

A close-up photograph of two business people in suits shaking hands. The person on the left is wearing a dark suit, white shirt, and a green tie. The person on the right is wearing a dark suit and a white shirt. The background is bright and out of focus.

VALÈNCIA

Opening costs

VLC  INVEST IN
VALENCIA
March 2022

Attraction and retention of investments in València

Doing Business Guide

Requested by Invest in València Office

Prepared by Grant Thornton



València, Doing Business

**What do I have to do
to develop the activity?**



04

What do I have to do to develop the activity?

4.1 Municipal licenses

4.1.1 Activity/opening license

To be able to carry out a business activity, it is necessary to have an opening and activity license. The obtention of this license is compulsory and it must be requested to the City Council, so that the entrepreneur will be able to exercise a commercial, industrial or professional activity.

The purpose of the license is to verify that the property in which the activity is going to be carried out complies with the current regulations. The following aspects should be taken into account:

- a) The activity must be allowed by the municipal urban planning regulations.
- b) The required lighting, ventilation and health conditions have to be met.
- c) Safety measures need to be sufficient.
- d) Verify if the activity complies with environmental regulations (pollution, discharges, noise...).

To apply for the activity license, it is convenient to have an activity project prepared by a technician (architect, industrial engineer).

Deadline: The license must be requested, by electronic means with a digital certificate, at any time prior to the start of the activity. The administration shall give a resolution within 3 months.

Technical project cost: Depending on the activity to be carried out (innocuous or qualified) and the size of the property, the amount of a technical project for an opening license will be between 450 € and 1,800 €.

Cost of the license: Depending on the amount of construction/remodeling works, a percentage is applied.



Exception: No license will be needed to request prior to the activity in the cases where the activity is related to retail trade and/or, the provision of certain services that are carried out through permanent establishments, as long as its useful area of exhibition and sale to the public do not exceed 750 square meters.

Moreover, neither will a license or authorization be required for the realization of remodeling works related to the conditioning of the premises to carry out the commercial activity when the draft of a construction work project is not required.

In those cases, the prior license is replaced by an affidavit or prior communication, in which there will be an explicit manifestation of compliance with the requirements that are to be met under the regulations in force.

4.1.2 Activities with environmental impact

To carry out activities that have certain environmental impact, the following procedures must be complied before starting the activity:

- a) Preliminary phase: Request a report stating the compatibility of the project with urban planning and, if appropriate, with municipal ordinances (urban compatibility report). It must be submitted one month before the Environmental Affidavit is made and will be binding if the aforementioned report is not compatible.
- b) Opening phase: A standard application form of environmental affidavit must be submitted. In case it is necessary to do any construction/remodeling works, these activities will also need to be legalized.
- c) If after one month from the submission of the environmental affidavit, no verification visit has been made to the establishment where the activity is going to be carried out by the municipal technical services or, once this visit has been carried out, a certificate of conformity has been drawn up the owner, under his sole responsibility, will be able to open the establishment.
- d) In the case of establishments subject to environmental regulations, if a certificate of Collaborating Entity in the field of Environmental Quality is submitted, stating that all the technical and administrative requirements are fulfilled, this must be submitted together with the standardized instance of environmental responsibility declaration. In those cases, the opening of the establishment may be carried out immediately.

Cost: To obtain an urban compatibility report, a fee of € 140.90 must be paid prior to the application.

4.1.3 Building permit

The execution of any type of work (for example, the reform of a local) must be communicated to the City Council of València. For minor works, such as the ones done inside of a building, a **prior communication** will be enough, but the works cannot be started until all the documentation required in each case has been submitted.

Otherwise, it will be necessary to submit a **responsible declaration** or the application for the **corresponding license**.

In the event that the works are linked to the setting up or opening of an activity, the **joint procedure for “work + activity”** must be chosen, so that the works are compatible with the exercise of the activity.

4.1.4 More information on licensing

Activity service by appointment: C/. Amadeo de Saboya, 11, courtyard B, ground floor

Telephone of the City Council of València: 963525478

E-mail: sactivid@valencia.es

Website: <https://sede.valencia.es/sede/registro/indexM.xhtml>

4.2 Industry Registration

In the case of companies and establishments that are going to carry out an industrial activity, the employer must communicate the registration in the Integrated Industrial Registry of the Ministry of Sustainable Economy, Productive Sectors, Trade and Labor.

The Registry is divided into several divisions, depending on the type of activity, where the most common one is Division A, which encompasses the following industrial activities:

- a) Activities aimed at obtaining, repairing, maintaining, processing or reusing industrial products; packaging and the use, recovery and disposal of waste or by-products, whatever the nature of the resources or technical processes used and, where appropriate, the installations they require.
- b) The activities of generation, distribution and supply of energy and energy products.
- c) The activities of research, exploitation and benefit of mineral deposits and other geological resources, whatever their origin and physical state.
- d) Nuclear and radioactive installations.
- e) The industries of manufacture of weapons, explosives and articles of pyrotechnics and cartridges, and those that are declared of interest for the national defense.
- f) The food, agricultural, livestock, forestry and fishing industries.
- g) Industrial activities related to transport and telecommunications.
- h) Industrial activities relating to medicinal products and health.
- i) Industrial activities related to the promotion of culture.

