

A World Bank Group Flagship Report

16TH EDITION

DOING BUSINESS 2019

Training for Reform

Economy Profile
France



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

Economy Profile of France

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

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

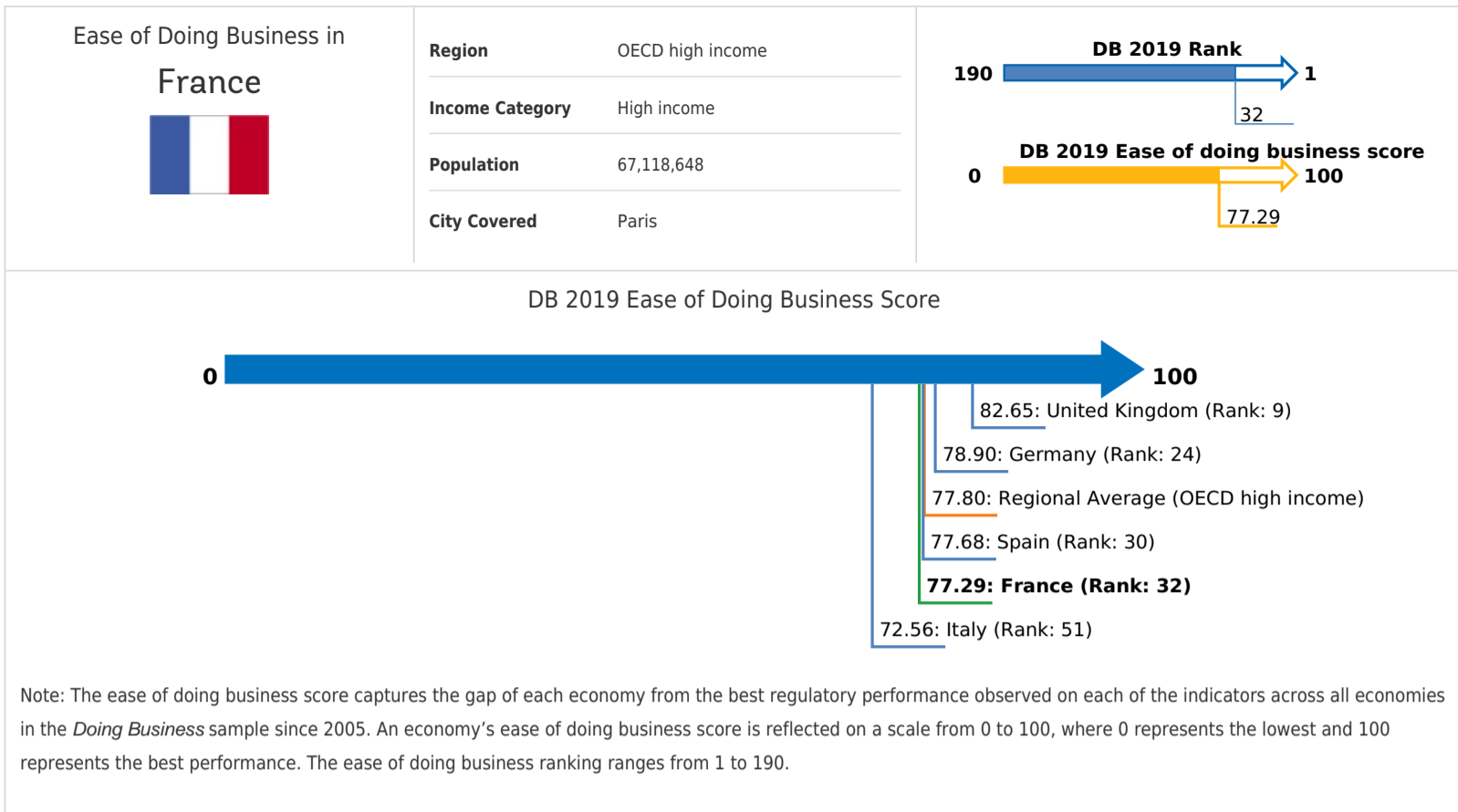
Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority 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.

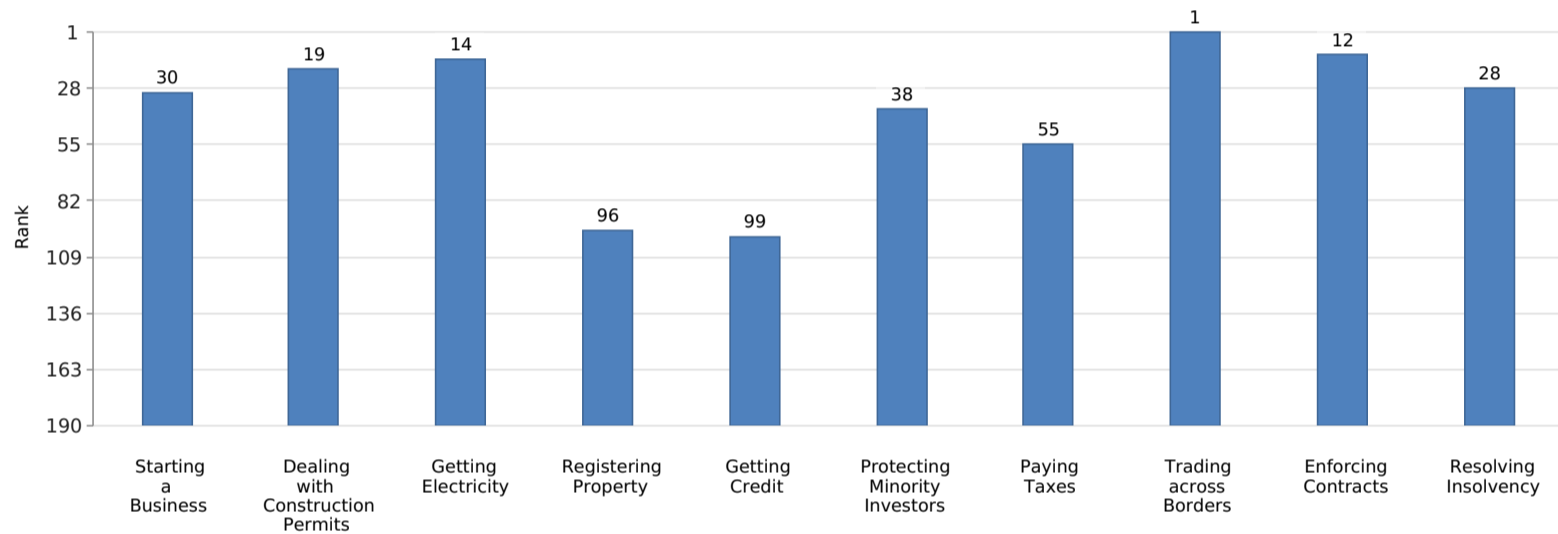
In addition, *Doing Business* offers detailed [subnational reports](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in 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 - France



Ease of Doing Business Score on Doing Business topics - France



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>Procedures to legally start and formally operate a company (number)</p> <ul style="list-style-type: none"> • Preregistration (for example, name verification or reservation, notarization) • Registration in the economy's largest business city • Postregistration (for example, social security registration, company seal) • Obtaining approval from spouse to start a business or to leave the home to register the company • Obtaining any gender specific document for company registration and operation or national identification card <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day (2 procedures cannot start on the same day) • Procedures fully completed online are recorded as ½ day • Procedure is considered completed once final document is received • No prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes • No professional fees unless services required by law or commonly used in practice <p>Paid-in minimum capital (% of income per capita)</p> <ul style="list-style-type: none"> • Funds deposited in a bank or with third party before registration or up to 3 months after incorporation | <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>The business:</p> <ul style="list-style-type: none"> - 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. - Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - The entire office space is approximately 929 square meters (10,000 square feet). - 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. - 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. - 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. - Does not qualify for investment incentives or any special benefits. - Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals. - Has a company deed that is 10 pages long. <p>The owners:</p> <ul style="list-style-type: none"> - Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old. - Are sane, competent, in good health and have no criminal record. - Are married and the marriage is monogamous and registered with the authorities. - 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. |

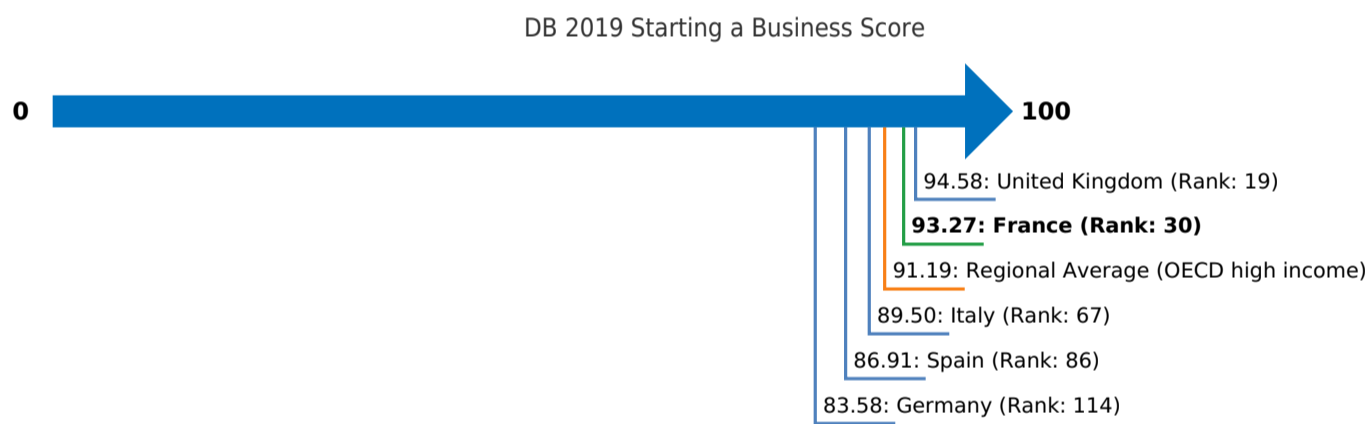
Starting a Business - France

Standardized Company

| | |
|-------------------------------------|---|
| Legal form | Société à Responsabilité Limitée (SARL) - Limited Liability Company |
| Paid-in minimum capital requirement | EUR 1 |
| City Covered | Paris |

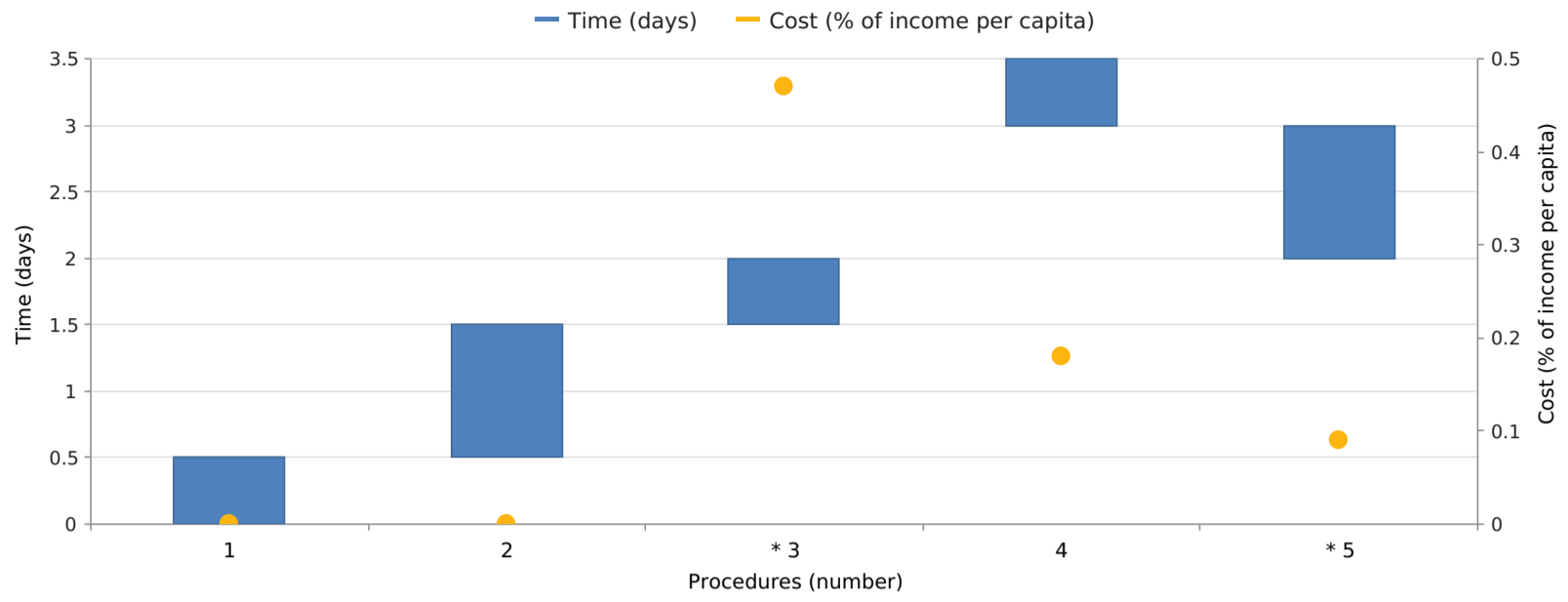
| Indicator | France | OECD high income | Best Regulatory Performance |
|---|--------|------------------|-----------------------------|
| Procedure - Men (number) | 5 | 4.9 | 1 (New Zealand) |
| Time - Men (days) | 3.5 | 9.3 | 0.5 (New Zealand) |
| Cost - Men (% of income per capita) | 0.7 | 3.1 | 0.0 (Slovenia) |
| Procedure - Women (number) | 5 | 4.9 | 1 (New Zealand) |
| Time - Women (days) | 3.5 | 9.3 | 0.5 (New Zealand) |
| Cost - Women (% of income per capita) | 0.7 | 3.1 | 0.0 (Slovenia) |
| Paid-in min. capital (% of income per capita) | 0.0 | 8.6 | 0.0 (117 Economies) |

