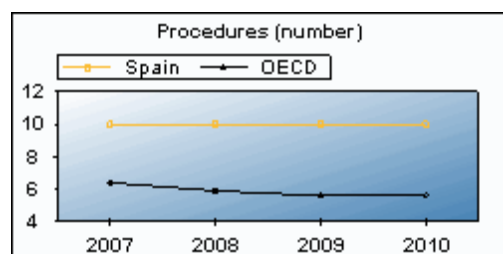
Procedures (number): **Canada**

Cost (% of income per capita): **Slovenia**

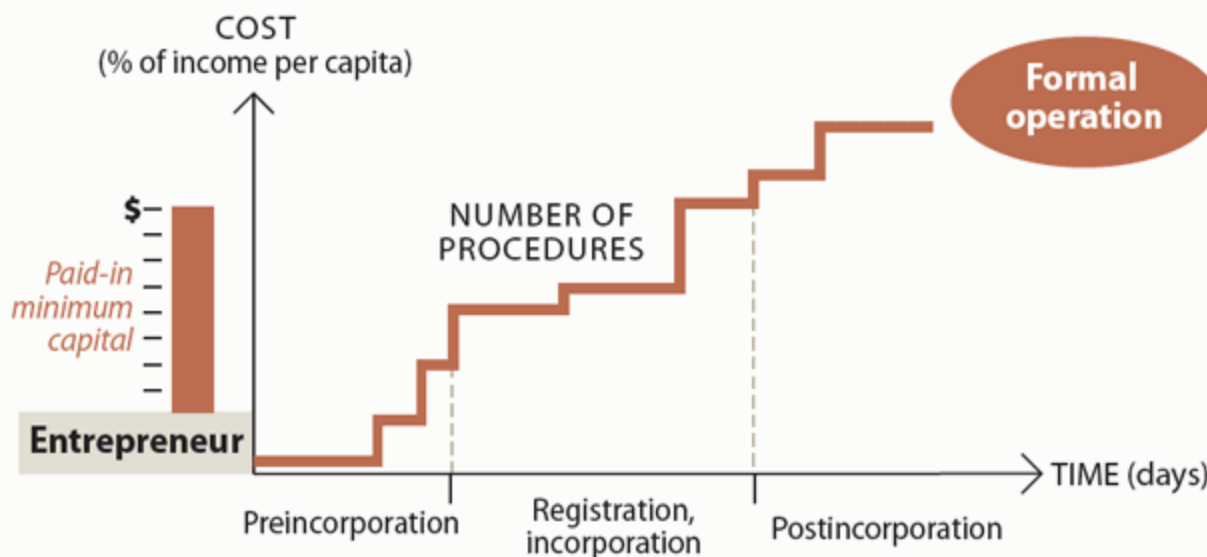
2. Historical data: Starting a Business in Spain

Starting a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	144	147
Procedures (number)	10	10	10	10
Time (days)	47	47	47	47
Cost (% of income per capita)	15.1	14.9	15.0	15.1
Min. capital (% of income per capita)	13.7	13.1	12.8	13.5

3. The following graphs illustrate the Starting a Business sub indicators in Spain over the past 4 years:



What are the time, cost, paid-in minimum capital and number of procedures to get a local, limited liability company up and running?



This table summarizes the procedures and costs associated with setting up a business in Spain.

STANDARDIZED COMPANY

Legal Form: Sociedad de responsabilidad limitada (SRL)

-Limited Liability Company

City: Madrid

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Obtain a certification of uniqueness of proposed company name (certificación negativa de la denominación social) from the Mercantile Register	3	EUR 19
2	Open a bank account for the company; deposit capital in the bank and obtain a deposit certificate	1	no charge
3	Grant a public deed of incorporation before a public notary	1	EUR 475
4	Submit Declaración Censal de Inicio de Actividad and obtain the Tax Identification Number (Numero de Identificación Fiscal, NIF) from the Delegación Provincial de la Agencia Estatal de la Administración Tributaria	1	no charge
5	Pay the Asset Transfer Tax and Legal Documented Act Tax ("Impuesto de Transmisiones Patrimoniales y Actos Jurídicos Documentados") to the local tax authority	1	EUR 2,223
6	File the public deed of incorporation of the company for its registration with the Mercantile Registry.	6	EUR 152

7	Legalize company books	15	EUR 90
8	* Obtain a municipal license to open business premises (Licencia Municipal de Apertura) at the county/town council (Departamento de Urbanismo del Ayuntamiento)	38	EUR 406
9	* File for social security and affiliate all workers with the local general treasury of social security (Tesorería General de la Seguridad Social)	1	no charge
10	Notify the Delegación Provincial de la Consejería de Trabajo e Industria	1	no charge

* Takes place simultaneously with another procedure.

Starting a Business Details - Spain

Procedure	1	Obtain a certification of uniqueness of proposed company name (certificación negativa de la denominación social) from the Mercantile Register
Time to complete:	3	
Cost to complete:	EUR 19	
Comment:	<p>The certification of uniqueness of the corporate name can be obtained directly from the Central Mercantile Registry by filing the corresponding form. Alternatively, it can be requested by mail or via the Internet. The Central Mercantile Registry must mail the certification C.O.D. to the address indicated in the request.</p> <p>Once the Registry issues the certification, , the requested corporate name will be reserved for a maximum of 6 months from the certification's date of issuance.</p> <p>Each certification of uniqueness of the corporate name is valid for 3 months from its date of issuance. Should the company not be incorporated within this term, a certificate renewal must be requested. The certification must be attached to the public deed of incorporation.</p>	
Procedure	2	Open a bank account for the company; deposit capital in the bank and obtain a deposit certificate
Time to complete:	1	
Cost to complete:	no charge	
Comment:	<p>Pursuant to Spanish Royal Decree 1,784/1996 (Article 189, second paragraph), the contributions can also be directly given to the notary public before whom the deed of incorporation is going to be granted, at the time of the granting, so that the notary can deposit them in the Company's bank account, provided that (i) the contributions are paid in with cash, and (ii) the request to deposit the capital is included in the public deed.</p>	
Procedure	3	Grant a public deed of incorporation before a public notary
Time to complete:	1	
Cost to complete:	EUR 475	
Comment:	<p>The public deed of incorporation must include (a) the identity of the company shareholders; (b) their will to incorporate the company; (c) the disbursement made by each of shareholder and the number of shares subscribed to by each; (d) the company bylaws; (e) the type of administrative body that will manage the company; and (f) the identity of its administrators or directors.</p> <p>According to Law 36/2006 (November 29, 2006) and the corresponding interpretation of the General Board of Registries and Notaries, the public deed of incorporation must also include a fiscal identification number for each shareholder and for each shareholder representative and director.</p> <p>The certificate of uniqueness of the corporate name and the bank-issued certification must be attached to the public deed of incorporation.</p> <p>According to Law 24/2005 (November 18, 2005), a notary public can send the incorporation documents to the Commercial Registry electronically.</p> <p>However, although the electronic system has been implemented, it is still not possible to use it to set up a Limited Liability Company, due to the Asset Transfer Tax and Legal Document Act Tax that must be paid, after granting the public deed of incorporation and before filling it with the</p>	

Commercial Registry, because the official form that must be filled with the corresponding tax authorities ("Modelo 600") can be filled in with the Tax Authorities in person or by electronic means. However, it has to be submitted personally.

According to Royal Decree 8/2010 of 20 May to fight crisis notary fees have been reduced by 5%.

Procedure	4	Submit Declaración Censal de Inicio de Actividad and obtain the Tax Identification Number (Numero de Identificación Fiscal, NIF) from the Delegación Provincial de la Agencia Estatal de la Administración Tributaria
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Time to complete: 1

Cost to complete: no charge

Comment: As a general rule, the statement on commencement of business activities (Declaración Censal de Inicio de Actividad) must be filed and the tax identification number must be obtained before the company starts business activities. A copy of the public deed of incorporation must be filed with the Delegación Provincial de la Agencia Estatal de la Administración Tributaria with the corresponding form. Through the same procedure, the company must also register for VAT. The tax identification number is a prerequisite for registering the public deed of incorporation with the Mercantile Registry and for paying the Asset Transfer Tax and Legal Document Act Tax (Impuesto de Transmisiones Patrimoniales y Actos Jurídicos Documentados). Form 036 may be filed in person with the Delegación Provincial de la Agencia Estatal de la Administración Tributaria or by registered mail, along with the following documents: (a) the original and a copy of the public deed of incorporation; (b) original or copy of identity documents (such as DNI or NIE for a foreign individual or legal entity) of the shareholders; and (c) original of an identity document (such as DNI or NIE. for a foreign individual or legal entity) of the representative of the company.

Procedure	5	Pay the Asset Transfer Tax and Legal Documented Act Tax ("Impuesto de Transmisiones Patrimoniales y Actos Jurídicos Documentados") to the local tax authority
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Time to complete: 1

Cost to complete: EUR 2,223

Comment: The tax must be paid within 30 business days of the date on which the public deed of incorporation was granted. The company must fill in the corresponding form and file it with the local tax authorities, along with a copy of the public deed of incorporation and a copy of the tax identification number. Payment of the asset transfer and legal document act tax is a prerequisite for the registration of the public deed of incorporation of the company with the Mercantile Registry.

Procedure	6	File the public deed of incorporation of the company for its registration with the Mercantile Registry.
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Time to complete: 6

Cost to complete: EUR 152

Comment: The registration costs are based on variables such as the amount of the company share capital, the number of shareholders, and the type of administrative body. For example, for a company with share capital EUR 219,760 with five shareholders and five members of the board of directors, the registration fee would be about EUR 159.

Fee schedule for registration:

- If company share capital does not exceed EUR 3,005.06: fee is EUR6.01.
- EUR 3,005.06 to EUR 30,050.61: 0.10%.
- EUR 30,050.61 to EUR 90,151.82: 0.08%.
- EUR 90,151.82 to EUR 240,404.84: 0.06%.
- EUR 240,404.84 to EUR 601,012.10: 0.038%.
- EUR 601,012.10 to EUR 1,202,024.21: 0.02%.
- EUR 1,202,024.21 to EUR 6,010,121.04: 0.009%.
- Over EUR 6,010,121.04: 0.005%.

In any case, the regulated applicable global tariff will not exceed EUR 2,181.67. According to

Royal Decree 8/2010 of 20 May to fight crisis fees for public registrar have been reduced by 5%.

The company public deed of incorporation must be filed with the Mercantile Registry of the place where the company has its corporate address within 2 months of the date it was granted. For the public deed to be registered, it is necessary that the Asset Transfer and the Legal Documented Acts Tax has been paid and the tax identification number obtained.

Once the public deed of incorporation has been registered, the company incorporation will be published in the Official Journal of the Mercantile Registry. Upon registration, the company acquires the status of a legal entity.

According to Law 24/2005 (November 18, 2005), registration must be completed within 15 days. The law states that all communication between notaries and the registry should be electronic (with electronic notarial signature). If registration does not take place within the stated time, the registration fees are reduced by 30%.

Procedure	7	Legalize company books
Time to complete:	15	
Cost to complete:	EUR 90	
Comment:		
Procedure	8	Obtain a municipal license to open business premises (Licencia Municipal de Apertura) at the county/town council (Departamento de Urbanismo del Ayuntamiento)
Time to complete:	38	
Cost to complete:	EUR 406	
Comment:	The cost of obtaining the municipal license to open business premises (licencia municipal de apertura) depends on the type of license needed and on the company's business activities. For the pursuit of an activity which is not subject to any environmental assessment procedure, the amount is €405.90, according to the "amendment to the Tax Ordinance regulating the Tax on the Provision of Planning Services", which came into force on January 1, 2009.	
Procedure	9	File for social security and affiliate all workers with the local general treasury of social security (Tesorería General de la Seguridad Social)
Time to complete:	1	
Cost to complete:	no charge	
Comment:	Upon registration of the company with Social Security, a state supervisory number is issued and assigned to the company. The required documents are (a) the corresponding form; (b) a copy of the public deed of incorporation; (c) a photocopy of the applicant's national identity document or power of attorney; and (d) the company tax identification number. Registration of the company and affiliation of all the workers must be made before starting any business activities. In addition to the registration of the company, registration of each employee with the Spanish Social Security System is required by submitting the following documentation upon hire: (a) corresponding form (signed by both the company and the employee); (b) powers of attorney of the company representative; (c) a copy of the employee's national identity document (such as DNI, NIE, or passport); and (c) a copy of the company representative's national identity card.	
Procedure	10	Notify the Delegación Provincial de la Consejería de Trabajo e Industria
Time to complete:	1	
Cost to complete:	no charge	

Comment:

The company must keep a visits book (libro de visitas) at all times. Information that must be noted includes the details of the company and the work place and a description of its business activity.

The corresponding autonomous community must be notified within the first 30 days of the start of activities and the opening of the workplace. Every autonomous community has its own form. Some require that work injury and safety documentation (corresponding to the specific business or workplace in question) be filed along with the forms. Other forms and documents might be needed depending on the workplace activities. Pursuant to Spanish Labour Inspection's resolution of 25 November 2008, the company can now register through the Labour Inspection's visits book's electronic system.

In many economies, especially developing ones, complying with building regulations is so costly in time and money that many builders opt out. Builders may pay bribes to pass inspections or simply build illegally, leading to hazardous construction. Where the regulatory burden is large, entrepreneurs may tend to move their activity into the informal economy. There they operate with less concern for safety, leaving everyone worse off. In other economies compliance is simple, straightforward and inexpensive, yielding better results.

Some reform outcomes

In Burkina Faso, a one-stop shop for construction permits, "Centre de Facilitation des Actes de Construire", was opened in May 2008. The new regulation merged 32 procedures into 15, reduced the time required from 226 days to 122 and cut the cost by 40%. From May 2009 to May 2010 611 building permits were granted in Ouagadougou, up from an average of about 150 a year in 2002-06.

Toronto, Canada revamped its construction permitting process in 2005 by introducing time limits for different stages of the process and presenting a unique basic list of requirements for each project. Later it provided for electronic information and risk-based approvals with fast-track procedures. Between 2005 and 2008 the number of commercial building permits increased by 17%, the construction value of new commercial buildings by 84%.

What does the Dealing with Construction Permits indicator measure?