Procedure: The entrepreneur must make a prior communication of the commissioning of the establishment or industrial company, together with the communication data sheet to the Integrated Industrial Registry and the required documentation depending on the industrial activity.



A brass key with a circular head and a simple handle lies on an old, sepia-toned map. The map features various geographical labels in Latin, such as 'MARE INDICUM', 'OCEANVS INDICVS', and 'MADAGASCAR'. The key is positioned in the upper left quadrant, with its head pointing towards the center.

València, Doing Business

What key resources do I need?



06

What key resources do I need?

6.1 Human resources

6.1.1 Employment contract

An employment contract is an agreement between employer and worker by which the latter carries out or executes certain services on behalf of the employer and under his direction, in exchange for remuneration.

6.1.1.1 Types of contracts

Currently, Spanish labor legislation establishes the following types of employment contracts:

- Indefinite contract.
- Fixed-term (temporary) contracts.
- Fixed-discontinuous contracts.
- Training contracts.

Although, within each type of contract, there are several ways for contracting. The most common contracts are the following:

- a) The [indefinite contract](#) is the usual form of contracting for all contracts celebrated before December 31, 2021. It is celebrated without limitation on the duration of the contract, and may be celebrated full-time, part-time or for the provision of discontinuous fixed services.

Indefinite hiring has a series of bonuses and incentives:

- Subsidies* of 3,907 euros for each full-time contract.
- When the indefinite-term contract becomes part-time, the subsidy of 3,907 euros will be reduced proportionally to the agreed working day.
- Reduction of business Social Security contributions.
- If the contract is conclude full time, the company will be entitled to the following bonuses:

Workers without severe disability	Men	Women
Under 45 years old	4,500 €/year	5,350 €/year
Over 45 years old	5,700 €/year	5,700 €/year
Severely disabled workers	Men	Women
Under 45 years old	5,100 €/year	5,950 €/year
Over 45 years old	6,300 €/year	6,300 €/year

- b) The **fixed-term contract**. Its purpose is to establish a temporary employment relationship and it will be formalized in writing and it will be held full-time or part-time.

This contract will have 2 modalities:

- For the replacement of working people.
- Due to production conditions. There are two different situations:
 - Unforeseeable circumstances: it may have a maximum duration of 6 months, extendable to 1 year, through collective bargaining.
 - Foreseeable circumstances: may have a maximum duration of 90 days in the calendar year.

The unjustified use of temporary contracting or the breach of obligations makes temporary contracting indefinite. Likewise, temporary contracts concluded in fraud of law, will be presumed indefinite.

Bonuses: A series oof bonuses of business contributions to Social Security are foreseen in the case of conversion of certain temporary contracts into indefinite ones.

6.1.1.2 Trial period

The contracts shall include, in general, a trial period in which the employment relationship may be finished by either party without giving any cause or prior notice, unless otherwise agreed.

The maximum duration of the probationary period shall be established in the Collective Agreements. Failing this, the duration may not exceed 6 months, for graduates, or 2 months, for the rest of the workers.

6.1.2 Procurement procedure

6.1.2.1 Formalization of the contract

The formalization of the employment contract can be oral or written, although in cases such as the indefinite contract it must be formalized in writing.

The following people may sign an employment contract:

- People of legal age (18 years).
- Legally emancipated minors under 18 years of age.
- People over 16 and under 18:
 - If they live independently with the express or tacit consent of their parents or guardians.
 - If they have authorization from the parents or whoever is in charge of them.
- Foreigners in accordance with the legislation that is applicable to them.

The employment contracts that are concluded in writing will be formalized in the official forms which can be downloaded on the official website of the Public Employment Service ([SEPE](#)).

6.1.2.2 Communication of the contract

Any employment contract made by an employer must be communicated to the Public Employment Services. This communication can be carried out electronically, through the [Contrat@ platform](#), by means of a digital certificate or electronic DNI.

The use of the [service Contrat@ requires an authorization](#) from the Public Employment Services and access with a Digital Certificate or electronic DNI.

Communication period: 10 days after the formalization of the contract.



What key resources do I need?

6.2 Collective Agreements

It is essential to know the special labor regulation of the industrial, commercial or professional sector in which the economic activity which will be carried out is framed.

In addition to the general basic rules, established in the Workers' Statute, there is a sectoral regulation that complements it: the Collective Agreements.

The Collective Agreement is an agreement between employers (employers' associations) and workers' representatives (generally trade unions) to determine the working conditions and productivity, rights and obligations to which each party is bounded by, in a certain sector and in a geographical area.