Figure - Starting a Business in France 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 France - 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 France - Procedure, Time and Cost

| No. | Procedures | Time to Complete | Associated Costs |
|-----|--|---|---|
| 1 | <p>Check name for uniqueness with the Institut National de la Propriété Industrielle (INPI)</p> <p><i>Agency</i> : Institut National de la Propriété Industrielle (INPI)</p> <p>Although it is not legally mandatory to check the proposed company name for uniqueness before registering a company, this procedure is included because legal consequences may follow if this step is omitted. The name can be checked online at http://www.boutique.inpi.fr/inpiboutic.</p> <p>A summary check is free of charge, but fees are charged for copies of trademark filings found. For an optional search of similar trademarks, fees are EUR 50 for three classes and EUR 500 for all classes.</p> | Less than one day (online procedure) | no charge |
| 2 | <p>Deposit the initial capital</p> <p><i>Agency</i> : Bank</p> <p>Within 8 days of the collection of all funds, the initial capital must be deposited with a notary public, the bank, or the Deposit and Consignment Office (Caisse des Dépôt). The initial capital is blocked during the registration period and released upon presentation of a K-bis form.</p> | 1 day | no charge |
| ⇒ 3 | <p>Publish a notice of incorporation of the company</p> <p><i>Agency</i> : Newspaper authorized to publish legal notices</p> <p>This notice must provide the name of the company and its manager (gérant), share capital, the object of the company and registered office. The founder needs only a letter from the newspaper confirming the planned publication. The publication fee is EUR 5.50 (VAT excluded) per line of 40 characters.</p> <p>For most newspapers, the publication of the notice can be ordered online.</p> | Less than one day (online procedure, simultaneous with previous procedure) | EUR 5.50 per line of 40 characters (assuming 30 lines) |
| 4 | <p>File a request for a company's registration with the Centre de Formalités des Entreprises (CFE)</p> <p><i>Agency</i> : Centre de Formalités des Entreprises (CFE)</p> <p>The Centre de Formalités des Entreprises (CFE) handles all formalities related to the trade register in the court (RCS, Tribunal de Commerce), statistics (INSEE), tax authorities (Centre des Impôts), social security (URSSAF), labor (Direction Departemental du Travail et de L'emploi), health insurance (Caisse regionale D'assurance Maladie), unemployment insurance, pension, Employment Pole (Pole Emploi), and similar bodies.</p> <p>The company's Articles of Association and bylaws, lease, attestation of receipt of funds, documents concerning the manager, ad hoc forms, evidence of publication, and so forth must be filed in a single file. After receiving the request, the CFE must process the documents and transfer them to the respective offices and authorities. If the request is incomplete, the CFE has 15 days to return the documents for completion. The CFE automatically enters the information in the Registre Nationale des Entreprise (Répertoire SIRENE) and obtains identification numbers from the RNE: SIRENE number (Système Informatique pour le Répertoire des Entreprises), SIRET number (Système Informatique pour le Répertoire des Etablissements), and NAF number (Nomenclature des Activitees Francaises). The SIRET is used, among other things, by the tax authorities.</p> <p>The registration process can be done online via the Guichet Unique portal or Infogreffe web portal after creating a personal account to connect, unless there is a regulated activity (for example, hairdresser, butcher, Realtor or lawyer) requiring prior authorization not yet possible on the website for all regulated professions.</p> <p>Since the Dutreil Law, the CFE or the Commercial Registry can deliver a receipt for company creation (récepissé de creation d'entreprise) as soon as they have received the documents, so that the company can start operations without having to wait for its RCS number.</p> <p>Since January 4th 2018, information about beneficial ownership needs to be disclosed at least within 15 days after business incorporation). If the information is submitted at the time of business incorporation, the total fee to be paid at the business registry is EUR 63.04.</p> | Less than one day (online procedure) | EUR 63.04 |

| | | | |
|-----|---|--|--|
| ⇒ 5 | Buy company books and have them initialed by the clerk of the Commercial Court | 1 day (simultaneous with previous procedure) | EUR 30 for two books (EUR 15 per book) + EUR 3.12 stamping fee |
| | <i>Agency :</i> Commercial Court Special accounting company books must be bought from the court or specialized stores. Inventory books are no longer required, but the company must purchase the minutes of the records and the ledger and have these books initialed by the clerk of the Commercial Court. | | |
| | The books have numbered pages or numbered sheets, both of which must be certified by the Commercial Court. If a book with numbered pages is used, the certification is made only once (when the company is incorporated). If numbered sheets are used, the certification must be made for the minutes of shareholders' meeting. If an accounting book is used, the certification must be made once each fiscal year. Therefore, for practical reasons books are often used. | | |
| | In theory, it is possible to have an electronic minute book provided that the procedure to draft the document is secured (to avoid document modification once it is drafted). Such a solution is rarely used because a secured procedure has not been clearly defined and the commercial court certification is more complicated in that case. It is also possible for the company to acquire the book later, after it starts operation. | | |

⇒ 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>Procedures to legally build a warehouse (number)</p> <ul style="list-style-type: none"> • Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates • Submitting all required notifications and receiving all necessary inspections • Obtaining utility connections for water and sewerage • Registering and selling the warehouse after its completion | <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>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule • Procedure is considered completed once final document is received • No prior contact with officials | <p>The construction company (BuildCo):</p> <ul style="list-style-type: none"> - 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. - 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. - Owns the land on which the warehouse will be built and will sell the warehouse upon its completion. |
| <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes | <p>The warehouse:</p> <ul style="list-style-type: none"> - Will be used for general storage activities, such as storage of books or stationery. - 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. - 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. - Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements). |
| <p>Building quality control index (0-15)</p> <ul style="list-style-type: none"> • Quality of building regulations (0-2) • Quality control before construction (0-1) • Quality control during construction (0-3) • Quality control after construction (0-3) • Liability and insurance regimes (0-2) • Professional certifications (0-4) | <p>The water and sewerage connections:</p> <ul style="list-style-type: none"> - 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. - 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. - 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. |

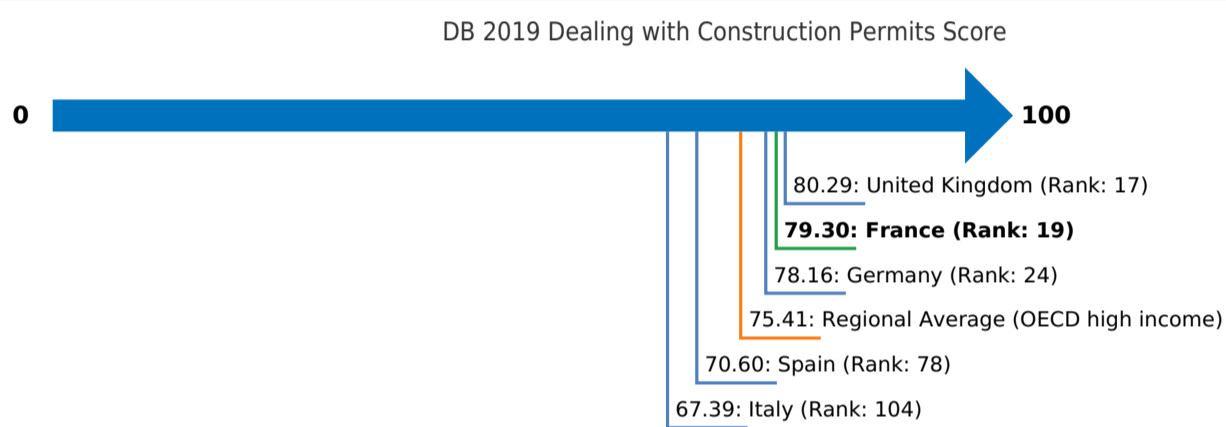
Dealing with Construction Permits - France

Standardized Warehouse

| | |
|------------------------------|------------------|
| Estimated value of warehouse | EUR 1,744,911.90 |
| City Covered | Paris |

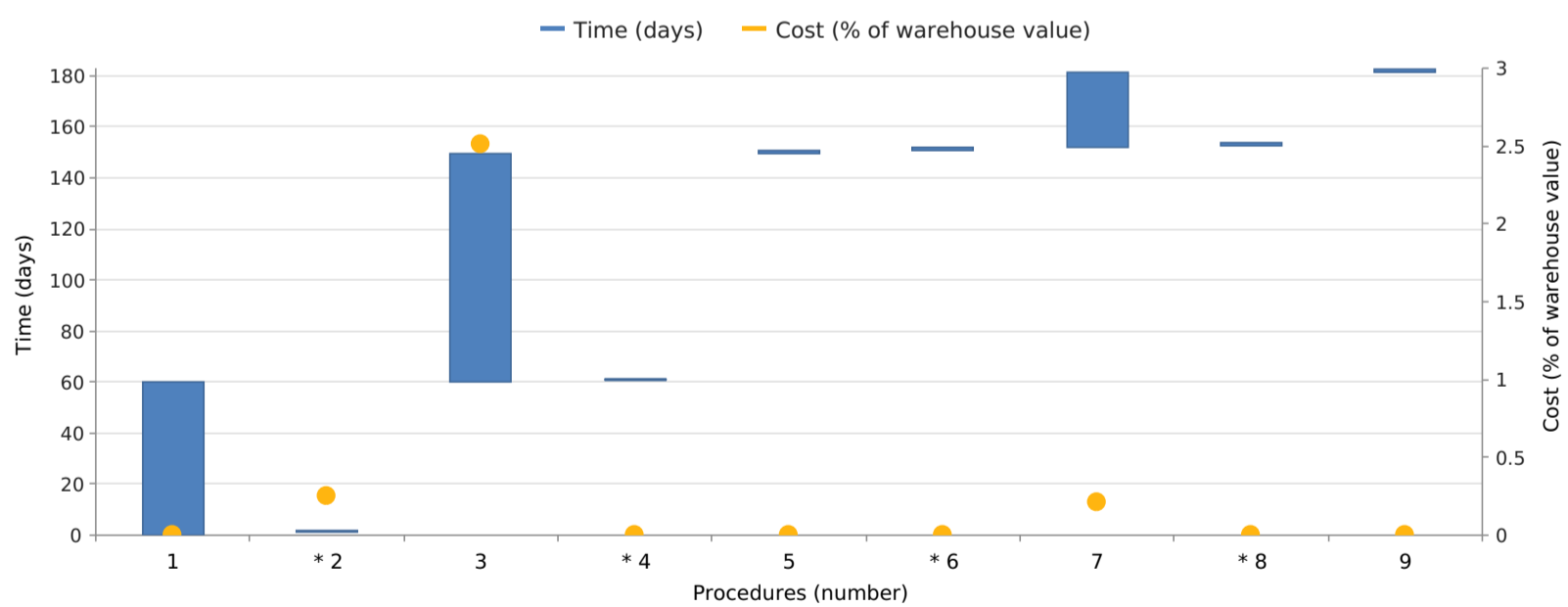
| Indicator | France | OECD high income | Best Regulatory Performance |
|---------------------------------------|--------|------------------|-----------------------------|
| Procedures (number) | 9 | 12.7 | None in 2017/18 |
| Time (days) | 183 | 153.1 | None in 2017/18 |
| Cost (% of warehouse value) | 3.0 | 1.5 | None in 2017/18 |
| Building quality control index (0-15) | 14.0 | 11.5 | 15.0 (3 Economies) |

Figure - Dealing with Construction Permits in France 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.

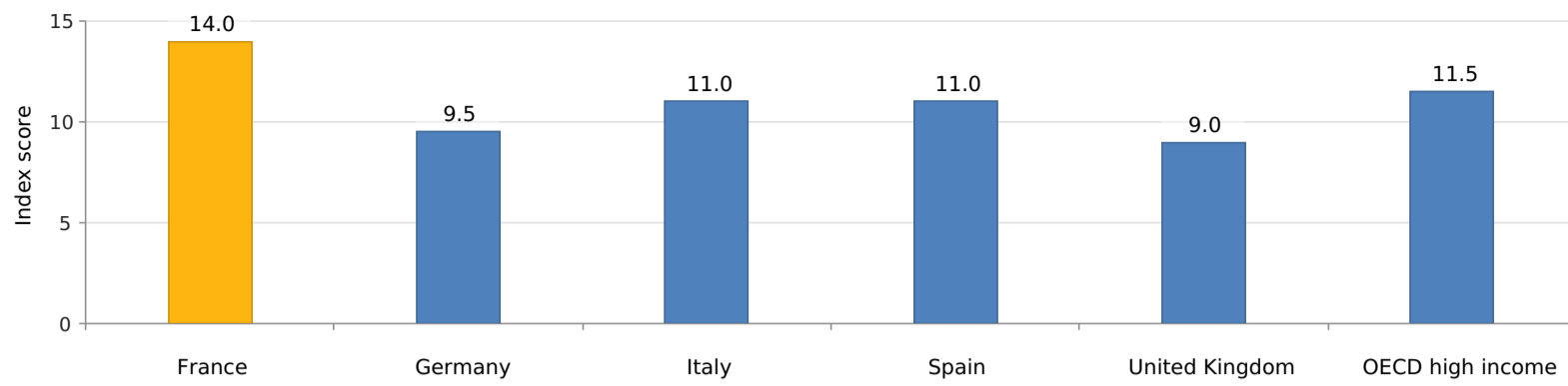
Figure - Dealing with Construction Permits in France - Procedure, Time and Cost



*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 France and comparator economies - Measure of Quality



Details - Dealing with Construction Permits in France - Procedure, Time and Cost

| No. | Procedures | Time to Complete | Associated Costs |
|-----|---|------------------|------------------|
| 1 | <p>Obtain an urbanism certificate <i>Agency</i> : City Hall (Mairie) There are two types of an urbanism certificate:</p> <ul style="list-style-type: none"> • Form A informative -- The informative form is a request to only establish the existing planning state of a building. • Form B operational -- The second is an operational planning certificate. In addition to information provided by the informative planning certificate, this certificate indicates if the land can be used for a project and the existing or planned state of public utilities (channels and networks) to serve or serve this land. <p>A planning certificate is valid for 18 months and can be renewed 2 months prior to its expiration. The request for a planning certificate must be submitted at the City Hall where the lot is located using a form Cerfa N° 13410*01. The average time to process the operational planning certificate is 2 months. If no answer is given within these 2 months, the silent-is-consent rule applies.</p> | 60 days | no charge |
| ⇒ 2 | <p>Hire an external inspection company (Bureau de controle technique) <i>Agency</i> : Private Firm By law a bureau de controle (independent from the construction company) must conduct all technical inspections during construction. The Spinetta Act 78-12 of January 4, 1978 established and provided a legal framework for the Controle Technique in construction in France.</p> | 1 day | EUR 4,362 |

| | | | |
|-----|---|----------|------------|
| 3 | <p>Obtain building permit <i>Agency</i> : City Hall (Mairie)</p> <p>To obtain a building permit, BuildCo must submit the following:</p> <ul style="list-style-type: none"> • Location plan (orientation, access roads) and overall plan of the construction or renovation (dimensions, elevations, connections, access), drawn up on grounds of the Land Registry–based map, representing the plot • Front elevations • Views, cross sections, layout • Document with a detailed description of the project impact on the existing landscape to prove that it is environmentally friendly • Survey photographs (both near- and long-range), allowing for the easy identification of the site in relation to the surrounding areas <p>To prepare this documentation, BuildCo must obtain the building permit forms from City Hall or on the Internet through the Booth for Forms (Guichet des formulaires) of the Equipment, Transport, and Housing Ministry (Ministère de l'Équipement, des Transports et du Logement) (www.equipement.gouv.fr/). Four copies of the application are filed at City Hall and a receipt is given in person or it may be sent by registered mail with acknowledgement of receipt. If one document is missing, claims must be made within 14 days after registration. Where the application is accompanied by all the required documents, the contractor will receive acknowledgment of receipt, indicating the date and registration number and the time needed for title investigation.</p> <p>The building permit will be issued within 3 months after registration of the application (except where the plot is a classified site). The contractor shall deem the permit tacitly granted if no reply is received within the 3 month period. The building permit is valid for 2 years. The contractor must begin work (or apply for an extension) within that time; otherwise, the permit expires. Moreover, if the contractor halts work for over a year, the validity of the permit expires, even if the 2-year statutory period has not yet elapsed. The permit must be displayed at the construction site and must include all the requisite information: mandatory dimensions, building permit number and date of issue, name of permit holder, nature of the work, and the address of City Hall where construction documents are open to public scrutiny.</p> <p>A copy of the building permit must be available in City Hall for 2 months to enable any aggrieved third parties (i.e., adjacent property owners) to challenge it.</p> <p>The application form to connect to sewage is also included when requesting a building permit. The application is to be addressed to the Sanitation department of Ville de Paris.</p> | 90 days | EUR 43,869 |
| ⇒ 4 | <p>Apply for water connection <i>Agency</i> : Eaux de Paris</p> <p>The water utility connection is typically a lengthy process. Thus, it is advisable to request it prior to beginning construction work.</p> | 0.5 days | no charge |
| 5 | <p>Receive site visit by Eaux de Paris to prepare a cost estimate (devis) for water connection <i>Agency</i> : Eaux de Paris</p> | 1 day | no charge |
| ⇒ 6 | <p>File a declaration of the worksite opening <i>Agency</i> : City Hall (Mairie)</p> <p>The declaration of the opening of construction site is a key step. This declaration can be done either by completing a form (Cerfa 46.0394) obtainable either at City Hall or on the Internet through the (Guichet des formulaires), located at the Equipment, Transport and Housing Ministry (Ministère de l'Équipement, des Transports et du Logement) Web site (www.equipement.gouv.fr/) or online.</p> <p>If the applicant chooses to mail the form, then the completed forms must be sent to City Hall by registered mail with acknowledgement of receipt.</p> | 1 day | no charge |
| 7 | <p>Obtain water connection <i>Agency</i> : Eaux de Paris</p> | 30 days | EUR 3,670 |
| ⇒ 8 | <p>Declare completion of construction <i>Agency</i> : City Hall (Mairie)</p> <p>Within 30 days of work completion, the contractor must send City Hall a notice -- by registered mail with acknowledgement of receipt, through a letter signed by the contractor's company, or by the firms that worked on the project -- in which the architect declares the completion of the construction. That document must be included in the building permit application file. Three copies of the forms must be completed.</p> | 1 day | no charge |

| | | | |
|---|---|-------|-----------|
| 9 | Receive visit by building inspectors and obtain compliance certificate <i>Agency</i> : City Hall or Equipement Departmental Directorate The compliance certificate attests that the completed project meets the building permit specifications. Once the declaration of completion is filed, an official from City Hall or the Equipement Departmental Directorate (Direction Départementale de l'Équipement, DDE) then visits the site to verify whether the structure conforms to building permit specifications. The compliance certificate is issued within 3 months of the application if the specifications are met. | 1 day | no charge |
|---|---|-------|-----------|

→ Takes place simultaneously with previous procedure.

