

Harmonising certain aspects of insolvency law

2022/0408(COD) - 10/03/2026 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 498 votes to 90, with 28 abstentions, a legislative resolution on the proposal for a directive of the European Parliament and of the Council harmonising certain aspects of insolvency law.

The European Parliament adopted its position at first reading by amending the Commission's proposal as follows.

Avoidance actions

The directive establishes common rules concerning avoidance actions that allow for challenging debtor transactions carried out before the commencement of insolvency proceedings and, as such, protect the insolvency estate against the unlawful withdrawal of assets. In order to protect the value of the insolvency estate for creditors, national insolvency laws should include effective rules on actions for the voidness, voidability or unenforceability of legal acts, including legal transactions, that are detrimental to the general body of creditors and that have been perfected prior to the opening of insolvency proceedings.

Member States may adopt or maintain legislation which provides a level of protection for the body of creditors higher than that provided for by the directive.

Tracing assets

In order for creditors to recover the maximum value from the company in liquidation, each Member State should designate the courts or administrative authorities that are authorised to access and search its national bank account registers and the courts or administrative authorities that are authorised to access and search bank account information on a cross-border basis. This requirement comes with rules about the conditions to get access and monitoring of how the access takes place.

Insolvency practitioners should have timely access to **information on the beneficial owners** of legal entities and of legal arrangements held in interconnected central beneficial ownership registers, as well as to certain national registers and databases, with the aim of improving access for insolvency practitioners regardless of the country in which they are established.

With regard to access to courts by the insolvency practitioners of another Member State, each Member State should ensure that insolvency practitioners appointed in other Member States are not subject to conditions that are less favourable than those applicable to insolvency practitioners appointed in that Member State.

The pre-pack proceeding

A pre-pack proceeding will become available in all EU Member States. In a pre-pack proceeding, the sale of the debtor's business is prepared and negotiated before the formal opening of the insolvency proceedings.

Member States should ensure that pre-pack proceedings are available at least for debtors that are likely to become insolvent in accordance with national law. They may stipulate that the preparation phase cannot be initiated where the debtor is unable to pay its debts as they fall due in accordance with national law.

Debtors who engage in a pre-pack proceeding **must retain full, or at least partial, control of their assets** and the day-to-day management of their business during the preparation phase.

The pre-pack proceedings must comprise **two phases: a preparation phase and a liquidation phase**.

Member States should ensure that, at the initiative of a debtor, the preparation phase starts when a **monitor** is appointed. The monitor should be independent from the debtor and any party closely related to the debtor. The monitor should document and report on each step of the sale process in writing. The sale process in the preparation phase should be competitive, transparent and fair and meet market standards.

The liquidation phase will begin when a decision is made to open insolvency proceedings, in accordance with national law. The amended text specifies the principles applicable to the preparation phase.

The pre-pack proceeding will make it possible to **automatically transfer contracts which are essential for the continuation of the business** (i.e. executory contracts) from the debtor to the buyer of the business without the consent of the debtor's counterparty. However, in line with the Council's position, the new EU directive will contain a number of safeguards to protect the freedom of contract. Moreover, it is ensured that individual and collective worker's rights under Union and national law are not affected.

Directors' obligations

The directors of a company that becomes insolvent under national law are required to file for the commencement of **insolvency proceedings**, with the exception of preventive restructuring proceedings. The application must be filed with the court or authority competent for the insolvency proceedings within **three months** of the date on which the directors became aware of the company's insolvency or from the date on which they could reasonably be expected to have become aware of it.

A Member State may provide that the obligation to file for insolvency is **suspended** if a director takes other measures to avoid damage for the creditors of a company and to ensure a level of protection of the creditors that is equivalent to the protection provided by the duty to file for insolvency proceedings.

Creditors' Committee

A creditors' committee must be established after the opening of insolvency proceedings if the general meeting of creditors so decides or requests, or, where national law does not provide for a general meeting of creditors, if the creditors request it in accordance with national law. The amended text harmonises certain characteristics of the creditors' committee across Member States, such as its composition, its working methods, and the personal liability of its members.

Key information factsheet

No later than 39 months from the date of entry into force of the directive, each Member State should draw up a key information factsheet on the essential elements of national law on insolvency proceedings and submit it to the Commission through the European e-Justice Portal.

Micro-enterprises

In order to promote an efficient and inclusive insolvency framework that supports entrepreneurship and economic renewal, Member States should be able to maintain or introduce simplified winding-up proceedings for microenterprises.