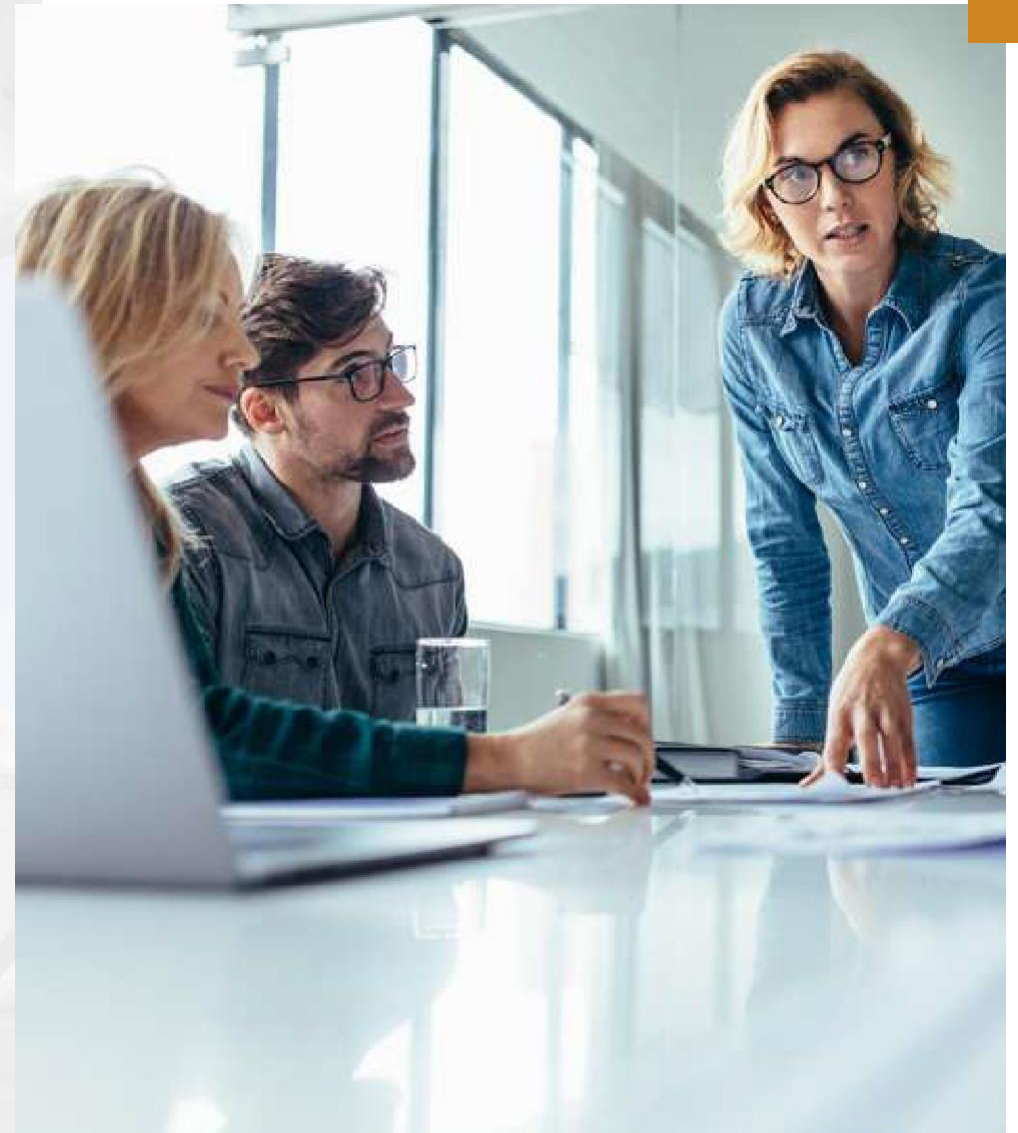
It is the result of collective bargaining and is mandatory for employers and workers included in its scope of action. If when hiring a worker there is a Collective Agreement of the sector, the employer must apply it.

Generally, aspects such as salary, working hours, holidays, care improvements... are regulated, therefore, all those aspects will be taken into consideration for calculating the business costs.

Collective Agreements can be:

- Regarding its territorial scope: national, regional, provincial or local.
- Depending on the number of affected: entity type (which affects the workers of a company), or sectoral (which encompass several companies in the same economic sector).

To find out if there is a Collective Agreement applicable to the economic sector in which the business activity is going to be carried out, it can be consulted the [REGCON](#) (Register of Collective Agreements).



6.3 Equality Plan

The [Equality Plan](#) is a set of measurable measures that are implemented in the company aimed at removing obstacles that prevent or hinder the effective equality of women and men, and to eliminate discrimination based on sex.

The initiative belongs to the company and for its elaboration a previous diagnosis is required. It must also be negotiated with the legal representatives of the workers.