Procedures to legally build a warehouse (number)

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Completing all required notifications and receiving all necessary inspections
- Obtaining utility connections for electricity, water, sewerage and a land telephone line
- Registering the warehouse after its completion (if required for use as collateral or for transfer of warehouse)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes

Case Study Assumptions

The business:

- is a small to medium-size limited liability company in the construction industry, located in the economy's largest business city
- is 100% domestically and privately owned and operated
- has 60 builders and other employees
- has at least one employee who is a licensed architect and registered with the local association of architects

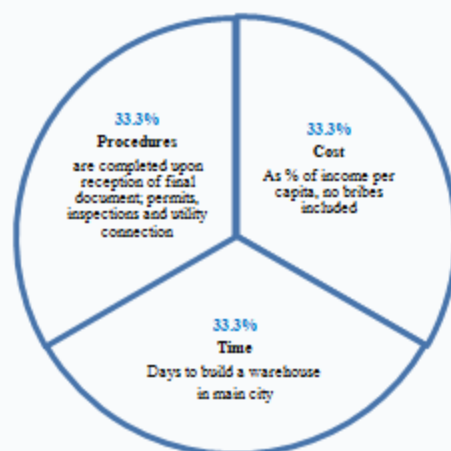
The warehouse:

- is a new construction (there was no previous construction on the land)
- has 2 stories, both above ground, with a total surface of approximately 1,300.6 sq. meters (14,000 sq. feet)
- has complete architectural and technical plans prepared by a licensed architect
- will be connected to electricity, water, sewerage (sewage system, septic tank or their equivalent) and a land telephone line
- will be used for general storage of non-hazardous goods, such as books
- will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements)

Dealing with Construction Permits:

Building a warehouse

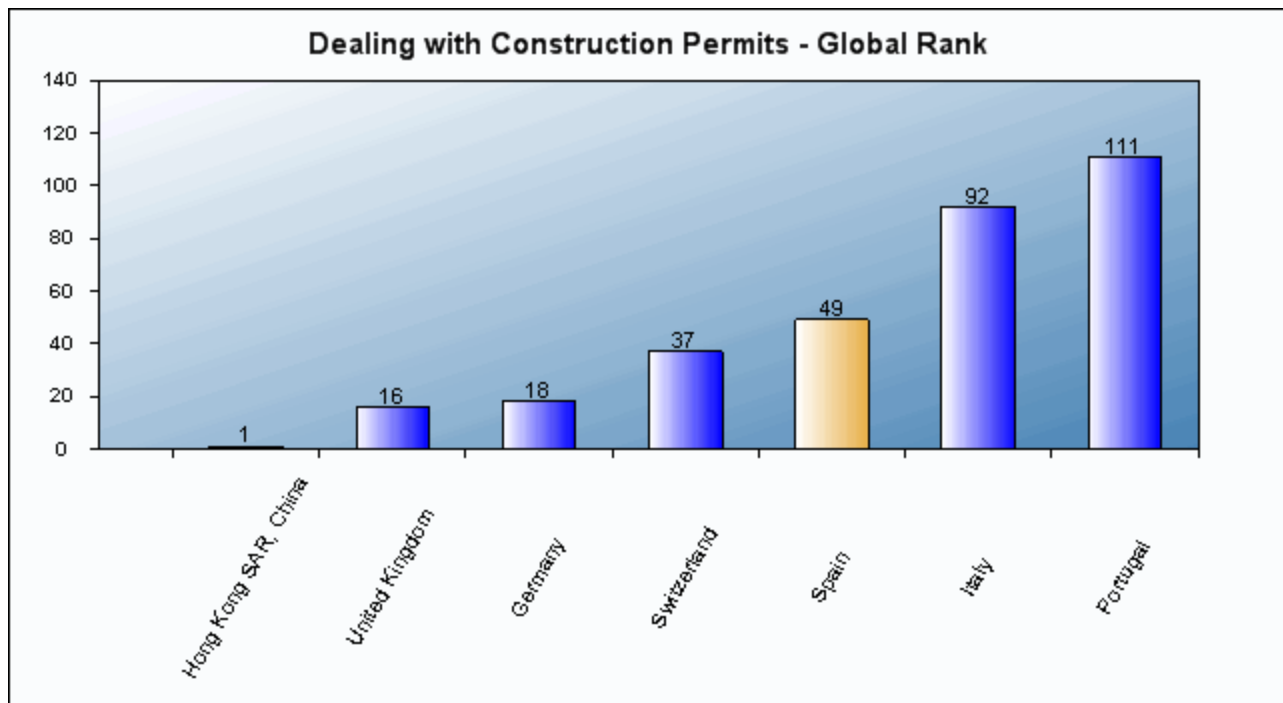
Rankings are based on 3 subindicators



1. Benchmarking Dealing with Construction Permits Regulations:

Spain is ranked 49 overall for Dealing with Construction Permits.

Ranking of Spain in Dealing with Construction Permits - Compared to good practice and selected economies:



The following table shows Dealing with Construction Permits data for Spain compared to good practice and comparator economies:

Good Practice Economies	Procedures (number)	Time (days)	Cost (% of income per capita)
Denmark	6		
Qatar			0.8
Singapore		25	

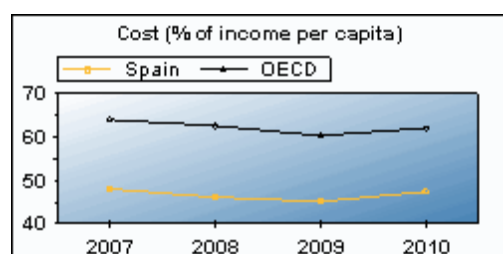
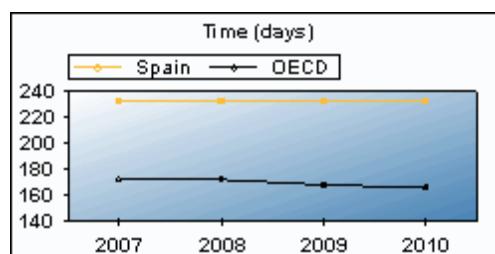
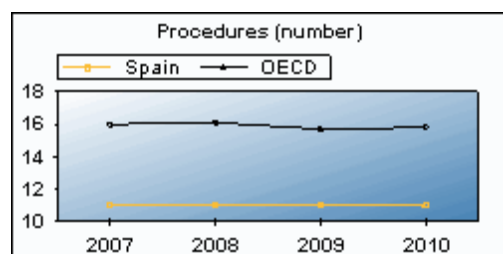
<i>Selected Economy</i>			
Spain	11	233	47.4

<i>Comparator Economies</i>			
Germany	12	100	61.8
Italy	14	257	142.3
Portugal	19	272	53.9
Switzerland	14	154	51.3
United Kingdom	11	95	70.9

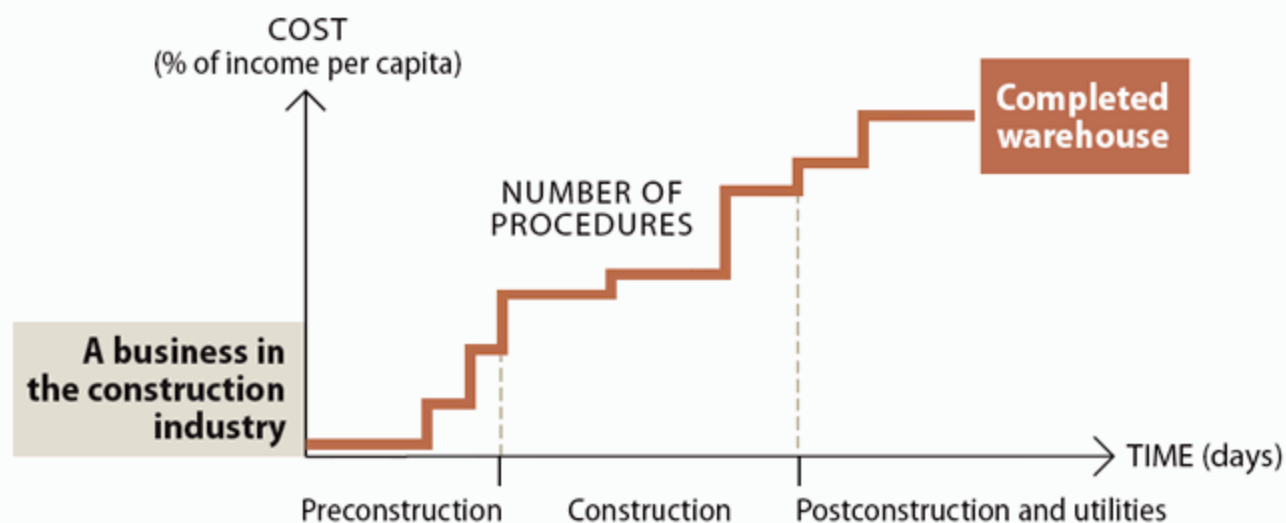
2. Historical data: Dealing with Construction Permits in Spain

Dealing with Construction Permits data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	47	49
Procedures (number)	11	11	11	11
Time (days)	233	233	233	233
Cost (% of income per capita)	48.0	46.1	45.1	47.4

3. The following graphs illustrate the Dealing with Construction Permits sub indicators in Spain over the past 4 years:



What are the time, cost and number of procedures to comply with formalities to build a warehouse?



The table below summarizes the procedures, time, and costs to build a warehouse in Spain.

BUILDING A WAREHOUSE

City: Madrid

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Request and obtain a building license from the mayor of Madrid (Ayuntamiento de Madrid)	120 days	EUR 7,000
2	Receive inspection at the beginning of the construction- I	1 day	no charge
3	Receive inspection at the end of the construction - II	1 day	no charge
4	Request and receive final inspection in connection with occupancy permit	30 days	no charge
5	Request and obtain operating license (Licencia de primera ocupacion) from the mayor of Madrid (Ayuntamiento de Madrid)	30 days	EUR 591
6	Register the new building	19 days	EUR 2,831
7	Request electricity connection	1 day	EUR 15
8	Receive electricity inspection	1 day	no charge

9	Register the electricity installation with Comunidad Autonoma Register and obtain telephone connection	30 days	no charge
10 *	Request and obtain water connection	1 day	EUR 12
11 *	Request and obtain telecommunication connection	11 days	EUR 84

* Takes place simultaneously with another procedure.

Dealing with Construction Permits Details - Spain

Procedure	1	Request and obtain a building license from the mayor of Madrid (Ayuntamiento de Madrid)
Time to complete:		120 days
Cost to complete:		EUR 7,000
Agency:		Municipality of Madrid
Comment:		<p>The relevant authority is the Municipality of Madrid. The documents required to obtain the license are the following:</p> <ul style="list-style-type: none"> - A standardized application form and sheet containing the characteristics of the construction, properly completed. - Proof of payment of tax. - Declaration by one or more technical authors (architect and project design specialists) that the project conforms to the appropriate town planning regulations, and certificate of the structural feasibility, if necessary. - Declaration of the promoter that a signboard has been posted at the site to inform the public that a building license has been applied for and to provide information about the proposed operations and activities - Three copies of the technical project designs, signed by qualified technician(s) and countersigned by the appropriate official institute (or in this case, by the project's administrative supervision office, accompanied by the application sheets of the appropriate professional association). - Confirmation of the deposit of a guarantee. - Authorization program for independent parts of the construction or approval of partial projects, if requested by the promoter. - In cases of renovation/expansion of buildings included in the general catalog of protected elements in historic city centers or historic centers of peripheral districts and historic colonies, a color photographic description of the existing building that permits, during enlargement operations, confirmation of the correct alignment of the enlargement plans with the historic city zoning restrictions. - Registered ownership proof certification, if common ownership of a yard or garage parking or adjoining premises applies. - License of parceling, if the new construction needs previous parceling. - Official alignment, if required. - Project design of installation of telecommunications infrastructure, signed by a qualified technician, and countersigned by the appropriate official institute, according to the Legislative Decree of January 1998 (Real Decreto Legislativo 1/1998), implemented according to the applicable regulation (Real Decreto 401/2003, of April 4, 2003, and Orden de Código Técnico de la Edificación (CTE/RD314/2006). - Project design of the use of solar energy for heating (either as an independent project design or as part of the general project design), signed by a qualified technician and countersigned by the appropriate official institute, if required by the Regulation Concerning the Harnessing of Solar Energy for Thermal Use - Reglamento de seguridad contra incendios en los establecimientos industriales RD 2267/2004, de 3 de diciembre, modificado en parte por el RD 560/2010 de 7 de mayo - Estudio de seguridad y salud o estudio básico de acuerdo con lo indicado en el RD 1627/1997 de 24 de octubre - Acreditar destino de los residuos de construcción y demolición (RCD) de acuerdo con la Ley 5/2003 de 20 de marzo. <p>According to private sector contributors, the cost of the license can be up to 1% of the warehouse value.</p>

Procedure	2	Receive inspection at the beginning of the construction- I
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Time to complete: 1 day

Cost to complete: no charge

Agency: Municipality of Madrid

Comment: By law, on-site inspections must be carried out at least once every 3 months during construction, regardless of the construction stage. In the case considered here, a warehouse that takes 30 weeks to complete, there would be two inspections over the construction period.

According to the building license, the construction works must be checked at least twice: once at the beginning of construction and once at the end. However, in reality it is rare that more than one inspection takes place during the process.

If, during the inspections, the committee detects any possible infringements of the building regulations or criminal law, a proposal on sanctions must be made, and a copy of the written record is given to the public prosecutor. At the least, administrative proceedings are initiated.

In each inspection report, a record is included that provides information on every person involved and their roles, as well as on the facts, circumstances, dates, and results of the inspection. The record is regarded as a public administrative deed. The record has to be signed by the inspector(s) and by the person to whom the construction works have been attributed at the time of the inspection.

Procedure	3	Receive inspection at the end of the construction - II
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Time to complete: 1 day

Cost to complete: no charge

Agency: Municipality of Madrid

Comment: By law, on-site inspections must be carried out at least once every 3 months during construction, regardless of the construction stage. In the case considered here, a warehouse that takes 30 weeks to complete, there would be 2–3 inspections.

Procedure	4	Request and receive final inspection in connection with occupancy permit
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Time to complete: 30 days

Cost to complete: no charge

Agency: Municipality of Madrid

Comment: No more than a month after being notified, the municipal services perform a final inspection that records the conformity or nonconformity of the building, along with its intended activity.

The declaration of conformity, executed by the municipal services, is enough to authorize the “license of first occupation and working” (licencia de primera ocupación), which should be resolved within no more than a month, beginning with the inspection. The declaration makes it possible to initiate work.

After 2 months have passed since the communication of the final operations certification, the license of first occupation and working is granted automatically, according to the

silence-means-consent rule.

Procedure	5	Request and obtain operating license (Licencia de primera ocupacion) from the mayor of Madrid (Ayuntamiento de Madrid)
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Time to complete: 30 days

Cost to complete: EUR 591

Agency: Municipality of Madrid

Comment: The purpose of the license of first occupation and working to verify that the construction and activities have been executed according to the project and the conditions under which the license had been granted, and that the construction has been completed and is adequate for urban determinations, the atmosphere and the security of its specific destination .

As soon as construction is finished, to receive the license of first occupation (licencia de primera ocupación), the builder must submit to the City Council the following documents:
- Final certificate of terminated construction (declaration of conformity), which must be signed by the technical director of the work. This certificate must declare that the constructed building is in accordance with the issued license. For modifications that do not need approval of the City Council (23.2 of the Ordenanza Municipal de Tramitación de Licencias Urbanísticas de 23 de diciembre de 2004), the builder has to detail these modifications.

- If urbanization works have been carried out simultaneously with construction, and this urbanization was completed by the builder, the builder must present the final certification of these works.

- certificado final de obra visado por el Colegio Profesional y Plan de Autoprotección (Ordenanza Municipal de Tramitación de Licencias Urbanísticas de 23 de diciembre de 2004 - BOCM de 7 de enero de 2005).

The costs depend on the area occupied by the future building (in square meters). In the Municipality of Madrid the costs to obtain de license are the following:

- Up to 500 sq.m.: EUR 202.50
- More than 500 sq.m. and less than 20,500 sq.m.: EUR 202.50 plus EUR 48.50 for each 100 sq.m. of fraction thereof above.

The declaration of conformity, which is executed by the municipal services, is enough to authorize the license of first occupation and working. The license should be granted in no more than a month after the inspection.

After 2 months have passed since the communication of the final certification of the operations, the license of first occupation and working is granted automatically, according to the silence-means-consent rule.

Procedure	6	Register the new building
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Time to complete: 19 days

Cost to complete: EUR 2,831

Comment: Registration fees cannot exceed 2,181€ according to Real Decreto 1427/1989, de 17 de noviembre, por el que se aprueba el arancel de los registradores de la Propiedad. In addition to the registration fee provided by the regulation, notary fees (EUR 644.10) and a presentation and entry fee (EUR 6.01) are included in the total cost of this procedure. The cost has been adjusted from EUR 6,325 to EUR 2,831.11.

Procedure	7	Request electricity connection
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Time to complete:	1 day
Cost to complete:	EUR 15
Agency:	Endesa
Comment:	It is recommended that the company hire an authorized technical firm to plan and organize the utility installations. The first step is to determine the necessary voltage level (low, medium, or high). For a warehouse, the required electricity is at least of medium voltage.

Before the beginning of installation of the electricity utilities, BuildCo must present all necessary information to estimate the future use.