Details - Dealing with Construction Permits in France - Measure of Quality

| | Answer | Score |
|---|--|-------------|
| Building quality control index (0-15) | | 14.0 |
| Quality of building regulations index (0-2) | | 2.0 |
| 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 |
| Quality control before construction index (0-1) | | 1.0 |
| 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. | 1.0 |
| Quality control during construction index (0-3) | | 3.0 |
| What types of inspections (if any) are required by law to be carried out during construction? (0-2) | Inspections by external engineer or firm; Risk-based inspections. | 2.0 |
| Do legally mandated inspections occur in practice during construction? (0-1) | Mandatory inspections are always done in practice. | 1.0 |
| Quality control after construction index (0-3) | | 3.0 |
| 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 |
| Liability and insurance regimes index (0-2) | | 2.0 |
| 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; Owner or investor. | 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) | Architect or engineer; Professional in charge of the supervision; Construction company; Insurance is commonly taken in practice. | 1.0 |
| Professional certifications index (0-4) | | 3.0 |

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)

University degree in engineering, construction or construction management; Being a registered architect or engineer. 1.0

⚡ 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.

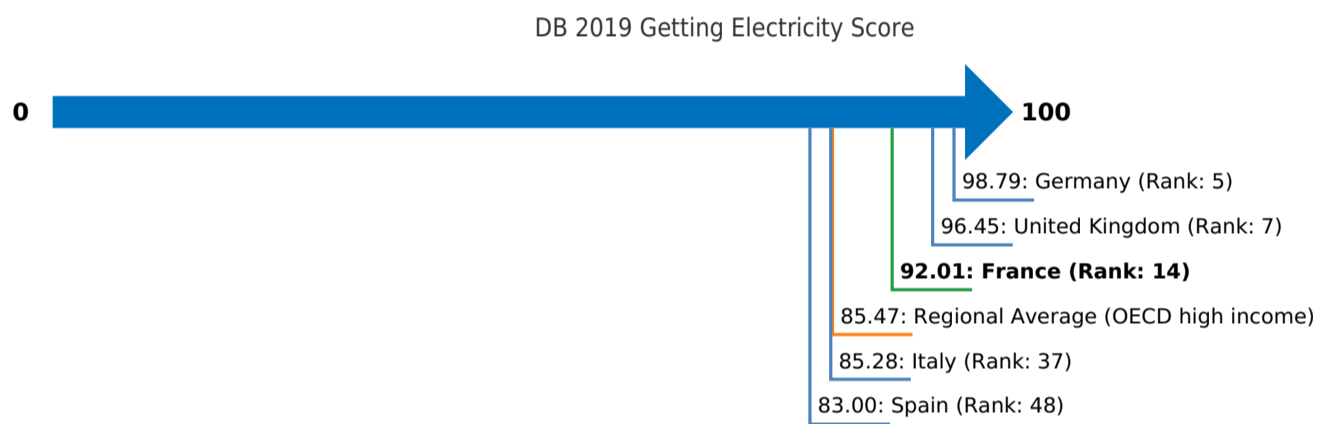
Getting Electricity - France

Standardized Connection

| | |
|---|--------|
| Price of electricity (US cents per kWh) | 13.0 |
| Name of utility | Enedis |
| City Covered | Paris |

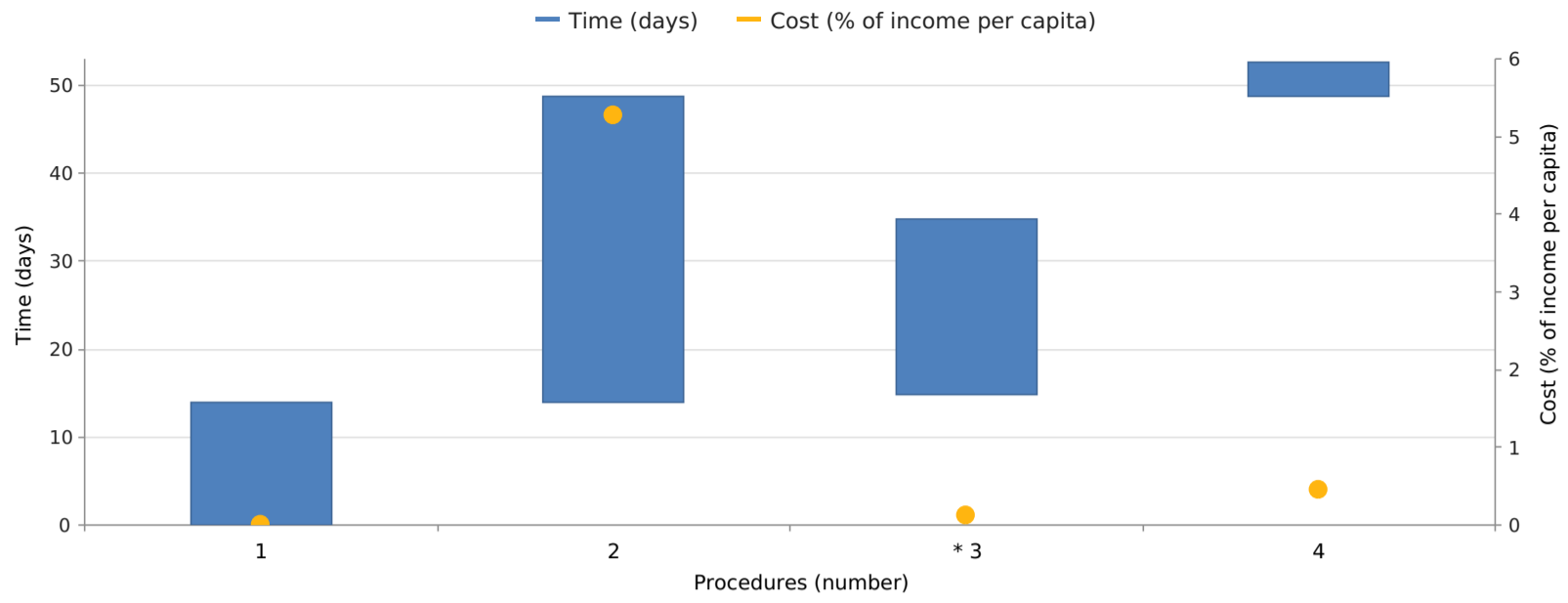
| Indicator | France | OECD high income | Best Regulatory Performance |
|--|--------|------------------|-----------------------------|
| Procedures (number) | 4 | 4.5 | 3 (25 Economies) |
| Time (days) | 53 | 77.2 | 18 (3 Economies) |
| Cost (% of income per capita) | 5.8 | 64.2 | 0.0 (3 Economies) |
| Reliability of supply and transparency of tariff index (0-8) | 8 | 7.5 | 8.0 (27 Economies) |

Figure - Getting Electricity in France 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.

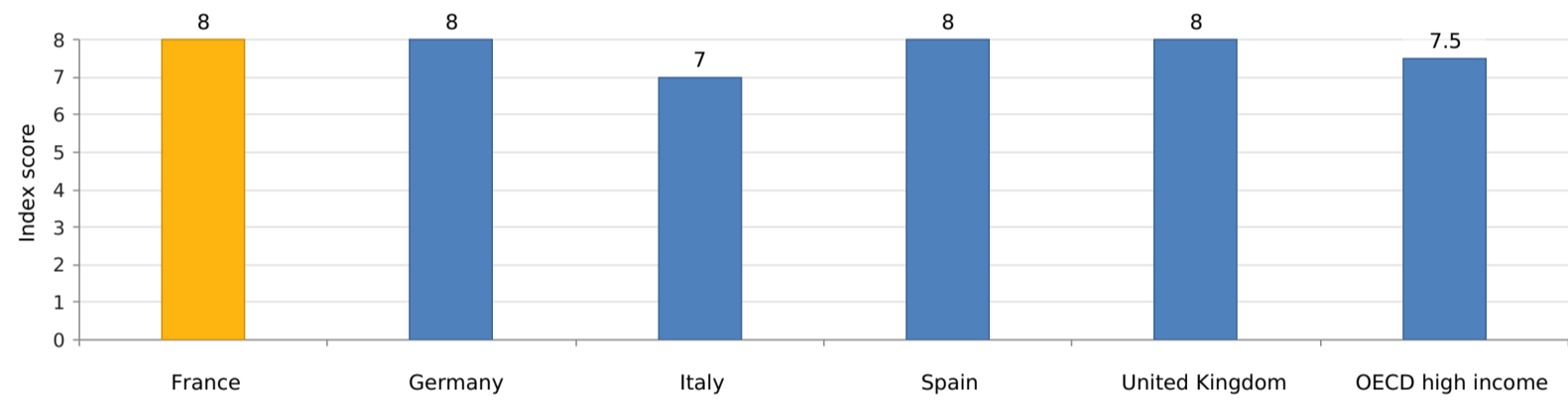
Figure - Getting Electricity in France - Procedure, Time and Cost



*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 France and comparator economies - Measure of Quality



Details - Getting Electricity in France - Procedure, Time and Cost

| No. | Procedures | Time to Complete | Associated Costs |
|-----|--|------------------|------------------|
| 1 | <p>Submit application to Enedis and await estimate <i>Agency : Enedis</i> The connection application request can be submitted online and the supporting documentation can be attached to the same format.</p> <p>Along with the application, the client needs to submit the following documents:</p> <ul style="list-style-type: none"> • Information about the company, the site, and the project contact people • The client's needed capacity; capacities have to be provided in kVA for Low-Voltage (LV) connections and in kW for Medium-Voltage (MV) connections. • A list of the client's electrical equipment so ENEDIS can determine the potential disruptions on their network. • The site plan of the land from the municipality (plan de situation du terrain), specifying the boundaries of the property, • Copy of the planning permission ("autorisation d'urbanisme du projet") • The "plan de masse", which presents the proposed development of the site in terms of access to public roads and connections to networks and specifies the location of the individual circuit box and, if applicable, the monitored power cabinet • The client's date of final connection (energization) <p>Upon receipt of the complete file, Enedis then carries out a technical study and sends the customer a connection proposal.</p> <p>The proposal contains technical and financial information:</p> <ul style="list-style-type: none"> - A description of the technical solution selected, detailing the work that the applicant must carry out before the intervention of Enedis - A provisional timetable for the execution of the works - The contacts of an Enedis adviser, who will handle the case - The connection agreement, which details the technical, legal and financial elements for the connection of the electrical installation and the operating rules of the facility. <p>The period of validity of the proposal is 3 months.</p> | 14 calendar days | EUR 0 |
| 2 | <p>Receive external works from Enedis <i>Agency : Enedis</i> For the works to start, the client needs to pay 50% of the estimated fees. Enedis then generates an identification number that will be used in all its future communications with the client, and especially when the client will request the final connection (energization) from their electricity supplier. Enedis will also indicate an expected date for the end of the external works and a date, after which the service can be energized.</p> <p>As soon as clients receive this information, they can contact their electricity supplier to prepare the supply contract required for the final connection. The connection process might also require works to be done in the public or private domain. In this case, Enedis will obtain all necessary administrative permits.</p> | 35 calendar days | EUR 1,840.44 |
| ⇒ 3 | <p>Obtain compliance certificate for internal wiring <i>Agency : CONSUEL</i> The customer can choose any private electrician for the internal wiring. At the end of the works, they will need to request a conformity certificate from a control body, such as CONSUEL, that may check the entire internal installation to make sure it is conforming to the regulation NF C 15-100. The type of Consuel certificate needed in this case is an "Attestation de conformité "VERTE" ("Locaux à réglementations particulières").</p> <p>In order to obtain a copy of the form to fill out, the client will need to write to CONSUEL (http://www.consuel.com/visa.htm#1). The client will need to attach the establishing shot (« plan de situation ») to the application.</p> <p>CONSUEL may conduct an inspection based on a risk-assessment system. In any case, a certificate will be issued which Electricité Réseau Distribution France will check when carrying out the final connection.</p> | 20 calendar days | EUR 43.59 |
| 4 | <p>Sign supply contract and obtain meter installation and final connection <i>Agency : Enedis</i> The energy supplier will propose a supply contract to the client. Once the customer has signed the contract, the supplier will request the final connection from ENEDIS on the client's behalf, which is done if all payments of connection costs are made to ENEDIS and if the certificate from CONSUEL is presented.</p> | 4 calendar days | EUR 155.3 |

⇒ Takes place simultaneously with previous procedure.