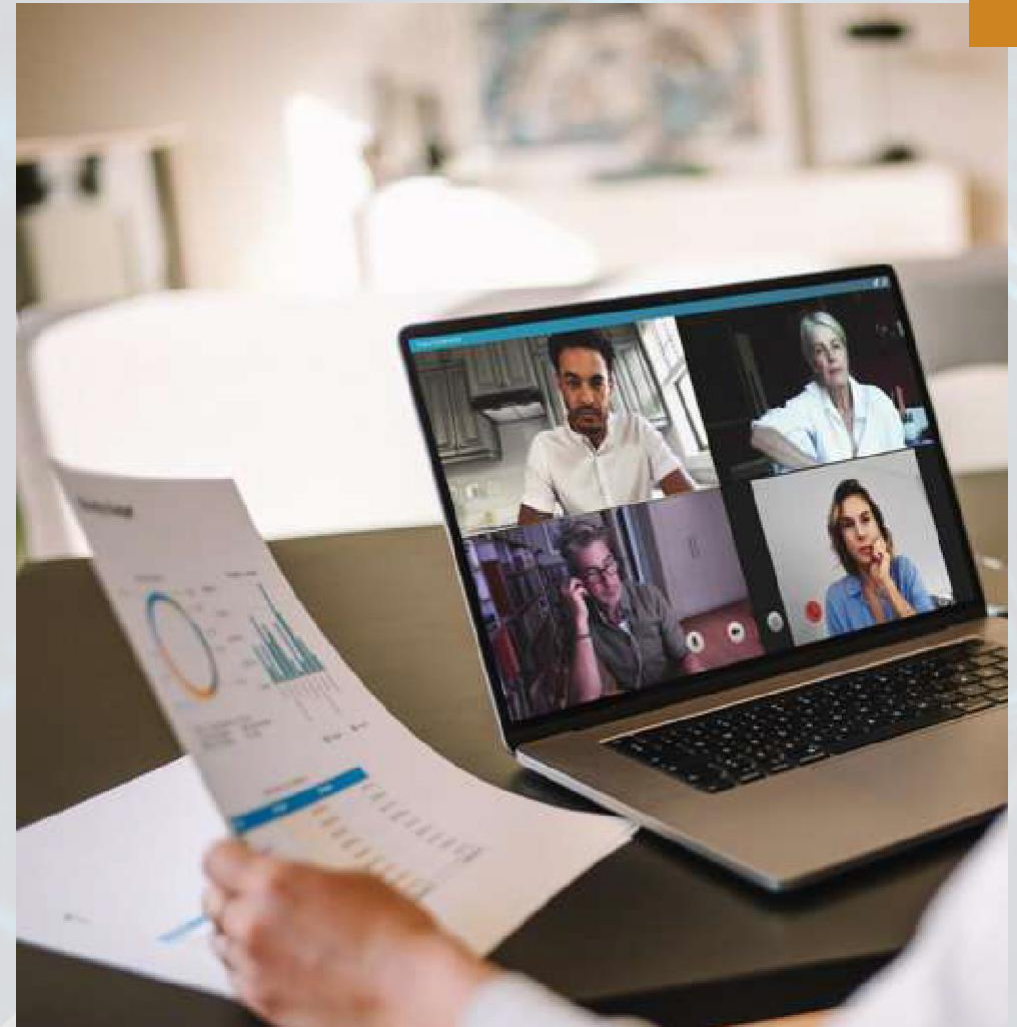
The Plan must set out the objectives to be achieved in terms of equality, the strategies to be followed and the measures to be adopted. And it should include a system for monitoring and evaluating the objectives set.

Since March 7, 2022, all companies with more than 50 workers are required to have an Equality Plan. However, although it is not compulsory for smaller companies, it is recommended from the point of view of corporate social responsibility. It contributes to improve both the work environment and the image of the company before customers, partners, investors, authorities and public administrations. For example, it is usually required for contracting with the Public Sector.

6.4 Measures for work-life balance

Spanish legislation provides a series of measures to reconcile work and family life. Some of the most relevant measures, which must be taken into account by the employer are the following:

- Any worker has the option of requesting an adaptation of the duration and distribution of the day, without the need to reduce hours, or salary and without having minor children. These adaptations will be related to time flexibility, change of shifts or teleworking, and must be reasonable and proportional to the needs of the company.
- Paid leave. The most outstanding permits linked to family reconciliation are:
 - Maternity and paternity leave: 16 weeks (for both mother and father).
 - Breastfeeding of a child under 9 months: workers will be entitled to 1 hour of absence from work, which can be divided into two fractions. This permit may be replaced by a reduction of the working day by half an hour.
- Birth of child or death, accident or serious illness or hospitalization of relatives up to the second degree of consanguinity or affinity: 2 days (when a trip needs to be made, 4 days).



What key resources do I need?

6.5 Teleworking

In case the telework takes place, the employer must take into account the following aspects, as most important:

- Teleworking is optional, voluntary for the worker and will be individual.
- In a normal contract, the teleworking time will be equivalent to 30% of the working day, during a period of 3 months. In the case of trainees or people under 18 years of age who work in internship or apprenticeship, the time is extended to 50% of the working day.
- The schedule is flexible, although the employer may demand certain timetable.
- The worker has the right to digital disconnection. This guarantees family reconciliation.
- The company must pay for the expenses associated with the performance of remote work, such as electricity or Wi-Fi.

