

A World Bank Group Flagship Report

16TH EDITION

# DOING BUSINESS 2019

## Training for Reform

### Economy Profile San Marino



Comparing Business Regulation  
for Domestic Firms in **190** Economies

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## ***Economy Profile of San Marino***

*Doing Business 2019 Indicators  
(in order of appearance in the document)*

<b>Starting a business</b>	Procedures, time, cost and paid-in minimum capital to start a limited liability company
<b>Dealing with construction permits</b>	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
<b>Getting electricity</b>	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
<b>Registering property</b>	Procedures, time and cost to transfer a property and the quality of the land administration system
<b>Getting credit</b>	Movable collateral laws and credit information systems
<b>Protecting minority investors</b>	Minority shareholders' rights in related-party transactions and in corporate governance
<b>Paying taxes</b>	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as post-filing processes
<b>Trading across borders</b>	Time and cost to export the product of comparative advantage and import auto parts
<b>Enforcing contracts</b>	Time and cost to resolve a commercial dispute and the quality of judicial processes
<b>Resolving insolvency</b>	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
<b>Labor market regulation</b>	Flexibility in employment regulation and aspects of job quality

## About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

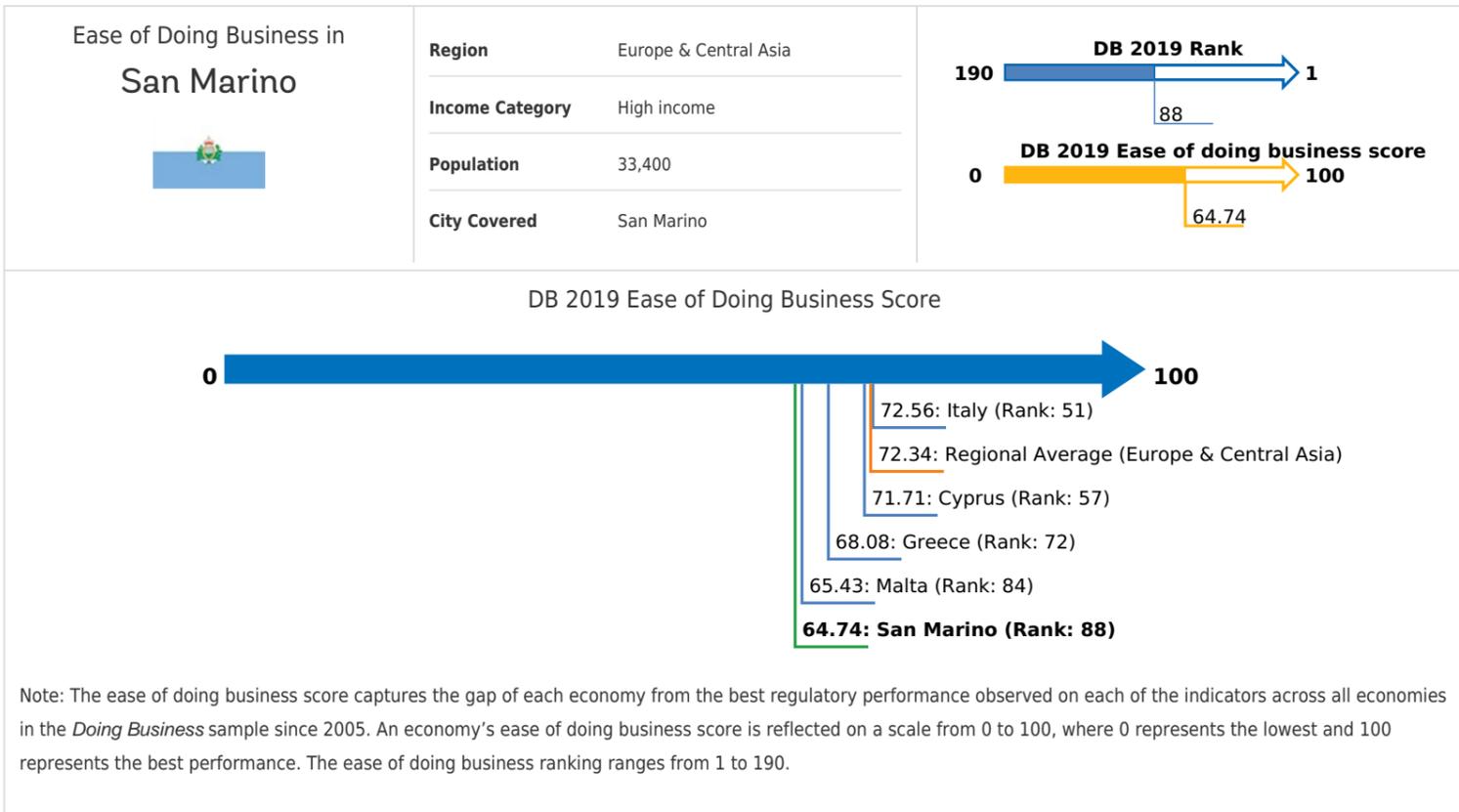
*Doing Business* captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of labor market regulation. Although *Doing Business* does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

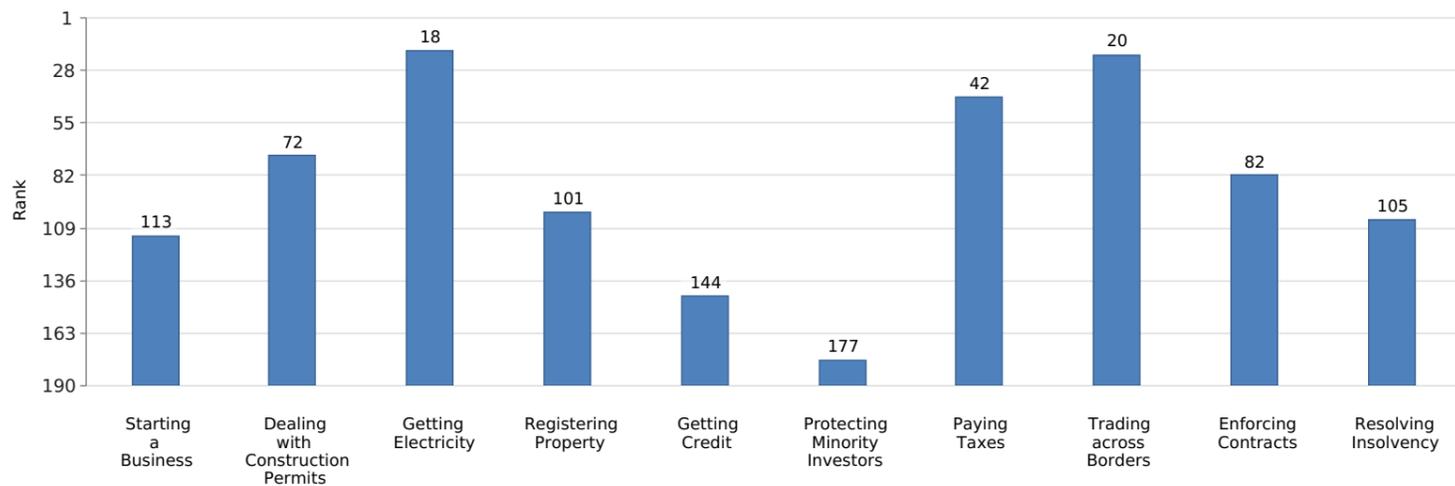
In addition, *Doing Business* offers detailed [subnational reports](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

The first *Doing Business* report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

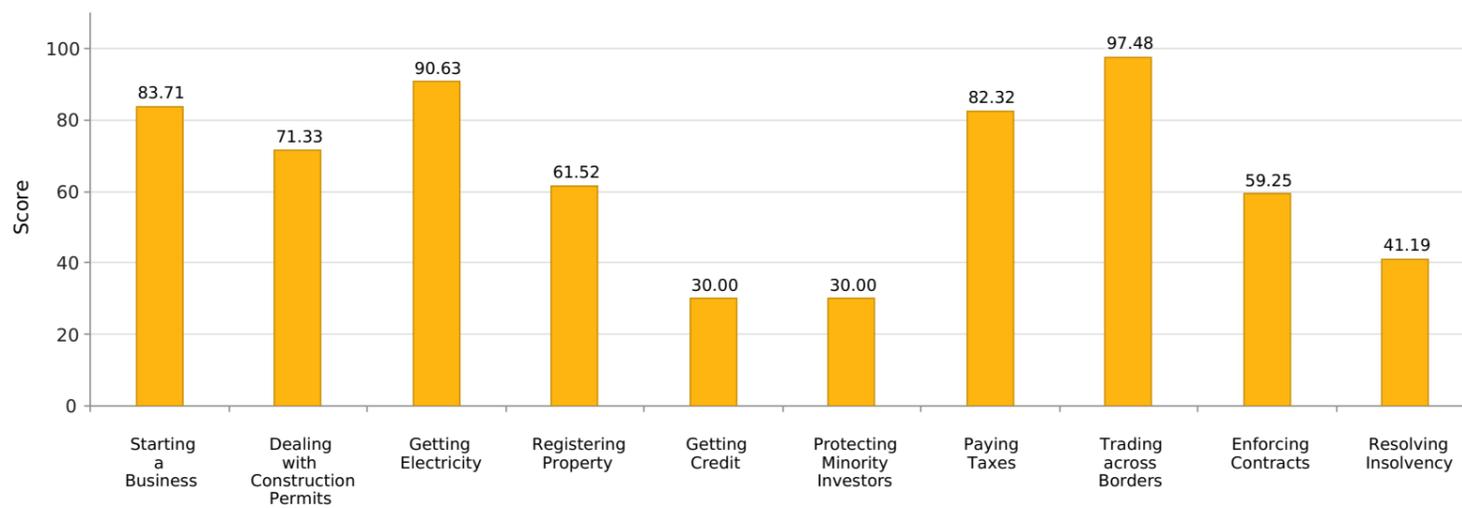
More about [Doing Business](#) (PDF, 5MB)



**Rankings on Doing Business topics - San Marino**



**Ease of Doing Business Score on Doing Business topics - San Marino**



## Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Procedures to legally start and formally operate a company (number)</b></p> <ul style="list-style-type: none"> <li>• Preregistration (for example, name verification or reservation, notarization)</li> <li>• Registration in the economy's largest business city</li> <li>• Postregistration (for example, social security registration, company seal)</li> <li>• Obtaining approval from spouse to start a business or to leave the home to register the company</li> <li>• Obtaining any gender specific document for company registration and operation or national identification card</li> </ul> <p><b>Time required to complete each procedure (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Does not include time spent gathering information</li> <li>• Each procedure starts on a separate day (2 procedures cannot start on the same day)</li> <li>• Procedures fully completed online are recorded as ½ day</li> <li>• Procedure is considered completed once final document is received</li> <li>• No prior contact with officials</li> </ul> <p><b>Cost required to complete each procedure (% of income per capita)</b></p> <ul style="list-style-type: none"> <li>• Official costs only, no bribes</li> <li>• No professional fees unless services required by law or commonly used in practice</li> </ul> <p><b>Paid-in minimum capital (% of income per capita)</b></p> <ul style="list-style-type: none"> <li>• Funds deposited in a bank or with third party before registration or up to 3 months after incorporation</li> </ul>	<p>To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.</p> <p><b>The business:</b></p> <ul style="list-style-type: none"> <li>- Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office.</li> <li>- Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- The entire office space is approximately 929 square meters (10,000 square feet).</li> <li>- Is 100% domestically owned and has five owners, none of whom is a legal entity; has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita.</li> <li>- Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes.</li> <li>- Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to the income per capita.</li> <li>- Does not qualify for investment incentives or any special benefits.</li> <li>- Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals.</li> <li>- Has a company deed that is 10 pages long.</li> </ul> <p><b>The owners:</b></p> <ul style="list-style-type: none"> <li>- Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old.</li> <li>- Are sane, competent, in good health and have no criminal record.</li> <li>- Are married and the marriage is monogamous and registered with the authorities.</li> <li>- Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.</li> </ul>

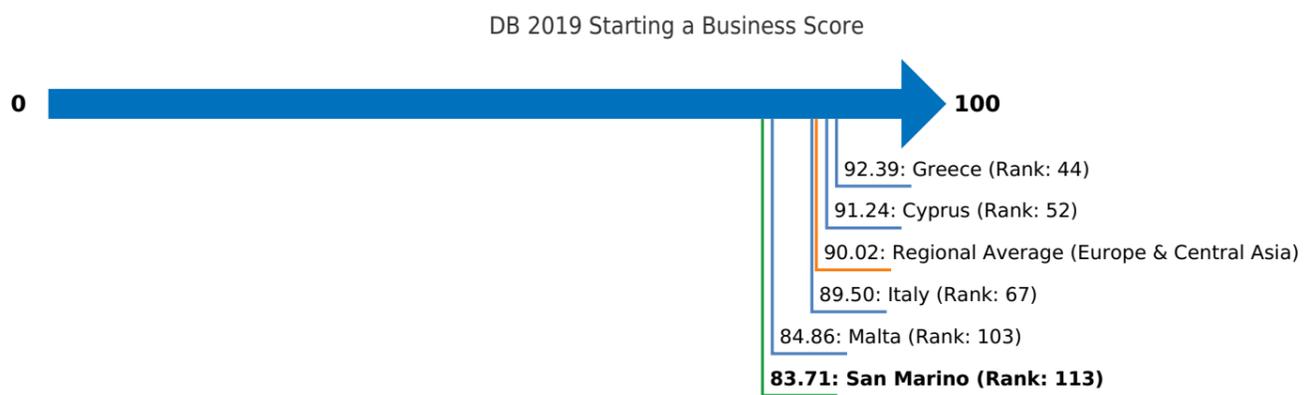
Starting a Business - San Marino

Standardized Company

Legal form	Limited Liability Company
Paid-in minimum capital requirement	EUR 12,750
City Covered	San Marino

