Statute for a European mutual society

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By adopting the report by Mrs Vayssade (Soc, F), the Committee on Legal Affairs amended and supplemented the package of three regulations and three directives on Statutes for European cooperative societies, mutual societies and associations and on the involvement of employees in these three types of society. These proposals had been made by the Commission in response to the requests made by the EP in 1986 (Fontaine report) and 1990 (Vayssade report) to give undertakings in the mutual sector an optional legal instrument in order to allow these companies to retain their individuality and their competitiveness in a frontier-free market. The Committee on Legal Affairs followed the line taken by the rapporteur, adopting around 140 amendments, including 17 compromise amendments. The aim of the amendments tabled by the rapporteur was to make these regulations into instruments capable of enabling undertakings in the mutual sector to establish better mutual cooperation at European level, in particular through grouping and mergers, and to develop effectively in the market in competition with conventionally capitalised firms. The following were among the most important amendments: - European association (EA) could be a 'grouping of natural and/or legal persons', which was not clear from the wording of the article proposed by the Commission. An EA could be formed by two or more Community legal entities, at least 7 natural persons residing in at least two Member States or one or more legal entities in agreement with two or more natural persons resident in at least two Member States; - a European cooperative society (SCE) could be formed: a) by natural persons only, viz. five or more natural persons in at least two different Member States; b) by five or more natural persons in at least two different Member States and one or more legal persons governed by public or private law; c) by two or more legal entities governed by public or private law having their registered office and central administration in at least two different Member States. In addition, an SCE could be formed by means of merger of national cooperatives and/or SCEs and, in general, could merge with other SCEs or national cooperatives where permitted under their legal statutes; - for European mutual societies, the adopted amendment provided that they could be formed by two or more legal entities essentially pursuing insurance activities (an annex contained a list of recognised entities in each State), or by two or more legal entities solely pursuing providence activities as defined in the Member States of origin; - lastly, with regard to the three proposals for directives on the involvement of employees, the Committee on Legal Affairs adopted a number of amendments tabled by the Committee on Social Affairs.