6.6 Prevention of occupational risks

These are a series of rules and measures that the employer is obliged to adopt in order to reduce or avoid accidents in the workplace. To this end, an assessment of the possible risks to which the workers of a company are exposed to will be carried out and measures will be adopted to contribute to minimizing the risks.

To this end, the employer is obliged to design and implement an Occupational Risk Prevention Plan, taking into account the different existing jobs, which will integrate both the preventive management system and the protection measures to be adopted and their integration.

This Prevention Plan is an instrument that in certain sectors of activity can be a critical element and therefore must be taken into account especially. E.g. Companies in the construction sector are much more exposed to a work accident than a business or a law firm.









València, Doing Business

What business costs do I have to take into account on a day-to-day basis?



07

What business costs do I have to take into account on a day-to-day basis?

7.1 Wages and associated social costs

Labor cost. It is the cost that an employer faces when hiring a worker, which includes salary and Social Security contributions.

It is broken down as follows:

- Monthly payroll (salary or salary paid to the worker): 70%
- Worker's Social Security (paid to Social Security): 20%
- Compensation, social benefit or training expense: 10%

The **Minimum Interprofessional Wage (S.M.I.)** in Spain for 2022 for an employee stands at 1,000 euros / month for 14 payments (14,000 euros / year), to which the cost of social security and other benefits that the company must pay shall be added, which, as we have seen, stands at 30%. That is, the minimum cost per employee for an employer will be **1,300 euros / month (18,200 euros / year)**.

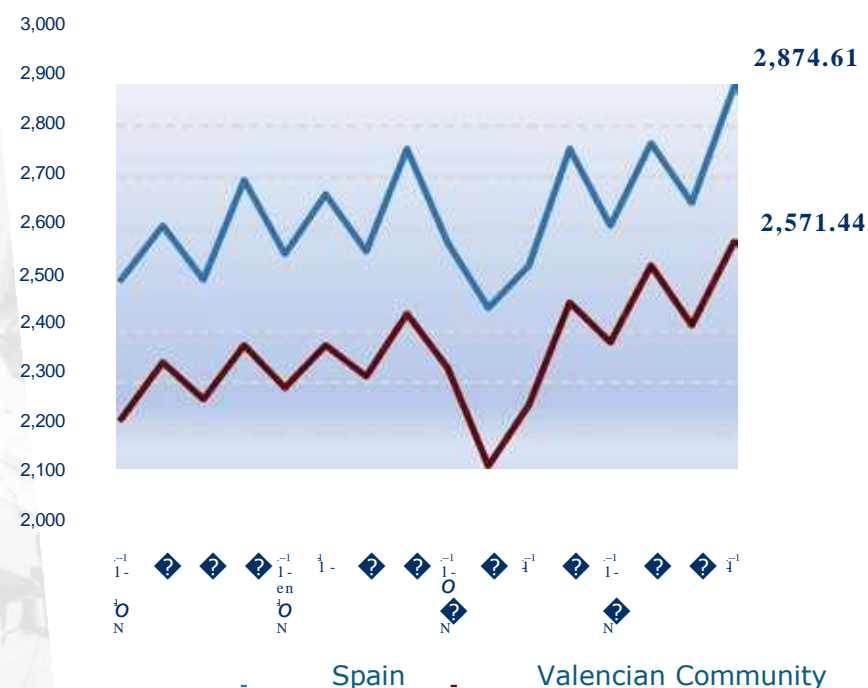
The average labor cost in the Valencian Community, per worker each month in the 3rd quarter of 2021 rises until **2,408.64.-€**, according to the INE³

To calculate the cost of hiring a new employee, both the gross salary and the following amounts shall be considered:

- 23.60% of common contingencies.
- 5.5% general unemployment rate for an indefinite contract.
- 0.20% to the Wage Guarantee Fund (FOGASA).
- 0.70% for vocational training.

³ The data of the 4th quarter of 2021 will be published to the completion of the 1st quarter of 2022.

Valencian Community. Industry, construction and services.
Full labor cost, Work expenses. Euros



That is:

Social Security Cost =	(Gross Salary x 0.2360) + (Gross Salary x 0.055) + (Gross Salary x 0.0020) + (Gross Salary x 0.0070)
Worker Cost =	Gross Salary + Social Security Cost

7.2 Fixed expenses

The start-up of a company involves a series of fixed structural expenses, in addition to the cost of personnel ranging from the lease or purchase of a property to the usual basic supplies such as water, electricity or telephone.

7.2.1 Properties

Depending on the type of activity of the company, real estate needs can range from renting or buying an office or commercial premises to an industrial warehouse, or even sharing coworking spaces.

The cost of the properties is measured in square meters and, generally, is conditioned by the location, the services available and the connection with the different means or routes of transport.

