



International
Business
Registers
Report

2014

Preface

The ECRF (European Commerce Registers' Forum) "Benchmarking Survey" has been in place for more than 12 years. It has slowly developed from being a simple survey collecting data from different jurisdictions, to a more analytical project, in which more emphasis has been placed on comparing trends and performances. Over the years, the number of respondents has increased, and now includes jurisdictions from all over the world. Therefore, this year the title has been changed. This year's report is the third and last report that has been prepared with financial support from ECRF, as part of a three year project. There is a proposal to continue this work after these three years.

The working group, responsible for developing the report and the survey, has had three meetings during the last year - in Rome in September 2013, in Copenhagen in April 2014 and in Sundsvall in April 2014. In Sundsvall the editorial group met to write and edit the 2014 report (based on 2013 data).

Even though the present report and the survey are the result of the combined effort of the working group, the report has primarily been written by six people (the Editorial Group). Monica Grahn, responsible for editing the report and writing the background and summary chapters, as well as chapter two; Rolf König, Celia Johnston, responsible for writing chapter one, Stacey-Jo Smith, responsible for chapter three, Hayley Clarke, responsible for chapter four, and Magdalena Norlin-Schönfeldt, responsible for statistics and writing chapter five

The working group would like to thank the ECRF

members again for their decision to fund this three year project, aimed at the further development and improvement of the survey and the report. The working group would also like to thank the CRF (Corporate Registers Forum) and the IACA (International Association of Commercial Administrators) for promoting the survey amongst their members and by contributing with support from Hayley Clarke and Latha Kunjappa.

The working group would also like to thank Jersey, Hong Kong and Singapore for their case study contributions in this year's report, authored by Julian Lamb, Jersey Financial Services Commission, Ms Ada Chung, Companies Registry, Hong Kong SAR and Latha Kunjappa and Bernice Quek, ACRA, Singapore.

Finally, we are of course thankful to all the business registers that have taken the time to answer the survey, since this is at the core of the project. To give business registries a better tool to improve their understanding of how registration activities are carried out elsewhere, we need data from different organisations, with a worldwide geographical spread.

The conclusions reached herein are the responsibility of the editor and the writers, and do not reflect the opinions of ECRF, CRF, IACA or the working group. Should you have any questions or comments, amendments to the data provided by your jurisdiction – or suggestions for additions to the distinguishing characteristics – please contact any member of the survey working group identified within this report.

May 2014, Sundsvall, Sweden

The Editorial Group

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Background

The main purpose for conducting the survey is to make it easier for business registries to compare their own practices and performances with those of other organisations. Benchmarking is one of the best ways to learn valuable lessons from other jurisdictions on how to improve procedures and defeat challenges. Also, benchmarking legal systems in different countries is important, since legal systems constitute the foundation upon which obstacles and possibilities for improved performance are created. Last but not least, the results of the survey can be used by customers of business registries, e.g. the business community. The learning opportunity stretches from acquiring simple knowledge about such things as fees and charges, to more complex knowledge about differences in legal and administrative procedures in different countries.

General Disclaimer

Much effort has been put into improving the survey. Despite this, there is a need to be cautious when interpreting the data; this is for a number of reasons.

Different registries operate within specific legal frameworks, and the need to act within the law may be the reason for differences when benchmarking. Just to compare performances would be wrong without taking into account the constraints imposed by legislation.

More jurisdictions took part in the 2013 survey than in the 2012 survey, but it was also distributed to more jurisdictions compared to last year. Also, however, some respondents to previous surveys did not respond in 2013 and at the same time there are new respondents. This means that we have to be cautious when doing trend analyses, since changes between years are most likely caused by differences in the survey population rather than changes in the way jurisdictions operate. We have done our best to describe the most likely causes for changes in the trend data. We have also done our best to isolate spurious data from this report, but there might still be errors included in the conclusions drawn based on this principle.

Data Collection and Response Rate

On the 20th of January 2014, the survey was distributed to 112 ECRF, CRF and IACA members, along with a few other business registries. It is important to note that the survey was related to activities carried out during 2013. The questions in the 2013 survey primarily deal with the six most common company types: Sole trader, General Partnership, Private Limited Company, Public Limited Company, Limited Company and US LLC.

The survey was structured around five major topics: general information on the registry, registration process, facts and registered objects, performance and costs regarding the registration process, and business dynamics/trends resulting from registration. In total 73 of the organisations that received the survey replied, giving a response rate of 65%. This is lower than last year, despite the fact that the survey was sent to more respondents this year, (112 compared to 102).

Number of Respondents per Year

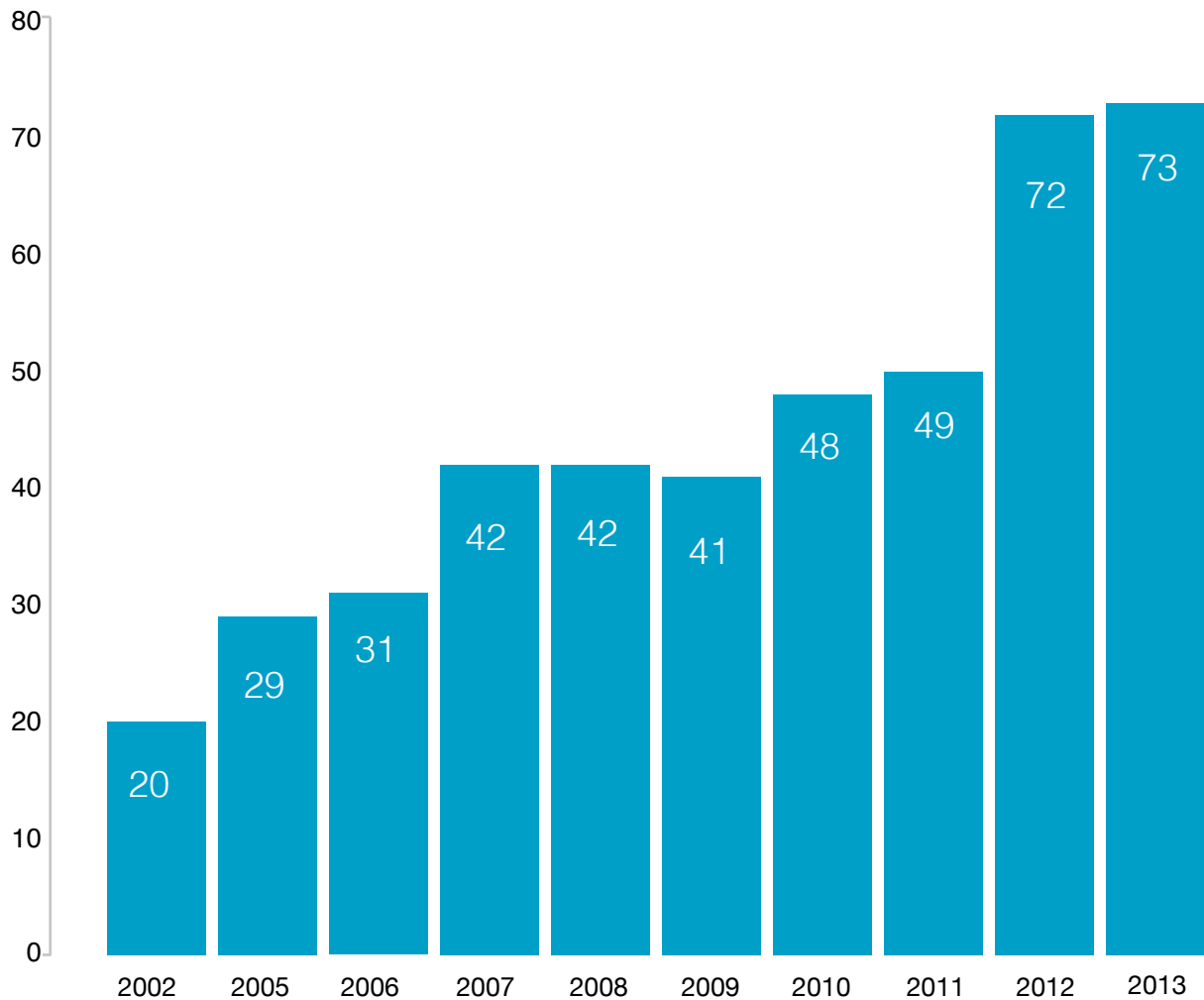


Figure 1

Figure 1 shows the number of organisations that participated in the ECRF surveys. The number has progressively increased over the years, and in 2012, organisations from IACA took part in the survey for the first time.

In last year's report the number of respondents was divided into the organisations; ECRF, CRF and IACA. However, to be able to benchmark, it maybe more relevant to compare with information about different regions. There are also some jurisdictions that belong to two organisations or none of them. Figure 2 shows

the trend of respondents by region and in table 2 all respondents in 2013 survey are listed.

In this year's report, the data is often compared on the basis of four geographical regions. These regions are: (i) Europe; (ii) Africa & ME (herein sometimes referred to as "Africa & ME"), (iii) the Asia-Pac Region (herein sometimes referred to as "Asia-Pac"), and (iv) North America and South America (herein sometimes referred to as "The Americas").

Trends in Number of Respondents by Region

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

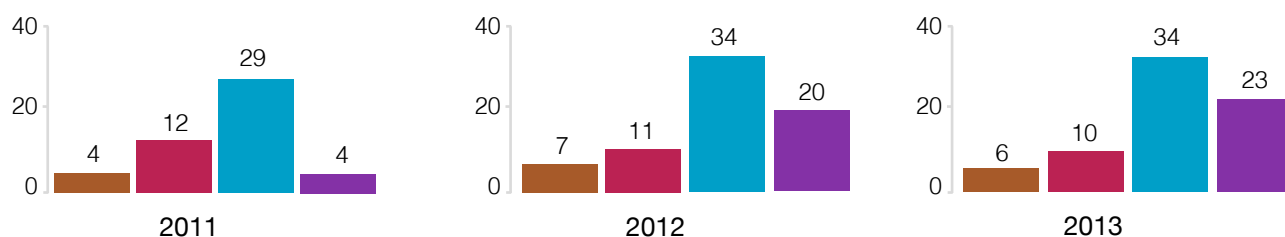


Figure 2

In Figure 2, the number of jurisdictions from the different regions is shown. As can be seen, most participating organisations are still from Europe – 34% in all. This is mainly due to the fact that ECRF was the organisation that initiated the “benchmarking survey” 13 years ago, and there is a shared history

among European business registration authorities of participating in the surveys. One of the most important challenges for the future will be to continue to increase the number of organisations participating in future surveys.¹

Respondents

Australia	Denmark	Italy	Manitoba	Nova Scotia	Spain, central
Austria	Dubai (UAE)	Isle of Man	Mauritius	Ohio	Sri Lanka
Azerbaijan	Estonia	Jersey	Michigan	Oregon	Sweden
Belgium	Finland	Kosovo	Moldova	Pakistan	Switzerland
Belgium, NBB	Georgia	Latvia	Montana	Qatar	Tennessee
Brazil - Alagoas Maceió	Germany	Lesotho	Montenegro	Romania	Texas
British Virgin Islands	Gibraltar	Liechtenstein	Netherlands, the	Saskatchewan	Uganda
Canada (federal)	Guernsey	Lithuania	New Zealand	Serbia	Ukraine
Colombia	Hawaii	Louisiana	Nevada	Singapore	United Kingdom
Croatia	Hong Kong	Luxembourg	Newfoundland and Labrador	Slovenia	Utah
Czech Republic	Indiana	Macedonia (FYR)	North Carolina	South Africa	Vanuatu
Delaware	Ireland	Malaysia	Norway	Spain	Washington DC
					Wisconsin

Table 1

¹ Even though the number of countries/jurisdictions participating from some regions is very low, the working group has decided to group countries by region, since this will provide more interesting information in the analyses done in the report.

Executive Summary

The executive summary is a short extraction of the most important findings in the different chapters. It highlights the most important findings but does not include all the knowledge presented in the different chapters. The reader is therefore recommended to explore the different chapters according to individual preferences.

Below some conclusions are put forward.

Chapter 1

Legal and Institutional Settings

Different Types of Organisations are Responsible for Business Registration

There are several different ways a business registration system can be organised and run. The most common type of organisation in most of the regions is still the government. This year, all participating registries in Africa & ME, as well as in the Asia-Pac region, have indicated that they are operated by the government. For most jurisdictions in The Americas, the government is the most common type of organisation. However, the type of organisation is more diverse in this region. Europe is the region with the most diverse types of organisations that are responsible for business registration.

Beneficial Owners

This year a question regarding details on beneficial owners was included in the survey for the first time. It became apparent in recent discussions at international conferences that this is a topic, which is of major interest to jurisdictions throughout all regions. However, as pointed out in the sub chapter on beneficial ownership (see page 27), the results of the survey regarding beneficial owners demonstrate that it is not very common throughout the regions to register information regarding beneficial owners so far. Nevertheless, it is to be expected that this will change in the years to come.

Chapter 2

Processing Time

A Correlation – Time to Process Changes and Incorporation

The result shows a difference compared to last year. There is a rather strong correlation when we compare the time to process incorporation with the time for changes. This could indicate that the organisations apply the same or at least similar procedures for the two file types. The reasons for this may of course vary, but one reason could be that the regulations which the registrations are based on do not differ too much regarding formations and changes.

More information needed to explain differences

In line with last year's report the results from the responses about electronically submitted documents do not show any detectable direct effect on the processing time, either for incorporation or for changes. The result is the same when we explore more about different format of submissions, stages included in the processing time and available stages on line. It is surprising that no impact can be found. The next survey could develop this area even more and analyse this further. In order to do so the questions in the survey must be supplemented or modified.

This all together shows that in order to find out more about what is causing the differences in processing times we need more information. Probably we need to find out more about the different ways of treating business cases and the scope of examination. The work with definitions is one important component in the future work.

Pre-registration Activities

In general, the requirement for different kinds of pre-registration activities seems quite common. Name reservation seems to be the activity that exists in all four regions and Europe is the only region where one can find all the different kinds of pre-registration activities that are included in this report.

Chapter 3

Use of e-Services by Company Registries

Electronic Filing

Paper is still the most widely accepted way of accepting applications for entity formation. When it comes to electronic, internet and data are increasing, whereas image is decreasing. Internet (web based form) is the most widely used method of submitting applications electronically. As the number of stages in the formation process that are available electronically increases, so does the percentage of electronically submitted applications.

Registries where the use of e-services is mandatory are still very much in the minority.

Identity Verification and Electronic Signatures

Use of identity verification is widespread, but it is least commonly used in The Americas. Use of e-signatures is less widespread, but most common in Europe.

Annual Accounts and Annual Returns

It is least common for registries in The Americas to receive annual accounts, and for registries in Europe to receive annual returns. Europe has the highest percentage of accounts received and made available using XBRL. The vast majority of business registers that receive financial information on registered entities make it available to the public.

Paper is still the most common way of making both accounts and annual returns available to the public.

Chapter 4

Funding and Fees

Source of Funding

A slim majority of this year's respondents (51%) answered that they are primarily funded through customer fees and charges. The remaining respondents (49%) indicated that they were primarily funded by government differing marginally from last years results. While there were jurisdictions reporting

changes in their structures and funding models, and a variance in respondents also impacted results, it was noted that a number of jurisdictions changed their response from that provided in the previous year – in some instances without an actual change in the funding of their operations, but rather a change in the interpretation of the question. As such, the question itself will be reviewed and clarified for future surveys.

Fees and Charges

Nearly all jurisdictions collect some fees or charges for their services, and 88% of respondents confirming that they charge a fee for entity formation. The next most common fees are for changes and for the provision of information.

The cost of entity formation still varies widely between registers – from as low as free, to as high as €7400. The average formation fee for registers funded primarily customer fees, excluding that highest fee outlier, is €94. The average formation fee for those primarily funded by government is €140. Africa & ME holds the distinction of having both the highest and the lowest average formation fees. The gap between the average formation fees for those operators primarily government funded and those primarily customer fee funded is smallest in The Americas, where the actual difference in the average formation cost between government funding and those funded by government fees is only €18. The difference is between the high of €112 for those operators primarily funded by government and the low of €94 for those operators primarily funded by customer fees.

Excluding those jurisdictions accepting only electronic filings, the electronic filing fee average is slightly lower than the paper filing fee average for each entity type. The average reduction for filing electronically rather than using paper ranges from a low of 6.8% for general partnerships to a high of 18.5% for US LLCs.

Cost-Covering Principle

According to the global results, where a fee is charged the cost covering principle is applied by 46% of all respondents all of the time, by 31% of all respondents some of the time, and never applied by 24% of all respondents. Only those registers operated by public-private partnerships and those funded by government have some respondents not using this principle at all.

Chapter 5

Business Dynamics

A Positive Inflow of Entities'

In chapter five the business dynamics for different regions are calculated based on the number of companies created and terminated during 2013. In all regions, the number of new registrations is higher than the number of terminations, indicating a positive inflow of companies across the board. The number of terminations is very similar in all regions, with the exception that there are virtually no terminations at all in Africa & Middle East. The number of new formations is more even between regions this year than last year but still, The Americas take the lead. Europe can be said to be the most stable region where terminations are replaced by new registrations. Africa & ME and Asia-Pac are both characterised by a low number of terminations and are therefore characterised more as growing regions. In all, 4.9 million entities were created during 2013 in the jurisdictions/organisations participating in the survey.

Chapter 1: Legal and Institutional Settings

Chapter 1: Legal and Institutional Settings

This is the fourth year in a row that we have included a chapter on legal and institutional settings in the ECRF Report. This year, most of the structure of this chapter has remained unchanged. However, it has been slightly extended in order to incorporate analyses of responses to the new questions included in this year's survey that deal with registration of shareholder and beneficial owner details.

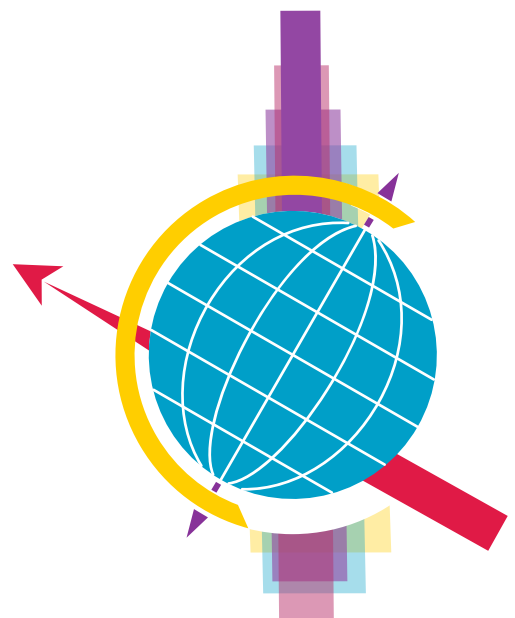
Our aim is to enable readers to grasp the information in this chapter quickly and easily. Therefore several of the graphs, which in previous years combined a large amount of information, have been split into separate graphs, each of which covers specific information. For the first time, this year's report includes several lists of respective jurisdictions sorted by region. Thus, the reader will not only see the average of the responses, but will be able to find out how each of the jurisdictions responded to the questions in the survey.

Over the years, more and more respondents from regions other than Europe have participated in the survey. All of the European jurisdictions which took part last year have participated in this year's survey. However, registries from 38 additional, non-European, jurisdictions also participated in this year's survey - 22 from The Americas, 10 from the Asia-Pac region and 6 from the Africa & ME (Middle East) region.

For this reason, the focal point of this chapter is to highlight regional differences. It is interesting to see how the results differ, both within the same region

and between different regions, and to see how different registries operate.

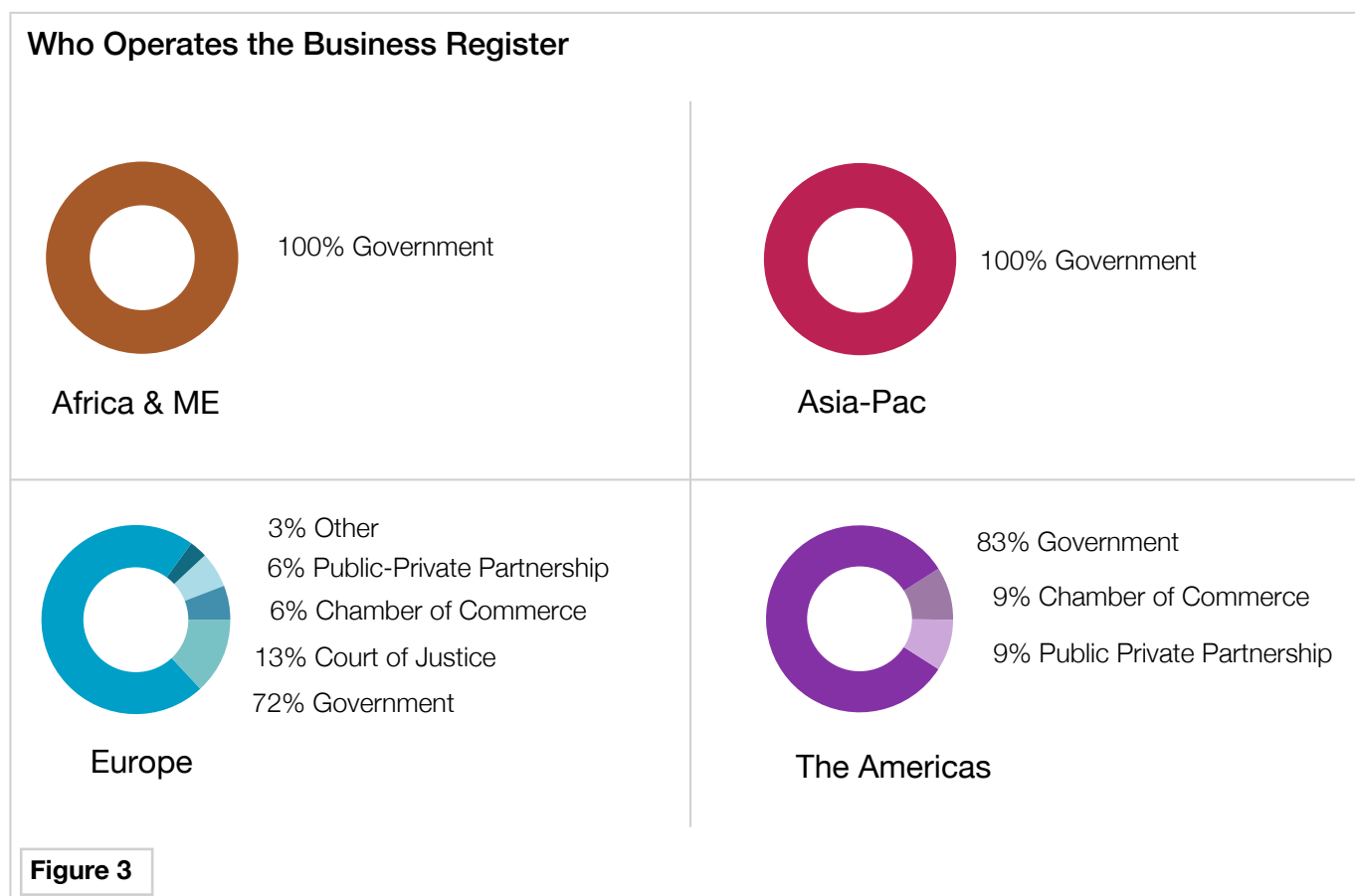
As in the previous years, it has again become obvious that definitions and understanding of legal terms used in the survey are very different throughout responding jurisdictions which, unfortunately, may lead to misunderstandings. The results of the questions regarding the different types of limited companies and branches revealed that participating jurisdictions understand these legal terms very differently. To reduce these misunderstandings the ECRF Survey Working Group has established a subgroup. A more complete update of the Definitions Working Group may be found on page 116.



“ Different types of organisations are responsible for business registration ”

Differences in the Way Business Registries are Organised by Region

There are several different ways in which a business registry can be organised and run, this is elaborated on below, in Figure 3:



In each of the regions covered by the report, the most common operator of a jurisdiction’s business registry is the government. This year, all participating registries in Africa & ME, as well as in the Asia-Pac region, have indicated that they are operated by the government. These jurisdictions are shown as follows:

Africa & ME:		Asia-Pac:	
Dubai, U.A.E	Qatar	Australia	New Zealand
Lesotho	South Africa	Azerbaijan	Pakistan
Mauritius	Uganda	Georgia	Singapore
		Hong Kong	Sri Lanka
		Malaysia	Vanuatu

Table 2

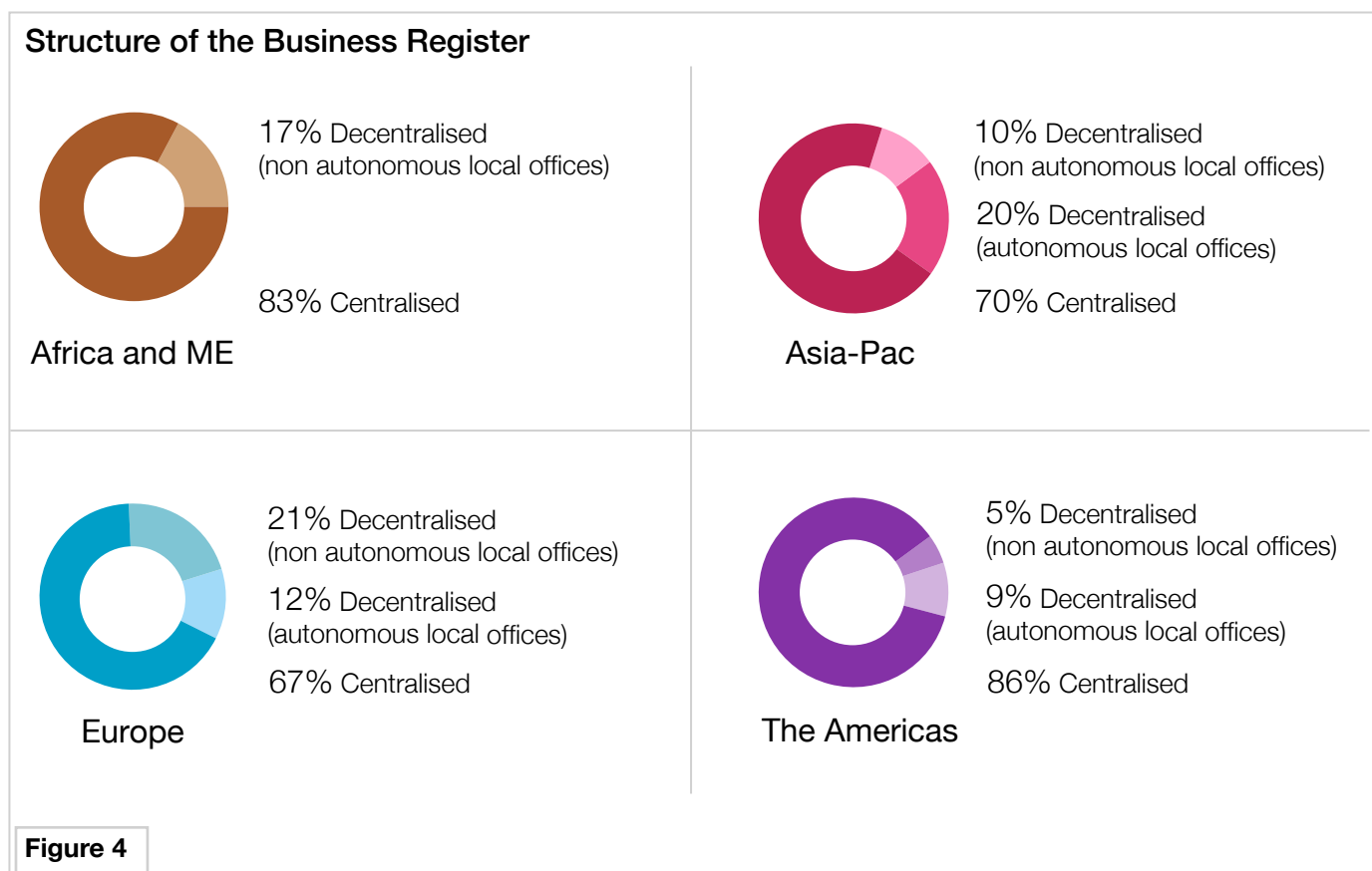
Similarly, in The Americas the most common operator of a jurisdiction's business registry is the government. However, the type of organisation is more diverse in this region. For instance, Brazil - Alagoas Maceió and Colombia indicated that their registries are run by the Chamber of Commerce. Furthermore, Saskatchewan (Canada) has stated that their registry is run by privately owned companies.

Europe is the region with the most diversity with regards to who operates the business register in each jurisdiction. In Austria, Croatia, Estonia and Germany, the registries are run by the Court of Justice. Italy and the Netherlands have stated that their registries are run by the Chamber of Commerce, whereas in

Gibraltar and Luxembourg the registries are operated by Public-Private Partnerships, and in Moldova the registry is run by a privately owned company.

The Structure of Business Registries

When organising a business registry, the question of how it should be structured is always an important issue. The different structures that registries have adopted in each region are illustrated below:



It is significant that in all of the observed regions business registries are mainly organised as centralised institutions. However, in most of the regions there are also decentralised business registries which have either non-autonomous or autonomous local offices.

The jurisdictions with decentralised, non-autonomous, local offices are:

The Jurisdictions with Decentralised, Non-Autonomous, Local Offices

Africa & ME	Asia-Pac	Europe	The Americas
Uganda	Australia	Ireland	Nova Scotia (Canada)
		Latvia	
		Moldova	
		Netherlands, The	
		Romania	
		Serbia	

Table 3

The Jurisdictions with Decentralised, Autonomous, Local Offices

Asia-Pac	Europe	The Americas
Malaysia	Germany	Brazil - Alagoas Maceió
Pakistan	Italy	Colombia
	Spain	
	Spain, central	
	Switzerland	

Table 4

The Types of Registered Companies and Usage of Unique Identifiers

Figure 6 clearly displays a general trend that when a business registry registers a certain company type, it will also provide the company with a unique identification number. However, every rule has its exceptions: Dubai, Austria and Kosovo, for instance, have indicated that they register all company types, but do not provide them with unique identification numbers.

It seems that several jurisdictions have misinterpreted question number 7 in the survey (“Which of the following types of entities are registered by your

registry and for which of them does it provide a unique identification number?”). This question was phrased in a manner that was misleading for some of the responding jurisdictions. Therefore, it is necessary to point out that respondents should have answered the question regarding limited companies either under public limited companies and private limited companies (if a jurisdiction distinguishes between the two) or under limited companies in general (if a jurisdiction does not distinguish between public and private limited companies). However, some of the respondents ticked all three boxes.

As a consequence, the results pertaining to limited companies need to be assessed with caution. In order to display the results regarding registration of limited companies and whether they are provided with a unique identification number, we have composed an illustration in which the results for all limited company types have been combined. This illustration shows that all participating jurisdictions register limited companies and, in general, provide them with a unique identification number. Due to the fact that 2 jurisdictions, out of 22 respondents from

The Americas, did not provide any answers regarding limited companies, the aforesaid region's result does not add up to a 100%.

It is slightly less common to register both general partnerships and sole traders in the regions of Africa & ME, Asia-Pac and The Americas. However, most of the European jurisdictions tend to register general partnerships and sole traders, and to provide them with a unique identification number.

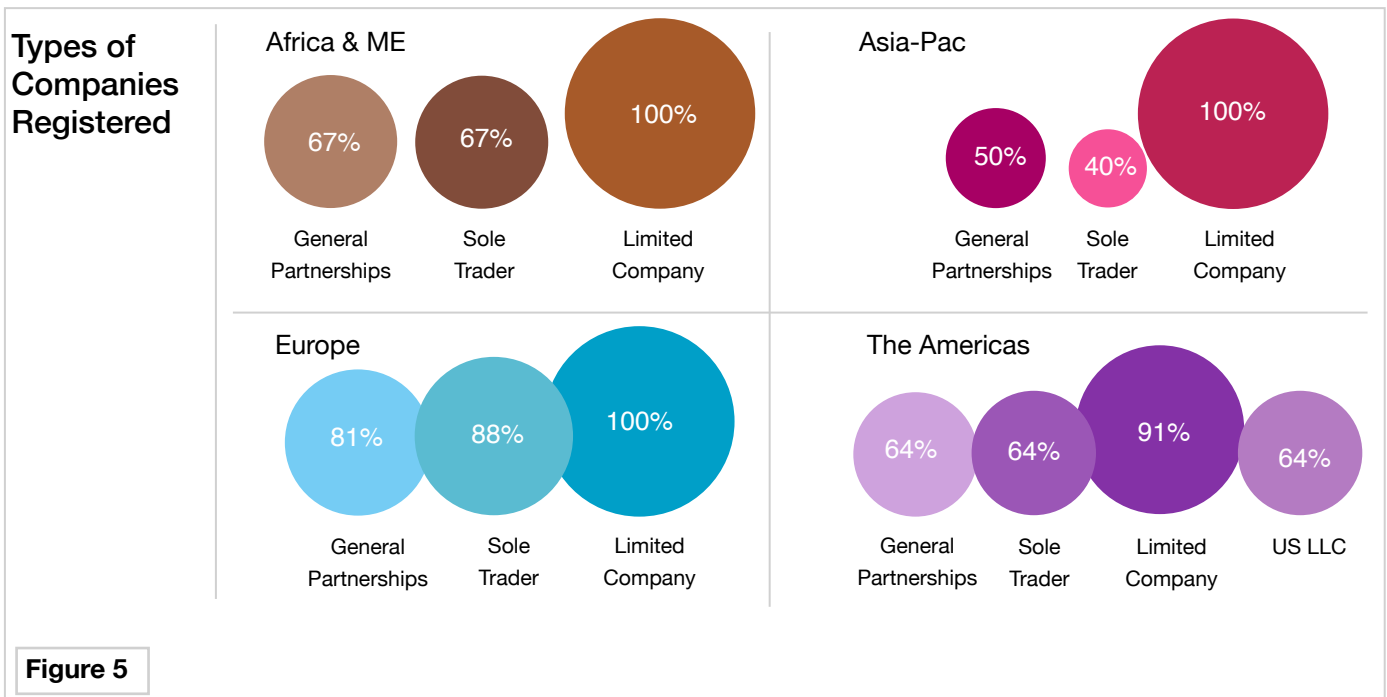


Figure 5

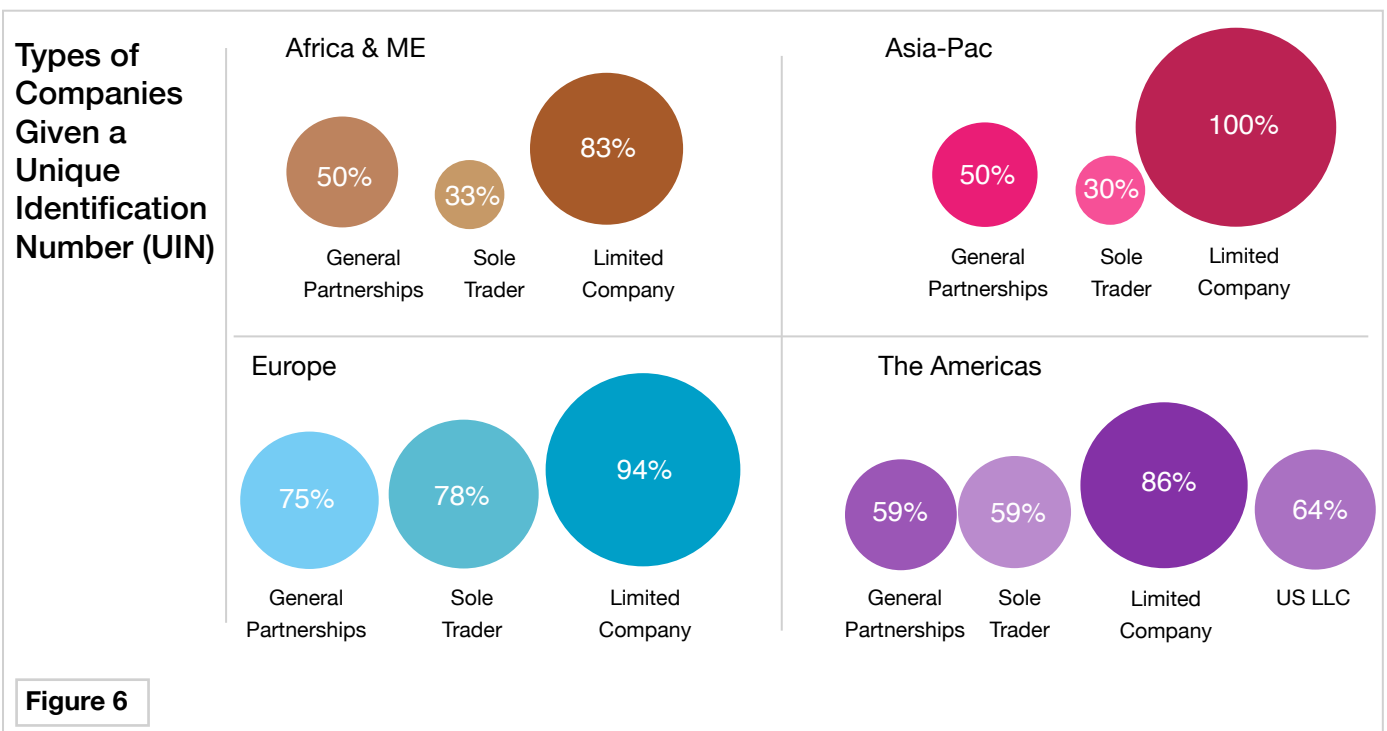


Figure 6

Information Required to Form Limited Companies (US LLC, Limited Company, Public Limited Company, and Private Limited Company)

Question number 49 in this year's survey asked about the information required to form a new entity. In this year's report the answers given by the responding jurisdictions were evaluated, and sorted by company type and region. As has already been observed, there are difficulties when distinguishing between the different types of limited companies.

Table 5 illustrates the information required to form a limited company in The Americas. Having assessed the data it has become evident that, in general, only a few documents are required to form a limited company in this region. Apart from the requirement to pay a registration fee, several jurisdictions require a list of founders, memoranda and/or articles of association/incorporation, and information about the name of the company. A list of those jurisdictions is displayed below:

Name(s) of Company/Entity	List of Founders	Memoranda/Articles of Association/Incorporation
Brazil - Alagoas Maceió	Canada	Brazil - Alagoas Maceió
British Virgin Islands	Nova Scotia (Canada)	British Virgin Islands
Canada	Colombia	Canada
Nova Scotia (Canada)		Nova Scotia (Canada)
Colombia	Hawaii (USA)	Colombia
Delaware (USA)	Indianapolis (USA)	Delaware (USA)
Hawaii (USA)	Louisiana (USA)	Hawaii (USA)
Indianapolis (USA)	Manitoba (Canada)	Indianapolis (USA)
Louisiana (USA)	Michigan (USA)	Louisiana (USA)
Manitoba (Canada)		Manitoba (Canada)
Michigan (USA)	Newfoundland and Labrador (Canada)	Michigan (USA)
Nevada (USA)		Nevada (USA)
Newfoundland and Labrador (Canada)	Ohio (USA)	Newfoundland and Labrador (Canada)
North Carolina (USA)	Oregon (USA)	North Carolina (USA)
Ohio (USA)	Saskatchewan (Canada)	Ohio (USA)
Oregon (USA)	Tennessee (USA)	
Saskatchewan (Canada)	Washington DC (USA)	Saskatchewan (Canada)
Tennessee (USA)	Montana (USA)	Tennessee (USA)
Washington DC (USA)	Wisconsin (USA)	Washington DC (USA)
Texas (USA)	Montana (USA)	Wisconsin (USA)
Utah (USA)		

Table 5

Requirements to Form a New Limited Company - The Americas

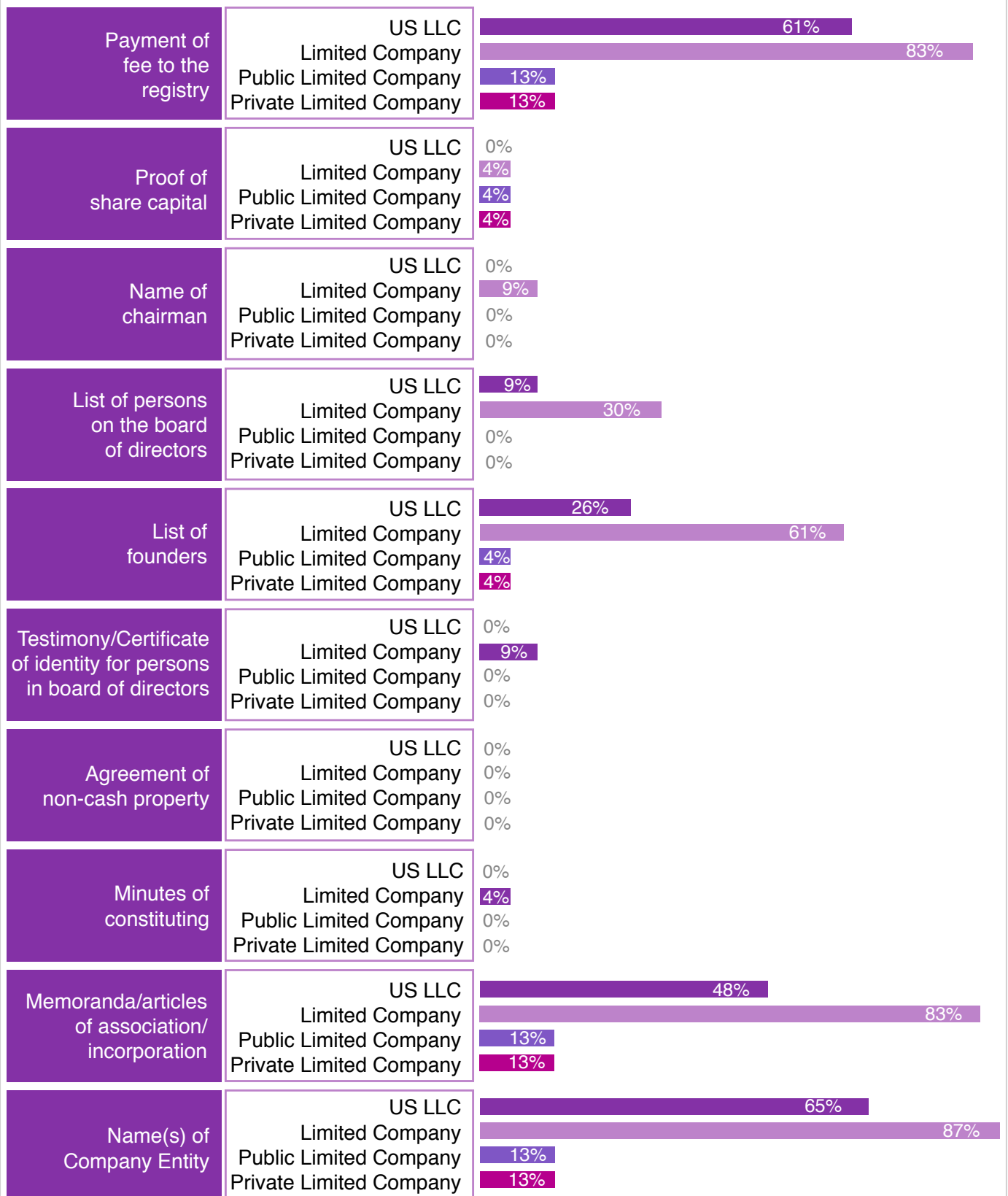


Figure 7

Figure 8 shows the same information as Figure 7 but for European jurisdictions, the results that it

displays are significantly different to the results for The Americas:

Requirements to Form a New Limited Company - Europe

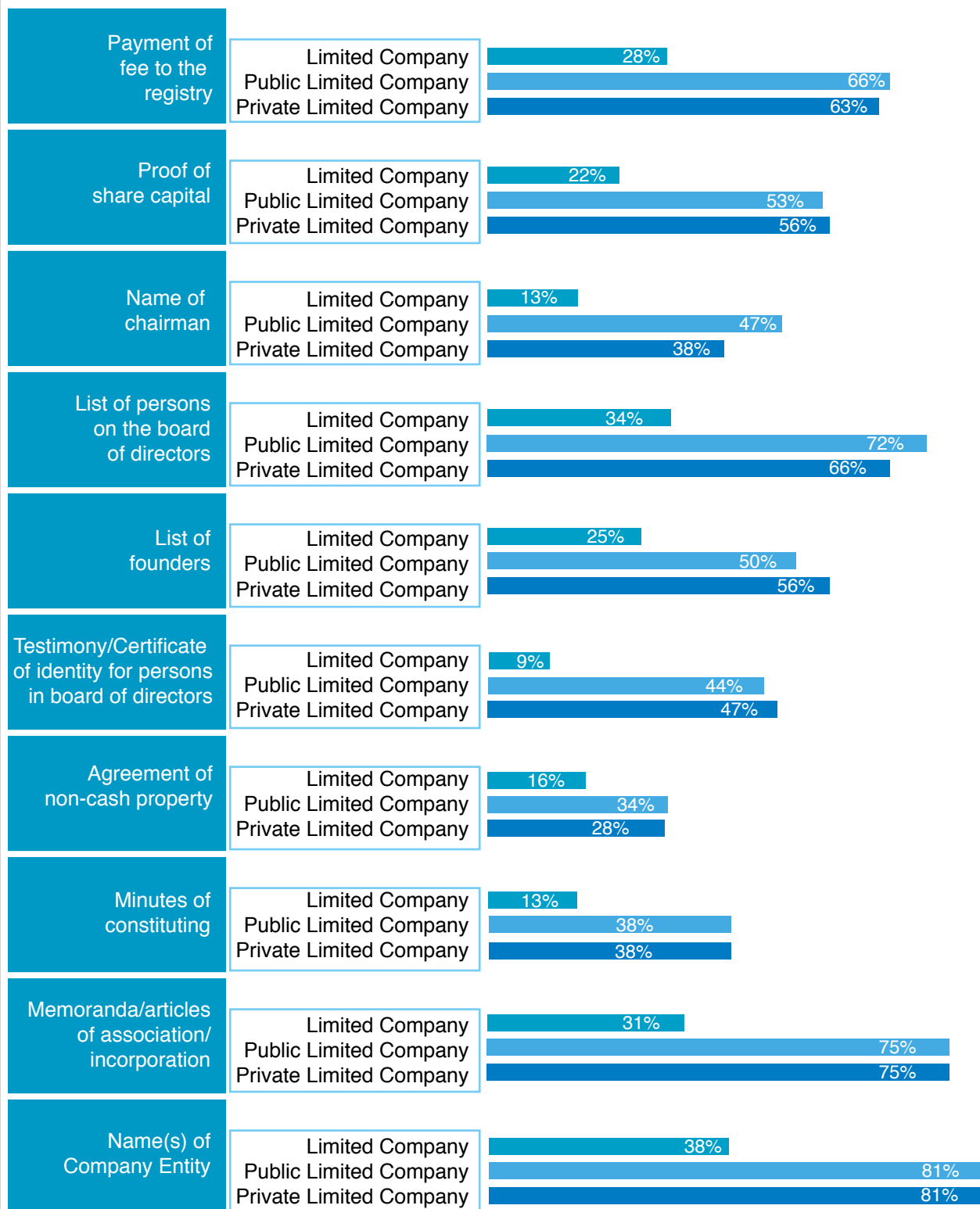


Figure 8

It is apparent that, in general, more information is required to form a new limited company in Europe than in The Americas. However, an assessment of the raw data of this year's survey shows that European jurisdictions do not typically require any more information to register a company than is required by other European jurisdictions.