In accordance with the provisions of Article 12.3 of Law 21/1992 on Industry, the following procedure is necessary to install and operate electrical installations:

- Before the installation, the requestor must prepare technical documents defining the characteristics of the installation. Those documents must take the form of a project/technical report, in accordance with the terms defined in the technical instruction (Instrucción Técnica Complementaria, ITC).
- The installation technician must check the installation, under the supervision of the construction foreman, to verify the correct performance and operation of the installation.
- The installation must be previously inspected by the supervisory authorities, if the ITC requires it.
- When installation work is completed and verified and the initial inspection is completed, the authorized installation technician issues an installation certification, if the ITC require it. In the case considered here, it is assumed that the inspection is completed by a qualified BuildCo employee. The certification must confirm that the installation was conducted in accordance with relevant regulations, including supplementary instructions, and that it conforms with technical requirements. If necessary, the inspector describes and explains any changes to the provisions of that documentation.
- The certificate, the technical documentation, and, where relevant, the foreman's report and the report from the initial inspection must be forwarded to the competent organ of the Autonomous Community (comunidad autónoma) so that the installation can be registered and the necessary copies be made available, if required by any interested parties. The certificate is also needed for the energy supply application form. The utility company must provide a facility for those documents to be submitted and registered electronically.

The electrical installations must be installed by authorized installation technicians. The provider is not allowed to connect the installation to the distribution network without a copy of the installation certificate, issued by the Autonomous Community (CA).

The provisions in the preceding paragraph notwithstanding, the Autonomous Community (CA) may authorize the provisional delivery of electricity before the completion of administrative procedures, provided that circumstances make the delivery of electricity necessary, that those circumstances are justified to the autonomous community, and that the safety of people and property and the nondisturbance of other installations or equipment are guaranteed.

For temporary installations (conferences, exhibitions, traveling fairs, festivals, etc.), the Autonomous Community (CA) can admit multiple applications. Should the installation work be identical and conducted sequentially, all relevant technical documentation can be replaced by a declaration from the authorities.

Procedure	8	Receive electricity inspection
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Time to complete:	1 day
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Cost to complete: no charge

Agency: Endesa

Comment:

Procedure	9	Register the electricity installation with Comunidad Autonoma Register and obtain telephone connection
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Time to complete: 30 days

Cost to complete: no charge

Agency: Endesa

Comment: Normally, this procedure takes a month at most. If there are errors or omissions in the submitted file, the applicant has 6 months to correct these errors and provide any missing document or information. A fee must be paid to the General Industrial Directorate (Dirección General de Industria) and to the authority that carries out the registration.

Procedure	10	Request and obtain water connection
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Time to complete: 1 day

Cost to complete: EUR 12

Agency: Madrid Water Company

Comment: If the flow of water is less than 6 liters per second or if fewer than 25 counters are needed in one hall, only the following documents must be submitted:

- Technical report (Memoria técnica), not required if the flow of water is less than 3 liters per second.
- Form 2.1.4.
- Confirmation of fee payment (EUR 11.80 must be paid at the counter).
- Two copies of Form 2.1.3 (Impreso de Final de Obra).

If the required flow of water is more than 6 liters per second or if more than 25 counters are needed in one hall, the following additional documents must be filed:

- Project design from an engineer specialized in planning water facilities.
- Fee (in this case, a certain percentage of the budget).

Procedure	11	Request and obtain telecommunication connection
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Time to complete: 11 days

Cost to complete: EUR 84

Agency: TELEFÓNICA

Comment: According to TELEFÓNICA, the biggest telecommunication company in Spain, there are two possible processes for obtaining a telecommunication connection.

First, the warehouse may be constructed in an area without telecommunication resources, such as in the suburbs of a big city. In this case, the builder must apply to Telefónica for telephone lines. Telefónica then examines the area and carries out the necessary outside works to supply the area. The necessary works inside the building have to be carried out by BuildCo itself. The only remaining step is then to connect the inside and outside

installations. The waiting time depends on many factors: the location of the warehouse, distance to the provider center, permits of the City Council for the necessary works, and others.

Second, the warehouse may be constructed in an area that already has telecommunication resources. In this case, it is necessary to apply only for the number of telephone lines required. The connections can normally be completed in 1–2 weeks.

Ensuring formal property rights is fundamental. Effective administration of land is part of that. If formal property transfer is too costly or complicated, formal titles might go informal again. *Doing Business* records the full sequence of procedures necessary for a business to purchase a property from another business and transfer the property title to the buyer's name. In the past 6 years 105 economies undertook 146 reforms making it easier to transfer property. Globally, the time to transfer property fell by 38% and the cost by 10% over this time. The most popular feature of property registration reform in these 6 years, implemented in 52 economies, was lowering transfer taxes and government fees.

Some reform outcomes

Georgia now allows property transfers to be completed through 500 authorized users, notably banks. This saves time for entrepreneurs. A third of people transferring property in 2009 chose authorized users, up from 7% in 2007. Also, Georgia's new electronic registry managed 68,000 sales in 2007, twice as many as in 2003.

Belarus's unified and computerized registry was able to cope with the addition of 1.2 million new units over 3 years. The registry issued 1 million electronic property certificates in 2009.

What does the Registering Property indicator measure?

Registering Property: transfer of property between 2 local companies

Rankings are based on 3 subindicators

Procedures to legally transfer title on immovable property (number)

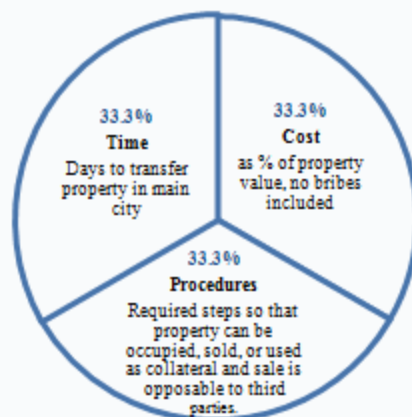
- Preregistration (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration in the economy's largest business city
- Post registration (for example, transactions with the local authority, tax authority or cadastre)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior personal contact with officials

Cost required to complete each procedure (% of property value)

- Official costs only, no bribes
- No value added or capital gains taxes included



Case Study Assumptions

The parties (buyer and seller):

- Are limited liability companies, 100% domestically and privately owned.
- Are located in the periurban area of the economy's largest business city.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

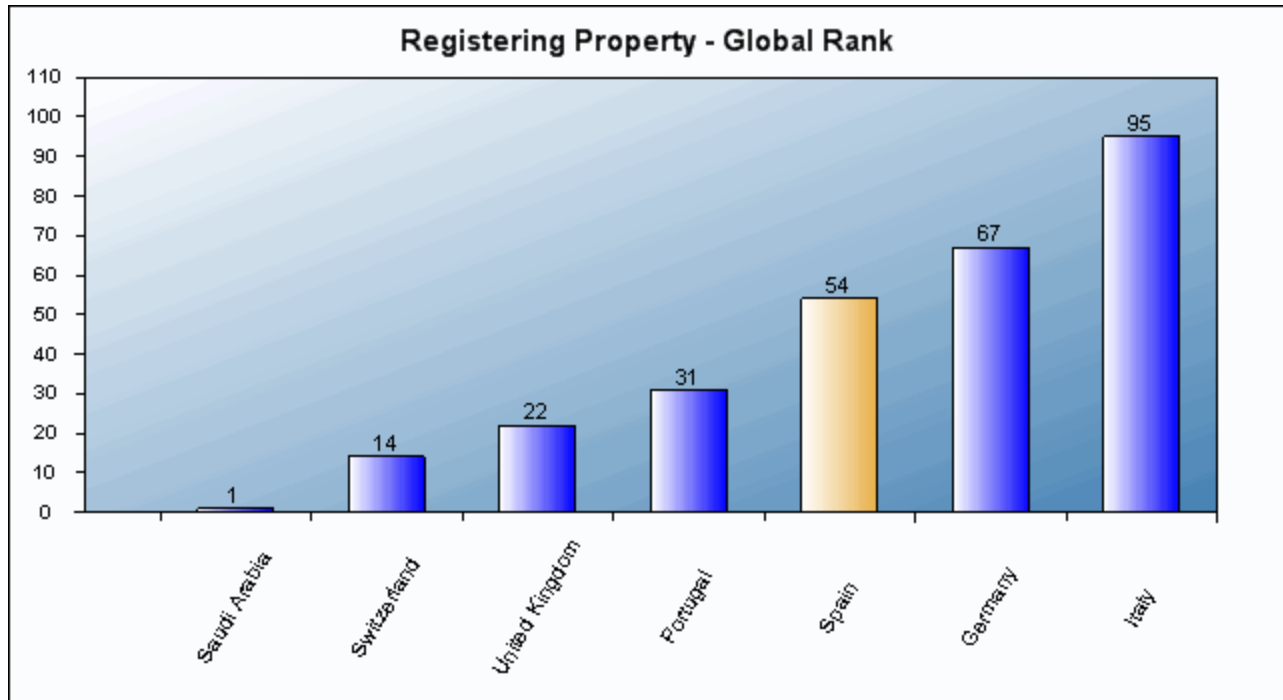
The property (fully owned by the seller):

- Has a value of 50 times income per capita. The sale price equals the value.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone, and no rezoning is required.
- Consists of a 557.4 square meters (6,000 square feet) land and 10 years old 2-story warehouse of 929 square meters (10,000 square feet) located on the land. The warehouse is in good condition and complies with all safety standards, building codes and legal requirements. The property will be transferred in its entirety.

1. Benchmarking Registering Property Regulations:

Spain is ranked 54 overall for Registering Property.

Ranking of Spain in Registering Property - Compared to good practice and selected economies:



The following table shows Registering Property data for Spain compared to good practice and comparator economies:

Good Practice Economies	Procedures (number)	Time (days)	Cost (% of property value)
New Zealand*		2	
Norway*	1		
Saudi Arabia			0.0

<i>Selected Economy</i>			
Spain	4	18	7.1

<i>Comparator Economies</i>			
Germany	5	40	5.1
Italy	8	27	4.5
Portugal	1	1	7.4
Switzerland	4	16	0.4
United Kingdom	2	8	4.1

* The following economies are also good practice economies for :

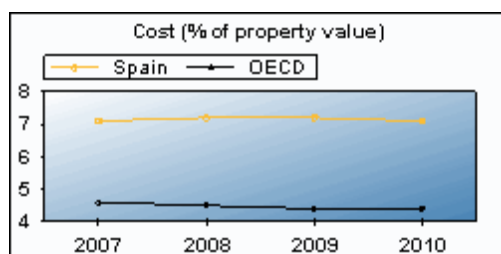
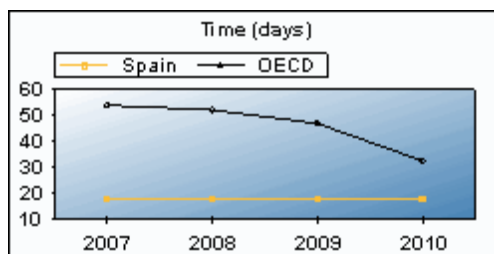
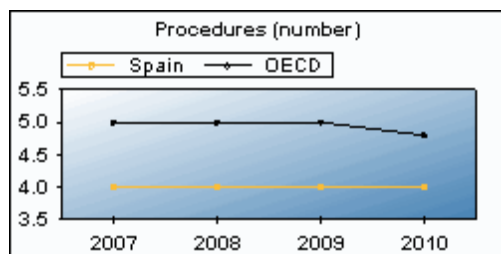
Procedures (number): United Arab Emirates

Time (days): Saudi Arabia, Thailand, United Arab Emirates

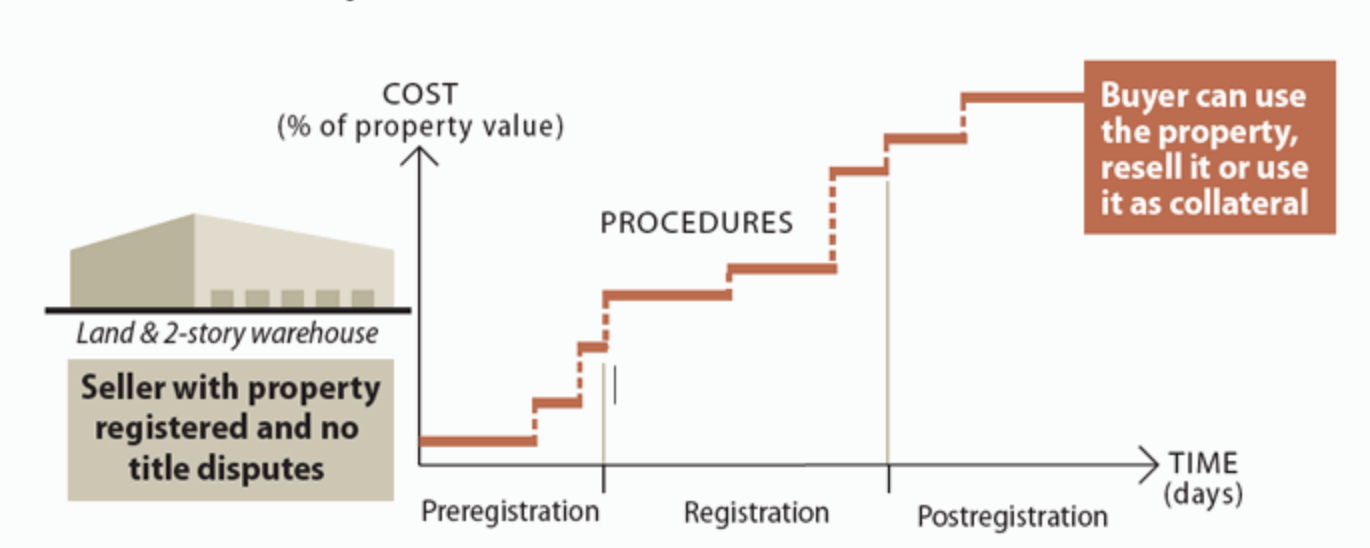
2. Historical data: Registering Property in Spain

Registering Property data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	48	54
Procedures (number)	4	4	4	4
Time (days)	18	18	18	18
Cost (% of property value)	7.1	7.2	7.2	7.1

3. The following graphs illustrate the Registering Property sub indicators in Spain over the past 4 years:



What are the time, cost and number of procedures required to transfer a property between 2 local companies?



This topic examines the steps, time, and cost involved in registering property in Spain.