Since the possibilities are high, we will focus on the most common cases: (i) the commercial premises, (ii) the office, (iii) the coworking and (iv) the industrial warehouse.

7.2.1.1 Warehouses

The most important commercial area of the city of València is the one integrated by the streets of Colón, Don Juan de Austria, Jorge Juan, Hernán Cortes and Cirilo Amorós, which are the ones that have the most expensive square meter, ranging from 33 euros/m² of St. Colón or the surroundings of the Town Hall Square, 26 euros/m² in Jorge Juan Street and 18 euros/m² in Cirilo Amorós Street.

If we amplify the radius towards areas, equally central and commercial, but with less traffic, prices fall to 10 or 12 euros/m². This is the case of the Gran Vía Marques del Turia, the Eixample neighborhood or the Russafa neighborhood, more [focused on the hotel activity](#).

7.2.1.2 Offices

Regarding offices, prices per square meter range from 8 euros/m², for offices located in buildings in the center of València, to 12 or 15 euros/m² of offices located in unique buildings specially designed for offices, such as the Europa

Building, the Aqua Building, the América Building or the Geminis Center Building.

7.2.1.3 Coworking

It is a more economical solution that is having a good impact in the city of València, based on shared workspaces with common services (meeting rooms, secretarial, reprography). In those cases, there are many options, and the prices are determined by the location, the ecosystem of companies and the type of services provided by the space.



What business costs do I have to take into account on a day-to-day basis?

Prices range from 420 euros/month for a private office within the coworking, to 90 euros/month for a fixed table or 70 euros/month in a flexible table in an "open space" environment. There is a link to which everybody can access to visit any [coworkings space in Valencia](#).

2. Lease agreement

Generally, the lease will be formalized in writing, which will state the identity of the contracting parties, the identification of the leased property, the agreed duration, the initial rent of the contract and the other clauses that the parties would have freely agreed.

1. Bail

To the cost of the lease must be added the provision of a cash deposit (or by any other means that the parties agree), which must be constituted at the time of conclusion of the contract, and which will be returned to the lessee at the end of the agreed term, unless he has incurred in some type of penalty.

The deposit will be an amount equivalent to two monthly installments for the case of leases for use other than housing and may be updated after the first 5 years of the contract (or 7 years, in the case that the landlord is a legal person), or in case of its extension.

2. Specific regulations governing urban leases.

In the regulatory field, the leases of urban properties which destination is other than housing (business premises) are ruled by the provisions of Law 29/1994, of November 24, on Urban Leases.

In particular, leases for a different use than housing are those in which the house is used for industrial, commercial, craft, professional, recreational, welfare or cultural purposes or teaching activity.

This type of lease is not subject to a mandatory minimum term of duration established by law for the landlord, in contrast to the rental of housing.

3. Basic supplies and services (water, electricity, telephone)

The employer must register for the following basic supplies and services:

1. Water

The water supply service in the city of València is provided by EMIVASA.

The request for registration or the change of the holder of the water supply may be made:

- In any of the [offices](#) in València.
- Online, through the [virtual office](#).
- By phone, through 96 386 06 00

Once the contracting process is finished, it will take a maximum of 48 hours to have water service.

Cost:

The price of registration includes administrative expenses, the installation and placement of the measuring equipment and the deposit. The price will vary depending on the water meter installed and ranges between 105 euros, the cheapest, and 1.995 euros, the most expensive.

The change of the holder of the water supply is free. It is recommended to process the change of owner instead of canceling the service and then requesting the discharge.

Documentation required to register the service:

- Personal identification document (NIF or CIF).
- Bank account number.
- Certificate of habitability of the property in force.
- If the house is the first time being occupied or it is renovated, the Certificate of Water Receiving Installation and the Memory of Water Receiving Facilities shall be submitted.

- The reference of the land registry, which can be obtained in the [electronic headquarters of the mentioned Registry](#).
- If the person requesting the registration is not the holder, authorization by the latter.

Documentation required for the change of ownership:

- If it is done in person, a form of change of holder, signed by the new holder of the contract and by the previous one. If the previous tenant cannot sign it, the signature of the owner of the property will be enough.
- Photocopy of a DNI or NIE of all the people signing the document.
- Meter reading of to be able to make the correct measurements..
- The reference of the Land Registry, which can be obtained from the [electronic headquarters of the mentioned Registry](#).
- Bank account number, to be able to make the direct debit.

The water bill is bimonthly and includes fixed amounts and other variables:

a) Fixed amounts:

- City Council Investments Rate: € 1.80 (+10% VAT)
- Service fee: 10.87€ (+10% VAT)
- Integral maintenance fee: 5.00€ (+21% VAT)
- Sanitation fee: € 7.47 (does not carry VAT)
- Fixed total: 27.46€

b) Variable amounts. It will depend on the consumption:

- Water consumption: 0.469327€ /M3 (+10% VAT)
- Sewerage fee: 0.302919€ /M3 (does not carry VAT)
- Consumption fee sanitation fee: € 0.441000 / M3 (does not carry VAT)
- Total: € 1.260179/m3, i.e. € 13.85 in case of a bimonthly consumption of 11M3

In addition, the invoice will also incorporate the EMTRE Rate, which will also be variable.

