

**Fact-sheet** –Mandatory documents for businesses (building approval, fire safety certificate, building layout approval)



### What is the objective?

#### Why is it important to maintain the mandatory documents?

The mandatory documents are the elements that allow the factory to establish its activity and have a legal business. Thanks to those documents, the company can prove it operates legally. Without obtaining such mandatory approval, license or certificate, a company can be obliged to stop its business – temporarily or permanently.

Such documents have to be linked to the exact factory name, address, be delivered by the accurate bureau of local authorities and be valid.



### How to achieve the objective?

**To ensure compliance with the local law and before starting any operation in the premises, the factory should obtain from the related department all the required documents/certifications.**

- Business License / Certificate of Corporation
- Building approval / Building construction certificate
- Building structure safety certificate
- Building safety certificate
- Environmental permit
- Trade license
- Export license
- Etc.



This list is not exhaustive as it has to be fully aligned with the local law and some documents could have different names, depending on the country of establishment.

**At any time, the factory should have a system in place to confirm all licenses/permits/certificate are valid.**

- A staff member should be designated and be responsible for reviewing local regulation updates (new regulation, update of content) and the factory's own situation updates (layout, construction, name, activity, shareholder, etc.) and confirm if new documents should be delivered by local authorities.
- A procedure should be implemented to follow up on any necessary updates on any legal documents. This may contain the following steps:
  - Identify each case that could lead to a non-valid legal document;
  - Describe the actions to take for each case, and the timeline to (re)apply – including the related costs;
  - List the concerned Legal Authorities bureau and refer to the necessary procedures for (re)application;
  - Identify the risk in case of non-valid document;
  - Record the legal documents' statuses to ensure the accurate follow-up;
  - Archive the legal documents in a designated, restricted and secure location, within the premises.

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Common non-compliances

Non-compliances	Comment
The building structure safety certificate / legal real estate certificate/ working permit was not obtained from the related bureau.	The factory should ensure to apply for the building safety as it is the first step of the approval of the building to be able to get all the other legal documents (building fire safety certificate, building layout, etc.).  As this step allows to go further in the process, having the building safety certificate is a priority.
The factory has constructed a new floor/new building and did not apply for a new business license.	The business license covers an exact situation and a new application should be made if the situation changes.
The factory cannot provide the original legal documents.	The factory should store all the legal documents within the premises in a designated, restricted and secure location.



Good practices

- Keeping the copy of application forms, previous legal documents – even when they are not valid anymore – and making copies of the original valid documents to be stored in a different place (lawyer, accountant, etc.).