Figures 9 & 10 show the same information as the previous two charts, this time relating to the Asia-Pac and Africa & ME regions. The information that it shows is more diverse than the results for Europe or The Americas:

Requirements to Form a New Limited Company - Africa & ME

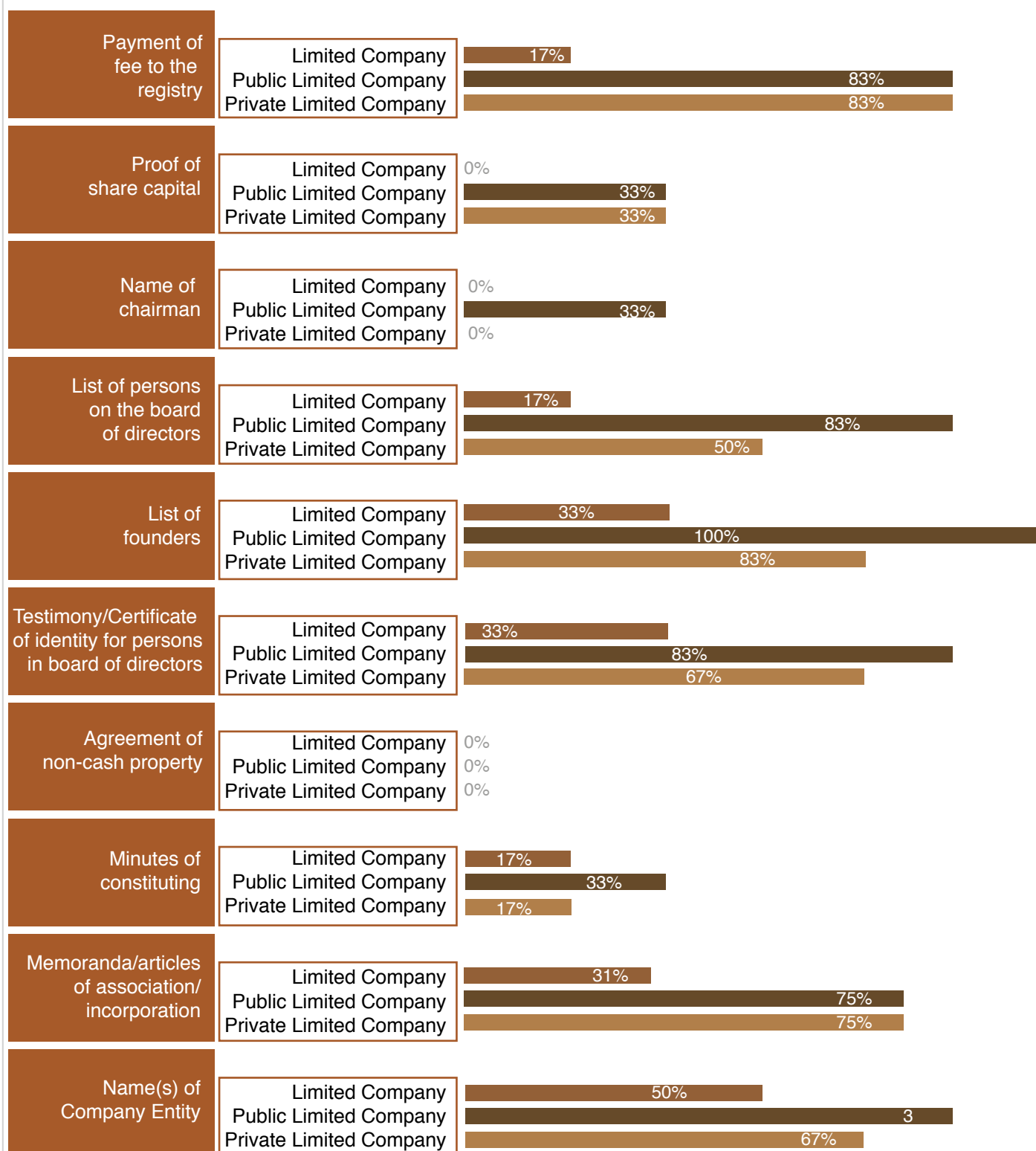


Figure 9

The information generally required to form a new legal company in the jurisdictions that responded from the Africa & ME region is listed right:

- Payment of fee to the registry
- List of persons on the board of directors
- List of founders
- Testimony/Certificate of identity for persons in the board of directors
- Memoranda/articles of association/incorporation
- Information about the name of the company

Requirements to Form a New Limited Company: Asia-Pac

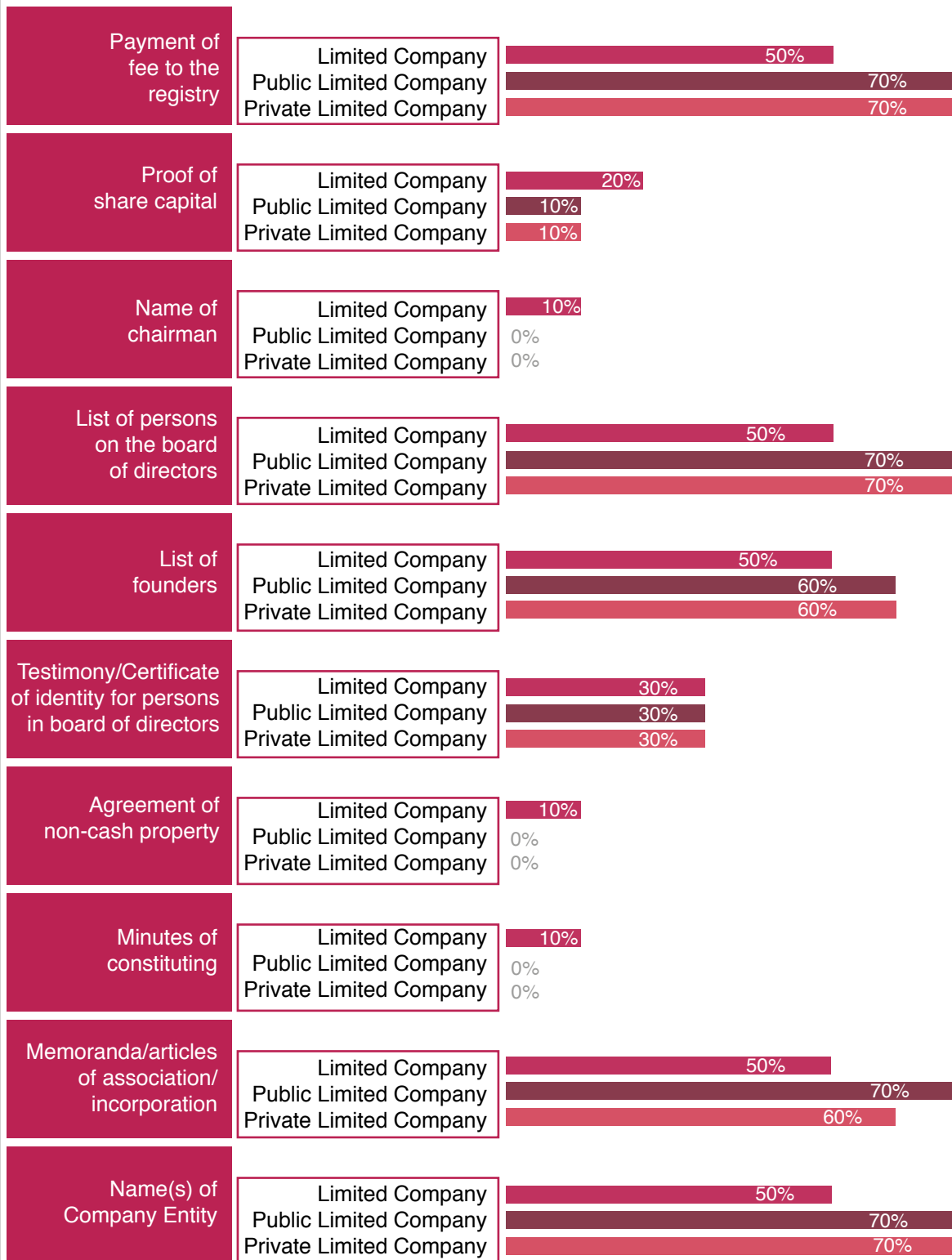


Figure 10

The information that is generally required to form a new legal company in the jurisdictions that responded from the Asia-Pac region is listed below:

- Payment of fee to the registry
- List of persons on the board of directors
- List of founders
- Memoranda/articles of association/incorporation
- Information about the name of the company

In summary, it can be concluded that major differences exist when comparing The Americas to all other regions. Registries in The Americas require a lot less information to form a new limited company than is required in all other regions. It can be also stated that European jurisdictions, compared to jurisdictions in other regions, require the largest amount of information.

Acceptance of Documents in Languages Other than the Registry's National Language

The time it takes to register a company is important to the majority of responding jurisdictions, as well as to the companies that must register (for more in-depth information on the issue, please see Chapter 2: "Processing Time"). From a global perspective, the language barrier can cause time delays when documents must be translated into the official language of the registry. On the other hand, the examiners working in the registries will only be able to verify the contents of documents if they are submitted in a language that they understand.

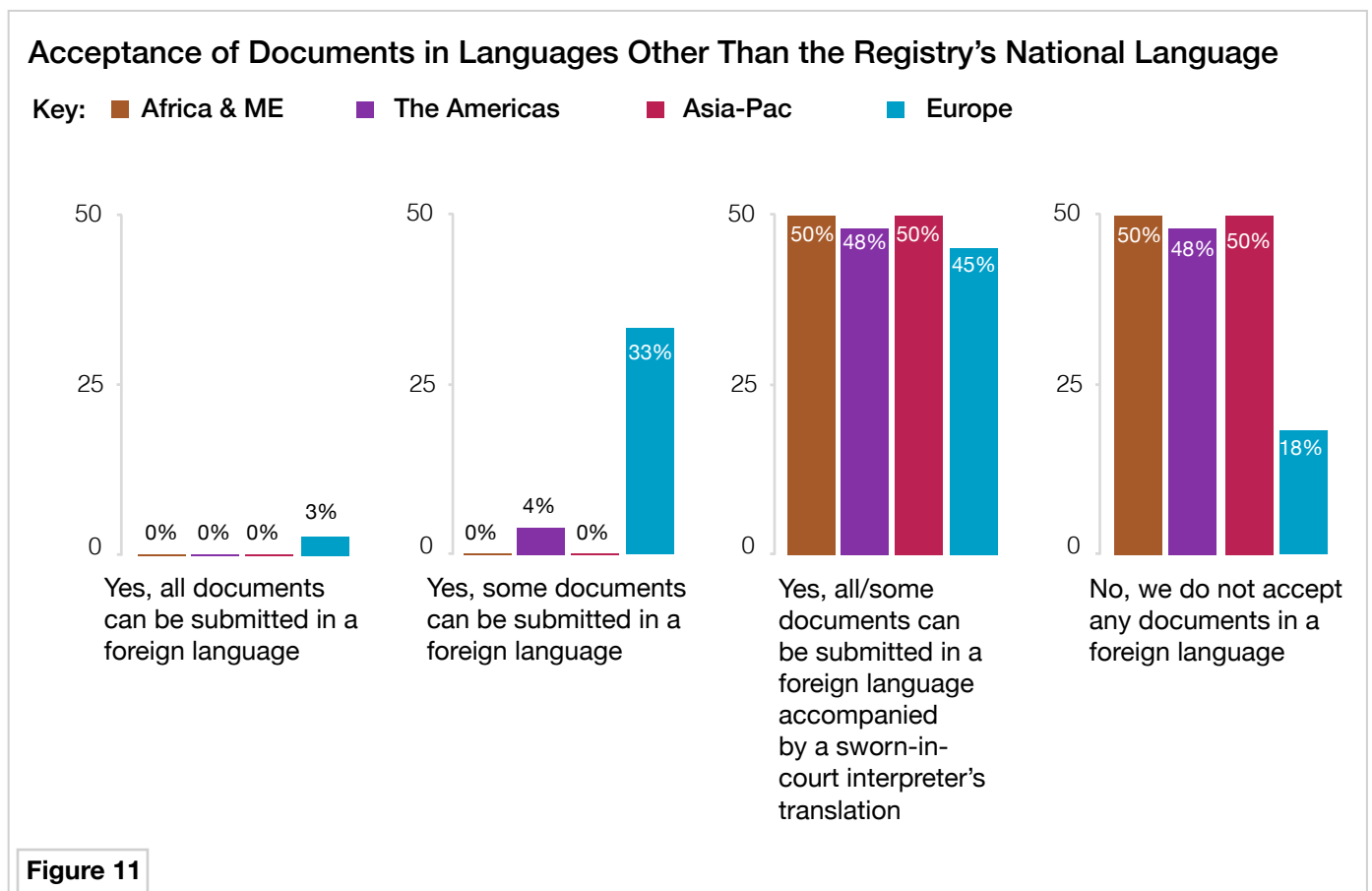
The following European jurisdictions allow some documents to be submitted in a foreign language:

Belgium
Denmark
Guernsey
Italy
Jersey
Liechtenstein

Luxembourg
Netherlands, the
Norway
Spain, central
Sweden
Switzerland

Kosovo is the only European jurisdiction which allows all documents to be submitted in a foreign language. In The Americas, only Nova Scotia (Canada) stated that they accept some documents in a foreign language.

Roughly 50% of the responding jurisdictions from The Americas, Asia-Pac, and Africa & ME regions accept documents in a foreign language, which must be accompanied by a sworn-in court interpreter's translation into the registry's national language(s), while the remaining 50% do not accept any documents in a foreign language.



The majority of the remaining jurisdictions in Europe accept documents in a foreign language, which must be accompanied by a sworn-in court interpreter's translation into the registry's national language(s), while only a few of them do not accept any document in a foreign language.

The following table indicates the countries, sorted by region, that accept documents in a foreign language, which must be accompanied by a sworn-in court interpreter's translation into the registry's national language(s):

Africa & ME	Asia-Pac	Europe	The Americas
Dubai, U.A.E	Azerbaijan	Croatia	Brazil - Alagoas Maceió
Lesotho	Hong Kong	Czech Republic	British Virgin Islands
Mauritius	Singapore	Denmark	Delaware (USA)
	Sri Lanka	Estonia	Hawaii (USA)
	Vanuatu	Finland	Louisiana (USA)
		Germany	Michigan (USA)
		Gibraltar	Montana (USA)
		Latvia	Nevada (USA)
		Macedonia (FYR)	Newfoundland and Labrador (Canada)
		Moldova	Ohio (USA)
		Montenegro	Washington DC (USA)
		Romania	
		Serbia	
		Slovenia	
		Spain	
		United Kingdom	

Table 6

Finally, the list on the next page shows those countries that do not accept any documents in a foreign language.

Consequently, it can be stated that most European jurisdictions accept documents in a foreign language, which may, or may not, be accompanied by a sworn-in court interpreter's translation. In all other regions, the number of jurisdictions accepting documents in languages other than their own, accompanied by a sworn-in court interpreter's translation, is roughly the same as the number of jurisdictions that do not accept any documents in foreign languages.

Africa & ME	Asia-Pac	Europe	The Americas
Qatar	Georgia	Isle of Man	Canada
South Africa	Malaysia	Austria	Colombia
Uganda	New Zealand	Ireland	Indianapolis (USA)
	Pakistan	Lithuania	Manitoba (Canada)
		Ukraine	North Carolina (USA)
			Oregon (USA)
			Saskatchewan (Canada)
			Tennessee (USA)
			Texas (USA)
			Utah (USA)
			Wisconsin (USA)

Table 7

Registration of Company Details

In addition to comparing different types of registries and their structures, it is also interesting to compare which company details are registered in the four observed regions:

Registration of Shareholder Details

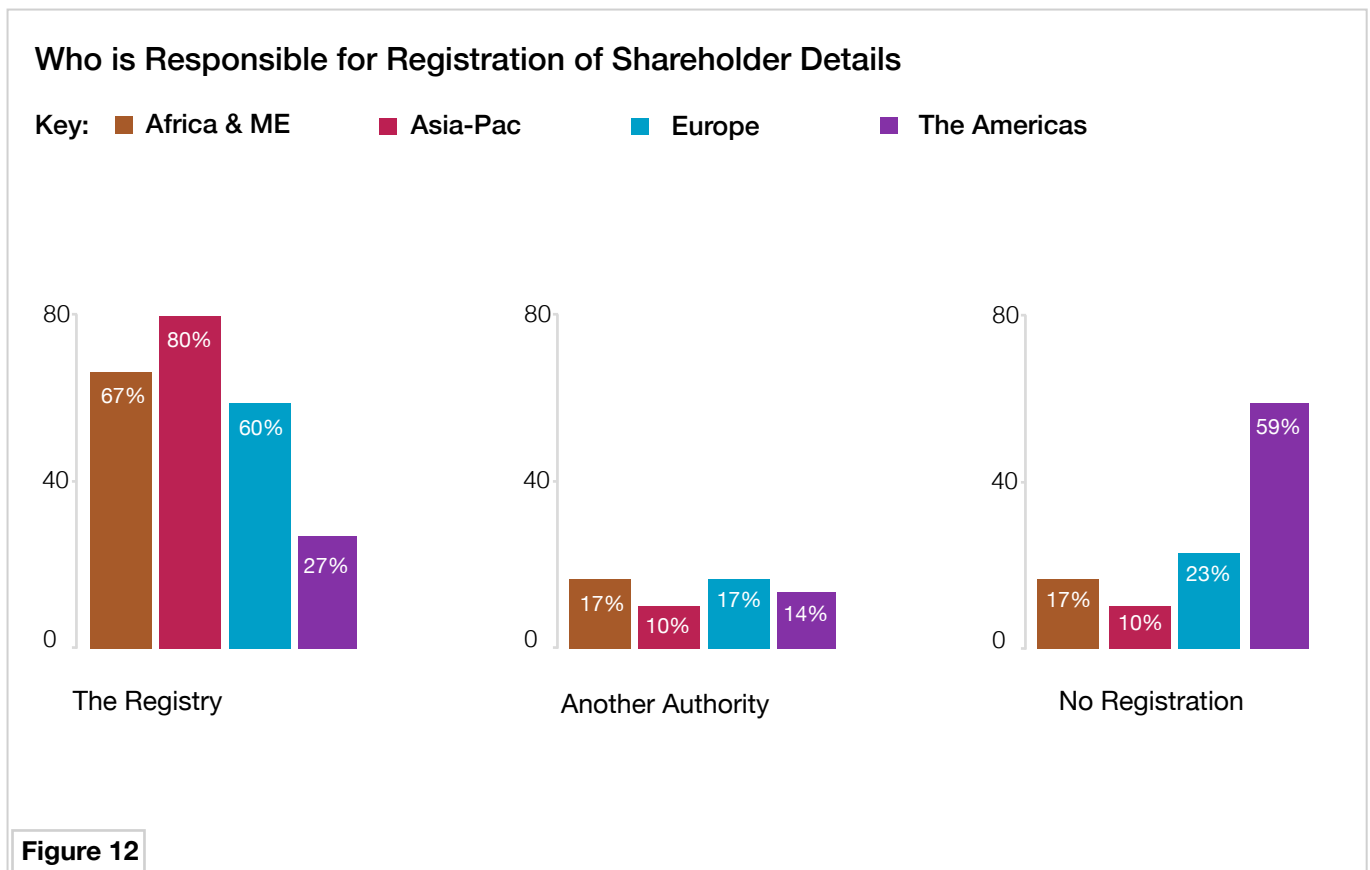
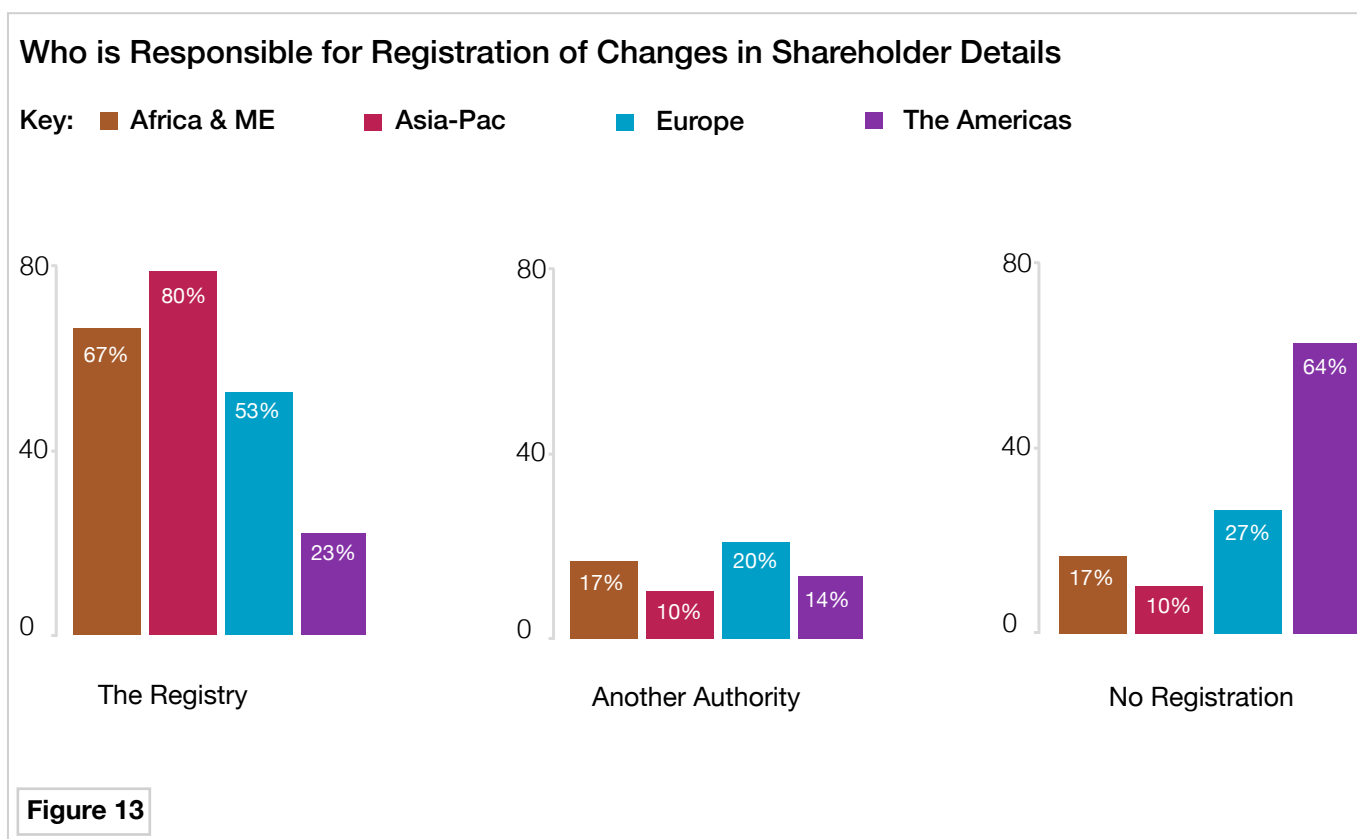


Figure 12

As is clearly displayed in the previous figure, shareholder details are usually registered in the regions of Africa & ME, Asia-Pac and Europe. Only a few jurisdictions in these regions do not register shareholder details. It is apparent that jurisdictions in The Americas have a quite different approach, as most of these jurisdictions indicated that they do not register shareholder details. The results also showed that involvement of other authorities in the registration of shareholder details is rare in all regions.



The results displayed above, in Figure 13, correspond with the results displayed in Figure 12. The jurisdictions that register shareholder details, in general, also register changes in shareholder details. However, Brazil-Alagoas Maceió, the British Virgin Islands, Ohio (USA), Saskatchewan (Canada) and Manitoba (Canada) all stated that although they register shareholder details they do not register changes to those details.

Registration of Beneficial Owner Details

The question regarding details on the registration of beneficial owners has been included in this year’s survey for the first time. Recent discussions, held at various international conferences, have proved that this topic is of major interest to jurisdictions in all regions. The financial crisis in 2008 exposed that multinational corporations could have a vast number of subsidiaries hidden throughout the world. As a consequence, unclear company structures may be used to disguise the true ownership of assets.

In the past, corporate secrecy has led to illicit domestic and cross-border money laundering, tax evasion, corruption and other global crimes. In order to tackle those crimes, and strengthen corporate transparency, it was agreed at the June 2013 G8 conference that companies should be required to obtain and hold adequate, accurate and up to date information on their beneficial owners. It is clear that this is a global task, as these crimes do not stop at national borders.

Although this is a subject that concerns all regions and jurisdictions, the definition of the term “beneficial owner” may vary from jurisdiction to jurisdiction. For example, the UK’s anti-money laundering regulations define a company’s beneficial owner as a person or legal entity that has more than 25% control of the voting rights, or otherwise exercises control over the management of the company. The guidance given by the Financial Action Task Force simply defines the beneficial owner as the ultimate beneficiary of the company’s shares. The definition given in both of these sources can be summarised as either as a person or a legal entity that enjoys the ownership benefits even though the title/legal ownership may be in another name.

Figure 14 shows whether beneficial owner’s details are registered, and which authority is responsible for this, in each region.

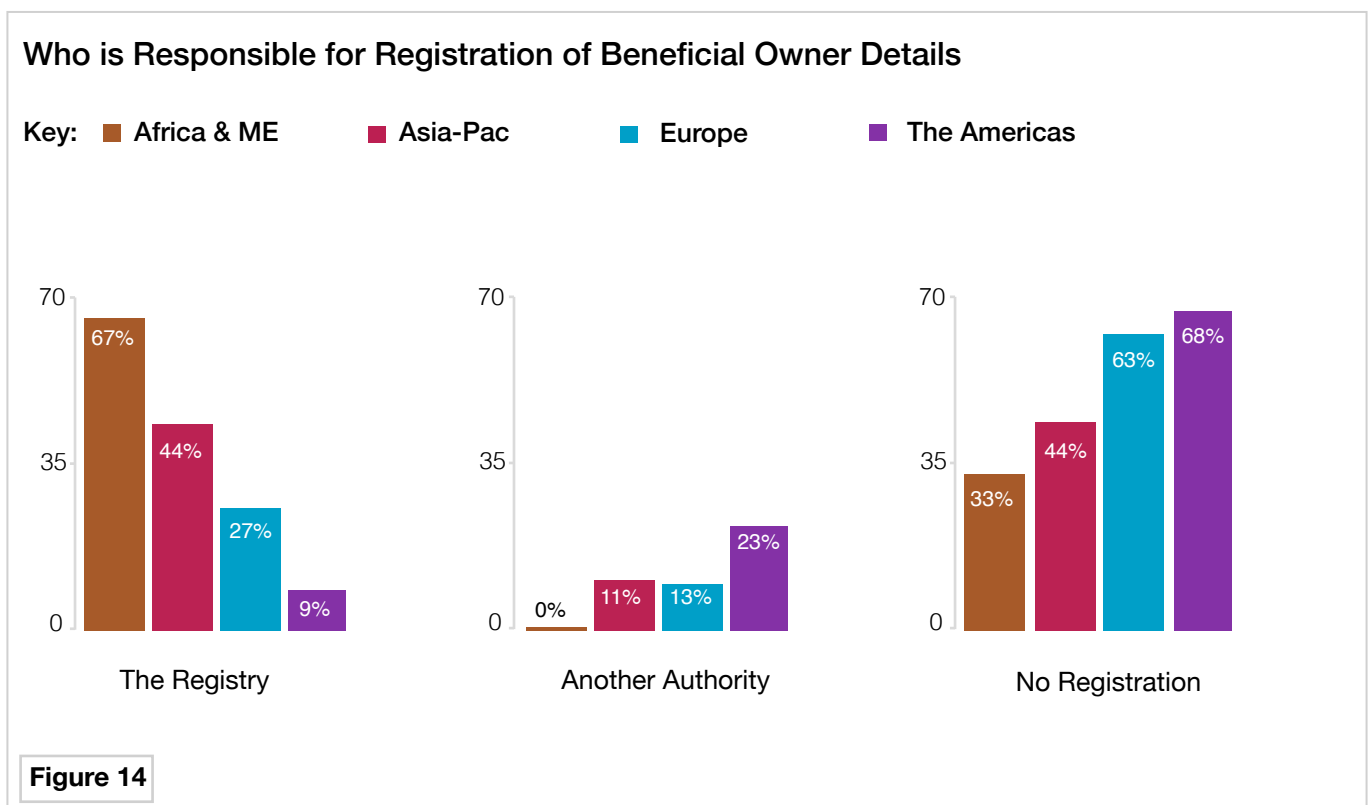
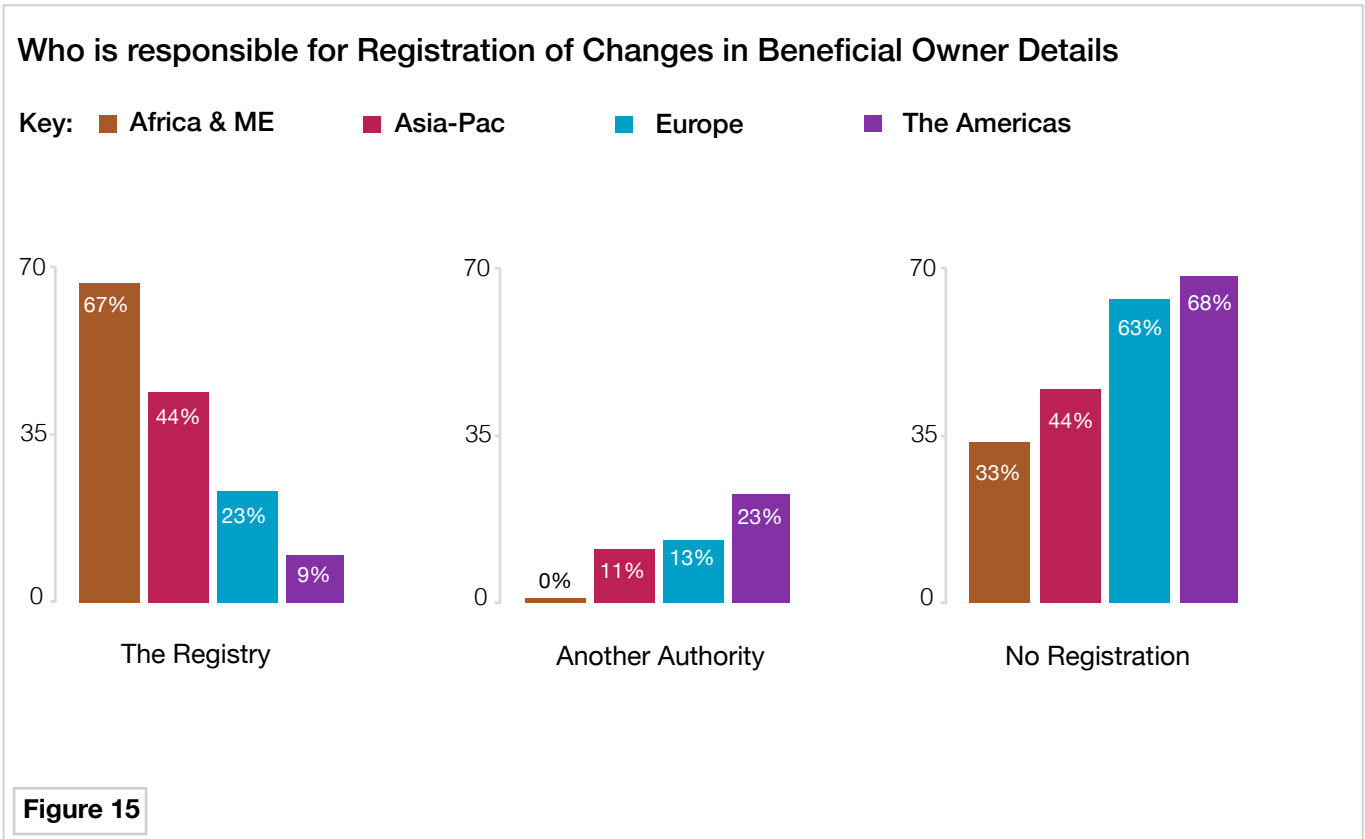


Figure 15 shows whether changes to beneficial owner's details are registered, and which authority is responsible for this, in each region.



As with the results for registration of shareholder details, it is apparent that most jurisdictions in The Americas do not register beneficial owner's details or changes to these details. However, it could also be noticed that, in contrast to the results for the registration of shareholder details, most European jurisdictions also do not register beneficial owner details or changes to these details. Nevertheless, Jersey has indicated that they do register beneficial owner details, but they do not register any changes to them. Further detail on the Jersey model can be found in the Jersey case study on page 45.

A small number of jurisdictions, across all regions, currently register beneficial owner details. They are listed below:

Jurisdictions Where Beneficial Owner Details are Registered by the Business Registry:

Africa & ME	Asia-Pac	Europe	The Americas
Dubai, U.A.E	Australia	Croatia	Brazil - Alagoas Maceió
Lesotho	Malaysia	Italy	Colombia
Mauritius	Pakistan	Jersey	
Uganda	Vanuatu	Kosovo	
		Latvia	
		Macedonia (FYR)	
		Montenegro	
		Ukraine	

Table 8

Jurisdictions Where Beneficial Owner Details are Registered by an Authority Other than the Business Registry:

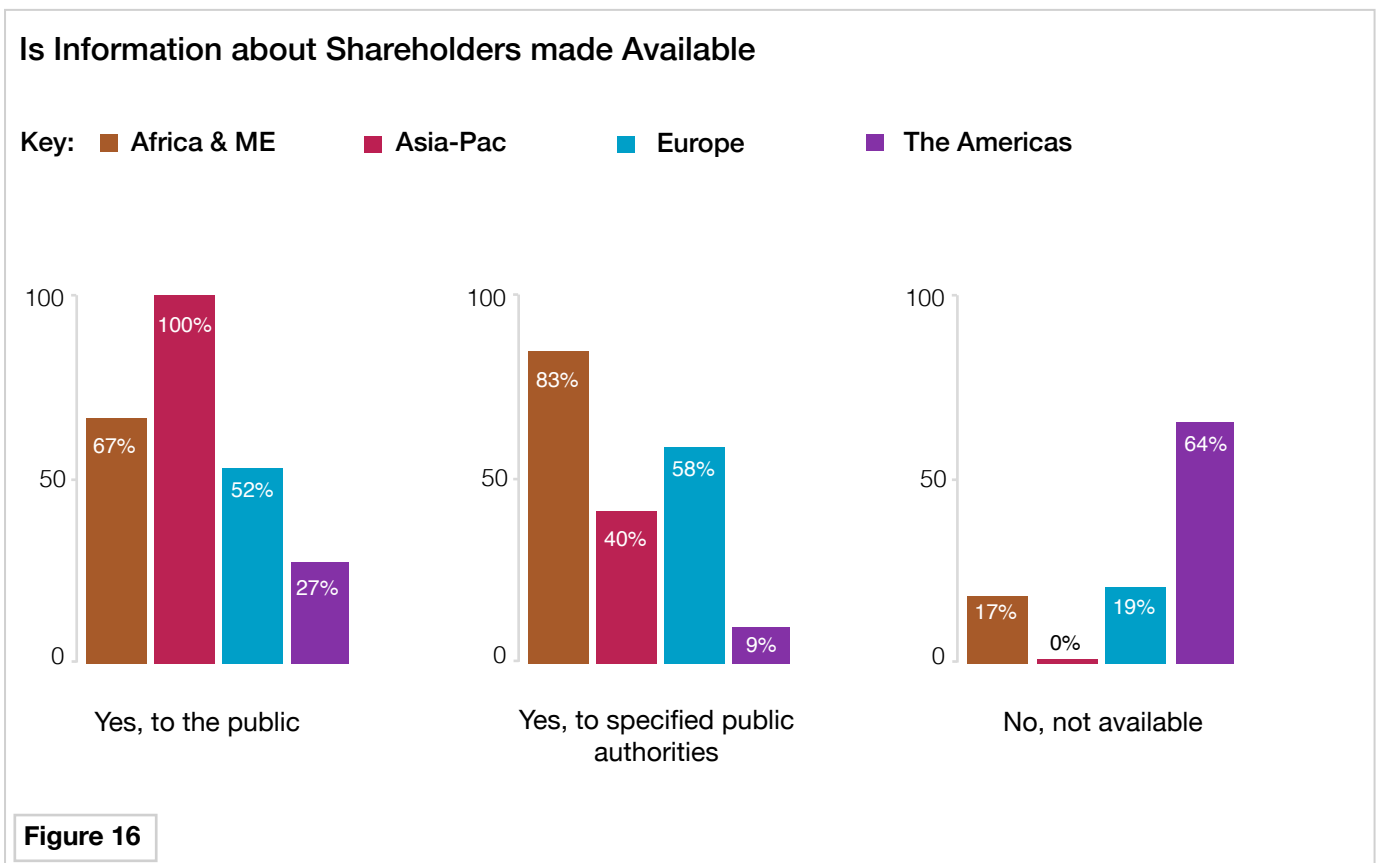
Asia-Pac	Europe	The Americas
Sri Lanka	Isle of Man	British Virgin Islands
	Liechtenstein	Indianapolis (USA)
	Luxembourg	Oregon (USA)
		Washington D.C. (USA)

Table 9

Entitlement to Receive or Have Access to Information on Shareholders and Beneficial Owners

It is one issue whether the shareholder and beneficial owner details are registered in a jurisdiction. However, another issue is who is entitled to receive or have access to that data. The following Figures (16 and 17) display whether shareholder and beneficial owners details are made available to the general public or if they are only disclosed to a specific audience.

Figure 16 indicates that it is common in many jurisdictions to make shareholder details available to the public. However, Figure 17 on the next page shows that it is not as common to make beneficial owner details available to the public.



The jurisdictions that make shareholder details available to the public are listed below:

Africa & ME	Asia-Pac	Europe	The Americas
Lesotho	Australia	Austria	Brazil - Alagoas Maceió
Mauritius	Azerbaijan	Finland	British Virgin Islands
Qatar	Georgia	Germany	Hawaii (USA)
Uganda	Hong Kong	Gibraltar	Manitoba (Canada)
	Malaysia	Ireland	Ohio (USA)
	New Zealand	Isle of Man	Saskatchewan (Canada)
	Pakistan	Italy	
	Singapore	Jersey	
	Sri Lanka	Latvia	
	Vanuatu	Lithuania	
		Luxembourg	
		Montenegro	
		Romania	
		Serbia	
		Ukraine	
		United Kingdom	

Table 10

Is Information about Beneficial Owners made Available

Key: Africa & ME Asia-Pac Europe The Americas

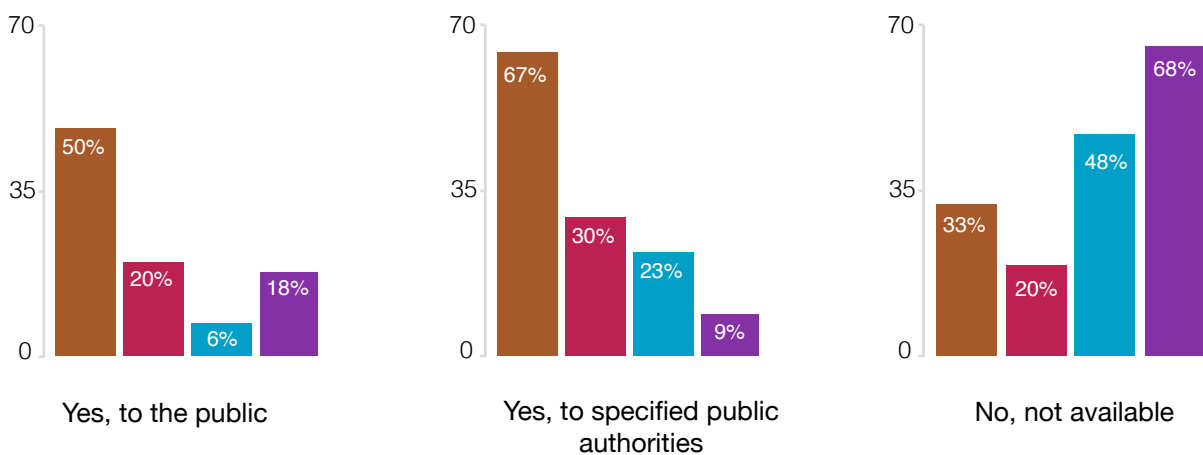


Figure 17

The jurisdictions that make beneficial owner details available to the public are listed below:

Africa & ME	Asia-Pac	Europe	The Americas
Lesotho	Australia	Macedonia (FYR)	Brazil - Alagoas Maceió
Mauritius	Malaysia	Montenegro	Colombia
Uganda			Hawaii (USA)

Table 11

However, in all four regions, it is more common that beneficial owner details are made available to specific public authorities:

Africa & ME	Asia-Pac	Europe	The Americas
Dubai, U.A.E	Australia	Isle of Man	British Virgin Islands
Lesotho	Malaysia	Italy	Hawaii (USA)
Mauritius	Vanuatu	Jersey	
Uganda		Latvia	
		Liechtenstein	
		Luxembourg	
		Switzerland	

Table 12

In conclusion, it can be seen that it is less common throughout the responding jurisdictions to register details on beneficial owners than it is to register shareholder details. However, when it comes to the disclosure of such data, there seems to be a trend that the jurisdictions which register beneficial owner details are more careful in making that information available to the public than they are with regards to the disclosure of shareholder details.

Registering and Deciding on Bankruptcy and Strike Off

One way to recognise the complexity of business registries across the world is to look at the diversity of business cases, and how different registries treat them. A major difference in that respect is the scope of examination. Some registries only register facts (i.e. they do not perform any legal checks), while others decide upon business cases (i.e. they perform legal checks).

This report cannot display each and every possible business case performed by a registry and so this year's report focuses on just two of them, bankruptcy and strike off:



Registering and/or Deciding on Bankruptcy

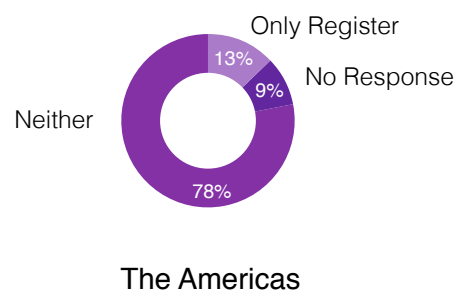
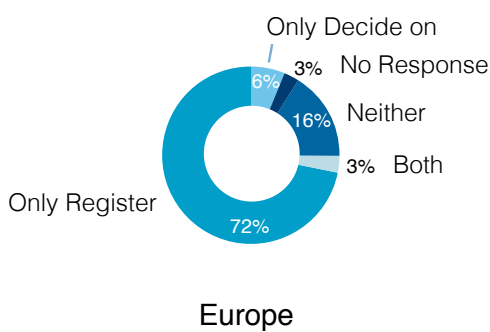
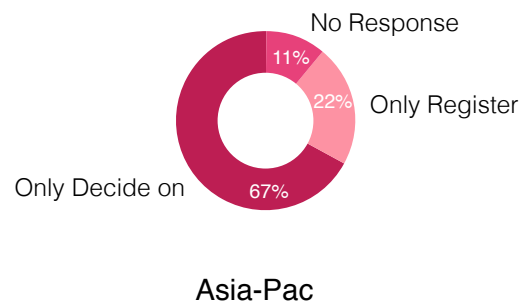
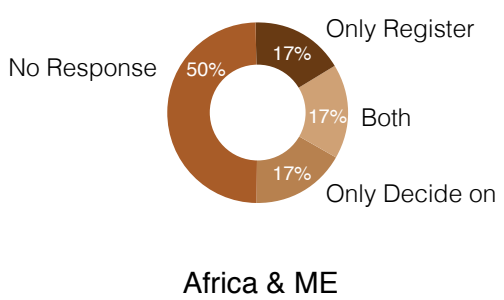
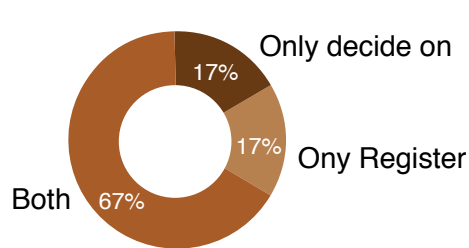


Figure 18

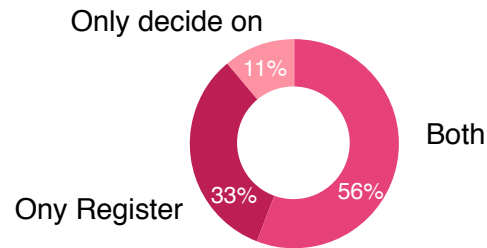
When examining Figure 18, displayed above, it becomes obvious that there are significant differences between Europe and the other regions with respect to their handling of bankruptcies. While 75% of European respondents indicated that they, at least, register cases of bankruptcy, in the other regions the opposite was usually true. For example, 78% of the respondents from The Americas pointed out that they neither decide on nor register bankruptcy

cases. When it comes to the Africa & ME region, only Uganda and Vanuatu indicated that they register and decide on bankruptcy cases. One reason may be that the concept of the bankruptcy of business entities is not as common in these regions and therefore there is no need to register bankruptcy cases, or alternatively they are dealt with by organisations outside the business register.

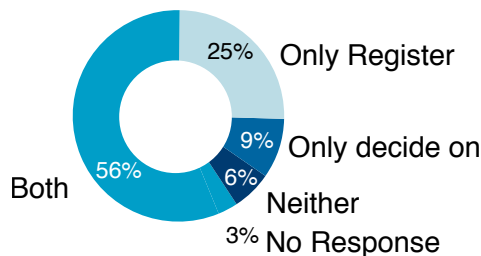
Registering and/or Decision on Strike Off



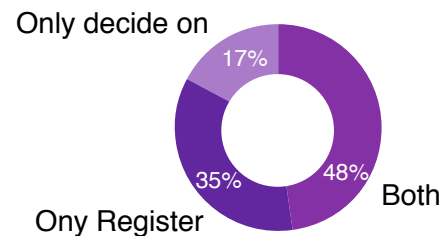
Africa & ME



Asia-Pac



Europe



The Americas

Figure 19

The situation is significantly different when looking at striking a company off the business register. As is displayed above, in Figure 19, more than 80% of responding jurisdictions from the four regions register a strike off from the business register. Additionally, in most of the observed jurisdictions, business registries also decide on the strike off from the register. In fact, Kosovo and Ukraine are the only European jurisdictions which stated that they neither decide on nor register a strike off from the business register.

Furthermore, assessment of this year's survey results concerning registration of and deciding on wind-up and liquidation, clearly shows that most of the responding jurisdictions register these business cases. In fact, out of all European jurisdictions participating in the survey, only Kosovo indicated that they do not register cases of wind-up or liquidation. When looking at The Americas, Hawaii (USA), Manitoba (Canada) and North Carolina (USA) stated that they neither decide on nor register cases of wind-up or liquidation.

Registration of Branches

Due to globalisation of business activities, and considering that European and international influences are becoming more extensive and important, it is vital that reports like this one focus on the international aspects of business registries' scope of activities. Therefore, one of the chapters contained in last year's report focused on the registration of national and foreign branches.

The results of last year's survey demonstrated the existence of a certain ambiguity with respect to the manner in which jurisdictions defined the term "branch". Therefore, when drafting this year's survey, the ECRF Working Group has decided to slightly alter and rephrase the questions dealing with branches.

