

Translation in English of the Law published in the DOGV n° 8339 dated July 16, 2019.
The exhaustive and complete information of the Law should be consulted in the texts
published in the mentioned DOGV.

President of the Valencian Regional Government

*Valencian Regional Government Law 19/2018, of 13 July, on the acceleration of priority investment
projects (LAIP) [2018/6991*

I herewith make known to all citizens that the Valencian Regional Parliament has approved the following law, and I, in accordance with the provisions of the Spanish Constitution and the Statute of Autonomy, in the name of the King of Spain, hereby enact it:

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PREAMBLE

The global economic crisis, which led to a slowdown in economic growth, major destruction of the business community and poor job creation makes the adoption of policies aimed at streamlining regulations and improving the business climate in the Valencian Region especially important.

The World Bank, in its annual Doing Business report, shows how the elimination or reduction of bureaucratic procedures when starting a business benefits both the country's economy and its companies. The excessive governmental bureaucracy and the different administrative procedures when trying to develop business activities are two of the greatest obstacles faced by already established companies in implementing an investment or reinvestment project. As a consequence, companies lack incentives to undertake investment projects. Reducing unnecessary business costs, including bureaucratic costs, would boost economic activity and lead to significant improvements in job creation.

In order to promote and stimulate economic growth, as well as the competitiveness and productivity of our business community, appropriate agreements must be developed to minimise the barriers that affect company investment processes. To this end, the Valencian Regional Government must develop policies that contribute to the recovery and development of industrial, trade and service activities that stimulate the regional economy in a sustainable manner and promote job creation. The creation of investment accelerator services to centralise, coordinate and simplify bureaucracy when setting up manufacturing activities helps to reduce costs and personnel, both for companies and for government itself, as it would enable shorter waiting times to start up a business activity and thus optimise the financial costs associated with the administrative procedures for the new business.

Therefore, it is necessary to create an investment accelerator service that promotes intergovernmental cooperation between the different Valencian Regional Government ministries and agencies, as well as with the State government and local corporations, with the aim of offering global, single-window solutions and responses to starting up a business project or reinvesting in an existing business project especially when these projects could generate additional social, environmental and innovation benefits.

To provide a solution to all of the above, this Law provides for the creation of the Investment Accelerator Service, an instrument to coordinate and promote business projects that provides companies with a single window to approach the investment process. For maximum operability, the Investment Accelerator Service is to be supported by an Investment Standing Committee. The aim of the Committee is to achieve greater coordination between all the Valencian Regional Government ministries in order to provide the necessary impetus to a business activity considered to be a priority.

Similarly, the Law defines the regulatory framework that will enable, on the basis of previously agreed criteria, the identification of investment projects in line with the requirements of economic, social and environmental sustainability, innovation, technological development, investment amount and job creation, and which can be served by this Investment Accelerator Service as they are projects classed as being of interest to the Valencian Region.

Under this Law, priority projects will be given urgent and preferential treatment, reducing the standard Valencian Regional Government processing times for administrative procedures by half.

The purpose of this investment accelerator service is to encourage investment and create jobs, enabling the appropriate legal mechanisms and establishing the administrative measures aimed at encouraging companies to invest, especially by reducing bureaucratic time frames in order to facilitate business start-ups, job creation and the generation of trust on the basis of compliance with social responsibility factors.

This compliance with social responsibility factors dovetails with and is important in the framework of current globalisation, where social clauses are part and parcel of economic, public and private initiatives, which is the intention of this Law.

These social clauses involve the inclusion of special criteria and conditions in administrative procedures that must regulate any process with the Valencian Regional Government. These clauses pursue social, economic and environmental objectives and aim to achieve harmonious and sustainable development in the Valencian Region.

The social and environmental criteria are accepted and promoted by the Region's institutions, understanding that they in no way restrict or limit free competition, but rather provide suitable regulation for them. True violation of free competition occurs through social dumping, not by applying social clauses in public-sector management.

Social clauses are understood to be admission criteria when processing the applications of companies that wish to benefit from the Investment Accelerator Service.

Compliance with these social clauses and with the requirements regarding investment and job creation will be subject to control, as the aim of including these is to contribute to sustainable development, a concept that encompasses economic growth, innovation, social progress and respect for the environment in the Valencian Region as a whole.