STANDARDIZED PROPERTY

Property Value: 1,111,372.10

City: Madrid

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Notary consults Property Registry books	1 day	EUR 9

2	Execution and delivery of the public deed of purchase of the property	2 days	Notary's fees (decreasing scale): EUR 730 for a property of this value (minus 5% discount)For property values not exceeding 6.010,12 euros: 90,151816 euros.for the excess amount between 6.010,13 and 30.050,61 euros: 4,5 por mil.for the excess amount between 30.050,62 and 60.101,21 euros: 1,50 por mil.for the excess amount between 60.101,22 and 150.253,03 euros: 1 por mil.for the excess amount between 150.253,04 and 601.012,10 euros: 0,5 por mil.for the excess amount over 601.012,10 euros to 6.010.121,04 euros: 0,3 por mil.
3	Payment of the Transfer Tax (ITP)	1 day	7% of purchase price (ITP)
4	The public deed is registered at the Land and Property Registry	2 weeks	EUR 457 (minus 5% discount)

Registering Property Details - Spain

Procedure	1	Notary consults Property Registry books
Time to complete:	1 day	
Cost to complete:	EUR 9	
Agency:	Property Registry	
Comment:	According to the law (Art. 175 of the Decree dated on June 2, 1944), the notary is obliged to duly inform the parties, be aware of the ownership and encumbrances on the property, and consult the Property Registry books before executing the deed. Since the early 2000, the consultations can be done on-line at www.registradores.org (it takes 1-2 hours on average to obtain the information) and the printout from the internet is valid.	
Procedure	2	Execution and delivery of the public deed of purchase of the property
Time to complete:	2 days	
Cost to complete:	Notary's fees (decreasing scale): EUR 730 for a property of this value (minus 5% discount) For property values not exceeding 6.010,12 euros: 90,151816 euros. for the excess amount between 6.010,13 and 30.050,61 euros: 4,5 por mil. for the excess amount between 30.050,62 and 60.101,21 euros: 1,50 por mil. for the excess amount between 60.101,22 and 150.253,03 euros: 1 por mil. for the excess amount between 150.253,04 and 601.012,10 euros: 0,5 por mil. for the excess amount over 601.012,10 euros to 6.010.121,04 euros: 0,3 por mil.	
Comment:	<p>Notary fees are on a cumulative scale, as follows:</p> <p>When the property value does not exceed EUR 6,010.12: EUR 90.151816 For the excess amount between EUR 6,010.13 and EUR 30,050.61: 4.5 per 1,000 For the excess amount between EUR 30,050.62 and EUR 60,101.21: 1,50 per 1,000 For the excess amount between EUR 60,101.22 and EUR 150,253.03: 1 per 1,000 For the excess amount between EUR 150,253.04 and EUR 601,012.10: 0.5 per 1,000 For the excess amount between EUR 601,012.11 and EUR 6,010,121.04: 0.3 per 1,000 For the excess amount above EUR 6,010,121.04 the fees are determined by agreement between the notary and client.</p> <p>The Real Decreto Ley 8/2010, of May 20 2010, modifies the Real Decreto 1426/1989, of November 17th 1989, establishing notary fees. The 2010 decree establishes a 5% discount for notary fees.</p> <p>According to Royal Decree 45/2007, the notary must issue an authorized copy of the deed on the same or next day and send it to the Registry electronically, unless otherwise requested by the interested party.</p> <p>The documentation shall include: Power of attorney granted by the seller and ID of the person in favor of whom the power was granted. Power of attorney granted by the buyer and ID of the person in favor of whom the power was granted. The original property title of the Seller (public deed), which shall indicate the following information: Company tax identification and registration numbers Means of payment used in the transaction</p>	

Procedure	3	Payment of the Transfer Tax (ITP)
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Time to complete: 1 day

Cost to complete: 7% of purchase price (ITP)

Agency: Tax office

Comment: Tax paid online in Madrid.
In Madrid, as the buyer is a company and the property has been transferred at least once in the past, the delivery is exempt from VAT and is subject to Transfer Tax (ITP) (7% of the property value). However, in the event that the buyer was entitled to deduct the 100% of the input VAT, it could request to the seller to waive to the VAT exemption. In this case, the buyer will be charged with VAT at a 16% rate (please note that from 1st July 2010 this rate will be increased to 18%) over the price plus a stamp duty of about 0.5-1.0% of the property value (1.5% in Madrid), and thus no Transfer Tax would arise. The VAT paid is a credit that can be deducted from posterior transactions, such as those related to the normal business of the company.

The ITP is paid at the relevant tax office within 30 working days after the date of granting of the notarial deed of transfer (a copy of the transfer deed is to be attached to the transfer tax liquidation form). In many other cities, without a specific tax office, the payment can be done at the Registry at the moment of registration, so that those steps could merge into one. In some autonomias, like Madrid, Catalunya, and Andalucia, the tax may be paid online.

If the seller is an individual (and not an entrepreneur) the transfer would be subject to a property transfer tax (ITP or "Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados"), at the rate of 6% or 7% depending on the autonomous region of Spain. In Madrid, it is 7%. First transfers of property or transfers made between entrepreneurs are subject to 16% VAT (please note that from 1st July 2010 this rate will be increased to 18%) (7% for residential real estate). The Stamp Duty (0.5-1.0% of the property value, depending on the autonomous region) is incompatible with the Transfer Tax. Therefore, the transfer of property will only be subject to Stamp Duty when it is subject to VAT. Second and subsequent property transfers are not subject to VAT, but to the Transfer Tax. However, the VAT exemption on second and subsequent transfers can be refused by the seller in some circumstances.

Law 26/2009 of 23rd December, on Estate General Budgets for 2010, has modified VAT rates as from the 1st of July 2010: the general rate will be increased from 16% to 18% and the reduced rate will be increased from 7% to 8%.

Procedure	4	The public deed is registered at the Land and Property Registry
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Time to complete: 2 weeks

Cost to complete: EUR 457 (minus 5% discount)

Agency: Land and Property Registry

Comment: The public deed is presented for registration at the Land and Property Registry to make it opposable vis à vis third parties.
The presentation entry's date gives priority.
The public deed carries the presentation entry's date and it is registered within the legal time limit of 15 business days from that date. If the procedure takes more than 15 business days, the fees will be reduced by 30%, unless there is an objective reason for the delay. However, with

the introduction of technology and online procedures due to Ley 24/2005 de 18 noviembre, and the section II on electronic registration, the time to register is in the process of being reduced.

Registration of the transfer is necessary in order for it to have effect vis à vis third parties but the transfer of the property does not need to be registered in order to be valid. Transfer takes place and is valid as of the execution of the sale in a public deed (granted before a Notary public), together with the delivery of the property, (unless otherwise specified in the deed, the granting of it implies delivery).

Registration fees cannot exceed €2,181.87. Lower registration and notarial fees apply for the first registration of low-income housing (max 90 m2 per home): around €33 for registration fees and €100 per notarial deed.

The documentation shall include:

Public deed

Proof of VAT or ITP payment (attached to the sale purchase agreement)

Proof of stamp duty payment

The Real Decreto Ley 8/2010, of May 20 2010, modifies the Real Decreto 1427/1989, of November 17th 1989, establishing notary fees. The 2010 decree establishes a 5% discount for registration fees.

Through two sets of indicators, *Doing Business* assesses the legal rights of borrowers and lenders with respect to secured transactions and the sharing of credit information. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through either a public credit registry or a private credit bureau. Credit information systems mitigate the 'information asymmetry' in lending and enable lenders to view a borrower's financial history (positive or negative), providing them with valuable information to consider when assessing risk. Credit information systems benefit borrowers as well, allowing good borrowers to establish a reputable credit history which will enable them to access credit more easily. The Legal Rights Index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. Sound collateral laws will enable businesses to use their assets, especially movable property, as security to generate capital while having strong creditor's rights has been associated with higher ratios of private sector credit to GDP.

Some reform outcomes

After Vietnam's new Civil Code was enacted in 2005, a decree further clarified the provisions governing secured transactions. Since the inclusion of the new provisions, the number of registrations increased from 43,000 (2005) to 120,000 (end of 2008).

In 2008, when Zambia established a private credit bureau, its database initially covered about 25,000 borrowers. Thanks to a strong communication campaign and a central bank directive, coverage has grown 10-fold in the past 2 years, exceeding 200,000 by the beginning of 2010.

What do the Getting Credit indicators measure?

Strength of legal rights index (0–10)

- Protection of rights of borrowers and lenders through collateral laws
- Protection of secured creditors' rights through bankruptcy laws

Depth of credit information index (0–6)

- Scope and accessibility of credit information distributed by public credit registries and private credit bureaus

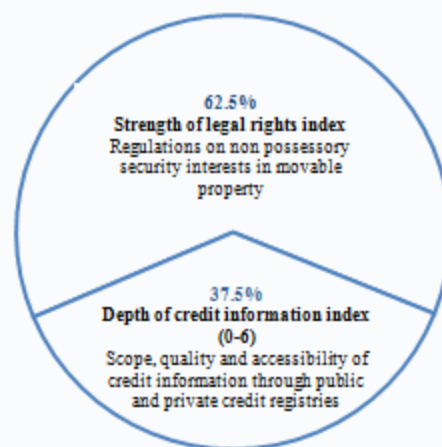
Public credit registry coverage (% of adults)

- Number of individuals and firms listed in public credit registry as percentage of adult population

Private credit bureau coverage (% of adults)

- Number of individuals and firms listed in largest private credit bureau as percentage of adult population

Getting Credit: collateral rules and credit information



Note: Private bureau coverage and public credit registry coverage are measured but do not count for the rankings.

Case Study Assumptions (applying to the Legal Rights Index only)

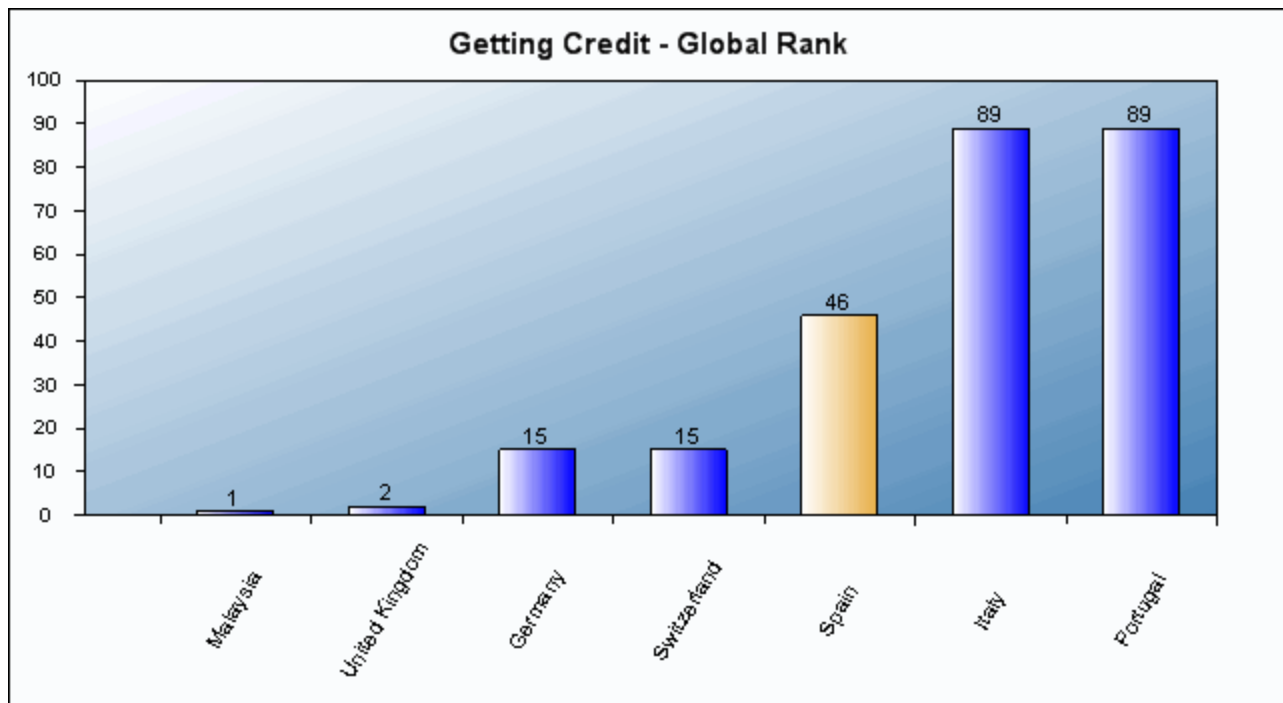
The Debtor

- is a Private Limited Liability Company
- has its Headquarters and only base of operations in the largest business city
- obtains a loan from a local bank (the Creditor) for an amount up to 10 times income (GNI) per capita
- Both creditor and debtor are 100% domestically owned.

1. Benchmarking Getting Credit Regulations:

Spain is ranked 46 overall for Getting Credit.

Ranking of Spain in Getting Credit - Compared to good practice and selected economies:



The following table shows Getting Credit data for Spain compared to good practice and comparator economies:

Good Practice Economies	Strength of legal rights index (0-10)	Depth of credit information index (0-6)	Public registry coverage (% of adults)	Private bureau coverage (% of adults)
New Zealand*				100.0
Portugal			67.1	
Singapore*	10			
United Kingdom		6		

<i>Selected Economy</i>				
Spain	6	5	54.6	10.7

<i>Comparator Economies</i>				
Germany	7	6	1.0	98.4
Italy	3	5	16.6	80.5
Portugal	3	5	67.1	16.3
Switzerland	8	5	0.0	22.3
United Kingdom	9	6	0.0	100.0

* The following economies are also good practice economies for :

Strength of legal rights index (0-10): Hong Kong, China, Kenya, Kyrgyz Republic, Malaysia

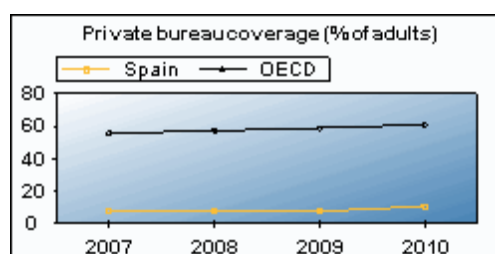
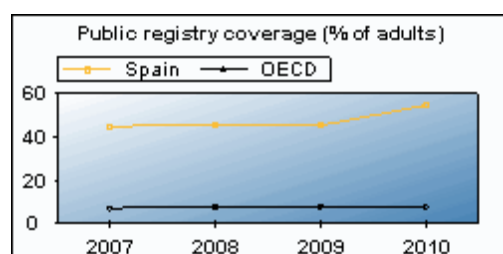
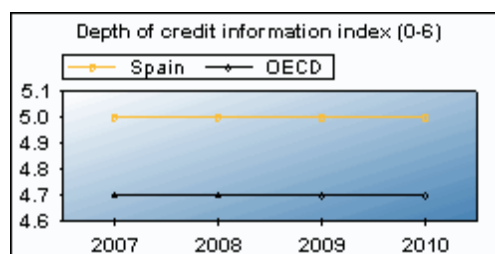
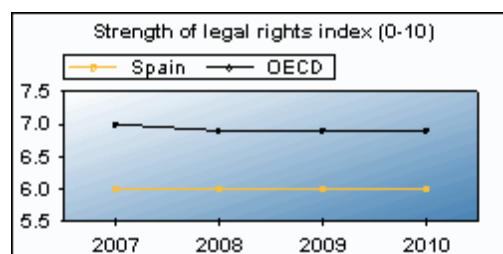
Private bureau coverage (% of adults): Argentina, Australia, Canada, Iceland, Ireland, Norway, Sweden, United Kingdom, United States

27 countries have the highest credit information index.

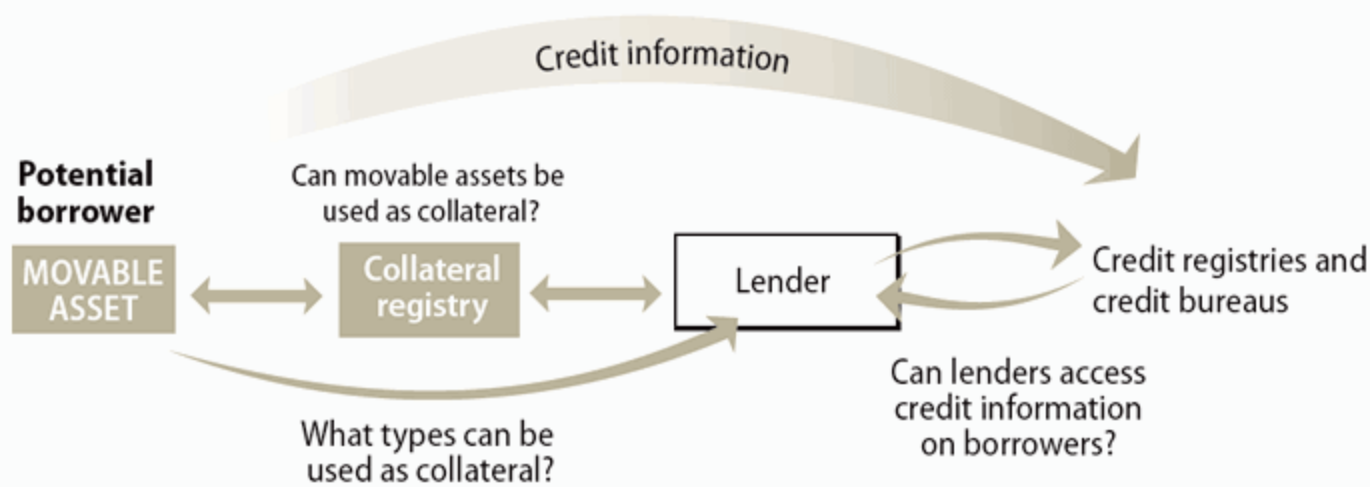
2. Historical data: Getting Credit in Spain

Getting Credit data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	44	46
Strength of legal rights index (0-10)	6	6	6	6
Depth of credit information index (0-6)	5	5	5	5
Private bureau coverage (% of adults)	8.3	8.1	7.6	10.7
Public registry coverage (% of adults)	44.9	45.8	45.3	54.6

3. The following graphs illustrate the Getting Credit sub indicators in Spain over the past 4 years:



Do lenders have credit information on entrepreneurs seeking credit? Is the law favorable to borrowers and lenders using movable assets as collateral?