Registration of Foreign Branches of a National Company, Survey of 2013

Key:

■ Register

■ Provide registration number

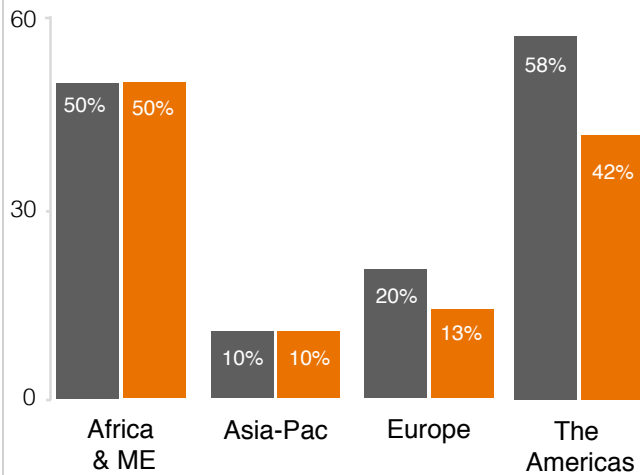


Figure 20 (a)

Registration of Foreign Branches of a National Company, Survey of 2014

Key:

■ Register

■ Provide registration number

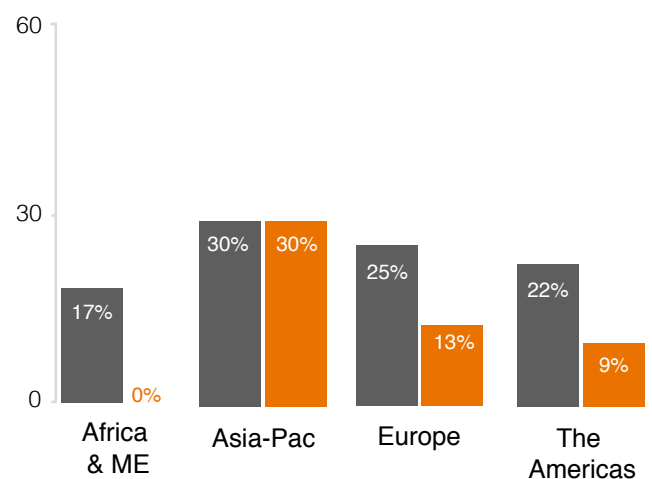


Figure 20 (b)

Unfortunately, as can be seen in Figures 20 (a) and 20 (b), these minor changes to the questions have led to major differences in the answers provided by respondents from The Americas, Asia-Pac and Africa & ME regions.

Figure 20 (a) displays the results concerning registration of foreign branches of a national company, which were contained in the 2013 report, while Figure 20 (b) illustrates this year's results.

When the two graphs are compared, the differences between the data contained therein become immediately apparent. Such a discrepancy between the two year's results cannot be easily explained, even if we bear in mind that those differences could partly result from the minor alterations to the questions, or the fact that the respondents to last year's and this year's survey may vary.

When we examined the raw data of the respondents' answers, we discovered that several of the jurisdictions which took part in last year's survey have altered their answers this year. As we do not have any

indication that any significant changes to the legal principles concerning branches have been made in the respective jurisdictions in the meantime, this has led us to the conclusion that either many respondents have had difficulties defining the term "branch", or that they may have a different understanding of what a branch is and how it should be dealt with. Therefore, in future years it will be important to ensure that the term "branch" is defined and clarified in the survey. For this reason the ECRF Working Group has established a Definitions Group, to compare different definitions of the term "branch" and to point out all the similarities and differences in these definitions, this will harmonise the understanding of this term.

The results from the European jurisdictions show that answers concerning the registration of foreign and national branches have remained in line with those from last year. The consistency of the European answers may result from the Eleventh Company Law Directive, enforced in Europe in 1990², concerning disclosure requirements in respect of branches opened in a member state by certain types of companies which are governed by the law of another state.

² Eleventh Council Directive 89/666/EEC of 21 December 1989

Registration of Branches in Europe

Key:

■ Register

■ Provide registration number

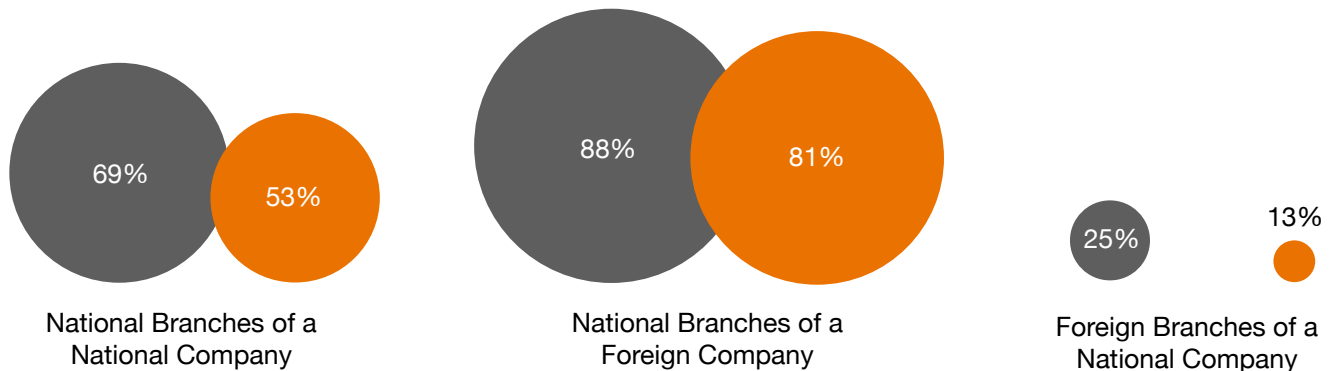


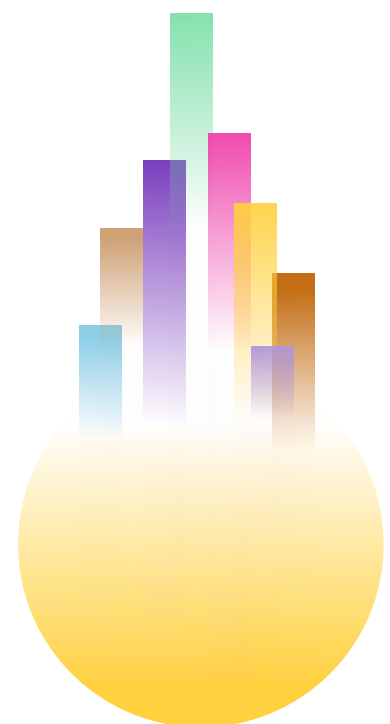
Figure 21

The above Figure indicates that most European jurisdictions register national branches of a foreign company. Only Guernsey, Jersey, Slovenia and Ukraine have stated that they do not register branches of a foreign company. Also, as is clearly displayed in the above Figure, it is not common for European jurisdictions to register foreign branches of a national company.

Formation of New Companies

Minimum Number of Founders, Shareholders and Board Members

One of the most important factors with respect to the formation of a new company is the number of founders, shareholders and board members that are required. This is displayed on the next page, in Figures 22, 23 and 24. These graphs have been illustrated separately this year, in order to make them more comprehensible:



Average Minimum Number of Founders by Company Type

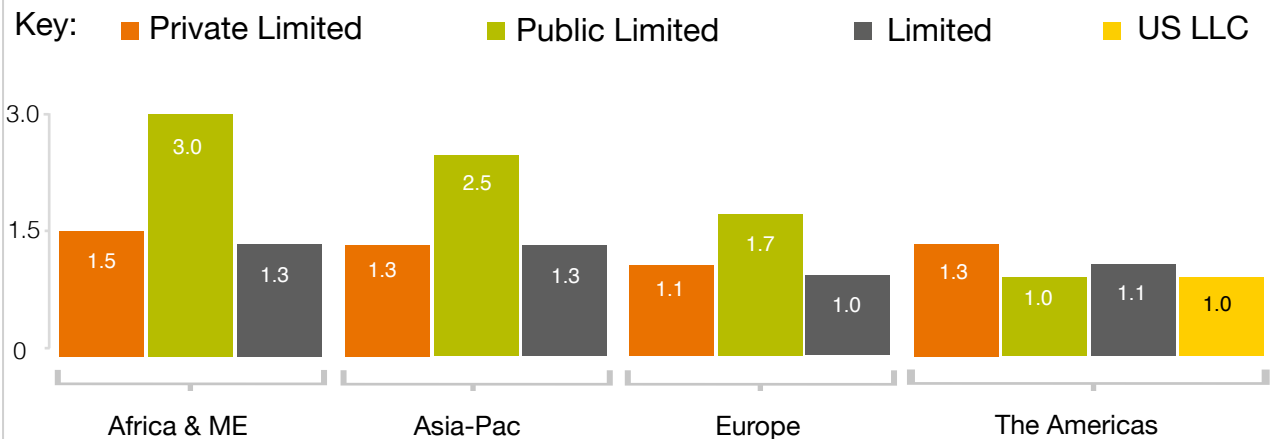


Figure 22

Average Minimum Number of Shareholders by Company Type

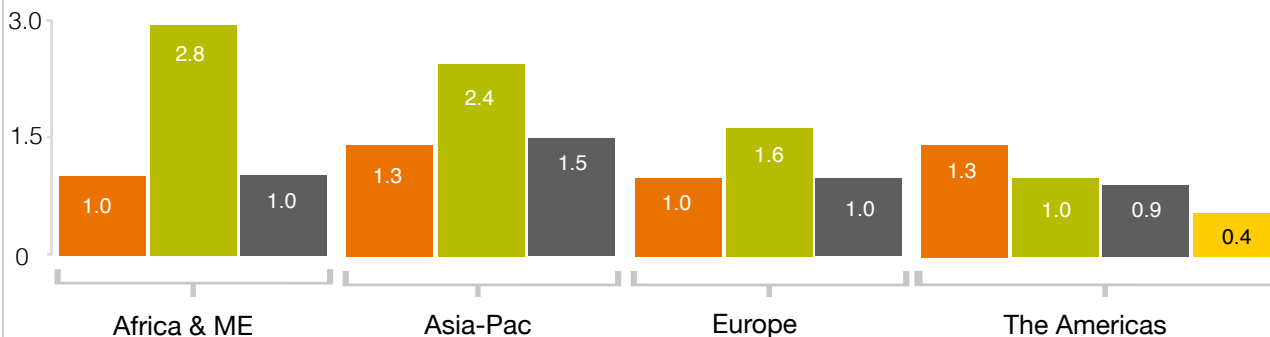


Figure 23

Average Minimum Number of Board Members by Company Type

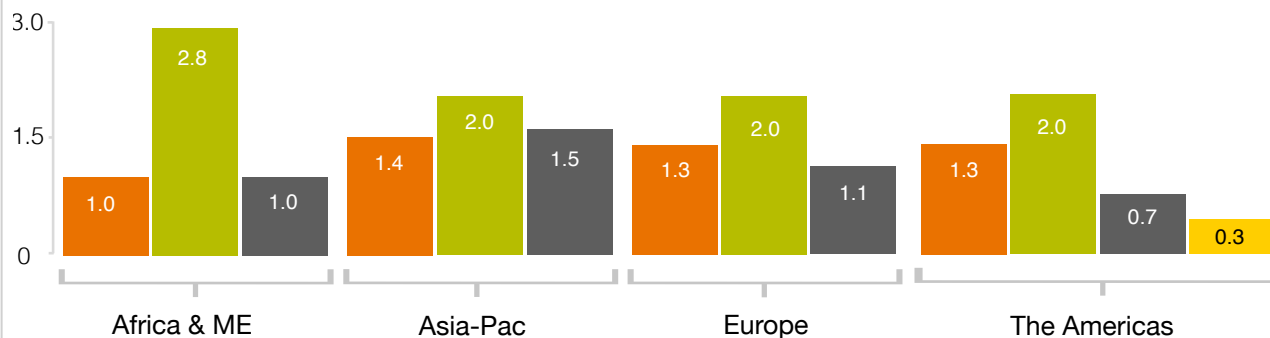


Figure 24

It is a general trend in all four observed regions, that the largest number of founders, shareholders and board members is required for the formation of a public limited company. It should be noted that Vanuatu, Ireland, Uganda and Gibraltar stated that 7 shareholders and 7 founders are required for the formation of a public limited company in their respective jurisdictions. South Africa and Pakistan stated that at least 3 founders and 3 shareholders are required when incorporating a public limited company. Pakistan pointed out that, in their jurisdiction, 3 founders and at least 2 shareholders are required. This explains why the average minimum number of founders, shareholders and board members is significantly higher in total for this company type.

A further tendency that can be observed is that it is rather common in most of the participating jurisdictions that, irrespective of the company type, only one founder, shareholder and board member is required for the formation of a new company.

However, having analysed the answers regarding the formation of a new US LLC, it has become apparent that an average of 0.4 shareholders is required. Some jurisdictions noted that zero shareholders are required, while some of the jurisdictions claimed that one shareholder is required to form a US LLC. Whether this actually varies in the respective jurisdictions, or is actually a result of misinterpreted wording, is not entirely clear. A reason for the varying answers might also result from the fact that term "shareholder" is not generally used when referring to a US LLC. More commonly, the persons in question may be referred to as members, directors or managers. Therefore, it is simply impossible to assess how many "shareholders" are typically needed for the formation of a new US LLC.

Again, several terms used in the survey may have been interpreted and defined differently by the responding jurisdictions. Thus, the Definitions Group will further examine the issues in question.

Minimum Amount of Share Capital

The prescribed minimum amount of share capital is also of interest when looking at the formation of a new company. The list displayed on the next page shows the minimum share capital (expressed in Euros) that all responding jurisdictions require for the formation of a private limited company, public limited company, limited company and an US LLC.

Thus, it can be seen that for all four regions, in general the prescribed minimum share capital of a private limited company is a low amount, (i.e. it varies from €0 to €1). Though it is noticeable that it is also quite common that the minimum share capital required is a lot higher in Europe, while The Americas and the Asia-Pac region tend to have a far lower prescribed minimum amount of share capital.



Minimum Share Capital, Private Limited Company

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

	Jurisdiction	Region	Minimum Share Capital
■	Hong Kong	Asia-Pac	0
■	Lesotho	Africa & ME	0
■	Malaysia	Asia-Pac	0
■	Ohio (USA)	The Americas	0
■	Singapore	Asia-Pac	0
■	South Africa	Africa & ME	0
■	Washington DC (USA)	The Americas	0
■	Brazil - Alagoas Maceió	The Americas	1
■	Germany	Europe	1
■	Gibraltar	Europe	1
■	Ireland	Europe	1
■	Isle of Man	Europe	1
■	Italy	Europe	1
■	Jersey	Europe	1
■	Latvia	Europe	1
■	Montenegro	Europe	1
■	Netherlands, the	Europe	1
■	Pakistan	Asia-Pac	1
■	Qatar	Africa & ME	1
■	Serbia	Europe	1
■	United Kingdom	Europe	1
■	Vanuatu	Asia-Pac	1
■	Romania	Europe	44
■	Uganda	Africa & ME	300
■	Estonia	Europe	2500
■	Finland	Europe	2500
■	Croatia	Europe	2640
■	Lithuania	Europe	2896
■	Spain	Europe	3000
■	Norway	Europe	3636
■	Macedonia (FYR)	Europe	5000
■	Sweden	Europe	5400
■	Slovenia	Europe	7500
■	Kosovo	Europe	10000
■	Denmark	Europe	10720
■	Luxembourg	Europe	12395
■	Belgium	Europe	18550
■	Liechtenstein	Europe	30000
■	Austria	Europe	35000
■	Dubai, U.A.E	Africa & ME	398379

Table 13

Minimum Share Capital, Public Limited Company

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

Jurisdiction	Region	Minimum Share Capital
Hong Kong	Asia-Pac	0
Lesotho	Africa & ME	0
Malaysia	Asia-Pac	0
Ohio (USA)	The Americas	0
Singapore	Asia-Pac	0
South Africa	Africa & ME	0
Washington DC (USA)	The Americas	0
Brazil - Alagoas Maceió	The Americas	1
Isle of Man	Europe	1
Jersey	Europe	1
Montenegro	Europe	1
Pakistan	Asia-Pac	1
Qatar	Africa & ME	1
Vanuatu	Asia-Pac	1
Uganda	Africa & ME	300
Gibraltar	Europe	24896
Estonia	Europe	25000
Macedonia (FYR)	Europe	25000
Romania	Europe	25000
Slovenia	Europe	25000
Serbia	Europe	30000
Luxembourg	Europe	30987
Latvia	Europe	35000
Ireland	Europe	38092
Lithuania	Europe	43444
Netherlands, the	Europe	45000
Germany	Europe	50000
Liechtenstein	Europe	50000
Sweden	Europe	54000
United Kingdom	Europe	57100
Spain	Europe	60000
Belgium	Europe	61500
Denmark	Europe	67006
Austria	Europe	70000
Czech Republic	Europe	80000
Finland	Europe	80000
Italy	Europe	120000
Norway	Europe	121212
Dubai, U.A.E	Africa & ME	396453

Table 14

When it comes to public limited companies, it is noticeable that in most jurisdictions the minimum share capital tends to be a lot higher than the minimum share capital of private limited companies, limited companies or US LLC's. A further apparent

tendency is that European public limited companies generally have higher minimum share capitals (around €25000 and higher) than public limited companies in the other regions.

Minimum Share Capital, Limited Company

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

Jurisdiction	Region	Minimum Share Capital
British Virgin Islands	The Americas	0
Colombia	The Americas	0
Delaware (USA)	The Americas	0
Georgia	Asia-Pac	0
Guernsey	Europe	0
Kosovo	Europe	0
Lesotho	Africa & ME	0
Louisiana (USA)	The Americas	0
Luxembourg	Europe	0
Manitoba	The Americas	0
New Zealand	Asia-Pac	0
Oregon	The Americas	0
Washington DC (USA)	The Americas	0
Azerbaijan	Asia-Pac	1
Brazil - Alagoas Maceió	The Americas	1
Nova Scotia (Canada)	The Americas	1
Czech Republic	Europe	1
Dubai, U.A.E	Africa & ME	1
Hawaii (USA)	The Americas	1
Isle of Man	Europe	1
Montenegro	Europe	1
North Carolina (USA)	The Americas	1
Ohio (USA)	The Americas	1
Qatar	Africa & ME	1
Vanuatu	Asia-Pac	1
Moldova	Europe	295
Uganda	Africa & ME	300
Slovenia	Europe	7500
Switzerland	Europe	16000

Table 15

Minimum Share Capital, US LLC

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

	Jurisdiction	Region	Minimum Share Capital
■	Delaware (USA)	The Americas	0
■	Ohio (USA)	The Americas	0
■	Oregon (USA)	The Americas	0
■	Washington DC (USA)	The Americas	0
■	Hawaii (USA)	The Americas	1
■	Montenegro	Europe	1

Table 16

It can be generally stated for limited companies, as well as for US LLC's, that the minimum share capital is low (i.e. it varies between the amount of €1 and €0). If only limited companies are observed, Moldova (€295), Uganda (€300), Slovenia (€7,500) and Switzerland (€16,000) appear as exceptions to the said rule.

Measures Taken to Prevent Corporate Identity Theft

The question, "Please specify any measures taken by your jurisdiction to prevent corporate identity theft", was included in the survey (question No. 9) for the second time. As was stated in last year's report this is mainly due to the rising importance of this topic, considering that more and more registries are kept as electronic databases. At the same time, a lot of registries have ambitions to make registration for companies as easy and as fast as possible. This carries the risk that the ease of use and the speed could affect the security of the registries. This in turn could lead to corporate identity theft, and that's why a lot of countries have already introduced preventive systems to minimize this risk. In this chapter some interesting examples of measures introduced to combat corporate identity theft are discussed. For full details of all the answers received, please see Appendix i.

To sum up, the most common measure taken to prevent corporate identity theft is the use of monitoring systems and/or e-mail-systems that notify registered users every time a change to their company information is made in the registry, or whenever documents are filed on their business record. For example, this system is used in Brazil Alagoas Maceió, South Africa, Delaware (USA), Louisiana (USA), North Carolina (USA), Ohio (USA), Utah (USA), Estonia, Ireland, Jersey, Latvia, Luxembourg and Sweden.

A further method of preventing corporate identity theft, which was not mentioned in last year's report, is the implementation or increase of penalties for

false and/or misleading information submitted to the commercial registries. For instance, Malaysia pointed out that under section 364 of their Companies Act 1965, any false and misleading information submitted to the SSM shall be punished by ten-years imprisonment, or a penalty amounting to the sum of 250,000 ringgit, or both. Oregon (USA) has stated that they have increased the penalties for false statements and that corporate identity theft is now considered to be a crime. Texas (USA) has indicated that their business laws provide civil remedies as well as criminal penalties for the submission of false, fraudulent, or forged instruments.

As was seen in last year's report, there are systems where the identity of the acting person is checked by a public notary. In addition to the jurisdictions mentioned in last year's report, the Czech Republic indicated that, only individuals expressly set out in the law may submit an application for entry in the register or change an entry in the register. The application shall be legalised by a public notary or another designated authority (if submitted in paper form).

Another common method to prevent corporate identity theft, which was not specifically mentioned in last year's report, is the use of electronic signatures, enabling examiners to identify the applicant of the registration. Denmark, the Czech Republic and Lithuania (in this case referred to as electronic certificate for confirmation of the applicants ID) indicated that this method was used in their jurisdictions.

Security Interest Registry

This is the second year that a question on security interest registries was included in the survey. As was pointed out in last year's report, one reason to include this question was the announcement by many IACA members, following the presentation of the 2012 ECRF Report at the 2012 IACA conference, that they were interested in participating in the ECRF Survey. However, this year's results show that this subject is becoming more and more important in many other regions of the world.

While the laws of each jurisdiction vary, a security interest registry establishes a framework for the registration, or the registration of notice, of a security interest in personal property. Personal property is generally property other than land, buildings or other structures permanently affixed to them. Personal property may include tangible property (i.e. aircraft, automobiles, tools, etc.) or intangible property (i.e. copyright). Personal property may also include investment property (i.e. shares) or agricultural property (i.e. farm equipment, livestock and crops). The laws of each jurisdiction define the personal property that may be the subject of a security interest for purposes of its register.

In a financial transaction, a lender (i.e. the secured party) may loan funds to an individual or corporation (i.e. the debtor) and take security in the property of the debtor as collateral for the loan. Where the collateral of the debtor is real property, the lender may take a mortgage or other charge on the real property and record this interest in a registry of deeds or other land registry. Where the collateral of the debtor is personal property, the lender may register a security interest in that personal property through a security interest registry.

The registration in a security interest register may be prima facie evidence of a lien on the personal property of the debtor identified in the registration. A proper search of a debtor in a security interest registry should enable a third party to identify registered security interests against the personal property of that debtor, effectively providing notice of the existence of a lien on that property.

This year's survey has recorded a significant increase (of more than 100%) of the European jurisdictions stating that they maintain a security interest registry. Last year, only 5 out of 34 responding European jurisdictions (Croatia, the Isle of Man, Jersey, Kosovo and Serbia), maintained a security interest registry. However, this year, 11 out of 34 responding European jurisdictions, have stated they maintain a security interest registry (Croatia, the Isle of Man, Jersey, Kosovo, Serbia, Denmark, Estonia, Gibraltar, Ireland, Norway, Spain). Jersey actually referred to the launch of its security interest registry as its major change during the last year that affected their registry and/or registration activities.

In The Americas, as well as in the Asia-Pac region, there has been a slight increase of an average 10% of jurisdictions that maintain a security interest registry. Although Figure 25, below, points out that the average number of jurisdictions in Africa & ME, which maintain a security interest registry, has decreased by 10% compared to last year's results, this is due to the fact that there has been a significant change in respondents from that region.

Security Interest Registry

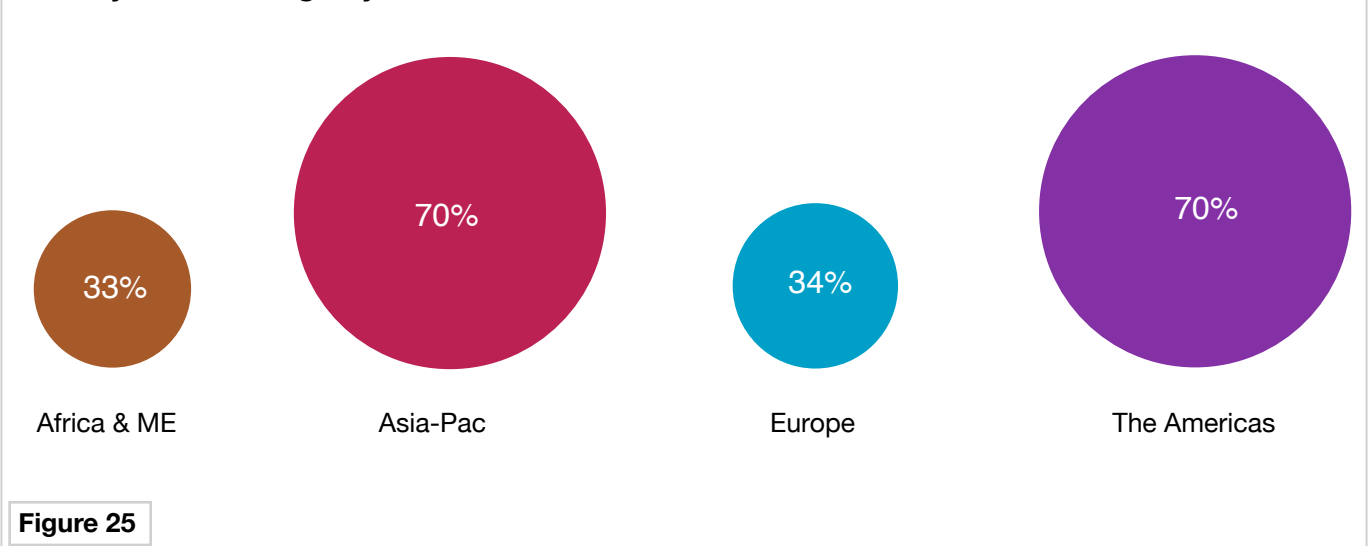


Figure 25

Major Developments and Changes

The answers to question 11 (“Describe any major changes during the last year that have affected your registry and/or the registration activities”) showed that many changes affected business registries during the observed period (1 January – 31 December 2013). In this chapter only the important changes concerning legal and institutional settings are highlighted. Information concerning other major changes is examined in other chapters, such as processing time (chapter 2), the use of e-services by company registries (chapter 3), funding and fees (chapter 4), and business dynamics (chapter 5). For full details of all these changes, please see Appendix ii.

As in recent years, the idea of a one-stop shop appears to be spreading further, as Indiana (USA) stated to be in the procurement process for a vendor for a one-stop shop portal. Macedonia (FYR) introduced changes in 2013 which merged the steps for registration and obtaining a company seal in a one-step registration, using their newly implemented registration agent.

Furthermore, there were changes regarding the formation of companies. For instance, Denmark reduced the minimum required share capital for private limited companies from 80,000.00 DKK to 50,000.00 DKK (which approximately equals to €6,695.00). The Danish Companies Act was amended in 2013, which made it possible to incorporate an entrepreneurial company with a minimum share capital of 1.00 DKK (which approximately equals to €0.13).

Several jurisdictions reported changes regarding the registration and use of company names. In the Isle of Man the recently implemented Company and Business Names, etc Act 2012 enables the Department of Economic Developments to regulate the names used by companies and other businesses. Lithuania pointed out that due to the recent changes in legislation concerning company law, company names are now examined by the State Commission. Croatia amended its company legislation, which also included the regulation of company names. Company names are now required to be in the Croatian language and in Latin script, or in any of the official languages of the European Union.

“ Describe any major changes during the last year that have affected your registry and/or the registration activities ”

Jersey – A Case Study

A British Crown Dependency

Jersey is the largest of the Channel Islands and is situated only a short distance from the coast of northern France, it has a population of approximately 100,000 residents, the greatest concentration of which reside in and around the capital, Saint Helier.

Although Jersey's allegiance is to the British Crown, it is not part of the United Kingdom and is not represented in the British Houses of Parliament. The island's domestic autonomy has been preserved via charter and convention through 800 years of English history.

As a result of that unbroken constitutional position, Jersey proudly possesses its own democratically elected Parliament, which has consistently maintained responsibility for domestic affairs including fiscal matters. Jersey also operates its own judicial system, which is based on common law principles.

In Jersey, the Government, through statutory powers, has given the responsibility of running the Companies Registry (the "Registry") to the Jersey Financial Services Commission (the "Commission").

The Commission is the Island's unitary financial services regulator

The Commission is an independent statutory body corporate, set up under the Financial Services Commission (Jersey) Law 1998 (the "Commission Law"). The Commission Law provides for a Board of Commissioners to be the governing body of the Commission. The Commission is accountable for its overall performance to the Government of Jersey through the Chief Minister.

The Commission is also responsible, pursuant to powers granted to it under the Companies (Jersey) Law 1991, for appointing a person to exercise certain statutory responsibilities as the registrar of companies (the "Registrar"). The Commission has appointed the Director General of the Commission as the Registrar.

The Commission is responsible for regulating the following businesses: banking, fund services, general insurance mediation, insurance, investment, trust and company service providers ("TCSPs"), and to a lesser degree, designated non-financial businesses and professions, which includes accountants and lawyers, for anti-money laundering/countering the financing of terrorism ("AML/CFT") purposes.

The Commission is also responsible for other activities such as: policy, international engagement, regulatory standards, supervision, enforcement and the Registry.

A key Jersey initiative at the time of writing, which significantly involves the Commission and in particular the Registry during 2014/15, is the active participation in the G8's action to enhance transparency on beneficial ownership of companies.

Jersey's Action Plan on transparency of legal persons and arrangements

To coincide with the 2013 G8 Summit and to share in the G8's action to enhance transparency on beneficial ownership of companies, Jersey published its own Action Plan.

Jersey committed to undertake a general review of corporate transparency, having regard for the development of international standards and their global application, starting with the publication of a pre-consultation paper before the end of 2013 and consultation paper in February 2014.

Jersey is undertaking this review having regard to the action taken by the UK and the other G8/G20 countries. Jersey as at 30 April 2014 had not published the responses to its consultation paper of February 2014.

Jersey already holds a central register of beneficial ownership of companies and regulates and supervises those who form and administer legal persons and legal arrangements. Regulated service providers are required by Jersey anti-money laundering legislation to maintain up-to-date and accurate information on the beneficial ownership of those for whom they act. All the information held in the Island is available to tax authorities and law enforcement agencies for legitimate requests.

Jersey's current position

In its Action Plan Jersey stated that it is fully committed to implementing the revised Financial Action Task Force ("FATF") standards in order to improve the transparency of the ownership and control of legal persons and legal arrangements. FATF Recommendation 24 is concerned with legal persons (i.e. companies, foundations, limited liability partnerships and other types of legal persons).

FATF Recommendation 25 is concerned with legal arrangements (express trusts and other types of legal arrangements with a similar structure or function).

For companies, the FATF in its methodology for assessing technical compliance with the FATF recommendations and the effectiveness of AML/CFT systems states: "Countries should require that all companies created in a country are registered in a company registry, which should record the company name, proof of incorporation, legal form and status, the address of the registered office, basic regulating powers, and a list of directors. This information should be publicly available." For beneficial ownership information the recommendation calls for one or more mechanisms to ensure that it is available at a specified location in the country concerned; or can be otherwise determined in a timely manner by a competent authority. The FATF does not specifically mandate a central register for beneficial ownership information and there is no requirement for the information to be made publicly available.

The Action Plan sets out Jersey's existing strong record as follows:

- 1 It requires beneficial ownership to be disclosed to the Commission at the time of incorporation of a company, and the Commission holds this information in a central register;
- 2 The Commission has a long-standing statutory duty to have regard to the need to protect the integrity of Jersey in commercial and financial matters before agreeing to a request to incorporate a company;
- 3 Trustees are bound to hold information on the settlers and beneficiaries of trusts under the provisions of Common Law (supported by Case Law), Trusts Law and anti-money laundering requirements;
- 4 The Commission actively supervises compliance by TCSPs with a requirement that they must collect and hold information on beneficial ownership for all legal persons and arrangements;

It was also pointed out that this strong record is recognised by:

- 1 The International Monetary Fund in its assessment of Jersey's compliance with the then FATF recommendations, published in 2009, which found that Jersey was fully compliant with recommendation 33 (legal persons) and largely compliant with recommendation 34 (legal arrangements);
- 2 The World Bank in the Stolen Asset Recovery ("StAR") initiative report "The Puppet Masters" which uses the Jersey "model" to describe conditions under which the company registry can be considered a viable option for providing beneficial ownership information.

The Global Forum on Transparency and Exchange of Information for Tax Purposes has rated Jersey as largely compliant overall, and Jersey was found to be fully compliant in meeting the standard for the availability of ownership information.

From Jersey's experience it is considered that to ensure that the international requirement of adequate, accurate and current information on beneficial ownership is met most effectively the process should include the following:

- 1 An active company registry staffed by experts that not only calls for information on beneficial ownership on incorporation but also runs that information through independent checks and also has the power to refuse incorporation when the activities/beneficial owners are considered 'sensitive'.
- 2 A tight definition of beneficial ownership;
- 3 The licensing and active supervision of TCSPs with requirements to ensure that information on the beneficial ownership of the companies they administer is adequate, accurate and current;
- 4 Strict limitations placed on who may apply to incorporate a company;
- 5 Legislation to ensure that, in accordance with the international obligations entered into, the information that is available can be readily provided to tax authorities and law enforcement authorities when sought;
- 6 A power to strike off a company where it is no longer provided with any company administrative, trustee or fiduciary service by a TCSP.

The Action Plan also stated that Jersey would continue to play an active role in the work of the European Business Register (“EBR”). The EBR is a network of National Business Registers and Information Providers from currently 28 European countries. The EBR provides easy access to European company information online from each country’s official register.

As previously stated Jersey has a centralised Companies Registry and regulates and supervises its TCSPs. The next section of this case study explores the type of entity administered by Jersey TCSPs and the Register.

Principal type of legal persons that can be established or created under Jersey law and registered with the Registrar:

Companies

Companies are incorporated under the Companies (Jersey) Law 1991 (“**Companies Law**”). In order to incorporate a company, a memorandum and articles of association must be provided to the Registrar together with documents set out in Article 7 of the Companies Law. A company is a legal person and a body corporate under Jersey law.

Companies are owned by their shareholders. The management of a company is controlled by one or more directors. Companies must have a registered office in Jersey.

Each company must provide an annual return that lists the legal owners of the company as at 1 January each year. This is public information. At registration, and on an annual basis, companies that are public companies must also provide details of their directors to the Registrar. This is public information.

A company must maintain a register of members (shareholders) in Jersey which may be inspected by any member of the company. A company must also maintain a register of directors in Jersey. The register may be inspected by any member (shareholder) of the company, any director, and by the Registrar. In addition, public companies (and subsidiaries of public companies) must make the register of directors open to inspection by any person upon payment of the prescribed fee.

Before issuing a consent to a company to issue shares under the Control of Borrowing (Jersey) Order 1958 (“COBO”), the Commission requires upfront

disclosure of the name, address, date of birth, and occupation of each person that is to have a 10% beneficial interest in the company (except in the case of an owner that is listed on a regulated market). Each licence to issue shares is then also conditioned such that where any other person is to take a 25% or more beneficial interest in the company, subsequent to registration, it must request prior approval from the Commission before that person can hold such an interest. The exception to this is where the company is provided with a company administration service which is specified in Article 2(4) of the Financial Services (Jersey) Law (“JFSL”) by a person that is registered under the FSJL (a TCSP) - because that person is itself required under the Money Laundering (Jersey) Order 2008 to identify the beneficial owners and controllers of the company that it administers. COBO is also applicable to partnership applications.

Limited Liability Partnerships (“LLPs”)

LLPs may be registered in Jersey under the Limited Liability Partnerships (Jersey) Law 1997 (“**LLP Law**”) following submission of a declaration under Article 16 of the LLP Law. The constitution normally consists of an LLP agreement. An LLP is a legal person under Jersey law (but not a body corporate). LLPs are owned and managed by their partners. An LLP must have a registered office in Jersey.

At registration and upon a change thereto, details of each partner must be provided to the Registrar. Along with the registered office address of the LLP, this is public information. Each LLP must also provide an annual declaration that lists the names and addresses of each partner of the LLP as at 1 January each year. This is public information. Inter alia, an LLP must maintain in Jersey a register of the name and address of each partner and a copy of any written partnership agreement. The register may be inspected by any partner.

General and Limited Partnerships (“LPs”)

General partnership law in Jersey is a matter of customary law and is not governed by a specific statute. The partners of a general partnership are jointly and severally liable for the debts of the partnership. The constitution normally consists of a partnership agreement. A general partnership does not have a separate legal personality under Jersey law (and nor is it a body corporate). General partnerships are owned by their partners. Generally, management is by all of the partners, although

delegation to management committees is common. General partnerships are not registered with the registrar.

LPs are registered in Jersey under the Limited Partnership (Jersey) Law 1994 (“LP Law”). The LP Law retains substantially the customary law of general partnerships in Jersey but provides for a category of partner known as a ‘limited partner’. A limited partner’s liability is limited to the amount of his contribution to the partnership, provided he does not take part in the management of the LP. The constitution normally consists of an LP agreement. An LP is not a legal person under Jersey law (nor is it a body corporate).

LPs are owned by their partners. Generally, management is by just one of the partners, known as the general partner. An LP must have a registered office in Jersey. At registration and upon a change thereto, details of each general partner must be provided to the Registrar. Along with the registered office address of the LP, this is public information. Inter alia, an LP must maintain in Jersey a register showing the name and address of each limited partner and a copy of the partnership agreement. The register may be inspected by any partner.

An LP may not own immovable property (realty), though property may be held by its general partner (where it is an individual or legal person).

Separate Limited and Incorporated Limited Partnerships

Separate laws have been enacted for separate limited partnerships (“SLP”)(Separate Limited Partnerships (Jersey) Law 2011) and incorporated limited partnerships (“ILP”) (Incorporated Limited Partnerships (Jersey) Law 2011) in Jersey, which run in parallel with the LP Law, pursuant to which traditional Jersey limited partnerships are established. Save for certain key differences outlined below, the basic structure of an SLP and an ILP are both very similar to the traditional Jersey limited partnership.

Both types of partnership must have at least one general partner and one limited partner. Both are required to have a partnership agreement although this will not be publicly available. A declaration must be filed with the Registrar of Limited Partnerships in order to establish an SLP or for an ILP to be validly incorporated.

An SLP is a legal person and is able to transact, hold rights, assume obligations and sue and be sued either in its own name or in the name of its general partner. An ILP also has legal personality and can hold assets in its own name, rather than in the name of its general partner. An ILP is also incorporated and has perpetual succession.

There are certain administrative requirements such as having a registered office address in Jersey, at which, inter alia, a register shall be kept showing the full names and address of each limited partner.

Foundations

The Foundations (Jersey) Law 2009 came into force on 17 July 2009.

Foundations are neither a company nor a trust but have some similarities to both. They are a distinct and independent legal entity created for a particular purpose and are, in effect, a purpose entity run by a council consisting of at least one regulated person being a TCSP based in Jersey and registered with the Commission (a “qualified member”). Foundations can exist either with or without beneficiaries. Having a distinct legal personality, they hold assets in their own name like a company holds assets and they can contract with others.

Jersey foundations are registered with the Registrar and he can evidence their existence by issuing a certificate of good standing. The constitutional documents of a foundation will consist of a charter and regulations. The application for incorporation of a Jersey foundation is a regulated activity and must be undertaken by a “qualified person”. A qualified person is a TCSP based in Jersey and registered with the Commission.

The founder is the person who instructs the qualified person to apply for the incorporation of a Jersey foundation. The founder may reserve rights to himself or to others. His identity need not be a matter of public record but must be held by the TCSP.

The charter is filed with the Registrar and is open to public inspection. It contains certain required information such as the name of the foundation, its objects and details of any initial endowment of the foundation. Other information can be included in the charter if desired, but is not required.

The regulations are not filed with the Registrar and are private however they must be held by the Qualified Member. They must provide for the appointment,

Hong Kong – A Case Study

replacement and remuneration (if any) of its council members, how the council should operate and for the appointment and continuance of a guardian. The regulations may provide for any other matter, for example, in relation to powers, duties and rights of the council and the beneficiaries. Every foundation will have a council to organise its affairs with similar functions and duties to directors of a company.

There are certain administrative requirements such as having a business address in Jersey, and ensuring the name and business address of the foundation appears on written communications. Statutory and financial books and records must be maintained at the business address and must be sufficient to show and explain the foundation's transactions and disclose with reasonable accuracy its financial position. A register must also be kept at the business address of the names and addresses of council members, the guardian and those who have endowed the foundation. The business address of a Jersey foundation will be the address of its qualified member.

Other Registry functions

The Registry also operates registers for Business names, Trademarks and Security Interests. It is also, amongst other activities, responsible for issuing registrar consents with regard to prospectuses issued by Jersey companies.

The Registry

The majority of statutory filings are reviewed and processed at the Registry in Saint Helier. Most of these filings are paper based, although name reservation requests may be submitted online. All Company annual returns may also be filed online, and at present, more than 20% are received through this channel. Partnership and foundation annual administration fees are mandatory collect online. The Security Interests register is fully automated with no paper filing allowed. The supporting technology used by the Registry allows Registry users to file, search, retrieve and monitor entities registered with the Register.

The Registry processes an average of 200,000+ transactions annually, including the incorporation of approximately 2,400 companies each year. As of January 1, 2014, there were 32,449 companies with active registrations in Jersey. There were more than 60,000 active entity registrations in total, and more than 160,000 distinct entity records.

The New Companies Ordinance of Hong Kong – Highlights of Some Major Changes

The commencement of the new Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("the New Ordinance") in March 2014 signifies a new chapter in the company law of Hong Kong.

Comprising over 900 sections, the New Ordinance provides a modernised legal framework for the incorporation and operation of companies in Hong Kong, strengthens Hong Kong's status as a major international business and financial centre, and reinforces Hong Kong's competitiveness as a place to do business.

The New Ordinance aims to achieve four main objectives, namely, enhancing corporate governance, facilitating business, ensuring better regulation and modernising Hong Kong's company law.

This article aims to highlight some of the major changes introduced by the New Ordinance to achieve these objectives.

I. Enhancing Corporate Governance

With the aim of enhancing corporate governance, the New Ordinance introduces the following major initiatives:

Strengthening the accountability of directors

There were provisions in the old law prohibiting all public companies, as well as private companies which are members of a group of companies of which a listed company is a member, from appointing a body corporate as their director. There was no restriction for other private companies. The New Ordinance requires, on top of these restrictions, that private companies must have at least one director who is an individual. To facilitate compliance, a six-month grace period from March 2014 is given for existing companies to comply with the new requirement.

Under the old Companies Ordinance, there are no provisions on directors' duty of care, skill and diligence. Further, the standard of the duty as adopted in the case law of Hong Kong, which focuses on the knowledge and experience which a particular director possesses (the subjective test), is considered too lenient nowadays. In the light of overseas

developments, the New Ordinance introduces a statutory statement to provide clear guidance to directors. The new provision stipulates that a director must exercise reasonable care, skill and diligence, and sets out a mixed objective and subjective test in the determination of the standard. The objective test looks at the general knowledge, skill and experience that may reasonably be expected of a person carrying out the functions of the director in question.

Enhancing shareholder engagement in the decision making process

To enhance the right of shareholders, the expenses of circulating members' statements or proposed resolutions for annual general meetings ("AGMs"), and members' statements relating to the proposed resolution or other business to be dealt with at AGMs, will be borne by the company if the required threshold for requests are met and the requests to circulate such documents are received in time for sending with the notice of the relevant meeting.

The threshold for demanding a poll is lowered from 10% to 5% of the total voting rights under the New Ordinance.

Improving the disclosure of corporate information

The New Ordinance requires public companies and companies not qualified for simplified reporting to prepare a more comprehensive directors' report which includes an analytical and forward-looking "business review", whilst allowing private companies to opt out from the requirement by a special resolution. The review should contain, for example, information relating to environmental and employee matters that have a significant impact on the company. The new requirement is in line with the international trend on integrated reporting.

Modifying the "headcount test"

For a takeover offer or general offer to buy back shares, including a privatisation scheme, the "headcount test" is replaced by a new requirement that the number of votes cast against a resolution to approve the scheme must not be more than 10 percent of the votes attached to all disinterested shares.

Fostering shareholder protection

To avoid potential conflict of interests, the old law prohibited a company from entering into loans or other similar transactions with a director. For a listed company or a private company that is within the same group as a listed company, the reference to "director" was extended to cover persons or corporations closely associated with a director. The New Ordinance expands the prohibition to cover a wider category of entities connected with a director. In the case of a "specified company", i.e. a public company or a private company or company limited by guarantee that is a subsidiary of a public company, the prohibition also covers, among others, an adult child, a parent, a cohabitee, a minor child of the cohabitee and an associated body corporate.

To minimise the risk that a director may entrench himself in office, the New Ordinance also provides that the approval of members must be obtained for any contracts under which the guaranteed term of employment of a director with the company exceeds or may exceed 3 years.

II. Facilitating Business

Streamlining procedures

With the aim of facilitating business certain procedures have been streamlined:

Every company is required to hold AGMs under the old Companies Ordinance. To simplify the decision-making process, under the New Ordinance, apart from retaining the written resolution procedure, a single member company is not required to hold AGMs and a company may dispense with the requirement to hold AGMs by passing a resolution of all members. To safeguard the interests of members, any member may request the company to convene an AGM. Members may also revoke the resolution to dispense with AGMs by passing an ordinary resolution to that effect.

Under the old law, companies can only amalgamate with court sanction. A new court-free regime for amalgamations is introduced in the New Ordinance. The new regime is confined to amalgamations of wholly-owned intra-group companies where minority shareholders' interest would normally not be an issue. Under the new regime, an amalgamation may either be vertical (i.e. between the holding company and one or more of its wholly-owned subsidiaries) or horizontal (i.e. between two or more subsidiaries of the same holding company).

In addition, where specified conditions are met, the New Ordinance introduces a new administrative restoration procedure for a company which has been struck off by the Registrar of Companies (“the Registrar”) without the need for recourse to the court.

An alternative court free procedure based on the solvency test has been introduced for reduction of capital. This is faster and cheaper than the procedure under the old Companies Ordinance, which involves filing an application to the Court. Under the New Ordinance, all companies, not just private companies, are allowed to fund share buy-backs out of capital subject to the solvency test, and the restrictions on a company or any of its subsidiaries providing financial assistance for the purchase of shares in the company are streamlined and relaxed.

Facilitating simplified reporting

To save compliance costs while maintaining an appropriate level of transparency in a company’s financial reports, new provisions have been introduced to facilitate more small and medium-sized companies to prepare simplified accounts and directors’ reports. Three sets of size criteria have been introduced and once a private / guarantee company or holding company of a group of private / guarantee companies, satisfies the relevant size criteria, the company or holding company in question falls within the reporting exemption and may opt for simplified reporting.

Facilitating business operations

The New Ordinance simplifies the mode of execution of documents by making the use of a common seal optional.

To keep up with technological development, the New Ordinance permits a general meeting to be held at more than one location using electronic technology.

The New Ordinance sets out the rules governing communications that are authorised or required under the New Ordinance to be made to or by companies. It is now expressly provided that such communication in electronic form to or by a company can be made only with the recipient’s consent or deemed consent.

III. Ensuring Better Regulation

To ensure that the New Ordinance enhances regulation, measures have been introduced on various fronts.

