



SPOTLIGHT: ANDORRA

Doing business in Andorra...

The official language in Andorra is Catalan and not Castilian Spanish but these two languages and French are commonly spoken. The legal system is based on the French and Spanish civil codes. Andorra is a member of the E.U. customs union and the currency is the € euro. The law forbids non-admitted insurances with the exception of international transportation of goods. Automobile third party insurance is compulsory as is professional indemnity for anyone providing products and advice. The main insurance company is the Companyia Andorrana d'Assegurances and there are a dozen E.U. based carriers with offices in the capital, Andorra la Vella. While most insurers are prepared to do business on a direct basis, nearly all commercial and industrial business is conducted through approved intermediaries.

The supervisory body for insurance in Andorra is the Ministry of Finance (http://www.finances.ad/Web_Finances/Estructura/1_catala/index.htm) and the Law of 11th May 1989 with amendments is applied rigorously.

Legend...

Legend tells that Charlemagne founded Andorra in 805 in recognition of aid given by its inhabitants against the Saracens.

Tradition...

The earliest document known that mentions Andorra is the act of consecration of the cathedral of Santa Maria of Urgell in 839, which mentions the parishes (administrative and territorial divisions) of Andorra as the fief of the Counts of Urgell.

History of counts, bishops and nobles...

Between the 9th and 10th centuries, the Andorran valleys belonged to the counts of Urgell, who ceded them to the See of Urgell in 988 in exchange for other possessions in the Cerdanya, although it was not until the 12th century that Andorrans recognised the sovereignty of the See of Urgell in an agreement signed with the bishop Bernat Sanç in 1176.

A period of struggle for sovereignty over the Andorran valleys began, particularly with the counts of Urgell, which caused the bishops to call on the closest nobles for aid and protection. As a result of their cooperation with the bishop, the House of Caboet received the valleys of Andorra in fief.

Through the marriages of various generations, the house of Caboet became linked with the houses of Castellbò, Foix and Béarn. The 13th century was a time of bitter struggle between the counts of Foix and the See of Urgell to reduce the rights of the bishops over Andorra.

Agreement...

Hostilities came to an end with the signature of two arbitration judgements, known as the Pariatges, signed in 1278-1288 between the bishop of Urgell, Pere d'Urg, and the count of Foix,

Roger Bernat III. The Pariatges establish the co-sovereignty of the bishop of Urgell and the count of Foix over Andorra: thus bringing the Principality of Andorra into existence.

Change and surroundings...

During the 15th century the counts of Foix became the rulers of Navarre and in 1589 Henry, king of Navarre and count of Foix, viscount of Béarn and lord of Andorra, became king of France, so that the rights of co-lordship over Andorra, which belonged to the counts of Foix, passed to the crown of France. In 1793, due to the feudal origin of the bonds uniting Andorra with France, the French republicans refused to maintain relations with the Andorrans and receive their tribute. In 1806, Napoleon re-established the feudal tradition and the French rights of co-lordship over the Principality of Andorra.

Equilibrium...

With its historical and political development, Andorra continues to be a co-principality, with the bishop of Urgell and the president of the French Republic as the co-princes by personal title and in absolute equality.

Evolution...

From the creation of the Land Council in 1419 as a first parliamentary form, when representatives from all the parishes met together to deal with the problems of the community, and right up to the present day, the Andorrans have not ceased to move forward in modernising and updating their institutions.

In the second half of the 19th century, the so-called New Reform brought substantial changes in the fields of politics and administration; the right to vote was given to all heads of houses and the power of the General Council was increased.

In 1981, with the creation of the Executive Council, the most recent and decisive reforms in the Principality of Andorra began; they would culminate in the desire of the Andorrans to have a written Constitution.

The process ended on 14 March 1993, with the first written Constitution of Andorra, which transformed the Principality into an independent state of law, democratic and social, with a new definition of the competences attributed to the institutions.