



## Useful Information

# Setting up a Business in the Principality of Monaco

### General conditions

Anyone wishing to be engaged in a craft, trade, business or profession in Monaco, must previously be authorized by His Excellency, the Minister of State, under the penalty of sanctions.

When applicable, the authorization is limited to the purpose for which it was requested. Any change in the activity must be authorized in the same manner.

Monegasque nationals, however, can operate their business as planned (Except with regard to regulated activities below) by making a simple declaration to the Government of Monaco and after being issued a receipt.

### Regulated activities

Some activities may be subject to specific rules, including in the special conditions that must be met to qualify for the issuance of the requested authorization. (Nationality of the contractor, qualifications, experience, corporate structure, amount of capital ...)

These are mainly:

- Financial activities, banking and credit
- Insurance activities
- Legal and accounting activities
- Real estate activities
- Medical, paramedical and pharmaceutical Activities,
- Specific professions.



## Different business forms

Individuals wishing to set up a business in the Principality can:

- Apply individually for the delivery of a personal permission from the Minister of State. They will be liable in this case for all their personal assets.
- Create a Company, with its own legal personality.

## Types of companies and specific structures

### Monegasque Limited Company (SAM)

- Type of activity: civil or commercial
- Composition of capital: at least two shareholders, no maximum
- Management: Board of Directors
- Liability of shareholders: Limited to contributions
- Articles of association: By notarial deed, published in the Journal de Monaco
- Minimum share capital: 150,000 Euros
- Name: Free, preceded or followed by the term "SAM"
- Specific regulations: Sovereign Order of 5 March 1895, as amended.
- Special Features: The Company must appoint an auditor responsible for the general and permanent supervision of the company.

### Limited Liability Company (LLC - SARL)

- Type: commercial only
- Composition of capital: at least 2 partners, individuals or legal entities
- Management: A manager or several joint managers
- Liability of partners: Limited to contributions



- Articles of association: Private agreement or notarial deed
- Minimum share capital: 15,000 Euros
- Name: Free, preceded or followed by the words "SARL"
- Specific regulations: Sections 35-1 and following of the Commercial Code

#### Limited Partnership (SCS)

- Type of activity: civil or commercial
- Composition of capital: at least 2 partners, natural or legal persons, including at least one silent partner and one active partner having the quality of trader.
- Management: One or several active manager (s) partner (s)
- Liability of partners: Limited to contributions with regard to the silent partners, unlimited joint and several with respect to the active partners.
- Articles of association: Private agreement or deed
- Minimum share capital: Free
- Name: Must include the name of one or several active partners, preceded by "SCS"
- Specific regulations: Sections 30 and following of the Commercial Code
- Specific features: The silent partner cannot perform any act of management, even under power of attorney. Failing which, he would be liable for the debts of the Company, in the same capacity as the active partner.

#### Private Company (SNC)

- Type: commercial only
- Composition of capital: at least 2 partners, no maximum
- Management: One manager or several joint managers
- Liability of partners: All partners are jointly and severally liable for the debts of the company for their personal assets
- Articles of association: Private agreement or notarial deed, published in the Journal de Monaco



- Minimum share capital: Free
- Name: Must include the name of the partners
- Specific regulations: Articles 27 and following of the Commercial Code
- Specific features: All partners have the status of "trader".

### Administrative Offices

This is a specific structure allowing foreign companies to have a representation in Monaco.

They can carry on that activity exclusively on behalf of foreign entities to which they belong.

Their establishment is subject to the authorization of the Government of Monaco.

They are listed in the Directory of Trade and Industry but do not have legal personality.

### Agencies or Branches

This is a commercial institution created by a foreign entity, enjoying certain self-rule with regard to the company or firm to which they belong, without necessarily being legally different.

They are represented in Monaco by a responsible officer.

They must be authorized by H.E. the Minister of State.

Its registration in the Directory of Trade and Industry is required.

### **Formalities**

After issuance of the authorization or the receipt of the Monegasque declaration, interested persons must:

- Complete the formalities of any advertising at the clerk of the court's office and / or the Journal de Monaco
- Register the company in the Directory of Trade and Industry
- Register the company in Monaco Institute of Statistics and Economic Studies (IMSEE)



- Report the activity to the Tax Authorities
- Join social organizations (CCSS, CAMTI, CARTI, ...)