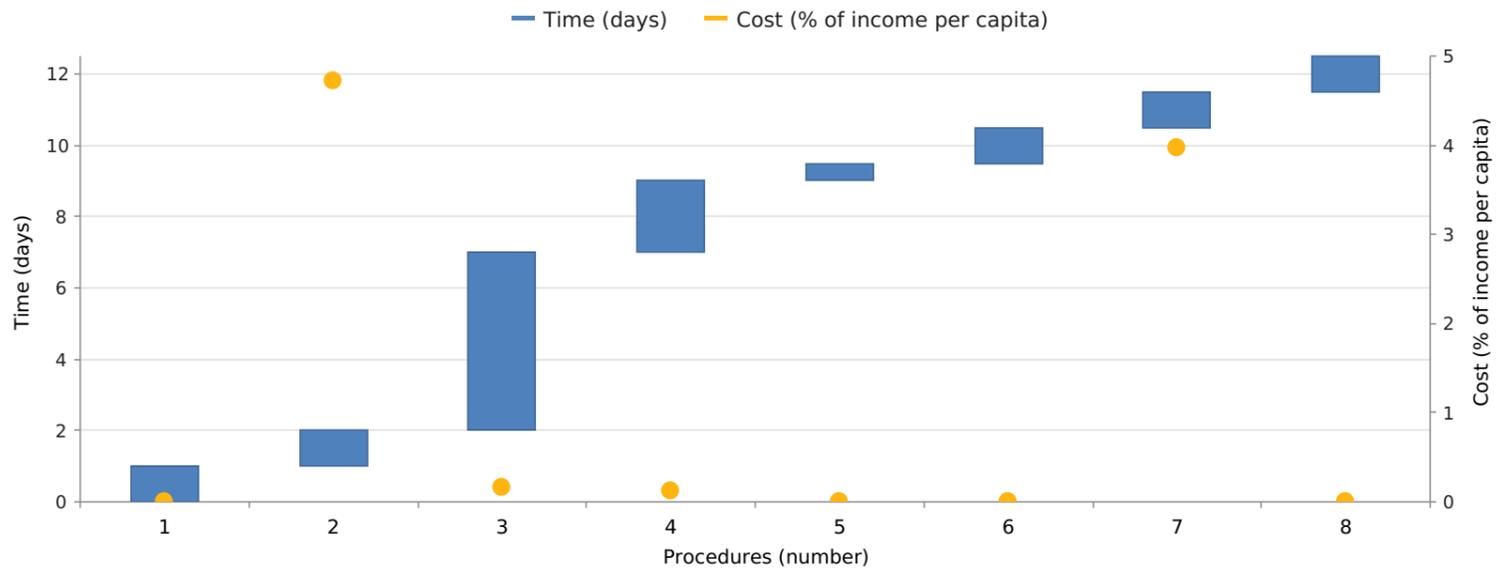
Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedure - Men (number)	8	5.2	4.9	1 (New Zealand)
Time - Men (days)	12.5	12.9	9.3	0.5 (New Zealand)
Cost - Men (% of income per capita)	9.0	4.6	3.1	0.0 (Slovenia)
Procedure - Women (number)	8	5.2	4.9	1 (New Zealand)
Time - Women (days)	12.5	12.9	9.3	0.5 (New Zealand)
Cost - Women (% of income per capita)	9.0	4.6	3.1	0.0 (Slovenia)
Paid-in min. capital (% of income per capita)	29.8	2.3	8.6	0.0 (117 Economies)

Figure - Starting a Business in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in San Marino - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

## Details - Starting a Business in San Marino - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Check for Company name</b>  <i>Agency</i> : Cancelleria Commerciale - Tribunale (Commercial Chancery - Tribunale)            A notary conducts a Company name search at the Cancelleria Commerciale – Tribunale (Commercial Chancery – Tribunale) to make sure there isn't already a company registered with the same name.</p>	1 day	no charge
2	<p><b>Register Company Act at the Register office</b>  <i>Agency</i> : Ufficio del Registro e delle Ipoteche - Segreteria di Stato per le Finanze e il Bilancio            The following documents (all self-certified) are provided to a notary:            For legal entities:            - certificate of good standing            - certificate used to revoke the license              Stamp duty of EUR 10 applies for every four pages.              A notary then prepares two copies of the company act (EUR 1000 as notary fee + EUR 50 stamp duty, based on EUR 10 for every four pages and company act being 10 pages) and submits all the documentation to the Ufficio del Registro e delle Ipoteche (Registry Office).</p>	1 day	EUR 10 (stamp duty for certificate of good standing) + EUR 10 (stamp duty for certificate used to revoke the license) + EUR 1,050 (notary fee and stamp duty for companies act) + EUR 600 (register tax) + EUR 350 (judicial tax)
3	<p><b>Register Company at the Commercial Chancery</b>  <i>Agency</i> : Cancelleria Commerciale - Tribunale (Commercial Chancery - Tribunale)            A notary delivers the Company Act to the Cancelleria Commerciale.</p>	5 days	EUR 70
4	<p><b>Obtain company title certificate</b>  <i>Agency</i> : Ufficio Certificazioni - Tribunale (Certification Office - Tribunale)            The notary, or his nominee, submits a written request by fax to the Commercial Chancellery for the Certificato di Vigenza (company title certificate). After two days the certificate is issued and it can be picked up at the office. This certification confirms the status of the company, highlighting the name, the date and number of registration, the corporate bodies, the corporate purpose and the powers of directors under the articles of association.</p>	2 days	EUR 50
5	<p><b>Obtain operator code</b>  <i>Agency</i> : Ufficio Industria, Artigianato e Commercio            The owner of the company needs to apply for a business license – phase 1.              The request for Economic Operator Code must be made through the online portal called OPEC: www.pa.sm. The code is released directly from the program, pursuant to art. 22 of the Law March 31, 2014 n. 40, entered into force May 30, 2014.              The procedure for the release of the Economic Operator Code consists of two steps:              A) Code Request: specifying the reason for the request (the program provides a default selection of eligible reasons), free text in which to place more specific reasons; for individuals, it is necessary to specify the object for which the license will be required.              The program checks compliance with: the subject of the practice (it cannot be an unfit person); that the company has not been put into liquidation; the applicant is the current administrator and that the company is not already in possession of an economic operator code              B) confirms practice: the rescue of the file makes it permanent.</p>	Less than one day (online procedure)	no charge

6	<p><b>Obtain business license</b>  <i>Agency</i> : Ufficio Industria, Artigianato e Commercio  The owner of the company needs to apply for a business license – phase 2.</p> <p>As of March 31, 2014 n. 40 (on May 30, 2014), the entrepreneur can now apply for the business license online through <a href="http://www.pa.sm">www.pa.sm</a>.</p> <p>It will be necessary to scan and enclose the following documents in order to request the business license:</p> <ol style="list-style-type: none"> <li>1. a business plan indicating the activities and structure of the company,</li> <li>2. a copy of the lease agreement of the registered office duly registered,</li> <li>3. a certificate of habitability,</li> <li>4. cadastral map of the office.</li> </ol> <p>The object of the license must be: lawful, possible, determined, consistent, referring to the actual activity that is going to be in place.</p>	1 day	included in procedure 7
7	<p><b>Pay business license tax</b>  <i>Agency</i> : Ufficio del Registro e delle Ipoteche – Segreteria di Stato per le Finanze e il Bilancio  The customer has to pay the business license tax at the Ufficio del Registro e delle Ipoteche – Segreteria di Stato per le Finanze e il Bilancio. Payment can be done in person at the office or online through <a href="http://www.pa.sm">www.pa.sm</a>.  Initial license costs EUR 1,700. After the first year, license is renewed annually at cost of EUR 650 for a limited liability company.</p>	1 day	EUR 1,700
8	<p><b>Open a bank account</b>  <i>Agency</i> : Commercial bank  According to para 3 of Article 10 of the Company Law, it is required that at least 50% of the capital are paid-in within 60 days from the company formation. In case the payment is done in cash, it should be deposited to the company's account within a bank of San Marino (i.e., local bank). The remaining amount should be paid-in within 3 years.</p> <p>The payment of the capital is attested within a statement issued by the legal representative of the company and authenticated in the signature by a San Marino Notary. Such authenticated statement of the payment must be filed within thirty days from the same payment at the Register of Companies.</p>	1 day	no charge

⇒ Takes place simultaneously with previous procedure.

## Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2018. [See the methodology for more information](#)

What the indicators measure	Case study assumptions
<p><b>Procedures to legally build a warehouse (number)</b></p> <ul style="list-style-type: none"> <li>• Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates</li> <li>• Submitting all required notifications and receiving all necessary inspections</li> <li>• Obtaining utility connections for water and sewerage</li> <li>• Registering and selling the warehouse after its completion</li> </ul>	<p>To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.</p>
<p><b>Time required to complete each procedure (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Does not include time spent gathering information</li> <li>• Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule</li> <li>• Procedure is considered completed once final document is received</li> <li>• No prior contact with officials</li> </ul>	<p><b>The construction company (BuildCo):</b></p> <ul style="list-style-type: none"> <li>- Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts.</li> <li>- Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.</li> </ul>
<p><b>Cost required to complete each procedure (% of income per capita)</b></p> <ul style="list-style-type: none"> <li>• Official costs only, no bribes</li> </ul>	<p><b>The warehouse:</b></p> <ul style="list-style-type: none"> <li>- Will be used for general storage activities, such as storage of books or stationery.</li> <li>- Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita.</li> <li>- Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures.</li> <li>- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).</li> </ul>
<p><b>Building quality control index (0-15)</b></p> <ul style="list-style-type: none"> <li>• Quality of building regulations (0-2)</li> <li>• Quality control before construction (0-1)</li> <li>• Quality control during construction (0-3)</li> <li>• Quality control after construction (0-3)</li> <li>• Liability and insurance regimes (0-2)</li> <li>• Professional certifications (0-4)</li> </ul>	<p><b>The water and sewerage connections:</b></p> <ul style="list-style-type: none"> <li>- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.</li> <li>- Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day.</li> <li>- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.</li> </ul>

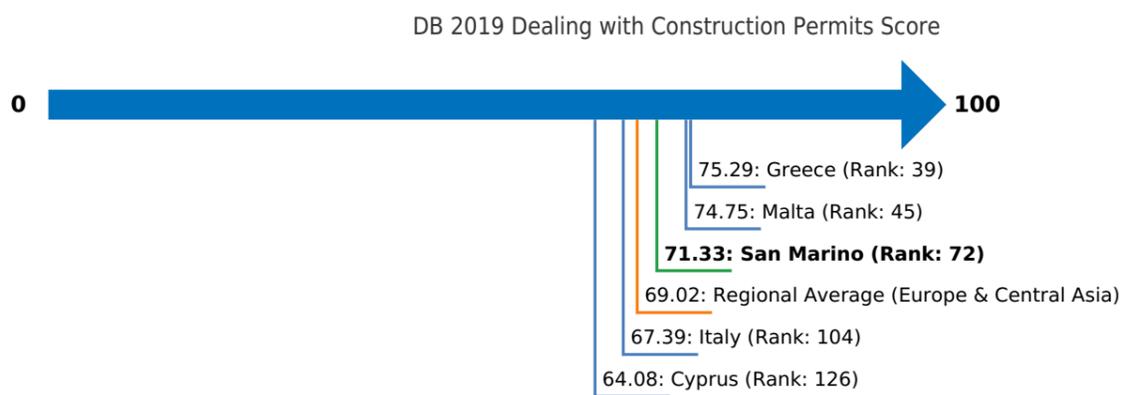
Dealing with Construction Permits - San Marino

Standardized Warehouse

Estimated value of warehouse	EUR 2,139,113.60
City Covered	San Marino

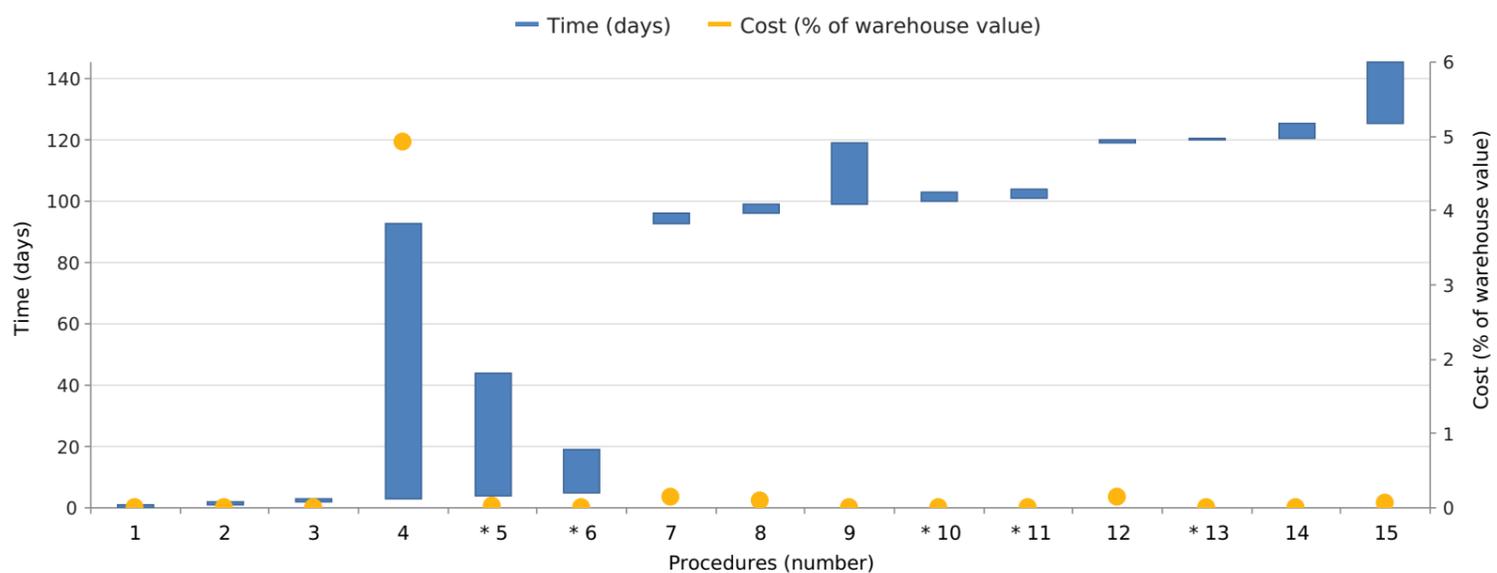
Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedures (number)	15	16.0	12.7	None in 2017/18
Time (days)	145.5	170.1	153.1	None in 2017/18
Cost (% of warehouse value)	5.4	4.0	1.5	None in 2017/18
Building quality control index (0-15)	13.0	12.0	11.5	15.0 (3 Economies)

Figure - Dealing with Construction Permits in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

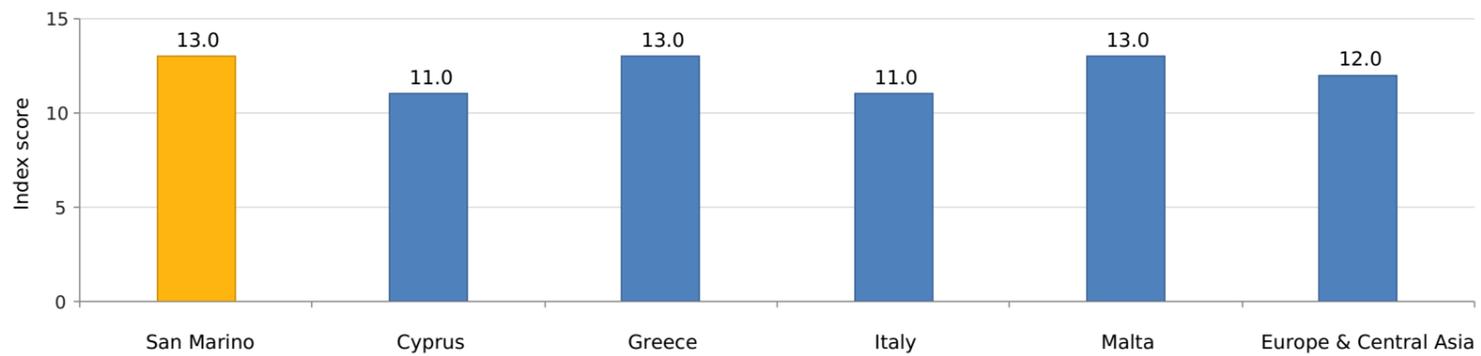
Figure - Dealing with Construction Permits in San Marino - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in San Marino and comparator economies - Measure of Quality