Improving the enforcement regime

To improve enforcement, a new power of enquiry is given to the Registrar to obtain documents or information where there is reason to believe any conduct relating to an offence of providing false or misleading statement has taken place. The investigatory powers of inspectors appointed to investigate the affairs of companies are also enhanced.

The threshold for breach of any provision of the New Ordinance by an officer of the company has been lowered through the introduction of a new definition of “responsible person”, which targets intentional and reckless conduct other than wilful conduct as under the old law.

To encourage compliance and to optimise the use of judicial resources, the New Ordinance introduces a new power for the Registrar to compound specified offences, generally confined to straightforward and minor regulatory offences committed by companies. In compounding an offence, the Registrar will give a notice in writing to a company in breach to offer it an opportunity to rectify the default. If the company pays the compounding fee and complies with the terms of the notice, no prosecution will be initiated by the Registrar for that offence.

Companies limited by guarantee

Under the New Ordinance, companies limited by guarantee come under a specified category of companies and they are required to comply with the following requirements:-

- at least two directors are required;
- no corporate director is allowed; and
- the annual returns must be delivered together with certified copies of the financial statements, directors’ reports and auditor’s reports.

An escalating scale of annual registration fee is introduced for the filing of annual returns by companies limited by guarantee to encourage compliance of statutory filing requirements. In the case of late filing, substantially higher registration fees are payable.

Improving the registration of charges

To improve transparency, the period for submitting charges for registration has been shortened from five weeks to one month. Further, a certified copy of the instrument documenting the charge will have to be filed and registered for public search. Third parties will be deemed to have constructive notice of the terms of the charge as registered.

Ensuring the accuracy of information on the Companies Register

To enhance the accuracy of information on the Companies Register, the New Ordinance clarifies the powers of the Registrar in relation to the following:-

Registration of documents: the Registrar is expressly empowered to specify the requirements for the authentication of documents to be delivered to the Companies Registry and the manner of delivery, and withhold the registration of unsatisfactory documents pending further particulars; and

Keeping of the register: the Registrar may rectify typographical or clerical errors, make annotations, and require a company to resolve any inconsistency or provide updated information.

The New Ordinance provides a statutory basis for applications to court for removing information from the register that is inaccurate, forged or derived from anything invalid, ineffective or done without the authorization of the company.

A statement of capital is required to be delivered for registration whenever there is a change in a company's share capital, including an allotment of shares or a permitted alteration of share capital, to ensure the disclosure of up-to-date share capital information.

IV. Modernising the Law

To modernise the law, various initiatives have been introduced:-

Rewriting the law in simple and plain language

The New Ordinance is written in simple and plain language. We have modernised the language and re-arranged the sequence of some of the provisions in a more logical and user-friendly order so as to make the New Ordinance more readable and comprehensible.

Abolishing the memorandum of association

The memorandum of association has been abolished for all companies. For existing companies, the conditions in the memorandum are deemed to be contained in the articles of association, except for conditions relating to authorised share capital and par value, which are regarded as deleted for all purposes. For companies which apply to be incorporated under the New Ordinance, they need to submit their incorporation form and articles of association only.

Abolishing par value

In line with international trends, the opportunity has been taken to migrate to a mandatory no-par regime for all companies. As a result, relevant concepts such as "authorised share capital", "share premium" and "nominal value" no longer exist. Retiring the concept of par value simplifies accounting entries and gives companies greater flexibility in structuring their share capital.

The new law will deem all shares issued before the abolition to have no par value. There is no conversion process required for existing companies.

Streamlining the types of companies

The types of companies that can be formed under the New Ordinance are streamlined. In particular, companies limited by guarantee, whether private or non-private, are categorised as a separate type of companies.

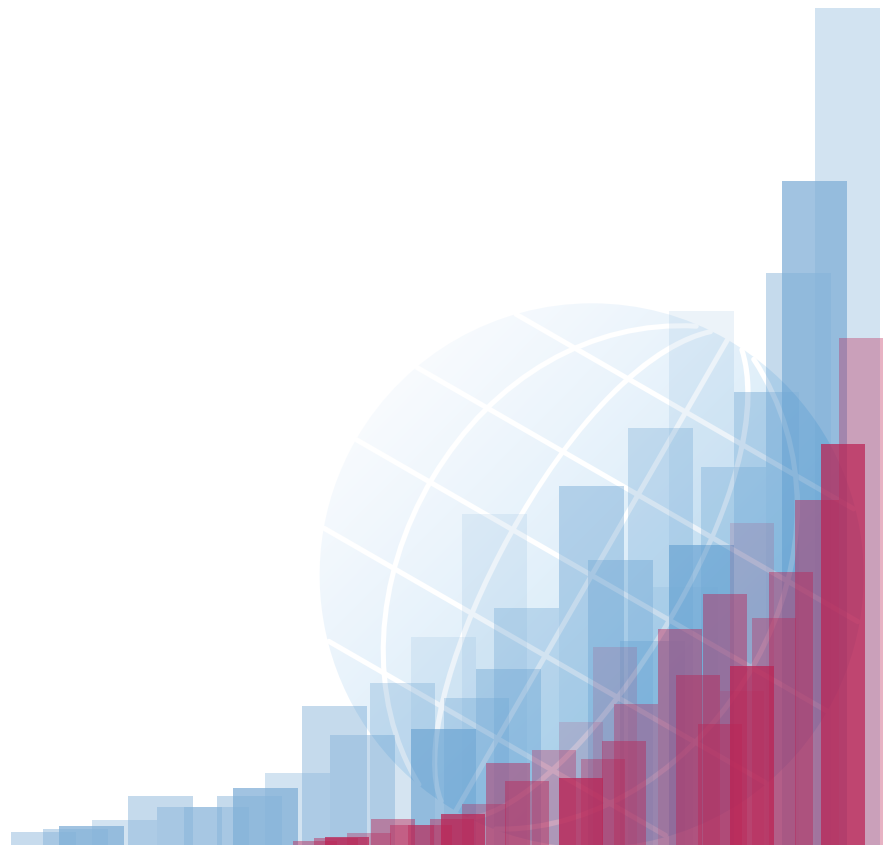
Clarifying the rules on indemnification of directors

To clarify the relevant law, the rules on indemnification of directors against third parties are provided for under the New Ordinance. With the exception of certain liabilities and costs (such as fines and penalties), a company is permitted to indemnify a director against liabilities to a third party if the specified conditions are met.

A New Era

The commencement of the New Ordinance in March 2014 marks the beginning of a new era in corporate regulation in Hong Kong. We believe that the changes brought about by the New Ordinance will benefit all companies in Hong Kong and reinforce Hong Kong's competitiveness as a place to do business.

Comprehensive information about the New Ordinance, which includes briefing materials, highlights of major changes and answers to Frequently Asked Questions, are available at the "New Companies Ordinance" section on the Companies Registry's website at www.cr.gov.hk.



Chapter 2

Processing Time

Chapter 2: Processing Time

The second chapter describes, in the same way as in previous years' reports, the time it takes to register a new entity (formation/incorporation) or a change in an existing entity. This applies whether it is an electronically submitted application or not, and covers the period from when the entity sends in its application until the registration is completed. It is worth mentioning that the time referred to here is the time it takes the registry to process the filing.

As with the report on last year's survey the analysis has been extended to not only focus on the processing time within the registry, but to also include activities outside of their area, that still have an impact on the total time for customers. The activities included are those that are needed to effect the registration, these are covered in the section of this report entitled "pre-registration activities".

The times given in response to the survey were stated in hours and not in days. Hours are used to measure processing time because it is thought that this allows for the most accurate and useful comparisons.

This year's report explores more about each registry's measurement, what is included and how this is affected by the use of on-line services. The processing time has also been divided in different ways and formats in order to obtain a better understanding about what kind of activities have an impact on the processing time.

Processing Times for Incorporation and Changes

In this report "processing time" refers to the time that it takes for a registry to process a document once they receive it. The lifecycle of a business will include many contacts with a range of different authorities, however the wider process/lifecycle is not addressed in this report.

Figure 26 shows the processing time for both formation (incorporation) and changes. The time is given in hours and is an average, which includes various formats such as paper, images, internet and data. More information is given about the different formats later in this chapter.

The average processing time is 17 hours for a formation and 20 hours for a change. As seen there is a rather strong correlation (.57) between the time to process a formation and to process changes, except for a few outliers. This could indicate that the organisations apply the same, or at least similar, procedures for these two filing types. The reasons for this may, of course, vary but one reason could be that the regulations upon which these filings are based do not differ too much regarding formations and changes. It may also indicate that the routines within an organisation are uniform and do not vary too much. In Figure 26 there are some organisations which show a difference in time to process a formation compared to changes. For example Spain, where the time to process a formation is 30 hours but it takes 120 hours to process changes. In Ireland the situation is the opposite, formation takes 40 hours and changes only take 8 hours. The reason could be that there is a different in focus on the two filing types and possibly differences in the routines, the existence of e-services, and need for information to complete an application.

For more information about organisations and time to process, see appendix iii.

Time to Process Incorporations vs. Time to Process Changes

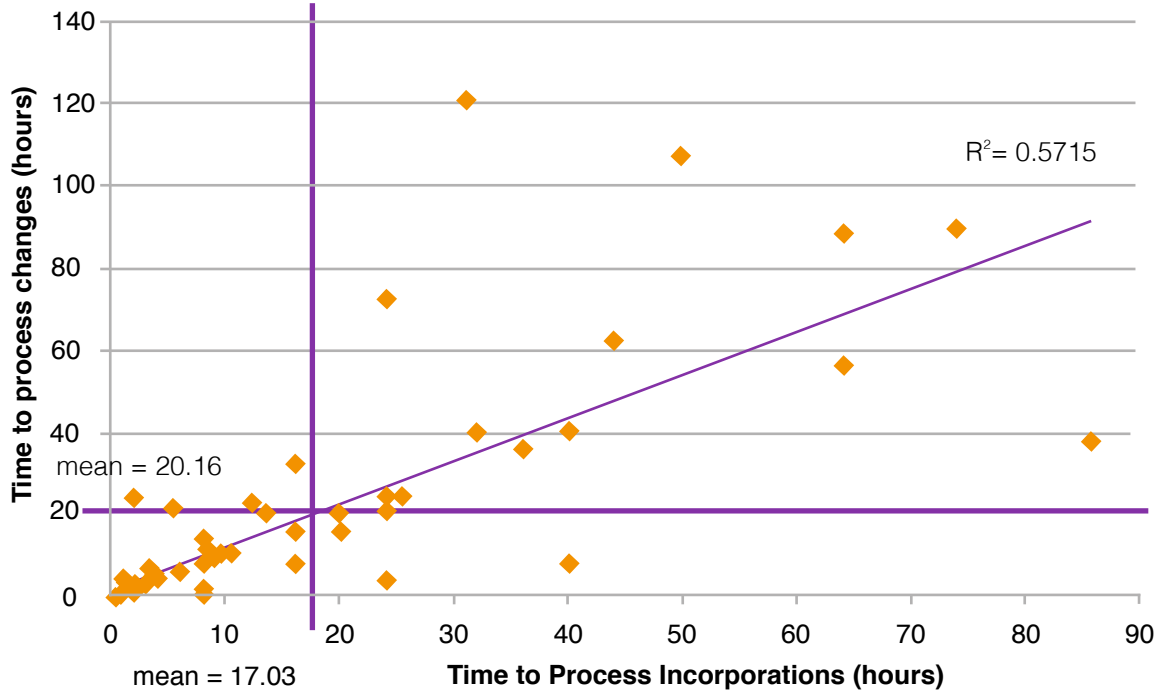


Figure 26

As can be seen in Figure 26, the processing times differ between different organisations/jurisdictions. The reason for this is a fundamental question which is not easy to answer and is probably due to a combination of factors. Figure 27 highlights the organisations/jurisdictions with the shortest processing time for both formations and for changes. Out of the 73 respondents in this year's survey, 55% of them can be found in the 1st quadrant. The correlation is even stronger (.81) in this quadrant if you compare with the previous figure. The time for formation and changes does not differ significantly. This may indicate that these organisations/jurisdictions have an even more uniform process when handling formation and changes. 73% of the organisations seen in this graph process an application for formation within 8 hours and 70% of them process changes within same number of hours. For more detailed information about the time taken per organisation see Table 17.



1st Quadrant - The Shortest Processing Time

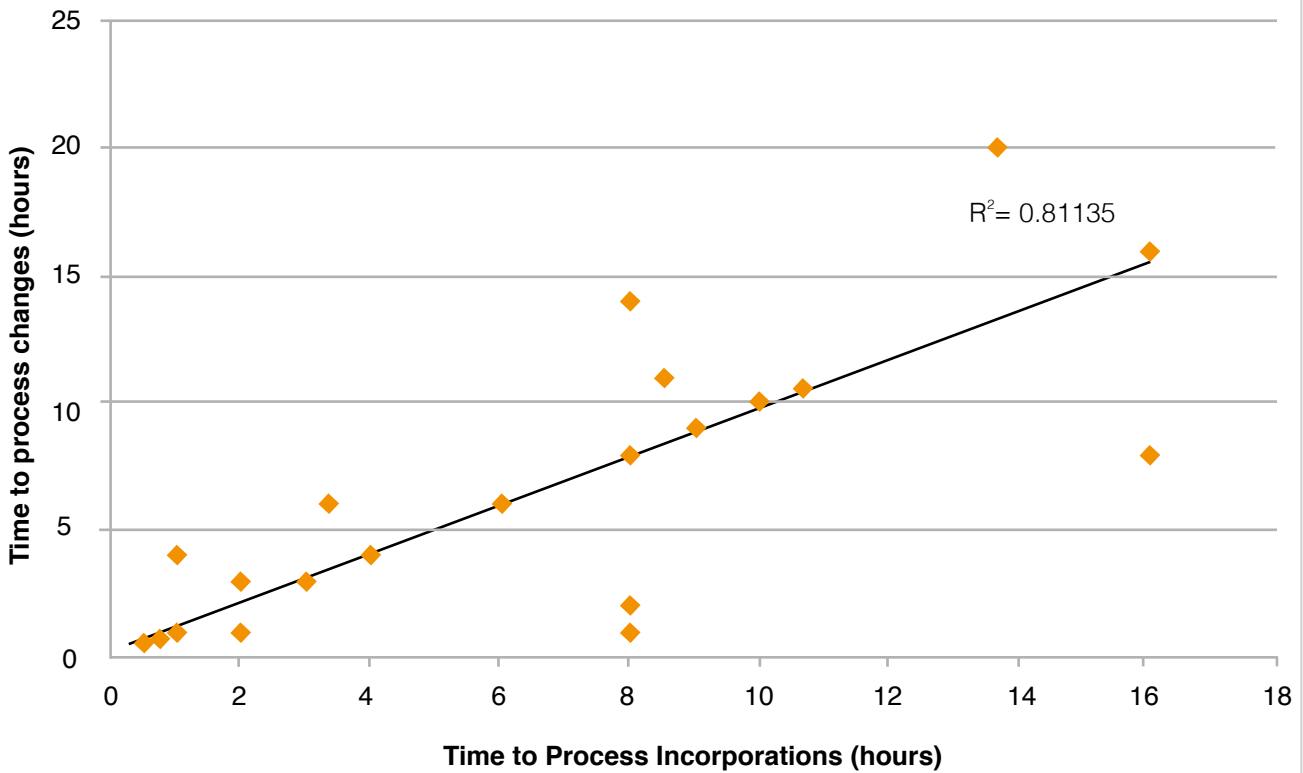


Figure 27

What Has an Impact?

To be able to analyse the reasons for differences in processing time there is a need to identify and look at information that may have an impact on the time. In this chapter we have looked at information about different ways of handling the applications/ documents within business registries, e.g. different ways to submit documents, the kind of controls that are carried out, if it is done automatically or not, etc. In the last report the pre-registration activities were explored and in this year's report, in order to explore the question more, the processing-time is compared and combined with different information from the survey.

Different Format

Figure 28 shows the result if the average processing time is divided per format: paper, images, internet and data. All four formats exist in all regions (except for images which do not exist in the Asia-Pacific region). Paper is still the most common format and way for documents to be submitted. Except for in The Americas, when submitting an application on paper, the processing time is longer when compared to the other formats. There is no clear pattern shown in the respondents' answers but if you compare the average time for paper filings, for all regions, with the time for internet and data filings (taken together) the difference is 8 hours, in favour of internet and data, and when just comparing paper and internet based filings the difference is almost 10 hours.

Average Processing Time by Region and Format of Submission (hours), Incorporation

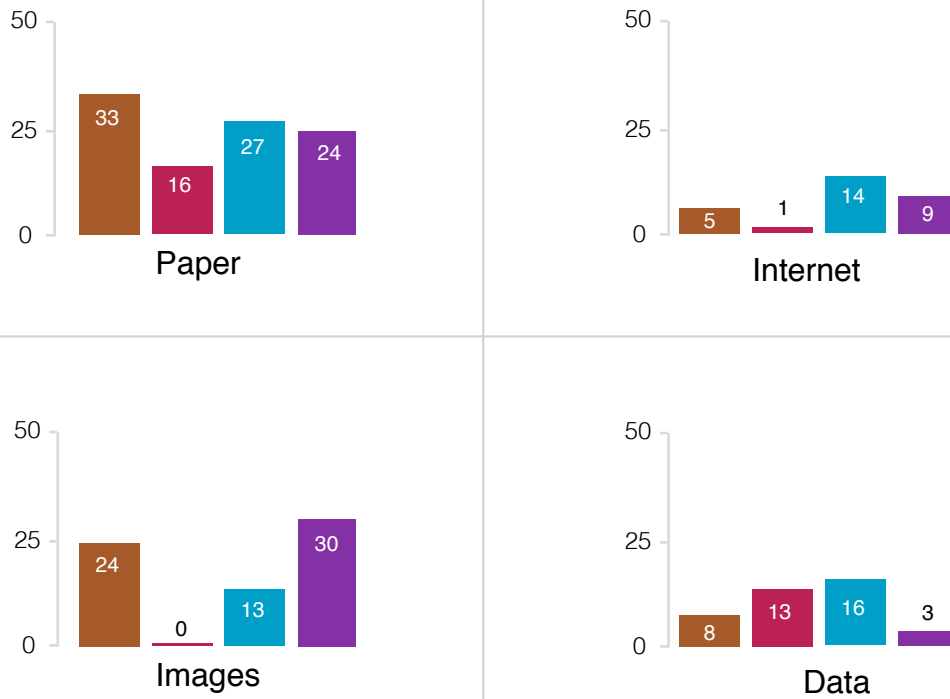


Figure 28

Table 17 on the next page gives us more detailed information about the organisations/jurisdictions that can be seen in the 1st Quadrant and shows the organisations that take the shortest time, in general, to process a formation or change. The time is given in hours.

Shortest Time to Process a Formation or Change, in Hours

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

Country	Region	Incorporations					Changes				
		Paper	Images	Internet	Data	Average	Paper	Images	Internet	Data	Average
Mauritius	Africa & ME	1		1		1	1	1		1	
Dubai, UAE	Africa & ME	1				1	1			1	
Lesotho	Africa & ME	8				8	1			1	
Qatar	Africa & ME	8				8	2			2	
New Zealand	Asia-Pac			1		1			1	1	
Singapore	Asia-Pac			1		1			1	1	
Azerbaijan	Asia-Pac	1		1		1	1			1	
Malaysia	Asia-Pac			1		1	1			1	
Georgia	Asia-Pac			2		2			3	3	
Australia	Asia-Pac	8		1	1	3	16		1	1	6
Denmark	Europe	1	1	1		1	1	1	1	1	
Belgium	Europe	1			1	1	1		1	1	
Kosovo	Europe	1				1	1			1	
Guernsey	Europe			1		1			4	4	
Jersey	Europe	2	2			2	1			1	
Macedonia (FYR)	Europe	4		2		3	4		2	3	
Netherlands, the	Europe	5		3		4	5		3	4	
Ukraine	Europe	8		8		8	8		8	8	
Luxembourg	Europe	8		4		6	8		4	6	
Gibraltar	Europe	8				8	8		8	8	
Liechtenstein	Europe	8	8			8	8	8		8	
Montenegro	Europe	8				8	20		8	14	
Estonia	Europe			2	15	9			5	17	11
United Kingdom	Europe	16		8	8	11	16		8	8	11
Serbia	Europe	16				16	8			8	
Lithuania	Europe	24		8		16	24		8	16	
Austria	Europe	16	16	16		16	16	16	16	16	
Italy	Europe			16	16	16			16	16	16
Germany	Europe				16	16				16	16
Newfoundland and Labrador	The Americas	1		1		1	1		1	1	
Louisiana	The Americas	1	1	1		1	1	1	1	1	

Table 17

Continued

Shortest Time to Process a Formation or Change, in Hours (Continued)

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

Country	Region	Incorporations					Changes				
		Paper	Images	Internet	Data	Average	Paper	Images	Internet	Data	Average
Washington DC	The Americas	1		1		1		1		1	
Indiana	The Americas	1				1		1		1	
Colombia	The Americas	8		8		8		8		8	
British Virgin Islands	The Americas				8	8			8	8	
North Carolina	The Americas	10		8		9	10		8	9	
Ohio	The Americas	16	16	8		13	16	16	8	13	
Oregon	The Americas	16	24	1		14	16	24		20	
Brazil - Alagoas Maceió	The Americas	16				16	16			16	

Table 17

Intermediaries

The use of an intermediary to handle the application for a formation or change differs. Is there any impact on the processing time when using an intermediary? In last year's report we could see that the use of a notary public is more common in Europe and Africa & Middle East than in The Americas and the Asia-Pac region. This year we have explored whether there is any correlation between the processing time and the use of an intermediary. In order to see if there could be any impact we combined the use of intermediary with the time to process a formation of any type of limited company or US LLC. In Table 18 the result is shown, in hours, for each region and, as can be seen, there is no clear pattern. In order to see if there is a correlation we compared the processing time for the organisations in the 1st Quadrant with the use of an intermediary. The result was that the use of an intermediary has a slight impact on the time to process a formation, implying that it takes longer when using an intermediary compared with not doing so.

The use of Intermediary, by Region and Processing Time for Incorporation, in Hours

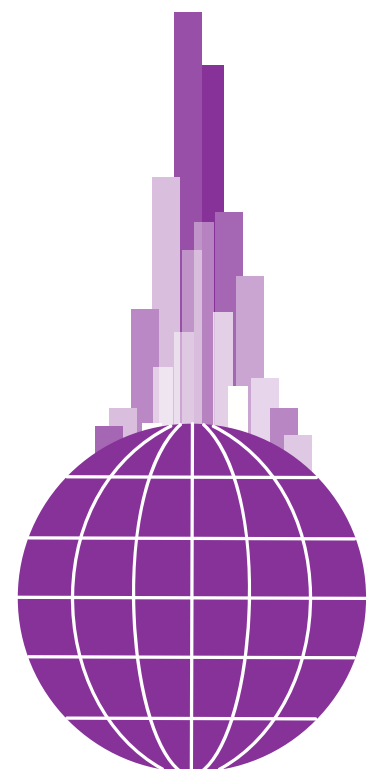
Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

Region	Process	Processing Time Incorporations (hours)
Africa & ME	Directly to the registry	16
	Through a notary or intermediary	8
Asia-Pac	Directly to the registry	9
	Through a notary or intermediary	13
Europe	Directly to the registry	19
	Through a notary or intermediary	20
The Americas	Directly to the registry	18
	Through a notary or intermediary	15

Table 18

Measurements in the Registry

The ways in which applications for formation and changes are processed within the registries differ between regions/jurisdictions. There is variation in the amount of information needed, what kind of controls are carried out, if the documents are submitted electronically and whether or not the process for handling applications is automated within the registries. In this sub chapter we have explored if the information gathered in the survey on this area shows any impact on the processing time.



Events Included

In line with last year's survey we asked about what stages are included in the processing time for a formation. The different options were:

- Requests for additional information from the customer by the registry
- Pre-registration activities
- Queuing (waiting period before processing begins)
- Application processing procedures (handling)
- Company name assessment
- Issuing the incorporation certificate (printing and distributing of the certificate)
- Conflict resolution time within the registry

Figure 29 shows the result if we combine the number of stages included in the process with the processing time for formation/incorporation. As can be seen, there appears to be no correlation between the number of stages and the processing time. The organisations with the shortest processing time are represented both in the category for only one stage and also in the category for seven stages. To combine the different stages one by one with the processing time does not provide any different answers.

Correlation Between Number of Events Included in the Incorporation Process and Processing Time

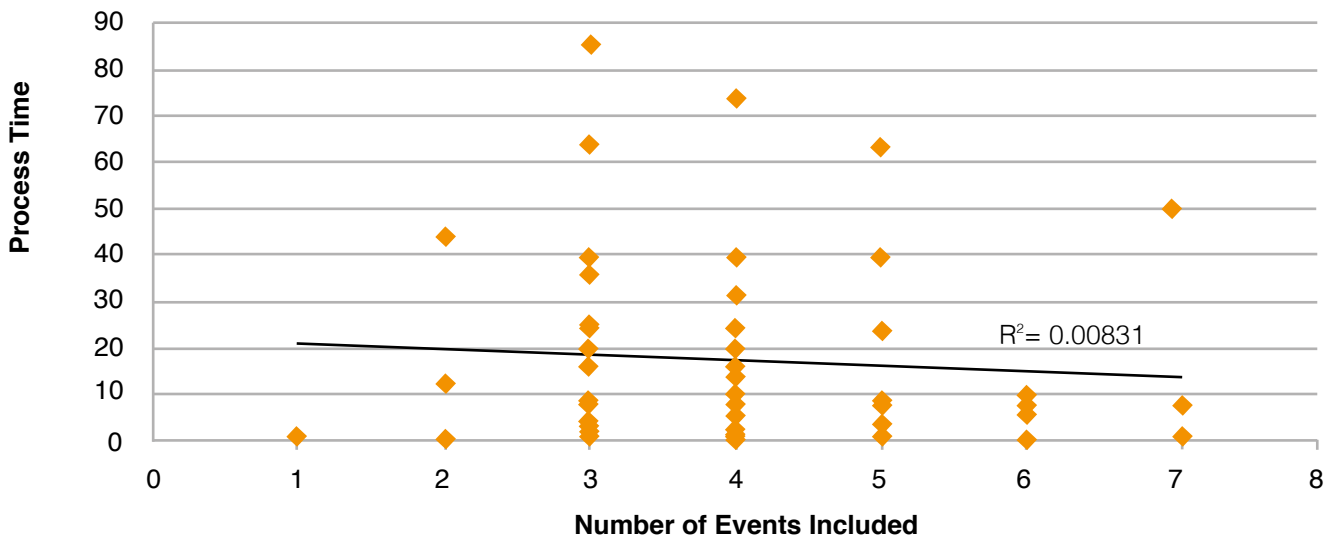


Figure 29

In Figures 30 and 31 we have listed two of the alternative stages/events, per region. As can be seen, there are relatively substantial differences in what is included in the processing time between different regions. This means that we need to explore more about the definition of processing time.

Percentage of Jurisdictions Who Include Requests for Additional Information in their Processing Time, by Region

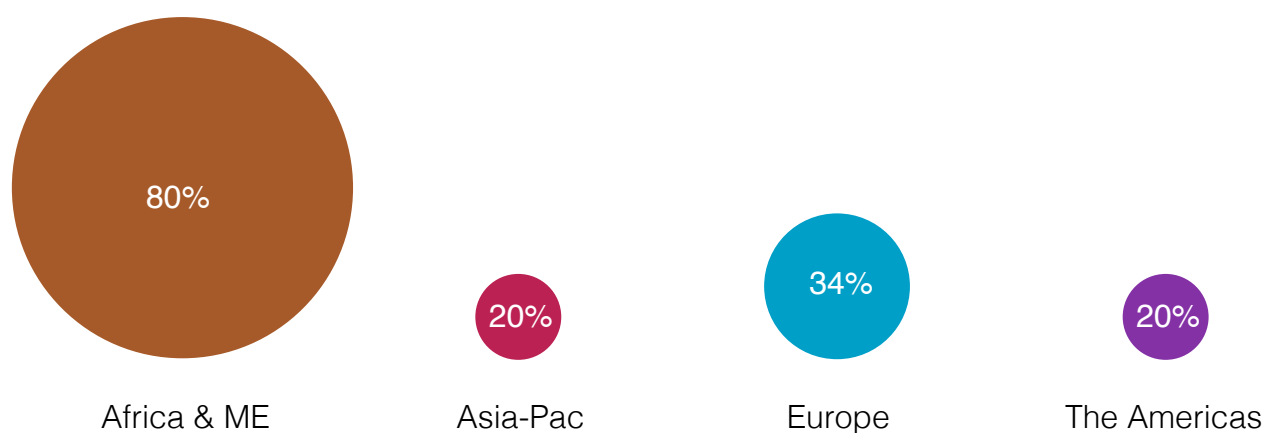


Figure 30

Percentage of Jurisdictions Who Include Queuing in their Processing Time, by Region

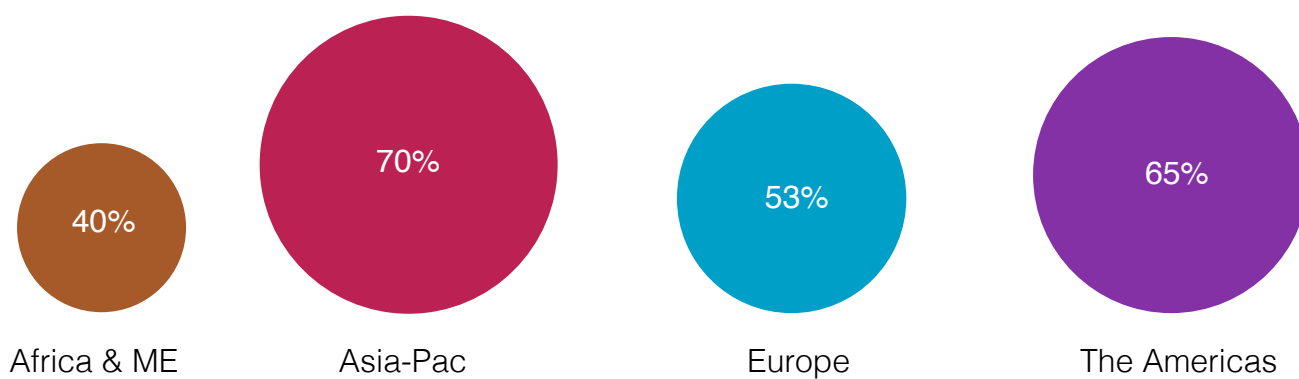


Figure 31

e-Services

Last year's report did not show any correlation when comparing the time taken to process applications with the provision of e-services (electronically submitted documents). In this year's report, this area has been analysed again and considered from a variety of angles.

Stages to Submit a Document Online

When comparing the number of stages in the process for formation that are available on-line with the processing time, we discovered that the correlation is very weak. The organisations that have the longest processing time for formation are represented among those who have the most stages to submit a document on-line as well as those with the least number of such stages, and vice versa. That means that the stages listed in this year's survey are not the stages that by themselves have an impact on the processing time for formation.

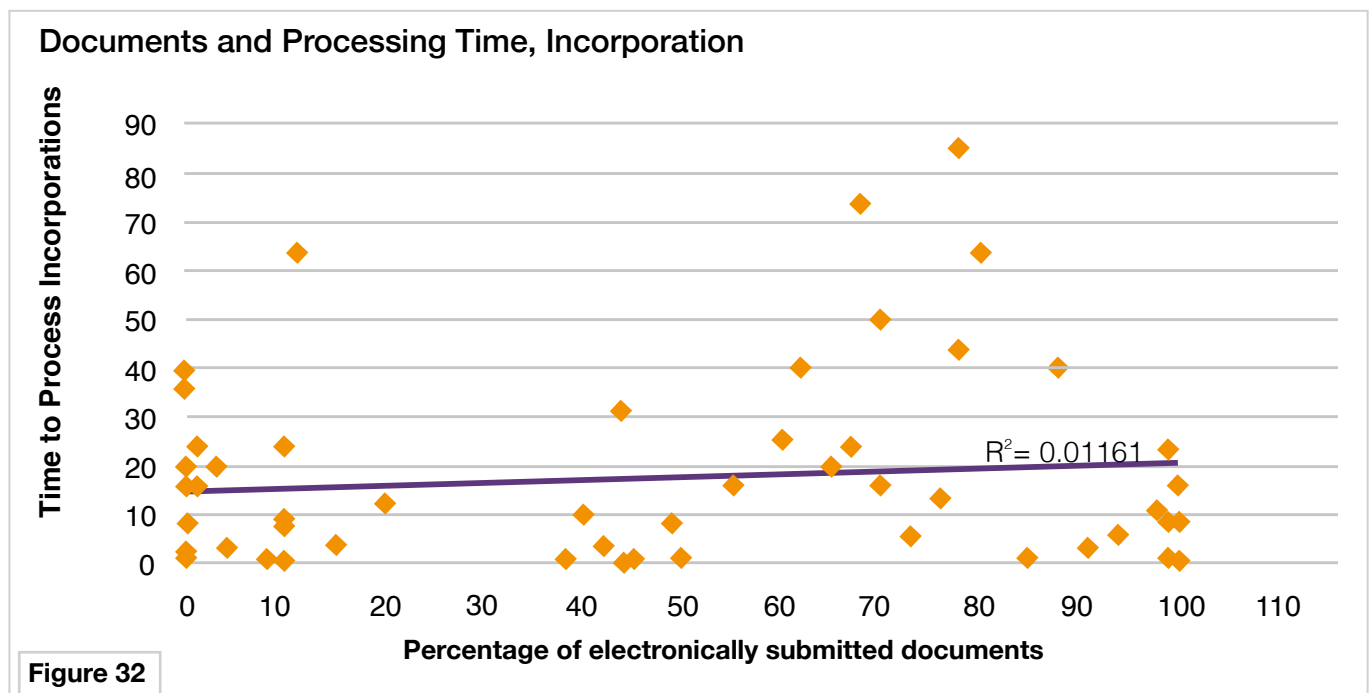
The different options of stages in the survey:

- Filing out information
- Signature
- Payment
- Issuance of incorporation/registration certificate
- None available

For more information about the different stages also see the chapter about e-services.

Electronically Submitted Documents

In last report we analysed if there was a correlation between the percentage of electronically submitted documents and the time taken to process a formation. Surprisingly there was no correlation shown and, as can be seen in Figure 32, there is also no correlation in the data for this year.



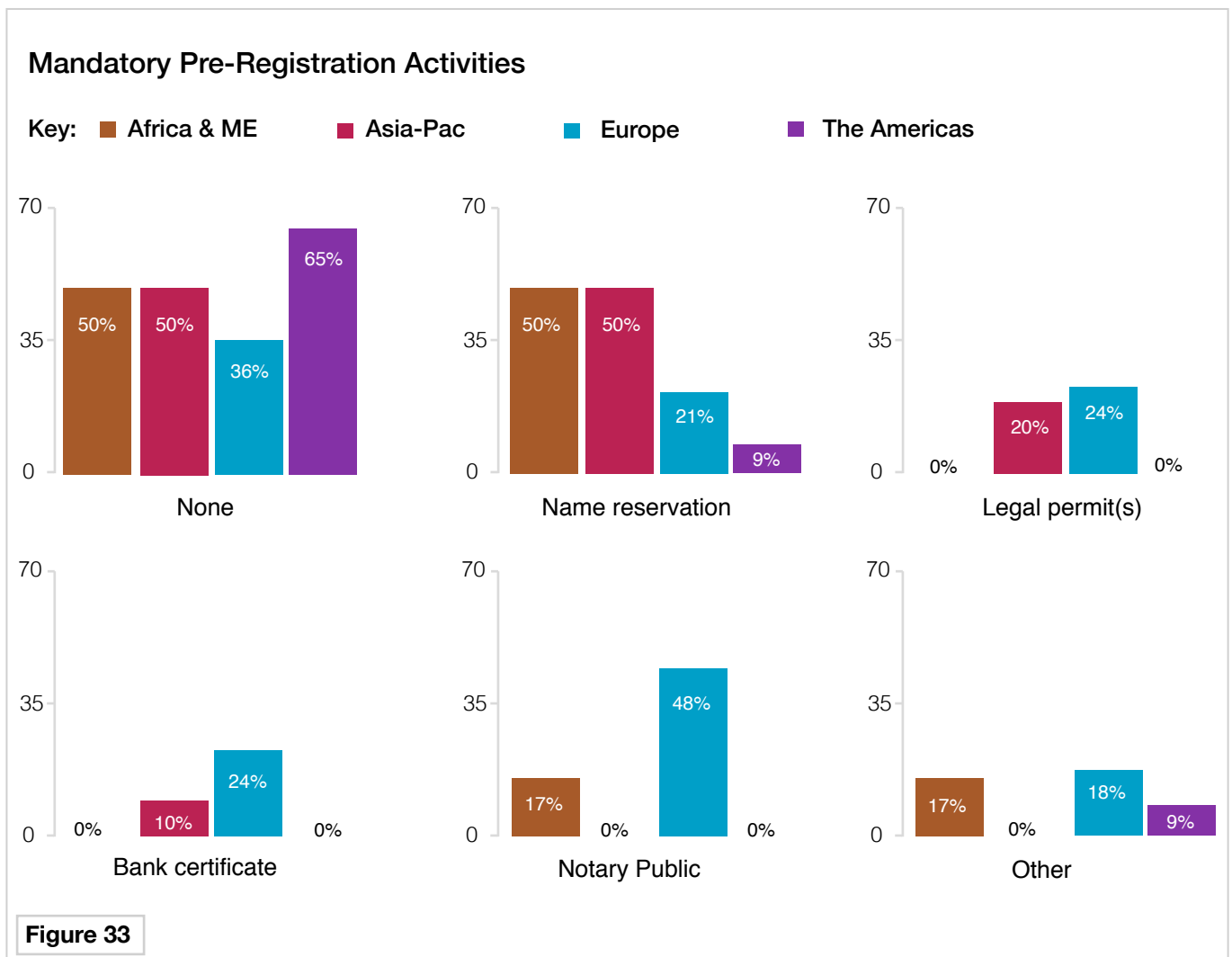
Pre-registration Activities

The time, from the customer’s point of view, to register a formation and/or a change includes more than just the processing time within the registration authority. The whole process for the customer usually includes different elements which affect the total time. The inclusion of these activities is an attempt to define the entire process. The list of activities that could be mentioned as pre-registration in this report does not claim to be exhaustive but is intended to provide an indication.

In last year’s report the time for registration was extended by combining the processing time with activities outside the registry’s area. The analysis showed that pre-registration activity had an impact on the maximum number of hours taken for both formation and for changes. This year’s report does not further explore pre-registration activities other than showing the requirements for different activities in each region.

It can be seen in Figure 33 that requirements for different kinds of pre-registration activities are quite common. Name reservation seems to be an activity that exists in all four regions. The use of a notary public is, in line with last year’s report, mostly common in Europe and the Africa-Middle East region. Europe is the only region where each of the different kinds of pre-registration activities that are included in this report can be found. One can see that there are still other kinds of activities that have yet to be identified since the category “Other” is still chosen in a significant number of cases.

In line with last year’s report, as can be seen in Figure 34, it is still overall more common for there to be no pre-registration activity. Additionally, the survey responses show that further exploration is required to classify the types of activity that are currently recorded as “Other”.



Percentage of Jurisdictions by Mandatory Pre-Registration Activities

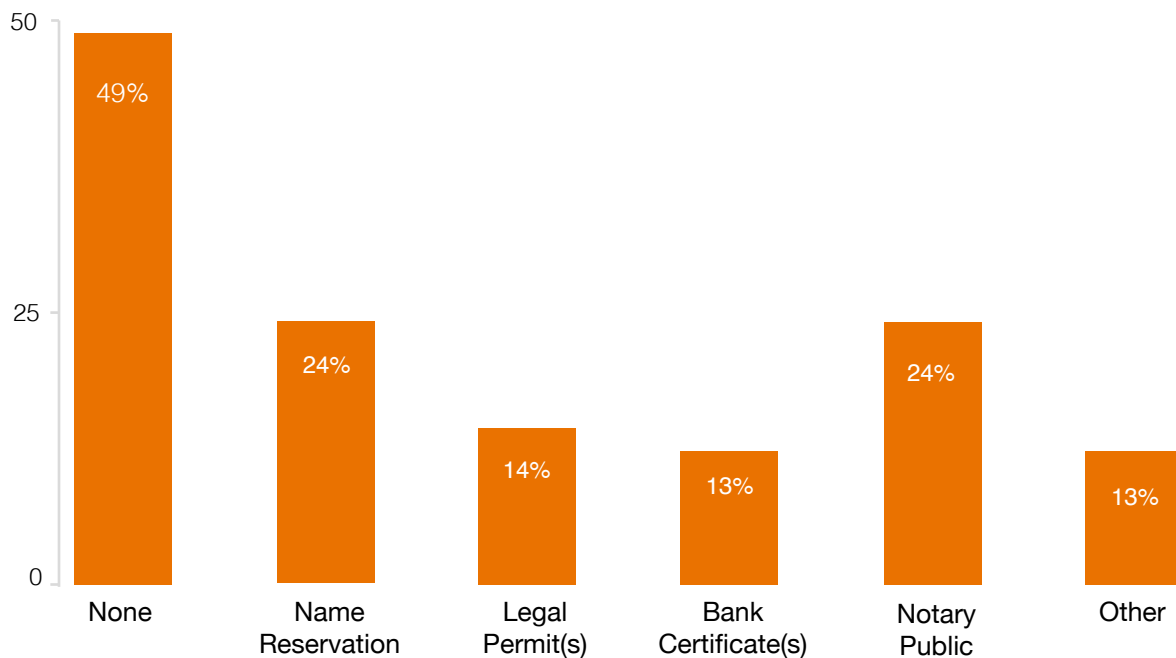


Figure 34

More Information Needed to Explain Differences

As with last year's report, the results from the responses about electronically submitted documents do not show any detectable direct effect on the processing time, either for incorporation or for changes. Similarly, when we explore different formats of submission, stages included in the processing time, and the availability of on-line filing services no significant impact can be found. The next survey could develop this area even more and analyse this further. In order to do so, the questions in the survey must be supplemented or modified.

Taken as a whole, this shows that in order to discover more about what is causing the differences in processing times we require more information regarding the different ways of treating business cases, and the scope of examination, in each registry. The work that is being carried out by the Definitions Working Group is an important component in taking this forward.

“ Electronically submitted documents do not show any detectable direct effect on the processing time. ”

Chapter 3

Use of e-Services by Business Registers

Chapter 3: Use of e-Services by Business Registers

Business registers' use of e-services has been and remains an important topic for discussion. E-services are a key enabler to help drive costs down, speed up processes and to provide joined up services with other organisations. They can also be used to help combat fraud.

This chapter will explore the following areas:

- Ways in which applications for entity formation are accepted
 - Whether it is possible to complete the entire formation process electronically
 - Use of e-services
 - Where the use of e-services is mandatory
 - The use of identity verification and electronic signatures
- How much information business registers make available to the public
 - Examples of developments in the provision of e-services
 - Where annual accounts and annual returns are received and whether they are made available to the public

Electronic Entity Formation

Accepted Forms of Company Registration for Private Limited Companies

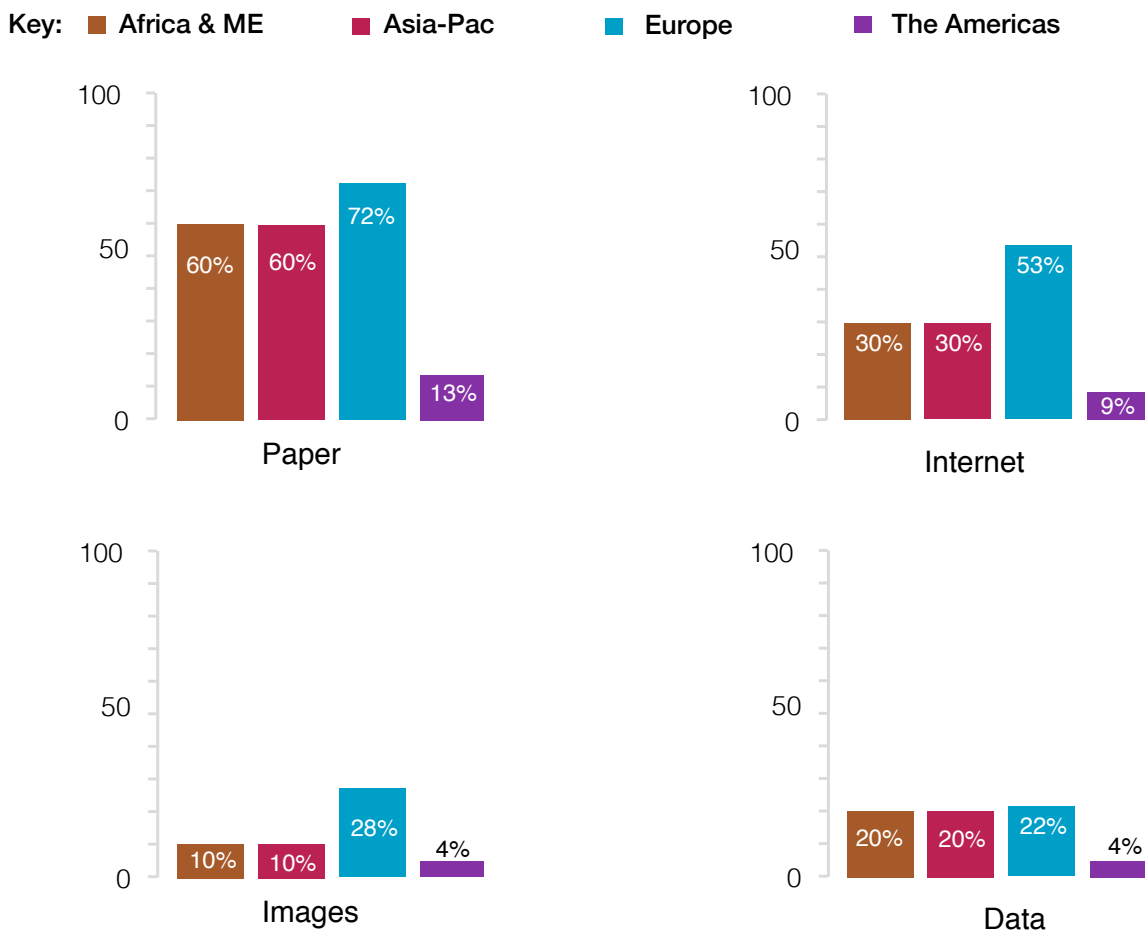


Figure 35

The first thing to note about the results in the graph on the previous page (figure 35) is that although they indicate ways in which applications for entity formation are accepted by business registers, they do not indicate the take up of these different methods. A comparison between availability and take up will be undertaken separately. The results displayed in Figure 35 are interesting because even though paper is still the most widely available method of accepting applications, electronic methods are becoming more prevalent, if we compare the results from this year's survey with previous results. In particular, the acceptance of images is decreasing and the acceptance of documents via internet and data is increasing. Perhaps this is a result of the introduction and enhancement of electronic services that are reported to us year on year. Some examples of this are listed later in this chapter.