The average of a water bill, for a bimonthly consumption of 11m3, is about **60 euros**

7.2.3.2 Light and telephone

The registration in the supply of these services and their cost will depend on the company with which the service is contracted, and the benefits contracted.

1. [Electricity supply](#)

The main distribution company in València is Iberdrola Distribución, and the main marketing companies that provide the electricity supply service are Iberdrola, Endesa, Repsol, Gas Natural Fenosa and EDP.

Cost: The cost and procedures to register the light will vary depending on (i) if there has never been electricity service supplied for that person, (ii) if there was supply, but it was canceled, or (iii) if there is supply.

The process of registering the light is not immediate. Once the registration has been requested, a visit must be made by the technician of the distribution company to install the light meter, which may take an average period of 5 to 7 business days.

Documentation: The documents needed to register the light are the following:

- CUPS Number (Universal Supply Point Code)
- Exact address where you want to register the supply
- Electrical Bulletin
- The power you want to hire
- Name of the holder
- Bank account number

Regardless of the company that sells the supply, registering the light in València for the first time encompasses the following expenses, which will be passed on to the first invoice:

- Access rights (19.70 €/kW + VAT)
- Extension fees (17.37 €/kW + VAT)
- Down payment rights (9.04 € + VAT)

7.2.3.2.2 [Telephone](#)

The main companies that provide telephone and internet service in València are Movistar, Vodafone, Orange and Jazztel.



València, Doing Business

**What aspects can affect
stakeholder relationships?**



08

What aspects can affect stakeholder relationships?



When creating a company or investing in València and, in general, in Spain, it is necessary to take into consideration a series of business management policies that can condition, in some cases, the commercial relationship with potential customers or suppliers, including the Administration, as well as the ability to obtain funds, both public and private.

8.1 Social Responsibility and Corporate Transparency

Corporate Social Responsibility (CSR) is conceived as a set of measures and practices aimed at establishing a relationship between the company and society, contributing to its improvement and minimizing the impact that any activity may generate.

It implies an innovative way of managing the company that is respectful of social, environmental and ethical aspects. It is closely linked to the fulfillment of the Sustainable Development Goals (SDGs) included in the 2030 Agenda and has a direct impact on the good image of a company and its ability to generate business.

In the field of the Valencian Community, it is worth considering [Law 18/2018, of July 13, for the promotion of social responsibility](#).

Business transparency is a key element to make a business reliable and for generating a good reputation of it. Therefore, all information about the company must be available for consultation and shall be truth relevant, useful, clear and verifiable.

Transparency policies are integrated into the ethical and social responsibility framework of a company and are used to generate trust between employees, customers, potential investors, suppliers, partners and the market as a whole.

It is ruled, in general, under the [Law 19/2013, of December 9, on Transparency, access to public information and good governance](#). Although it is very focused on the Public Sector, it establishes a series of measures that private companies must comply, such as institutional information, (organizational chart), legal (rules that affect it) or economic. In the Valencian Community, [Law 2/2015, of April 2, on Transparency, Good Governance and Citizen Participation](#) has been approved.

For example, in an environment of entrepreneurship and investment, companies must comply with the Transparency Law if they have received, in the previous year, a subsidy or public aid exceeding 100.000 euros or an aid which represents more than 40% of the annual income of the entity.

To implement a system of business transparency, the company will have to design a strategy with actions and commitments that, objectively, can be measurable and quantifiable by the social and economic agents with which it relates..

What aspects can affect stakeholder relationships?

8.2 Regulatory Compliance

Regulatory compliance is a set of policies and procedures of a preventive nature implemented in the company to ensure that the current legal framework is respected. This encompasses a previous organization and a management model which includes appropriate surveillance and control measures and mechanisms to prevent possible sanctions.

To do this, the company must develop a Regulatory Compliance Plan in which a diagnosis of the business activity is made and the rules that may influence or affect it are identified. Based on this, a series of measures and procedural guidelines must be adopted to ensure that the business activity complies in a real and effective way with the mentioned regulations.

The purpose of this Regulatory Compliance Plan is to avoid infractions and minimize the risk of possible sanctions, including the commission of possible crimes that may be charged to companies and that are regulated in article 31 bis of the **Criminal Code**.

Note that the UNE 19601 Standard certifies a Criminal Compliance Management System.



What aspects can affect stakeholder relationships?

8.3 Prevention of money laundering

[Law 10/2010, of 28 April, on the prevention of money laundering and the financing of terrorism](#), establishes a series of obligations that companies must comply with to protect the integrity of the financial system and prevent the commission of illegal operations or businesses conducting to crime (or conducted to commit crimes).

Depending on the sector of activity of the company, it will be obliged to comply with the regulations on the prevention of money laundering. These activities include insurance entities, investment services, managers and venture capital companies, participatory financing or crowdfunding platforms, real estate companies or intermediation in real estate leases, cryptocurrency providers, tax advisors or lawyers.