## Details - Dealing with Construction Permits in San Marino - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Obtain map and proof of ownership</b>  <i>Agency</i> : Ufficio Tecnico del Catasto - Dipartimento Territorio e Ambiente            First, BuildCo must obtain cadastral maps (accatastamento or allibramento) and proof of ownership (partita catastale) from the Ufficio Tecnico del Catasto - Dipartimento Territorio e Ambiente.</p>	1 day	EUR 23
2	<p><b>Obtain electrical system clearance</b>  <i>Agency</i> : Ufficio per l'Edilizia            Meanwhile, BuildCo can obtain an Attestato di conformità del progetto alle norme energetiche vigenti" from the Ufficio per l'Edilizia. This is a clearance form that certifies that the electrical system is consistent with the existing construction regulations on electric.</p>	1 day	EUR 50
3	<p><b>Hire an independent engineer for inspecting structural feasibility</b>  <i>Agency</i> : Private Engineer            BuildCo needs to hire an independent engineer to attest that the structural project is consistent and can be implemented (Controllo Strutture). The engineer also checks if the structural project complies with anti-seismic standards. The hiring comes after the conformity from the two previous procedures, so it cannot be a simultaneous one.</p>	1 day	EUR 50
4	<p><b>Obtain the construction permit</b>  <i>Agency</i> : Ufficio per l'Edilizia            BuildCo must file a request for the construction permit at the Ufficio per l'Edilizia. The following documentation needs to be attached to the request:</p> <ul style="list-style-type: none"> <li>- Project documents</li> <li>- Map (allibramento)</li> <li>- Proof of ownership (partite)</li> <li>- Relazione sulla fattibilità strutturale</li> <li>- Attestato di conformità del progetto alle norme energetiche vigenti</li> </ul> <p>When the request is processed, the Ufficio per l'Edilizia will notify BuildCo about the total cost for obtaining the permit. Once notified by the Ufficio Urbanistica of the amount due, BuildCo has to pay the Tassa di Concessione Edilizia. This is done at a bank.</p> <p>Once the hiring of an independent engineer happens, one can obtain a construction permit. It is not simultaneous.</p>	90 days	EUR 105,148
⇒ 5	<p><b>Request and receive a structural authorization from the Servizio Controllo Strutture</b>  <i>Agency</i> : Servizio Controllo Strutture            BuildCo must submit a request for Structural Authorization at the Servizio Controllo Strutture.            The following documents is need to be attached to the request:</p> <ul style="list-style-type: none"> <li>-Authorized architectural project</li> <li>-geological report</li> <li>-Structural design report</li> <li>-Executives structural drawings</li> <li>-receipt of payment of the fee (by bank transfer)</li> </ul>	40 days	EUR 500
⇒ 6	<p><b>Obtain fire safety clearance</b>  <i>Agency</i> : Protezione Civile            BuildCo must obtain a fire safety clearance. In order to do so, BuildCo submits the project documentation to the Protezione Civile and obtains a Parere di conformità norme prevenzione incendi. This means that this procedure can be simultaneous with the previous one.</p>	14 days	no charge

7	<b>Receive on-site inspection and obtain structural conformity certificate</b> <i>Agency : Private Engineer</i> An independent engineer needs to be hired by BuildCo to carry out an inspection to test whether the structures built are in conformity with the structural project. The engineer sends the conformity certificate about 2 days after the inspection took place. This can only happen if the safety clearance is granted and the construction has started, therefore it is not a simultaneous procedure.	3 days	EUR 3,000
8	<b>Receive on-site inspection and obtain energy performance certificate</b> <i>Agency : Private Engineer</i> An engineer must be hired in order to carry out an inspection to test the thermic dispersion of the structure. The engineer sends the certificate about 2 days after the inspection takes place.	3 days	EUR 2,000
9	<b>Obtain certificate of conformity</b> <i>Agency : Ufficio per l'Edilizia</i> When construction is completed, BuildCo must request a certificate of conformity and accessibility (Certificato di Conformita' Edilizia ed Agibilita', also called Abitabilita') from the Ufficio per l'Edilizia.	20 days	EUR 50
⇒ 10	<b>Request and receive on-site inspection from Protezione Civile</b> <i>Agency : Protezione Civile</i> BuildCo must request an on-site inspection from the Protezione Civile to check that the building is consistent with the fire hazard provisions contained in the building project. A clearance certificate is available for pick up 2 days after the inspection. This means that this procedure can be simultaneous with the previous one.	3 days	no charge
⇒ 11	<b>Request and receive on-site inspection from Ufficio per l'Edilizia</b> <i>Agency : Ufficio per l'Edilizia</i> BuildCo must request an on-site inspection from the Ufficio per l'Edilizia to check that the building is consistent with the anti-seismic provisions contained in the building project. A clearance certificate is available for pick up 2 days after the inspection. Since this procedure is done after the construction is finalized, it can be a simultaneous procedure with the inspection described in the previous procedure.	3 days	no charge
12	<b>Register the building</b> <i>Agency : Cadastre Office</i> The independent engineer completes the documentation for the registration at the cadastre, and then must physically visit the office and provide the details of the new building. The cadastre then takes about 3 months to update the information in the system but the formal registration happens right away.  The application costs EUR 10, and the rest of the fee is for the independent engineer. This happens only after the on-site inspection was done, so simultaneity is not applicable.	1 day	EUR 3,000
⇒ 13	<b>Apply for water and sewage connection at AASS</b> <i>Agency : Stato per i Servizi Pubblici (A.A.S.S.)</i> BuildCo must file an online application form on the website of Azienda Autonoma di Stato per i Servizi Pubblici (A.A.S.S.) in order to obtain an on-site inspection. The applicant submits the payment in the clients' area at: <a href="https://www.aass.sm/site/home.html">https://www.aass.sm/site/home.html</a>	0.5 days	EUR 5
14	<b>Receive inspection for water and sewage from AASS</b> <i>Agency : Stato per i Servizi Pubblici (A.A.S.S.)</i> This inspection is conducted only after the application is done, so it is not a simultaneous procedure.	5 days	no charge
15	<b>Obtain water and sewage connection</b> <i>Agency : Stato per i Servizi Pubblici (A.A.S.S.)</i> Obtaining the water and sewage connection depend on the inspection, therefore it cannot be a simultaneous procedure.	20 days	EUR 1,276

⇒ Takes place simultaneously with previous procedure.

## Details - Dealing with Construction Permits in San Marino - Measure of Quality

	Answer	Score
<b>Building quality control index (0-15)</b>		<b>13.0</b>
<b>Quality of building regulations index (0-2)</b>		<b>2.0</b>
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
<b>Quality control before construction index (0-1)</b>		<b>1.0</b>
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
<b>Quality control during construction index (0-3)</b>		<b>2.0</b>
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections by external engineer or firm; Unscheduled inspections.	1.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are always done in practice.	1.0
<b>Quality control after construction index (0-3)</b>		<b>3.0</b>
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency; Yes, external engineer submits report for final inspection.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
<b>Liability and insurance regimes index (0-2)</b>		<b>1.0</b>
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction company.	1.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance .	0.0
<b>Professional certifications index (0-4)</b>		<b>4.0</b>

What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)

Minimum number of years of experience; University degree in architecture or engineering; Being a registered architect or engineer. 2.0

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)

Minimum number of years of experience; University degree in engineering, construction or construction management; Passing a certification exam. 2.0

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## ⚡ Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

#### Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

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

- Official costs only, no bribes
- Value added tax excluded

#### The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0-3)
- Tools to monitor power outages (0-1)
- Tools to restore power supply (0-1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0-1)
- Transparency and accessibility of tariffs (0-1)

#### Price of electricity (cents per kilowatt-hour)\*

- Price based on monthly bill for commercial warehouse in case study

\*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor the ranking on the ease of getting electricity.

### Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

#### The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

#### The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

#### The monthly consumption:

- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

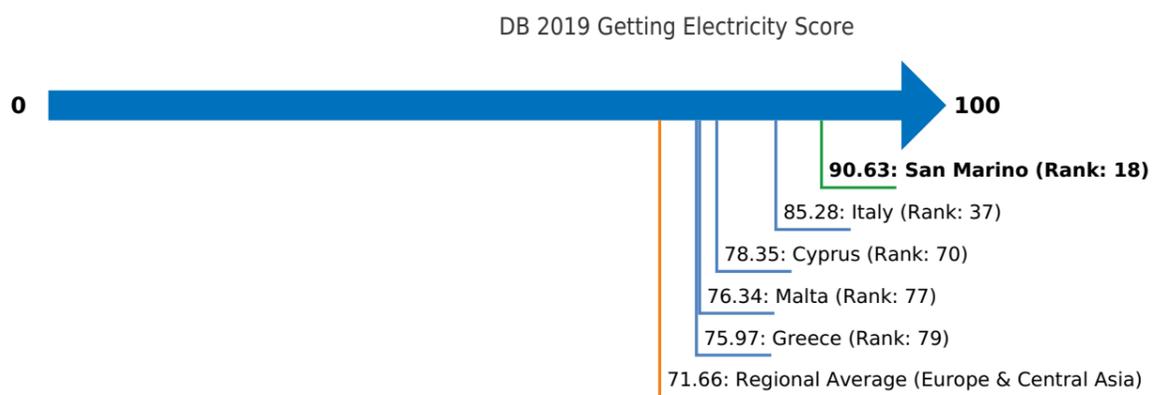
Getting Electricity - San Marino

Standardized Connection

Price of electricity (US cents per kWh)	13.8
Name of utility	AASS (Azienda Autonoma di Stato per i Servizi Pubblici)
City Covered	San Marino

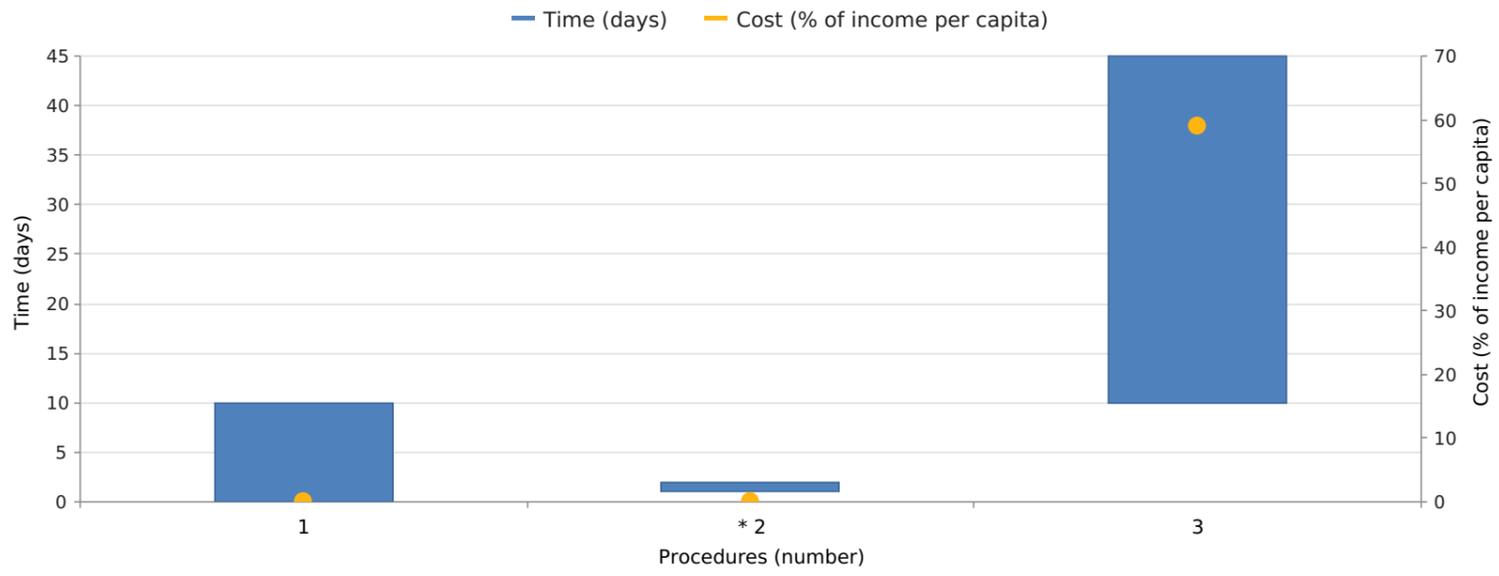
Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedures (number)	3	5.3	4.5	3 (25 Economies)
Time (days)	45	110.3	77.2	18 (3 Economies)
Cost (% of income per capita)	59	325.1	64.2	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	6	5.5	7.5	8.0 (27 Economies)

Figure - Getting Electricity in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

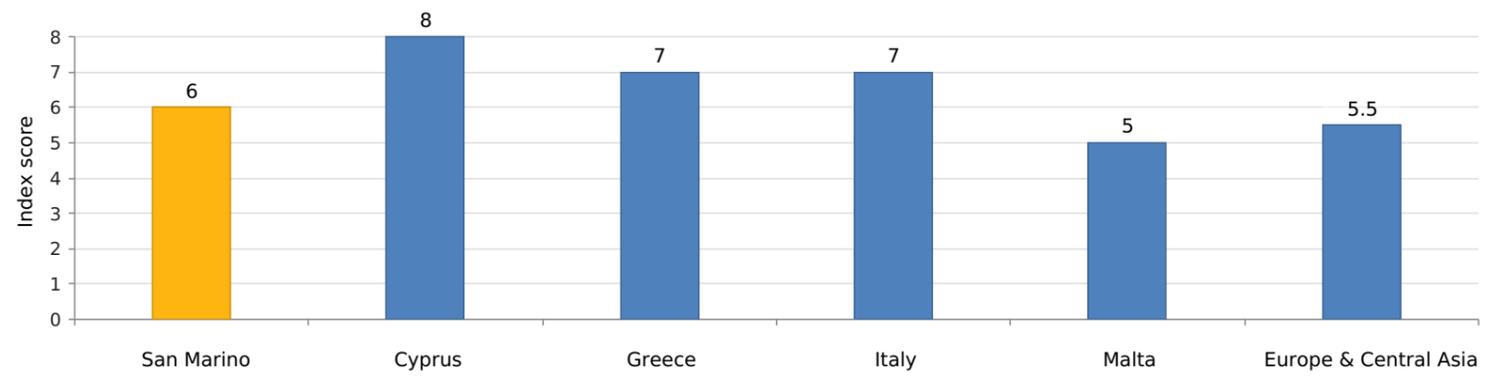
Figure - Getting Electricity in San Marino - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Getting Electricity in San Marino and comparator economies - Measure of Quality



## Details - Getting Electricity in San Marino - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Submit application to AASS and await estimate</b>  <i>Agency</i> : AASS (Azienda Autonoma di Stato per i Servizi Pubblici)            The request for new electricity connection can be done either on-line or physically at the premises of AASS. It must specify the technical details of the connection and some other things. The company must also attach a certificate of good standing (certificate di vigenza giuridica).</p>	10 calendar days	EUR 0
⇒ 2	<p><b>Receive site inspection by AASS engineer</b>  <i>Agency</i> : AASS (Azienda Autonoma di Stato per i Servizi Pubblici)            An engineer of AASS visits the client's premises and conducts a short inspection to check where the closest connection point is, what connection it would be and if there is the need to occupy the public space.</p> <p>After the inspection, the utility (AASS) sends the client an estimate of the connection costs (preventivo) through fax and a letter.</p>	1 calendar day	EUR 0
3	<p><b>Sign contract and await external works and meter installation by AASS</b>  <i>Agency</i> : AASS (Azienda Autonoma di Stato per i Servizi Pubblici)            After the reception of the preventivo, and in case the client already agrees with the amounts provided, AASS prepares the contract, which is signed at AASS's premises as soon as the client can come to sign it and make the payment.</p> <p>There are 3 amounts that need to be paid. The client can pay cash, wire transfer or check at the moment the contract is signed.</p> <p>1) Fixed amount: Contributto di allacciamento forfettario            2) Variable amount: Contributto di allacciamento a preventivo, which depends on the amount of works that need to be made. This amount comprises both the material costs as well as the labor costs of the works as well as general expenses.            3) Security deposit: Anticipo fornitura</p> <p>In addition, there are taxes imposed on the aggregated amounts: Marca di Bollo (10 Euro, always fixed amount taxed on public documents), and Imposto di Quietanza (which amounts to 1.5% of the total amount resulting from aggregating 1 and 2 and 3 above).</p> <p>AASS will take care of the permit to occupy the street and to do the underground works. This permit is the licenza d'occupazione pubblica. As part of this phase, the meter is also installed, always outside the warehouse of the client.</p>	35 calendar days	EUR 25,230.34

⇒ Takes place simultaneously with previous procedure.