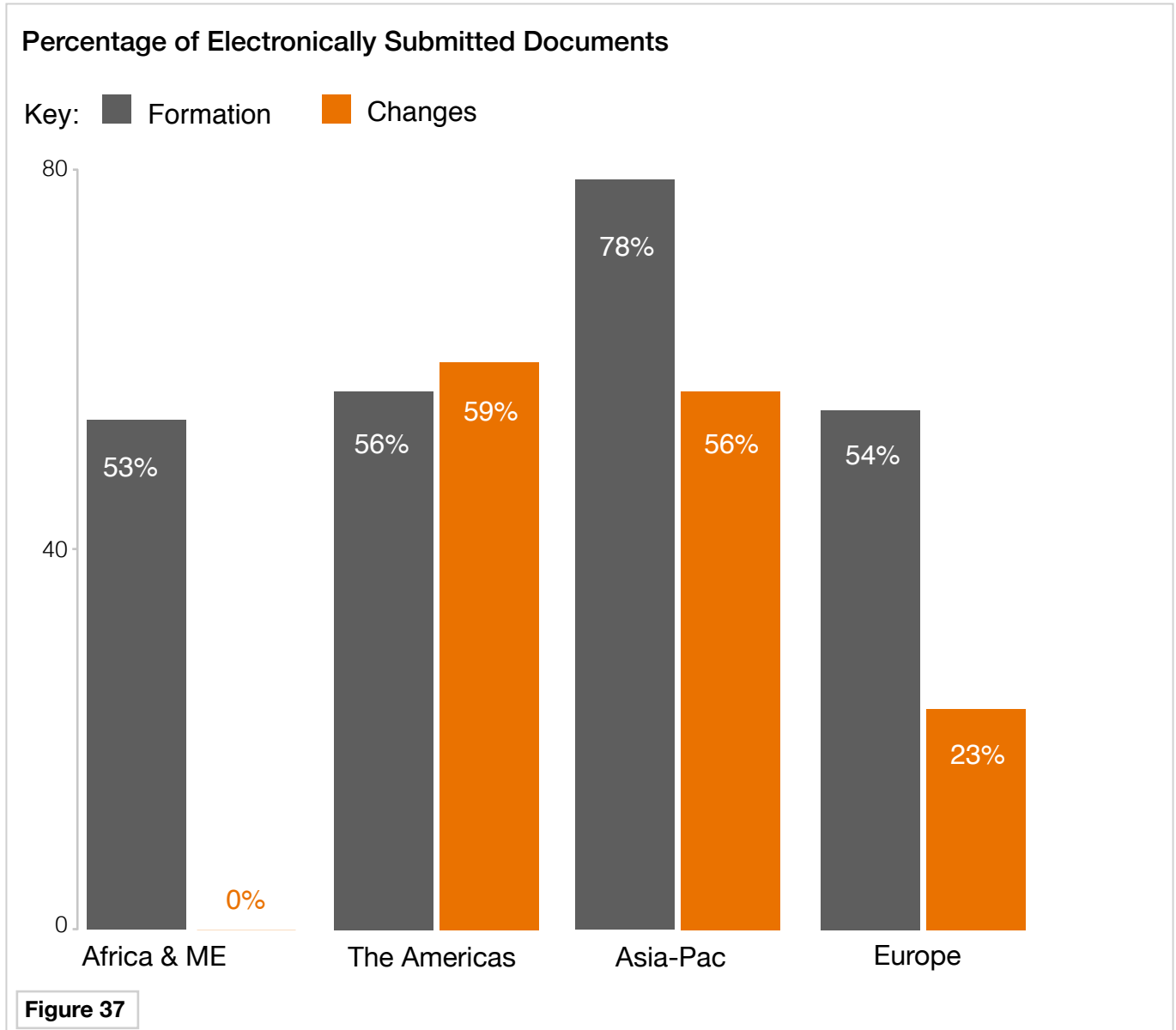
Whereas Figure 35 analyses the ways in which applications for entity formation can be accepted, figure 36 (below) attempts to explore the formation process in more detail, in order to ascertain whether the entire process can be carried out electronically, as opposed to just part of it. In order for the entity formation process to be considered entirely electronic, jurisdictions must have answered that the completion of information, signature, payment and the issuance of an incorporation certificate can all be done electronically. Electronic formation is generally considered as a key factor in the ease of starting a business because it indicates that the process is more streamlined and, in many cases, it is cheaper to administer because less manual intervention is required. Furthermore, many registries combine the electronic formation process with information that has to be provided to other government agencies, such as tax and licensing, to create a one stop shop. For example, South Africa has automated a number of services and integrated the opening of bank accounts with company registration.

Entire Formation Process Available Electronically



Figure 36

Usage of e-Services



The question that the above graph is based on was altered in this year's survey, in an attempt to explore the take up of different types of electronic services. Instead of simply asking for the percentage of electronically submitted documents, we asked for the percentage of documents submitted as paper, image, web based form and data. The alteration of the question, combined with a change in respondents from last year, appears to have skewed the results. In previous years there has been a consistent trend that the percentage of electronically submitted changes has been higher than the percentage electronically submitted formations. Fewer jurisdictions answered with regard to changes than formation, this may be because they don't have the data to be able to separate different types of electronic submission.

Because we have more information in respect of formation, we have displayed these results in the table on the next page. It is sorted by region, starting with the lowest percentage of paper submissions. Further to the point made in relation to Figure 37, we must be careful in concluding that jurisdictions answering 100% for paper do not receive any electronic submissions, it may instead be that they cannot make the separation for different types of electronic submission, so they simply did not answer. For those jurisdictions that did answer in relation to electronic submission, it is clear that the internet (web based form) is the most widely used method. There are a handful of jurisdictions where data (e.g. xml) is the most widely used method, these are Pakistan, UK, Sweden, Germany, Montana and Canada.

Percentage of Applications for Formation Submitted Electronically

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

Country	Region	Paper	Images	Internet	Data
South Africa	Africa & ME	30	58	10	2
Dubai, U.A.E	Africa & ME	90		10	
Lesotho	Africa & ME	100			
Mauritius	Africa & ME	100			
Uganda	Africa & ME	100			
Australia	Asia-Pac	9		91	
Pakistan	Asia-Pac	33			67
Azerbaijan	Asia-Pac	55	0	45	0
Malaysia	Asia-Pac	62		38	
New Zealand	Asia-Pac			100	
Singapore	Asia-Pac			100	
Georgia	Asia-Pac			31	
Estonia	Europe	1	0	89	10
Guernsey	Europe	1	1	98	
United Kingdom	Europe	2		29	69
Luxembourg	Europe	6		94	
Ireland	Europe	12		88	
Croatia	Europe	20		80	
Norway	Europe	22	0	78	0
Sweden	Europe	28			68
Austria	Europe	30	70		
Lithuania	Europe	45		55	
Spain	Europe	56		44	
Netherlands, the	Europe	58	0	42	
Ukraine	Europe	85	0	15	0
Finland	Europe	89	0	11	0
Montenegro	Europe	90	5	5	
Belgium	Europe	92			8

Table 19

Percentage of Applications for Formation Submitted Electronically (continued)

Key: ■ Africa & ME

■ Asia-Pac

■ Europe

■ The Americas

Country	Region	Paper	Images	Internet	Data
Macedonia (FYR)	Europe	96		4	
Latvia	Europe	97	3		
Romania	Europe	99		1	
Switzerland	Europe	99	0	1	0
Gibraltar	Europe	100	0	0	0
Isle of Man	Europe	100			
Jersey	Europe	100			
Kosovo	Europe	100			
Liechtenstein	Europe	100	0	0	0
Moldova	Europe	100		0	
Serbia	Europe	100	0	0	0
Germany	Europe				100
Canada	The Americas	1	1	93	5
Indianapolis	The Americas	15	0	85	0
Montana	The Americas	20		20	60
Oregon	The Americas	24	12	64	0
Nevada	The Americas	27		73	
Hawaii	The Americas	38		62	
Utah	The Americas	40	10	50	
Washington DC	The Americas	50		50	
Colombia	The Americas	51	49		
Newfoundland and Labrador	The Americas	56		44	
Michigan	The Americas	58	42	0	0
Ohio	The Americas	60	20	20	0
Canada	The Americas	80		2	18
North Carolina	The Americas	90	0	10	0
Brazil - Alagoas Maceió	The Americas	100			
Manitoba	The Americas	100			

Table 19

As mentioned above, we have explored whether the capability to complete the formation process electronically translates to a higher percentage of electronically submitted applications for formation. Not surprisingly, we found a positive correlation here,

at 15%. This means as the number of stages in the formation process that are available electronically increases, so does the percentage of electronically submitted applications for formation.

Average Percentage of e-Submission

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

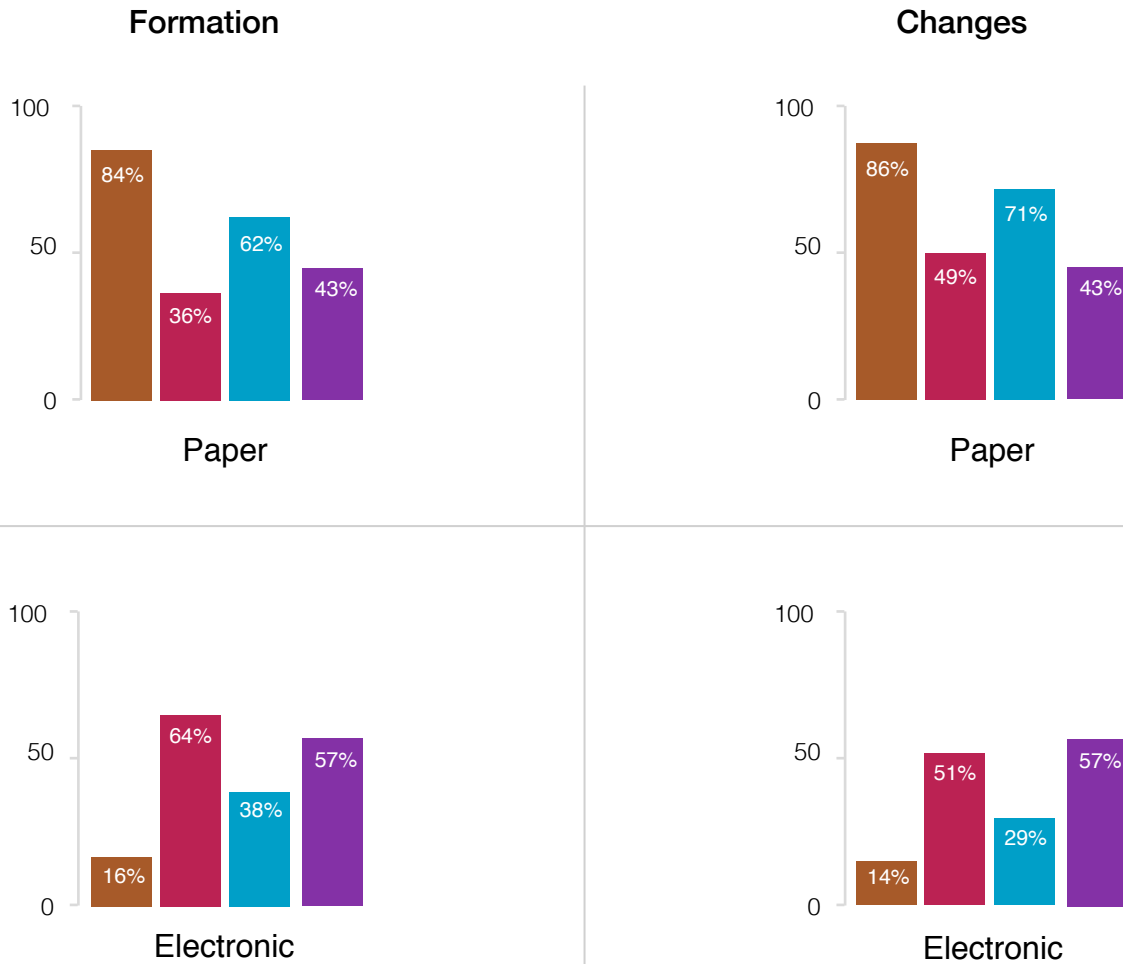


Figure 38

As previously mentioned, this year's survey attempted to explore the take up of different types of electronic services by asking for the percentage of documents submitted as paper, image, web based form and data. The above graph shows image, web based form and data under the single category of "electronic". Representing responses in this way is useful in terms of showing a consolidated picture, however no clear patterns emerge.

Mandatory e-Services

Registries where the use of e-services is mandatory are still very much in the minority. Of the 71 registries that responded to this question, only 7 indicated that the use of e-services is mandatory. It should be noted that this does not necessarily apply to all entity types. None of the respondents from Africa & ME and The Americas indicated that the use of e-services is mandatory. The table below shows which registries have mandated e-services and which entity types this applies to. This can serve as a useful reference for jurisdictions planning to introduce mandatory e-services so they can contact those who have already done so. Providing the opportunity for knowledge sharing is a fundamental reason for writing this report.

Countries Where the use of e-Services is Mandatory

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

	Country	Region	Sole Trader	General Partnership	Private Limited	Public Limited	Limited	US LLC
■	Malaysia	Asia-Pac			✓	✓		
■	New Zealand	Asia-Pac		✓			✓	
■	Singapore	Asia-Pac	✓	✓	✓	✓	✓	
■	Estonia	Europe	✓	✓			✓	✓
■	Germany	Europe	✓	✓	✓	✓		
■	Italy	Europe	✓	✓	✓	✓	✓	
■	Slovenia	Europe				✓	✓	

Table 20

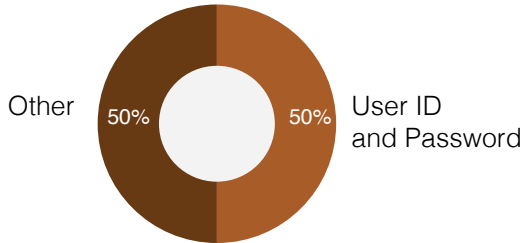
Use of Verification and Electronic Signatures

On 4 June 2012, the European Commission published new draft regulations on e-identities and e-signatures. The regulations are aimed at ensuring cross-border legal recognition of e-IDs, e-signatures and other electronic authentication services in Europe, as laid out in the Digital Agenda for Europe.

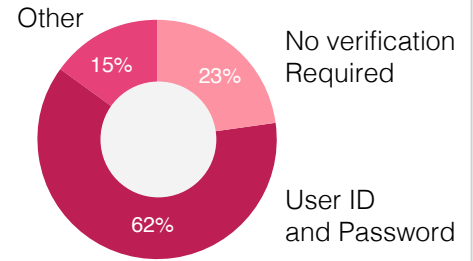
“ The Regulation is due to be formally endorsed by the European Parliament in the April plenary session and by the Council of Ministers in June. It will come into force on 1st July 2014 and will be directly applicable, across the EU, from that date. The economic effect will be immediate, overcoming problems of fragmented national legal regimes and cutting red tape and unnecessary costs.³ ”

³ http://europa.eu/rapid/press-release_MEMO-14-151_en.htm

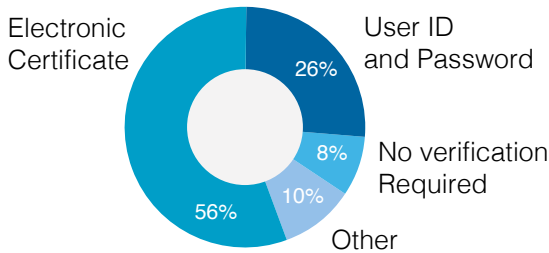
Method of Identity Verification



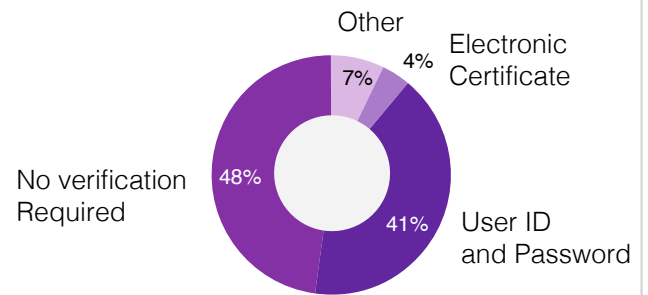
Africa and ME



Asia-Pac



Europe



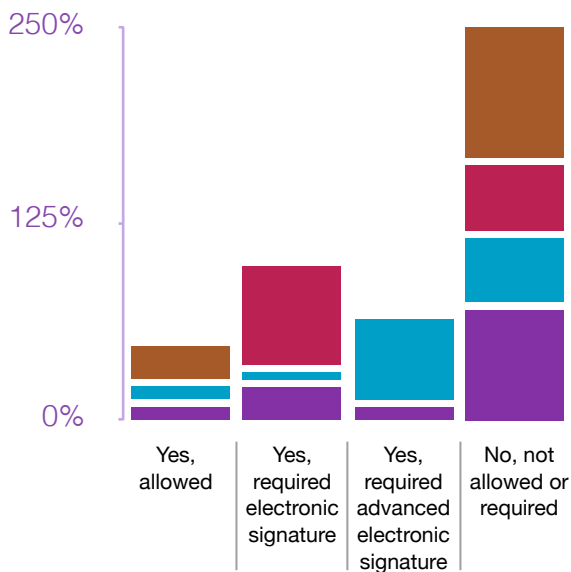
The Americas

Figure 39

As the above figure shows, only 8% of respondents from European jurisdictions indicated that no verification is required. Therefore, it would appear that the vast majority of jurisdictions are in a position to realise the intended benefits of the impending EU regulations on e-identities and e-signatures, at least from the perspective of e-ID. The use of e-signatures is not as widespread. However, when comparing the different regions, they are more widely used in Europe than in the others.

Obviously the regulations do not apply outside the EU. Despite this, the vast majority of respondents in Africa & ME and Asia-Pac indicated that some form of verification is required. Examples of 'other' types of verification are biometric in South Africa, unique personal identification number in Singapore, and registered e-mail in Italy.

Use of Electronic Signature, Sole Trader



Region	Yes, allowed	Yes, required electronic signature	Yes, required advanced electronic signature	No, not allowed or required
Africa & ME	20%	0%	0%	80%
Asia-Pac	0%	60%	0%	40%
Europe	7%	4%	50%	39%
The Americas	7%	20%	7%	67%

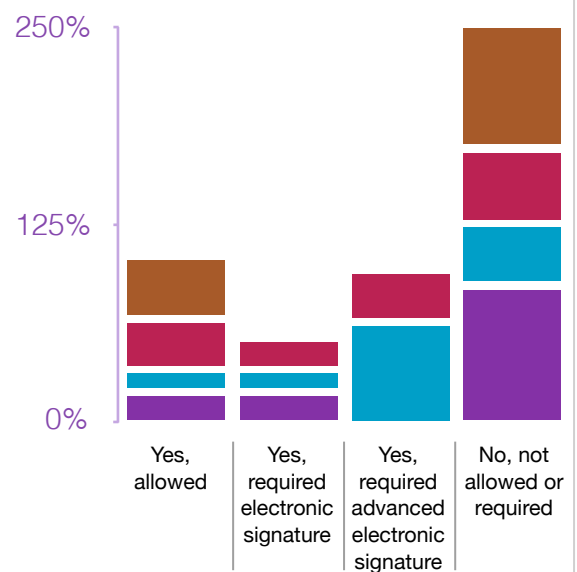
Figure 40

The reason for showing the use of e-signatures in respect of both sole traders and private limited companies is that they are usually treated rather differently by business registers, given that sole traders do not constitute an entity with legal personality. It may therefore be the case that the requirements in respect of e-signatures are less stringent. The results in the graphs show a slight tendency towards this, although this is not universal.

How Much Information do Business Registers Make Available?

Business registers capture vast amounts of information about registered entities. How this information is used is vitally important. The information held by business registers can be hugely valuable to the wider economy, and the more openly available the information is, the more valuable it becomes. It allows individuals and businesses to make informed decisions about who they wish to do business with, and allows organisations to gather vital business intelligence.

Use of Electronic Signature, Private Limited Company



Region	Yes, allowed	Yes, required electronic signature	Yes, required advanced electronic signature	No, not allowed or required
Africa & ME	33%	0%	0%	67%
Asia-Pac	25%	13%	25%	38%
Europe	8%	8%	54%	31%
The Americas	13%	13%	0%	75%

Figure 41

The tables that follow show, by region, what pieces of information business registers make available, along with whether that information is free to access or whether it is charged for.

In Africa & ME, an interesting point to note is that none of the respondents provide a service to download annual accounts. Furthermore, the majority of respondents do not make them available in any other format either and those that do charge for this information. This is interesting because knowledge about a company's financial affairs is possibly the most important information when deciding whether or not to do business with that company.

Generally, when information is made available, it is marginally more common to charge for it than to make it available for free.

How Information is Made Available by Business Registers

	Africa & ME		
	Free	Charged for	Not available
Company/entity search, entity profile	83%	0%	17%
Company/entity officer (director, auditor) search	17%	33%	50%
Downloading annual accounts	0%	0%	100%
List of company's/entity's business units/places	33%	17%	50%
Certificate of incorporation	0%	17%	83%
Publication of companies' memoranda and articles of association	0%	17%	83%
Existing company/entity names	67%	0%	33%
Company/entity history	0%	17%	83%
Insolvency related information	17%	33%	50%
Information on the company's/entity's registration process	83%	0%	17%
Company share capital	17%	33%	50%
Relating laws and regulations	83%	0%	17%
Certified copies	0%	33%	67%
Information on fees	100%	0%	0%
Notifications of events (late filing of annual accounts, newly submitted documents etc)	33%	0%	67%
Annual accounts in electronic format	0%	17%	83%
Ordering annual accounts in paper format	0%	17%	83%

	Asia -Pac		
	Free	Charged for	Not available
Company/entity search, entity profile	60%	20%	20%
Company/entity officer (director, auditor) search	10%	40%	50%
Downloading annual accounts	10%	30%	60%
List of company's/entity's business units/places	10%	20%	70%
Certificate of incorporation	20%	30%	50%
Publication of companies' memoranda and articles of association	30%	30%	40%
Existing company/entity names	90%	0%	10%
Company/entity history	11%	44%	44%
Insolvency related information	20%	20%	60%
Information on the company's/entity's registration process	70%	10%	20%
Company share capital	30%	30%	40%
Relating laws and regulations	89%	0%	11%
Certified copies	10%	30%	60%
Information on fees	78%	0%	22%
Notifications of events (late filing of annual accounts, newly submitted documents etc)	30%	10%	60%
Annual accounts in electronic format	10%	20%	70%
Ordering annual accounts in paper format	0%	20%	80%

Table 21

How Information is Made Available by Business Registers (continued)

	Europe		
	Free	Charged for	Not available
Company/entity search, entity profile	72%	25%	3%
Company/entity officer (director, auditor) search	20%	43%	37%
Downloading annual accounts	13%	57%	30%
List of company's/entity's business units/places	31%	28%	41%
Certificate of incorporation	6%	58%	35%
Publication of companies' memoranda and articles of association	10%	70%	20%
Existing company/entity names	78%	16%	6%
Company/entity history	23%	52%	26%
Insolvency related information	50%	33%	17%
Information on the company's/entity's registration process	48%	14%	38%
Company share capital	32%	52%	16%
Relating laws and regulations	74%	6%	19%
Certified copies	7%	62%	31%
Information on fees	81%	6%	13%
Notifications of events (late filing of annual accounts, newly submitted documents etc)	39%	19%	42%
Annual accounts in electronic format	10%	45%	45%
Ordering annual accounts in paper format	0%	52%	48%

	The Americas		
	Free	Charged for	Not available
Company/entity search, entity profile	78%	17%	4%
Company/entity officer (director, auditor) search	32%	23%	45%
Downloading annual accounts	9%	18%	73%
List of company's/entity's business units/places	19%	14%	67%
Certificate of incorporation	18%	50%	32%
Publication of companies' memoranda and articles of association	24%	43%	33%
Existing company/entity names	74%	17%	9%
Company/entity history	70%	22%	9%
Insolvency related information	5%	5%	89%
Information on the company's/entity's registration process	35%	0%	50%
Company share capital	26%	11%	63%
Relating laws and regulations	91%	0%	9%
Certified copies	19%	48%	33%
Information on fees	100%	0%	0%
Notifications of events (late filing of annual accounts, newly submitted documents etc)	48%	5%	48%
Annual accounts in electronic format	24%	19%	57%
Ordering annual accounts in paper format	5%	33%	62%

Table 21

Examples of Developments in the Provision of e-Services

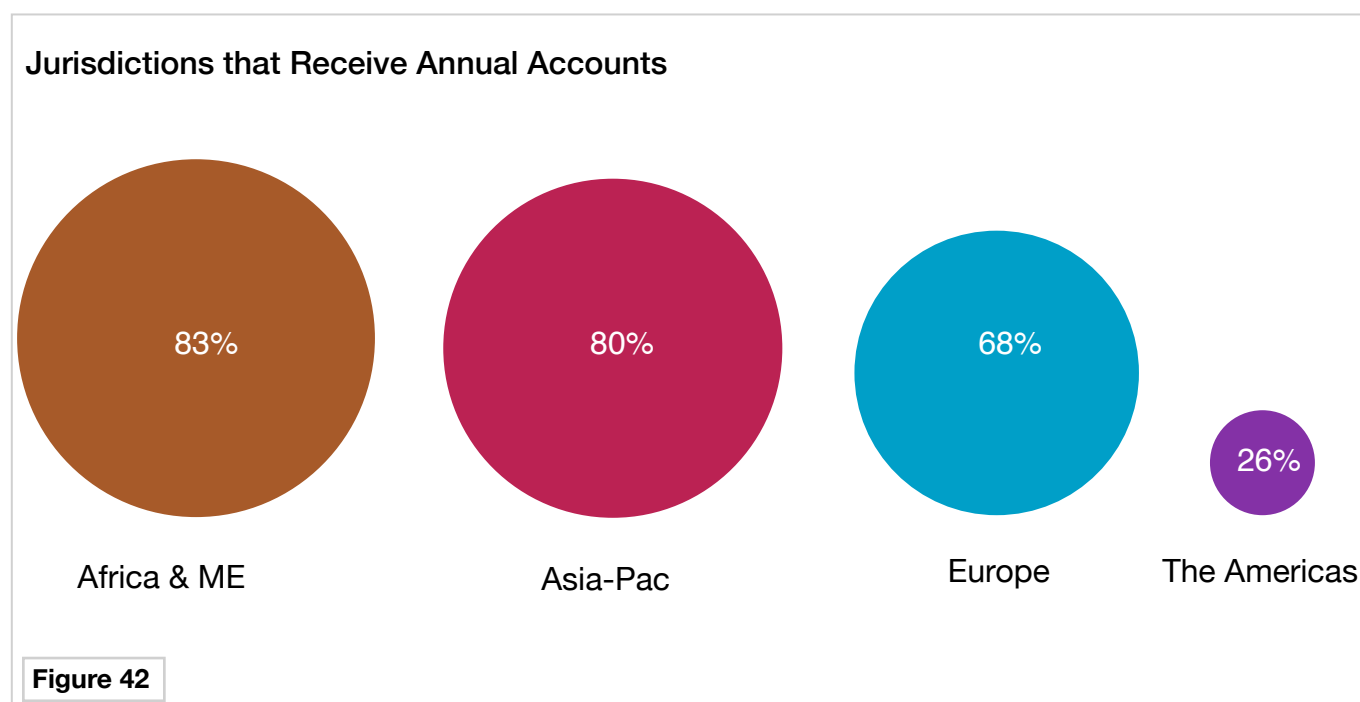
In the 2013 survey, we asked respondents to describe any major changes during the last year that have affected their registry and/or registration activities. Many of the changes described were in the area of e-services. This emphasises that the drive to improve the provision of e-services is still a high priority globally. Some of the changes are summarised below. To see the full details, please see Appendix ii.

- Australia introduced an online application and search service via their ASIC Connect online portal, to take account of a new register of Self Managed Super Fund Auditors
- Azerbaijan introduced a law which means that electronic registration of LLC's must be completed within one day
- Belgium updated their law to them to show more enterprise information on their public search website
- Nova Scotia made their Access to Business (A2B) portal fully operational in 2013
- Columbia improved their system of electronically submitted documents and incorporated advanced electronic signature and safe passwords
- Indiana implemented an e-mail management system, ensuring that e-mail addresses entered as part of the online filing process are captured. Customers can then manage their own e-mail information online
- Ireland introduced typeset signatures for annual accounts to facilitate the electronic filing of annual returns. They also introduced electronic filing for charge/mortgage registrations

- Latvia introduced a service allowing customers to communicate with the registry by e-mail
- Macedonia (FYR) now provides certificates for company registration in digital form
- Mauritius has made changes to their work processes as a result of advances in EDMS technology
- Ohio has started to accept online filings
- Pakistan is moving towards mandatory online filing, via a phased approach
- South Africa has automated a number of services and integrated opening a bank account with company registration
- In Switzerland, business registers are now compelled to accept applications electronically
- Tennessee has expanded the number of filings that can be carried out electronically, including formation documents, annual reports and financial statements
- Uganda has introduced new legislation that allows electronic submissions
- United Kingdom launched an Accounts Data Product. This a free service which offers an easy to download file containing all accounts received electronically. The file is updated daily.

Annual Accounts and Annual Returns

This sub chapter will explore how registries deal with annual filings – the two most common being annual accounts and annual returns. Annual accounts relate to financial information; annual returns are a snapshot or update of basic information about a company, such as directors, registered office address, shareholders and share capital. They are very useful for those searching for information on companies, as all of the most important information about companies is made easily accessible in one document.



As the above figure shows, registries in The Americas are the least likely to be responsible for receiving annual accounts, by a considerable margin. This follows the same pattern as last year, so we can have some degree of confidence that this is accurate. US company law is administered at State level, and Canadian company law is administered at both the federal level and at the Province/Territory level, the reason for the low percentage of registries that receive annual accounts is primarily because companies are not legally required to file them.

Ways in which Annual Accounts are Received

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

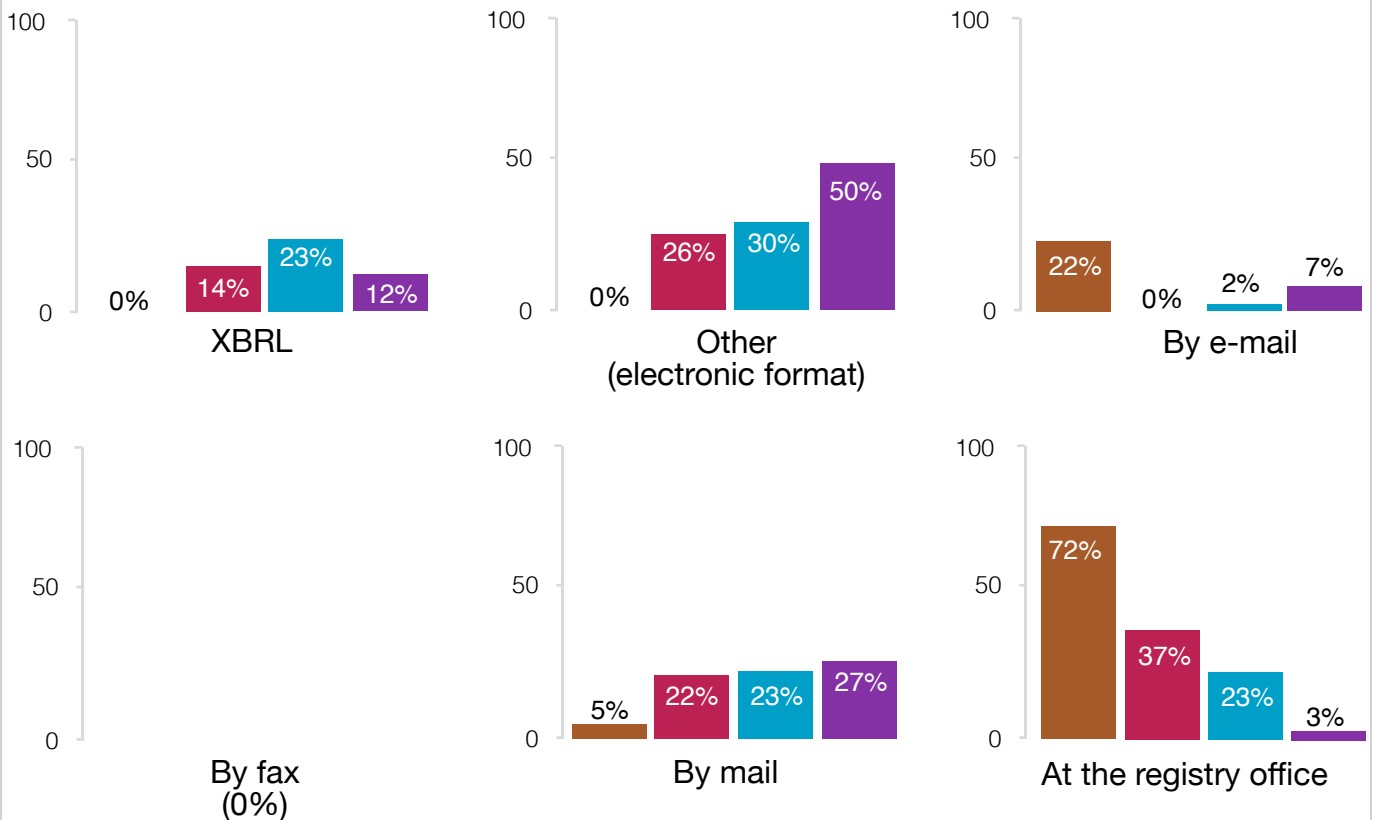


Figure 43

Of the few registries in The Americas that do receive annual accounts, the majority of these are received electronically. The percentage of accounts received in this way has increased from last year, when responses indicated it was more common to receive them by mail or that they were received at the office of the registry.

The Singapore case study which appears on page 85 discusses the journey of that country in respect of XBRL in greater detail.

Europe has the highest percentage of accounts received in XBRL format. XBRL stands for eXtensible Business Reporting Language. It is a standardised “computer readable” language designed to enhance the electronic communication and analysis of business information. It is the technology that facilitates the electronic tagging or labelling of financial data allowing the data to be identified in terms of standard accounting or tax concepts. In fact, the use of iXBRL is becoming increasingly common; this is an updated version of XBRL, which uses a more easily readable presentation of the data.

How Annual Accounts are made available to the Public

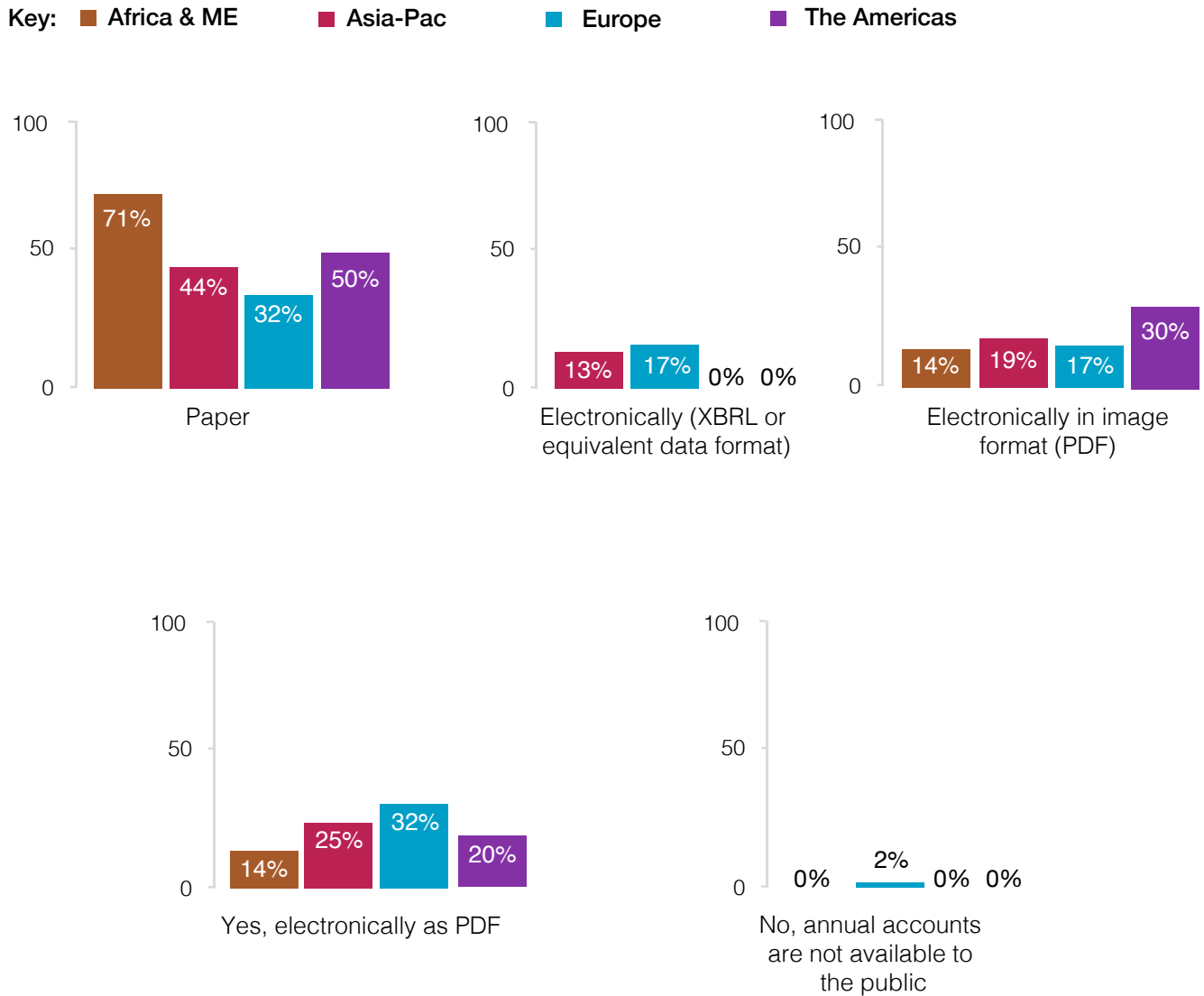


Figure 44

As well as being the region where it is most common to receive annual accounts in XBRL format, Europe also has the highest percentage of registries that make accounts available to the public in this format. Last year's report indicated that a significant percentage of registries in The Americas did not make annual accounts available to the public. As the above Figure shows this is no longer the case. This is a positive thing, as it means the vast majority of business registers responding that receive financial information on registered entities, make it publicly available for the public to search on. This creates a more transparent environment in which people can do business.

Jurisdictions that Receive Annual Returns

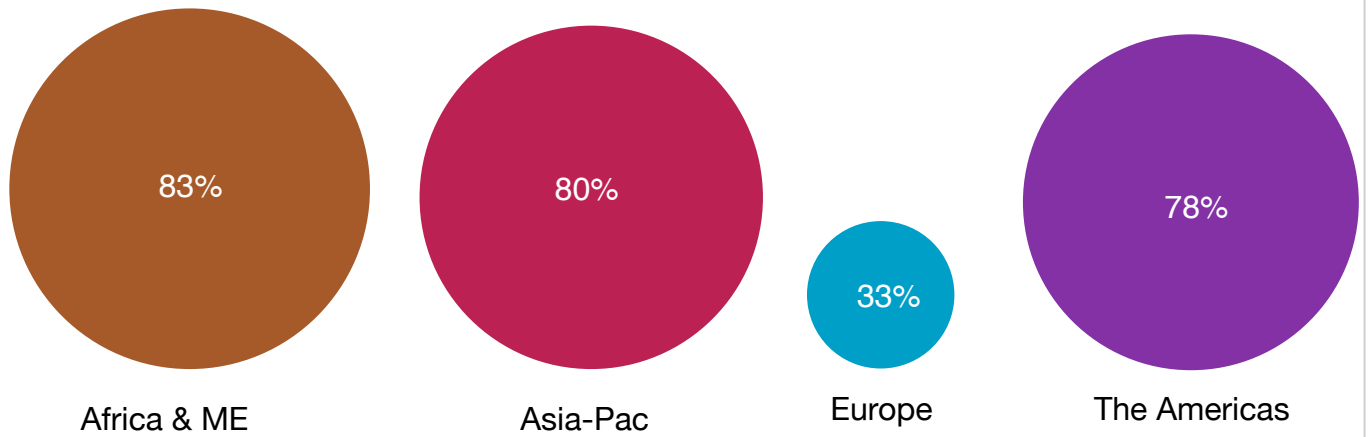


Figure 45

It is interesting to note, as illustrated in the above graph, that the receipt of annual returns is least common in Europe. This was also the case in last year's report. It must therefore be the case that the disclosure requirements in the EU First Company Law Directive (68/151/EEC) are met by alternative means.

Ways in which Annual Returns are Received

Key: Africa & ME (brown), Asia-Pac (red), Europe (teal), The Americas (purple)

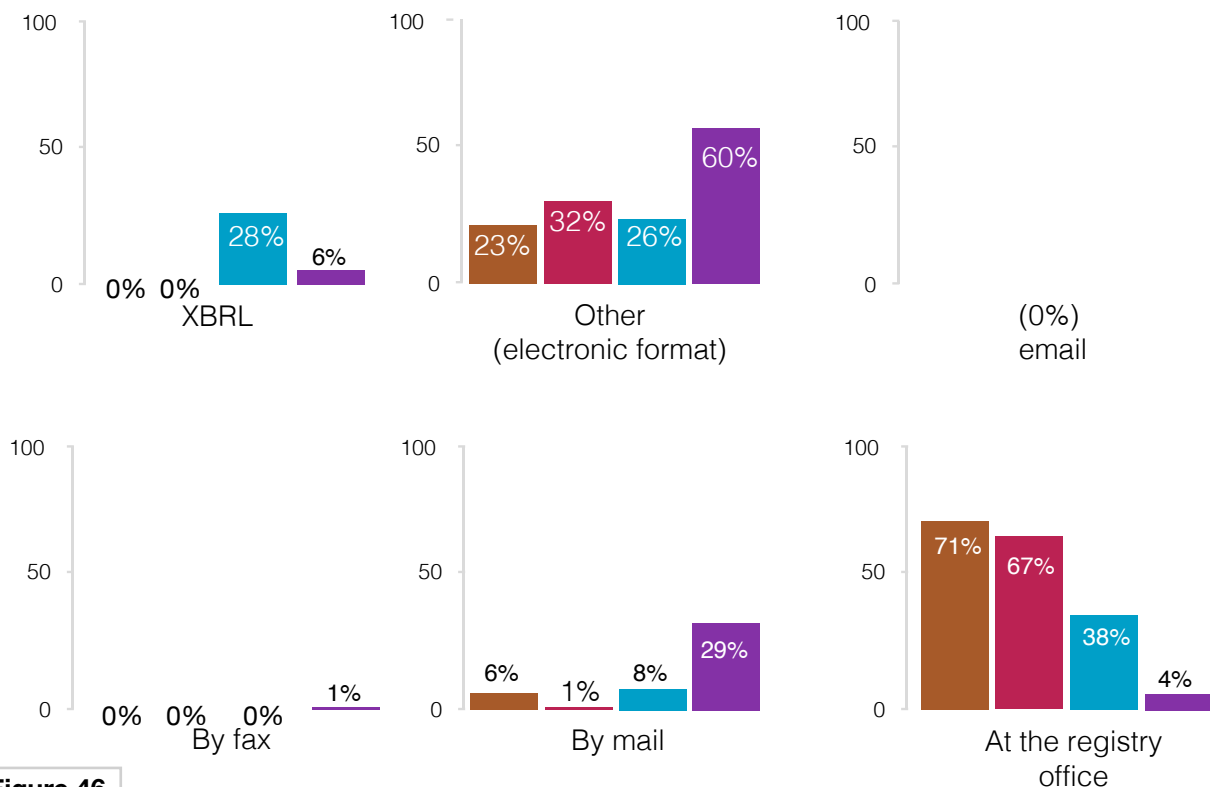
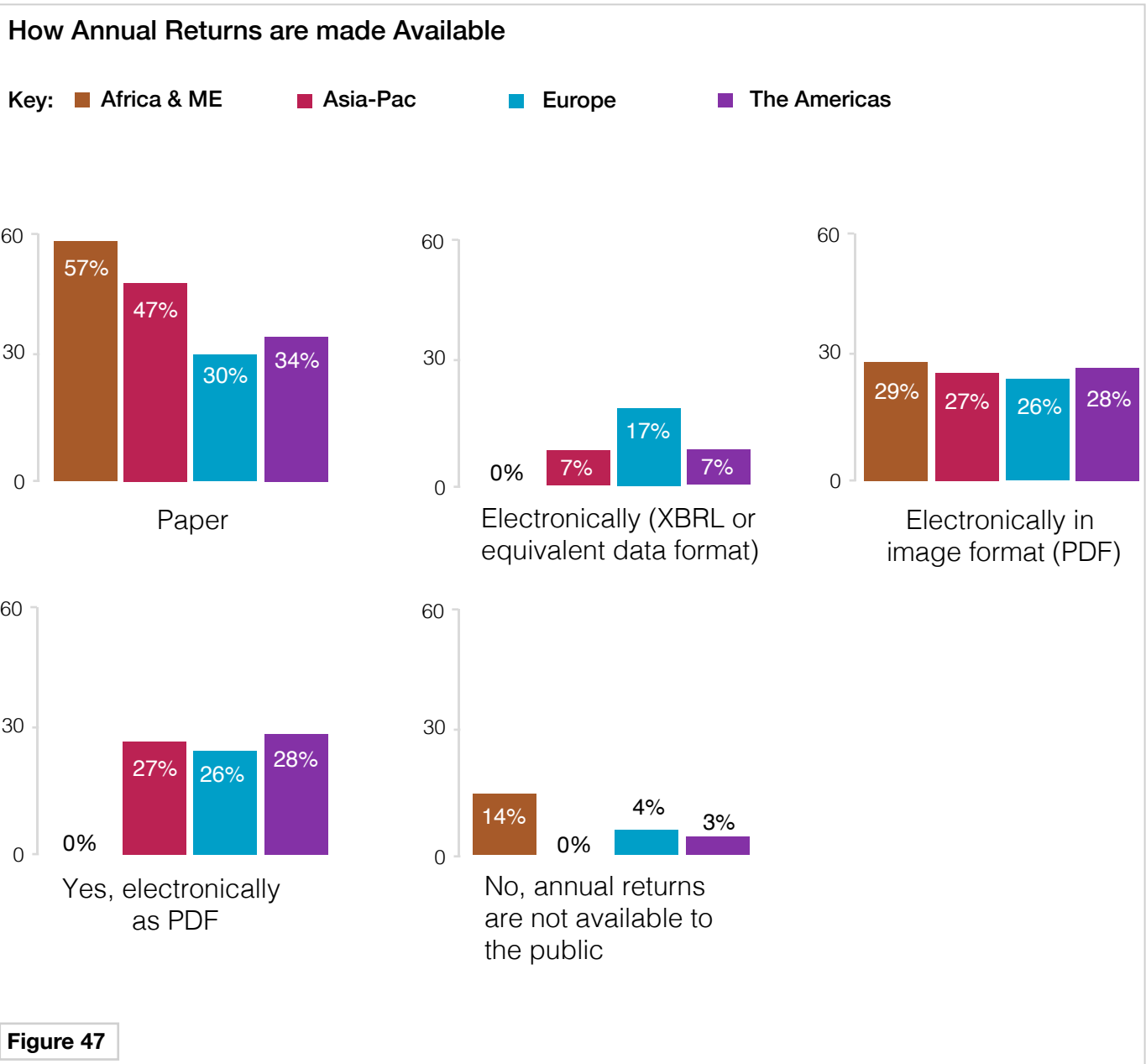


Figure 46

As was the case with annual accounts, the receipt of annual returns in XBRL format is most common in Europe. Surprisingly, it is still fairly common for registries to receive annual returns in hard copy at the registry, whilst receipt by e-mail is non-existent.