Details - Getting Electricity in France - Measure of Quality

| | Answer |
|---|---|
| Reliability of supply and transparency of tariff index (0-8) | 8 |
| Total duration and frequency of outages per customer a year (0-3) | 3 |
| System average interruption duration index (SAIDI) | 0.2 |
| System average interruption frequency index (SAIFI) | 0.1 |
| What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI | 3.0 |
| Mechanisms for monitoring outages (0-1) | 1 |
| Does the distribution utility use automated tools to monitor outages? | Yes |
| Mechanisms for restoring service (0-1) | 1 |
| Does the distribution utility use automated tools to restore service? | Yes |
| Regulatory monitoring (0-1) | 1 |
| Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply? | Yes |
| Financial deterrents aimed at limiting outages (0-1) | 1 |
| Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap? | Yes |
| Communication of tariffs and tariff changes (0-1) | 1 |
| Are effective tariffs available online? | Yes |
| Link to the website, if available online | http://entreprises.edf.com/outil-de-simulation/etape-3-59065.html |
| 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

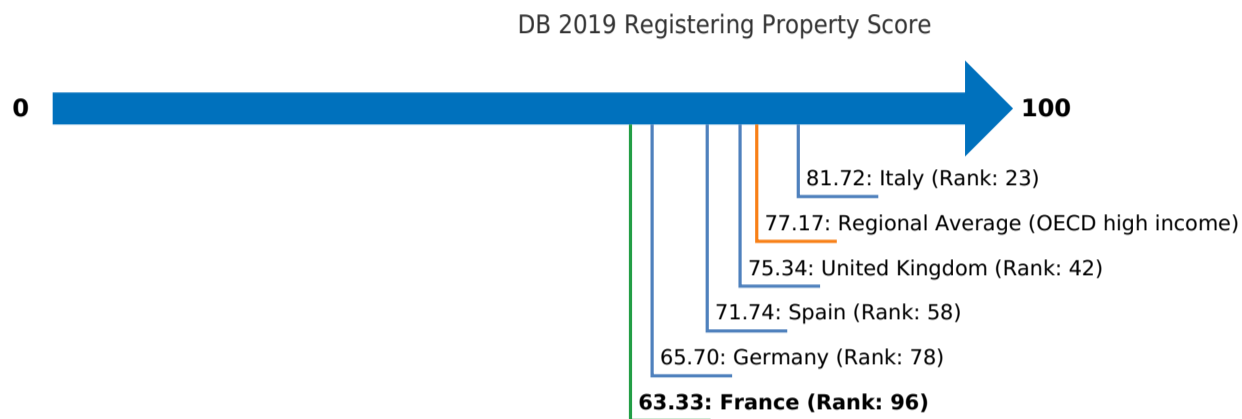
This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system 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>Procedures to legally transfer title on immovable property (number)</p> <ul style="list-style-type: none"> • Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes) • Registration procedures in the economy's largest business city. • Postregistration procedures (for example, filling title with municipality) | <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>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule • Procedure is considered completed once final document is received • No prior contact with officials | <p>The parties (buyer and seller):</p> <ul style="list-style-type: none"> - Are limited liability companies (or the legal equivalent). - 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. - Are 100% domestically and privately owned. - Have 50 employees each, all of whom are nationals. - Perform general commercial activities. |
| <p>Cost required to complete each procedure (% of property value)</p> <ul style="list-style-type: none"> • Official costs only (such as administrative fees, duties and taxes). • Value Added Tax, Capital Gains Tax and illicit payments are excluded | <p>The property (fully owned by the seller):</p> <ul style="list-style-type: none"> - Has a value of 50 times income per capita, which equals the sale price. - Is fully owned by the seller. - Has no mortgages attached and has been under the same ownership for the past 10 years. - Is registered in the land registry or cadastre, or both, and is free of title disputes. - Is located in a periurban commercial zone, and no rezoning is required. - Consists of 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. - Will not be subject to renovations or additional construction following the purchase. - Has no trees, natural water sources, natural reserves or historical monuments of any kind. - 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. - Has no occupants, and no other party holds a legal interest in it. |
| <p>Quality of land administration index (0-30)</p> <ul style="list-style-type: none"> • Reliability of infrastructure index (0-8) • Transparency of information index (0-6) • Geographic coverage index (0-8) • Land dispute resolution index (0-8) • Equal access to property rights index (-2-0) | |

Registering Property - France

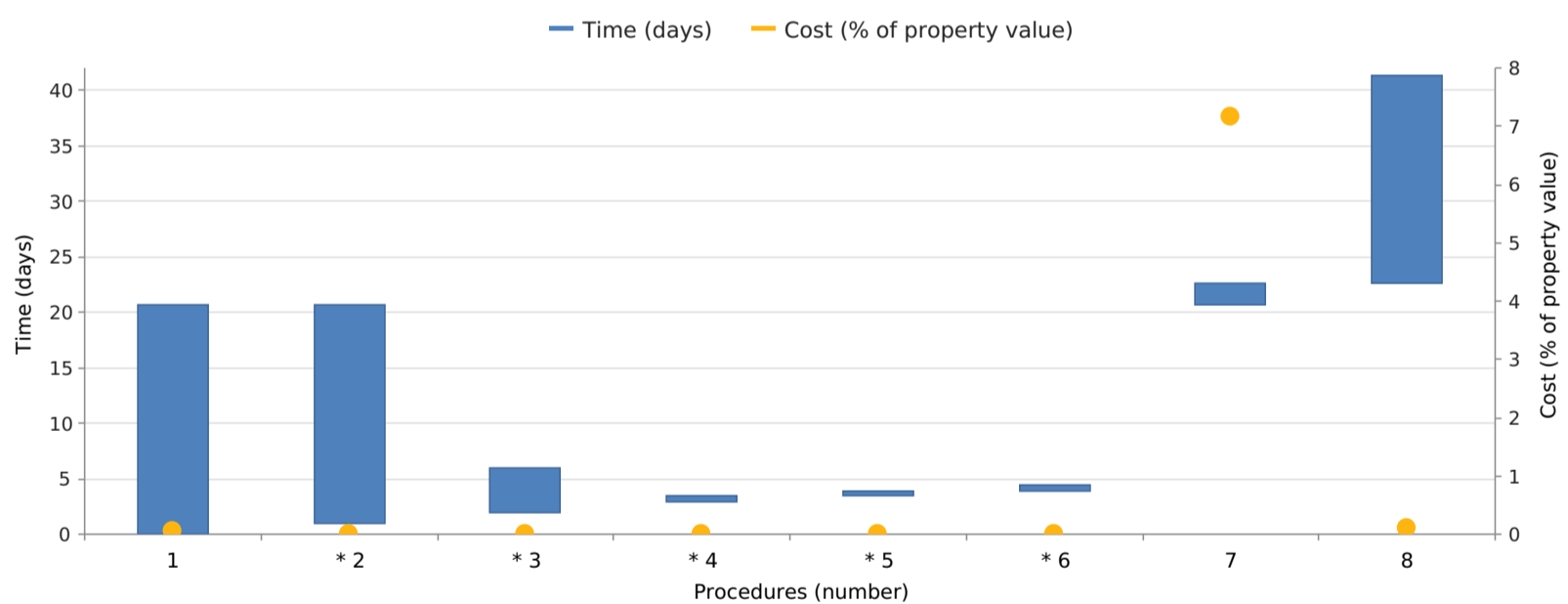
| Indicator | France | OECD high income | Best Regulatory Performance |
|---|--------|------------------|-----------------------------|
| Procedures (number) | 8 | 4.7 | 1 (4 Economies) |
| Time (days) | 42 | 20.1 | 1 (New Zealand) |
| Cost (% of property value) | 7.3 | 4.2 | 0.0 (Saudi Arabia) |
| Quality of the land administration index (0-30) | 24.0 | 23.0 | None in 2017/18 |

Figure - Registering Property in France 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.

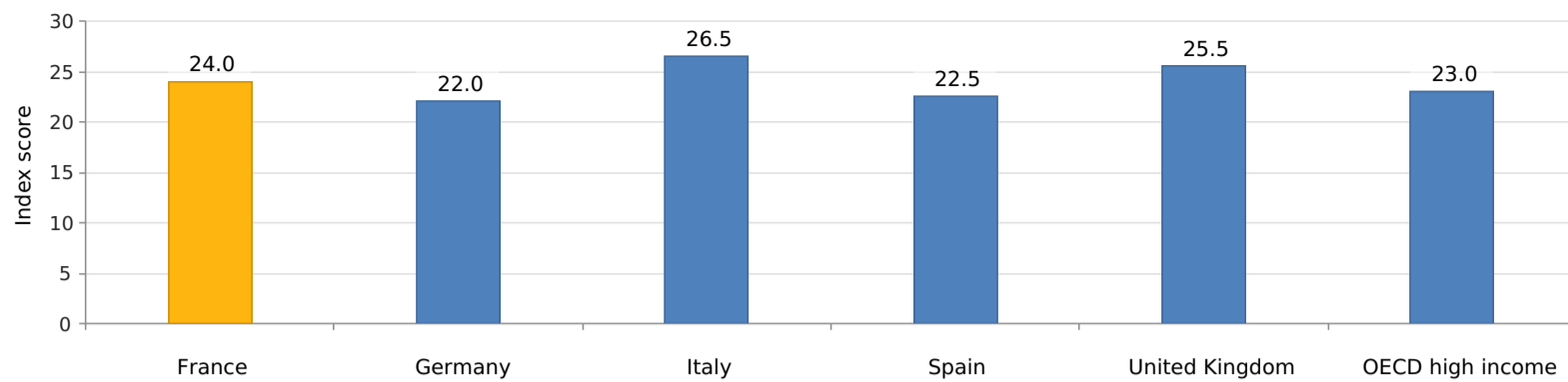
Figure - Registering Property in France - Procedure, Time and Cost



*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 France and comparator economies - Measure of Quality



Details - Registering Property in France - Procedure, Time and Cost

| No. | Procedures | Time to Complete | Associated Costs |
|-----|---|---------------------------|--|
| 1 | <p>Obtain mandatory environmental reports <i>Agency</i> : Certified assessors The seller obtains mandatory environmental reports (3 in total) mentioning the presence or absence of termites and asbestos. Without these reports the seller would remain liable towards the purchaser if termites or asbestos were found in the future. Termites Certificate was made mandatory by the Law 99-471 du 8 juin 1999, décret 2000-613 du 3 juillet 2000, arrêté du 10 août 2000). Asbestos certificate is mandatory by décret 96-97 du 7 février 1996 modifié et appliquée depuis le 1er janvier 2002) and the certificate for natural disaster and technological risks. The obligation to submit the "Etat des risques naturels et technologiques" (ERNT) is stated in article R. 125-26 of the "Code de l'environnement". It has to be presented on Cerfa and completed by the seller. In Paris it is obtained online by the seller's notary. As a result of the implementation of the Power Performance Diagnostic ("Diagnostic de performance énergétique", loi du 12 juillet 2010), it is only for information, and can be obtained online in Paris. According to the "Loi Grenelle", passed on July 12, 2010, under article 1 which modifies the code de la construction et de l'habitation, the DPE becomes mandatory for any property sold after January 1st, 2011. The seller can be held liable later if he does not submit these diagnostics.</p> | 21 days | EUR 800 |
| ⇒ 2 | <p>Obtain the waiver of preemption rights from the Municipality <i>Agency</i> : Municipality (Mairie de Paris) The notary writes to the city mayor to obtain the waiver of the city's preemption rights on the property. The notary informs about the transaction and the conditions agreed among the parties. It is common that many properties are subject to these requirements, since the Municipality may have the right to buy the property at the same price that it was agreed on the sale agreement. If the city does not answer in 2 months, then the preemption rights have been waived. It may be the case that the city informs the notary before the 2 months. There are some exemptions: if the building has been completed in the last 10 years or if the lot sold (used for residential purpose) is in a building where the co-ownership rules have been published at the land registry more than 10 years ago. Properties when the whole lot and building are sold will need the waiver for preemption rights. In practice it takes around 3 weeks on average to obtain this waiver.</p> | 20 days | no charge |
| ⇒ 3 | <p>Obtain from the relevant Land Registry a non-encumbrance certificate ("Demande hors Formalité") and a 30-year search on the property <i>Agency</i> : Land Registry (Service de Publicite Fonciere) The notary obtains from the relevant Land Registry a non-encumbrance certificate and a 30-year search on the property at the Real Estate Office (one document) (hereafter the "Land Registry Search") using the Tele@ctes system. In 2009, notaries make the request electronically for around 80% of transactions. The payment is made on-line through the notary's bank account "Caisse des depots" at the Banque de France. The Land Registry Search must be obtained before completion of the transaction. It is valid only for a set period and then it has to be updated. The Land Registry Search contains the following information: all transfers of ownership, mortgages, charges, and easements, on the property registered since 1956. The Land registry delivers 50 years of information, but only 30 are used by notaries.</p> | 4 days | EUR 27; (EUR 12 per demand + EUR 15 copy of document referencing registration) |
| ⇒ 4 | <p>Obtain planning certificates ("document d'urbanisme") <i>Agency</i> : Municipality (Mairie de Paris, www.paris.fr) The notary obtains planning certificate from the Municipality. The request can be fulfilled on the Internet in some cities like Paris in the website: https://teleservices.paris.fr/ru/jsp/site/RunStandaloneApp.jsp?page=ru&action=accueil</p> | Less than one day, online | No cost if obtained online or EUR 120 if the demand is made by a surveyor |

| | | | |
|-----|---|------------------------------|--|
| ⇒ 5 | <p>Obtain a cadastral certificate ("plan cadastral - Modèle 1") <i>Agency</i> : Cadastral Registry (www.cadastre.gouv.fr; Ministère du Budget – Direction Générale des Finances Publiques) The notary obtains a cadastral certificate showing the reference of the property at the Cadastral Registry. This certificate is obtained by the notary immediately on the internet for all of France since January 2008 in the website www.cadastre.gouv.fr. The document called "Modèle 1" is accessible on the internet but only for the Notaries; only this document is mandatory and is obtained immediately.</p> | Less than one day, online | no charge |
| ⇒ 6 | <p>Obtain Kbis Extract from Infogreffe <i>Agency</i> : Infogreffe For companies, notaries will request the Extrait RCS (Kbis) online in Paris at www.infogreffe.fr. The Kbis will include the articles of association and accounts of the company. The complete file can also be requested including the following elements: Extrait RCS (Kbis), état d'endettement (privilèges et nantissements), historique des modifications au RCS, derniers statuts à jour, résultat de recherche en matière de procédure de sauvegarde, redressement ou liquidation judiciaire.</p> | Less than one day, online | EUR 2.96; (EUR 2.96 for the simple extract or EUR 65 for the complete file) |
| 7 | <p>The deed of sale is prepared and signed by the parties at the notary's office <i>Agency</i> : Notary Once the notary has completed the necessary searches and inspections, acquired the necessary information from the local authorities and the bank (if there's to be a mortgage), and prepares the final deed of sale, the parties meet once again with him for the execution of the deed of sale.</p> <p>The deed of sale must be executed before a notary. If not the property transfer cannot be registered at the relevant Land Registry. The notary is required to completely read aloud the deed of sale to both the seller and buyer. At this moment, the notary might still amend some clause if necessary. The notary needs to make sure that both parties understand the terms of the deed. Registration fees and notaries' fees are payable up-front.</p> <p>The buyer acquires full ownership of the property immediately after the deed of sale has been signed before the notary. He can dispose of the property as he wishes by selling, leasing, mortgaging it, etc. However, only after publication at the Land registry the sale is opposable to third parties. In practice a third party will only be willing to buy a property or a bank grant a loan on it if the property has been registered.</p> <p>According to law no. 2011-1117 du 19 septembre 2011, art. 1er (V), the notary must apply for registration of the deed of sale at the relevant Land Registry within 1 month of the date of execution of the deed of sale.</p> | 2 days | <p>EUR 124,985.06; (Notary fees (Arrêté du 26 février 2016 fixant les tarifs réglementés des notaires): - 3.945% (VAT excluded) for a property value between EUR 0 and EUR 6.500 - 1.627% (VAT excluded) for a property value between EUR 6.501 and EUR 17.000 - 1.085% (VAT excluded) for a property value between EUR 17.001 and EUR 60.000 - 0.814% (VAT excluded) for a property value higher than EUR 60.000. As of 2016, notary are able to give a discount up to 10% for the fees charged for values about EUR 150,000.</p> <p>+ Registration fee (Paris) : 5.8% of property value + Additional tax for commercial buildings (Paris): 0.6% of property value)</p> |

| | | | |
|---|---|---------|--|
| 8 | Apply for publication of the deed of sale and obtain the stamped documents <i>Agency</i> : Land Registry (Service de Publicite Fonciere) Since January 2018, it is mandatory for the notary to use Tele@actes to register documents at the Land Registry. Simultaneously, the notary pays to the Land Registry the publicity tax and the salary of the registrar on behalf of the purchaser (the value added tax is paid by the company directly). The original deed of sale (called the "minutes") remains with the notary for 75 years. The Land Registry will verify the transaction (name and date of birth of person should coincide with the Property Registries' records; the number of the parcel & cadastral section). The transfer of property is opposable to third parties after publication of the deed by the land registry office. On completion, the vendor's creditors if any, must execute a deed of discharge or release of the existing mortgages benefiting to them. It is possible to make all transfer publication requests in France electronically (publication of the "acte authentique de vente" to make it opposable to third parties). The usage rate of the electronic system has been increasing consistently since 2009. The electronic system is faster and reduces the chances for errors, because the Property Registry employees do not have to input information manually into the system. Data is inserted electronically into the Fiji system automatically from Tele@actes. Land registries are proactively inviting notaries to participate in the electronic system, with a positive response from notaries. At this point, first the notary prepares the deed of sale with his own software, prints and has it signed by the parties. Then he inputs the information again in a separate screen of Tele@actes to submit it to the Service de Publicite Fonciere for publication. | 19 days | EUR 1,744.91; (0.1% of purchase price) |
|---|---|---------|--|

→ Takes place simultaneously with previous procedure.

