

## All countries

Is a bank account required before the company can be formed? If so, how long does that typically take?

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### Asia

**China** Is a bank account required before the company can be formed? If so, how long does that typically take? No. A bank account can only be opened after incorporation. Due to tightened AML requirements, physical presence of the future legal representative of a NewCo will be required. This could become a problem during pandemic, but manageable.

Foreign exchange control regulations need to be strictly observed during operations.

**Hong Kong** No.

**Singapore** Not required.

**United Arab Emirates** For incorporation purposes of an entity in the UAE mainland, it is currently not required for the new entity to have a bank account. A bank account is, however, required when the new entity starts to hire employees as their wages are required to be paid through a so-called 'wage-protection-system' requiring payments to be made from a local bank account. Currently companies registered in the mainland of the UAE as well as in certain tax-free zones are obliged to register with this system.

Furthermore, a few company registrars for specific tax-free zones will only complete the company registration and/or issue the new entity's business license after opening of a local bank account and depositing the new entity's share capital.

The bank account opening process can take several weeks or even months, depending on the bank's KYC requirements and the need to arrange legalised documents from the UAE entity's shareholders and ultimate beneficial owners.

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### Europe

Austria	<p>Generally, yes. However, during company formation it can be substituted by either a bank account of the (future) managing director(s) or a dedicated escrow account set up by the notary public involved in the formation of such company to which, in each case, the share capital contribution amount needs to be credited. After the incorporation a bank account for the local company should be arranged for and the capital contribution should be transferred thereto as soon as possible.</p> <p>In each case, eligible bank accounts are those held by a bank with its seat in Austria or a "credit institution" under the CRR with its seat in an EU member state (in case of the latter, either through its branch in Austria or making use of the freedom to provide services in Austria under "EEA passport"). As regards opening a bank account by a bank with its seat in Austria, it usually takes 10 business days (or more) depending on the swift submission of relevant information and documents requested during such bank's 'know your customer' check.</p>
Czech Republic	<p>Yes, a bank account is required for the payment of the initial contributions. The opening of a special bank account for contribution payments depends on the swift submission of relevant documents required by the respective bank (eg, KYC form); and takes approximately ten days.</p> <p>Opening of a special bank account for a contribution payment up to CZK 20,000 (approx. EUR 820) in case of limited liability companies is not required. Instead of a bank account, such contribution payment can be paid into an escrow held by the notary performing the direct registration with the Czech Commercial Register.</p> <p>As regards the branch, the bank account is not required for initial contribution (branch does not have registered capital), but the bank account is required for practical reasons when dealing with tax and other authorities.</p>
England & Wales	<p>No, but please note it can take some time for the account to form once the company has been established.</p>
France	<p>It takes one to up to six months depending on the bank's KYC, but using a French public notary with a pre-existing bank account is an alternative to shorten the process so that the French bank account can be opened further to the registration of the company.</p>
Germany	<p>Yes. It can take several weeks due to the banks anti-money laundering and KYC checks. Using a shelf company GmbH can speed up the process as it already has a paid-in share capital.</p>
Hungary	<p>It is not required to open a bank account before the registration, but a certificate by the managing director on the payment of the capital contribution into the company's cash desk, suffices. After registration of the entity, a bank account shall be opened within eight days..</p>
Ireland	<p>No, but please note it can take some time for the account to be set up once the company has been established.</p>

Italy	<p>Generally speaking, a bank account is not identified as a requirement for the incorporation of an Italian company, but it is actually necessary to operate.</p> <p>Under a practical perspective, the incorporating company usually makes a wire transfer of the initial share/quota capital to the Notary Public's bank account in escrow. The relevant amount is then released and transferred by the Notary Public's bank account to the company's bank account once opened.</p> <p>The opening of the bank account usually takes 5/7 business days from the receipt by the bank of the required documents.</p>
Netherlands	No.
Poland	<p>A bank account is not required before the company can be formed. However, the Polish entrepreneurs law states that making or accepting payments related to a business activity takes place via the entrepreneur's payment account, whenever the other party to the transaction from which the payment arises is another entrepreneur and when the one-off transaction value, irrespective of the number of payments resulting from it, exceeds PLN 15,000 or the equivalent.</p> <p>Thus, a company is required to open a bank account at a later stage. Usually, banks require that a company willing to open an account presents an excerpt from the National Court Register, or, in case it has not been registered yet, its Articles of Association and its REGON number given by the Central Statistical Office.</p>
Portugal	No, but please note it can take some time for the account to form once the company has been established.
Slovakia	<p>In general, a bank account is not required before the company can be formed.</p> <p>However, from July 1, 2023, according to Section 4 of Act No. 394/2012 Coll. on the restriction of cash payments, a cash payment may not exceed €15,000.</p> <p>Thus, a company is in most cases required to open a bank account at a later stage. Usually, banks require that a company willing to open an account presents an excerpt from the Commercial Register, or, in case it has not been registered yet, its Memorandum of Association.</p> <p>However, one of the conditions for registering an LLC in a simplified manner (by a dedicated electronic form) is that the shareholders of the LLC are only subjects who have a bank account in a bank, or a branch of a foreign bank established in an EU Member State or a Contracting State of the Agreement on the European Economic Area.</p>

## Spain

Bank account is not compulsory (i) if the contributions are in kind; or (ii) if the cash contributions are delivered to the Notary Public on the incorporation date; or (iii) only for SLs, if the shareholders in the incorporation deed expressly assume a joint and severally liability for the declared cash contributions. The foregoing options (ii) and (iii) are feasible but not common.

In any other situations, at least a provisional bank account in the name of the new company is required, in order to certify the monetary deposit of the cash contributions at incorporation (which shall be at least €1).

Opening a provisional bank account in the name of the future new company takes 1-3 business days. Please note that, in practice, such bank account will not become operative until registration of the new company with the Commercial Registry.

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## South America

### Brazil

No, but it is necessary to start the procedures for the opening of the bank account immediately after the incorporation for the receipt of the corporate capital.

Foreign investments must also be registered at the Brazilian Central Bank.