Singapore – A Case Study

The Future of Financial Reporting – Unlocking the Value of Business Data

Singapore's XBRL journey began in November 2007 when Singapore incorporated companies were required to file their financial statements in either full or partial XBRL format with the Accounting and Corporate Regulatory Authority (ACRA). The objective was the promotion of greater transparency in the marketplace through enhanced business reporting and information flow. Companies could also tap on the XBRL enabled data to enhance their decision making process.

From 3 March 2014 onwards, Singapore incorporated companies (unless exempted) are required to file a full set of financial statements in XBRL (eXtensible Business Reporting Language) format based on revised filing requirements. This has enabled greater transparency and comparability of financial information being released and extended the potential for unlocking even more value from financial data. As more companies file their financial statements in full XBRL, analysis of business data can be more efficiently generated and made available to the business community.

“ What is XBRL? ”

XBRL is an internationally recognised language format for the electronic communication of business and financial data. XBRL enables individual lines of financial information such as revenue and profit to be “tagged” and made machine readable. The data from the financial information filed can thus be better and more easily analysed. ACRA implemented the move to XBRL filing in 2007.

The aim of the new revised filing requirements is to improve the quality of financial statements by increasing the breadth and depth of the financial data submitted to ACRA. The new filing requirements include an expanded taxonomy that is in accordance with the Singapore Financial Reporting Standards

(SFRS) and a set of elements (Minimum Requirement List) that companies will use to file the full set of financial statements. In order to enable companies to experience the value of XBRL enabled data for business decision making, ACRA has made available a one-time free data analysis service for companies each time they file in full XBRL. This free data analysis service will allow company officers to perform a trend analysis of their company's past performance (Illustration 1) and benchmark their company against their peers and the industry median (Illustration 2) using a series of interactive graphs. All XBRL financial statements are submitted through ACRA's new business financial information portal – **BizFin*** which commenced operations on 3 March 2014.

XBRL Filing Requirements – Before and After March 2014

XBRL filing requirements before 3 March 2014

- Filing options - Option A (full XBRL) or option B (partial XBRL)
- Submit to ACRA via FS Manager

Revised XBRL filing requirements from 3 March 2014 onwards

- Full set of financial statements in XBRL
- Submit to ACRA via BizFinx portal

Preparing for the Transition to Full XBRL Filing

To help companies prepare for the transition to full XBRL filing, a range of resources and support was made available:

Training Sessions

A \$1.8 million training fund was set up and over 1,500 participants attended free training seminars and heavily subsidised training courses. These were organised by ACRA in collaboration with professional partners such as the Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA) and the Institute of Singapore Chartered Accountants (ISCA).

BizFinx Preparation Tool

A preparation tool to help presenters prepare their company's financials in XBRL was also developed. Key features include giving companies the ability to prepare their XBRL financial statements offline, which provides companies with more flexibility in the preparation process. To reduce manual data entry time, the tool is equipped with an auto-tagging function that automatically maps financial information within the financial statements using a set of accounting term synonyms. There is also drag-and-drop functionality to populate the data fields.

More Time To File Financial Statements With ACRA

Non-listed companies are given more time to file their financial statements in full XBRL. During the first year of implementation of the revised XBRL filing requirements, eligible companies which apply for 30 day extension of time to hold their Annual General Meeting (AGM) can obtain an application fee waiver.

Support Hotline

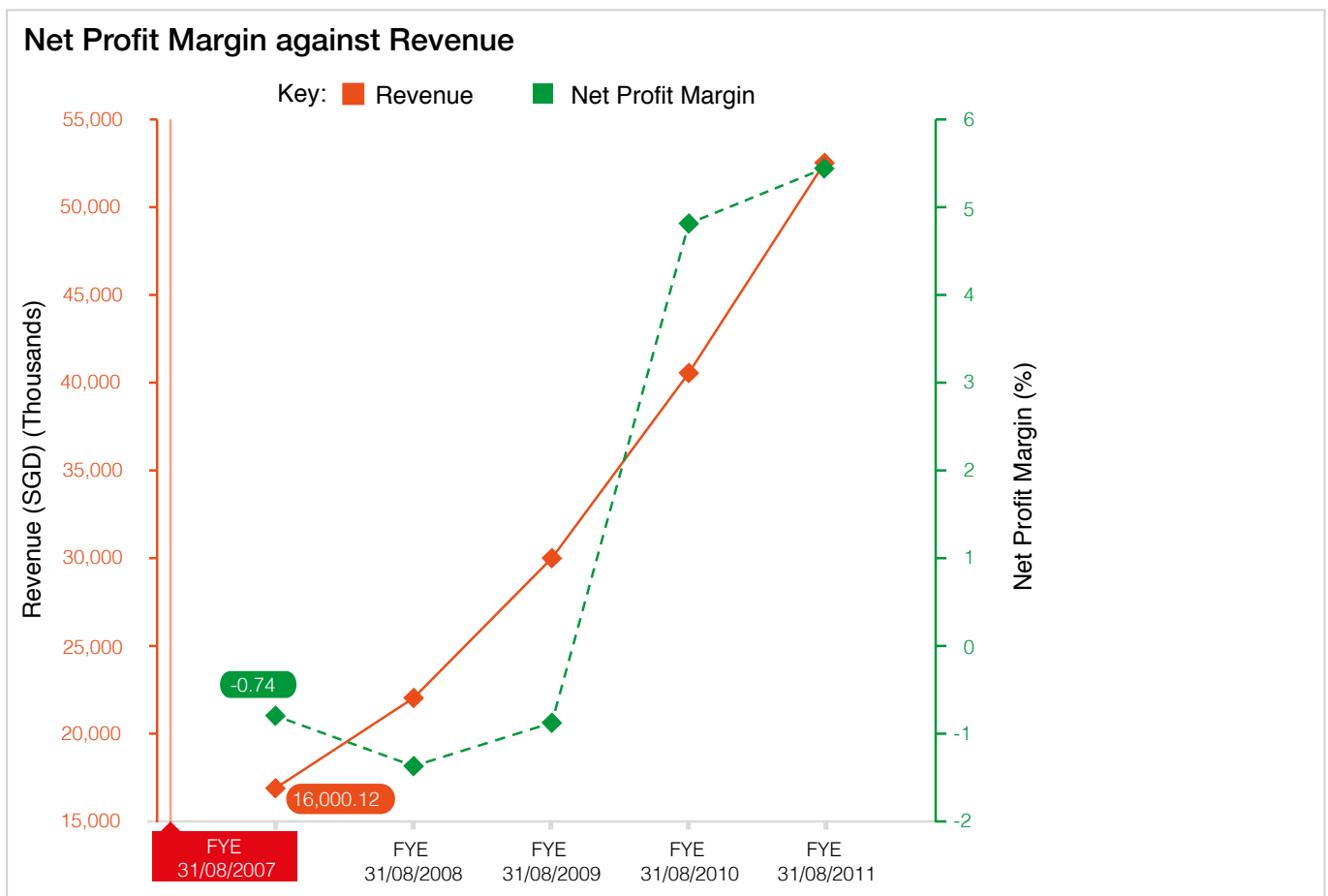
A support hotline was made available for companies and preparers of financial statements with issues and queries on XBRL filing.

Unlocking the Value of XBRL Enabled Data

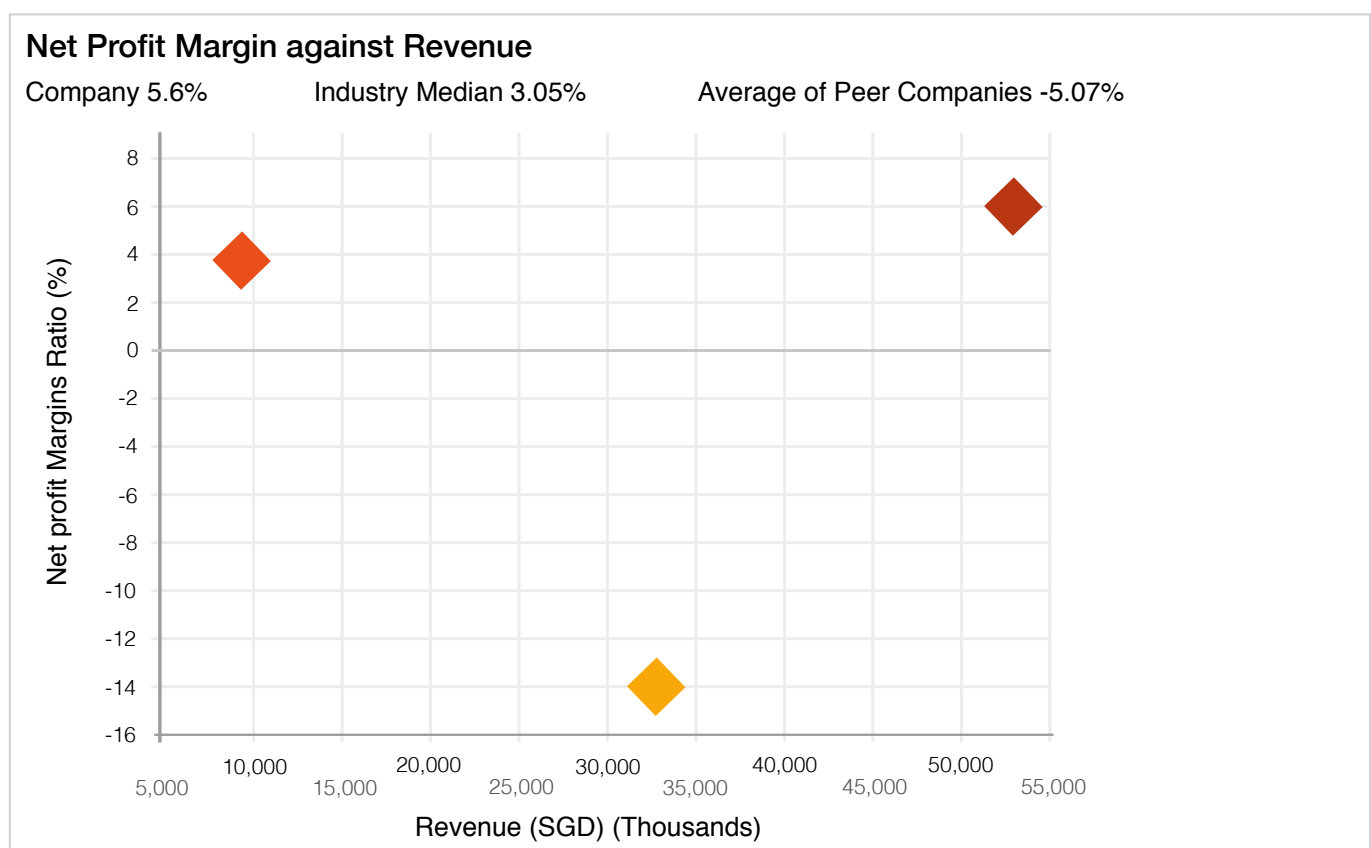
A key advantage of XBRL is greater transparency as data can be sliced and diced almost immediately for analysis with software tools. This affords a far wider scope and complexity for business analytics than manual comparison of financial statements. Companies will be able to tap on a new source of data analysis that can help them interpret financial information, develop benchmarks, conduct peer and industry comparisons and recommend ways to improve operational efficiencies and increase the bottom line. With more companies filing in full XBRL, analysis of business data can be more efficiently generated and made available to the business community. Locally, online analytical tools like the Singapore Financial Direct and BizInsights, provide such business analytics capabilities. ACRA has also developed the Corporate Compliance and Financial Profile (CCFP), an electronic report that provides a holistic and quick overview of a company in terms of its compliance status, financial profile and basic profile information. Companies can tap on such XBRL enabled data to enhance their business decision making process.

To enable companies to experience the business value of XBRL enabled data, ACRA is offering one time free data analysis usage for companies that file their financial statements in XBRL under BizFinx. The free data analysis is available at ACRA's new one-stop financials filing portal, BizFinx

Singapore Case Study: Illustration 1 – Trend Analysis



Singapore Case Study: Illustration 2 – Peer Comparison



Chapter 4

Funding and Fees

Chapter 4: Funding and Fees

The fourth chapter is all about the money! Here we consider the source of funding of business registers, the fees charged for the services they provide, and whether there are any correlations to other economic indicators. We also look at whether a fee charged to the customer is determined by the cost of that service to the register. These factors are helpful to our understanding of how business registers operate around the world.

Primary Source of Funding: Government vs. Customer Fees

When asked how their business register is funded, a slim majority of this year's respondents (51%) answered that they are primarily funded through customer fees and charges. The remaining respondents (49%) indicated that they were primarily funded by government. This differs marginally from the results in previous surveys, where the majority of respondents indicated that they were primarily funded by government, but the change is marginal.

When reviewed on a regional basis (see Figure 46 below), we can see that in Africa & ME, government funding is the primary source for 67% of respondents, up from 57% last year. There were no changes to the year on year responses, but there were significant changes in the respondents from this region with Israel, Nigeria and Rwanda responding to last year's survey but not this one, and Dubai, U.A.E. and Qatar responding this year but not last year.

In Europe, just over half the respondents, 55%, indicate government funding to be their primary source of income. This is down slightly from 60% the previous year and is due, in part, to changes in the respondents. For example, Denmark, Finland and Turkey which had previously indicated they were funded by government, were not included in this year's results. A funding source change occurred in The Netherlands where, effective 1 January 2013, the Chamber of Commerce became funded by government rather than by customer fees, as was the case previously. The results for Guernsey also changed from the primary source selected being government funding last year, to customer fees being chosen this year.

Customer fees as a primary source of funding is most common in Asia-Pac at 70%, up from 60% last year. Once again a change in respondents has had an impact on the overall results. The results for Hong Kong changed from the primary source selected being government funding last year, to customer fees being chosen this year.

In The Americas, the majority of jurisdictions are also funded through customer fees (57%). This number represents the greatest variance from last year where only 30% of respondents from The Americas indicated that customer fees were the primary source of their funding. Once again, a change in respondents has altered the data. While the total number of respondents in this region has grown, the gain was primarily in those funded by customer fees (Delaware, Saskatchewan, Tennessee, Hawaii) and only one which was funded by government (Indianapolis), whereas more of the losses were in regions primarily funded by government (Anguilla, Michigan and Texas). The results for both Ohio and Oregon changed from the primary source selected being government funding last year, to customer fees being chosen this year.

In relation to this question, there were a number of jurisdictions that changed their response from that provided in the previous year. Upon further inquiry, it was confirmed that in some instances there was no actual change in the funding of their operations, but rather a change in the interpretation of the question. This indicates that this question may have to be further clarified for future surveys.

Source of Funding by Region

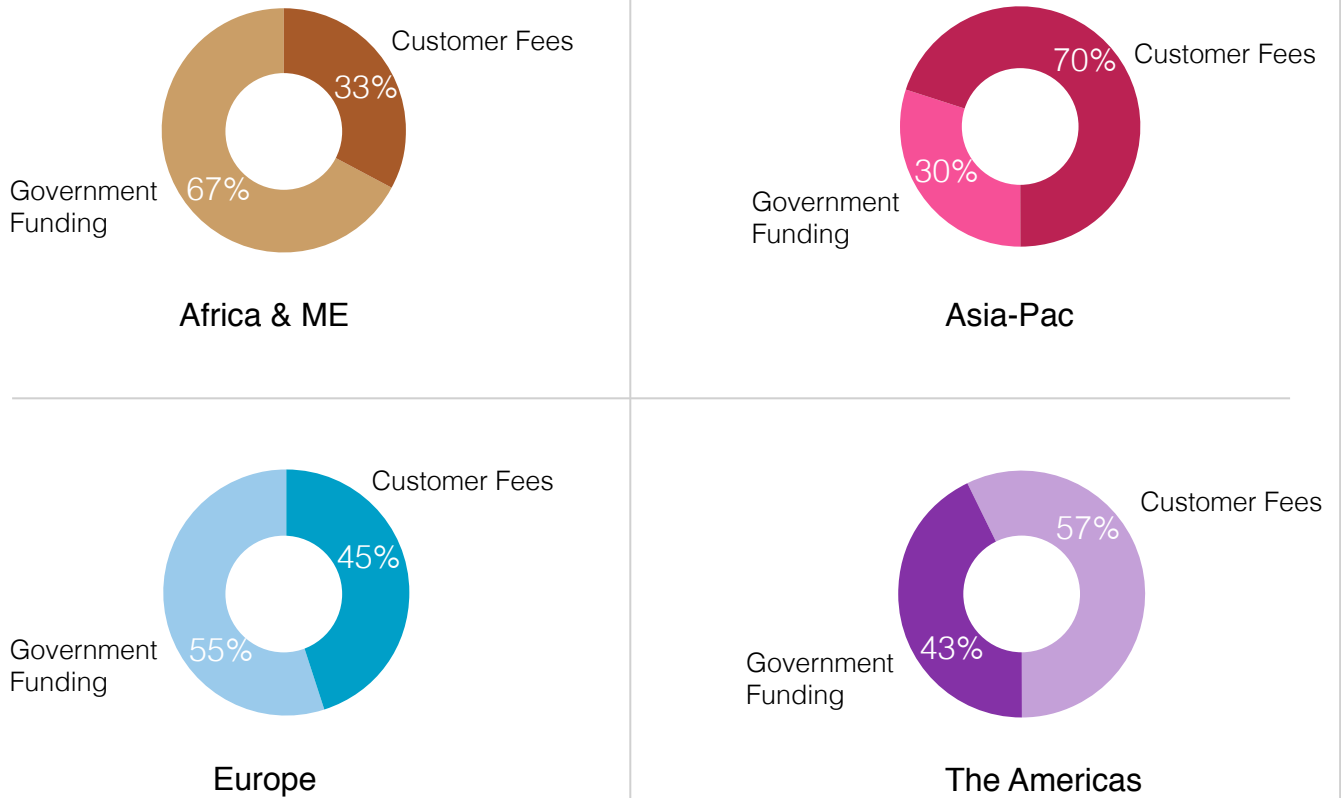


Figure 48

Fees and Charges

Regardless of how the business register is primarily funded, nearly all jurisdictions collect some fees or charges for their services, as shown in Figure 49 on the following page.



Fees Collected by Activity and by Region

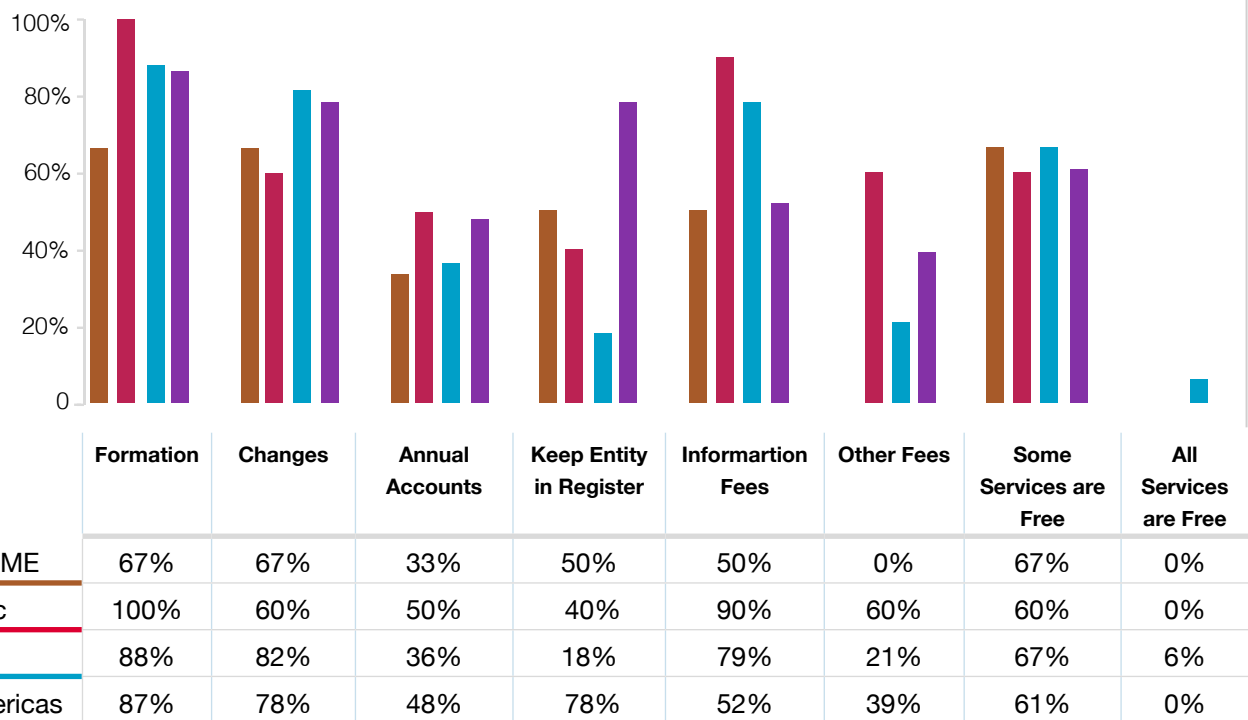


Figure 49

When viewed globally, it is clear that it is most common for jurisdictions to collect fees for formation with 88% of all respondents confirming this. The next most common fees are for changes (76%) and provision of information (69%). Many jurisdictions (64%) also offer some element of their services free of charge, but it is only the European respondents Kosovo and Slovenia that have indicated that all services are free of charge. Some jurisdictions have responded that some of their services are provided free of charge, but indicated that they collect fees in only one other category, out of the options provided within the question. The Netherlands, for example, indicates that it provides many services free of charge and charges fees only in the category of information services.

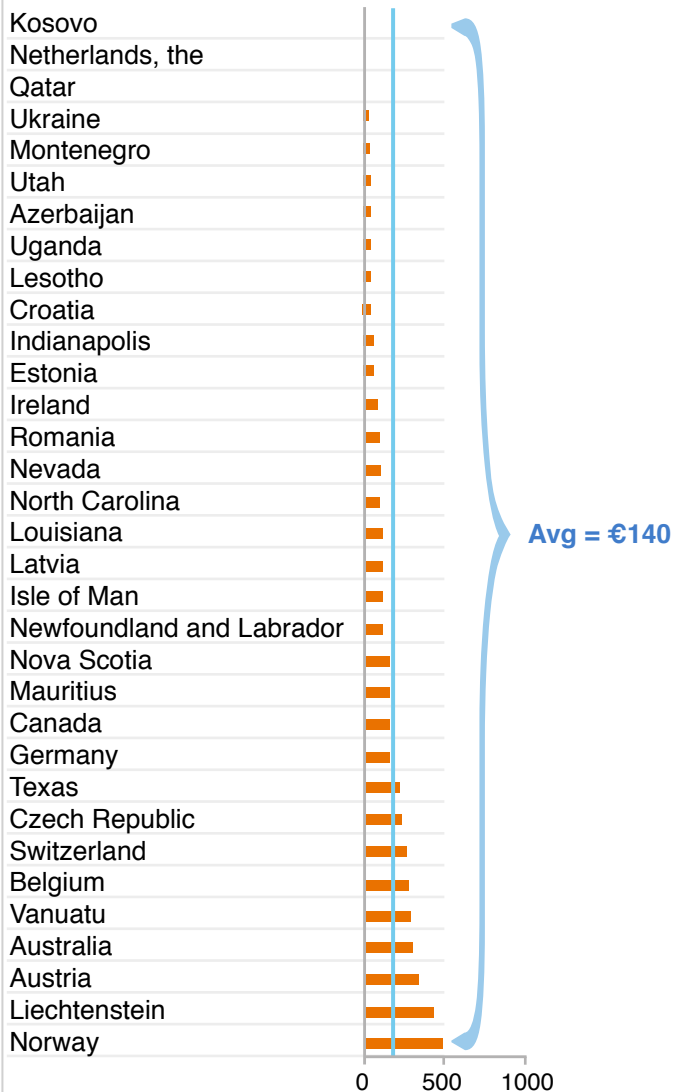
Approximately one third of all respondents indicated that they also charged fees other than those specified in the identified categories. Some examples provided include fees for copies or certified copies of filed documents, certificates of status/compliance and late filing fees. The data indicates that none of the respondents in Africa & ME charge any other fees.

Average Formation and Incorporation Fees

The price setting for formation of entities still varies widely between registers, which is evident from Figure 50 as follows. This year the average cost of formation of all entity types, for registers funded by customer fees, was €193. Whereas for government funded jurisdictions, the average cost of formation was €140, indicating a gap in the average price of €47. However, the fee to incorporate a public or private limited company in Dubai, U.A.E. is €7400 and the average formation fee for all entities in that country is €3280. When Dubai is removed as an outlier from the customer fee funded respondents, the average is reduced significantly to only €94. This reduces the gap to €46, but in the opposite direction, so the fees in the primarily government funded organisations are typically greater than those primarily funded by customer fees.

Source of Funding and Average Formation Price

Government Funded Registries



Registries Funded by Customer Fees

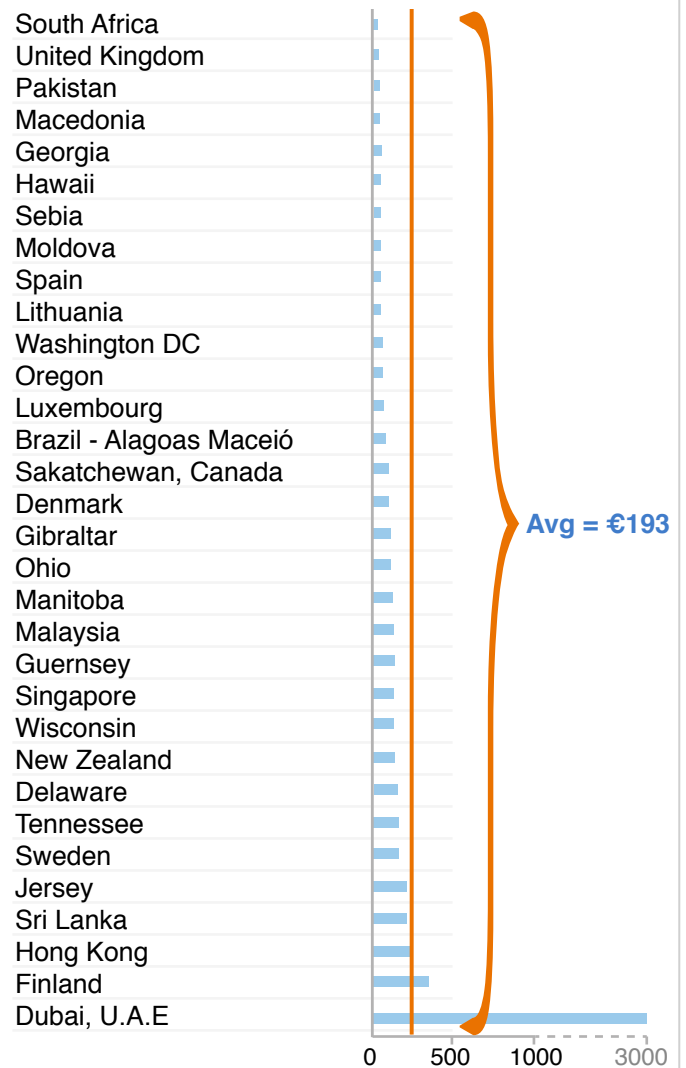


Figure 50

The comparison of average formation price for all entity types within a business register, and the source of funding of that register, is further broken down by region in Figure 51 on the next page.

In all regions except Africa & ME, the average fees for formation where operators are primarily funded by government, exceed those averages where operators are primarily funded by customer fees.

Africa & ME holds the distinction of having both the highest and the lowest average formation fees. The average for those Africa & ME operators funded through customer fees is €1650, with the average for those funded by government is €57. This variance is attributable once again to the higher cost of formation in Dubai.

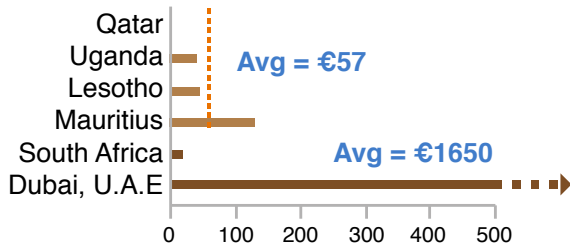
In the Asia-Pac region, the average formation fee is €108 where the operator is funded primarily by customer fees and double this amount at €216 where operators are primarily government funded.

In Europe the average formation fee is €91 where the operator is funded primarily by customer fees, and €161 where operators are primarily government funded, a difference of only €70.

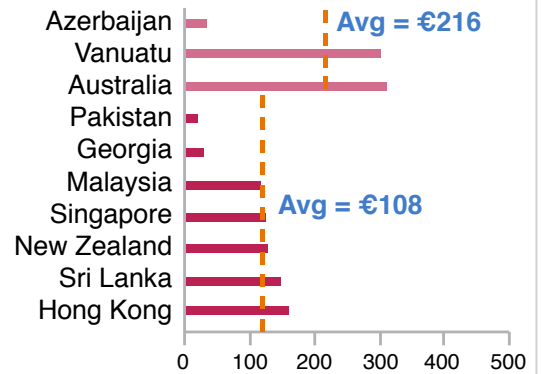
The gap between the average formation fees for registries that are primarily government funded and those that are primarily customer fee funded is smallest in The Americas where the actual difference in the average formation cost is only €18. This represents the difference between a high of €112 for those operators primarily funded by government and a low of €94 for those operators primarily funded by customer fees.

Source of Funding and Average Formation Price by Region

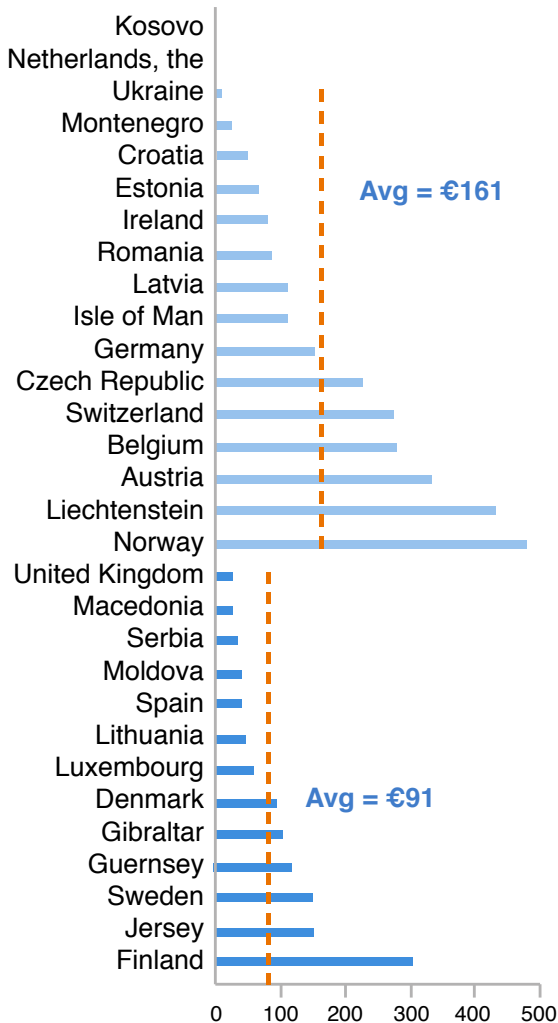
Africa & ME



Asia-Pac



Europe



The Americas

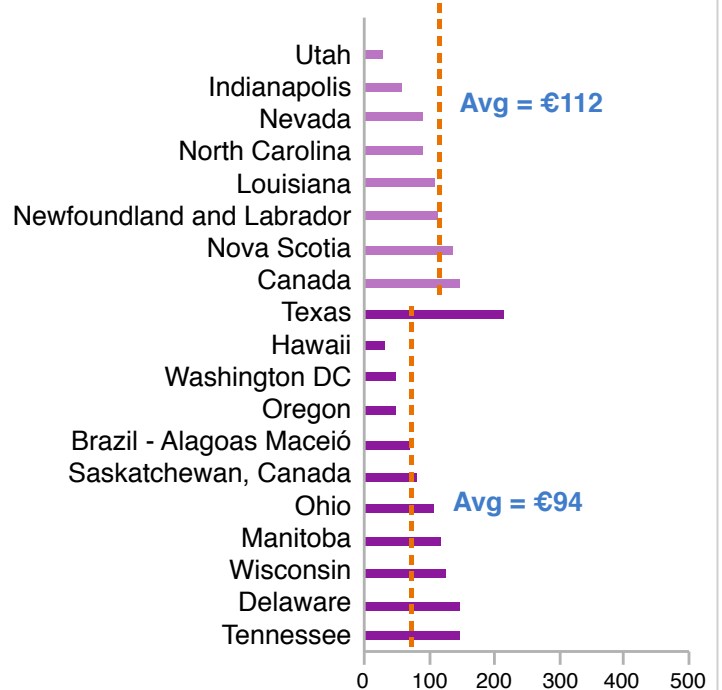


Figure 51

This year, in addition to the comparisons of averages across all formation types within a jurisdiction, Table 22 on the next page was prepared to show the average global price for each type of entity. This reflects the fact that in most jurisdictions the fee (if any) to form or register a sole trader or general

partnership is much less than to form a limited company. This fee information was further divided by the method of filing – paper or electronic – as in some jurisdictions, there is a difference in fees depending on the method of filing.

Average formation price by method of submission and entity type

Paper	€53	€95	€228	€189	€123	€112	€134
Electronic	€54	€94	€162	€197	€109	€88	€114
	Sole Trader	General Partnership	Private Limited Company	Public Limited Company	Limited Company	US LLC	All other entities

Table 22

Table 22 above indicates that for the incorporation of a public limited company, the fees are greater for those filing electronically than for those filing using paper, which seems a peculiar result. However, we must remember that for some jurisdictions (e.g. Italy, Singapore), electronic filing is mandated, which serves to impact the global results in this instance.

Table 23 below shows the average formation price, by entity type and method of filing, but only for those jurisdictions that still accept paper filings. This confirms the electronic filing fee to be slightly lower for all entity types in these jurisdictions.

Average formation price by method of submission and entity type for those who accept both paper and electronic filings

Paper	€62	€103	€194	€230	€123	€108	€134
Electronic	€56	€96	€167	€200	€109	€88	€120
	Sole Trader	General Partnership	Private Limited Company	Public Limited Company	Limited Company	US LLC	All other entities

Table 23

The average reduction in fees for filing electronically rather than using paper ranges from a low of 6.8% for general partnerships to a high of 18.5% for US LLCs.

Each year we have tried to analyse whether there is a correlation between fees charged by the business registers and other economic indicators. Gross domestic product (“GDP”) per capita is the domestic product of a country divided by its midyear population. This year there is a correlation of 11 percent between GDP per capita and the average formation price (see Figure 52 next page) which is indicative of a negligible, or no, relationship.

Average Formation Price and GDP per Capita

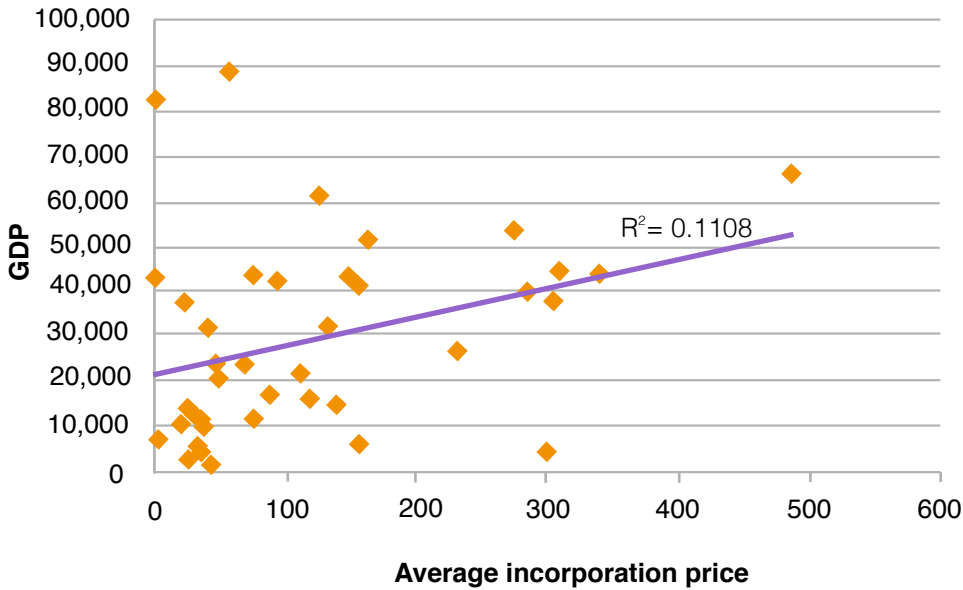


Figure 52

A greater correlation exists when we compare the GDP per capita to the average incorporation price for limited companies. The average incorporation price was determined by averaging the fee to incorporate public limited companies, private limited companies and limited companies for those jurisdictions which do not distinguish between public or private. This increased the correlation to 22% (see Figure 53 below) and represents a weak positive relationship.

Average Incorporation Price for Limited Companies and GDP per Capita

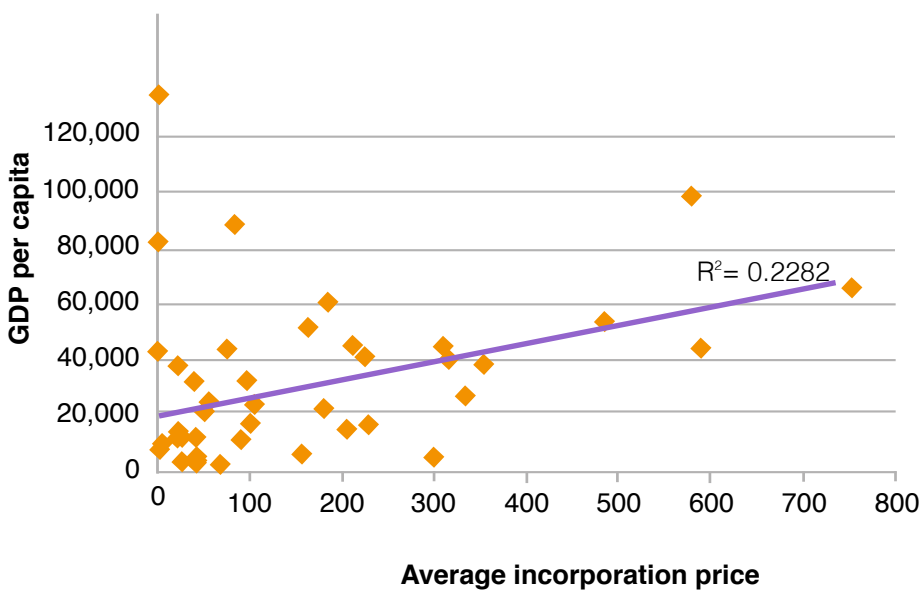


Figure 53

We also considered The Economist magazine’s “Big Mac Index” in our comparisons. The Big Mac Index was created by The Economist in 1986 as a guide to determining whether currencies are at their “correct” level based on a theory of purchasing-power parity and the notion that exchange rates should move towards the rate that would equalise the prices of identical goods (i.e. Big Macs)⁴. Neither the average formation prices nor the average incorporation prices showed any correlation with the Big Mac Index.

Finally, the hypothesis that the percentage of documents submitted electronically would negatively influence the average incorporation price was also considered. As in years past, this hypothesis was also rejected as no correlation was shown.

Cost-Covering Principle

While no formal definition was provided for the cost-covering principal within the survey, it is generally understood to mean that when applied, the fees or charges to the customer must equal the actual cost of providing that service by the business register. There is to be no profit from the fees or charges paid by the customer in excess of that cost. This may be achieved on a transactional or cumulative basis, depending on the laws or policies which govern each registry. Respondents were asked whether they applied this principle all of the time, some of the time or never.

According to the global results for all responding business registers (see Figure 54), where a fee is charged the cost covering principle is applied by 46% of all respondents all of the time, by 30% of all respondents some of the time, and never applied by 24% of all respondents.

Percentage of Respondents Applying the Cost Covering Principle

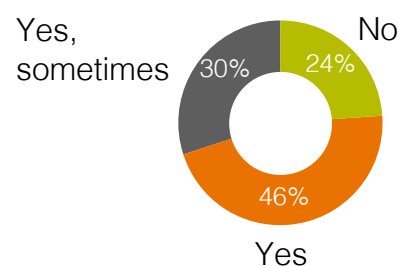


Figure 54

When viewed on a regional basis (see Figure 55 on the next page), the cost-covering principle is least frequently applied in Africa & ME with one half of respondents indicating it is never used and the other half of respondents only using it some of the time. No respondents from Africa & ME use the cost-covering principle all of the time.

By contrast, the cost-covering principle is most frequently applied in Europe where 67% of respondents indicate it is always used, followed by Asia-Pac at 50% and The Americas at 26%. However, it is sometimes applied by 35% of respondents from The Americas, by 30% of respondents from Asia-Pac, and by 24% of respondents from Europe. According to the survey results, the cost-covering principle is never applied for 39% of respondents from The Americas, 20% of respondents from Asia-Pac or 9% of respondents from Europe.

⁴ D.H. and L.R.W., “The Big Mac Index: Interactive currency-comparison tool – Global exchange rates, to go,” The Economist, January 23, 2014, accessed April 9, 2014, <http://www.economist.com/content/big-mac-index>.

Regional Application of Cost-Covering Principle

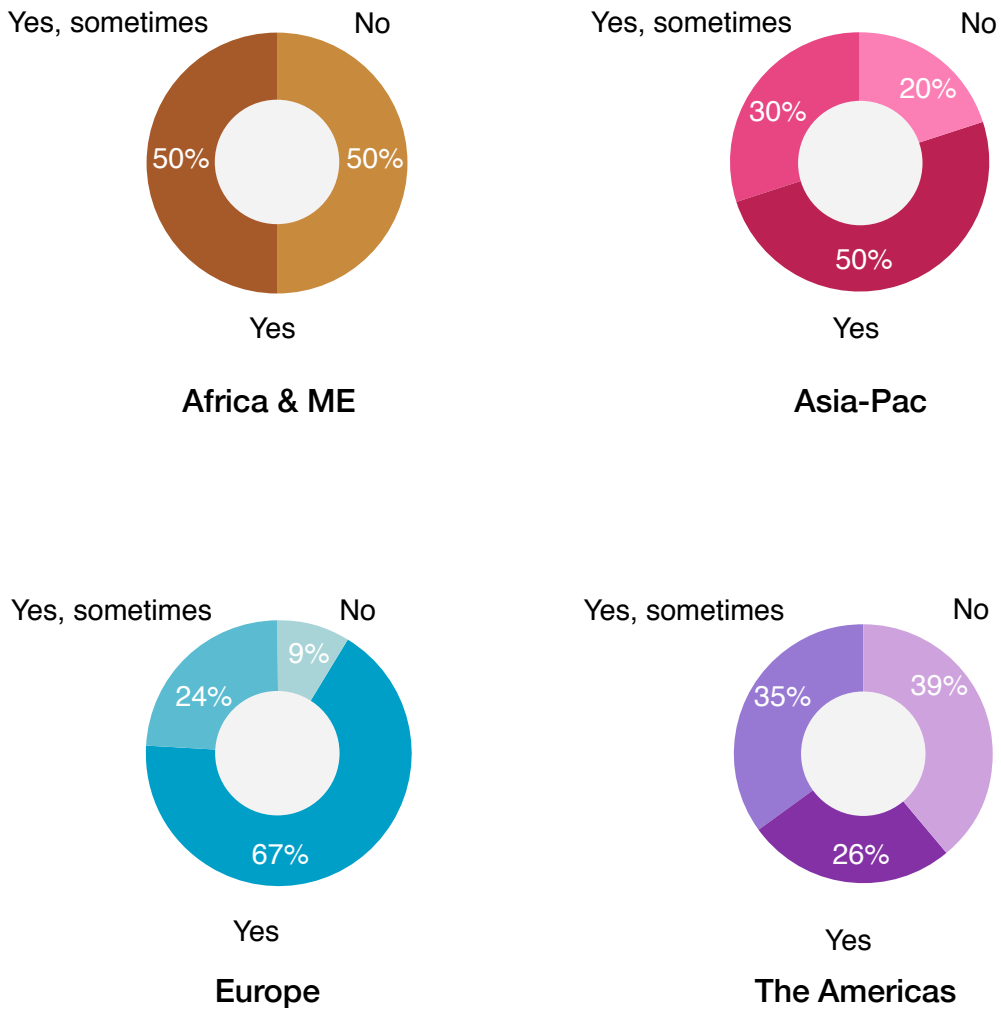


Figure 55

Chapter 1 addresses the types of business register operators: government, courts of justice, chambers of commerce, public-private partnerships and others. When the cost-covering principle is compared across the type of register operators (see Figure 56 next page) irrespective of region, it is clear that it is used to some extent across all operators. Only those registers operated by public-private partnerships and those funded by government have some respondents not using this principle at all.

Proportion of Cost Covering Principle Among Operators

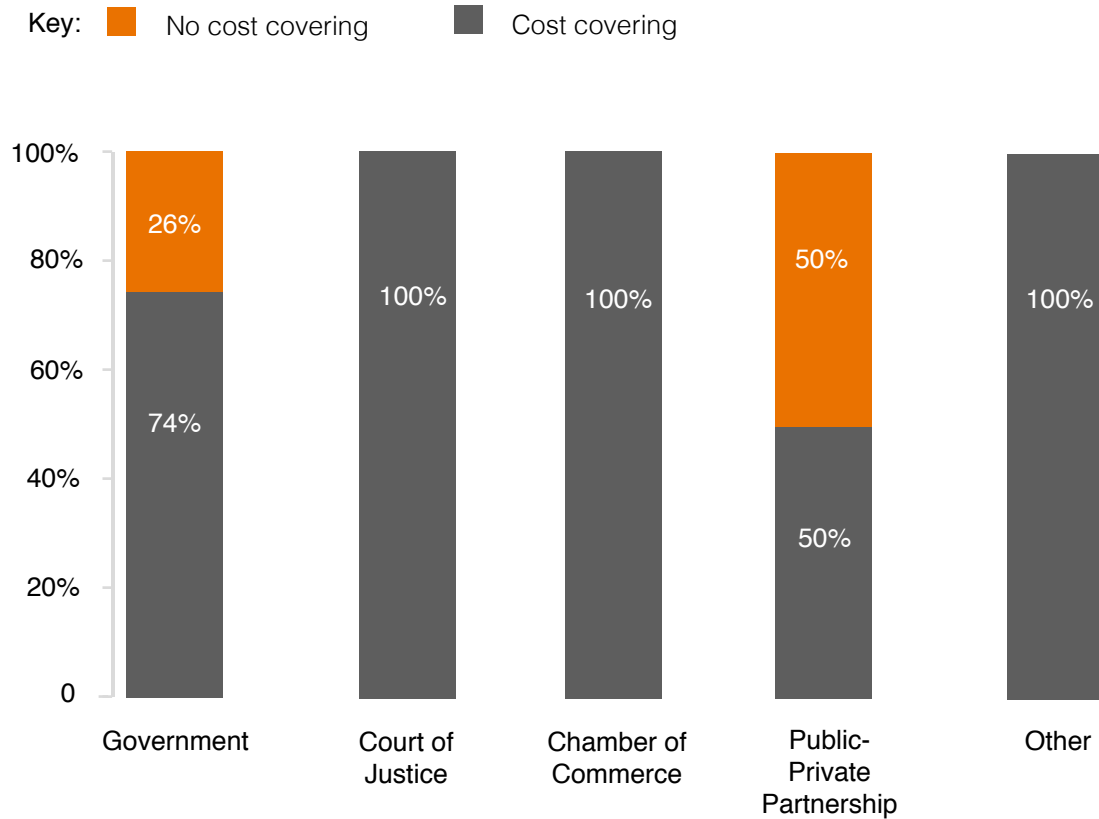


Figure 56

Fifty per cent of the public-private partnership structures never use the cost-covering principle, which may be reflective of the general goal within the private sector to achieve a profit. These results differ from last year where all of the public-private partnership operators responding indicated that the cost-covering principle was always used. This change is in part due to the addition of a response from the province of Saskatchewan, Canada which is new to the survey and operates under such a structure.