## Details - Getting Electricity in San Marino - Measure of Quality

	Answer
<b>Reliability of supply and transparency of tariff index (0-8)</b>	6
<b>Total duration and frequency of outages per customer a year (0-3)</b>	2
System average interruption duration index (SAIDI)	0.3
System average interruption frequency index (SAIFI)	1.1
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	1.0
<b>Mechanisms for monitoring outages (0-1)</b>	1
Does the distribution utility use automated tools to monitor outages?	Yes
<b>Mechanisms for restoring service (0-1)</b>	1
Does the distribution utility use automated tools to restore service?	Yes
<b>Regulatory monitoring (0-1)</b>	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
<b>Financial deterrents aimed at limiting outages (0-1)</b>	0
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	No
<b>Communication of tariffs and tariff changes (0-1)</b>	1
Are effective tariffs available online?	Yes
Link to the website, if available online	<a href="http://www.autoritaenergia.sm/online/home/atti-e-provvedimenti/tariffe/tariffe-aass.html">http://www.autoritaenergia.sm/online/home/atti-e-provvedimenti/tariffe/tariffe-aass.html</a>
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

**Note:**

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

## Registering Property

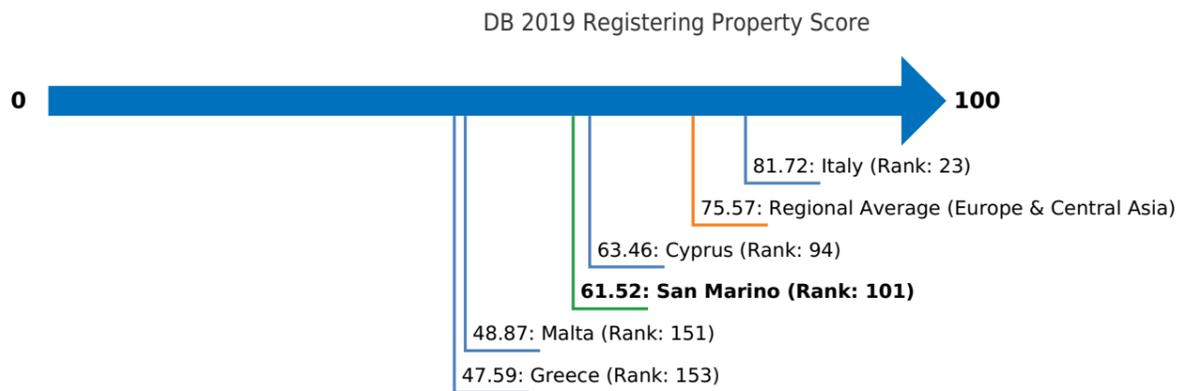
This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Procedures to legally transfer title on immovable property (number)</b></p> <ul style="list-style-type: none"> <li>• Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)</li> <li>• Registration procedures in the economy's largest business city.</li> <li>• Postregistration procedures (for example, filling title with municipality)</li> </ul>	<p>To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.</p>
<p><b>Time required to complete each procedure (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Does not include time spent gathering information</li> <li>• Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule</li> <li>• Procedure is considered completed once final document is received</li> <li>• No prior contact with officials</li> </ul>	<p><b>The parties (buyer and seller):</b></p> <ul style="list-style-type: none"> <li>- Are limited liability companies (or the legal equivalent).</li> <li>- Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- Are 100% domestically and privately owned.</li> <li>- Have 50 employees each, all of whom are nationals.</li> <li>- Perform general commercial activities.</li> </ul>
<p><b>Cost required to complete each procedure (% of property value)</b></p> <ul style="list-style-type: none"> <li>• Official costs only (such as administrative fees, duties and taxes).</li> <li>• Value Added Tax, Capital Gains Tax and illicit payments are excluded</li> </ul>	<p><b>The property (fully owned by the seller):</b></p> <ul style="list-style-type: none"> <li>- Has a value of 50 times income per capita, which equals the sale price.</li> <li>- Is fully owned by the seller.</li> <li>- Has no mortgages attached and has been under the same ownership for the past 10 years.</li> <li>- Is registered in the land registry or cadastre, or both, and is free of title disputes.</li> <li>- Is located in a periurban commercial zone, and no rezoning is required.</li> <li>- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.</li> <li>- Will not be subject to renovations or additional construction following the purchase.</li> <li>- Has no trees, natural water sources, natural reserves or historical monuments of any kind.</li> <li>- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.</li> <li>- Has no occupants, and no other party holds a legal interest in it.</li> </ul>
<p><b>Quality of land administration index (0-30)</b></p> <ul style="list-style-type: none"> <li>• Reliability of infrastructure index (0-8)</li> <li>• Transparency of information index (0-6)</li> <li>• Geographic coverage index (0-8)</li> <li>• Land dispute resolution index (0-8)</li> <li>• Equal access to property rights index (-2-0)</li> </ul>	

Registering Property - San Marino

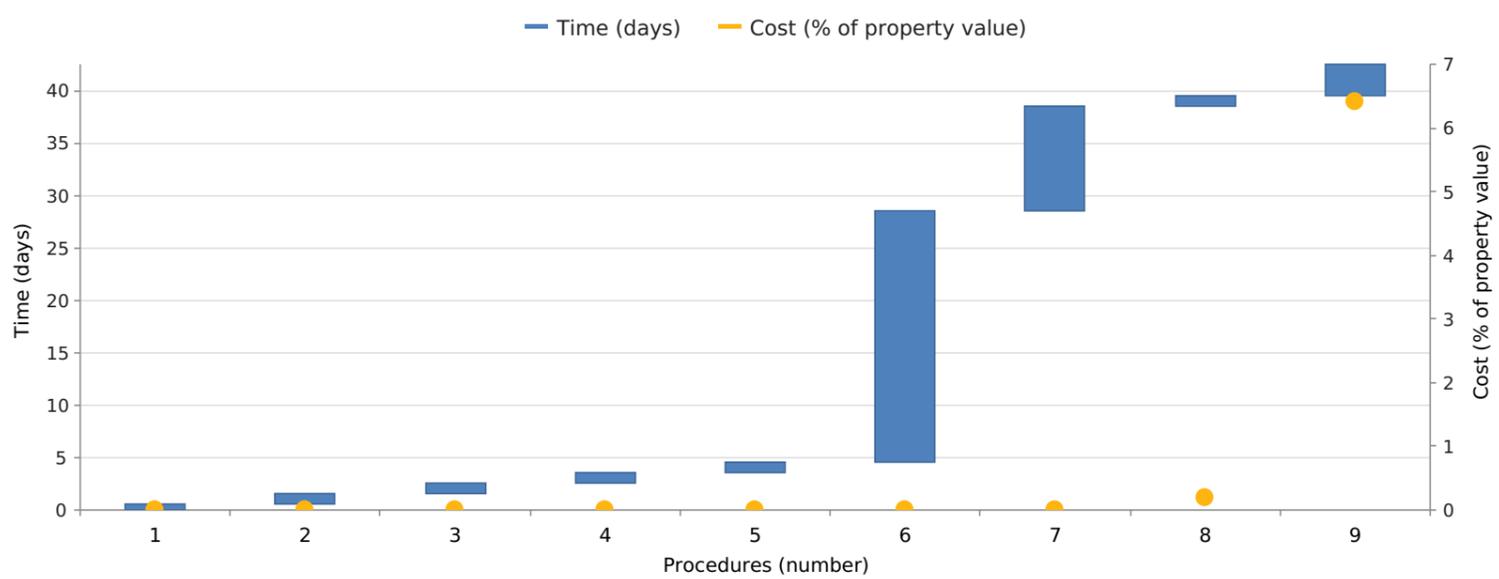
Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedures (number)	9	5.3	4.7	1 (4 Economies)
Time (days)	42.5	20.3	20.1	1 (New Zealand)
Cost (% of property value)	6.6	2.6	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	23.0	19.6	23.0	None in 2017/18

Figure - Registering Property in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

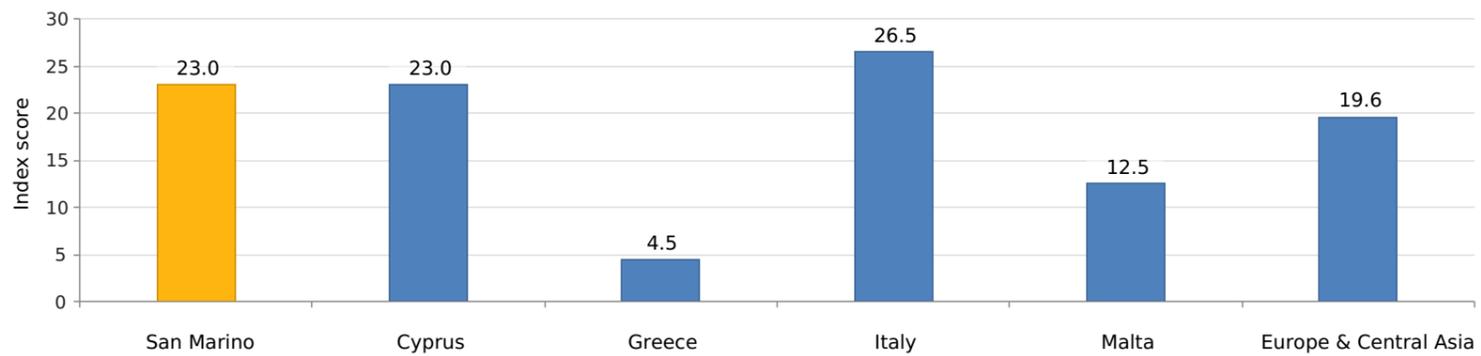
Figure - Registering Property in San Marino - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in San Marino and comparator economies - Measure of Quality



## Details - Registering Property in San Marino - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Check for encumbrances on the property</b>  <i>Agency</i> : Ufficio del Registro e delle Ipoteche - Segreteria di Stato per le Finanze e il Bilancio            The notary accesses the Web Site: <a href="http://www.pa.sm">www.pa.sm</a>, through a special registered password. The cost of Euro 5.00 is charged automatically via pre-paid to the notary account. The notary enters the company name and COE number, in order to search real estate encumbrances and real estate leasing. it is possible to print the online title search of the company</p>	Less than one day, online	EUR 10; (EUR 5 for each cadastral title search + EUR 5 check for buyer's leases)
2	<p><b>Obtain cadastral maps</b>  <i>Agency</i> : Ufficio Tecnico del Catasto- Dipartimento Territorio e Ambiente (Cadastral office)            A notary or the customer obtains the following documentation on the property from the Cadastral office: (i) Partita catastale (EUR 10): a summary of the ownership and characteristics of the property; (ii) Allibramento catastale (EUR 7): a plan of the building on the property; and (iii) Mappa catastale (EUR 5): a map of the property</p>	1 day	EUR 22; (Partita catastale EUR 10 + Allibramento catastale EUR 7 + Mappa catastale EUR 5)
3	<p><b>Obtain certificates of use and habitability (abitabilita')</b>  <i>Agency</i> : Ufficio per l'Edilizia - Dipartimento Territorio e Ambiente            A notary or the customer obtains the following two certificates from the Ufficio Urbanistica - Dipartimento Territorio e Ambiente:</p> <p>(i) Certificazione di destinazione urbanistica (EUR 20): certifies the type of activity to be conducted in the property (retail, commercial, wholesale, industrial, etc.);</p> <p>(ii) Certificato di Abitabilita (EUR 30): certifies that the building respects mandatory construction standards.</p>	1 day	EUR 50; (Certificazione di destinazione urbanistica EUR 20 + Certificato di Abitabilita EUR 30)
4	<p><b>Obtain occupational certificate</b>  <i>Agency</i> : Ufficio del Lavoro            A notary or the customer obtains an occupational certificate (Certificato Occupazionale) attesting the number of employees that work for the buying company.</p> <p>This certificate must be attached necessarily to the instance to the Council of the Twelve (Consiglio dei Dodici)</p>	1 day	EUR 50
5	<p><b>Obtain certificate of Vigenza</b>  <i>Agency</i> : Casellario Giudiziario - Tribunale (Judicial registry - Tribunal)            The notary, or his nominee, submits a written request by fax to the Commercial Chancellery, after one day the certificate is issued and it can be picked up at the office. This certification confirms the status of the company, highlighting the name, the date and number of registration, the corporate bodies, the corporate purpose and the powers of directors under the articles of association.</p>	1 day	EUR 50