Details - Registering Property in France - Measure of Quality

| | Answer | Score |
|---|---|------------|
| Reliability of infrastructure index (0-8) | | 7.0 |
| What is the institution in charge of immovable property registration? | Service de la Publicité Foncière | |
| 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: | Service du Cadastre | |
| 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/Fully digital | 2.0 |
| 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? | Yes | 1.0 |
| Transparency of information index (0-6) | | 3.0 |
| 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, online | 0.5 |
| Link for online access: | http://vosdroits.service-public.fr/particuliers/F2962.xhtml | |
| 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, online | 0.5 |
| Link for online access: | https://www.service-public.fr/particuliers/vosdroits/R17286 | |
| 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? | No | 0.0 |
| 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: | http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000024095701 | |
| 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? | No | 0.0 |
| 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: | | |
| Geographic coverage index (0-8) | | 8.0 |
| 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 |
| Land dispute resolution index (0-8) | | 6.0 |
| 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? | 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? | 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? | Tribunal de Grande Instance (TGI) de Paris | |
| 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: | | |
| Equal access to property rights index (-2-0) | | 0.0 |
| 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.

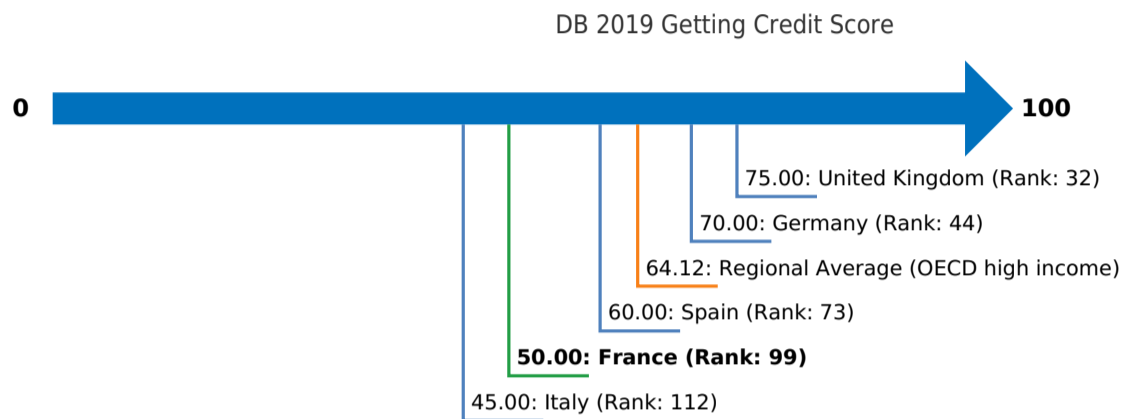
The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where 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 - France

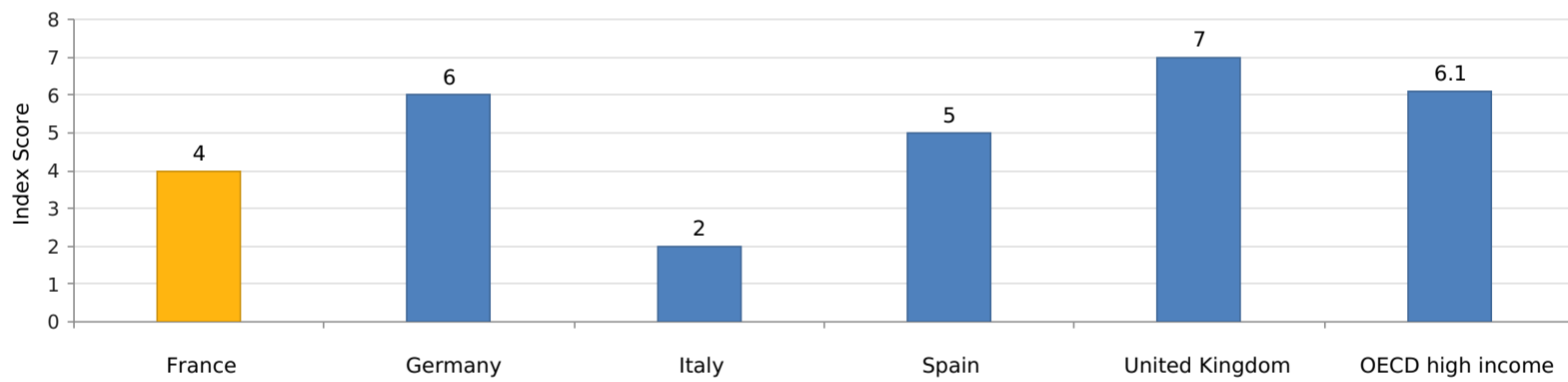
| Indicator | France | OECD high income | Best Regulatory Performance |
|---|--------|------------------|-----------------------------|
| Strength of legal rights index (0-12) | 4 | 6.1 | 12 (5 Economies) |
| Depth of credit information index (0-8) | 6 | 6.7 | 8 (42 Economies) |
| Credit registry coverage (% of adults) | 47.1 | 21.8 | 100.0 (4 Economies) |
| Credit bureau coverage (% of adults) | 0 | 65.3 | 100.0 (25 Economies) |

Figure - Getting Credit in France 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.

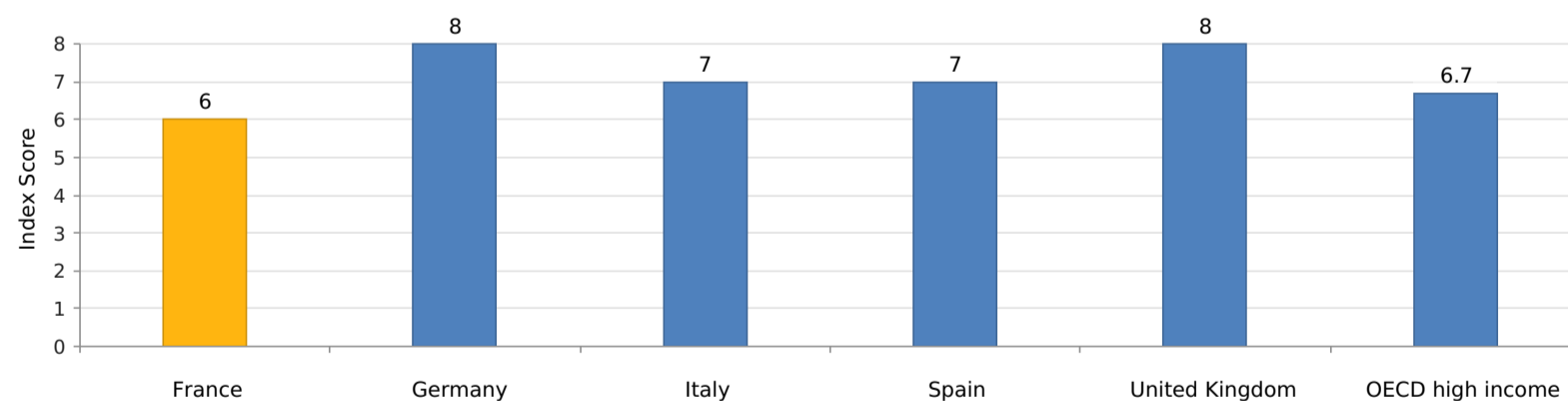
Figure - Legal Rights in France and comparator economies



Details - Legal Rights in France

| | |
|--|----------|
| Strength of legal rights index (0-12) | 4 |
| 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? | Yes |
| 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? | Yes |
| 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? | Yes |
| 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? | No |
| 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? | Yes |

Figure - Credit Information in France and comparator economies



Details - Credit Information in France

| 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 | Yes | 1 |
| Total Score ("yes" to either public bureau or private registry) | | | 6 |

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 | 10,230,179 |
| Number of firms | 0 | 9,435,198 |
| Total | 0 | 19,665,377 |
| Percentage of adult population | 0 | 47.1 |

Protecting Minority Investors

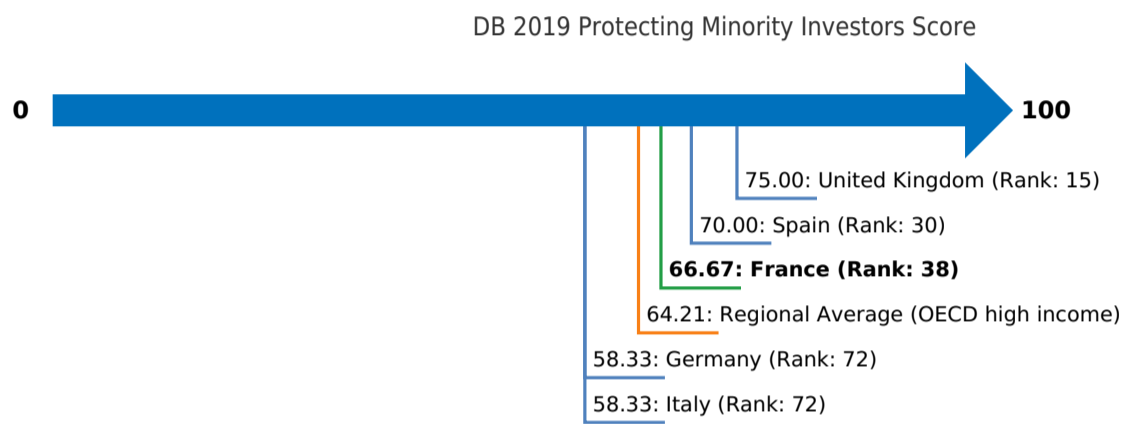
This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection 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"> • Extent of disclosure index (0-10): Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions • Extent of director liability index (0-10): 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) • Ease of shareholder suits index (0-10): Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses • Extent of conflict of interest regulation index (0-10): Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices • Extent of shareholder rights index (0-10): Shareholders' rights and role in major corporate decisions • Extent of ownership and control index (0-10): Governance safeguards protecting shareholders from undue board control and entrenchment • Extent of corporate transparency index (0-10): Corporate transparency on ownership stakes, compensation, audits and financial prospects • Extent of shareholder governance index (0-10): Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices • Strength of minority investor protection index (0-10): Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices | <p>To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.</p> <p>The business (Buyer):</p> <ul style="list-style-type: none"> - 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. - 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. - Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members. - 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. - Is a manufacturing company with its own distribution network. <p>The transaction involves the following details:</p> <ul style="list-style-type: none"> - Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board. - 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. - 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. - The proposed transaction is part of the company's principal activity and is not outside the authority of the company. - Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently. - The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction. |

Protecting Minority Investors - France

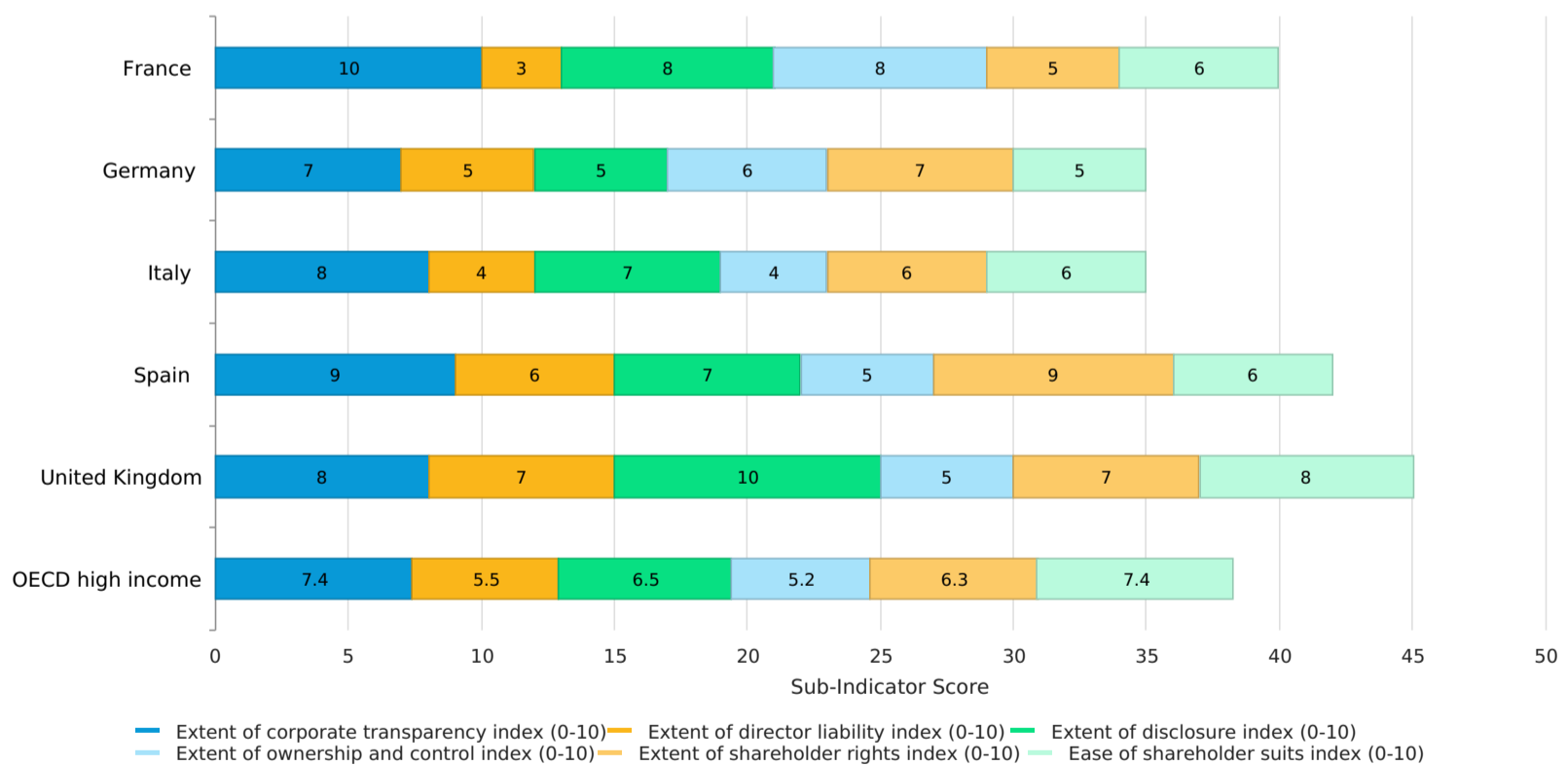
| Indicator | France | OECD high income | Best Regulatory Performance |
|---|--------|------------------|-----------------------------|
| Extent of disclosure index (0-10) | 8.0 | 6.5 | 10 (13 Economies) |
| Extent of director liability index (0-10) | 3.0 | 5.3 | 10 (Cambodia) |
| Ease of shareholder suits index (0-10) | 6.0 | 7.3 | 10 (Djibouti) |
| Extent of shareholder rights index (0-10) | 5.0 | 6.4 | 10 (Kazakhstan) |
| Extent of ownership and control index (0-10) | 8.0 | 5.4 | None in 2017/18 |
| Extent of corporate transparency index (0-10) | 10.0 | 7.6 | 10 (6 Economies) |

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



Details - Protecting Minority Investors in France - Measure of Quality

| | Answer | Score |
|--|---|------------|
| Extent of conflict of interest regulation index (0-10) | | 5.7 |
| Extent of disclosure index (0-10) | | 8.0 |
| Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3) | Shareholders excluding interested parties | 3.0 |
| 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) | Existence of a conflict without any specifics | 1.0 |
| Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2) | Disclosure on the transaction and on the conflict of interest | 2.0 |
| Must Buyer immediately disclose the transaction to the public? (0-2) | Disclosure on the transaction and on the conflict of interest | 2.0 |
| Extent of director liability index (0-10) | | 3.0 |
| Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1) | Yes | 1.0 |
| Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2) | Liable if negligent | 1.0 |
| 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) | Yes | 1.0 |
| 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) | Only in case of fraud or bad faith | 0.0 |
| Ease of shareholder suits index (0-10) | | 6.0 |
| 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) | No | 0.0 |
| 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 |
| Extent of shareholder governance index (0-10) | | 7.7 |
| Extent of shareholder rights index (0-10) | | 5.0 |
| 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? | Yes | 1.0 |
| 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? | Yes | 1.0 |
| 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 |
| Extent of ownership and control index (0-10) | | 8.0 |
| 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? | Yes | 1.0 |
| 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? | Yes | 1.0 |
| Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer? | Yes | 1.0 |
| Must Buyer pay declared dividends within a maximum period set by law? | Yes | 1.0 |
| Is a subsidiary prohibited from acquiring shares issued by its parent company? | Yes | 1.0 |
| Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members? | Yes | 1.0 |
| 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? | Yes | 1.0 |
| Extent of corporate transparency index (0-10) | | 10.0 |
| Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%? | Yes | 1.0 |
| Must Buyer disclose information about board members' primary employment and directorships in other companies? | Yes | 1.0 |
| Must Buyer disclose the compensation of individual managers? | Yes | 1.0 |
| Must a detailed notice of general meeting be sent 21 days before the meeting? | Yes | 1.0 |
| Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda? | Yes | 1.0 |
| Must Buyer's annual financial statements be audited by an external auditor? | Yes | 1.0 |
| Must Buyer disclose its audit reports to the public? | Yes | 1.0 |
| 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? | Yes | 1.0 |
| Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor? | Yes | 1.0 |

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.