Last year 25% of the court of justice operators indicated that they did not use the cost-covering principle, while all of this year's court of justice respondents have indicated it is used by them, at least some of the time. The one respondent of the four in this category last year which indicated it was not used was Slovenia, which did not participate this year and explains the difference.

Chapter 5

Business Dynamics

Chapter 5: Business Dynamics

This chapter deals with business dynamics and is included to analyse the business climate in which business registries, in different parts of the world, operate. The chapter is structured in a similar way to previous years. Based on terminations and incorporations, global business dynamics are analysed and compared. As for last year, checks have been made to try to rule out administrative procedures introduced by the registry outside the normal business process that may have affected the number of incorporations or terminations (for example, striking off of unreported inactive companies from the register). The goal is to ensure that the business dynamics analysed are not skewed by administrative procedures and instead represent actual changes.

The reason behind companies' terminations is another thing analysed in this chapter. Also, the turn-over of companies, measured as the net effect of incorporations minus terminations for each jurisdiction and region, is analysed. This has allowed a comparison between the different jurisdictions to be made, based on the number of cross-border gains and losses. The net effect of this can give a hint about the business climate in different regions.

Terminations and New Registrations in 2013

In Figure 57 (next page) the total number of new registrations (incorporations) and terminations, as a percentage of the total number of registered companies, is compared. Firstly, the correlation between the two is tested in order to investigate whether it is the case that a high number of new registrations also implies a high average number of terminations. The low correlation shows that this is not the case. The average percentage of terminations is 5.5% and the average percentage of new registrations is 8.7%. Both of these figures are a few percentage points lower than last year.

Based on the information in Figure 57, four different patterns can be recognised. The jurisdictions in the upper right corner are characterised by a high number of new company formations and a high number of terminations. These can be considered the most dynamic jurisdictions since it is implied that new companies replace old and unsuccessful ones, contributing to the flow of innovation and change that makes an economy prosperous. 40% of American jurisdictions are found here, along with 22% of European jurisdictions and 13% of the jurisdictions from the Asia-Pac region. Out of the eleven jurisdictions in the quadrant, 55% are from Europe, 36% are from The Americas and 9%

are from Asia-Pac. In order to see where a specific jurisdiction is placed, please turn to Table 24. Serbia, Singapore and Canada, federal, seem to have parked themselves permanently in this quadrant.

In the upper left corner, new registrations are high, and the percentage of terminations is low. These jurisdictions can also be characterized as dynamic ones, since they are often recognised as fast growing. However this can, in some extreme cases, result in financial problems. In this quadrant, we have nine jurisdictions. Out of these nine, 11% are European and represent 4% of European jurisdictions, 44% are from the Asia-Pac region and represent 50% of the Asia-Pac jurisdictions, 33% are from The Americas, which represents 30% percent of the American jurisdictions, and finally 11% are from Africa & ME and represent 33% of the jurisdictions in the Africa & ME region.

In the bottom left corner we find jurisdictions characterized as stable. They experience a small percentage of both terminations and new registrations. The termination of companies is almost constantly replaced by the creation of new companies and, in most cases, a steady progress of the economy is achieved. As can be seen from the graph, most jurisdictions cluster in this quadrant and out of the 20 jurisdictions 65% are European (48% of European jurisdictions are found here), 10% are American (representing 20% of American jurisdictions), 10% are from Africa & ME (representing 67% of the jurisdictions in that region) and 15% are from Asia-Pac (representing 38% of Asia-Pac jurisdictions).

In the bottom right corner we find jurisdictions characterized by a slower business dynamic, as they tend to have more terminations than formations of new companies. This is true for all the jurisdictions shown here, except for the Isle of Man, Ireland and North Carolina. Even though these three do not have a higher percentage of terminations than they do new registrations, they are characterised by an above average number of terminations and a below average number of new registrations. In this quadrant, we have eight jurisdictions. Out of these eight, 88% are European and represent 26% percent of European jurisdictions and 12% percent are from The Americas and they represent 10% of the jurisdictions in the American region. Liechtenstein is found here for the third year in a row.

Percentage of Terminations vs. Percentage of New Registrations

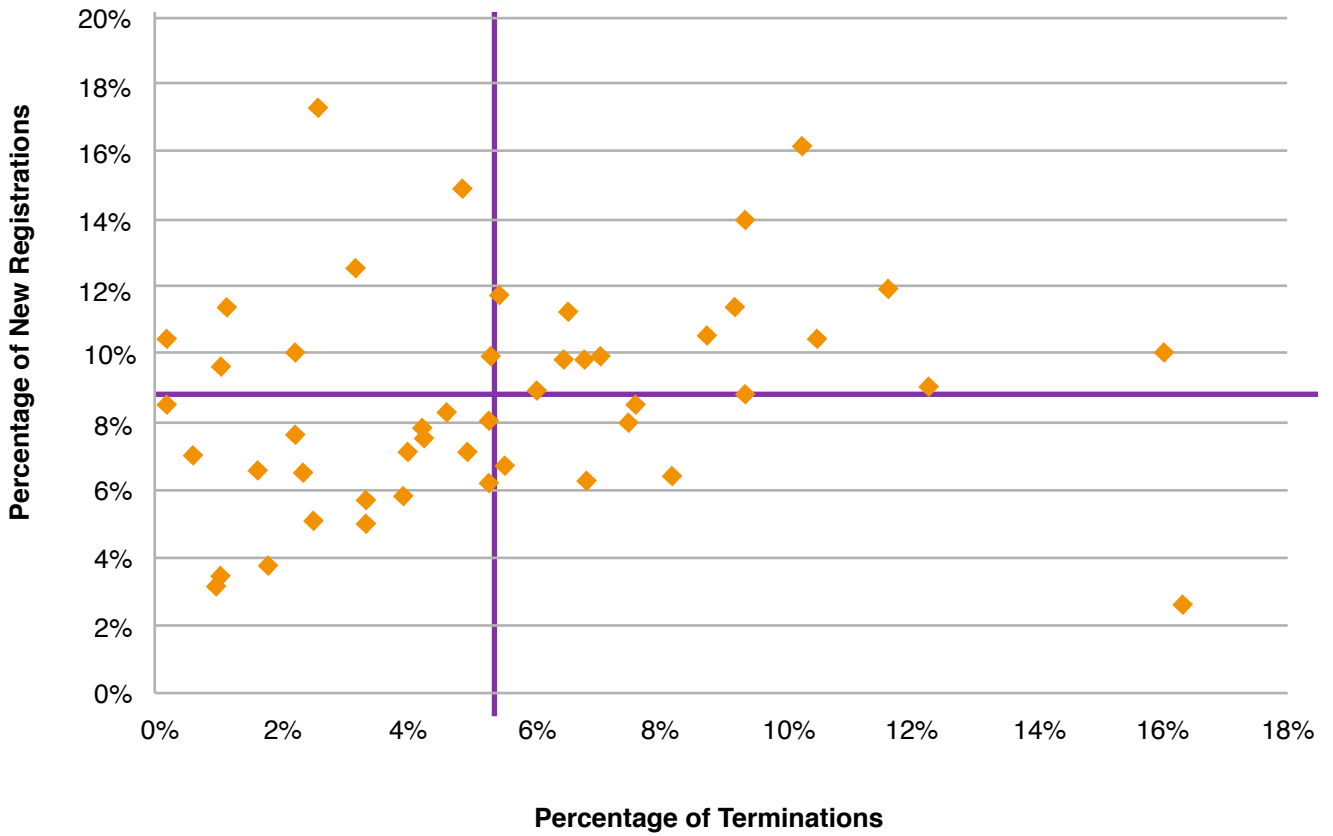


Figure 57

Even though we have reviewed the data in order to try to counteract any changes that were introduced by the registry itself, we have to interpret the results from the above figure and table (as follows) with caution. It is still possible that what is interpreted as genuine entrepreneurship is actually caused by, for instance, changes in legislation.

Percentage of Terminations and New Registrations in All Jurisdictions

Upper left corner

Jurisdiction	Percentage of Terminations	Percentage of New Registrations
Sri Lanka	1%	10%
Australia	5%	10%
Latvia	2%	10%
Lesotho	0%	11%
Oregon	1%	11%
Montana	5%	12%
Azerbaijan	3%	13%
Hong Kong	5%	15%
Hawaii	3%	17%

Bottom left corner

Jurisdiction	Percentage of Terminations	Percentage of New Registrations
Spain, central	1%	3%
Spain	1%	3%
Moldova	2%	4%
Romania	3%	5%
Finland	2%	5%
Sweden	3%	6%
Belgium	4%	6%
Newfoundland and Labrador	5%	6%
Pakistan	2%	7%
Dubai, UAE	2%	7%
Jersey	5%	7%
Malaysia	1%	7%
Switzerland	5%	7%
Luxembourg	4%	7%
Austria	4%	8%
Colombia	2%	8%
Mauritius	4%	8%
Norway	5%	8%
Montenegro	5%	8%
Georgia	0%	9%

Upper right corner

Jurisdiction	Percentage of Terminations	Percentage of New Registrations
Estonia	6%	10%
Wisconsin	7%	10%
Denmark	7%	10%
Nova Scotia	16%	10%
Netherlands, The	10%	10%
Manitoba	9%	11%
Canada, federal	7%	11%
Croatia	9%	11%
Serbia	12%	12%
Singapore	9%	14%
United Kingdom	10%	16%

Bottom right corner

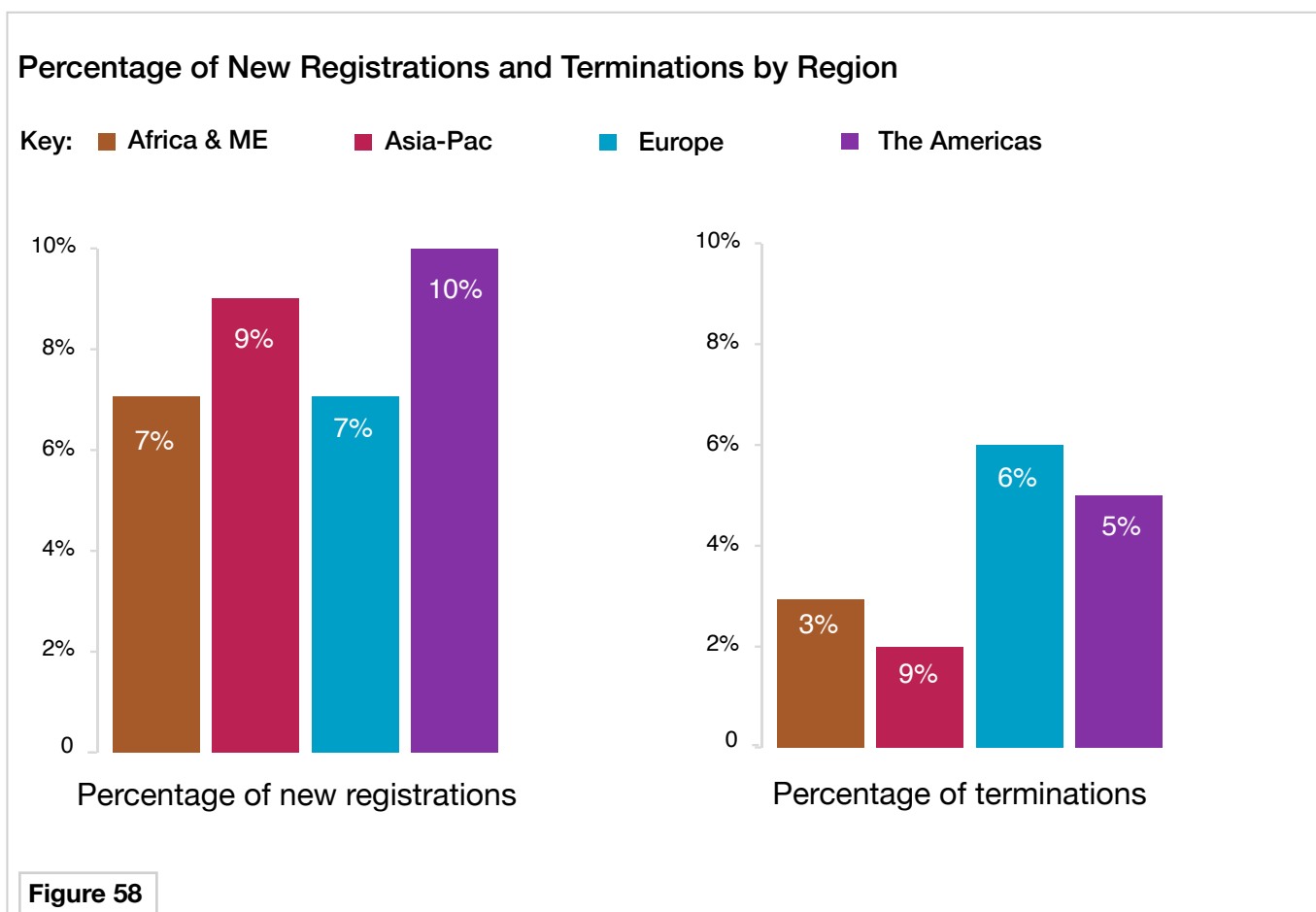
Jurisdiction	Percentage of Terminations	Percentage of New Registrations
Liechtenstein	16%	3%
Italy	7%	6%
Macedonia (FYR)	8%	6%
Isle of Man	7%	8%
Ireland	8%	8%
Guernsey	9%	9%
North Carolina	6%	9%
Gibraltar	12%	9%

Table 24

Dynamics of the Regions

Figure 58 shows the percentage of new registrations and terminations by region. The graph is calculated in the same way as Figure 57 in the previous sub chapter, the difference being that it is displayed based on the regions defined. In all regions the number of new registrations is higher than the number of terminations, indicating a positive inflow of companies across the board. Compared to last year, the number of terminations is lower in Asia-Pac and Africa & ME than in Europe and The Americas. The number of terminations is very similar in all regions, with the exception that there are virtually no terminations at all in Africa & Middle East. The number of new formations is more even between

regions this year than last year but The Americas are still in the lead. Europe can be said to be the most stable region where terminations are replaced by new registrations, while Africa & ME and Asia-Pac are both characterised by a low number of terminations, indicating that these regions are developing. Even though the number of new registrations exceeds the number of terminations in The Americas too, the high number of new registrations and the fairly high number of terminations means that The Americas appear to be the most dynamic region.



Voluntary Terminations were More Common than Compulsory Terminations

Jurisdictions were asked to indicate to what extent terminations were voluntary (initiated by the entity) and to what extent they were compulsory (initiated by the registry). The results are displayed in Figure 59.

Terminations of Entities by Region

Key: ■ Africa & ME

■ Asia-Pac

■ Europe

■ The Americas

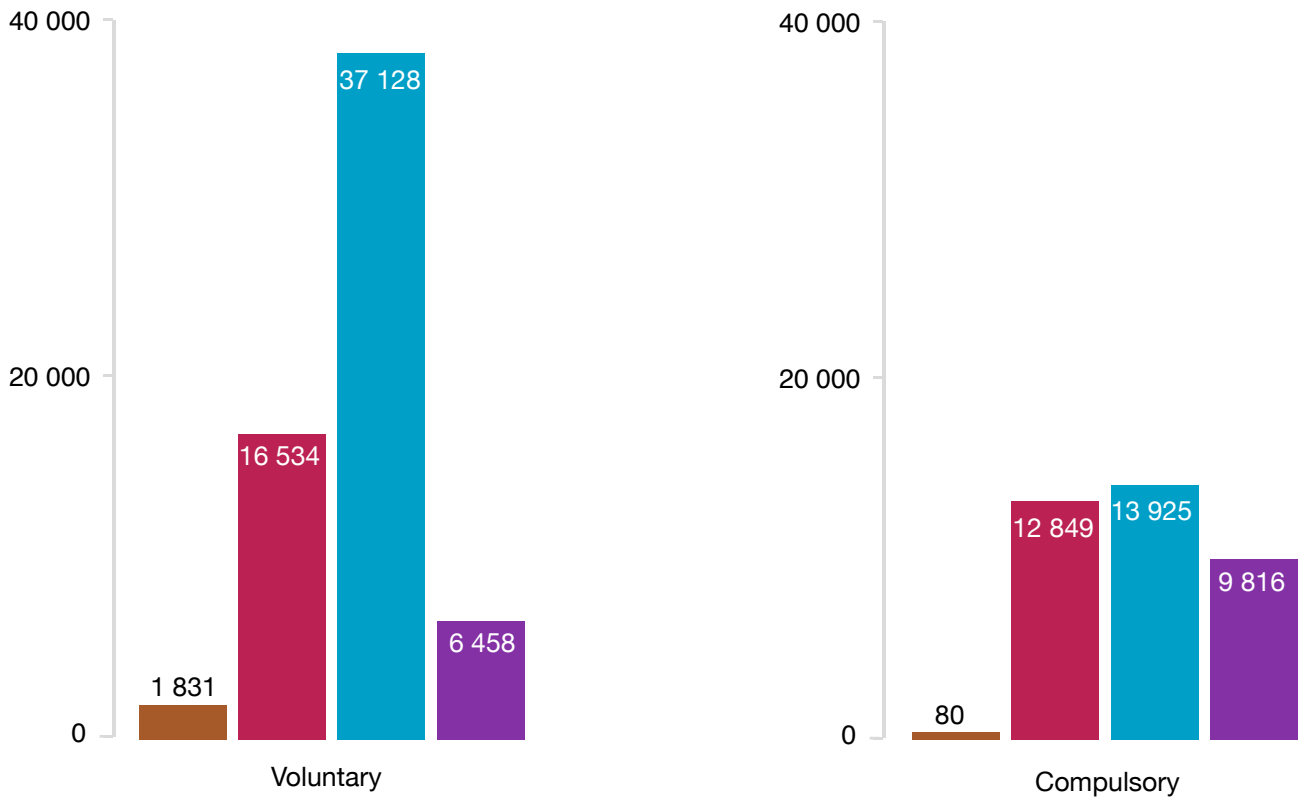


Figure 59

Overall the pattern is similar to last year, with the most common way of terminating an entity being through voluntary means. In 2013 though, the percentage of voluntary terminations was higher than it had been in 2012, 63% compared to 55%.

Looking at the different regions, compulsory terminations were more common in The Americas, where 60% of all terminations belonged in that category. In Africa & ME only about 4% of terminations were compulsory, while in Europe and Asia-Pac, the numbers were 28% and 44% respectively.

There was a Positive Inflow of Entities in All Regions

Another way of benchmarking the net effect of business creation is to calculate the turnover for a single year. The turnover is calculated by taking the total number of newly incorporated entities, subtracting the number of terminated entities and dividing this figure by the total number of entities in that region or jurisdiction. The result is expressed as a percentage of the total number of entities and it provides an indicator of the net entity turnover. Performing this calculation on a regional basis shows that all regions experienced a positive inflow of entities during 2013, see Figure 60. The numbers are comparable to those for 2012 with Europe slightly behind the other regions, with a positive effect of only 2%. In comparison, the other regions each experienced a positive effect of 5% or more.

Turn-over by Region

Key: ■ Africa & ME ■ Asia-Pac ■ Europe ■ The Americas

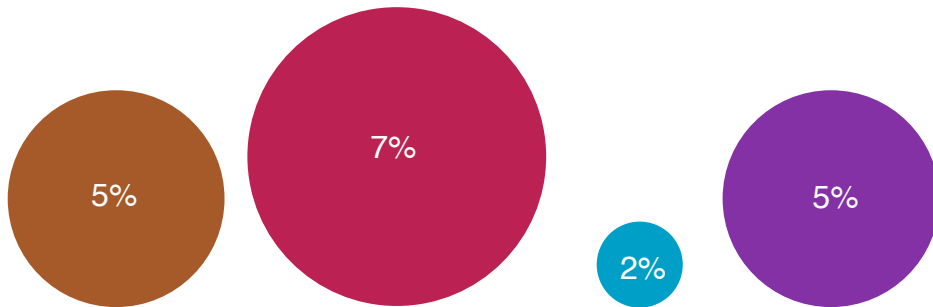
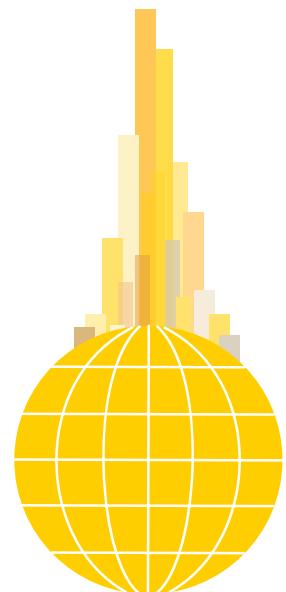


Figure 60

The turn-over for each jurisdiction is shown in Table 25. Most of the countries/jurisdictions experienced a positive net effect in 2013, with more entities created than terminated. As mentioned above, a question about registry initiated terminations (e.g. removal of inactive entities) was included in order to separate activities that are undertaken by entities from administrative procedures that are undertaken by registries. Some jurisdictions may have misinterpreted this question as they reported a very high number of registry initiated terminations. Taking this into account, the numbers in the table should be interpreted with caution meaning that some jurisdictions actually had a higher inflow than shown in the table.



Turn-over by Jurisdiction

Jurisdiction	Turn-over including registry initiated terminations	Jurisdiction	Turn-over including registry initiated terminations cont.
Mauritius	4%	Switzerland	2%
Dubai, UAE	5%	Croatia	2%
Lesotho	10%	Spain, central	2%
Pakistan	4%	Spain	2%
Singapore	5%	Sweden	2%
Australia	5%	Finland	3%
Malaysia	6%	Norway	3%
Georgia	8%	Denmark	3%
Sri Lanka	9%	Luxembourg	3%
Azerbaijan	9%	Austria	3%
Hong Kong	10%	Estonia	3%
Liechtenstein	-14%	Montenegro	4%
Gibraltar	-3%	United Kingdom	6%
Macedonia (FYR)	-2%	Latvia	8%
Guernsey	-1%	Nova Scotia	-6%
Italy	-1%	Newfoundland and Labrador	1%
Netherlands, The	0%	Manitoba	2%
Serbia	0%	North Carolina	3%
Isle of Man	1%	Wisconsin	3%
Ireland	1%	Canada, federal	5%
Jersey	1%	Colombia	5%
Romania	2%	Montana	6%
Belgium	2%	Oregon	10%
Moldova	2%	Hawaii	15%

Table 25

Figure 61 shows the different types of entities that were created in the participating jurisdictions during 2013 - 4.9 million entities were created in total. The most common company type this year is limited companies – 26% of all companies created were private limited companies. The second most common entity type is a sole trader (26%), followed by limited companies (24%). The latter has been the most common company type created in previous reports. Studying the numbers, and the difference in reported numbers over years, shows the importance of future work of the Definitions Working Group.

“ Limited Companies Are the Most Commonly Registered Entity Type ”

Entity Formation by Type and Region

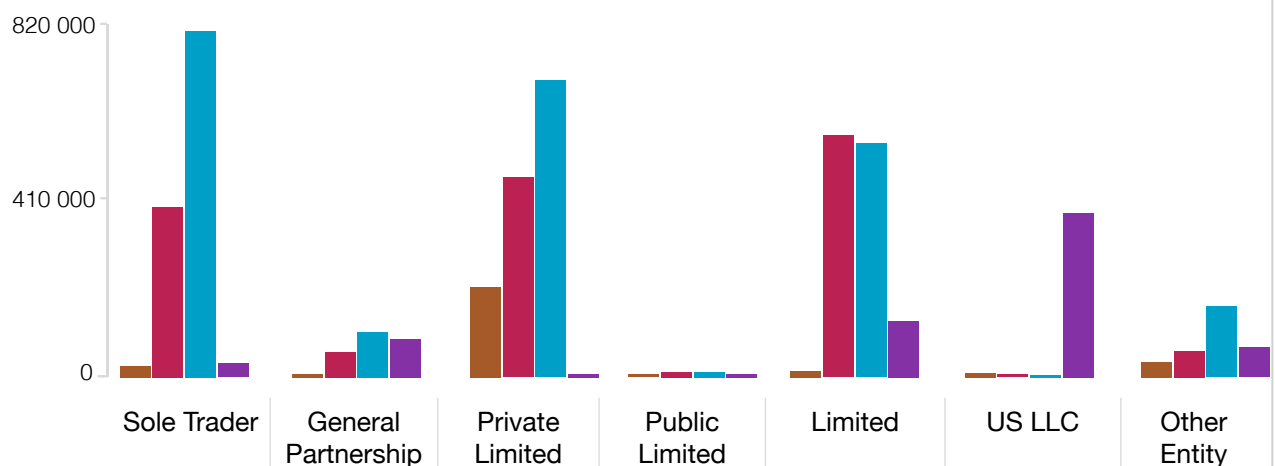


Figure 61

The respondents were asked to specify the gains and losses caused by cross border mergers during 2013. Again, only a few jurisdictions reported numbers and it is obvious that this question is hard to answer for some of the jurisdictions, probably again due to different definitions or interpretations of the term “merger”, or variation in their laws that do not permit such an activity.

For instance, some jurisdictions reported such high numbers of companies either leaving or entering through mergers that it is unlikely that they have interpreted the question as intended. Therefore, the presentation is limited to the European jurisdictions that are more likely to have at least approximately the same understanding of the term “merger”.

The number of reported mergers in Europe, in 2013, was 177, out of which 89 were gains and 88 were losses. For some jurisdictions the loss or gain was significant, meaning that the number of companies relocating was quite high. Sadly, it is not possible to see where these companies were relocated to (or from) and so it cannot be determined whether it is more common for a European company to merge with another European company, as opposed to a company from another region. Even though there is some uncertainty about the quality of the data, this indicator is interesting as there is a debate in economic literature about the long term effect of foreign owned companies and their vulnerability. In the future it could be interesting to do a case study on mergers, to further analyse the reasons behind them and, if possible, explore the difference in business dynamics between jurisdictions that gain companies and those that lose them.

Cross-Border Mergers, Numbers Reported for Europe

Jurisdiction	Companies leaving	Companies entering	Net effect
Estonia	4	2	-2
Finland	6	11	5
Gibraltar	1		-1
Guernsey	1		-1
Ireland	5	1	-4
Jersey	74	28	-46
Latvia	4	2	-2
Lithuania	2	1	-1
Luxembourg	23	49	26
Macedonia (FYR)	0	0	0
Netherlands, The		57	57
Norway	9	5	-4
Romania	2	3	1
Sweden	21	13	-8
United Kingdom	46	27	-19

Table 26

Finally, in an attempt to gain further information about business dynamics and business climate, several combinations of GDP development, company formation and company turn-over were tested. We also tested for correlation between GDP per capita

and the percentage growth of companies. However, there were hardly any correlations detected, meaning that the attempt to further explore reasons behind differences in business dynamics was not successful.

Short introduction of the Working Group



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Axel Forstmann worked from 1980 until 1997 as registrar at a local court. He is a member of the national working group for establishing electronic court systems for business-register. He moved to the Higher Regional Court Cologne in North Rhine-Westphalia. Central Business Register Coordinator. He was member of the European Research Project BRITE (Business Register Interoperability Throughout Europe). Besides that he is and was a member of different European Business Register working groups. Steering committee member of World Bank funded Business Register project in Macedonia (FYR). Chair/Vice-Chair of International Relations Section and Member of the IACA Board since 2010. Board Director (IRS). ECRF –BR2BR Working Group, ECRF Survey Group, ECRF Definition Group



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Rolf Koenig studied law at the university in Muenster, North Rhine-Westphalia. He was appointed as a judge in 2002. He is deputy director at the local court in Steinfurt, North Rhine-Westphalia. Since 2012 Rolf Koenig is also head of the Project Group RegisSTAR which works on behalf of the Ministry of Justice of North Rhine-Westphalia and is responsible for the development and maintenance of the German electronic Business Register system as well as the International Business Register interoperability.



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From 2003 to 2008 Celia Johnston studied law at the University in Bochum, North Rhine-Westphalia, Germany.

From 2008 to 2010 Celia Johnston worked as a member of the research staff at a chair specializing in European and International law at the University in Hagen, North Rhine-Westphalia, Germany. After taking her final exams in 2010 she worked as a lawyer specializing in mergers and acquisitions.

In 2011 the Minister of Justice North Rhine-Westphalia appointed her as a judge. Since then she has administered justice at several local and regional courts.

In 2013 she became a member of the project group RegisSTAR which works on behalf of the Ministry of Justice of North Rhine-Westphalia and is responsible for the development and maintenance of the German electronic Business Register system as well as the International Business Register interoperability.

Since 2013 Celia is a member of the ECRF Working Group, the Editorial Group and the Definitions Group.



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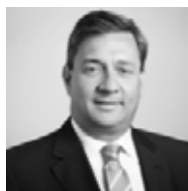
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Vito Giannella is the International Affairs Manager of InfoCamere, the national IT Consortium of the Italian Chambers of Commerce (www.infocamere.it).

He is currently President of the European Commerce Register's Forum (ECRF – www.ecrforum.org), the Association of the Business Registers in Europe. He is also President of ChamberSign Aisbl (www.chambersign.com), the Association of European Chambers of Commerce to promote secure e-commerce and e-government.

He is currently a Member of the CLEG (Company Law Expert Group, European Commission, DG Internal Market) for the development of the Implementing Acts for the Directive on the interconnection of the Companies Registers of the EU. He is also Member of the EC Experts Group on Online Dispute Resolution (DG Sanco).

He has been Member of the CLEG - Company Law Expert Group for the amendment of the First Company Law Directive (2002 – 2003, European Commission, DG Internal Market), the first President of the European Business Register EEIG (www.ebr.org), and Project Director (February 2006 – February 2009) of the BRITE Project (Business Register Interoperability Throughout Europe), coordinated by EBR EEIG and funded by the European Commission, IST FP 6 Integrated Project.



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Ricco Dun works at the Business Register of The Netherlands Chamber of Commerce (NL CCI). In the Netherlands, the business register is kept by the Chamber of Commerce. In the business register one will find all economic relevant entities in the Netherlands. Not only companies are registered, but also sole traders, partnerships, associations, foundations, professionals (doctors, lawyers etc) and even all governmental organisations and offices.

Ricco Dun has had several legal and sales & marketing functions, including e.g. the development of all internet based activities for the dissemination of information from the business register.

Besides his regular function, Ricco Dun is also Chairman of the Board of the European Business Register (EBR). EBR is cooperation between business registers from 28 European countries in which they facilitate the exchange of business register information between themselves and for their customers. He is also a member of the Executive Committee of the Corporate Registers Forum (CRF). Within the European Commerce Registers' Forum (ECRF), he is a member of the Working Group BR2BR (on the interconnection of business registers) and an auditor of the financials.



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Lars Eliassen is a senior legal adviser at the Brønnøysund Register Centre in Norway. He has a Master's degree in law from the University of Tromsø and has worked at the Brønnøysund Register Centre since 2008. The register center is responsible for running many types of public registers, among them the Register of Business Enterprises and the Register of Company Accounts.

In addition to providing legal assistance in the daily running of the Register of Business Enterprises, Lars Eliassen has been one of the Register of Business Enterprises' representatives with the work on the ECRF survey since 2012. He has also been involved with the Brønnøysund Register Centre's cooperation with the World Bank as an adviser on business registration reform.



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Snežana graduated from the Faculty of Law, University of Belgrade, with a major in International Law. She has been in charge of the SBRA's international relations since 2006.

Prior to joining the Serbian Business Registers Agency, Snežana worked at the Economic & Commercial Office of the Embassy of the A.R. of Egypt in Belgrade, and the Project Implementation Unit of the Privatization Agency of the Republic of Serbia, discharging the duty of the Procurement Manager of the World Bank – financed projects.

From 2004 to 2006, Snežana was the Project Manager of the Serbia Business Registration Reform Grant, funded by SIDA and administered by the World Bank, providing assistance to the Government of the Republic of Serbia and the SBRA in carrying out a comprehensive reform of the business registration system.

Snežana has been a member of the ECRF Survey Working Group since 2010.



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Stacey-Jo is a Policy Advisor within the Strategy & Policy department at Companies House in the UK. She helps both Companies House and the Department for Business, Innovation and Skills (BIS) to develop positions on European and UK Company Law policy. Stacey-Jo also works with BIS to ensure policy development is in line with pan-government better regulation policies, and works with law enforcement agencies on the prevention of company related fraud.

Stacey-Jo completed a degree in Politics and International Relations at the University of Wales, Swansea in 2001 and subsequently worked in the private sector for 6 years as an operational manager for a venture capital funded data quality company, supporting e-commerce and supply chain management.

Stacey-Jo has been involved in registry benchmarking since joining Companies House in 2008, and has been working on the ECRF/CRF benchmarking project since it started in 2010.



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As Director, Business Programs with Service Nova Scotia, Hayley is responsible for the legislation and policy of the Registry of Joint Stock Companies, the Personal Property Registry, the Nova Scotia Business Registry and the Lobbyists' Registry in Nova Scotia.

Prior to joining the provincial government in the Spring of 2007, Hayley was a partner in the Halifax office of McInnes Cooper, with a focus on corporate and commercial law.

She is currently a Director and the Second Vice-President of the International Association of Commercial Administrators (IACA), and a member of each of the Working, Definitions, and Editorial Groups for the ECRF/CRF/IACA Survey of corporate registries around the world.

Hayley received her Bachelor of Business Administration from Acadia University and her Bachelor of Laws from the University of Western Ontario.

She is also a Director of the University of Western Ontario Law Alumni Association, and a member of the Nova Scotia Barristers' Society.



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Ms K Latha is a Senior Deputy Director and Senior Assistant Registrar with the Accounting and Corporate Regulatory Authority (ACRA). She is the Head of the Business Registry and Facilitation Department. She currently manages the department and is in charge of the registration of all business entities. As the System Owner for BizFile, ACRA's online filing and information retrieval system, she takes charge of all projects involving the enhancement of the online system and coming up with new online functions.

Her job scope also includes exploring how ACRA can work with both public and private agencies with a view to facilitating a one stop shop for businesses in Singapore. Latha also makes presentations to delegations who visit ACRA to learn more about the online system. In this regard, she also takes care of ACRA's engagements with international organisations like the World Bank, the CRF, ECRF and IACA.



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Annika Bränström is the Director General at the Companies Registration Office in Sweden. Annika Bränström has a Master of Laws and started as a lawyer at the Swedish Patent and Registration Office in 1996 and after that she has had different administrative executive positions. The Companies Registration Office became effective the 1 July 2004 when the previous Companies Department of the Patent and Registration Office was made a separate government authority and she started as the Head of Administration. In 2005 she became the Head of Development and since 2007 she works as the Deputy General Director. From April 2008 she is the Director General.

Annika Bränström has during many years been supporting and participating in the development of different electronic services, both nationally and internationally. Between 2002 and 2009, Annika Bränström was a board member of the European Business Register (EBR EEIG) and also worked within the European Commerce Registers' Forum (ECRF) with different assignments, especially with benchmarking. Annika has been responsible for the ECRF survey since the beginning in 2001. Since April 2009, Annika Bränström is a delegate in the Swedish eGovernment Delegation and since August, 2011, she is the Chairmen of the delegation. She is also the Deputy Chairmen in the Swedish identification Board since the January 2011.



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Magdalena Norlin Schönfeldt works as a Senior Adviser at the Companies Registration Office in Sweden. Magdalena has a Ph.D. in Economics and a Master of Business Administration. She has had similar positions at different Swedish authorities for several years and started working at the Companies Registration Office in 2012, at a unit connected directly to the Director General. The unit is responsible for taking care of overall issues such as business intelligence and analytics. Since 2012 Magdalena is a member of the ECRF Survey Working Group, and Editorial Group where she, in addition to being a co-author of the report, is responsible for the survey tool and statistics.



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Monica has a Master of Law and started as a lawyer at the Swedish Patent and Registration Office in 1991. Bolagsverket became effective on 1 July 2004 when the previous Companies Department of the Patent and Registration Office was made a separate government authority.

Monica Grahn's journey has gone from being a lawyer, through various management services to now, since 2009, being responsible for a unit connected directly to the Director General. The unit is responsible for taking care of overall issues such as business intelligence and analytics. Monica has always been driven by a desire to develop and find solutions in order to create the best solutions for citizens and business owners. The questions often combine law and IT. Monica participates in various groupings where development of e-services is the focus. Monica participates, since 2009, in the operational working group within the Swedish eGovernment Delegation. Since 2013 Monica is a member of the ECRF Survey Working Group and Editorial Group.



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Kasper Sengeløv works at the Danish Business Authority as Special Advisor. Among other things Kasper is responsible for the implementation of the BRIS directive in Denmark and the Danish contribution to ECRF and the European Business Register (EBR). Kasper holds a Master of Law from the University of Copenhagen and has also studied at McGill University in Montreal. Kasper has a background working as a lawyer in the financial sector and at one of Denmark's top law firms for 7 years before joining the Danish Business Authority in January 2013.

Definitions Working Group Update

As the survey has grown to include a greater number of responding jurisdictions from different parts of the world, variances in how terminology is used or interpreted has become an issue. This inevitably impacts the data collected and our ability to analyse the information provided. It is clear from this year's data set that some variations in responses were more likely the result of different interpretations of the terminology used, than any actual difference. It is also clear that in addition to beneficial owner discussions, interest in cross border operations, and thus the disclosure of registration of entities in foreign jurisdictions (a.k.a. branch registration) is of increasing importance internationally.

As a result of the above and in an effort to improve the information collected through the survey, a definitions working group was formed in 2013. The ultimate goal of the working group is to create a reference or terminology guide to accompany future surveys to aid jurisdictions in the completion of their own response, and to ensure, to the extent possible, that we are comparing like with like – apples to apples as it were! It is hoped that this will lead to greater clarity and increased confidence in the survey results.

The working group discussed the challenges arising from differences in terminology. They proposed an approach to seek feedback from jurisdictions with regard to both the matter of entity types and branch or foreign entity registration. A template was prepared, detailing the various attributes or characteristics for comparison. Members of the group were subsequently asked to complete the template with regard to their home jurisdiction, and sought additional feedback from colleagues. The proposed template was reviewed, revised and updated to reflect additional input received.

Through December 2013 and January 2014, the template was more broadly distributed for completion. Respondents were asked to identify each entity type registered / recorded in their business register, and to indicate the applicable attributes / characteristics of that entity type (i.e. liability, minimum number of shareholders, minimum capital requirements, etc.). Respondents were also asked how branch registrations are dealt with in their jurisdiction. At the time of this report, responses have been received from 37 jurisdictions.

While the data collected was reviewed and discussed in great detail, it is clear that given the number of potential respondents around the world, or even comparing the volume of respondents to this year's survey, the group does not yet have sufficient data to complete a reference or terminology guide. Efforts are being made to seek out additional responses to the template previously circulated. The working group is also seeking suggestions for additional characteristics that could be added to that template to more adequately describe or differentiate each entity type.

It is intended that the data collected thus far will be posted to the organisational websites of ECRF, CRF and IACA should you wish to review the detailed responses received to date.

Member of the Definitions Working Group

Axel Forstmann (chair)
Celia Johnston
Hayley Clarke
Julian Lamb
Stacey-Jo Smith
Lena Norrsjo
Monica Grahn

Appendix

Appendix i

Measures taken to prevent corporate identity theft

Jurisdiction	Measures taken
Australia	Upon registration of a company a corporate key is established and associated with a company and its ACN (Australian Company Number). The customer can use the corporate key to register for online access to view the company record, lodge changes and receive annual statements online. When registered for online access the corporate key is no longer required. Registration of a business name includes a step for the customer to establish an account on ASIC Connect, our online portal. This account allows the customer to advise business name details, change details and receive business name renewal notices (every 1 or 3 years) online. To register a business name an ABN (Australian Business Number) is required. An ABN is required for taxation purposes, and to register for an ABN requires submission of details to verify the individuals behind the business.
Austria	No measures taken
Azerbaijan	No measures taken.
Belgium	No measures taken.
Belgium	
Brazil - Alagoas Maceió	We demand notarisation of all acts that are submitted to our registry.
British Virgin Islands	
Canada, federal	Each corporation is assigned a unique identifier (corporate key) upon incorporation. The key must be used to update information relating to the board of directors of the registered office address and to dissolve the corporation online.
Colombia	The Bogotá Chamber of Commerce automatically notifies the registered company by e-mail every time a change to their company information is made in the registry.
Croatia	Not applicable in Croatia.
Czech Republic	Only persons expressly set out in the law may submit an application for entry or to change or delete an entry in the register. The application shall be legalized by a public notary or another designated authority (if submitted in paper form) or electronically signed (by a so-called recognised e-signature which means an advanced electronic signature based on a qualified certificate issued by an accredited certification service provider or the application may be sent through a so-called data-box which is a secured electronic communication enabling an unequivocal authentication of the sender and the recipient). The application shall be accompanied by the relevant documents substantiating the registered information.
Delaware	Notifying the registered company's agent about changes to the represented company when changes are made in the registry.

Jurisdiction	Measures taken
Denmark	<p>In Denmark we verify the identity of the people involved with the entity.</p> <p>When it comes to electronic online registration Denmark uses the Advanced electronic signature, which makes it possible to identify the applicant of the registration. Foreign members of the board must attach a copy of their passport or driver's license. Foreign founders of a Danish company must attach their certificate of incorporation from their national business register. To register a change in a company the company must attach the documentation of decision to verify the information. The applicant guarantees, when he is applying a registration, that the registration is correct and that he has the documentation required to make the registration. If an applicant can't document the registration, by showing the original documents, he can be prosecuted by law.</p>
Dubai, UAE	No measures taken
Estonia	We send a notification of change to company's e-mail address. In addition, we send instantly a notification to board members e-mail when new application arrives to the register (automatically).
Finland	No measures taken.
Georgia	Everyone can access and check information on a company in question, including any change to the company, as the business registry is available online via the NAPR official website.
Germany	No measures taken
Gibraltar	Only existing, registered officers of the company may make alterations to the company's register. The company is not informed of filings received by Companies House.
Guernsey	Certificates of Incorporation and Electronic PINs are only sent to Registered Office Address. Electronic PIN required to make changes to Registry information
Hawaii	no measures taken
Hong Kong	<p>(1) An e-Monitor service is provided at the e-Registry (www.eregistry.gov.hk) of the Companies Registry for companies to receive instant notice of changes of their company information on the public register. When a document is registered in the public records of the company, an electronic notification will be automatically sent to the company. The company can decide if it wishes to order the document image record at the Companies Registry's Cyber Search Centre (www.icris.cr.gov.hk) to inspect the details of the registered document.</p> <p>(2) If a company delivers electronic records to the Companies Registry for registration through the e-Registry, the electronic forms must be signed electronically by the authorised persons of the company (e.g. director, company secretary, authorized representative) who have established association of their individual user accounts with the company's user account. User account association enables the e-Registry system to identify the relationship between an individual user and a company. Moreover, a Company Code is required for a company to register a company user account with the e-Registry. The Company Code is a system-generated code which is automatically assigned to a company incorporated electronically at the e-Registry. Other companies can apply for a Company Code through their directors, company secretaries or authorised persons who have registered individual user accounts at the e-Registry.</p>

Jurisdiction	Measures taken
Indiana	At present time no measures are taken. Indiana is in the process of replacing legacy systems, and will require user accounts, names and passwords. Automatic notifications of filings will also be utilized in the new system. Indiana is also in the process of implementing a One Stop portal which will require user accounts, names and passwords, and give automatic notifications. Indiana recently implemented an online E-mail Manager. We now have close to 650k e-mails on file with the office. This database will allow the office to begin e-mail notifications when the new system is implemented.
Ireland	The CRO automatically notifies the registered company by e-mail every time a change to their company information is made in the registry where they have signed up for electronic filing.
Isle of Man	We are a small jurisdiction and our legislation required every entity to have a registered office in the Isle of Man. All prime documents are only delivered to a registered office in the Isle of Man and official mail is not redirected. However, we will be commissioning a new Single Integrated System within the next 12 months and one feature will be to notify a registered company every time a change is made.
Italy	authentication using digital certificates
Jersey	If a company is checked as being monitored the register automatically notifies the registered company by e-mail every time a change to their company information is made in the registry
Kosovo	No measures taken
Latvia	04/11/2013 introduced a new e-service "Rapporteur of at the Register of Enterprises submitted changes". The service gives customers the opportunity to receive informative announcements in e-mail, if in the Register of Enterprises will be submitted applications about the documents received (changes submitted) for making a record in entity (including merchant) case of interest of client. In addition Register of Enterprises of the Republic of Latvia website is a specific section "SOS" - instructions on how to do business in the face of reiderism and forgery of documents.
Lesotho	When transferring shares, we require the original signature of the transferor and transferee, as well as certified copies of their identification documents
Liechtenstein	Publication of changes of registered entities. Verification of signature and power of the person requesting any changes to an existing entity
Lithuania	All changes made in Registry are publicly announced in Centre of Registers Electronic publication. People who are doing online services(incorporation of entity or making changes of their entity information or other) need to use electronic certificate to confirm their identity.
Louisiana	We have an online e-notification system that customers can sign up for.
Luxembourg	Companies may sign into an automated e-mail service which informs the company when a document or an information change is filed on their behalf with the Register.
Macedonia (FYR)	No measures taken

Jurisdiction	Measures taken
Malaysia	At the moment, SSM does not have such notification measures. SSM practices the disclosure based regime i.e. accepting information stated in forms lodged with SSM based on face value. Under section 364 of the Companies Act 1965, any false and misleading information submitted to SSM is punishable by imprisonment for ten years or two hundred and eleven thousand Euro or both.
Manitoba	No measures taken
Mauritius	changes must be notified.
Michigan	No measures taken.
Moldova	No measures taken.
Montana	No measures taken at this time.
Montenegro	No measures taken".
Netherlands, The	Every functionary's ID is officially checked (they have to appear in person) by a notary or employee of the Chamber of Commerce before registering in the Business Register. A copy of that ID has to be sent along with every change. Companies are informed by post of changes in their registration.
New Zealand	When incorporating a director is issued with an authority (company key), the directors can also grant authority to others i.e, staff, professional advisors etc. We also have a service called Watchlist. All subscribed changes or events made to your entity or entities of interest are notified.
Nevada	SilverFlume, Nevada's business Portal allow a customer to add entities to a dashboard where filing activity can be monitored. Business entity filings may also be monitored using the Nevada Secretary of State's Free Business Entity Search at www.nvsos.gov . We have plans to implement notification of status changes or entity related filing through SilverFlume, Nevada's Business Portal.
Newfoundland and Labrador	Prescribed forms filed with the Registry for registration must be signed by either a current officer, director or solicitor for the corporation.
North Carolina	Automatic notification of filings to the e-mail address of record for the entity. In addition, other e-mail addresses can be added when requested.
Norway	When the address and the entire board of a company changes at the same time, we send a letter to the previous chairman of the board informing him or her of the changes we have registered
Nova Scotia	We are in the process of issuing a Request for Proposals for a new technology application to support our Registry. It will be a requirement that this new application support the ability of users to receive alerts with regard to filings related to their own business, and to enable them to subscribe for notification when there have been changes to a business in which they are interested. The primary purpose of such tools will be to thwart the possibility of business identity theft.
Ohio	We have an electronic system to automatically notify customers any time a document is filed on their business record.
Oregon	We are planning to do e-mail notification of register changes. We have increased penalties for false statements and business ID theft is now a crime.