6	<p><b>Obtain property transfer authorization from the Consiglio dei Dodici</b>  <i>Agency</i> : Segreteria Esecutiva del Congresso di Stato  The request for authorization to the Council of the Twelve is presented by the Notary at the Executive Secretariat of the State Congress. The Council's approval is required for the purchase of real estate by the company pursuant to article 21, paragraph 7 of the Law 47/2006 et seq. The application must be accompanied by the following documents:</p> <ul style="list-style-type: none"> <li>(i) Certificate of Good Standing (obtained in Procedure 5);</li> <li>(ii) Occupational Certificate (obtained in Procedure 4);</li> <li>(iii) Cadastral Certificate of real estate of the applicant company (obtained in Procedure 2);</li> <li>(iv) Land Registry Record (Obtained in Procedure 1);</li> <li>(v) Cadastral Map (obtained in procedure 2);</li> <li>(vi) Allibramento (obtained in procedure 2);</li> <li>(viii) Urban destination Certificate (obtained in procedure 3);</li> <li>(ix) Certificate in accordance with Law 147 of 28 October 2005 (stating the fact that the property does not fall within the list of properties on which the "Ecc.ma Camera of San Marino" has the right to exercise pre-emption on the purchase), referring to the Property.</li> </ul> <p>The application shall contain a declaration of the notary certifying the existence of real estate leasing ongoing, publicly registered against the applicant company. After the Communication of the Secretariat of Institutional on January 26, 2016, the text of the instance must also state any previous authorizations of the Council of the Twelve to which is not actually followed the transfer of the property.</p>	24 days	EUR 10
7	<p><b>Obtain Certificate of conformity</b>  <i>Agency</i> : Ufficio Urbanistica - Dipartimento Territorio e Ambiente  A notary or the customer requests a certificate of conformity as per Article 177 (Certificato ai sensi dell'articolo 177). This certifies that there is no pending procedure on violations of construction laws and standards related to the warehouse being sold. In 10 days the certificate is sent to the notary.</p>	10 days	EUR 50; (EUR 30 + EUR 20 for stamp duty)
8	<p><b>Parties sign the transfer contract</b>  <i>Agency</i> : Notary  The buyer and the seller meet at the notary's office and sign the property transfer contract. The fees are subject to the limits set in the Legal tariff as Approved by the Executive Council of the Order of Lawyers and Notaries of San Marino, dated 01.06.2012 (in force since 01.06.2012).</p> <p>The notary then prepares 3 certified copies of the deed, including all attachments required (one copy for registration purposes; one copy for transcription; one for Land Registry use).</p>	1 day	EUR 4,160; (Notary Fees EUR 3.520 + 500 Miscellaneous services of the Notary + EUR 20 per Rights of archive + EUR 20 right of repository + EUR 40 euro for rights of "scritturazione" + EUR 60 for Stamps for three copies of the deed)
9	<p><b>Register property transfer deed</b>  <i>Agency</i> : Ufficio del Registro e delle Ipoteche - Segreteria di Stato per le Finanze e il Bilancio  A notary registers the property transfer deed at the Ufficio del Registro e delle Ipoteche - Segreteria di Stato per le Finanze e il Bilancio. Besides the transfer deed (and its certified copies), the Notary has to provide the following documents:</p> <ul style="list-style-type: none"> <li>(i) Authorization of the Council of the Twelve (obtained in Procedure 6);</li> <li>(ii) Land Registry Record (obtained in Procedure 1);</li> <li>(iii) Cadastral Map (obtained in Procedure 2);</li> <li>(iv) Allibramento (obtained in Procedure 2);</li> <li>(v) Certificate of conformity pursuant to Art. 177 - Certification in accordance with Law 28 October 2005 no. 147.</li> <li>(vi) Energetic certification.</li> </ul> <p>The Notary goes to the Ufficio del Registro in order to register the deed and pay the transfer tax. The payment takes place at the Ufficio del Registro. After 3 days the deed is registered and the Ufficio del Registro submits the information to the Cadastre office that updates it.</p> <p>A tax of 3.90% for transfers of immovable property was introduced by Art. 18 of Law n. 146 of 19 September 2014 as an incentive to real estate transfers, instead of the ordinary tax of 6.40%. This favorable tax treatment was extended by art. 37 of Law 144/2016 until 31 December 2017. However, as of January 1, 2018, the ordinary tax of 6.40% (5% for register tax, 1% for transcription and 0.40% for Cadastre) became effective again.</p>	3 days	EUR 137,033.27; (5% for register tax + 1% for transcription + 0.4% for Cadastre + EUR 130 for stamp duties)

→ Takes place simultaneously with previous procedure.

## Details - Registering Property in San Marino - Measure of Quality

	Answer	Score
<b>Reliability of infrastructure index (0-8)</b>		<b>5.0</b>
What is the institution in charge of immovable property registration?	Ufficio del Registro e Conservatoria delle ipoteche della repubblica di San Marino	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	Yes	1.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Ufficio Tecnico del Catasto - Dipartimento Territorio e Ambiente della repubblica di San Marino	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	Yes	1.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Different databases but linked	1.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	No	0.0
<b>Transparency of information index (0-6)</b>		<b>4.0</b>
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Anyone who pays the official fee	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, on public boards	0.5
Link for online access:		
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, on public boards	0.5
Link for online access:		
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame—and if so, how does it communicate the service standard?	Yes, on public boards	0.5
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	No	0.0
Number of property transfers in the largest business city in 2017:		
Who is able to consult maps of land plots in the largest business city?	Freely accessible by anyone	0.5
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	Yes, online	0.5

Link for online access:	<a href="http://www.territoriosm.sm/work/info/verificat/doc/impostei/mm/DD090-2013.pdf">http://www.territoriosm.sm/work/info/verificat/doc/impostei/mm/DD090-2013.pdf</a>	
Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	Yes, on public boards	0.5
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
Contact information:		
<b>Geographic coverage index (0-8)</b>		<b>8.0</b>
Are all privately held land plots in the economy formally registered at the immovable property registry?	Yes	2.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	Yes	2.0
Are all privately held land plots in the economy mapped?	Yes	2.0
Are all privately held land plots in the largest business city mapped?	Yes	2.0
<b>Land dispute resolution index (0-8)</b>		<b>6.0</b>
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5
Is the system of immovable property registration subject to a state or private guarantee?	Yes	0.5
Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	No	0.0
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar; Notary;	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Registrar; Notary;	
Is there a national database to verify the accuracy of identity documents?	Yes	1.0
For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	Tribunale Commissariale Civile	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 1 and 2 years	2.0
Are there any statistics on the number of land disputes in the first instance?	No	0.0
Number of land disputes in the largest business city in 2017:		
<b>Equal access to property rights index (-2-0)</b>		<b>0.0</b>
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

## Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Strength of legal rights index (0-12)

- Rights of borrowers and lenders through collateral laws (0-10)
- Protection of secured creditors' rights through bankruptcy laws (0-2)

#### Depth of credit information index (0-8)

- Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)

#### Credit bureau coverage (% of adults)

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

#### Credit registry coverage (% of adults)

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

### Case study assumptions

*Doing Business* assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.

In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

#### Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:

- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.
- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Both ABC and BizBank are 100% domestically owned.

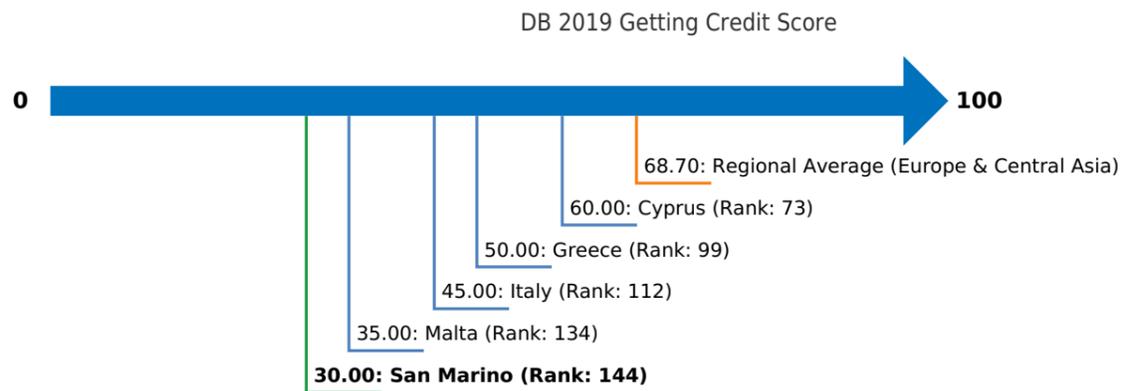
The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).

In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

Getting Credit - San Marino

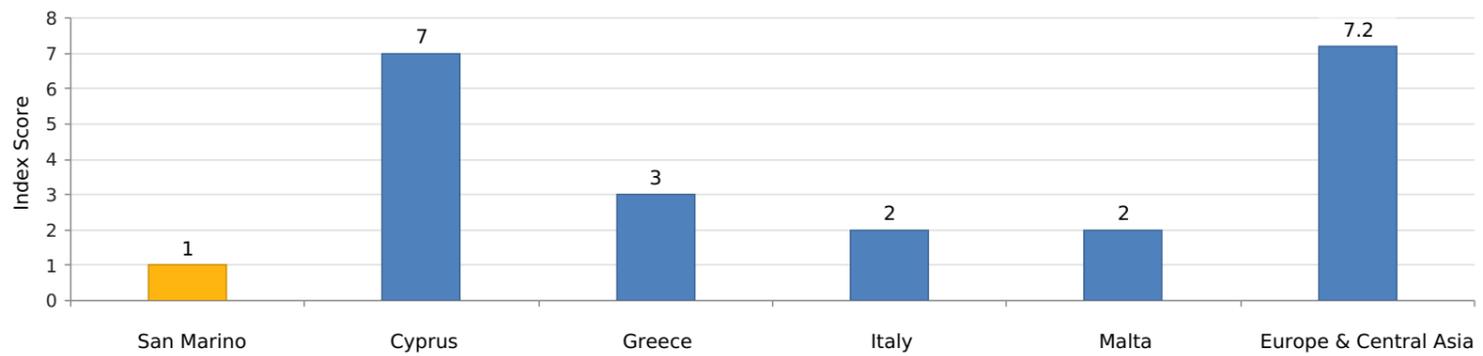
Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	1	7.2	6.1	12 (5 Economies)
Depth of credit information index (0-8)	5	6.6	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	80.1	25.3	21.8	100.0 (4 Economies)
Credit bureau coverage (% of adults)	0	43.4	65.3	100.0 (25 Economies)

Figure - Getting Credit in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

Figure - Legal Rights in San Marino and comparator economies



Details - Legal Rights in San Marino

Strength of legal rights index (0-12)

1

Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy? No

Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral? No

Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral? No

May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets? No

Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered? No

Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name? No

Does a notice-based collateral registry exist in which all functional equivalents can be registered? No

Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party? No

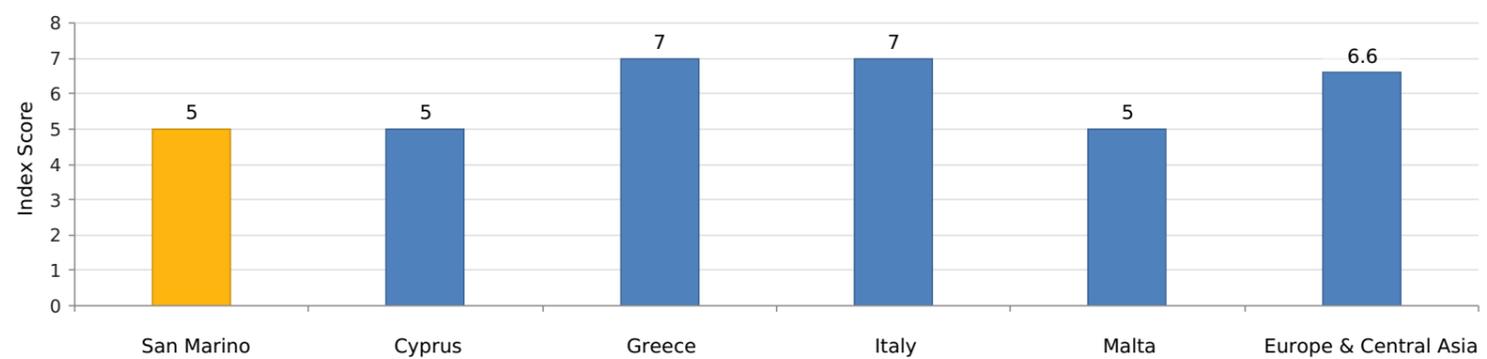
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure? Yes

Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated? No

Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it? No

Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt? No

Figure - Credit Information in San Marino and comparator economies



## Details - Credit Information in San Marino

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	No	Yes	1
Are both positive and negative credit data distributed?	No	No	0
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	No	No	0
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	No	Yes	1
Are data on loan amounts below 1% of income per capita distributed?	No	Yes	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	No	Yes	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	No	Yes	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	No	No	0
<b>Total Score ("yes" to either public bureau or private registry)</b>			<b>5</b>

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	0	14,173
Number of firms	0	3,276
Total	0	17,449
<b>Percentage of adult population</b>	<b>0</b>	<b>80.1</b>

## Protecting Minority Investors

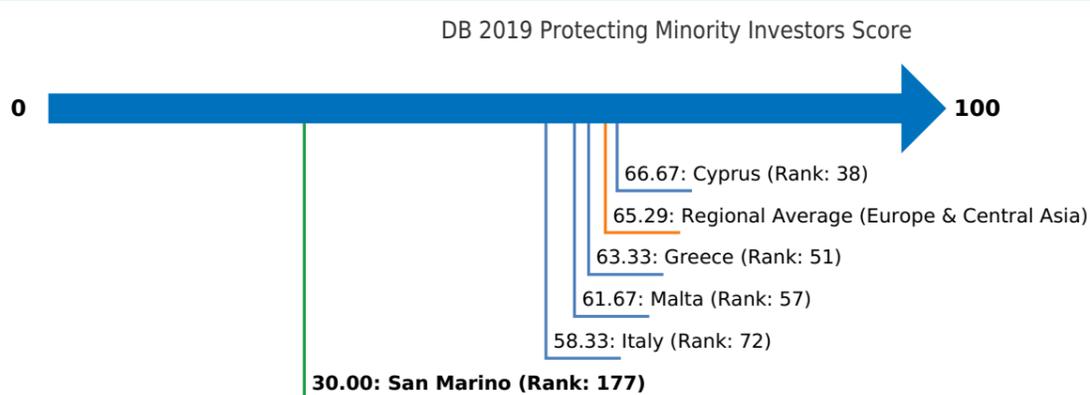
This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<ul style="list-style-type: none"> <li>• <b>Extent of disclosure index (0-10):</b> Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions</li> <li>• <b>Extent of director liability index (0-10):</b> Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction)</li> <li>• <b>Ease of shareholder suits index (0-10):</b> Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses</li> <li>• <b>Extent of conflict of interest regulation index (0-10):</b> Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices</li> <li>• <b>Extent of shareholder rights index (0-10):</b> Shareholders' rights and role in major corporate decisions</li> <li>• <b>Extent of ownership and control index (0-10):</b> Governance safeguards protecting shareholders from undue board control and entrenchment</li> <li>• <b>Extent of corporate transparency index (0-10):</b> Corporate transparency on ownership stakes, compensation, audits and financial prospects</li> <li>• <b>Extent of shareholder governance index (0-10):</b> Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices</li> <li>• <b>Strength of minority investor protection index (0-10):</b> Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices</li> </ul>	<p>To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.</p> <p><b>The business (Buyer):</b></p> <ul style="list-style-type: none"> <li>- Is a publicly traded corporation listed on the economy's most important stock exchange. If there are fewer than ten listed companies or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders.</li> <li>- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.</li> <li>- Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members.</li> <li>- Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory.</li> <li>- Is a manufacturing company with its own distribution network.</li> </ul> <p><b>The transaction involves the following details:</b></p> <ul style="list-style-type: none"> <li>- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.</li> <li>- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.</li> <li>- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.</li> <li>- The proposed transaction is part of the company's principal activity and is not outside the authority of the company.</li> <li>- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently.</li> <li>- The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.</li> </ul>