For greater dissemination and understanding by foreign companies starting an investment project in the Valencian Region, the idea is to use a brand name for the services covered by this Law, a name that will facilitate its understanding and scope. The functioning of this Investment Accelerator Service and the evaluation of compliance with all its actions will be carried out with objectivity, transparency, effectiveness, efficiency and continuous assessment; principles which, together with the application of the relevant social, environmental and economic criteria, will contribute to creating government administration that is more committed to its intrinsic objectives to serve the public interest.

The aim of recovering and developing the manufacturing and service sectors in the Valencian Region, and the provision of an instrument that facilitates entrepreneurship and the spill-over effect it can generate, justify, in short, the application of the administrative principles of necessity, effectiveness and proportionality, without entailing any additional expenses for the public treasury, thus complying with the principle of efficiency.

This provision is included in the Valencian Regional Government regulatory plan for 2017.

Therefore, having heard the opinion of the Valencian Region's Legal Advisory Council.

Article 1. Object

1. The object of this Law is the creation and regulation of the Investment Accelerator Service as an instrument to coordinate and promote business projects that encourage and facilitate investment and job creation in the Valencian Region. The Investment Accelerator Service will carry out the tasks of receiving and forwarding documentation, and will act as the coordinating body in processing the investment projects submitted by both individuals and legal entities that are classed as being a priority in accordance with the criteria specified in Article 2.

The functions of the Investment Accelerator Service will be performed by the competent department in matters of international promotion and investment at the Valencian Institute of Business Competitiveness (IVACE), an entity which is attached to the Regional Ministry in charge of matters related to manufacturing and internationalisation and of attracting, promoting and maintaining investment in the Valencian Region. The Service's functions will be performed by IVACE staff.

2. The Investment Accelerator Service, in addition to the general functions mentioned in the previous paragraph, will also be in charge of the following:

a) Acting as a single window for applications and the documentation required for all the administrative procedures the company needs to undertake in order to implement the projects that meet the admission criteria described in Article 2, without prejudice to the procedures established in Article 16.4 of Law 39/2015, of 1 October, on government common administrative procedure, and to forward these to the relevant government bodies.

b) Promoting, through the investment technical committees referred to in Article 6, maximum coordination in

the processing of projects classed as priority, with the aim of speeding up the work carried out by all the Valencian Regional Government bodies and instrumental public sector entities involved in processing the business projects that comply with the admission criteria referred to in Article 2.

c) Maintaining ongoing contact with the individual or legal entity promoting the project, concerning the mandatory procedures regulating its implementation in the Valencian Region.

d) Following up on the status of the application with all the relevant Valencian Regional Government bodies and, where applicable, with local and State government entities, after signing the relevant cooperation agreements with them.

Article 2. Priority investment projects

For a business project to be processed by the Investment Accelerator Service, it must offer the Valencian Region added value in areas such as technological development and innovation, territorial development and organisation, job creation, recovery and promotion of traditional sectors, environmental protection, promotion of social inclusion, equality and work-family balance and co-responsibility, among other economic, social and environmental criteria. Compliance with these criteria shall be proven by means of a detailed report on the measures to be implemented and accompanied by a statement of compliance to implement and maintain them for a period of no less than three years, as well as a time frame for each of these measures and a description of the compliance indicators.

2. The Directorate-General for Internationalisation shall, annually and before 1st January of the corresponding year, propose a list of criteria in accordance with the previous point, which can be assessed within the framework of their contribution to compliance with the sustainable development goals approved by the United Nations and the applicable legislation in force, as well as the minimum score required for the projects to be classed as priority investment projects for the Valencian Region. This proposal will be forwarded to the Investment Standing Committee, which, following a report, shall submit the definitive list to the person in charge of manufacturing and internationalisation in the relevant Regional Ministry for approval by means of a resolution, which will be published in the Valencian Region Official Gazette.

3. In addition, projects must, generally, comply with at least one of the following requirements in relation to investment and job creation:

a) Create 10 or more full-time permanent jobs.

b) Involve making an investment in fixed assets, excluding property, for an amount equal to or greater than six hundred thousand euros (€600,000).

If the projects are undertaken in municipalities in the Valencian Region where there is a risk of depopulation, the investment and job creation requirements for these projects shall be reduced by half as per what is set out in paragraphs *a* and *b*.

Article 3. Appraisal procedure for priority investment projects

1. Any of the persons referred to in Article 1 who are planning to start a business investment or reinvestment project that meets the requirements set out in the previous article may request the assistance of the Investment Accelerator Service, via the Valencian Institute of Business Competitiveness (IVACE), submitting for this purpose documentation proving compliance with these requirements.