The following table summarize legal rights of borrowers and lenders, and the availability and legal framework of credit registries in Spain.

Getting Credit Indicators (2010)			Indicator
Private bureau coverage (% of adults)	Private credit bureau	Public credit registry	5
Are data on both firms and individuals distributed?	Yes	Yes	1
Are both positive and negative data distributed?	No	Yes	1
Does the registry distribute credit information from retailers, trade creditors or utility companies as well as financial institutions?	Yes	No	1
Are more than 2 years of historical credit information distributed?	No	No	0
Is data on all loans below 1% of income per capita distributed?	Yes	No	1
Is it guaranteed by law that borrowers can inspect their data in the largest credit registry?	Yes	Yes	1
Coverage	10.7	54.6	
Number of individuals	3,148,630	16,392,200	
Number of firms	269,762	996,010	

Strength of legal rights index (0-10)

6

Can any business use movable assets as collateral while keeping possession of the assets; and any financial institution accept such assets as collateral ?	Yes
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	No
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	Yes
May a security right extend to future or after-acquired assets, and may it extend automatically to the products, proceeds or replacements of the original assets ?	No
Is a general description of debts and obligations permitted in collateral agreements, so that all types of obligations and debts can be secured by stating a maximum amount rather than a specific amount between the parties ?	Yes
Is a collateral registry in operation, that is unified geographically and by asset type, as well as indexed by the grantor's name of a security right ?	Yes
Do secured creditors have absolute priority to their collateral outside bankruptcy procedures?	No
Do secured creditors have absolute priority to their collateral in bankruptcy procedures?	Yes
During reorganization, are secured creditors' claims exempt from an automatic stay on enforcement?	No
Does the law authorize parties to agree on out of court enforcement?	Yes

Stronger investor protections matter for the ability of companies to raise the capital needed to grow, innovate, diversify and compete. This is all the more crucial in times of financial crisis when entrepreneurs must navigate through defiant environments to finance their activities. Using 3 indices of investor protection, *Doing Business* measures how economies regulate a standard case of self-dealing, use of corporate assets for personal gains. Since 2005, 51 economies have strengthened investor protections as measured by *Doing Business*.

Some reform outcomes

In Indonesia, an economy that consistently improved its laws regulating investor protections, the number of firms listed on the Indonesia Stock Exchange increased from 331 to 396 between 2004 and 2009. Meanwhile, market capitalization grew from 680 trillion rupiah (\$75 billion) to 1,077 trillion rupiah (\$119 billion).

After Thailand amended its laws in 2006 and 2008, more than 85 transactions that failed to comply with the disclosure standards were suspended. Thirteen were deemed prejudicial and were therefore canceled, thus preventing damage to the companies involved and preserving their value. Companies were not deterred either, as more than 30 new companies joined the stock exchange since 2005 bringing the number of listed companies to 523.

What do the Protecting Investors indicators measure?

Extent of disclosure index (0–10)

- Who can approve related-party transactions
- Requirements for external and internal disclosure in case of related-party transactions

Extent of director liability index (0–10)

- Ability of shareholders to hold the interested party and the approving body liable in case of a prejudicial related-party transaction
- Available legal remedies (damages, repayment of profits, fines, imprisonment and rescission of the transaction)
- Ability of shareholders to sue directly or derivatively

Ease of shareholder suits index (0–10)

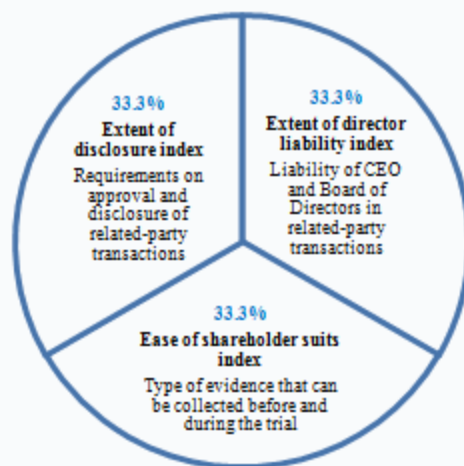
- Documents and information available during trial
- Access to internal corporate documents (directly or through a government inspector)

Strength of investor protection index (0–10)

- Simple average of the extent of disclosure, extent of director liability and ease of shareholder suits indices

Protecting Investors: minority shareholder rights in related-party transactions

Rankings are based on 3 subindicators



Case Study Assumptions

The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange (or at least a large private company with multiple shareholders).
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.

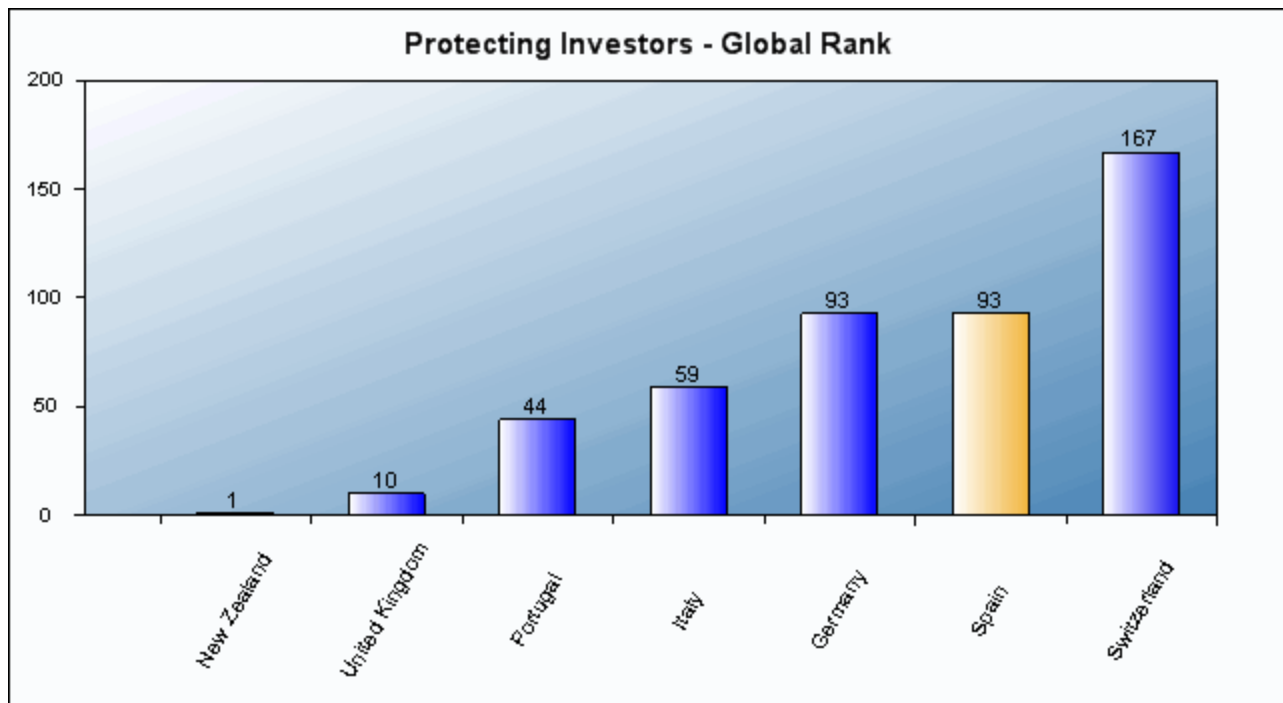
The transaction

- Mr. James, a director and the majority shareholder of the company, proposes that the company purchase used trucks from another company he owns.
- The price is higher than the going price for used trucks, but the transaction goes forward.
- All required approvals are obtained, and all required disclosures made, though the transaction is prejudicial to the purchasing company.
- Shareholders sue the interested parties and the members of the board of directors.

1. Benchmarking Protecting Investors Regulations:

Spain is ranked 93 overall for Protecting Investors.

Ranking of Spain in Protecting Investors - Compared to good practice and selected economies:



The following table shows Protecting Investors data for Spain compared to good practice and comparator economies:

Good Practice Economies	Strength of investor protection index (0-10)
New Zealand	9.7

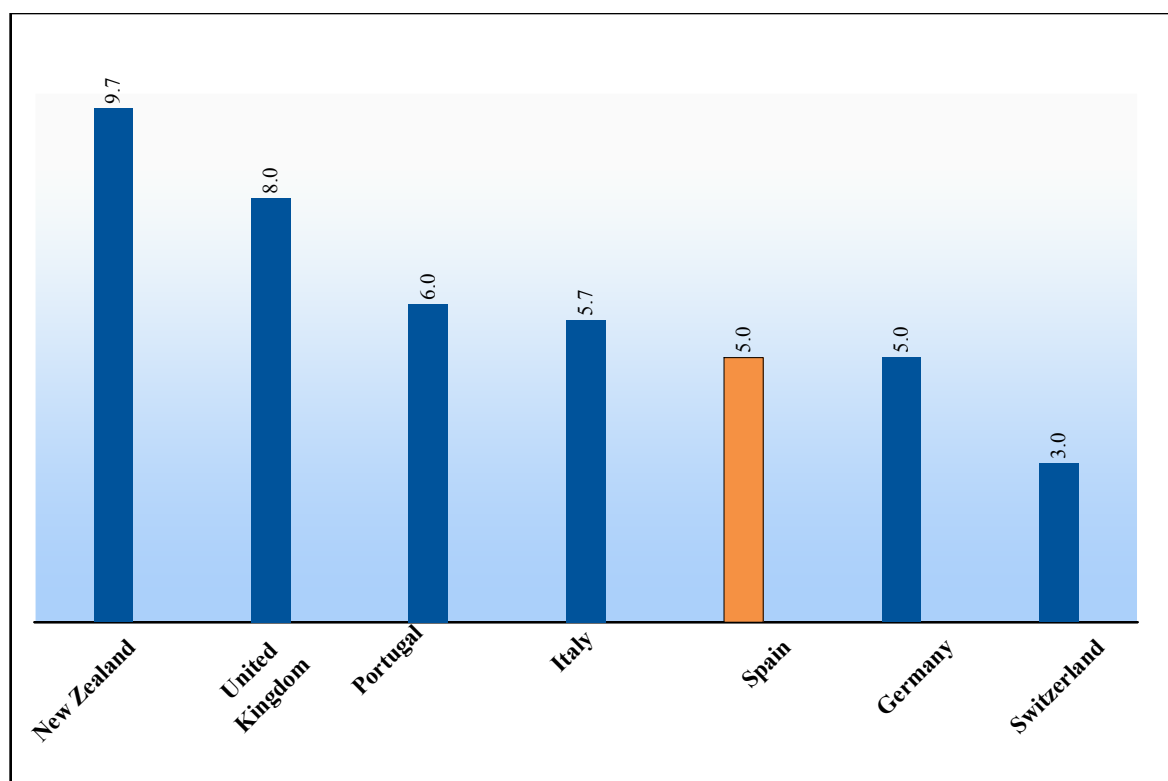
<i>Selected Economy</i>	
Spain	5.0

<i>Comparator Economies</i>	
Germany	5.0
Italy	5.7
Portugal	6.0
Switzerland	3.0
United Kingdom	8.0

2. Historical data: Protecting Investors in Spain

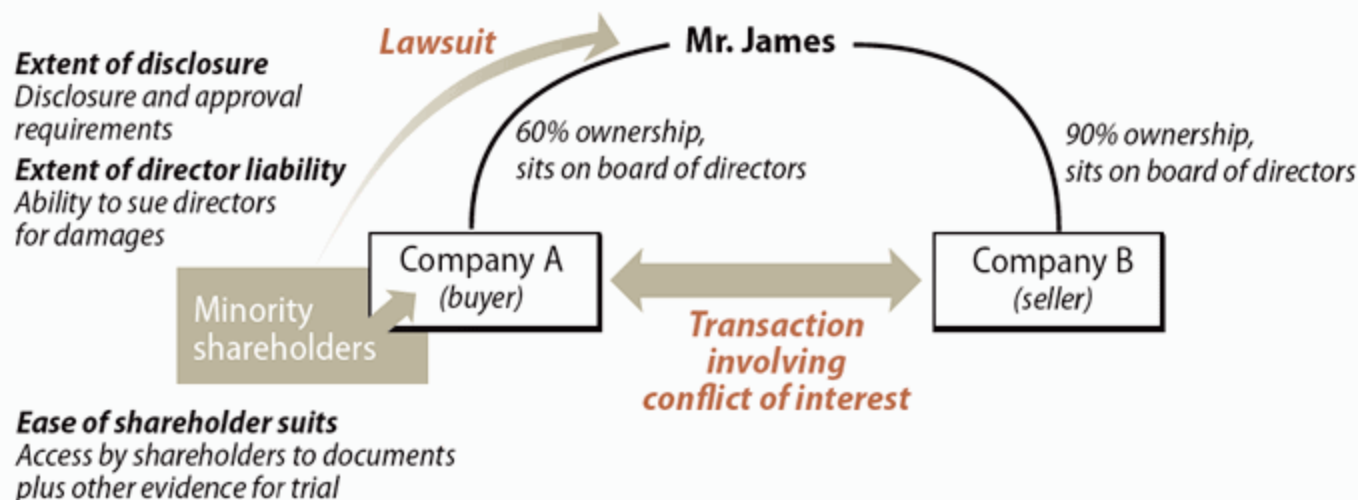
Protecting Investors data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	92	93
Strength of investor protection index (0-10)	5.0	5.0	5.0	5.0

3. The following graph illustrates the Protecting Investors index in Spain compared to best practice and selected Economies:



Note: The higher the score, the greater the investor protection.

How well are minority shareholders protected against self-dealing in related-party transactions?



The table below provides a full breakdown of how the disclosure, director liability, and shareholder suits indexes are calculated in Spain.

Protecting Investors Data (2010)	Indicator
Extent of disclosure index (0-10)	5
What corporate body provides legally sufficient approval for the transaction?	0
Whether immediate disclosure of the transaction to the public and/or shareholders is required?	1
Whether disclosure of the transaction in published periodic filings (annual reports) is required?	2
Whether disclosure of the conflict of interest by Mr. James to the board of directors is required?	2
Whether an external body must review the terms of the transaction before it takes place?	0
Extent of director liability index (0-10)	6
Whether shareholders can hold Mr. James liable for the damage that the Buyer-Seller transaction causes to the company?	1
Whether shareholders can hold the approving body (the CEO or board of directors) liable for the damage that the Buyer-Seller transaction causes to the company?	1
Whether a court can void the transaction upon a successful claim by a shareholder plaintiff?	0
Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff?	1

Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff?	1
Whether fines and imprisonment can be applied against Mr. James?	1
Whether shareholders can sue directly or derivatively for the damage that the Buyer-Seller transaction causes to the company?	1
Ease of shareholder suits index (0-10)	4
Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?	3
Whether the plaintiff can directly question the defendant and witnesses during trial?	1
Whether the plaintiff can request categories of documents from the defendant without identifying specific ones?	0
Whether shareholders owning 10% or less of Buyer's shares can request an inspector to investigate the transaction?	0
Whether the level of proof required for civil suits is lower than that of criminal cases?	0
Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?	0
Strength of investor protection index (0-10)	5.0

Taxes are essential to provide public amenities, infrastructure and services which are crucial for a properly functioning economy. *Doing Business* data show that economies where it is more difficult and costly to pay taxes have larger shares of informal sector activity. More than 60% of economies have reformed in the last 6 years and are starting to see concrete results.

Some reform outcomes

Colombia introduced a new electronic system for social security and labor taxes in 2006 and by 2008 the social security contributions collected from small and medium-size companies rose by 42%, to 550 billion pesos.