Protecting Minority Investors - San Marino

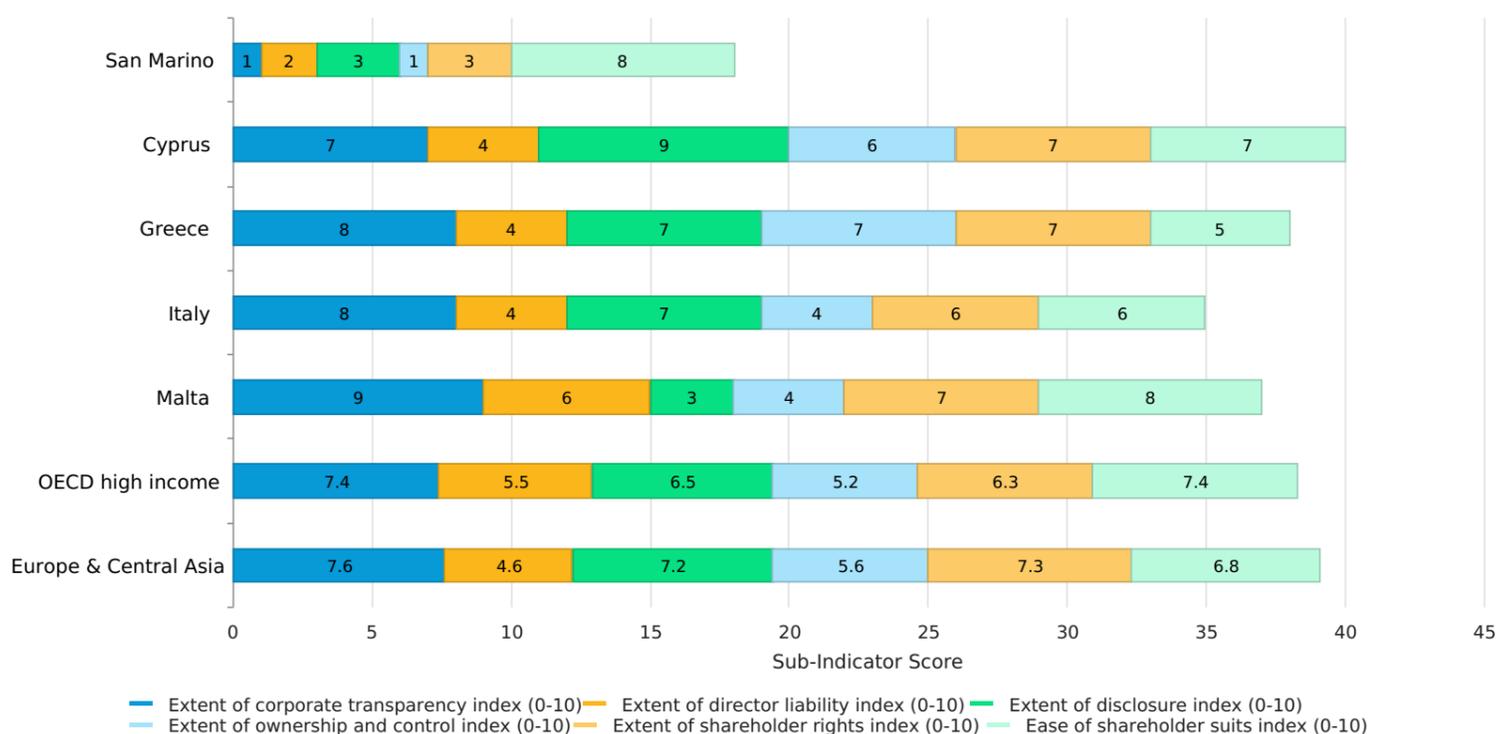
Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	3.0	7.3	6.5	10 (13 Economies)
Extent of director liability index (0-10)	2.0	4.9	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	8.0	6.8	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	3.0	7.1	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	1.0	5.6	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	1.0	7.5	7.6	10 (6 Economies)

Figure - Protecting Minority Investors in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in San Marino and comparator economies - Measure of Quality



## Details - Protecting Minority Investors in San Marino - Measure of Quality

	Answer	Score
<b>Extent of conflict of interest regulation index (0-10)</b>		<b>4.3</b>
<b>Extent of disclosure index (0-10)</b>		<b>3.0</b>
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Shareholders or board of directors including interested parties	1.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	No disclosure obligation	0.0
Must Buyer immediately disclose the transaction to the public? (0-2)	No disclosure obligation	0.0
<b>Extent of director liability index (0-10)</b>		<b>2.0</b>
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	No	0.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Not liable	0.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Not liable	0.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	No	0.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	No	0.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if unfair or prejudicial	2.0
<b>Ease of shareholder suits index (0-10)</b>		<b>8.0</b>
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
<b>Extent of shareholder governance index (0-10)</b>		<b>1.7</b>
<b>Extent of shareholder rights index (0-10)</b>		<b>3.0</b>
Does the sale of 51% of Buyer's assets require shareholder approval?	No	0.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	No	0.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	Yes	1.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	Yes	1.0
Must shareholders approve the election and dismissal of the external auditor?	Yes	1.0

Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	No	0.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	No	0.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	No	0.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	No	0.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	No	0.0
<b>Extent of ownership and control index (0-10)</b>		<b>1.0</b>
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	No	0.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	No	0.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Must Buyer pay declared dividends within a maximum period set by law?	No	0.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	No	0.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	No	0.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	No	0.0
<b>Extent of corporate transparency index (0-10)</b>		<b>1.0</b>
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	No	0.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	No	0.0
Must Buyer disclose the compensation of individual managers?	No	0.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	No	0.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	No	0.0
Must Buyer's annual financial statements be audited by an external auditor?	No	0.0
Must Buyer disclose its audit reports to the public?	No	0.0
Assuming that Buyer is a limited company, must members meet at least once a year?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	No	0.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	No	0.0

## Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2018 covering for the Paying Taxes indicator calendar year 2017 (January 1, 2017 – December 31, 2017). [See the methodology for more information.](#)

### What the indicators measure

#### Tax payments for a manufacturing company in 2017 (number per year adjusted for electronic and joint filing and payment)

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

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

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

#### Total tax and contribution rate (% of commercial profits)

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

#### Postfiling Index

- Time to comply with a VAT refund (hours)
- Time to obtain a VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

### Case study assumptions

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo is a medium-size business that started operations on January 1, 2016. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2017). Taxes and mandatory contributions are measured at all levels of government.

#### The VAT refund process:

- In June 2017, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2017.

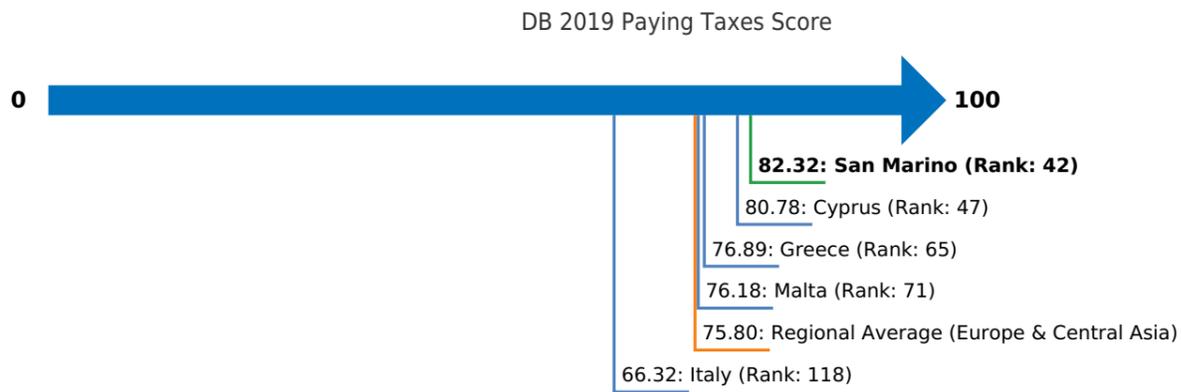
#### The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

Paying Taxes - San Marino

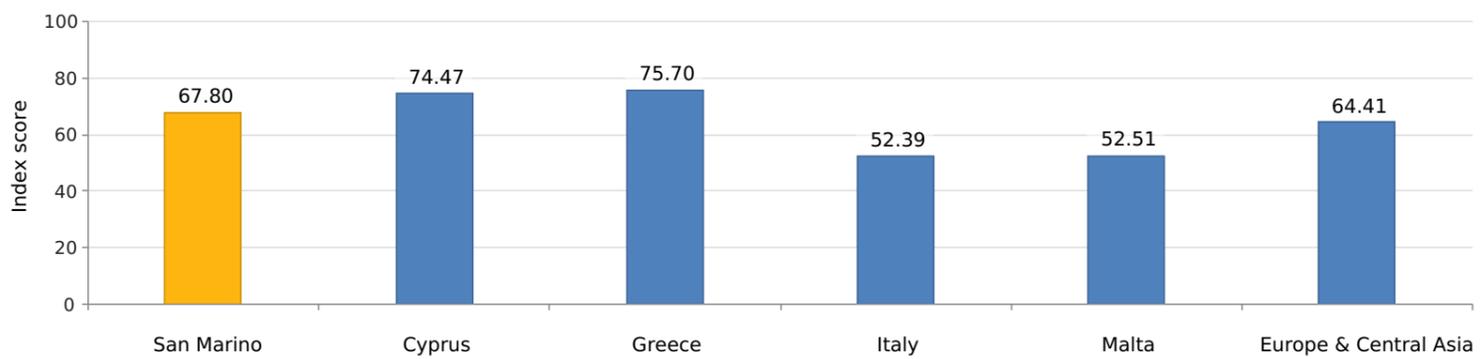
Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Payments (number per year)	18	16.6	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	52	214.8	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	35.4	32.3	39.8	26.1% (32 Economies)
Postfiling index (0-100)	67.80	64.41	84.41	None in 2017/18

Figure - Paying Taxes in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure - Paying Taxes in San Marino and comparator economies - Measure of Quality



## Details - Paying Taxes in San Marino

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Social Security contributions paid by employer	12.0		48.0	26.6%	gross salaries	30.00	
Corporate income tax	1.0	online	4.0	8.5%	taxable profit	5.10	
Tax on interest	1.0			11%	interest income from bank deposit	0.28	
Capital gains tax	1.0			8.5%	capital gains	0.00	included in other taxes
Circulation tax	1.0			EUR 50	vehicle	0.00	
Employee paid - Social security contributions	0.0	jointly		7%	gross salaries	0.00	withheld
Environmental tax	1.0			EUR 18	fixed fee	0.00	
Fuel tax	1.0			22%	included into fuel price	0.00	small amount
Totals	18		52			35.4	

## Details - Paying Taxes in San Marino - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	5.1
Labor tax and contributions (% of profit)	30
Other taxes (% of profit)	0.3

## Details - Paying Taxes in San Marino - Measure of Quality

	Answer	Score
<b>Postfiling index (0-100)</b>		<b>67.80</b>
<b>VAT refunds</b>		
Does VAT exist?	No	
Does a VAT refund process exist per the case study?	N/A	
Restrictions on VAT refund process	N/A	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	No VAT	No VAT
Time to obtain a VAT refund (weeks)	No VAT	No VAT
<b>Corporate income tax audits</b>		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	25% - 49%	
Time to comply with a corporate income tax correction (hours)	13.0	78.9
Time to complete a corporate income tax correction (weeks)	13.9	56.7

**Notes:** Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

## Trading across Borders

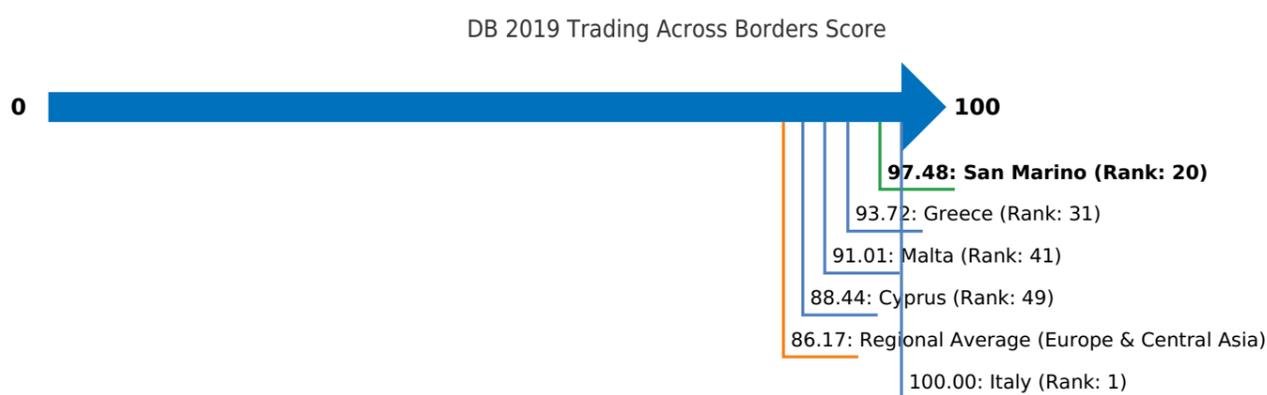
*Doing Business* records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Documentary compliance</b></p> <ul style="list-style-type: none"> <li>• Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy</li> <li>• Obtaining, preparing and submitting documents required by destination economy and any transit economies</li> <li>• Covers all documents required by law and in practice, including electronic submissions of information</li> </ul> <p><b>Border compliance</b></p> <ul style="list-style-type: none"> <li>• Customs clearance and inspections</li> <li>• Inspections by other agencies (if applied to more than 20% of shipments)</li> <li>• Handling and inspections that take place at the economy's port or border</li> </ul> <p><b>Domestic transport</b></p> <ul style="list-style-type: none"> <li>• Loading or unloading of the shipment at the warehouse or port/border</li> <li>• Transport between warehouse and port/border</li> <li>• Traffic delays and road police checks while shipment is en route</li> </ul>	<p>To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:</p> <p><b>Time:</b> Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as <math>22 \times 24 = 528</math> hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.</p> <p><b>Cost:</b> Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.</p> <p><b>Assumptions of the case study:</b></p> <ul style="list-style-type: none"> <li>- For all 190 economies covered by <i>Doing Business</i>, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.</li> <li>- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.</li> <li>- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.</li> <li>- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.</li> <li>- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.</li> <li>- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.</li> </ul>

Trading across Borders - San Marino

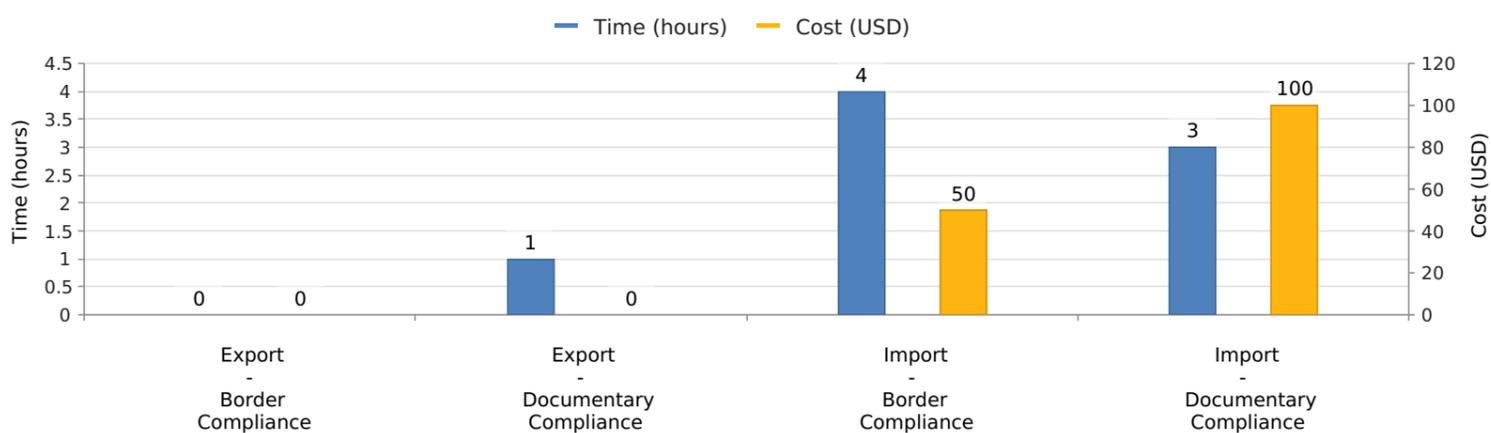
Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	0	22.1	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	0	157.5	139.1	0 (19 Economies)
Time to export: Documentary compliance (hours)	1	24.3	2.4	1 (26 Economies)
Cost to export: Documentary compliance (USD)	0	97.9	35.2	0 (20 Economies)
Time to import: Border compliance (hours)	4	21.1	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	50	162.3	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	3	24.7	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	100	93.9	24.9	0 (30 Economies)