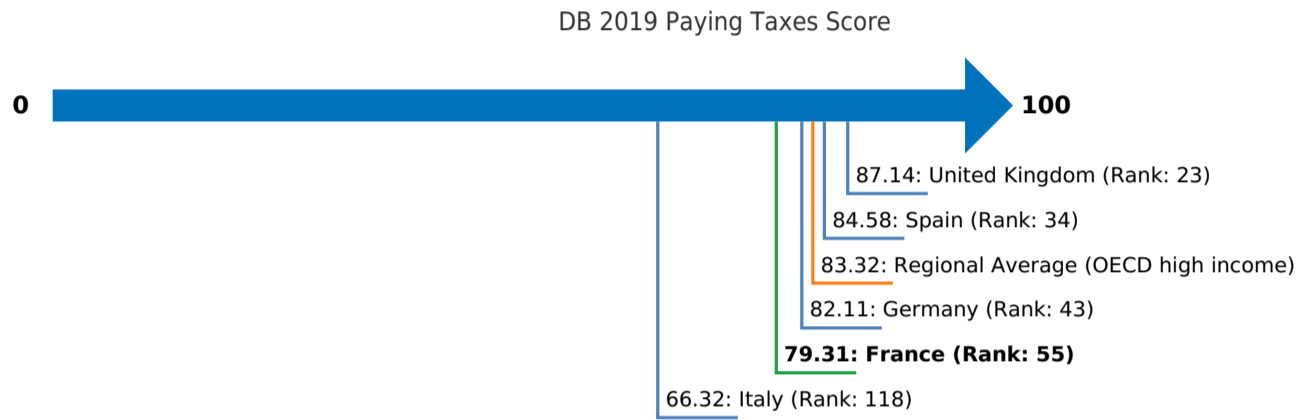
The corporate income tax audit process:

- 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 - France

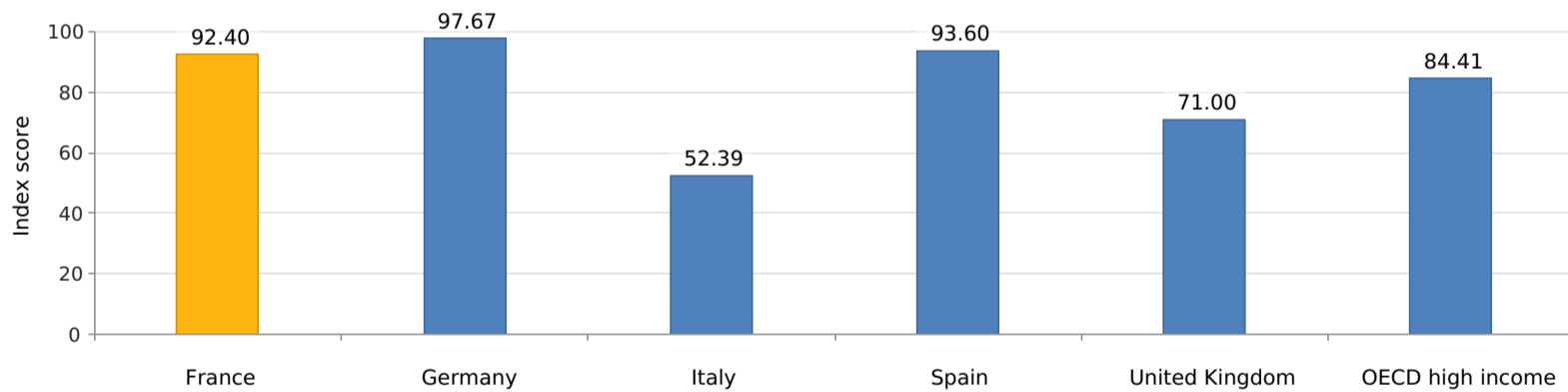
| Indicator | France | OECD high income | Best Regulatory Performance |
|---|--------|------------------|-----------------------------|
| Payments (number per year) | 9 | 11.2 | 3 (Hong Kong SAR, China) |
| Time (hours per year) | 139 | 159.4 | 49 (Singapore) |
| Total tax and contribution rate (% of profit) | 60.4 | 39.8 | 26.1% (32 Economies) |
| Postfiling index (0-100) | 92.40 | 84.41 | None in 2017/18 |

Figure - Paying Taxes in France 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 France and comparator economies - Measure of Quality



Details - Paying Taxes in France

| 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 |
|---|-------------------|-------------------|--------------|--------------------|---|---|---------------|
| Employer paid - Social security contributions | 1.0 | online | 80.0 | various rates | gross salaries | 43.72 | |
| Territorial economic contribution (CET) | 1.0 | online | | various rates | rental value of fixed business assets for CFE and added value for CVAE | 6.97 | |
| Employer paid - Payroll tax | 1.0 | online | | 5.28% | gross salaries | 5.96 | |
| Real Estate tax | 1.0 | online | | various rates | square meters or rental value of fixed business assets for industrial establishment | 2.28 | |
| Social Solidarity Contribution of Companies (C3S) | 1.0 | online | | 0.16% | sales | 1.20 | |
| Corporate income tax | 1.0 | online | 28.0 | 28%, 33.33% | taxable profits | 0.28 | |
| Employee paid - Social security contributions | 0.0 | jointly | | various rates | gross salaries | 0.00 | withheld |
| Fuel tax | 1.0 | | | 0.4245 Euro | per liter | 0.00 | small amount |
| Stamp duty | 1.0 | | | | | 0.00 | small amount |
| Value added tax (VAT) | 1.0 | online | 31.0 | 20% | value added | 0.00 | not included |
| Totals | 9 | | 139 | | | 60.4 | |

Details - Paying Taxes in France - Tax by Type

| Taxes by type | Answer |
|---|--------|
| Profit tax (% of profit) | 0.3 |
| Labor tax and contributions (% of profit) | 49.7 |
| Other taxes (% of profit) | 10.5 |

Details - Paying Taxes in France - Measure of Quality

| | Answer | Score |
|---|--------------------------------------|--------------|
| Postfiling index (0-100) | | 92.40 |
| VAT refunds | | |
| Does VAT exist? | Yes | |
| Does a VAT refund process exist per the case study? | Yes | |
| Restrictions on VAT refund process | None | |
| Percentage of cases exposed to a VAT audit (%) | 25% - 49% | |
| Is there a mandatory carry forward period? | No | |
| Time to comply with VAT refund (hours) | 10.5 | 79 |
| Time to obtain a VAT refund (weeks) | 6.2 | 94.27 |
| Corporate income tax audits | | |
| Does corporate income tax exist? | Yes | |
| Percentage of cases exposed to a corporate income tax audit (%) | 0% - 24% | |
| Time to comply with a corporate income tax correction (hours) | 3.5 | 96.33 |
| Time to complete a corporate income tax correction (weeks) | No tax audit per case study scenario | 100 |

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

Documentary compliance

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

Border compliance

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

Domestic transport

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

Time: Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as $22 \times 24 = 528$ 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.

Cost: 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.

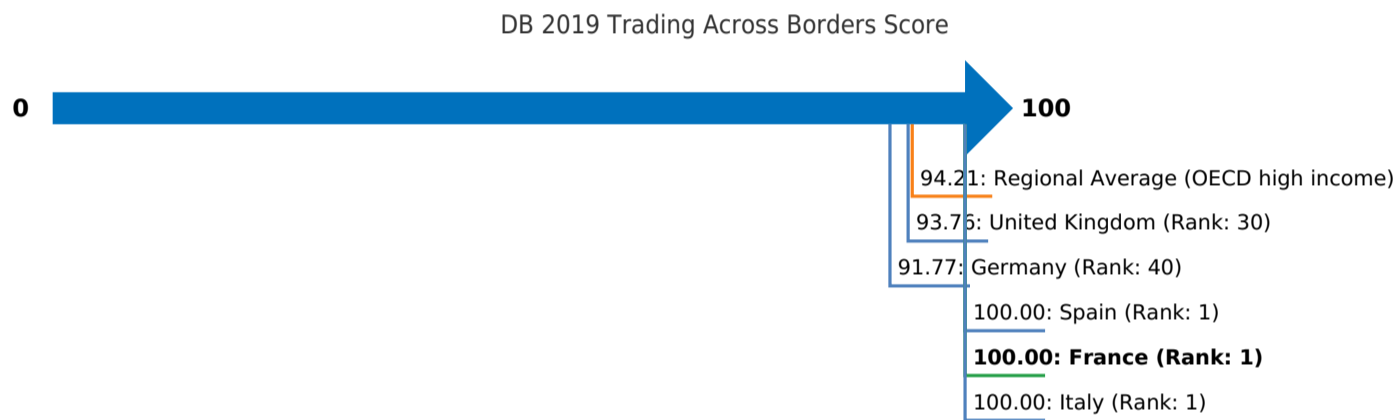
Assumptions of the case study:

- For all 190 economies covered by *Doing Business*, 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.
- 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.
- 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.
- 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.
- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.
- 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.

Trading across Borders - France

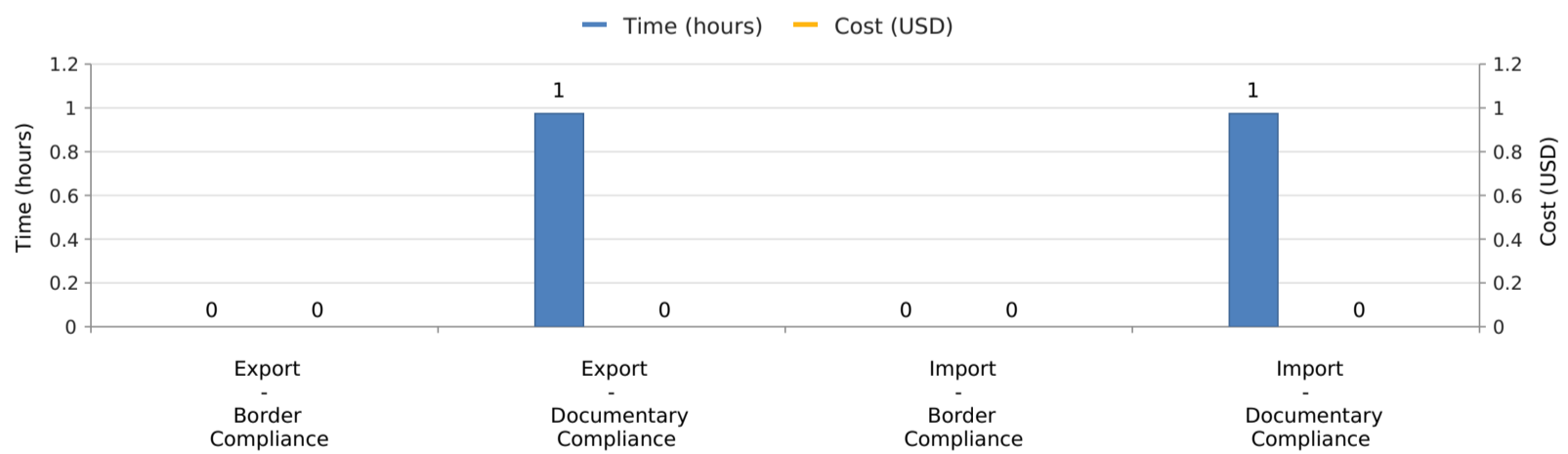
| Indicator | France | OECD high income | Best Regulatory Performance |
|--|--------|------------------|-----------------------------|
| Time to export: Border compliance (hours) | 0 | 12.5 | 1 (19 Economies) |
| Cost to export: Border compliance (USD) | 0 | 139.1 | 0 (19 Economies) |
| Time to export: Documentary compliance (hours) | 1 | 2.4 | 1 (26 Economies) |
| Cost to export: Documentary compliance (USD) | 0 | 35.2 | 0 (20 Economies) |
| Time to import: Border compliance (hours) | 0 | 8.5 | 0 (25 Economies) |
| Cost to import: Border compliance (USD) | 0 | 100.2 | 0 (28 Economies) |
| Time to import: Documentary compliance (hours) | 1 | 3.4 | 1 (30 Economies) |
| Cost to import: Documentary compliance (USD) | 0 | 24.9 | 0 (30 Economies) |

Figure - Trading across Borders in France 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 France - Time and Cost



Details - Trading across Borders in France

| 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 | Germany | Germany |
| Border | France- Belgium border crossing | France- Belgium border crossing |
| Distance (km) | 225 | 225 |
| Domestic transport time (hours) | 5 | 5 |
| Domestic transport cost (USD) | 738 | 738 |

Details - Trading across Borders in France - 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 | 0.0 | 0.0 |
| 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 France - Trade Documents

| Export | Import |
|---|---|
| CMR waybill | CMR waybill |
| Commercial invoice | Commercial invoice |
| Packing list | Packing list |
| Declaration de Bien d'Echange (DEB through Intrastat) | Declaration de Bien d'Echange (DEB through Intrastat) |

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>Time required to enforce a contract through the courts (calendar days)</p> <ul style="list-style-type: none"> • Time to file and serve the case • Time for trial and to obtain the judgment • Time to enforce the judgment <p>Cost required to enforce a contract through the courts (% of claim)</p> <ul style="list-style-type: none"> • Attorney fees • Court fees • Enforcement fees <p>Quality of judicial processes index (0-18)</p> <ul style="list-style-type: none"> • Court structure and proceedings (-1-5) • Case management (0-6) • Court automation (0-4) • Alternative dispute resolution (0-3) | <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"> - 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. - The buyer orders custom-made goods, then fails to pay alleging that the goods are not of adequate quality. - 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. - The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000. - The seller requests the pretrial attachment of the defendant's movable assets to secure the claim. - The dispute on the quality of the goods requires an expert opinion. - The judge decides in favor of the seller; there is no appeal. - The seller enforces the judgment through a public sale of the buyer's movable assets. |