Jurisdiction	Measures taken
Pakistan	In case of suspicion, the registrar, for his satisfaction, may call information/ documents which are not generally/legally required under the law to be filed with the registrar, on case to case basis.
Qatar	
Romania	No measures taken.
Saskatchewan	Our Corporate Registry provides access by sending out a bar code to an individual who is authorized to make changes on behalf of the entity.
Serbia	No measures taken
Singapore	Our one-stop business services portal has several security measures in place to guard against corporate identity theft. It is mandatory for users of the portal to log in using their unique identification number and a password (SingPass) before they can use our e-services. Foreigners who do not have a SingPass must engage the services of a professional firm (lawyers, public accountants, chartered secretaries) to file the online transactions on their behalf. Such firms have been issued with a professional number and they use the professional number when filing transactions on behalf of their clients. When an individual accesses the system using his identification number and SingPass or a professional firm files a transaction on behalf of its client using its professional number, the system keeps a record of the person who filed the transaction. For individuals, we only allow the officers of the company (director and company secretary) to file transactions on behalf of the company.
Slovenia	No measures taken.
South Africa	The registry provides a unique unlocking code (company specific) and directors are informed where e-mails are available.
Spain	Registration of a change of an administrator requires prior due notification to former administrator, in order for former administrator to be able to refute or oppose to such change.
Spain, central	
Sri Lanka	
Sweden	If you register an e-mail to your company, you will automatically receive an e-mail from the register each time a notification of change is registered for your company. This way you get an immediate alert of changes sent to the e-mail address you have selected.
Switzerland	No measures taken.
Tennessee	
Texas	No measures taken; however, business laws provide civil remedies and criminal penalties for submission of false, fraudulent, or forged instrument.
Uganda	No measures taken but there are plans to use e-mail services.
Ukraine	No measures taken

Jurisdiction	Measures taken
United Kingdom	<p>PROOF (PROtected Online Filing) is free and offers protection against corporate identity theft. The scheme is designed to help companies that use WebFiling protect themselves from fraudulent filings, as it prevents individuals from filing certain paper form types.</p> <p>The Companies House Monitor service within WebCHeck and Companies House Direct enables you to keep an eye on your company and 'monitor' which documents have been filed into Companies House. This would alert a company to fraudulent filings that have been made without the company's authority.</p>
Utah	Voluntary sign up for e-mail notification.
Vanuatu	No measures taken.
Washington DC	We require for online account to be set up before customer can do any online filings. We trace customer via credit card details. We make available expanded entity summary on the website.
Wisconsin	No measures taken.

Appendix ii

Major changes during the year that have affected the registry

Jurisdiction	Major Changes
Australia	In January 2013 a new register was established for Self Managed Super Fund (SMSF) Auditors. An online application and search service is available via our ASIC Connect online portal. There are over 7,000 SMSF Auditors on the register.
Austria	No major changes
Azerbaijan	<p>The Law of the Republic of Azerbaijan on State Registration of legal entities and state registry was amended on November 22, 2013.</p> <p>According to the amendment, the state registration of commercial body aimed to receive the status of legal entity, as well as representative and branch office of foreign commercial legal entity should be realized within 2 days, but not later. The e-state registration of LLC with local investments during fast electronic state registration should be realized immediately, during the ordinary e-state registration within 1 day.</p>
Belgium	<p>In 2013 the CBE/KBO celebrated its 10th anniversary. After 10 years, the legal framework needed an update. The codification of the Belgian economic law was an unique opportunity the adapt the current law to new evolutions. The new version of the law regarding the register is now part of the Belgian codex of economic law (it will enter into force in May 2014). The updated version will allow us to show more enterprise info on our public search website; to offer web services with the public data; provide an open data file...during 2013 a lot of time and means were invested in the legal and technical preparations.</p> <p>Companies which have not filed their annual accounts during at least 3 consecutive financial years are now “stricken off ex officio”, it is a mere administrative striking off (no legal consequences). Collaboration between the Belgian national bank and our register within the context of the battle against fraud (started in July 2013).</p>
Brazil - Alagoas Maceió	The Department of Business and Integration Registry, they republished and modified all normative instructions in Brazil.
British Virgin Islands	No major changes
Canada, federal	No major changes.
Colombia	Legislative changes have definitely demanded major changes from our business registry in the past year: Decree 019 and Decree 1150 have added registries and modified previous ones assigned to the Bogota Chamber of Commerce. Also, the system of electronically submitted documents has been improved and adjusted. The advanced electronically signature and safe passwords methods have been incorporated.
Croatia	Law on Amendments of the Company Law was adopted and published in Official Gazette 68/2013 with new change. Company name must be in Croatian language and Latin script or in the official language of the European Union Member States.

Jurisdiction	Major Changes
Czech Republic	On 1st January 2014 a package of new acts, including the new Civil Code, the new Act on Commercial Corporations and the new Act on Public Registers of Legal Entities and Natural Persons, took effect. Applications for entry or to change or delete an entry in the Commercial Register shall be made exclusively by use of dynamic "intelligent" forms accessible (only in Czech language) at the website of the Ministry of Justice of the Czech Republic: https://or.justice.cz/ias/tangle/iform . The filled in forms may be submitted to the court either electronically (signed by a recognised e-signature or sent through a data box) or in paper form with a legalised signature. The list of documents to be annexed to the application is now only informative.
Delaware	Created Public Benefit Corporations
Denmark	In 2013 the Danish companies act was amended. With this amendment it became possible from the 1st of January 2014 to incorporate an entrepreneurial company (DA: Iværksætterselskab) with a share capital of 1 DKK. The entrepreneurial company is a special kind of private limited company with certain restrictions in relation to payment of dividends. Furthermore the capital requirement for private limited companies was lowered from 80.000 DKK to 50.000 DKK.
Dubai, UAE	Launch a licensing application for smart phones
Estonia	There has been no major changes during the last year.
Finland	New Cooperative Act 1.1.2014 New legislation on handling of personal data 1.1.2014
Georgia	
Germany	No measures taken
Gibraltar	Imminent changes in legislation- new Companies Act to be introduced later this year. Introduction of an electronic filing system. REID numbering and free access online to all Gazetted changes in Companies filed and scan of all new incorporated companies and all changes in existing companies available in PDF format for consultation. All accounts filed since they are mandatory are also available for online consultation.
Guernsey	Now Register Foundations
Hawaii	No major changes
Hong Kong	The new Companies Ordinance ("new CO") was passed on 12 July 2012. The new CO modernises the legal framework for the operation and incorporation of companies in Hong Kong. Following the passage of the new CO, 12 pieces of subsidiary legislation on technical and procedural matters were passed in July 2013. The new CO and the subsidiary legislation will commence operation on 3 March 2014.
Indiana	Implementing the E-mail Manger. In less than 10 months the office has been able to verify old e-mail addresses, ensure e-mail addresses that are entered online as part of the online filing process are captured and allow customers to manage their e-mail information online. The office now has close to 650k e-mail addresses on file. The office is also in the procurement process for a vendor for a One Stop portal.

Jurisdiction	Major Changes
Ireland	<p>Introduction of typeset signatures for annual accounts to facilitate electronic filing of annual returns - Companies Misc. Prov. Act 2013. 83% returns filed online but only 1% of accounts. Hoped that this will change in 14.</p> <p>Electronic filing introduced for charge/mortgage registration.</p> <p>Legislation to be finalised in 2014 to reform and replace Companies Acts.</p>
Isle of Man	<p>Companies (Beneficial Ownership) Act 2012 - The Act requires every company that is not the client company of a regulated Corporate Service Provider or covered by an exemption in the Act or the Companies (Beneficial Ownership) (Exemptions) Order 2013 (SD 235/2013) to appoint a 'nominated officer'.</p> <p>Company and Business Names etc Act 2012 - Enables the Department of Economic Development to regulate the names used by companies and other businesses on the Isle of Man.</p> <p>The Company and Business Names (restricted words and phrases) Regulations 2013.</p> <p>Partnership (Amendment) Act 2012 - Requires a limited partnership to keep reliable accounting records.</p>
Italy	No major changes
Jersey	Launch of security interests register.
Kosovo	No major changes
Latvia	<p>During the last year have been the following changes:</p> <ol style="list-style-type: none"> 04/11/2013 introduced a new e-service "Rapporteur of at the Register of Enterprises submitted changes". The service gives customers the opportunity to receive informative announcements in e-mail, if in the Register of Enterprises will be submitted applications about the documents received (changes submitted) for making a record in entity (including merchant) case of interest of client. 02/04/2013 approved the amendments to the Cabinet of Ministers Regulations No. 140 of February 20, 2007, which provides for a 10% reduction in state fee if the customer applies for service through e-services in portal www.latvija.lv and has expressed a wish to receive documents by electronic communications and respectively the service is delivered electronically by sending decision of state notary of the Register of Enterprises to the site or a person's e-mail address. 01/07/2013 came into force amendments to the Commercial Law to limit raiderism cases The most important amendments: <ul style="list-style-type: none"> - an increase in the number of cases in which signatures on the application or on to the application added documents need to be certified by a notary; - changes in signing and designing of the stock company members or shareholders meeting minutes; - changes in the keeping of members register. <p>Cont.</p>

Jurisdiction	Major Changes
Latvia (cont)	4. From 01/03/2013 offered the opportunity for state and local authorities, by an inter agency agreement / cooperation agreement, to receive stored data in the Register of Enterprises kept registers electronically (for free) for performing their functions.
Lesotho	Embarked on the re-registration process. Enhanced our automated systems by building in the system, the document management system. Improved our registration form to streamline tax information.
Liechtenstein	No major changes
Lithuania	<p>1) Company directors are given opportunity to empower their subordinates or other persons to electronically manage the data of the company's (on line proxy services).</p> <p>2) Registers archives became available for public interests (for purchase).</p> <p>3) The company name is now examined by The State Commission on the Lithuanian Language.</p>
Louisiana	No major changes
Luxembourg	No major changes.
Malaysia	SSM reduced the minimum incorporation fees for companies having a share capital of eighty-nine thousand Euro until eleven hundred thousand Euro. The incorporation fee was reduced from six hundred and sixty-five Euro to two-hundred and twenty-one Euro.
Manitoba	No major changes
Mauritius	Changes in legislation. Changes in work procedures due to EDMS technology. Payment may be effected by credit/debit cards online services.
Michigan	No major changes.
Moldova	No major changes.
Montana	No major changes.
Montenegro	Tax administration has begun making a new application-software solution. Allows application submission by the regional unit PU e-applications as well as scan documents.
Netherlands, The	As of January 1st, 2013 the Chamber of Commerce is funded by government. Companies no longer pay a fee for registration.
New Zealand	No major changes
Nevada	System changes were made allowing for the designation of Benefit Corporations, registration of charitable solicitors and for requirements for Commercial Registered Agents, all effective January 1, 2014.

Jurisdiction	Major Changes
Macedonia (FYR)	<p>Last year we made some changes to the on line registration process. Namely, the reform includes:</p> <ul style="list-style-type: none"> - Introducing new authorized category of professional applicants in the Trade register-“Registration agent” - Exclusion of the obligatory use of the company seal - Free of charge on line registration of limited liability company, limited liability company by one person and sole proprietor, “Registration agent” shall be a sole proprietor or a trade company registered for carrying out accounting activities or holds an authorization for submission of an application for entry via the E-registration System. Namely, with the Amendments on Law on One-Stop-Shop System and Keeping a Trade Register and Register of Other Legal Entities and Law on Trade companies (Official gazette of Republic of Macedonia (FYR) No. 70/2013) we provided that on line registration for the limited liability company, limited liability company by one person and the sole proprietor could be done by the registration agent via the E-registration System, without charging for the process of preparing documents and without paying fee for the registration to the Central register. These legal changes were followed with suitable changes on the Tariff (Price List) of Central Register, where is explicitly mentioned that there is no fee required for registration of the companies named above. Also, with the Amendments on Law on Trade companies (Official gazette of Republic of Macedonia (FYR) No. 70/2013) we excluded the mandatory usage of the company seal in the process of registration and also in the legal relations. Namely, according to the article 92 paragraph 5 from this law: <p>(5) The use of an official seal shall not be mandatory in the procedure for entry in the trade register, as well as in the legal operation. The certification of any type of a document by an official seal of the company must not be prescribed by a law or another regulation or it must not be required by a state body.</p> <p>To make effective this law provision we have initiated appropriate changes to the other institution laws and regulations in the way to follow this practice and exclude the obligatory use of the seal.</p> <p>With these new measures we achieved to merge the steps for registrations and obtaining company seal in only one step-registration via the registration agent. This new reform enable the whole registration process to be done in one step- via registration agent without need to come in the Central register because we provided the certificate for the registration of the company to be in digital form and signed with qualified certificate of the Central register (authorized person for registration who had approve the registration). Also, the new established company does not have to obtain company seal to accomplish its rights and duties.</p>
Newfoundland and Labrador	No major changes
North Carolina	This past year saw a major rewrite of the NC Limited Liability Company Act. This caused some code changes and form revision.
Norway	A revision of the limited companies act has removed the need for balance statements when starting a limited company with only cash. The minimum number of board members has been reduced to one person. The result of both these changes is a simplified process for starting a limited company, which to some extent has made the registration process easier and faster.

Jurisdiction	Major Changes
Nova Scotia	Access to Business (A2B) - our government online portal for business services - was launched Fall 2012, so 2013 was the first full year of operations. Through the course of the year, there were several releases required to fix a few bugs and improve functionality. The greatest problems seemed to be related to challenges with browser compatibility and stringent password requirements. Online renewals have fallen somewhat as a result of these changes, but we are currently conducting a usability assessment for recommendations to improve this over time. While Registry of Joint Stock Companies clients are a primary consumer of this service for Registry related renewals, applications and renewals for a variety of other government programs are also facilitated in this way.
Ohio	We began accepting filings online on July 1, 2013.
Oregon	Adopted law for benefit company election; Office of Small Business Assistance with Advocate was created; the whole Division is undergoing a major realignment of structure, duties, work flow. The notary program adopted Revised Uniform Law on Notarial Acts, completely changed the tutorial, examination and application process (all online). New UCC forms to adjust to the Article 9 amendments.
Pakistan	<p>The registry is moving towards online filing regime, by making online filing mandatory in phase-wise manner. The registry has also introduced number of services which include but not limited to:</p> <p>Fast track registration services which entails for selected services being provided within four working hours.</p> <p>Inter-Company registration office inspection service, which allows for inspection of records from around the country.</p>
Qatar	No Major Changes
Romania	Enforcement of the new Civil Procedure Code and GEO no.80/2013 on legal stamp duties.
Saskatchewan	<p>In November 2012 the Saskatchewan Government introduced legislation to privatize Information Services Corporation (ISC), the provincial Crown corporation responsible for the Corporate Registry. As a result, the Office of Public Registry Administration (OPRA) was created in the Ministry of Justice on May 30, 2013. OPRA has oversight of responsibility for the Corporate Registry while ISC, as a Saskatchewan business corporation, acts as the service provider for operation of the Corporate Registry under a service agreement with the Government.</p> <p>The Director of Corporations and Registrar of Co-operatives is housed in OPRA.</p>
Serbia	No major changes
Singapore	We are currently working on launching a new e-filing system in the 4th Quarter of 2014. This system has enhanced processes which will make it even easier for our customers to file transactions online. We have consulted our stakeholders and have included their feedback on how the system can be designed to better meet their needs. The new system will also incorporate the changes to the legislation administered by ACRA e.g. the Rewrite of the Companies Act.

Jurisdiction	Major Changes
Slovenia	Amendments to the Companies Act-amendment to H. It refers to the constraint checking shareholders.
South Africa	<p>We automated a number of services and integrated bank account opening with company registrations.</p> <p>Additionally, we rolled out self-service terminals which enable business owners to register their company in a seamless one-step process.</p> <p>We introduced biometric identity verification.</p>
Spain	Law 14/2013, of September 27th, to Support Entrepreneurs and their Internationalisation, the aim of which is, among others, to facilitate, speed-up and lower costs of incorporation procedures of companies and sole traders.
Spain, central	
Sri Lanka	
Sweden	No legislative changes in 2013 related to entrepreneurship.
Switzerland	Since January 1st, 2013, the business registries are compelled to accept electronic requests.
Tennessee	
Texas	No major changes.
Uganda	<p>There is a new legislation that allows electronic submissions and also registration of a one man company among others.</p> <p>Registration and payments can now be done during registrations and we are already reviewing processes to come up with a new application software that will allow registration and payments online.</p>
Ukraine	No major changes
United Kingdom	<p>In the past year Companies House has been involved in the implementation of the EU Micro-entities directive. As a result the very smallest companies (“micro-entities”) can now file a reduced set of financial information. This implementation contributed to the UK government’s agenda to reduce the regulatory burden placed upon businesses (particularly small businesses).</p> <p>In the past year Companies House has introduced an Accounts Data Product. This free service is updated daily on the Companies House website and offers an easy to download file containing the individual iXBRL or XBRL data of all accounts registered electronically the previous day. A year’s worth of previous data is also available as monthly files.</p>
Utah	Major changes in partnership, limited partnership LLC
Vanuatu	No major changes.
Washington DC	No major changes.
Wisconsin	No major changes.

Appendix iii - Snap Shots

Australia

Operated by	Government	Average incorporation fee (private limited)	€ 310
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	3
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	6
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	91
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	89
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ -
Total number of entities registered as of December 2013	2 055 825	Minimum number of founders (private limited)	-
Number of entities registered in 2013	203 517	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	106 860	Minimum number of board members (private limited)	-
Number of submissions for changes in 2013	1 377 521		

Austria

Operated by	Court of justice	Average incorporation fee (private limited)	€ 589
Structure	Centralised	Average time to process application for formation, number of hours	16
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	16
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	70
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	65
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 35 000
Total number of entities registered as of December 2013	222 572	Minimum number of founders (private limited)	1
Number of entities registered in 2013	16 825	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	9 371	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	209 832		

Azerbaijan

Operated by	Government	Average incorporation fee (limited)	€ 5
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	No	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	45
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	None	Minimum share capital (limited)	€ 1
Total number of entities registered as of December 2013	576 177	Minimum number of founders (limited)	1
Number of entities registered in 2013	72 250	Minimum number of shareholders (limited)	-
Number of entities terminated in 2013	17 842	Minimum number of board members (limited)	-
Number of submissions for changes in 2013	26 525		

Belgium

Operated by	Government	Average incorporation fee (private limited)	€ 317
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	8
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 18 550
Total number of entities registered as of December 2013	1 590 047	Minimum number of founders (private limited)	1
Number of entities registered in 2013	92 513	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	61 537	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	-		

Belgium, NBB

Operated by	-	Average incorporation fee	€ -
Structure	-	Average time to process application for formation, number of hours	-
Applies cost covering principle	-	Average time to process application for changes, number of hours	-
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	-	Minimum share capital	€ -
Total number of entities registered as of December 2013	-	Minimum number of founders	-
Number of entities registered in 2013	-	Minimum number of shareholders	-
Number of entities terminated in 2013	-	Minimum number of board members	-
Number of submissions for changes in 2013	-		

Brazil - Alagoas Maceió

Operated by	Chamber of commerce	Average incorporation fee (private limited)	€ 75
Structure	Decentralised (autonomous local offices)	Average time to process application for formation, number of hours	16
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	16
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	-	Minimum number of founders (private limited)	2
Number of entities registered in 2013	4 186	Minimum number of shareholders (private limited)	2
Number of entities terminated in 2013	1 254	Minimum number of board members (private limited)	2
Number of submissions for changes in 2013	7 956		

British Virgin Islands

Operated by	Government	Average incorporation fee	€ -
Structure	-	Average time to process application for formation, number of hours	8
Applies cost covering principle	No	Average time to process application for changes, number of hours	8
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	100
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	95
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 0
Total number of entities registered as of December 2013	-	Minimum number of founders (private limited)	1
Number of entities registered in 2013	-	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	-	Minimum number of board members (private limited)	-
Number of submissions for changes in 2013	-		

Canada, federal

Operated by	Government	Average incorporation fee (limited)	€ 151
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	24
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	20.5
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	99
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	93
Mandatory pre-registration steps	Yes	Minimum share capital	€ -
Total number of entities registered as of December 2013	242 385	Minimum number of founders	-
Number of entities registered in 2013	27369	Minimum number of shareholders	-
Number of entities terminated in 2013	15773	Minimum number of board members	-
Number of submissions for changes in 2013	48939		-

Colombia

Operated by	Chamber of commerce	Average incorporation fee	€ -
Structure	Decentralised (autonomous local offices)	Average time to process application for formation, number of hours	8
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	8
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	49
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (limited)	€ 0
Total number of entities registered as of December 2013	966 671	Minimum number of founders (limited)	2
Number of entities registered in 2013	73 479	Minimum number of shareholders (limited)	2
Number of entities terminated in 2013	20 866	Minimum number of board members (limited)	0
Number of submissions for changes in 2013	56 496		

Croatia

Operated by	Court of justice	Average incorporation fee (private limited)	€ 52
Structure	Centralised	Average time to process application for formation, number of hours	64
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	56
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	80
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 2640
Total number of entities registered as of December 2013	213 678	Minimum number of founders (private limited)	1
Number of entities registered in 2013	24 339	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	19 549	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	112 755		

Czech Republic

Operated by	Government	Average incorporation fee (limited)	€ 222
Structure	Centralised	Average time to process application for formation, number of hours	40
Applies cost covering principle	No	Average time to process application for changes, number of hours	40
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	Yes	Minimum share capital (limited)	€ 1
Total number of entities registered as of December 2013	-	Minimum number of founders (limited)	1
Number of entities registered in 2013	-	Minimum number of shareholders (limited)	1
Number of entities terminated in 2013	-	Minimum number of board members (limited)	1
Number of submissions for changes in 2013	-		

Delaware

Operated by	Government	Average incorporation fee (US LLC)	€ 90
Structure	Centralised	Average time to process application for formation, number of hours	-
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	-
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	80
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ 0
Total number of entities registered as of December 2013	-	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	-	Minimum number of shareholders (US LLC)	0
Number of entities terminated in 2013	-	Minimum number of board members (US LLC)	0
Number of submissions for changes in 2013	-		

Denmark

Operated by	Government	Average incorporation fee (private limited)	€ 189
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 10 720
Total number of entities registered as of December 2013	650 940	Minimum number of founders (private limited)	1
Number of entities registered in 2013	64 662	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	45 604	Minimum number of board members (private limited)	0
Number of submissions for changes in 2013	-		

Dubai, UAE

Operated by	Government	Average incorporation fee (private limited)	€ 7 400
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	No	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	10
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 398 379
Total number of entities registered as of December 2013	272 575	Minimum number of founders (private limited)	3
Number of entities registered in 2013	17 938	Minimum number of shareholders (private limited)	-
Number of entities terminated in 2013	4 189	Minimum number of board members (private limited)	-
Number of submissions for changes in 2013	24 027		

Estonia

Operated by	Court of justice	Average incorporation fee (private limited)	€ 163
Structure	Centralised	Average time to process application for formation, number of hours	8.5
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	11
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	99
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	95
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 2 500
Total number of entities registered as of December 2013	209 133	Minimum number of founders (private limited)	-
Number of entities registered in 2013	20 574	Minimum number of shareholders (private limited)	-
Number of entities terminated in 2013	14 908	Minimum number of board members (private limited)	-
Number of submissions for changes in 2013	35 831		

Finland

Operated by	Government	Average incorporation fee (private limited)	€ 355
Structure	Centralised	Average time to process application for formation, number of hours	64
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	88
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	11
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	14
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 2 500
Total number of entities registered as of December 2013	583 640	Minimum number of founders (private limited)	1
Number of entities registered in 2013	29 878	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	14 329	Minimum number of board members (private limited)	2
Number of submissions for changes in 2013	99 151		

Georgia

Operated by	Government	Average incorporation fee (limited)	€ 42
Structure	Centralised	Average time to process application for formation, number of hours	2
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	3
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	31
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	8
Mandatory pre-registration steps	None	Minimum share capital (limited)	€ 0
Total number of entities registered as of December 2013	544 185	Minimum number of founders (limited)	1
Number of entities registered in 2013	46 427	Minimum number of shareholders (limited)	-
Number of entities terminated in 2013	625	Minimum number of board members (limited)	-
Number of submissions for changes in 2013	13 691		

Germany

Operated by	Court of justice	Average incorporation fee (private limited)	€ 150
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	16
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	16
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	100
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	100
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	4 583 640	Minimum number of founders (private limited)	1
Number of entities registered in 2013	130 896	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	-	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	-		

Gibraltar

Operated by	Public-private partnership	Average incorporation fee (private limited)	€ 121
Structure	Centralised	Average time to process application for formation, number of hours	8
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	8
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	23 576	Minimum number of founders (private limited)	1
Number of entities registered in 2013	2 128	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	2 885	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	70 000		

Guernsey

Operated by	Government	Average incorporation fee (limited)	€ 120
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	4
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	99
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	99
Mandatory pre-registration steps	None	Minimum share capital (limited)	€ 0
Total number of entities registered as of December 2013	18 707	Minimum number of founders (limited)	1
Number of entities registered in 2013	1 648	Minimum number of shareholders (limited)	1
Number of entities terminated in 2013	1 744	Minimum number of board members (limited)	1
Number of submissions for changes in 2013	25 823		

Hawaii

Operated by	Government	Average incorporation fee (US LLC)	€ 50
Structure	Centralised	Average time to process application for formation, number of hours	40
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	40
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	62
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	42
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ 1
Total number of entities registered as of December 2013	157 600	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	27 164	Minimum number of shareholders (US LLC)	-
Number of entities terminated in 2013	3 987	Minimum number of board members (US LLC)	-
Number of submissions for changes in 2013	5 774		

Hong Kong

Operated by	Government	Average incorporation fee (private limited)	€ 163
Structure	Centralised	Average time to process application for formation, number of hours	16.5
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	-
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 0
Total number of entities registered as of December 2013	1 172 189	Minimum number of founders (private limited)	1
Number of entities registered in 2013	174 811	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	56 391	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	-		

Indiana

Operated by	Government	Average incorporation fee (US LLC)	€ 80
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	85
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	70
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ -
Total number of entities registered as of December 2013	-	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	46 718	Minimum number of shareholders (US LLC)	0
Number of entities terminated in 2013	-	Minimum number of board members (US LLC)	0
Number of submissions for changes in 2013	44 848		

Ireland

Operated by	Government	Average incorporation fee (private limited)	€ 75
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	40
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	8.5
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	88
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	78
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	182 562	Minimum number of founders (private limited)	1
Number of entities registered in 2013	15 506	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	13 809	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	162 215		

Isle of Man

Operated by	Government	Average incorporation fee (private limited)	€ 121
Structure	Centralised	Average time to process application for formation, number of hours	2
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	24
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	38 660	Minimum number of founders (private limited)	1
Number of entities registered in 2013	3 103	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	2 884	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	70 000		

Italy

Operated by	Chamber of commerce	Average incorporation fee	€ -
Structure	Decentralised (autonomous local offices)	Average time to process application for formation, number of hours	16
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	16
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	6 102 116	Minimum number of founders (private limited)	1
Number of entities registered in 2013	384 819	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	416 031	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	4 458 110		

Jersey

Operated by	Government	Average incorporation fee (private limited)	€ 210
Structure	Centralised	Average time to process application for formation, number of hours	2
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	53 017	Minimum number of founders (private limited)	1
Number of entities registered in 2013	3 573	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	2 905	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	10 344		

Kosovo

Operated by	Government	Average incorporation fee (private limited)	€ 0
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	No	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 10 000
Total number of entities registered as of December 2013	126 383	Minimum number of founders (private limited)	2
Number of entities registered in 2013	9 221	Minimum number of shareholders (private limited)	2
Number of entities terminated in 2013	-	Minimum number of board members (private limited)	2
Number of submissions for changes in 2013	3 976		

Latvia

Operated by	Government	Average incorporation fee (private limited)	€ 20
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	20
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	20
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	3
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	29
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	162 026	Minimum number of founders (private limited)	1
Number of entities registered in 2013	16 270	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	3 517	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	-		

Lesotho

Operated by	Government	Average incorporation fee (private limited)	€ 45
Structure	Centralised	Average time to process application for formation, number of hours	8
Applies cost covering principle	No	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 0
Total number of entities registered as of December 2013	20 000	Minimum number of founders (private limited)	-
Number of entities registered in 2013	2 100	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	20	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	800		

Lichtenstein

Operated by	Government	Average incorporation fee (private limited)	€ 580
Structure	Centralised	Average time to process application for formation, number of hours	8
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	8
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 30 000
Total number of entities registered as of December 2013	46 649	Minimum number of founders (private limited)	1
Number of entities registered in 2013	1 279	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	7 605	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	23 750		

Lithuania

Operated by	Government	Average incorporation fee (private limited)	€ 57
Structure	Centralised	Average time to process application for formation, number of hours	16
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	16
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	55
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	10
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 2 896
Total number of entities registered as of December 2013	-	Minimum number of founders (private limited)	1
Number of entities registered in 2013	8 926	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	6 314	Minimum number of board members (private limited)	3
Number of submissions for changes in 2013	136 876		

Louisiana

Operated by	Government	Average incorporation fee (limited)	€ 102
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	85
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	85
Mandatory pre-registration steps	None	Minimum share capital (limited)	€ 0
Total number of entities registered as of December 2013	-	Minimum number of founders (limited)	-
Number of entities registered in 2013	-	Minimum number of shareholders (limited)	-
Number of entities terminated in 2013	-	Minimum number of board members (limited)	2
Number of submissions for changes in 2013	-		

Luxembourg

Operated by	Public private partnership	Average incorporation fee (private limited)	€ 119
Structure	Centralised	Average time to process application for formation, number of hours	6
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	6
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	94
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	96
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 12 395
Total number of entities registered as of December 2013	136 155	Minimum number of founders (private limited)	1
Number of entities registered in 2013	9 755	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	5 368	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	64 819		

Macedonia (FYR)

Operated by	Government	Average incorporation fee (private limited)	€ 20
Structure	Centralised	Average time to process application for formation, number of hours	3
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	3
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	4
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	1
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 5 000
Total number of entities registered as of December 2013	100 815	Minimum number of founders (private limited)	2
Number of entities registered in 2013	6 394	Minimum number of shareholders (private limited)	-
Number of entities terminated in 2013	8 227	Minimum number of board members (private limited)	-
Number of submissions for changes in 2013	29 431		

Malaysia

Operated by	Government	Average incorporation fee (private limited)	€ 227
Structure	Decentralised (autonomous local offices)	Average time to process application for formation, number of hours	16.5
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	38
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	5
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 0
Total number of entities registered as of December 2013	5 373 373	Minimum number of founders (private limited)	2
Number of entities registered in 2013	376 233	Minimum number of shareholders (private limited)	2
Number of entities terminated in 2013	29 064	Minimum number of board members (private limited)	2
Number of submissions for changes in 2013	1 946 048		

Manitoba

Operated by	Government	Average incorporation fee (private limited)	€ 260
Structure	Centralised	Average time to process application for formation, number of hours	40
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	40
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 0
Total number of entities registered as of December 2013	112 907	Minimum number of founders (private limited)	-
Number of entities registered in 2013	11 915	Minimum number of shareholders (private limited)	-
Number of entities terminated in 2013	9 830	Minimum number of board members (private limited)	-
Number of submissions for changes in 2013	10 888		

Mauritius

Operated by	Government	Average incorporation fee (private limited)	€ 75
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ -
Total number of entities registered as of December 2013	211 083	Minimum number of founders (private limited)	1
Number of entities registered in 2013	16 411	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	8 801	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	-		

Michigan

Operated by	Government	Average incorporation fee	€ -
Structure	Centralised	Average time to process application for formation, number of hours	-
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	-
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	42
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	42
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ -
Total number of entities registered as of December 2013	1 775 912	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	76 206	Minimum number of shareholders (US LLC)	-
Number of entities terminated in 2013	-	Minimum number of board members (US LLC)	-
Number of submissions for changes in 2013	-		

Moldova

Operated by	Privately Owned company	Average incorporation fee (private limited)	€ 45
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	36
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	36
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 295
Total number of entities registered as of December 2013	164 566	Minimum number of founders (private limited)	1
Number of entities registered in 2013	6 232	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	2 808	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	46 137		

Montana

Operated by	Government	Average incorporation fee	€ -
Structure	Centralised	Average time to process application for formation, number of hours	-
Applies cost covering principle	No	Average time to process application for changes, number of hours	-
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	80
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	None	Minimum share capital	€ -
Total number of entities registered as of December 2013	640 179	Minimum number of founders	-
Number of entities registered in 2013	75 554	Minimum number of shareholders	-
Number of entities terminated in 2013	34 585	Minimum number of board members	-
Number of submissions for changes in 2013	-		

Montenegro

Operated by	Government	Average incorporation fee (private limited)	€ 22
Structure	Centralised	Average time to process application for formation, number of hours	8
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	14
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	10
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	50 263	Minimum number of founders (private limited)	1
Number of entities registered in 2013	4 155	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	2 282	Minimum number of board members (private limited)	3
Number of submissions for changes in 2013	6 068		

Netherlands, the

Operated by	Chamber of commerce	Average incorporation fee (private limited)	€ 0
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	4
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	4
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	42
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	7
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	2 437 050	Minimum number of founders (private limited)	1
Number of entities registered in 2013	254 834	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	163 361	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	1 500 000		

New Zealand

Operated by	Government	Average incorporation fee (limited)	€ 97
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	100
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	100
Mandatory pre-registration steps	Yes	Minimum share capital (limited)	€ 0
Total number of entities registered as of December 2013	-	Minimum number of founders (limited)	1
Number of entities registered in 2013	-	Minimum number of shareholders (limited)	1
Number of entities terminated in 2013	35 684	Minimum number of board members (limited)	1
Number of submissions for changes in 2013	399 176		

Nevada

Operated by	Public-private partnership	Average incorporation fee (US LLC)	€ 54
Structure	Centralised	Average time to process application for formation, number of hours	5
Applies cost covering principle	No	Average time to process application for changes, number of hours	21
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	73
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	73
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ -
Total number of entities registered as of December 2013	290 355	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	70 150	Minimum number of shareholders (US LLC)	-
Number of entities terminated in 2013	-	Minimum number of board members (US LLC)	-
Number of submissions for changes in 2013	-		

Newfoundland and Labrador

Operated by	Government	Average incorporation fee (limited)	€ 185
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual returns	No	Percentage of electronically submitted documents for formation	44
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	37
Mandatory pre-registration steps	Yes	Minimum share capital (limited)	€ -
Total number of entities registered as of December 2013	25 931	Minimum number of founders (limited)	1
Number of entities registered in 2013	1 611	Minimum number of shareholders (limited)	1
Number of entities terminated in 2013	1 362	Minimum number of board members (limited)	1
Number of submissions for changes in 2013	900		

North Carolina

Operated by	Government	Average incorporation fee (US LLC)	€ 92
Structure	Centralised	Average time to process application for formation, number of hours	9
Applies cost covering principle	No	Average time to process application for changes, number of hours	9
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	10
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	13
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ 1
Total number of entities registered as of December 2013	602 142	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	53 982	Minimum number of shareholders (US LLC)	0
Number of entities terminated in 2013	36 106	Minimum number of board members (US LLC)	0
Number of submissions for changes in 2013	57 689		

Norway

Operated by	Government	Average incorporation fee (private limited)	€ 755
Structure	Centralised	Average time to process application for formation, number of hours	44
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	62
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	78
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	70
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 3 636
Total number of entities registered as of December 2013	450 496	Minimum number of founders (private limited)	1
Number of entities registered in 2013	36 184	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	23 609	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	225 683		

Nova Scotia

Operated by	Government	Average incorporation fee (limited)	€ 290
Structure	Decentralised	Average time to process application for formation, number of hours	12
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	22
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	20
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	30
Mandatory pre-registration steps	Yes	Minimum share capital (limited)	€ 1
Total number of entities registered as of December 2013	85 999	Minimum number of founders (limited)	1
Number of entities registered in 2013	8 665	Minimum number of shareholders (limited)	1
Number of entities terminated in 2013	13 762	Minimum number of board members (limited)	1
Number of submissions for changes in 2013	84 330		

Ohio

Operated by	Government	Average incorporation fee (US LLC)	€ 125
Structure	Centralised	Average time to process application for formation, number of hours	10
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	10
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	40
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	30
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ 0
Total number of entities registered as of December 2013	821 792	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	62 478	Minimum number of shareholders (US LLC)	0
Number of entities terminated in 2013	-	Minimum number of board members (US LLC)	0
Number of submissions for changes in 2013	-		

Oregon

Operated by	Government	Average incorporation fee (US LLC)	€ 73
Structure	Centralised	Average time to process application for formation, number of hours	14
Applies cost covering principle	No	Average time to process application for changes, number of hours	20
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	76
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	34
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ 0
Total number of entities registered as of December 2013	261 067	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	29 825	Minimum number of shareholders (US LLC)	1
Number of entities terminated in 2013	2 779	Minimum number of board members (US LLC)	0
Number of submissions for changes in 2013	203 223		

Pakistan

Operated by	Government	Average incorporation fee (private limited)	€ 34
Structure	Decentralised (autonomous local offices)	Average time to process application for formation, number of hours	24
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	24
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	67
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	62 824	Minimum number of founders (private limited)	1
Number of entities registered in 2013	4 084	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	1 431	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	22 679		

Qatar

Operated by	Government	Average incorporation fee (limited)	€ 0
Structure	Centralised	Average time to process application for formation, number of hours	8
Applies cost covering principle	No	Average time to process application for changes, number of hours	2
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (limited)	€ 1
Total number of entities registered as of December 2013	-	Minimum number of founders (limited)	1
Number of entities registered in 2013	-	Minimum number of shareholders (limited)	1
Number of entities terminated in 2013	-	Minimum number of board members (limited)	1
Number of submissions for changes in 2013	-		

Romania

Operated by	Government	Average incorporation fee (private limited)	€ 100
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	16
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	32
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	1
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	1
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 44
Total number of entities registered as of December 2013	2 469 905	Minimum number of founders (private limited)	1
Number of entities registered in 2013	124 816	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	80 786	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	324 128		

Saskatchewan

Operated by	Public-private partnership	Average incorporation fee (limited)	€ 165
Structure	Centralised	Average time to process application for formation, number of hours	86
Applies cost covering principle	No	Average time to process application for changes, number of hours	38
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	78
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	74
Mandatory pre-registration steps	Yes	Minimum share capital (limited)	€ -
Total number of entities registered as of December 2013	-	Minimum number of founders (limited)	1
Number of entities registered in 2013	-	Minimum number of shareholders (limited)	1
Number of entities terminated in 2013	-	Minimum number of board members (limited)	1
Number of submissions for changes in 2013	-		

Serbia

Operated by	Government	Average incorporation fee (private limited)	€ 42
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	16
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	8
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	332 610	Minimum number of founders (private limited)	1
Number of entities registered in 2013	39 667	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	38 610	Minimum number of board members (private limited)	3
Number of submissions for changes in 2013	129 255		

Singapore

Operated by	Government	Average incorporation fee (private limited)	€ 184
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	100
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	100
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 0
Total number of entities registered as of December 2013	426 460	Minimum number of founders (private limited)	1
Number of entities registered in 2013	60 090	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	39 850	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	827 850		

Slovenia

Operated by	Government	Average incorporation fee	€ -
Structure	Centralised	Average time to process application for formation, number of hours	-
Applies cost covering principle	No	Average time to process application for changes, number of hours	-
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 7 500
Total number of entities registered as of December 2013	-	Minimum number of founders (private limited)	1
Number of entities registered in 2013	-	Minimum number of shareholders (private limited)	-
Number of entities terminated in 2013	-	Minimum number of board members (private limited)	-
Number of submissions for changes in 2013	-		

South Africa

Operated by	Government	Average incorporation fee (private limited)	€ 8
Structure	Centralised	Average time to process application for formation, number of hours	50
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	107
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	70
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	70
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 0
Total number of entities registered as of December 2013	1 300 000	Minimum number of founders (private limited)	1
Number of entities registered in 2013	200 000	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	-	Minimum number of board members (private limited)	-
Number of submissions for changes in 2013	-		

Spain

Operated by	-	Average incorporation fee (private limited)	€ 40
Structure	Decentralised (autonomous local offices)	Average time to process application for formation, number of hours	31
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	120
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	44
In charge of receiving annual returns	-	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 3 000
Total number of entities registered as of December 2013	2 700 727	Minimum number of founders (private limited)	1
Number of entities registered in 2013	93 756	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	26 720	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	1 073 726		

Spain, central

Operated by	Government	Average incorporation fee	€ -
Structure	Decentralised (autonomous local offices)	Average time to process application for formation, number of hours	-
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	-
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	Yes	Minimum share capital	€ -
Total number of entities registered as of December 2013	2 976 171	Minimum number of founders	-
Number of entities registered in 2013	94 007	Minimum number of shareholders	-
Number of entities terminated in 2013	26 488	Minimum number of board members	-
Number of submissions for changes in 2013	-		

Sri Lanka

Operated by	Government	Average incorporation fee (private limited)	€ 156
Structure	Centralised	Average time to process application for formation, number of hours	24
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	72
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ -
Total number of entities registered as of December 2013	64 191	Minimum number of founders (private limited)	1
Number of entities registered in 2013	6 171	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	630	Minimum number of board members (private limited)	-
Number of submissions for changes in 2013	-		

Sweden

Operated by	Government	Average incorporation fee (private limited)	€ 215
Structure	Centralised	Average time to process application for formation, number of hours	74
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	89
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	68
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	18
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 5 400
Total number of entities registered as of December 2013	1 097 877	Minimum number of founders (private limited)	1
Number of entities registered in 2013	62 895	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	36 077	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	436 639		

Switzerland

Operated by	Government	Average incorporation fee (limited)	€ 487
Structure	Decentralised (autonomous local offices)	Average time to process application for formation, number of hours	24
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	24
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	1
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	1
Mandatory pre-registration steps	Yes	Minimum share capital (limited)	€ 16 000
Total number of entities registered as of December 2013	572 560	Minimum number of founders (limited)	1
Number of entities registered in 2013	40 710	Minimum number of shareholders (limited)	1
Number of entities terminated in 2013	27 967	Minimum number of board members (limited)	1
Number of submissions for changes in 2013	46 264		

Tennessee

Operated by	Government	Average incorporation fee (US LLC)	€ 75
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	No	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	No	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ -
Total number of entities registered as of December 2013	321 397	Minimum number of founders (US LLC)	-
Number of entities registered in 2013	28 040	Minimum number of shareholders (US LLC)	-
Number of entities terminated in 2013	-	Minimum number of board members (US LLC)	-
Number of submissions for changes in 2013	-		

Texas

Operated by	Government	Average incorporation fee (US LLC)	€ 217
Structure	Centralised	Average time to process application for formation, number of hours	20
Applies cost covering principle	No	Average time to process application for changes, number of hours	20
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	65
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	45
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ -
Total number of entities registered as of December 2013	-	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	-	Minimum number of shareholders (US LLC)	1
Number of entities terminated in 2013	-	Minimum number of board members (US LLC)	1
Number of submissions for changes in 2013	-		

Uganda

Operated by	Government	Average incorporation fee (private limited)	€ 50
Structure	Decentralised (non autonomous local offices)	Average time to process application for formation, number of hours	20
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	16
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	0
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (private limited)	€ 300
Total number of entities registered as of December 2013	640 000	Minimum number of founders (private limited)	1
Number of entities registered in 2013	31 200	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	-	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	-		

Ukraine

Operated by	Government	Average incorporation fee (limited)	€ 15
Structure	Centralised	Average time to process application for formation, number of hours	8
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	8
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	15
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	0
Mandatory pre-registration steps	Yes	Minimum share capital (limited)	€ -
Total number of entities registered as of December 2013	2 974 098	Minimum number of founders (limited)	1
Number of entities registered in 2013	218 515	Minimum number of shareholders (limited)	1
Number of entities terminated in 2013	-	Minimum number of board members (limited)	0
Number of submissions for changes in 2013	-		

United Kingdom

Operated by	Government	Average incorporation fee (private limited)	€ 23
Structure	Centralised	Average time to process application for formation, number of hours	11
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	11
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	98
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	77
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	3 201 983	Minimum number of founders (private limited)	1
Number of entities registered in 2013	517 210	Minimum number of shareholders (private limited)	1
Number of entities terminated in 2013	327 774	Minimum number of board members (private limited)	1
Number of submissions for changes in 2013	2 616 773		

Utah

Operated by	Government	Average incorporation fee (US LLC)	€ 46
Structure	Centralised	Average time to process application for formation, number of hours	25.5
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	24.5
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	60
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	95
Mandatory pre-registration steps	Yes	Minimum share capital (US LLC)	€ -
Total number of entities registered as of December 2013	480 000	Minimum number of founders (US LLC)	-
Number of entities registered in 2013	57 963	Minimum number of shareholders (US LLC)	-
Number of entities terminated in 2013	-	Minimum number of board members (US LLC)	1
Number of submissions for changes in 2013	447 000		

Vanuatu

Operated by	Government	Average incorporation fee (private limited)	€ 300
Structure	Centralised	Average time to process application for formation, number of hours	24
Applies cost covering principle	No	Average time to process application for changes, number of hours	4
In charge of receiving annual accounts	Yes	Percentage of electronically submitted documents for formation	10
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	10
Mandatory pre-registration steps	None	Minimum share capital (private limited)	€ 1
Total number of entities registered as of December 2013	-	Minimum number of founders (private limited)	2
Number of entities registered in 2013	-	Minimum number of shareholders (private limited)	2
Number of entities terminated in 2013	-	Minimum number of board members (private limited)	2
Number of submissions for changes in 2013	-		

Washington

Operated by	Government	Average incorporation fee (US LLC)	€ 160
Structure	Centralised	Average time to process application for formation, number of hours	1
Applies cost covering principle	Yes	Average time to process application for changes, number of hours	1
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	50
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	50
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ 0
Total number of entities registered as of December 2013	340 000	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	12 600	Minimum number of shareholders (US LLC)	1
Number of entities terminated in 2013	-	Minimum number of board members (US LLC)	1
Number of submissions for changes in 2013	50 421		

Wisconsin

Operated by	Government	Average incorporation fee (US LLC)	€ 157
Structure	Centralised	Average time to process application for formation, number of hours	32
Applies cost covering principle	No	Average time to process application for changes, number of hours	40
In charge of receiving annual accounts	No	Percentage of electronically submitted documents for formation	-
In charge of receiving annual returns	Yes	Percentage of electronically submitted documents for changes	-
Mandatory pre-registration steps	None	Minimum share capital (US LLC)	€ -
Total number of entities registered as of December 2013	377 394	Minimum number of founders (US LLC)	1
Number of entities registered in 2013	37 145	Minimum number of shareholders (US LLC)	-
Number of entities terminated in 2013	25 484	Minimum number of board members (US LLC)	-
Number of submissions for changes in 2013	45 123		