Figure - Trading across Borders in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in San Marino - Time and Cost



## Details - Trading across Borders in San Marino

Characteristics	Export	Import
Product	HS 84 : Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	HS 8708: Parts and accessories of motor vehicles
Trade partner	Italy	Germany
Border	San Marino- Italy border crossing	San Marino- Italy border crossing
Distance (km)	15	15
Domestic transport time (hours)	1	1
Domestic transport cost (USD)	70	70

## Details - Trading across Borders in San Marino - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	0.0	0.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	0.0	0.0
Import: Clearance and inspections required by customs authorities	4.0	50.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	0.0	0.0

## Details - Trading across Borders in San Marino - Trade Documents

Export	Import
CMR	Customs Import Declaration
Commercial Invoice	Commercial Invoice
Packing List	Packing List
	CMR
	Tax Declaration
	T2 certificate

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## Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Time required to enforce a contract through the courts (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Time to file and serve the case</li> <li>• Time for trial and to obtain the judgment</li> <li>• Time to enforce the judgment</li> </ul> <p><b>Cost required to enforce a contract through the courts (% of claim)</b></p> <ul style="list-style-type: none"> <li>• Attorney fees</li> <li>• Court fees</li> <li>• Enforcement fees</li> </ul> <p><b>Quality of judicial processes index (0-18)</b></p> <ul style="list-style-type: none"> <li>• Court structure and proceedings (-1-5)</li> <li>• Case management (0-6)</li> <li>• Court automation (0-4)</li> <li>• Alternative dispute resolution (0-3)</li> </ul>	<p>The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.</p> <p>To make the data comparable across economies, <i>Doing Business</i> uses several assumptions about the case:</p> <ul style="list-style-type: none"> <li>- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- The buyer orders custom-made goods, then fails to pay alleging that the goods are not of adequate quality.</li> <li>- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.</li> <li>- The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000.</li> <li>- The seller requests the pretrial attachment of the defendant's movable assets to secure the claim.</li> <li>- The dispute on the quality of the goods requires an expert opinion.</li> <li>- The judge decides in favor of the seller; there is no appeal.</li> <li>- The seller enforces the judgment through a public sale of the buyer's movable assets.</li> </ul>

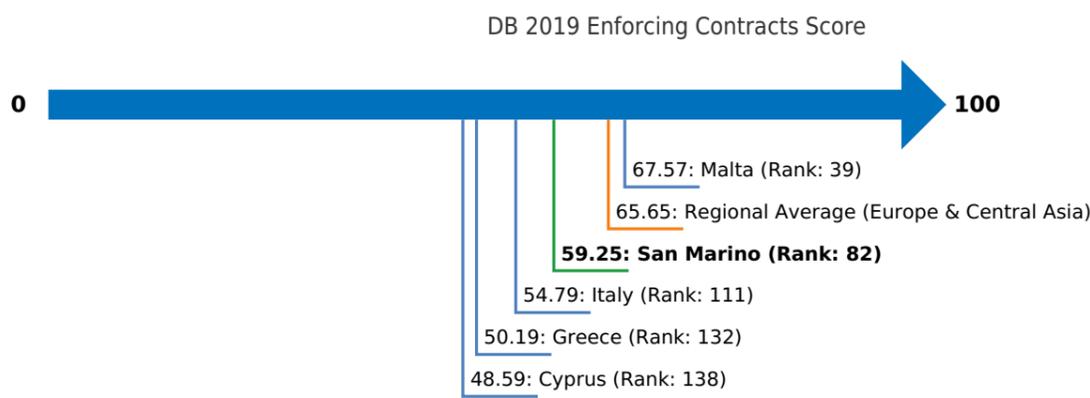
Enforcing Contracts - San Marino

Standardized Case

Claim value	EUR 83,979
Court name	Commissario della Legge (Tribunale Unico Ordinario)
City Covered	San Marino

Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Time (days)	575	496.3	582.4	None in 2017/18
Cost (% of claim value)	13.9	26.3	21.2	None in 2017/18
Quality of judicial processes index (0-18)	5.5	10.3	11.5	None in 2017/18

Figure - Enforcing Contracts in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in San Marino - Time and Cost

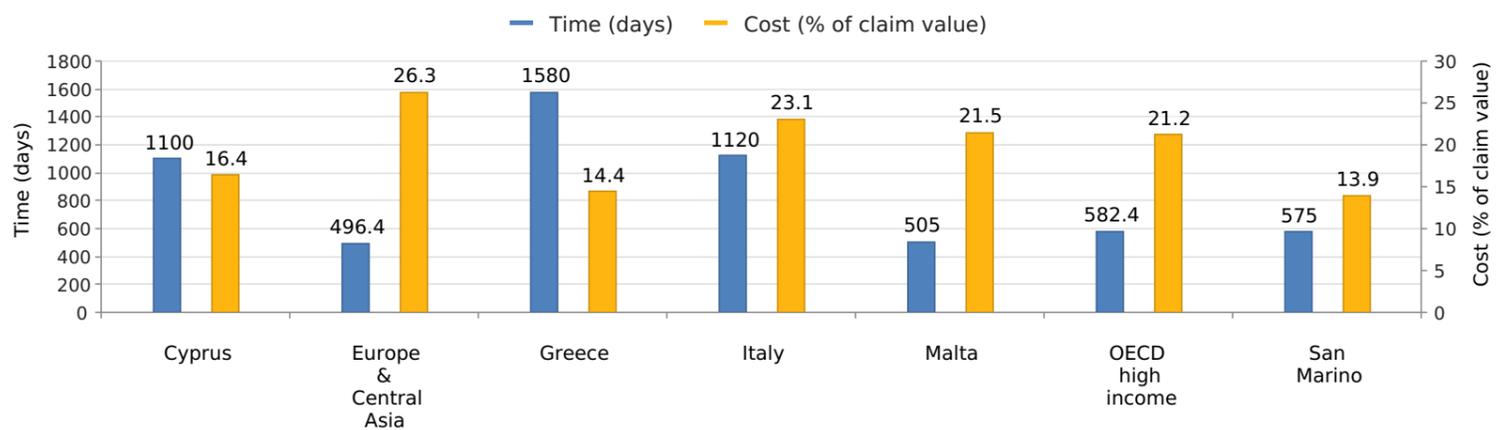
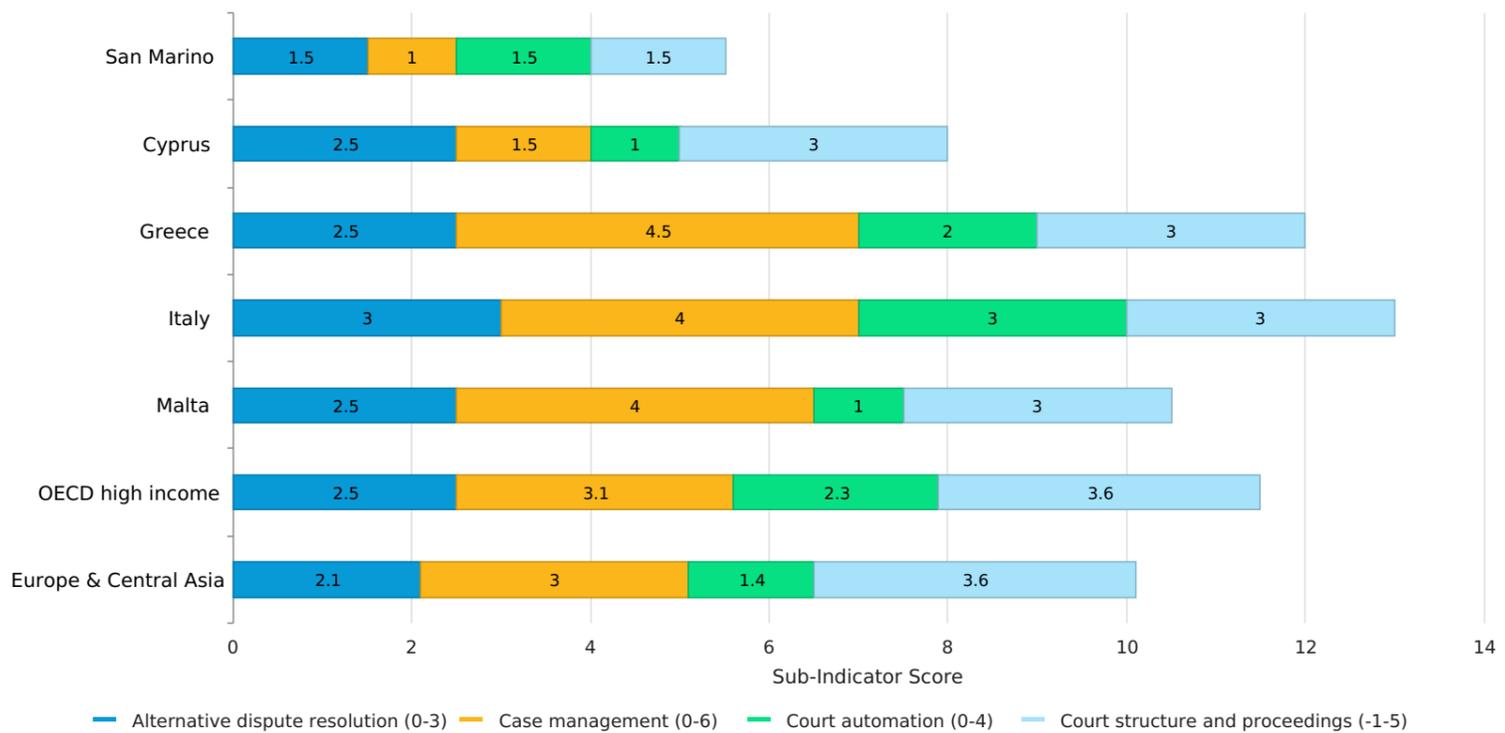


Figure - Enforcing Contracts in San Marino and comparator economies - Measure of Quality



Details - Enforcing Contracts in San Marino

	Indicator
<b>Time (days)</b>	<b>575</b>
Filing and service	45
Trial and judgment	350
Enforcement of judgment	180
<b>Cost (% of claim value)</b>	<b>13.9</b>
Attorney fees	10.5
Court fees	2.9
Enforcement fees	0.5
<b>Quality of judicial processes index (0-18)</b>	<b>5.5</b>
Court structure and proceedings (-1-5)	1.5
Case management (0-6)	1.0
Court automation (0-4)	1.5
Alternative dispute resolution (0-3)	1.5

## Details - Enforcing Contracts in San Marino - Measure of Quality

	Answer	Score
<b>Quality of judicial processes index (0-18)</b>		<b>5.5</b>
<b>Court structure and proceedings (-1-5)</b>		<b>1.5</b>
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	No	0.0
2. Small claims court		0.0
2.a. Is there a small claims court or a fast-track procedure for small claims?	No	
2.b. If yes, is self-representation allowed?	n.a.	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, but manual	0.5
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
<b>Case management (0-6)</b>		<b>1.0</b>
1. Time standards		0.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	No	
1.b. If yes, are the time standards set for at least three court events?	n.a.	
1.c. Are these time standards respected in more than 50% of cases?	n.a.	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	n.a.	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	Yes	1.0
4. Is a pretrial conference among the case management techniques used before the competent court?	No	0.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	No	0.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	0.0
<b>Court automation (0-4)</b>		<b>1.5</b>
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	no	0.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	Yes	1.0
4. Publication of judgments		0.5
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
<b>Alternative dispute resolution (0-3)</b>		<b>1.5</b>
1. Arbitration		1.5

1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	
2. Mediation/Conciliation		0.0
2.a. Is voluntary mediation or conciliation available?	No	
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	n.a.	
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	n.a.	

## Resolving Insolvency

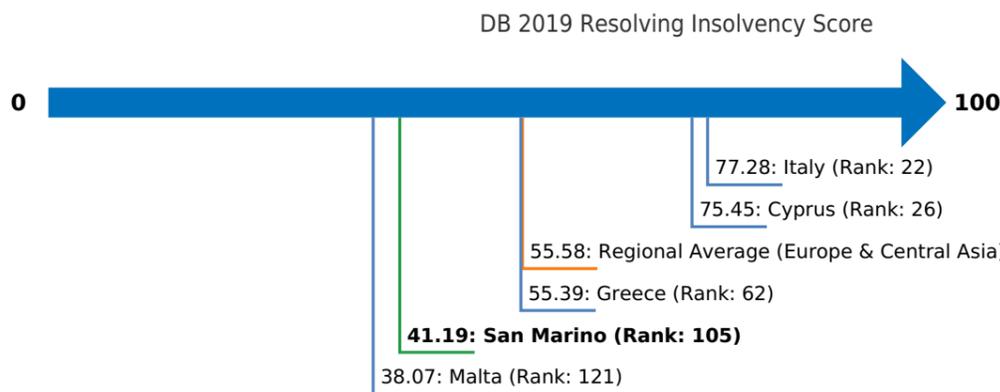
*Doing Business* studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<b>Time required to recover debt (years)</b>	To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:
<ul style="list-style-type: none"> <li>• Measured in calendar years</li> <li>• Appeals and requests for extension are included</li> </ul>	<ul style="list-style-type: none"> <li>- A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties.</li> </ul>
<b>Cost required to recover debt (% of debtor's estate)</b>	<ul style="list-style-type: none"> <li>- The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater.</li> </ul>
<ul style="list-style-type: none"> <li>• Measured as percentage of estate value</li> <li>• Court fees</li> <li>• Fees of insolvency administrators</li> <li>• Lawyers' fees</li> <li>• Assessors' and auctioneers' fees</li> <li>• Other related fees</li> </ul>	<ul style="list-style-type: none"> <li>- The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise.</li> </ul>
<b>Outcome</b>	In addition, <i>Doing Business</i> evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.
<ul style="list-style-type: none"> <li>• Whether business continues operating as a going concern or business assets are sold piecemeal</li> </ul>	
<b>Recovery rate for creditors</b>	
<ul style="list-style-type: none"> <li>• Measures the cents on the dollar recovered by secured creditors</li> <li>• Outcome for the business (survival or not) determines the maximum value that can be recovered</li> <li>• Official costs of the insolvency proceedings are deducted</li> <li>• Depreciation of furniture is taken into account</li> <li>• Present value of debt recovered</li> </ul>	
<b>Strength of insolvency framework index (0- 16)</b>	
<ul style="list-style-type: none"> <li>• Sum of the scores of four component indices:</li> <li>• Commencement of proceedings index (0-3)</li> <li>• Management of debtor's assets index (0-6)</li> <li>• Reorganization proceedings index (0-3)</li> <li>• Creditor participation index (0-4)</li> </ul>	