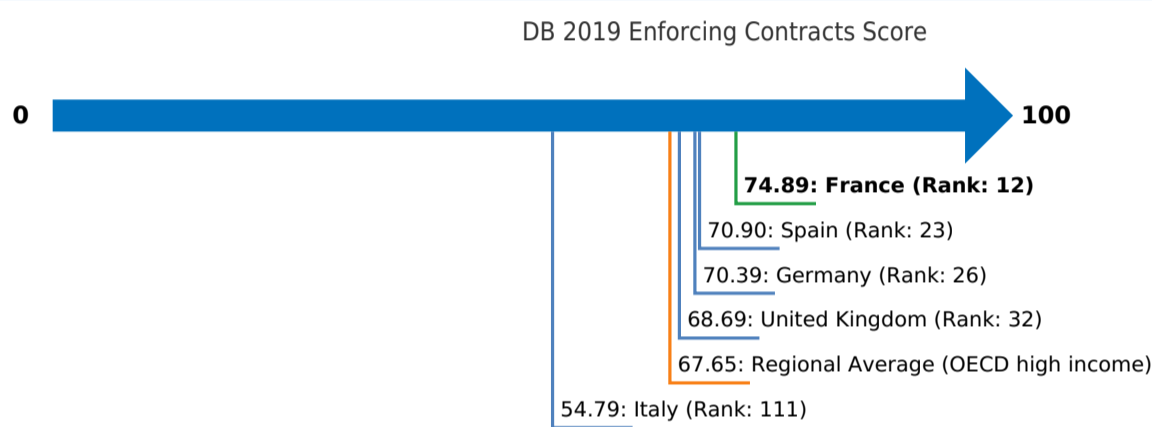
Enforcing Contracts - France

Standardized Case

| | |
|--------------|------------------------|
| Claim value | EUR 68,104 |
| Court name | Paris Commercial Court |
| City Covered | Paris |

| Indicator | France | OECD high income | Best Regulatory Performance |
|--|--------|------------------|-----------------------------|
| Time (days) | 395 | 582.4 | None in 2017/18 |
| Cost (% of claim value) | 17.4 | 21.2 | None in 2017/18 |
| Quality of judicial processes index (0-18) | 12.0 | 11.5 | None in 2017/18 |

Figure - Enforcing Contracts in France 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 France - Time and Cost

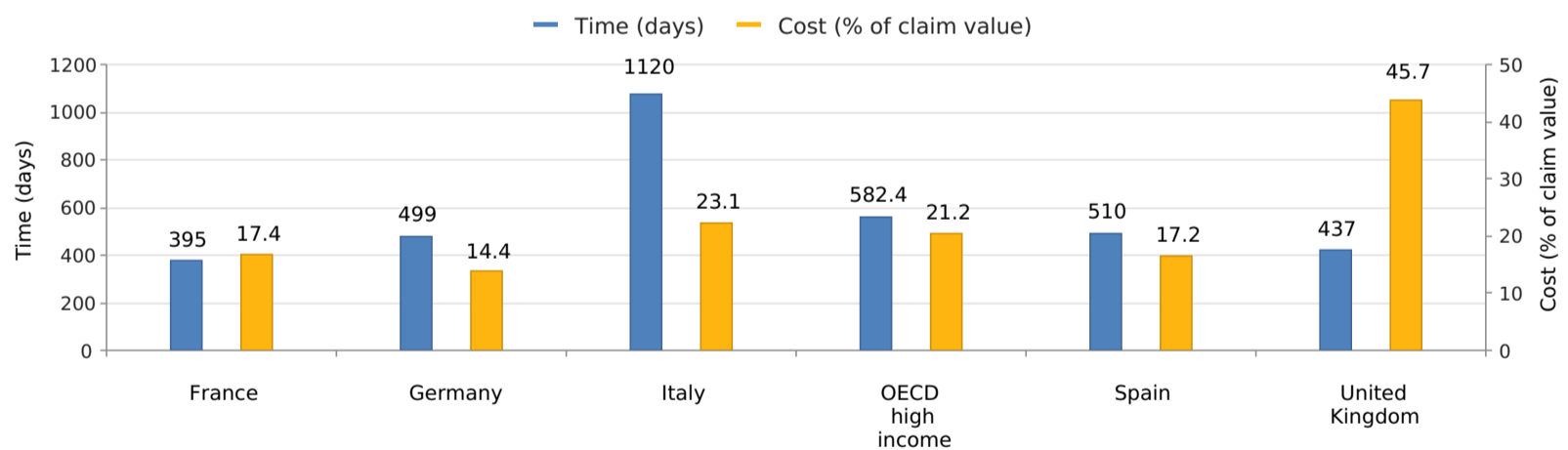
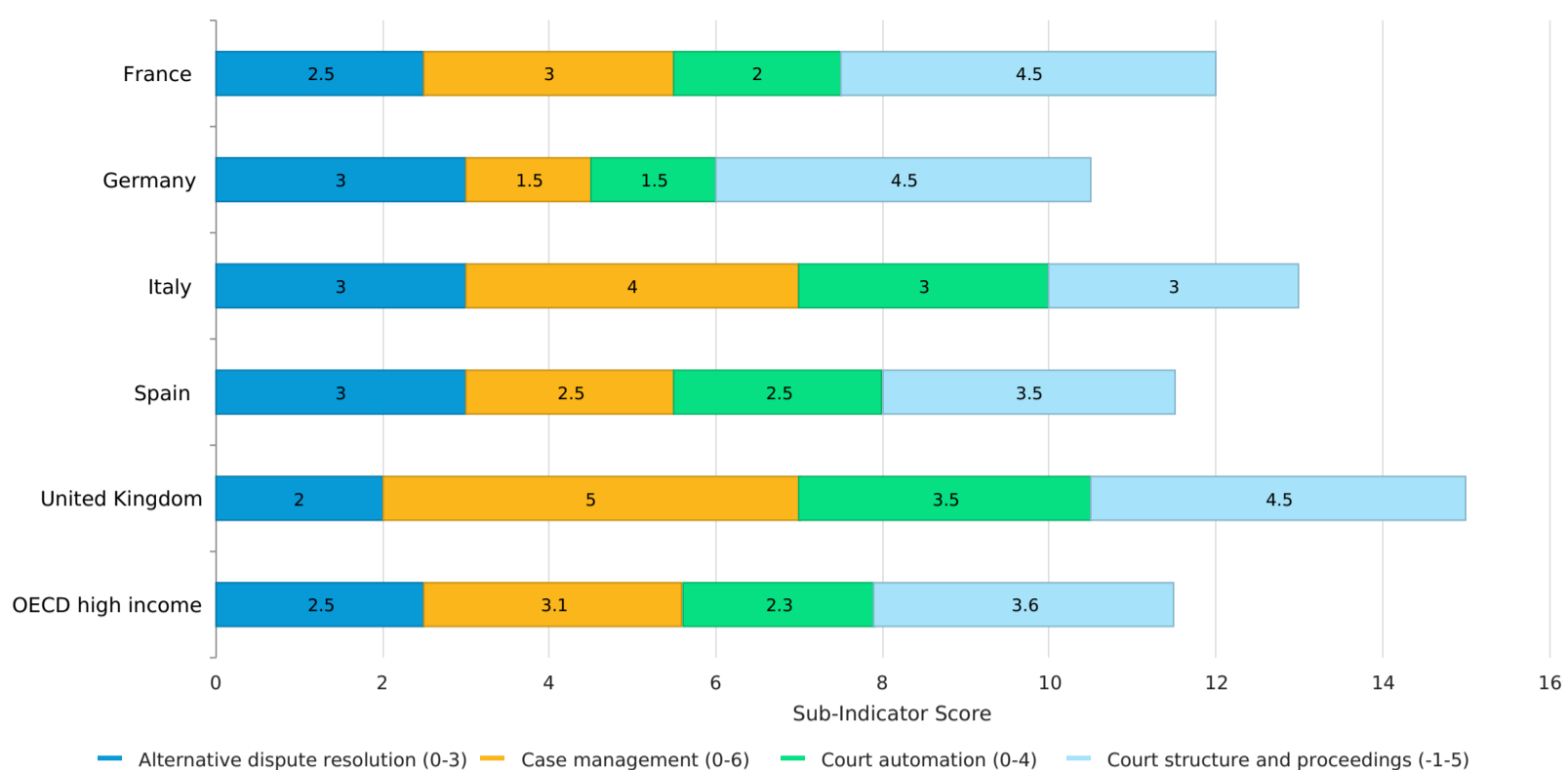


Figure - Enforcing Contracts in France and comparator economies - Measure of Quality



Details - Enforcing Contracts in France

| | Indicator |
|---|-------------|
| Time (days) | 395 |
| Filing and service | 10 |
| Trial and judgment | 325 |
| Enforcement of judgment | 60 |
| Cost (% of claim value) | 17.4 |
| Attorney fees | 10.7 |
| Court fees | 2.7 |
| Enforcement fees | 4 |
| Quality of judicial processes index (0-18) | 12.0 |
| Court structure and proceedings (-1-5) | 4.5 |
| Case management (0-6) | 3.0 |
| Court automation (0-4) | 2.0 |
| Alternative dispute resolution (0-3) | 2.5 |

Details - Enforcing Contracts in France - Measure of Quality

| | Answer | Score |
|--|-----------------|-------------|
| Quality of judicial processes index (0-18) | | 12.0 |
| Court structure and proceedings (-1-5) | | 4.5 |
| 1. Is there a court or division of a court dedicated solely to hearing commercial cases? | Yes | 1.5 |
| 2. Small claims court | | 1.5 |
| 2.a. Is there a small claims court or a fast-track procedure for small claims? | Yes | |
| 2.b. If yes, is self-representation allowed? | Yes | |
| 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 |
| Case management (0-6) | | 3.0 |
| 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? | Yes | 1.0 |
| 6. Are there any electronic case management tools in place within the competent court for use by lawyers? | Yes | 1.0 |
| Court automation (0-4) | | 2.0 |
| 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? | Yes | 1.0 |
| 3. Can court fees be paid electronically within the competent court? | Yes | 1.0 |
| 4. Publication of judgments | | 0.0 |
| 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? | No | |
| Alternative dispute resolution (0-3) | | 2.5 |
| 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 | | 1.0 |
| 2.a. Is voluntary mediation or conciliation available? | Yes | |
| 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? | Yes | |
| 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)? | No | |

Resolving Insolvency

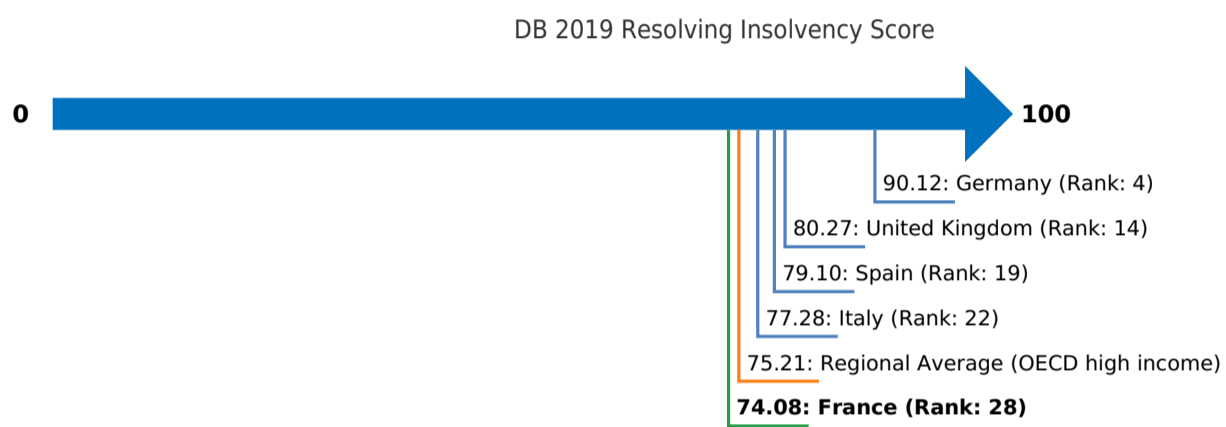
Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure 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 |
|---|---|
| <p>Time required to recover debt (years)</p> <ul style="list-style-type: none"> • Measured in calendar years • Appeals and requests for extension are included | <p>To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:</p> |
| <p>Cost required to recover debt (% of debtor's estate)</p> <ul style="list-style-type: none"> • Measured as percentage of estate value • Court fees • Fees of insolvency administrators • Lawyers' fees • Assessors' and auctioneers' fees • Other related fees | <ul style="list-style-type: none"> - A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties. - 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. - 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. |
| <p>Outcome</p> <ul style="list-style-type: none"> • Whether business continues operating as a going concern or business assets are sold piecemeal | <p>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.</p> |
| <p>Recovery rate for creditors</p> <ul style="list-style-type: none"> • Measures the cents on the dollar recovered by secured creditors • Outcome for the business (survival or not) determines the maximum value that can be recovered • Official costs of the insolvency proceedings are deducted • Depreciation of furniture is taken into account • Present value of debt recovered | |
| <p>Strength of insolvency framework index (0- 16)</p> <ul style="list-style-type: none"> • Sum of the scores of four component indices: • Commencement of proceedings index (0-3) • Management of debtor's assets index (0-6) • Reorganization proceedings index (0-3) • Creditor participation index (0-4) | |

Resolving Insolvency - France

| Indicator | France | OECD high income | Best Regulatory Performance |
|--|--------|------------------|-----------------------------|
| Recovery rate (cents on the dollar) | 73.8 | 70.5 | None in 2017/18 |
| Time (years) | 1.9 | 1.7 | 0.4 (Ireland) |
| Cost (% of estate) | 9.0 | 9.3 | 1.0 (Norway) |
| Outcome (0 as piecemeal sale and 1 as going concern) | 1 | .. | .. |
| Strength of insolvency framework index (0-16) | 11.0 | 11.9 | None in 2017/18 |

Figure - Resolving Insolvency in France 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 France - Time and Cost

