



## The Administration of Business Start-up Procedures

*Is a topic dealt with by the Enterprise Directorate-General  
under the Multiannual Programme for Enterprise and Entrepreneurship*

### *Did you know that ...*

Clear progress is being made in making life easier for entrepreneurs wishing to start-up a business.

- The average time taken to set up an individual enterprise (sole proprietorship) is 12 working days and 24 for a private limited company and these figures are continuing to fall.

but:

- While there are no charges for registering a company in Denmark, it still costs more than € 1,500 in four Member States.
- While in the UK and Ireland, minimum paid-up share capital for a company is € 1, in six countries it represents more than 50% of average annual earnings.
- no country has yet gained all the benefits to be had from exploiting the use of ICT.

***Wanting more details?***

***See reverse and the Enterprise Directorate-General Website:***

[http://europa.eu.int/comm/enterprise/entrepreneurship/support\\_measures/index.htm](http://europa.eu.int/comm/enterprise/entrepreneurship/support_measures/index.htm)

## Benchmarking Start-up Procedures at a European Level

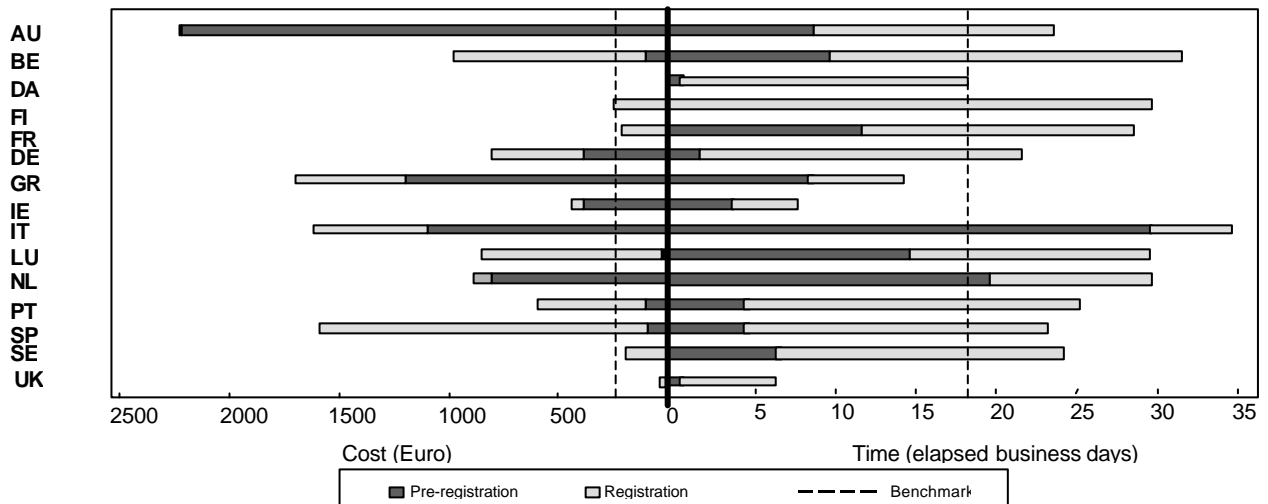
The **European Charter for Small Enterprises** calls for ‘Cheaper and faster start-up’, with the countries with the longest delays and most burdensome procedures, being encouraged to catch up with the fastest.

A benchmarking exercise conducted by the services of the European Commission with experts nominated by the Member States has set out the characteristics of start-up procedures.

‘**Benchmarking the Administration of Business Start-ups**’ is a document, that provides data on :

- the time taken to set up a business,
- the direct cost of registration procedures,
- the minimum paid-up share capital.

### The Typical Time and Cost of Setting Up a Private Limited Company



Information is also provided on the means to achieve the benchmarks. **Operational benchmarks** were defined in relation to such factors as the number of procedures required and the number of official forms and documents to be completed.

Furthermore, the ‘**performance drivers**’, relating to modern management techniques and the application of ICT, were analysed, the associated **best practice** identified and presented in a series of case notes. An important consideration for the future development of start-up procedures arose out of this analysis. The use of ICT requires more fundamental reform to be effective. Consequently :

- **the introduction of on-line registration should be the occasion for a more general review of start-up regulations and procedures.**

Finally, the benchmarking report provides evidence on the other activities required in starting-up (time to access finance and write business plans) and on sectoral licences and similar requirements.