Employers must comply with a series of obligations related to the implementation of due diligence measures, the duty of information or the conservation of documents.

Within the duty of information, one of the main obligations is to communicate the SEPBLAC (Executive Service of the Commission for the Prevention of Money Laundering), on a monthly basis about::

- Transactions with cash, cheques or other bearer documents issued by credit institutions for amounts exceeding 30,000.-€
- Money transfers or operations with cash currency for an amounts over 1,500.-€
- Operations carried out by or with natural or legal people resident in countries designated by Order of the Minister of Economy.
- Movements that involve transfers of funds to / or from countries designated by Order of the Minister of Economy, regardless of the residence of the people involved, provided that the amount of the aforementioned operations is over 30,000.-€ or its equivalent in foreign currency..



Examples of situations that could be considered money laundering crime would be::

- Transfer assets knowing that they may come from a criminal activity for hiding their illicit origin.
- Conceal the nature, origin, location, disposition, movement or ownership of assets that come from an illegal activity.
- Acquiring or using property knowing that it comes from criminal activity.

Finally, it should be noted that, as a preventive mechanism, the [Registry of Beneficial Ownership](#), has been created, under the Ministry of Justice, involving Spanish legal people, entities or structures without personality with activity or headquarters in Spain, entities managed or administered by residents in Spain and any foreign entity that intends to establish occasional business relationships or acquire real estate in Spain.

What aspects can affect stakeholder relationships?

4. Protection of personal data

[Organic Law 3/2018, of December 5, on the Protection of Personal Data and Guarantee of Digital Rights](#) (LOPDGDD) establishes the obligation of companies to adapt their activity to the mentioned regulations whenever they collect and process personal data.

Companies obliged to comply with the LOPDGDD must carry out a detailed analysis of the treatment they make of personal data, computer systems and document management systems. This will make it possible to know the risks, evaluate the impact of the data process, with it, adopt the appropriate protection measures.

Among the most important obligations to be taken into account by companies that process personal data are:

- Management of the risk and evaluation of the impact related to the data protection.
- There must be a controller or processor.
- Have a data protection officer, who may be provided through an external service.
- Have a Record of the Processing Activities carried out.
- Special conditions for the processing could be established for certain data, such as additional security measures.

It is important to note that the data protection obligation is extendable to any foreign company that carries out activities in Spain.

Finally, it should be highlighted that the Agencia Española de Protección de Datos ([AEPD](#)), counts with a specific compliance assistant for entrepreneurs and startups ([Facilita Emprende](#)).



What aspects can affect stakeholder relationships?



8.5 Procurement with the Public Sector

[Law 9/2017, of November 8, on Public Sector Contracts](#), regulates the types of contracts and the procedures that must be used by the Administration at the time of contracting any work, supply or service with private companies.

Generally, contracts are usually preceded by a tender or call in which the parties are informed about the object of the contract and the price is fixed, so that the companies can submit their offers.

In order to participate in tenders and be able to contract with the Administration, certain minimum requirements of economic-financial solvency and technical and professional solvency must be met, and also, not being subject to any of the causes of prohibition of contracting regulated in the Law (e.g. not being up to date with tax or social security obligations). However, the rule itself establishes that the participation of small and medium-sized enterprises will be facilitated.

Regarding contracting with foreign companies, there are not restrictions established, and they must have the same conditions of aptitude to contract as Spanish companies. The only additional requirement established is the submission to the jurisdiction of the Spanish Courts and Tribunals for any incident or disagreement that may arise from the contract, renouncing to the personal jurisdictional jurisdiction that may belong to it.

In general, two types of criteria are usually used to assign a contract: (i) those related mathematical formulas whose valuation is automatic, and (ii) those that are subject to a judgment based on the value. The objective is to assign the contract to the company that submits the best offer valuating price and quality.

What aspects can affect stakeholder relationships?

8.6 Register of Interest Groups

[Law 25/2018, of December 10, of the Generalitat, regulating the activity of interest groups in the Valencian Community](#), regulates the influence activity of interest groups in the Generalitat Valenciana to ensure transparency in the elaboration and application of public policies and in decision-making.

The regulation establishes a series of measures that must be complied with by all those who intend to interact or hold a meeting with senior officials or public employees of the Generalitat, to exercise any work related to lobbying or intermediation.

Among these measures, the most important is the registration in the “Registro de Grupos de Interés de la Generalitat” ([REGIA](#)). This registry is electronic, opened, public and free, and it facilitates the identification and control of influence activity.

To this end, people, entities, networks or platforms (with or without legal personality) who wish to influence public decision-making or the processes of elaboration or application of public policies, regulatory projects or parliamentary initiatives, for the benefit of their own or third parties interests, must be registered in this register.

A Guide has been developed which makes easier the acknowledgment and registration in the “[Registro de Grupos de Interés](#)” and is available on the REGIA website





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