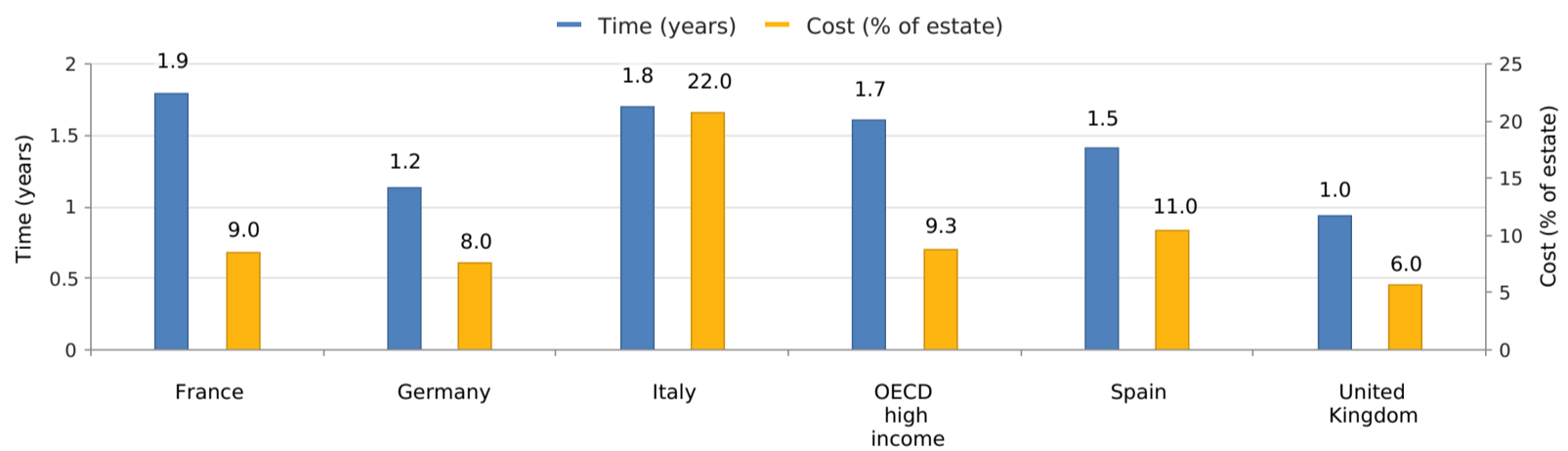
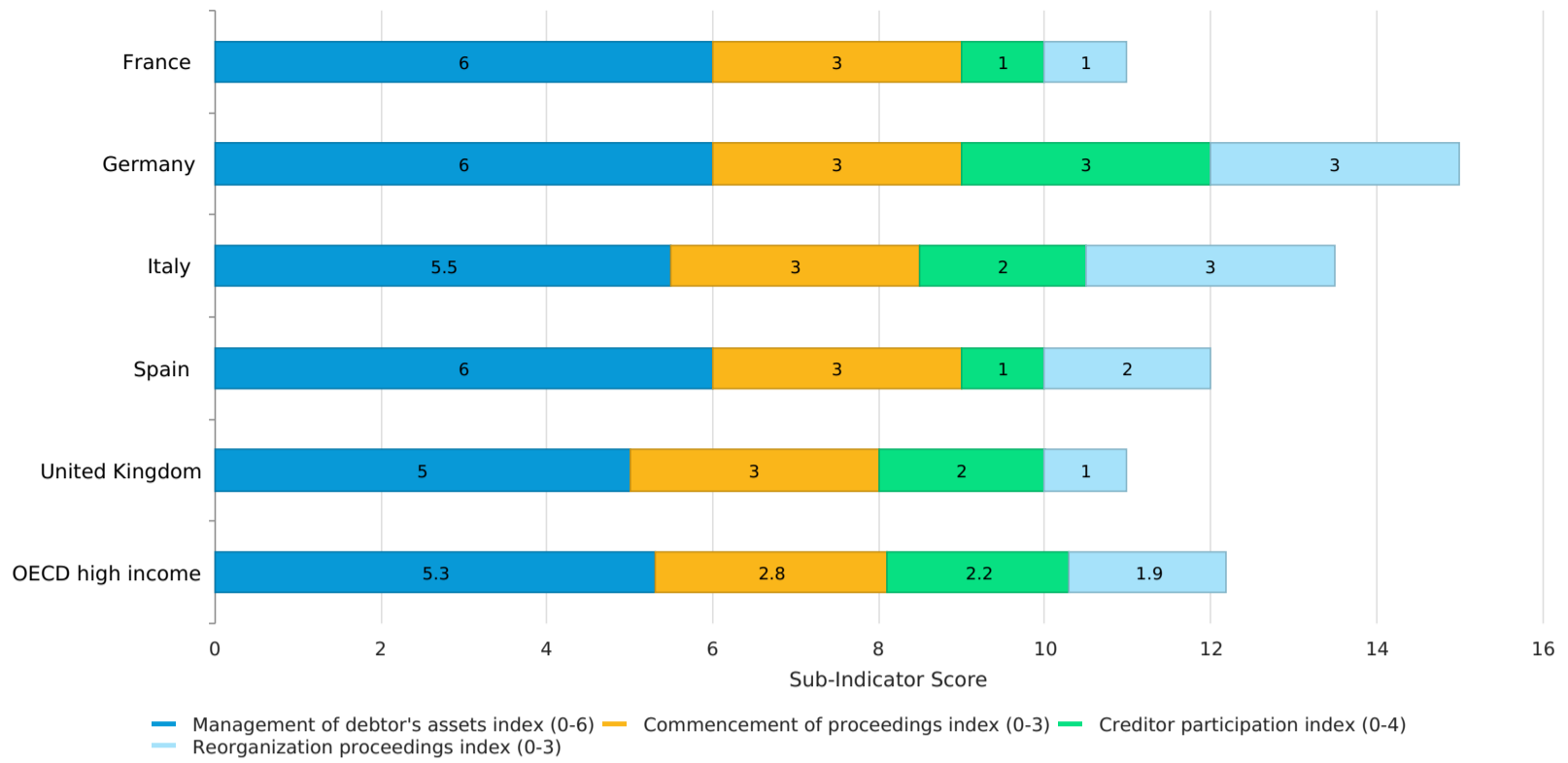
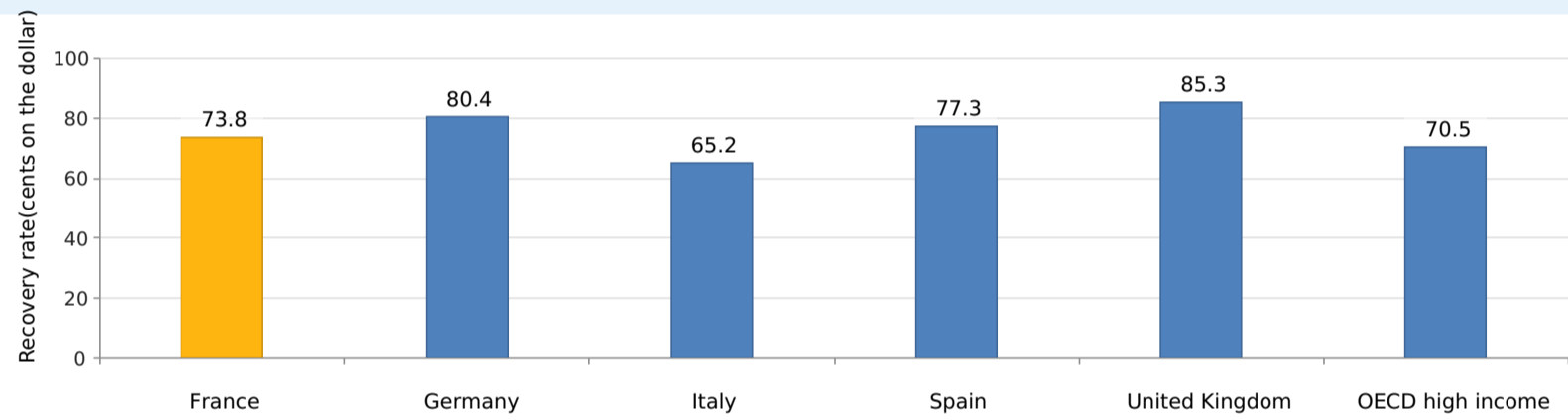


Figure - Resolving Insolvency in France and comparator economies - Measure of Quality



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 France and comparator economies - Recovery Rate



Details - Resolving Insolvency in France

| Indicator | Answer | Score |
|-------------------------------------|--|---|
| Proceeding | liquidation (after an attempt at reorganization) | In France, the legislator stresses preventive procedures that can benefit companies that are not yet in insolvent. But, under the case study assumptions, Mirage is already insolvent because it cannot pay the money owed to BizBank. Therefore, there are two possibilities - other than out-of-court procedures-: (i) ask the opening of a judicial reorganization procedure, (ii) request liquidation. Because Mirage's managements want to continue the company operating, it will request the opening of reorganization proceedings. The standard to choose between judicial reorganization and judicial liquidation is the final capacity to overcome the difficulties. This explains why the reorganization procedure can be chosen in the case of Mirage. The opening of reorganization proceedings will stop payments of pre-commencement creditors and impose a moratorium during the observation period (12 months and exceptionally 18). This would enable Mirage to obtain from Mirage, either a return of the outstanding debt, or more time to repay that would not last more than 10 years. But it is likely that the procedure will be converted to liquidation if Mirage cannot respect the engagements fixed in its reorganization plan or if it is manifestly impossible to agree on a plan. |
| Outcome | going concern | If Mirage is liquidated, its activity could be provisionally continued to enable potential buyers to present offers to maintain all or part of the assets and activities. The activity will then be continued by the buyer. |
| Time (in years) | 1.9 | According to our estimations, a reorganization attempt that is later converted into liquidation takes approximately 23 months. The observation period would take six months, if it is not renewed. If the procedure is converted to liquidation, the court fixes the time after which the closure of the procedure must be decided and may extend this period by a reasoned decision. There is no maximum duration of a bankruptcy procedure but its closure may be requested at any time by the liquidator, the debtor, the prosecutor, the court ex officio or even after two years from the judgment opening liquidation proceedings, by a creditor. |
| Cost (% of estate) | 9.0 | According to our estimations, a reorganization attempt that is converted to liquidation costs approximately EUR 300,000 (9% of the value of the company). - (a) court fees: 200 EUR - (b) lawyer fees: 60-80,000 EUR - (c) Notification and publication fees: 600 EUR - (d) Administrator (30,000) and liquidator (30,000) fees - (e) Accountants and assessor fees: 30,000 EUR - (f) Auctioneer fees (or fees of the person in charge of the public sale): 5% (150,000 EUR). Decree n° 85-382 du 29 mars 1985 |
| Recovery rate (cents on the dollar) | | 73.8 |

Details - Resolving Insolvency in France - Measure of Quality

| | Answer | Score |
|--|--|-------------|
| Strength of insolvency framework index (0-16) | | 11.0 |
| Commencement of proceedings index (0-3) | | 3.0 |
| 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? | (a) Yes, a creditor may file for both liquidation and reorganization | 1.0 |
| What basis for commencement of the insolvency proceedings is allowed under the insolvency framework? | (a) Debtor is generally unable to pay its debts as they mature | 1.0 |
| Management of debtor's assets index (0-6) | | 6.0 |
| Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor? | Yes | 1.0 |
| Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts? | Yes | 1.0 |
| 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? | Yes | 1.0 |
| Does the insolvency framework assign priority to post-commencement credit? | (b) Yes over ordinary unsecured creditors but not over secured creditors | 1.0 |
| Reorganization proceedings index (0-3) | | 1.0 |
| 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 |
| Creditor participation index (0-4) | | 1.0 |
| 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? | Yes | 1.0 |

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 - France

Details - Labor Market Regulation in France

| | Answer |
|---|--------|
| Hiring | |
| Fixed-term contracts prohibited for permanent tasks? | Yes |
| Maximum length of a single fixed-term contract (months) | 18.0 |
| Maximum length of fixed-term contracts, including renewals (months) | 18.0 |
| Minimum wage applicable to the worker assumed in the case study (US\$/month) | 1694.6 |
| Ratio of minimum wage to value added per worker | 0.3 |
| Maximum length of probationary period (months) | 2.0 |
| Working hours | |
| Standard workday | 7.0 |
| Maximum number of working days per week | 6.0 |
| Premium for night work (% of hourly pay) | 7.5 |
| Premium for work on weekly rest day (% of hourly pay) | 20.0 |
| Premium for overtime work (% of hourly pay) | 25.0 |
| Restrictions on night work? | Yes |
| Whether nonpregnant and nonnursing women can work the same night hours as men | Yes |
| Restrictions on weekly holiday? | Yes |
| Restrictions on overtime work? | No |
| Paid annual leave for a worker with 1 year of tenure (working days) | 30.0 |
| Paid annual leave for a worker with 5 years of tenure (working days) | 30.0 |
| Paid annual leave for a worker with 10 years of tenure (working days) | 31.0 |
| Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days) | 30.3 |
| Redundancy rules | |
| Dismissal due to redundancy allowed by law? | Yes |
| Third-party notification if one worker is dismissed? | No |
| Third-party approval if one worker is dismissed? | No |
| Third-party notification if nine workers are dismissed? | Yes |
| Third-party approval if nine workers are dismissed? | No |
| Retraining or reassignment obligation before redundancy? | Yes |
| Priority rules for redundancies? | Yes |
| Priority rules for reemployment? | Yes |
| Redundancy cost | |
| Notice period for redundancy dismissal for a worker with 1 year of tenure | 4.3 |
| Notice period for redundancy dismissal for a worker with 5 years of tenure | 8.7 |
| Notice period for redundancy dismissal for a worker with 10 years of tenure | 8.7 |
| Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure) | 7.2 |
| Severance pay for redundancy dismissal for a worker with 1 year of tenure | 1.1 |

| | |
|---|-------|
| Severance pay for redundancy dismissal for a worker with 5 years of tenure | 5.4 |
| Severance pay for redundancy dismissal for a worker with 10 years of tenure | 10.8 |
| Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure) | 5.8 |
| Job quality | |
| Equal remuneration for work of equal value? | Yes |
| Gender nondiscrimination in hiring? | Yes |
| Paid or unpaid maternity leave mandated by law? | Yes |
| Minimum length of maternity leave (calendar days)? | 112.0 |
| Receive 100% of wages on maternity leave? | Yes |
| Five fully paid days of sick leave a year? | No |
| Unemployment protection after one year of employment? | Yes |
| Minimum contribution period for unemployment protection (months)? | 4.0 |

Business Reforms in France

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.

DB2019

- ✓ **Getting Electricity:** France made getting electricity easier by streamlining the application process and reducing the time for the external works.
 - ✓ **Registering Property:** France made registering property easier by implementing an electronic registration system and improving efficiency at the land registry.
 - ✓ **Paying Taxes:** France made paying taxes less costly by decreasing the corporate income tax rate, increasing the rate of the competitiveness and employment tax credit (CICE), and decreasing the rates for the territorial economic contribution as well as social security contributions paid by employers.
- Labor Market Regulation:** France amended its labor code to modify the amount of severance payments for employees after one, five and ten years of employment.

DB2018

- ✓ **Protecting Minority Investors:** France strengthened minority investors protections by increasing corporate transparency.
- ✓ **Paying Taxes:** France made paying taxes less costly by lowering rates for social security and training contributions.

DB2017

- ✓ **Dealing with Construction Permits:** France made dealing with construction permits less expensive by reducing the cost of obtaining a building permit
 - ✗ **Registering Property:** France made transferring property more expensive by increasing property transfer tax rate and introducing an additional tax for businesses in Paris.
- Labor Market Regulation:** France reformed its labor legislation by introducing changes to the administration of labor tribunals, extending Sunday and evening work in areas designated as international tourist zones and facilitating employee employer dialogue.

DB2016

- ✓ **Paying Taxes:** France made paying taxes less costly for companies by introducing a credit against corporate income tax and reducing labor tax rates paid by employers.

DB2015

- ✓ **Starting a Business:** France made starting a business easier by reducing the time it takes to register a company at the one-stop shop (Centre de Formalités des Entreprises).
- Labor Market Regulation:** France substantially amended its labor market regulations, including the provisions dealing with large-scale collective redundancy processes.

DB2014

- ✓ **Registering Property:** France made transferring property easier by speeding up the registration of the deed of sale at the land registry.

DB2012

- ✓ **Resolving Insolvency:** France passed a law that enables debtors to implement a restructuring plan with financial creditors only, without affecting trade creditors.

DB2010

- ✓ **Registering Property:** France made transferring property easier and less time consuming by more fully implementing an online system that enables notaries to obtain encumbrance and ownership documents from the land registry electronically.
- ✓ **Resolving Insolvency:** France enhanced its insolvency process by encouraging preinsolvency workouts and eliminating the requirement that a public auctioneer provide the estimation of the debtor's assets.

DB2009

- ✓ **Paying Taxes:** France made paying taxes easier for companies by changing the effective rates for social security and payroll taxes and by making electronic filing mandatory for social security contributions by companies liable for more than €800,000 in such contributions.
 - ✓ **Trading across Borders:** France speeded up and simplified customs clearance procedures by introducing an electronic customs declaration and eliminating the need to submit certain documents.
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DB2008

- ✓ **Registering Property:** France reduced the time required to register property by implementing a new system (Télé@ctes) allowing notaries to access the land registry electronically.
- ✓ **Getting Credit:** France strengthened its secured transactions system by launching a unified and geographically centralized collateral registry.

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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