Mauritius reduced the corporate income tax rate from 25% to 15% and removed exemptions and industry-specific allowances in 2006 and saw their corporate income tax revenue grow by 27% in the following year, and in 2008/09 it increased by 65%.

What do the Paying taxes indicators measure?

Tax payments for a manufacturing company in 2009
(number per year adjusted for electronic or joint filing and payment)

- Total number of taxes and contributions paid, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

Time required to comply with 3 major taxes (hours per year)

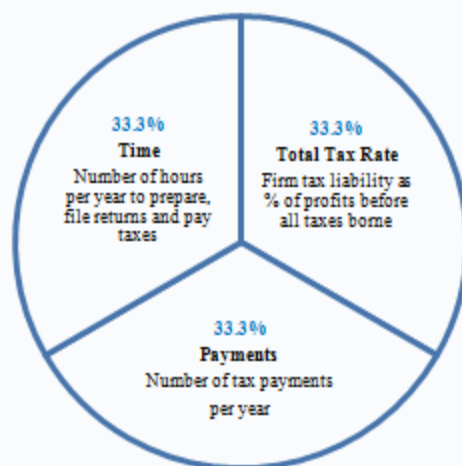
- Collecting information and computing the tax payable
- Completing tax return forms, filing with proper agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

Total tax rate (% of profit)

- Profit or corporate income tax
- Mandatory social contributions and labor taxes paid by the employer
- Property and property transfer taxes
- Dividend, capital gains and financial transactions taxes
- Waste collection, vehicle, road and other taxes

Paying Taxes: tax compliance for a local manufacturing company

Rankings are based on 3 subindicators



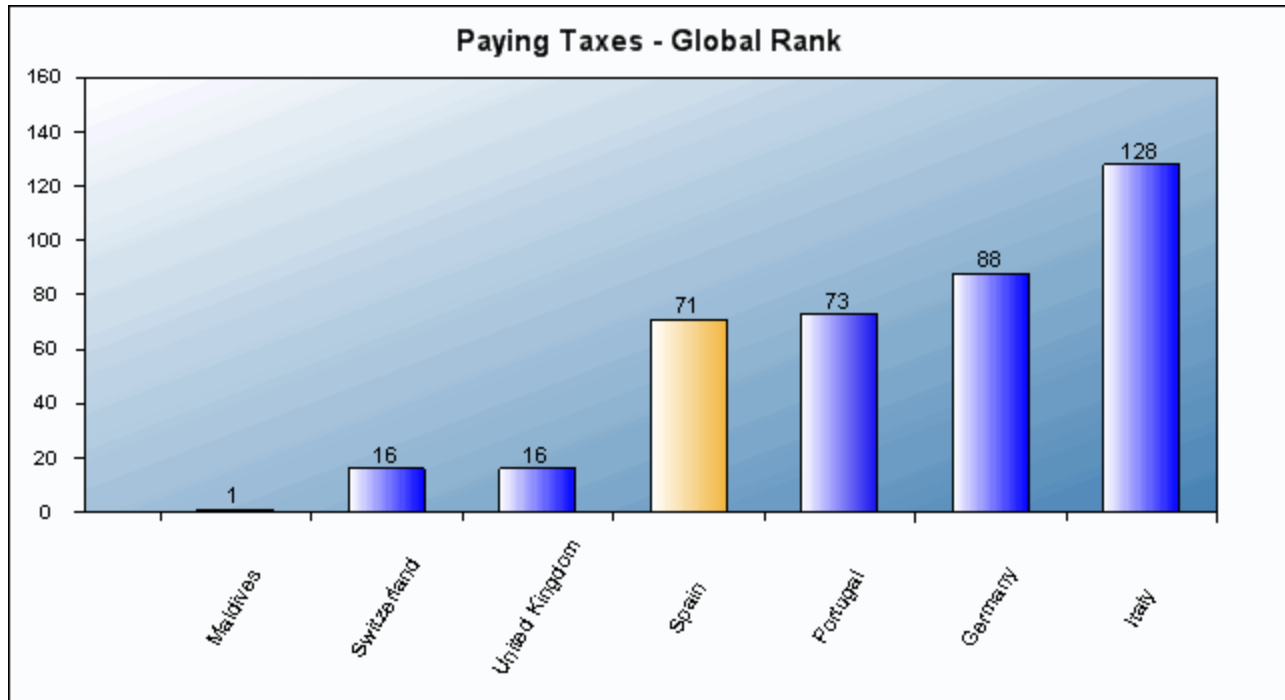
Case Study Assumptions

- TaxpayerCo is a medium-size business that started operations 2 years ago.
- Tax practitioners are asked to review its financial statements, as well as a standard list of transactions that the company completed during the year.
- Respondents are asked how much in taxes and mandatory contributions the business must pay and what the process is for doing so.
- The business starts from the same financial position in each economy. All the taxes and mandatory contributions paid during the second year of operation are recorded.
- Taxes and mandatory contributions are measured at all levels of government
- Taxes and mandatory contributions include corporate income tax, turnover tax, all labor taxes and contributions paid by the company.
- A range of standard deductions and exemptions are also recorded.

1. Benchmarking Paying Taxes Regulations:

Spain is ranked 71 overall for Paying Taxes.

Ranking of Spain in Paying Taxes - Compared to good practice and selected economies:



The following table shows Paying Taxes data for Spain compared to good practice and comparator economies:

Good Practice Economies	Payments (number per year)	Time (hours per year)	Total tax rate (% profit)
Maldives*	3	0	
Timor-Leste			0.2

<i>Selected Economy</i>			
Spain	8	197	56.5

<i>Comparator Economies</i>			
Germany	16	215	48.2
Italy	15	285	68.6
Portugal	8	298	43.3
Switzerland	19	63	30.1
United Kingdom	8	110	37.3

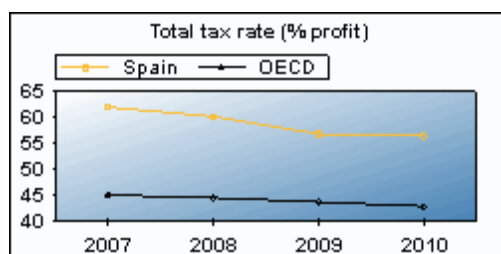
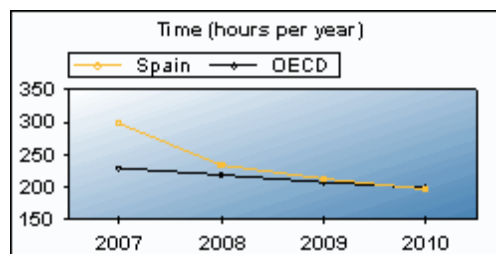
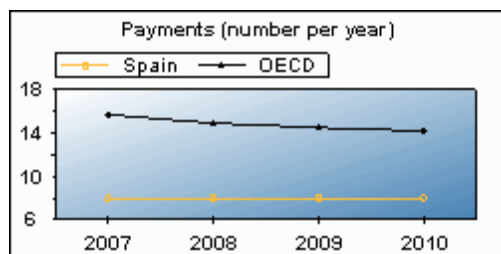
* The following economies are also good practice economies for :

Payments (number per year): Qatar

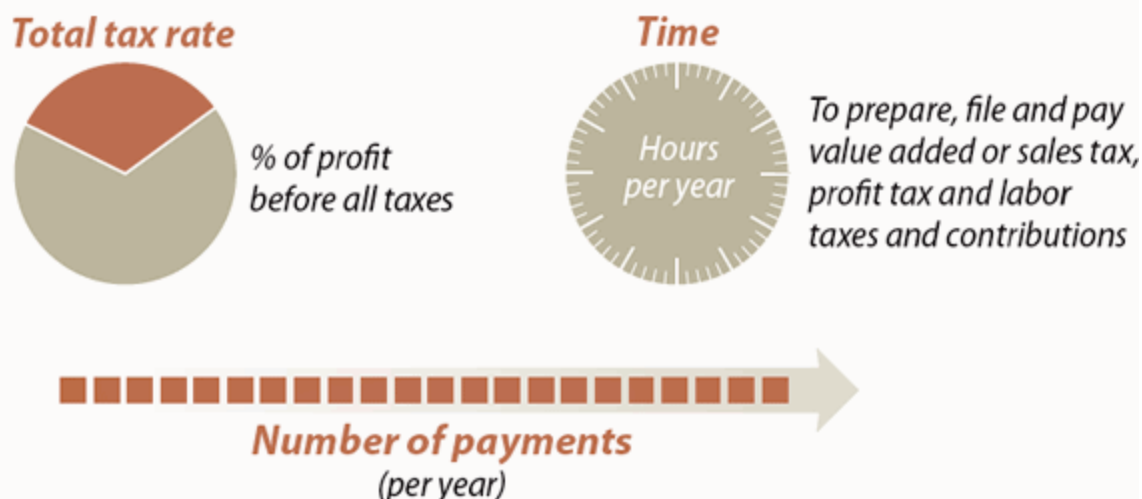
2. Historical data: Paying Taxes in Spain

Paying Taxes data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	77	71
Total tax rate (% profit)	62.0	60.2	56.9	56.5
Payments (number per year)	8	8	8	8
Time (hours per year)	298	234	213	197

3. The following graphs illustrate the Paying Taxes sub indicators in Spain over the past 4 years:



What are the time, total tax rate and number of payments necessary for a local medium-sized company to pay all taxes?



The table below addresses the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year in Spain, as well as measures of administrative burden in paying taxes.

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax rate (% profit)	Notes on TTR
Tax on interest	0	withheld		18.0%	interest income		
Value added tax (VAT)	1	online filing	74	16.0%	value added		
Transport tax	1			fixed fee (EUR 558)	type of truck	0.00	
Fuel tax	1			included in fuel price		0.00	
Environmental tax	1			various rates	type of activity and square meters	0.10	
Tax on insurance contracts	1			6.0%	insurance premium	0.10	
Property tax	1			0.6%	40% of property cost	0.50	
Corporate income tax	1	online filing	33	30.0%	taxable profit	20.90	
Social security	1	online filing	90	30.9%	gross salaries	35.00	

Totals	8	197	56.5
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Making trade between countries easier is increasingly important for business in today's globalized world. Excessive document requirements, burdensome customs procedures, inefficient port operations and inadequate infrastructure all lead to extra costs and delays for exporters and importers, stifling trade potential. Trade facilitation tools such as electronic data interchange systems, risk-based inspections, and single windows help improve an economy's trading environment and boost firms' international competitiveness. *Doing Business* trade indicators take into account documents, cost and time associated with every procedure for trading a standard shipment of goods by ocean transport. Research indicates that exporters in developing countries have much more to gain by a 10% drop in their trading costs than from a similar decrease of the tariffs applied to their products in global markets.

Some reform outcomes

In Georgia, reducing customs clearance time by a day has led to operational savings of an estimated \$288 per truck, or an annual \$133 million for the country's whole trading community given the growing amount of cross-border trade in recent years.

In Korea, predictable cargo processing times and rapid turnover by ports and warehouses provide a benefit to the Korean economy of some \$2 billion annually.

What do the Trading Across Borders indicators measure?

Trading Across Borders: exporting and importing by ocean transport

Rankings are based on 3 subindicators

Documents required to export and import (number)

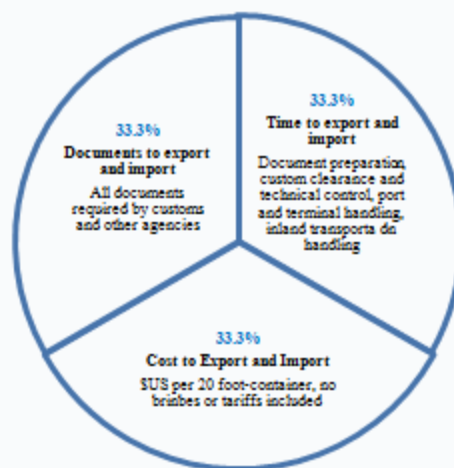
- Bank documents
- Customs clearance documents
- Port and terminal handling documents
- Transport documents

Time required to export and import (days)

- Obtaining all the documents
- Inland transport and handling
- Customs clearance and inspections
- Port and terminal handling
- Does not include ocean transport time

Cost required to export and import (US\$ per container)

- All documentation
- Inland transport and handling
- Customs clearance and inspections
- Port and terminal handling
- Official costs only, no bribes



Case Study Assumptions

The Business

- Has at least 60 employees and is located in the economy's largest business city
- Is a private, limited liability company, which exports more than 10% of its sales. It is fully domestically owned and does not operate in an export processing zone or an industrial estate with special export or import privileges

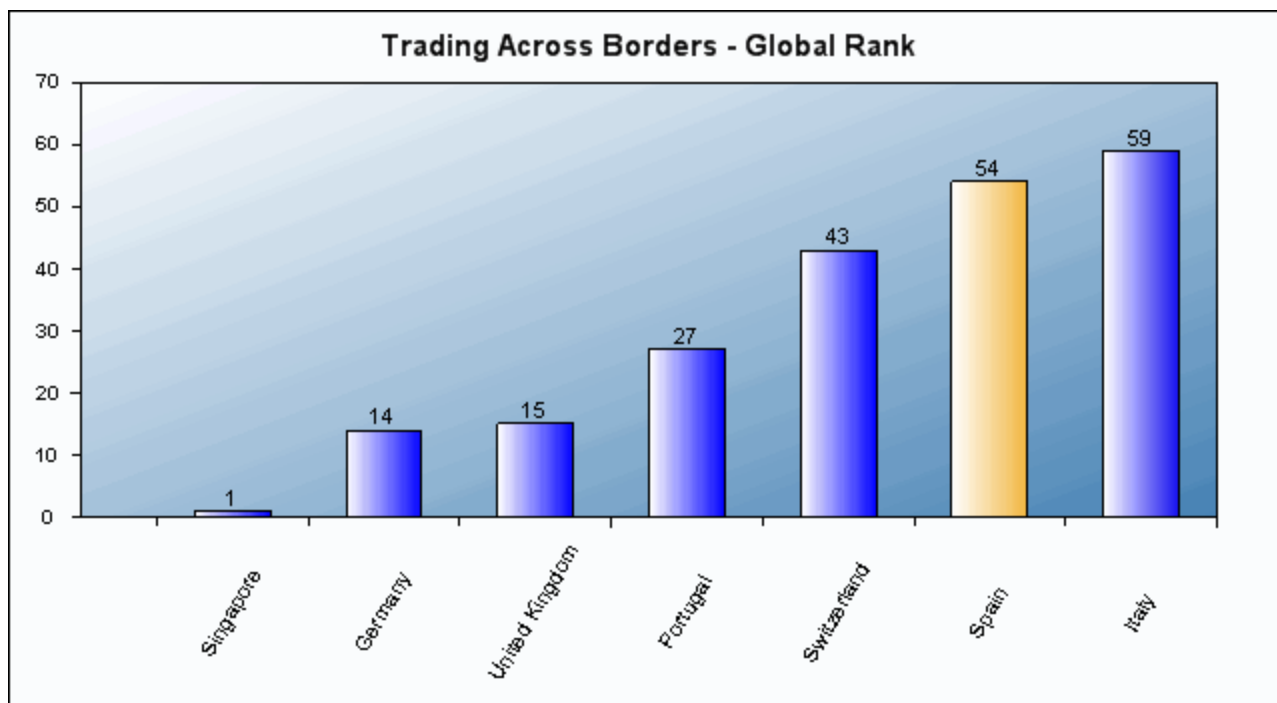
The traded product

- Is transported in a dry-cargo, 20-foot full container load; weighs 10 tons and is valued at \$20,000
- Is not hazardous or include military items; it does not require special phytosanitary or environmental safety standards, refrigeration or any other special environment
- Is one of the economy's leading export or import products

1. Benchmarking Trading Across Borders Regulations:

Spain is ranked 54 overall for Trading Across Borders.

