

Mergers and divisions: reporting and documentation requirements

2008/0182(COD) - 31/03/2009

The Committee on Legal Affairs adopted the report by Renate WEBER (ALDE, RO) amending, under the first reading of codecision procedure, the proposal for a directive of the European Parliament and of the Council amending Council Directives 77/91/EEC, 78/855/EEC and 82/891/EEC and Directive 2005/56/EC as regards reporting and documentation requirements in the case of merger and divisions.

The main amendments are as follows:

- the legal basis should be Article 44(2)(g) of the Treaty;
- disclosure requirements concerning draft terms of merger in cross-border mergers under Directive 2005/56/EC should be similar to those applicable to domestic mergers and divisions under Directives 78/855/EEC and 82/891/EEC;
- the committee made some amendments regarding the publication of the draft terms of merger, and draft terms of division, which may be published on an Internet site. It specified that Member States may determine the consequences of temporary disruption of access to the Internet site and temporary disruption of the central electronic platform, caused by technical or other factors. Access to the Internet site via the central electronic platform shall be free of charge;
- it should be made clear that the shareholder has an option to choose whether he wants to obtain electronic or paper copies of documents that are often lengthy and burdensome to print or use in electronic version only;
- in case of simplified mergers the approval of the general meeting of each of the merging companies should not be required by Member States. This becomes a mandatory requirement rather than an option available to Member States;
- a new review clause states that the Commission shall review the functioning of the Directive in 5 years, and in particular its effects on the reduction of administrative burdens on companies, in the light of experience acquired in its application, and shall present a report, accompanied, if necessary, by proposals for its further amendment.
- lastly, the date of transposition should be by 30 June 2013 rather than 30 June 2011.