

Resolution on the future of European company law

2012/2669(RSP) - 14/06/2012 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution tabled by the Committee on Legal Affairs on the future of European company law, welcoming the Commission's recent public consultation on the future of European company law, which should help to shape future initiatives designed to simplify the business environment for companies, while ensuring appropriate protection of the interests of creditors, shareholders, members and employees.

Parliament takes the view that EU company forms supplementing the existing forms available under national law have considerable potential and should be further developed and promoted. It urges the Commission, in order to serve the specific needs of SMEs, to make further efforts with a view to the adoption of the [Private Company Statute \(SPE\)](#) which could take full account of the interests of all stakeholders, in order to overcome the impasse in the Council.

Parliament makes a series of observations on the Company Law Directives and particularly reiterates its request to the Commission that it **submit a legislative proposal laying down measures designed to facilitate cross-border mobility for companies within the EU** (14th Company Law Directive on the cross-border transfer of company seats). It recalls that, in the Framework Agreement on relations between Parliament and the Commission, the latter committed itself to report on concrete follow-up to any request to submit a proposal pursuant to Article 225 TFEU within three months of the adoption of the corresponding [resolution](#) in plenary. Members deplore the fact that this commitment has not been honoured in respect of Parliament's resolution with recommendations on a 14th company law directive and they call on the Commission to comply with the framework agreement by submitting more detailed follow-up reports in future.

Members welcome the review of the accounting directives and suggest that the Commission further explore possibilities for developing **European accounting standards**, in particular with regard to the specific needs of SMEs, taking into account the traditional ideas of sustainability, long-term planning, family ownership and other traditional aspects of SMEs.

Parliament recalls that, according to the Commission's Smart Regulation Agenda, legislation needs to be clearer and more accessible. It takes the view that **the Commission should codify EU company law** in order to provide a user-friendly set of rules and to ensure the consistency of EU law. Whilst recognising the merits of a single EU company law instrument, Parliament believes that company law directives need to be grouped together as a first step, and it suggests grouping them in categories, including formation and operation (e.g. the First and Second Directives and the accounting and audit directives), mobility (e.g. the Third, Sixth, Tenth, Eleventh and 13th Directives and the future 14th Directive) and EU company law forms (e.g. SE, SCE, EEIG). This codification project should not lead to a halt in the necessary reform activities.

Parliament calls on the Commission **comprehensively to inform Parliament** of the results of its consultation on the future of European company law and to explain in detail the decisions it will take as a result of the outcome of that consultation.

Lastly, it urges the Commission to **present an action plan indicating the way forward after the consultation**, which should outline short-, medium- and long-term initiatives to improve the regulatory framework for EU company law. Short-term initiatives should include the 14th Company Law Directive

and measures improving the EU framework for corporate governance, while mid-term initiatives should address, for instance, the Ninth Company Law Directive, and long-term initiatives the codification of EU company law.