2. From the date of receipt of the application at the Investment Accelerator Service -or, if applicable, from the time it has been modified- IVACE will have a maximum period of 10 calendar days to review and assess whether the submitted business investment or reinvestment project meets the requirements of Article 2 of this Law, and issue the corresponding resolution for assessment as a priority investment project by the person in charge of manufacturing and internationalisation in the relevant Regional Ministry, or by the person delegated by them. In the event that the criteria are insufficient, or where compliance with them has not been proven within the given time limit, a period of 10 working days will be granted for the interested party to correct the situation and provide the necessary documentation. If the time limit expires without having complied with the request, the corresponding resolution rejecting the application will be issued.

3. The Chairperson of the Investment Standing Committee shall take part at their own request in the Valencian Regional Parliament's Industry Committee, annually and on an informative basis.

Article 4. Implications of the declaration of priority investment projects

1. The business projects declared as priority investment projects by the Investment Accelerator Service will be considered as urgent and will be given priority in their different procedures by the Valencian Regional Government and instrumental public sector entities in order to speed up their implementation and start-up.

3. The standard time frames for the administrative procedures provided in the laws of the Valencian Regional Parliament, decrees of the Valencian Regional Government, resolution of the procedures and other general provisions issued by Valencian Regional Government bodies shall be reduced by half where these affect the investment projects managed by the Investment Accelerator Service, without prejudice to the applicable basic legislation, except for the time frames for the submission of applications and appeals in competitive procedures, for public information, and those of a fiscal nature. The standard time frames for the administrative procedures, licences and reports of the local corporations with whom the relevant cooperation agreement has been signed shall also be linked to the urgent processing requirements referred to in paragraph 2 of this Article, observing, in all cases, the applicable basic legislation. This reduced time frame with its relevant limitations shall appear in the

content of the cooperation agreement that has been signed.

4. The various administrative procedures relating to business projects declared as priority investment projects shall be the responsibility of the relevant competent bodies. Nevertheless, they shall be promoted and coordinated in the different procedures by the Investment Accelerator Service in conjunction with the members of the corresponding investment technical committees.

Article 5. Investment Standing Committee

1. During the first month after this Law has come into force, the Investment Standing Committee shall be created, as an official professional body to coordinate, propose and assist with investment projects managed by the Investment Accelerator Service. The Investment Standing Committee shall be attached to IVACE.

2. The Investment Standing Committee shall have the following members:

a) The Committee's Chairperson shall be the person in charge of manufacturing and internationalisation in the relevant Regional Ministry.

b) The Committee's Deputy Chairperson shall be the person in charge of the Directorate-General for Internationalisation.

c) Committee members shall include:

1. A person representing each of the ministries that make up the Valencian Regional Government.

2. The Director of the Valencian Institute of Business Competitiveness (IVACE).

3. A representative from the Valencian Innovation Agency.

4. A representative from the Valencian Climate Change Agency.

5. A representative from the Valencian Federation of Municipalities and Provinces, who has at least director-general status, and has been appointed by the person in charge of the Federation.

6. Up to a maximum of six members, appointed by the Committee's Chairperson, representing regional bodies or instrumental public sector entities, economic and trade union institutions, associations and organisations in the Valencian Region, in accordance with current legislation on participation and institutional cooperation of trade unions and employers' organisations.

d) The Committee's Secretary shall be a person, designated by the head of the Directorate-General for Internationalisation, who has at least head of department status, who will attend and participate in the Committee meetings, but shall not have the right to vote.

3. Valencian Region ministries and entities shall be represented by people who have at least director-general status. The Investment Standing Committee must have an equal gender balance. The composition and functioning of the Investment Standing Committee shall be subject to regulatory development.

4. The Investment Standing Committee's functions shall include:

a) Issuing a preliminary report about the proposed resolution and submitting an annual proposal, with the assessment criteria referred to in Article 2.1 and the minimum requirements for consideration as projects of interest to the Valencian Region, to the person in charge of manufacturing and internationalisation in the relevant Regional Ministry, for its approval and subsequent publication in the Valencian Region Official Gazette, in accordance with the provisions of Article 2 of this Law.

b) Making proposals to optimise and improve administrative procedures to make time and cost savings when processing projects managed by the Investment Accelerator Service and to submit them to the corresponding government bodies for consideration and approval, where applicable.

a) Preparing an annual report on the analysis, monitoring and assessment of the projects approved through the Investment Accelerator Service and on attracting investment to the Valencian Region in the form of regional, state and foreign capital. This report, which will include the reasons why projects have been accepted or rejected and other data considered of interest for monitoring the activity of the Investment Accelerator Service, will be published on IVACE's website.