Resolving Insolvency - San Marino

Indicator	San Marino	Europe & Central Asia	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	50.4	38.6	70.5	None in 2017/18
Time (years)	2.3	2.3	1.7	0.4 (Ireland)
Cost (% of estate)	5.0	13.2	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	0	..	..	..
Strength of insolvency framework index (0-16)	4.5	11.1	11.9	None in 2017/18

Figure - Resolving Insolvency in San Marino and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in San Marino - Time and Cost

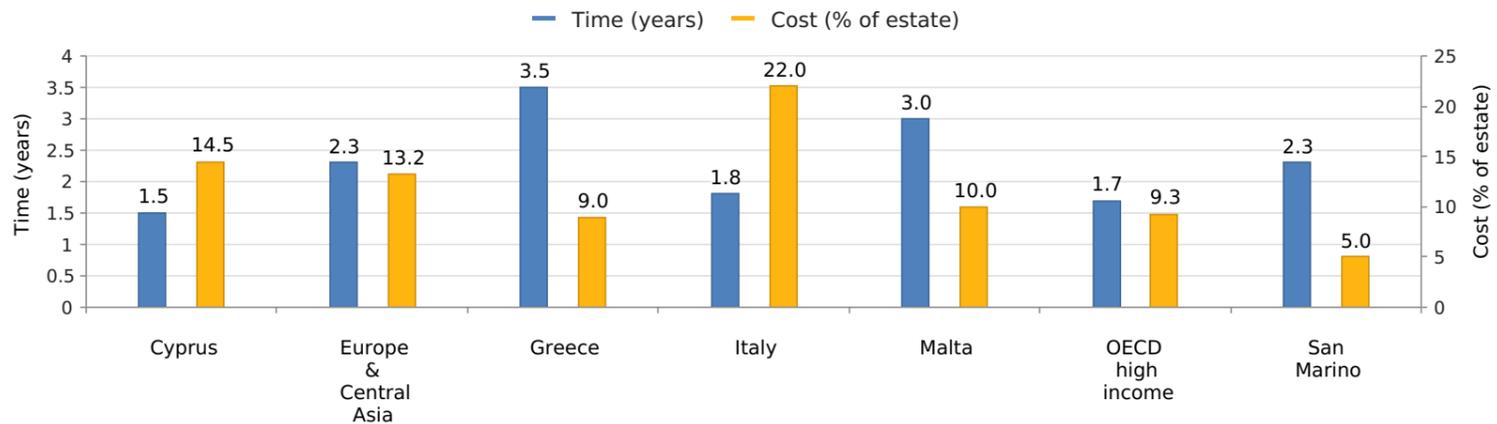
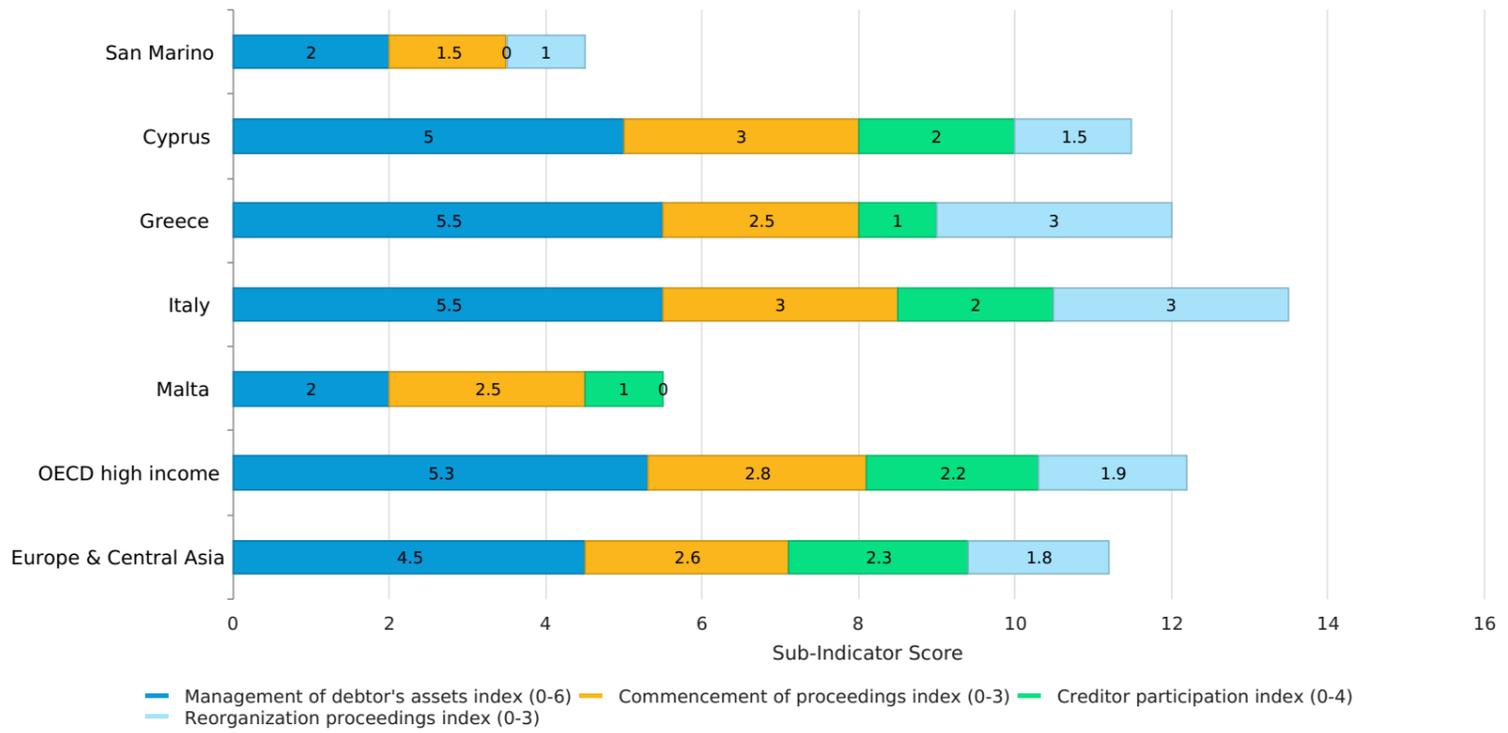
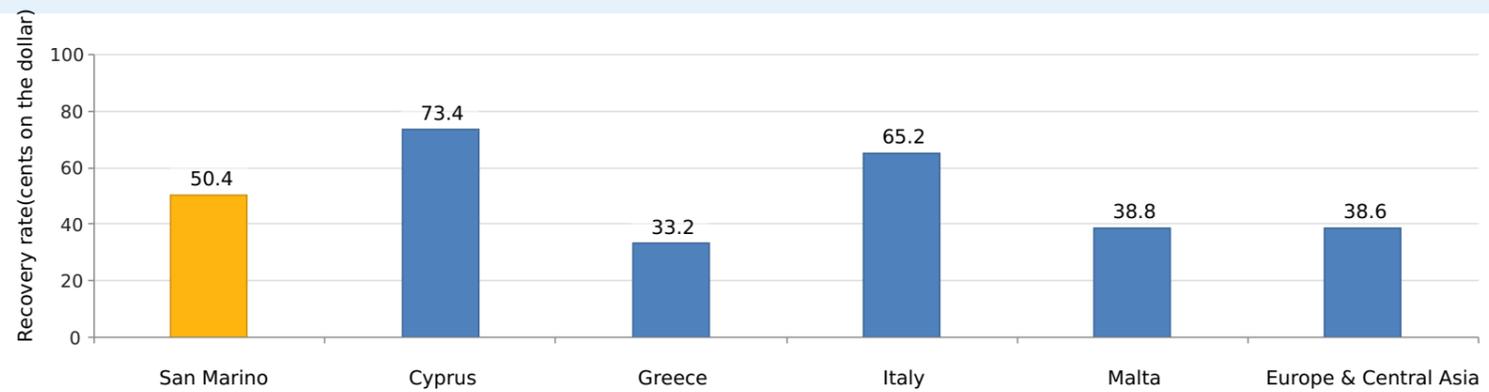


Figure - Resolving Insolvency in San Marino and comparator economies - Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in San Marino and comparator economies - Recovery Rate



## Details - Resolving Insolvency in San Marino

Indicator	Answer	Score
Proceeding	liquidation (after an attempt at reorganization)	Considering the assumptions of the case study, the most likely procedure applicable in San Marino would be an attempt to a "concordato preventivo", which would be followed by liquidation (fallimento), regulated under Legge 17 of November 15, 1915. In this procedure, an insolvent debtor will try to reach an agreement with its creditors negotiating the rescheduling and reduction of the debt. Following his application, an automatic stay (moratorium) would apply to all executive actions and an insolvency representative would be appointed ("curatore") to manage the business while the process is ongoing. After creditors file their claims with the court ("insinuazioni"), the process can be terminated under two different alternatives: either the creditors accept a rescheduling and reduction of their claims proposed by the debtor at the beginning of the filing ("concordato") or the company is liquidated piecemeal if the debtor's proposal is rejected ("fallimento"). In San Marino, a "fallimento" would be the most likely option, as it is the procedure that applies more commonly to small and medium size companies in financial distress. Very few reorganizations "concordati" are actually approved.
Outcome	piecemeal sale	Even if it is very likely that the company will continue operating after filing for insolvency ("concordato preventivo") to maximize the value of the assets, the "fallimento" always implies the sale of the business piecemeal, and the concordato will almost always imply the liquidation too. Therefore, once the "fallimento" is declared, the business will stop operating and will be sold piecemeal.
Time (in years)	2.3	Assuming a reorganization attempt ("concordato preventivo") that is then rejected and liquidation ("fallimento") starts, our estimates indicate that the total time that this case would take would be 2.3 years. Within this estimate, the "concordato preventivo" would take approximately 1,3 years, including the time to appoint a "curatore", to file creditors' claims ("insinuazioni") and to hold the first creditors meeting, which would be closed with a judgement ("sentenza") declaring the "fallimento". After this, new "insinuazioni" would have to take place, and the organization of the public auction ("asta pubblica") and the final transfer of the assets of the debtor would take around another year.
Cost (% of estate)	5.0	Assuming a reorganization attempt ("concordato preventivo") that is then rejected and liquidation ("fallimento") starts, our estimate would be that it would approximately cost 5% of the total value of the estate (140,000 EUR) to close the procedure, broken down like this: - 800 EUR as Court Fees for filing the case - 126,000 EUR on the fees of the "curatore", according to "compensi spettanti all'avvocato per la funzione di curatore" - 675,000 EUR on the lawyer's fees, according to the article 30 and article 26 of the "tariffario professionale del commercialista"
Recovery rate (cents on the dollar)		50.4

## Details - Resolving Insolvency in San Marino - Measure of Quality

	Answer	Score
<b>Strength of insolvency framework index (0-16)</b>		<b>4.5</b>
<b>Commencement of proceedings index (0-3)</b>		<b>1.5</b>
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(b) Yes, but a creditor may file for liquidation only	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(e) Other	0.0
<b>Management of debtor's assets index (0-6)</b>		<b>2.0</b>
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	No	0.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	No	0.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	No	0.0
Does the insolvency framework assign priority to post-commencement credit?	(c) No priority is assigned to post-commencement creditors	0.0
<b>Reorganization proceedings index (0-3)</b>		<b>1.0</b>
Which creditors vote on the proposed reorganization plan?	(b) Only creditors whose rights are affected by the proposed plan	1.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	No	0.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	No	0.0
<b>Creditor participation index (0-4)</b>		<b>0.0</b>
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	No	0.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	No	0.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	No	0.0

**Note:** Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

## Labor Market Regulation

*Doing Business* presents detailed data for the labor market regulation indicators on the *Doing Business* website (<http://www.doingbusiness.org>). The report does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Hiring

(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the probationary period; (iv) minimum wage.

#### Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.

#### Redundancy rules

(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

#### Redundancy cost

(i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.

#### Job quality

(i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.

### Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

#### The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

#### The business:

- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

## Labor Market Regulation - San Marino

## Details - Labor Market Regulation in San Marino

	Answer
<b>Hiring</b>	
Fixed-term contracts prohibited for permanent tasks?	Yes
Maximum length of a single fixed-term contract (months)	12.0
Maximum length of fixed-term contracts, including renewals (months)	18.0
Minimum wage applicable to the worker assumed in the case study (US\$/month)	2220.1
Ratio of minimum wage to value added per worker	0.4
Maximum length of probationary period (months)	1.6
<b>Working hours</b>	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	35.0
Premium for work on weekly rest day (% of hourly pay)	0.0
Premium for overtime work (% of hourly pay)	26.3
Restrictions on night work?	No
Whether nonpregnant and nonnursing women can work the same night hours as men	Yes
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	26.0
Paid annual leave for a worker with 5 years of tenure (working days)	26.0
Paid annual leave for a worker with 10 years of tenure (working days)	26.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	26.0
<b>Redundancy rules</b>	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	Yes
Third-party approval if one worker is dismissed?	Yes
Third-party notification if nine workers are dismissed?	Yes
Third-party approval if nine workers are dismissed?	Yes
Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	Yes
Priority rules for reemployment?	Yes
<b>Redundancy cost</b>	
Notice period for redundancy dismissal for a worker with 1 year of tenure	0.0
Notice period for redundancy dismissal for a worker with 5 years of tenure	0.0
Notice period for redundancy dismissal for a worker with 10 years of tenure	0.0
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	0.0
Severance pay for redundancy dismissal for a worker with 1 year of tenure	0.0

Severance pay for redundancy dismissal for a worker with 5 years of tenure	0.0
Severance pay for redundancy dismissal for a worker with 10 years of tenure	0.0
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	0.0
<b>Job quality</b>	
Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	No
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	630.0
Receive 100% of wages on maternity leave?	No
Five fully paid days of sick leave a year?	Yes
Unemployment protection after one year of employment?	Yes
Minimum contribution period for unemployment protection (months)?	9.0

## Business Reforms in San Marino

In the past year, *Doing Business* observed a peaking of reform activity worldwide. From June 2, 2017, to May 1, 2018, 128 economies implemented a record 314 regulatory reforms improving the business climate. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

✓ = *Doing Business* reform making it easier to do business. ✗ = Change making it more difficult to do business.

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DB2019

✗ **Registering Property:** San Marino made registering property more expensive by increasing the property transfer tax.

✓ **Getting Credit:** San Marino improved access to credit information by launching a new credit registry.

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DB2017

✓ **Dealing with Construction Permits:** San Marino made dealing with construction permits easier and cheaper by reducing the cost and streamlining the process of obtaining a structural authorization

✓ **Paying Taxes:** San Marino made paying taxes less costly by introducing a 50% reduction of corporate income tax for new companies.

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DB2016

✓ **Starting a Business:** San Marino made starting a business easier by encouraging the use of the online system for obtaining the operator code and business license as well eliminating the requirement for the police inspection before formally operating.

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DB2015

✓ **Starting a Business:** San Marino made starting a business easier by removing the requirement for a on-site inspection before formally operating.

✓ **Registering Property:** San Marino made transferring property easier by lowering the property registration tax rate.

*Doing Business 2019* is the 16th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

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