Ranking of Spain in Trading Across Borders - Compared to good practice and selected economies:



The following table shows Trading Across Borders data for Spain compared to good practice and comparator economies:

Good Practice Economies	Documents to export (number)	Time to export (days)	Cost to export (US\$ per container)	Documents to import (number)	Time to import (days)	Cost to import (US\$ per container)
Denmark*		5				
France	2			2		
Malaysia			450			
Singapore					4	439

<i>Selected Economy</i>						
Spain	6	9	1221	7	10	1221

<i>Comparator Economies</i>						
Germany	4	7	872	5	7	937
Italy	4	20	1245	4	18	1245
Portugal	4	16	685	5	15	999
Switzerland	4	8	1537	5	9	1540
United Kingdom	4	7	950	4	6	1045

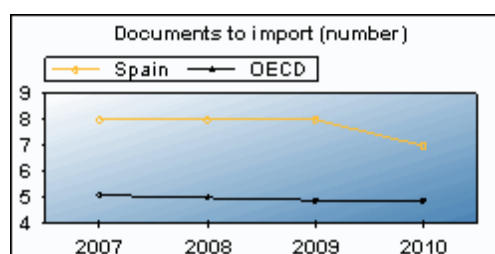
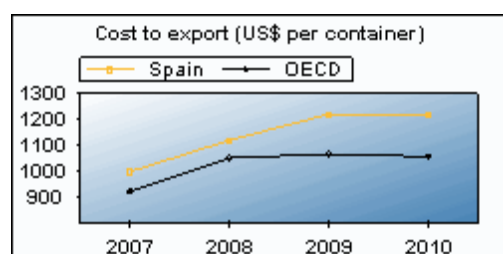
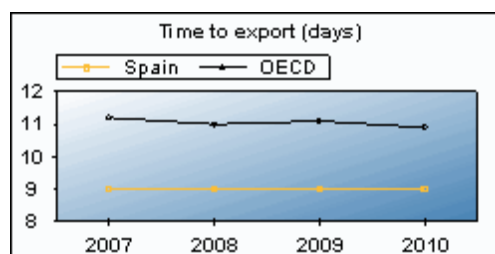
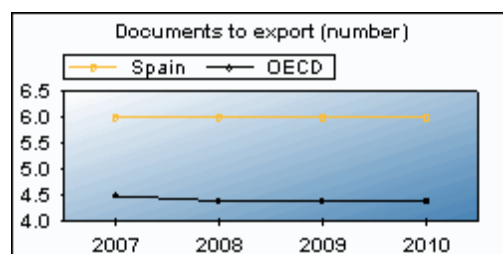
* The following economies are also good practice economies for :

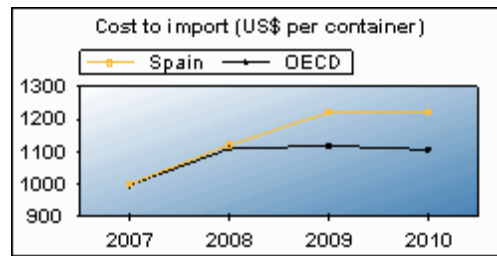
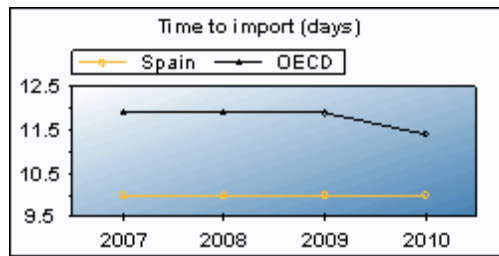
Time to export (days): Estonia

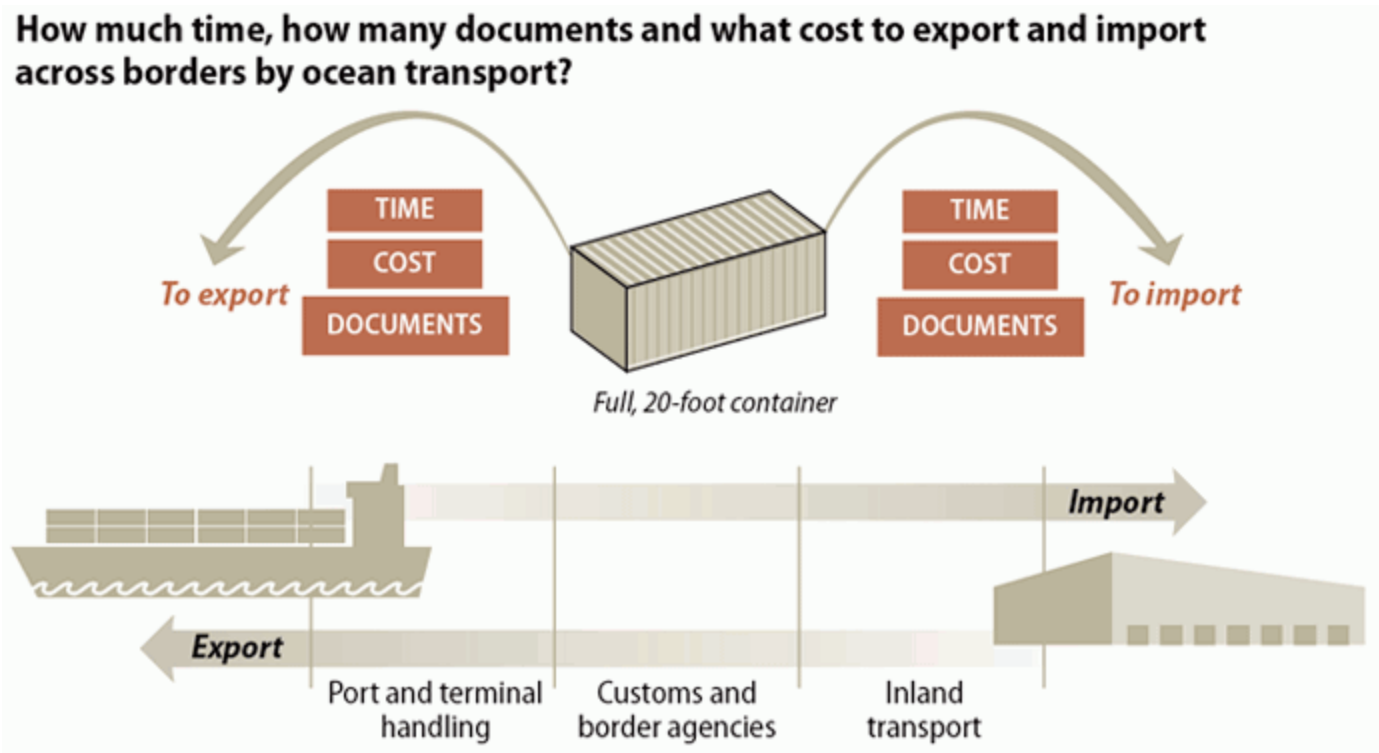
2. Historical data: Trading Across Borders in Spain

Trading Across Borders data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	63	54
Cost to export (US\$ per container)	1000	1121	1221	1221
Cost to import (US\$ per container)	1000	1121	1221	1221
Documents to export (number)	6	6	6	6
Documents to import (number)	8	8	8	7
Time to export (days)	9	9	9	9
Time to import (days)	10	10	10	10

3. The following graphs illustrate the Trading Across Borders sub indicators in Spain over the past 4 years:







These tables list the procedures necessary to import and export a standardized cargo of goods in Spain. The documents required to export and import the goods are also shown.

Nature of Export Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	4	250
Customs clearance and technical control	1	150
Ports and terminal handling	2	221
Inland transportation and handling	2	600
Totals	9	1221

Nature of Import Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	4	250
Customs clearance and technical control	2	150
Ports and terminal handling	2	221
Inland transportation and handling	2	600
Totals	10	1221

Documents for Export and Import

Export
Bill of lading
Cargo release order
Commercial invoice
Customs export declaration
Packing list
Technical standard/health certificate
Import
Bill of lading
Cargo release order
Certificate of origin
Commercial invoice
Customs import declaration
Packing list
Technical standard/health certificate

Well functioning courts help businesses expand their network and markets. Where contract enforcement is efficient, firms have greater access to credit and are more likely to engage with new borrowers or customers. *Doing Business* measures the efficiency of the judicial system in resolving a commercial sale dispute before local courts. Following the step-by-step evolution of a standardized case study, data relating to the time, cost and procedural complexity of resolving a commercial lawsuit are collected through study of the codes of civil procedure and other court regulations, as well as through surveys completed by local litigation lawyers (and, in a quarter of the countries, by judges as well).

Some reform outcomes

In Rwanda the implementation of specialized commercial courts in May 2008 resulted in a significant decrease of the case backlog, and contributed to reduce the time to resolve a commercial dispute by nearly 3 months.

In Austria a "data highway" for the courts that allows attachments to be sent electronically has produced savings of €4.4 million in postage alone.

What do the Enforcing Contracts indicators measure?

Procedures to enforce a contract (number)

- Any interaction between the parties in a commercial dispute, or between them and the judge or court officer
- Steps to file the case
- Steps for trial and judgment
- Steps to enforce the judgment

Time required to complete procedures (calendar days)

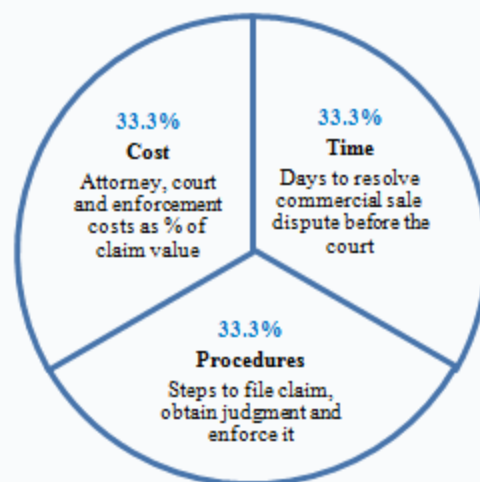
- Time to file and serve the case
- Time for trial and obtaining judgment
- Time to enforce the judgment

Cost required to complete procedures (% of claim)

- No bribes
- Average attorney fees
- Court costs, including expert fees
- Enforcement costs

Enforcing Contracts: resolving a commercial dispute through the courts

Rankings are based on 3 subindicators



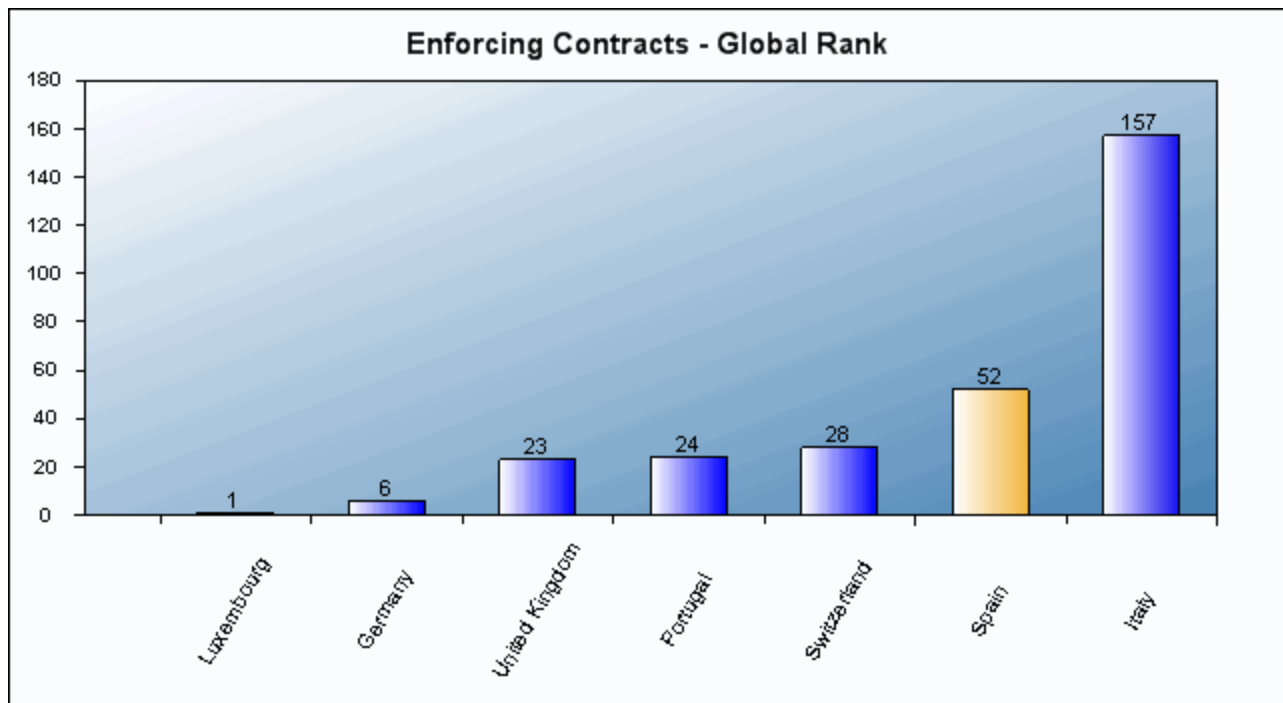
Case Study Assumptions

- Seller and Buyer are domestic companies
- Buyer orders custom-made goods, then does not pay
- Seller sues Buyer before competent court
- Value of claim is 200% of GNI per capita
- Seller requests pre-trial attachment to secure claim
- Dispute on quality of the goods requires expert opinion
- Judge decides in favor of Seller, no appeal
- Seller enforces judgment through a public sale of Buyer's movable assets.

1. Benchmarking Enforcing Contracts Regulations:

Spain is ranked 52 overall for Enforcing Contracts.

Ranking of Spain in Enforcing Contracts - Compared to good practice and selected economies:



The following table shows Enforcing Contracts data for Spain compared to good practice and comparator economies:

Good Practice Economies	Procedures (number)	Time (days)	Cost (% of claim)
Bhutan			0.1
Ireland	20		
Singapore		150	

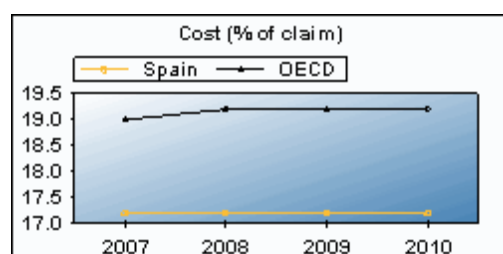
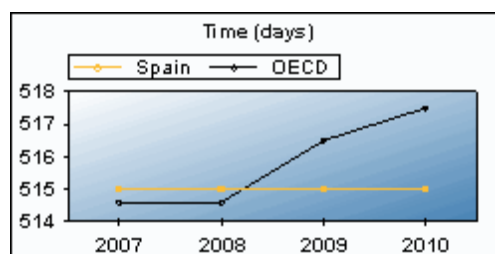
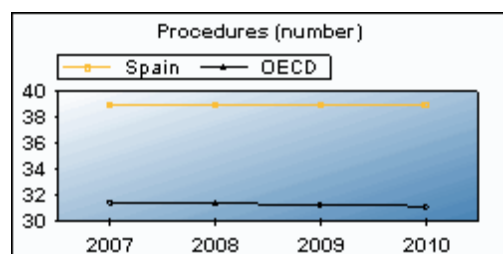
<i>Selected Economy</i>			
Spain	39	515	17.2

<i>Comparator Economies</i>			
Germany	30	394	14.4
Italy	41	1210	29.9
Portugal	31	547	13.0
Switzerland	31	417	24.0
United Kingdom	28	399	23.4

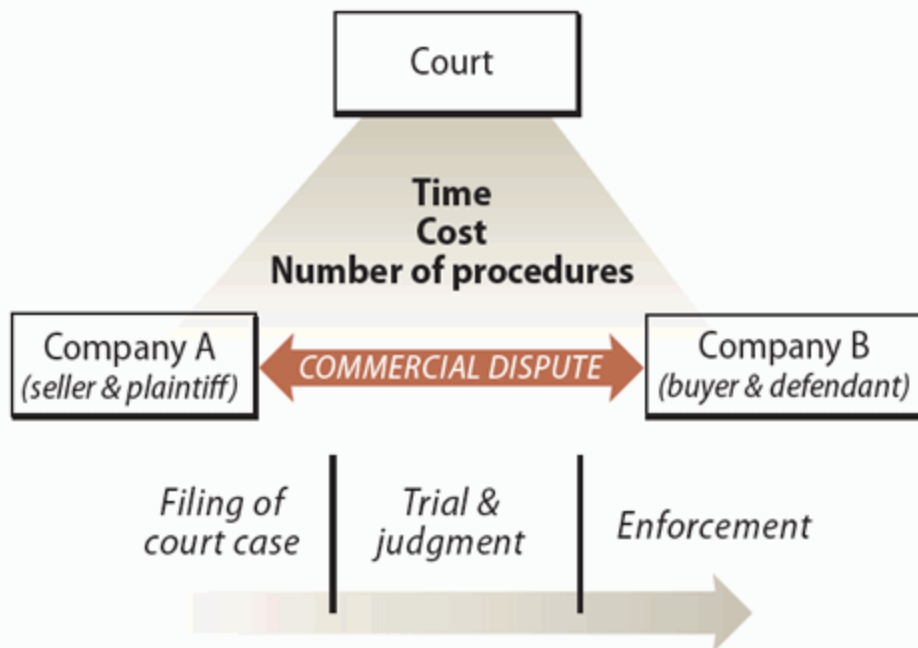
2. Historical data: Enforcing Contracts in Spain

Enforcing Contracts data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	52	52
Procedures (number)	39	39	39	39
Time (days)	515	515	515	515
Cost (% of claim)	17.2	17.2	17.2	17.2

3. The following graphs illustrate the Enforcing Contracts sub indicators in Spain over the past 4 years:



What are the time, cost and number of procedures to resolve a commercial dispute through the courts?