5. The Investment Standing Committee shall meet at least twice a year, once in each semester, and when necessarily required by IVACE or by a quarter of the members. The work of the Committee shall not entail any additional expenditure for the Valencian Regional Government. Attendance at its sessions will not give rise to any right to remuneration. The Committee shall adapt its operations to the provisions for professional bodies, set out in Law 40/2015, of 1 October, on the Legal System of the Public Sector.

Article 6. Investment technical committees

1. To coordinate, assess and process the investment and reinvestment projects managed by the Investment Accelerator Service, the Director-General in charge of internationalisation shall chair, constitute and convene a specific investment technical committee based on the characteristics of each project, and shall designate a person to be responsible for each of these specific committees.

2. The investment technical committees will be made up of representatives from the Valencian Regional Government ministries with competences in the investment project to be assessed, representatives from IVACE and instrumental regional government entities whose presence is considered pertinent for the assessment of the project. Local corporations who have signed the relevant cooperation agreement and who have territorial competences in the project being assessed, shall also be represented.

Valencian Regional Government ministries or bodies shall be represented by persons who have competences in the respective areas and shall be designated by the sub-secretariat of the corresponding regional ministry. In the case of bodies, these shall be designated by the person in charge of the body. Local entities shall designate the

persons responsible in accordance with their rules and regulations.

The composition of the investment technical committees shall be gender balanced. Should this not be the case, reasons must be provided to justify why they are not gender balanced. The functioning of the investment technical committees shall be subject to regulatory development.

3. The functions of the investment technical committees shall include:

a) Attending meetings promoted and convened by the Investment Accelerator Service in order to provide the necessary information to correctly process investment projects.

b) Assisting the Investment Accelerator Service in the coordination, promotion and management of the procedures required in the business projects.

c) Creating proposals for the optimisation and improvement of administrative procedures to save time and costs in the processing of projects managed by the Investment Accelerator Service, and submitting these to the Investment Standing Committee, where applicable.

d) Monitoring the corresponding projects in conjunction with the Investment Accelerator Service.

Article 7. Intergovernmental cooperation with local entities

The local entities that have signed the relevant cooperation agreement with the Valencian Regional Government shall:

a) Participate in the investment technical committees when convened by the Investment Accelerator Service if the investment project is undertaken in their territory.

Provide the Investment Accelerator Service with information on the status of the procedures carried out in their territory, if the projects meet the assessment criteria set out in Article 2 and have been processed by the Investment Accelerator Service. c) Reduce the time taken to process and make decisions about the projects, in accordance with Article 4 of this Law.

TRANSITIONAL PROVISIONS

One. Investment Standing Committee

The Investment Standing Committee shall be convened for the first time within a maximum period of one month following its constitution.

Two. Assessment criteria

The regional ministry responsible for manufacturing and internationalisation is authorised to issue the resolution establishing the assessment criteria referred to in Article 2, until the Investment Standing Committee is convened.

Three. Registration

Until the Valencian Institute of Business Competitiveness has been registered in the Valencian Regional Government's electronic registration system, applications made to the Valencian Region's Investment Accelerator Service will be registered and channelled through the Directorate-General for Internationalisation, all without prejudice to the provisions of Article 16.4 of Law 39/2015, of 1 October, on government common administrative procedure.

Four. Intergovernmental cooperation

Following the publication of the Law in the Valencian Region Official Gazette, the Valencian Region's local entities and councils will be informed of the approval and of the existence of the Investment Accelerator Service, as well as of the option to sign the relevant cooperation agreement with the Valencian Regional Government.

DEROGATING PROVISION

Single. Regulatory repeal

All provisions of equal or lower rank that contravene the provisions of this law are repealed.

FINAL PROVISIONS

One. Regulatory development

This Law will be subject to regulatory development within six months of its approval.

The Valencian Regional Government is authorised to issue the rules required to develop and execute the provisions of this Law.

Two. Entry into force

This Law shall enter into force on the day following its publication in the Valencian Region Official Gazette.

I therefore order all citizens, and corresponding courts, authorities and public powers, to adhere to and comply with this Law.

Valencia, 13 July 2018

President of the Valencian Regional Government, XIMO PUIG I FERRER