This topic looks at the efficiency of contract enforcement in Spain.

Nature of Procedure (2010)	Indicator
Procedures (number)	39
Time (days)	515
Filing and service	50.0
Trial and judgment	285.0
Enforcement of judgment	180.0
Cost (% of claim)*	17.20
Attorney cost (% of claim)	12.7
Court cost (% of claim)	4.5
Enforcement Cost (% of claim)	0.0

Court information: Madrid Court of First Instance ("Juzgado de Primera Instancia de Madrid")

* Claim assumed to be equivalent to 200% of income per capita.

A robust bankruptcy system functions as a filter, ensuring the survival of economically efficient companies and reallocating the resources of inefficient ones. Fast and cheap insolvency proceedings result in businesses' speedy return to normal operation and increase returns to creditors. By improving the expectations of creditors and debtors about the outcome of insolvency proceedings, well-functioning insolvency systems can facilitate access to finance, save more viable businesses, and thereby improve growth and sustainability in the economy overall.

Some reform outcomes

A study of the 2005 bankruptcy reform in Brazil found that it had led to an average reduction of 22% in the cost of credit for Brazilian companies, a 39% increase in overall credit and a 79% increase in long-term credit in the economy. The purpose of the reform was to improve creditor protection in insolvency proceedings.

Following the introduction of debtor-in-possession reorganizations in Korea in 2006, the number of reorganization filings increased from 76 in 2006 to 670 in 2009.

What does the Closing a Business indicator measure?

Closing a Business: insolvency proceedings against local company

Time required to recover debt (years)

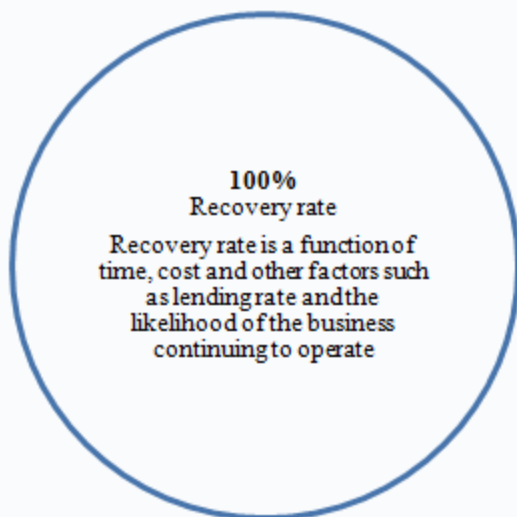
- Measured in calendar years
- Appeals and requests for extension are included

Cost required to recover debt (% of debtor's estate value)

- Measured as percentage of estate value
- Court fees
- Fees of insolvency administrators
- Lawyers' fees
- Assessors' and auctioneers' fees
- All other fees and costs

Recovery rate for creditors (cents on the dollar)

- Measures the cents on the dollar recovered by creditors
- Present value of debt recovered
- Costs of the insolvency proceedings are deducted
- Depreciation of furniture is taken into account
- Outcome for the business (survival or not) affects the maximum value that can be recovered



Case Study Assumptions

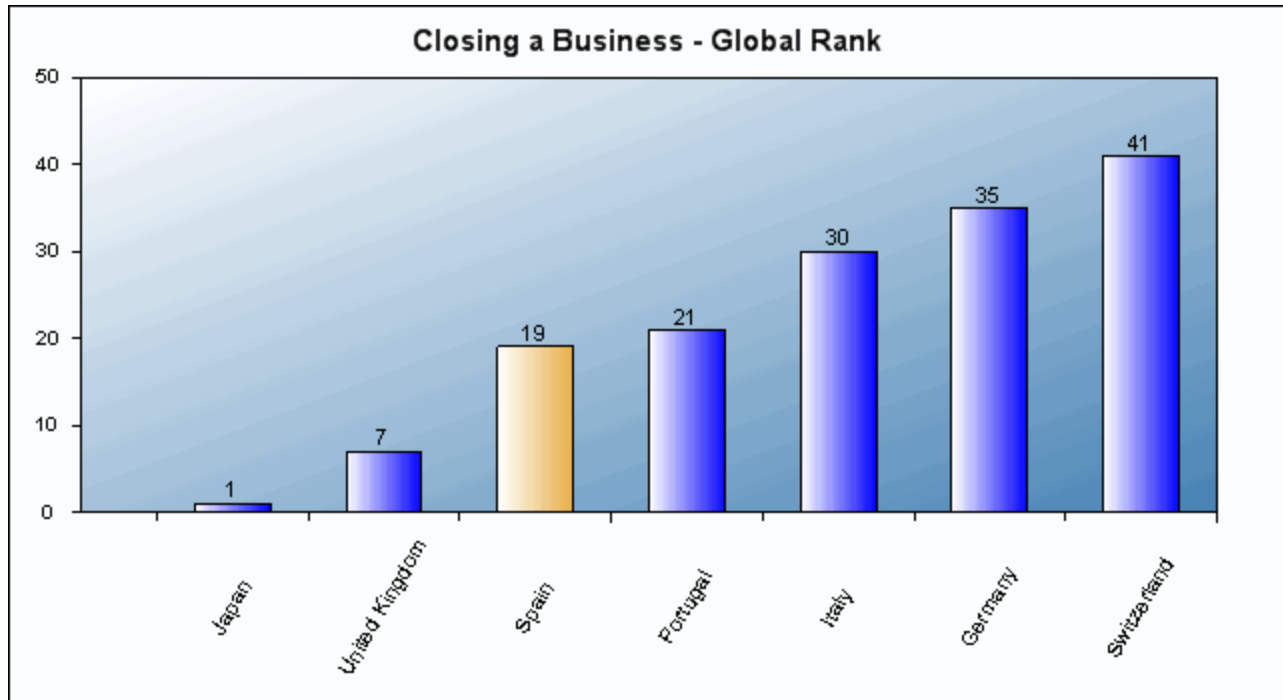
The Company

- is domestically owned
- is a limited liability company operating a hotel
- operates in the economy's largest business city
- has 201 employees, 1 secured creditor and 50 unsecured creditors
- has a higher value as a going concern and a lower value in a piecemeal sale of assets

1. Benchmarking Closing Business Regulations:

Spain is ranked 19 overall for Closing a Business.

Ranking of Spain in Closing Business - Compared to good practice and selected economies:



The following table shows Closing Business data for Spain compared to good practice and comparator economies:

Good Practice Economies	Recovery rate (cents on the dollar)	Time (years)	Cost (% of estate)
Ireland		0.4	
Japan	92.7		
Singapore*			1

<i>Selected Economy</i>			
Spain	76.3	1.0	11

<i>Comparator Economies</i>			
Germany	53.1	1.2	8
Italy	58.0	1.8	22
Portugal	72.6	2.0	9
Switzerland	47.5	3.0	4
United Kingdom	88.6	1.0	6

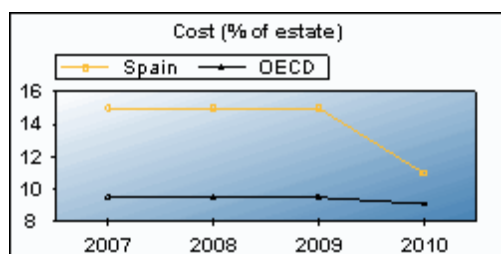
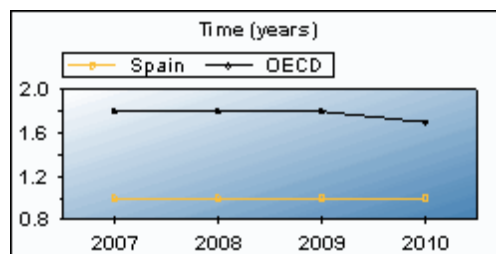
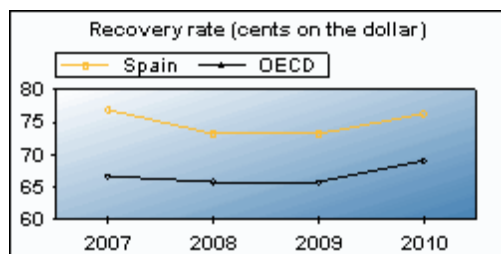
* The following economies are also good practice economies for :

Cost (% of estate): Colombia, Kuwait, Norway

2. Historical data: Closing Business in Spain

Closing a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	19	19
Time (years)	1.0	1.0	1.0	1.0
Cost (% of estate)	15	15	15	11
Recovery rate (cents on the dollar)	76.9	73.2	73.2	76.3

3. The following graphs illustrate the Closing Business sub indicators in Spain over the past 4 years:





Doing Business 2011 Business Reforms

Since 2004 Doing Business has been tracking reforms aimed at simplifying business regulations, strengthening property rights, opening access to credit and enforcing contracts by measuring their impact on 10 indicator sets . * Nearly 1,000 reforms have had an impact on these indicators. *Doing Business 2011*, covering June 2009 to June 2010, reports that 117 economies implemented 216 reforms to make it easier to start a business. 64% of economies measured by Doing Business have reformed this year, focusing on easing business start-up, lightening the tax burden, simplifying import and export regulations and improving credit information systems.

The top 10 most-improved in Doing Business 2011

Economy	<div>✓ Positive Change</div> <div>✗ Negative Change</div>								
	Starting a Business	Dealing with Construction Permits	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Closing a Business
Kazakhstan	✓	✓			✓		✓		
Rwanda		✓		✓			✓		
Peru	✓	✓	✓				✓		
Vietnam	✓	✓		✓					
Cape Verde	✓		✓				✓		
Tajikistan	✓				✓		✓		
Zambia	✓						✓	✓	
Hungary		✓	✓				✓		✓
Grenada	✓		✓				✓		
Brunei Darussalam	✓						✓	✓	

* For *Doing Business 2011* the Employing Workers indicator is not included in the aggregate ease of doing business ranking.

Summary of changes to business regulation in top 10 most improved economies in *Doing Business 2011* and selected comparator economies.

Brunei Darussalam	Brunei Darussalam made starting a business easier by improving efficiency at the company registrar and implementing an electronic system for name searches. Brunei Darussalam reduced the corporate income tax rate from 23.5% to 22% while also introducing a lower tax rate for small businesses, ranging from 5.5% to 11%. The introduction of an electronic customs system in Brunei Darussalam made trading easier.
Cape Verde	Cape Verde made start-up easier by eliminating the need for a municipal inspection before a business begins operations and computerizing the system for delivering the municipal license. Cape Verde eased property registration by switching from fees based on a percentage of the property value to lower fixed rates. Cape Verde abolished the stamp duties on sales and checks.
Germany	Germany eased business start-up by increasing the efficiency of communications between the notary and the commercial registry and eliminating the need to publish an announcement in a newspaper.
Grenada	Grenada eased business start-up by transferring responsibility for the commercial registry from the courts to the civil administration. The appointment of a registrar focusing only on property cut the time needed to transfer property in Grenada by almost half. Grenada's customs administration made trading faster by simplifying procedures, reducing inspections, improving staff training and enhancing communication with users.
Hungary	Hungary implemented a time limit for the issuance of building permits. Hungary reduced the property registration fee by 6% of the property value. Hungary simplified taxes and tax bases. Amendments to Hungary's bankruptcy law encourage insolvent companies to consider reaching agreements with creditors out of court so as to avoid bankruptcy.
Italy	Italy made starting a business easier by enhancing an online registration system.
Kazakhstan	Kazakhstan eased business start-up by reducing the minimum capital requirement to 100 tenge (\$0.70) and eliminating the need to have the memorandum of association and company charter notarized. Kazakhstan made dealing with construction permits easier by implementing a one-stop shop related to technical conditions for utilities. Kazakhstan strengthened investor protections by requiring greater corporate disclosure in company annual reports. Kazakhstan speeded up trade through efforts to modernize customs, including implementation of a risk management system and improvements in customs automation.
Peru	Peru eased business start-up by simplifying the requirements for operating licenses and creating an online one-stop shop for business registration. Peru streamlined construction permitting by implementing administrative reforms. Peru introduced fast-track procedures at the land registry, cutting by half the time needed to register property. Peru made trading easier by implementing a new web-based electronic data interchange system, risk-based inspections and payment deferrals.
Portugal	Portugal established a one-stop shop for property registration. Portugal introduced a new social security code and lowered corporate tax rates.
Rwanda	Rwanda made dealing with construction permits easier by passing new building regulations at the end of April 2010 and implementing new time limits for the issuance of various permits. Rwanda enhanced access to credit by allowing borrowers the right to inspect their own credit report and mandating that loans of all sizes be reported to the central bank's public credit registry. Rwanda reduced the number of trade documents required and enhanced its joint border management procedures with Uganda and other neighbors, leading to an improvement in the trade logistics environment.
Spain	Spain streamlined the documentation for imports by including tax-related information on its single administrative document. Spain amended its regulations governing insolvency proceedings with the aim of reducing the cost and time. The new regulations also introduced out-of-court workouts.
Tajikistan	Tajikistan made starting a business easier by creating a one-stop shop that consolidates registration with the state and the tax authority. Tajikistan strengthened investor protections by requiring greater corporate disclosure in the annual report and greater access to corporate information for minority investors. Tajikistan lowered its corporate income tax rate.

United Kingdom	The United Kingdom improved the process for enforcing contracts by modernizing civil procedures in the commercial court. Amendments to the United Kingdom's insolvency rules streamline bankruptcy procedures, favor the sale of the firm as a whole and improve the calculation of administrators' fees.
Vietnam	Vietnam eased company start-up by creating a one-stop shop that combines the processes for obtaining a business license and tax license and by eliminating the need for a seal for company licensing. Vietnam made dealing with construction permits easier by reducing the cost to register newly completed buildings by 50% and transferring the authority to register buildings from local authorities to the Department of National Resources and Environment. Vietnam improved its credit information system by allowing borrowers to examine their own credit report and correct errors.
Zambia	Zambia eased business start-up by eliminating the minimum capital requirement. Zambia eased trade by implementing a one-stop border post with Zimbabwe, launching web-based submission of customs declarations and introducing scanning machines at border posts. Zambia improved contract enforcement by introducing an electronic case management system in the courts that provides electronic referencing of cases, a database of laws, real-time court reporting and public access to court records.



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