Basic information

2007/0035(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Public limited liability companies: mergers and divisions **Subject** 3.45.01 Company law 3.45.08 Business environment, reduction of the administrative burdens	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
JURI Legal Affairs	KAUPPI Piia-Noora (PPE-DE)	10/04/2007

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	22/05/2007

Council of the European Union

Council configuration	Meetings	Date
Agriculture and Fisheries	2825	2007-10-22

European Commission

Commission DG	Commissioner
Internal Market, Industry, Entrepreneurship and SMEs	VERHEUGEN Günter

Key events

Date	Event	Reference	Summary
24/01/2007	Additional information		Summary
06/03/2007	Legislative proposal published	COM(2007)0091	Summary
29/03/2007	Committee referral announced in Parliament, 1st reading		
26/06/2007	Vote in committee, 1st reading		Summary
27/06/2007	Committee report tabled for plenary, 1st reading	A6-0252/2007	
11/07/2007	Decision by Parliament, 1st reading	T6-0329/2007	Summary

11/07/2007	Results of vote in Parliament		
22/10/2007	Act adopted by Council after Parliament's 1st reading		
13/11/2007	Final act signed		
13/11/2007	End of procedure in Parliament		
17/11/2007	Final act published in Official Journal		

Technical information

Procedure reference	2007/0035(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Legal basis	EC Treaty (after Amsterdam) EC 044-p2
Stage reached in procedure	Procedure completed
Committee dossier	JURI/6/46898

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE388.714	11/06/2007	
Amendments tabled in committee		PE390.596	12/06/2007	
Committee report tabled for plenary, 1st reading/single reading		A6-0252/2007	27/06/2007	
Text adopted by Parliament, 1st reading/single reading		T6-0329/2007	11/07/2007	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	03641/2007/LEX	13/11/2007	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2007)0091	06/03/2007	Summary
Document attached to the procedure	SEC(2007)0298	06/03/2007	
Document attached to the procedure	SEC(2007)0300	06/03/2007	
Commission response to text adopted in plenary	SP(2007)4170	29/08/2007	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0796/2007	30/05/2007	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Directive 2007/0063
OJ L 300 17.11.2007, p. 0047 Summary

Public limited liability companies: mergers and divisions

2007/0035(COD) - 11/07/2007 - Text adopted by Parliament, 1st reading/single reading

By adopting a legislative report by Piia-Noora **KAUPPI** (EPP-ED, FIN), the European Parliament approved a directive concerning mergers of public limited liability companies and Council Directive 82/891/EEC concerning the division of public limited companies as regards the requirement for an independent expert's report on the occasion of a merger or a division.

The House supports the Commission in its aim of easing domestic mergers or divisions. The amendments concern the issue of shareholder protection. MEPs also propose to set the transposition date to 31 December 2008 (as opposed to 31 July 2008 as was proposed by the Commission).

Public limited liability companies: mergers and divisions

2007/0035(COD) - 06/03/2007 - Legislative proposal

PURPOSE: to align the provisions of Council Directives 78/855/EEC and 82/891/EEC on the expert report on the draft terms of merger or division with the corresponding rule in Article 8 of Directive 2005/56/EC.

PROPOSED ACT: Directive of the European Parliament and of the Council

CONTENT: on 14 November 2006, the Commission presented a Strategic Review of Better Regulation in the EU (see COM (2006)0689), including a proposal for a target to reduce the administrative burdens on businesses by 25% by 2012.

Ten concrete proposals for "fast track action" were identified in the Action Programme for reducing administrative burdens in the EU (COM(2007)0023), based on broad stakeholder consultation and suggestions from Member States and Commission experts. The "fast track actions" aim at significantly reducing administrative burdens on businesses through minor legislative changes without challenging the level of protection or the original purpose of the legislation.

One of these "fast track action" proposals relates to Council Directive 78/855/EEC concerning mergers of public limited liability companies and Council Directive 82/891/EEC concerning the division of public limited liability companies. The aim of this proposal is to remove unnecessary administrative burdens on businesses by giving shareholders the direct possibility to renounce the written expert report on the draft terms of merger or division, if they so desire. This will bring the two directives in line with the current requirements in the Tenth Company Law Directive (Directive 2005/56/EC on cross-border mergers of limited liability companies) (see COD/2003/0277).

Consultations with the Commission's Advisory Group on Corporate Governance and Company Law have confirmed that this requirement of Council Directive 78/855/EEC concerning the expert report on the draft terms of mergers is excessive. As it has already been recognised in the context of the adoption of Directive 2005/56/EC, this requirement becomes an unnecessary formality where the shareholders of all companies involved in the merger do not consider such a report necessary.

Furthermore, the Commission has received positive responses to the presentation of its Action Programme, including the fast track proposal related to Company Law. A few responses have underlined concerns about transparency and shareholder protection. These concerns have been taken into account in the current proposal. It seems therefore appropriate to align the provisions of Council Directives 78/855/EEC and 82/891/EEC with the exemption contained in Directive 2005/56/EC.

Public limited liability companies: mergers and divisions

2007/0035(COD) - 13/11/2007 - Final act

PURPOSE: to reduce the administrative burden arising from the information requirements stemming from Council Directive 78/855/EEC concerning mergers of public limited liability companies and Council Directive 82/891/EEC concerning the division of public limited liability companies in the event of a merger or division.

LEGISLATIVE ACT: Directive 2007/63/EC of the European Parliament and of the Council amending Council Directives 78/855/EEC and 82/891/EEC as regards the requirement of an independent expert's report on the occasion of merger or division of public limited liability companies.

CONTENT: the Council adopted in first reading, following agreement with the European Parliament, a directive amending Council Directives 78/855 /EEC and 82/891/EEC as regards the requirement of an independent expert's report on the occasion of merger or division of public limited liability companies.

The amendment to the two above-mentioned directives consists in a simplification, in line with Directive 2005/56/EC on cross-border mergers of limited liability companies which provides for an exemption from the obligation to have the draft terms of merger examined by independent experts and a report drawn up by such experts for the shareholders of the companies involved in the merger, if all the shareholders agree that such a report is not needed.

ENTRY INTO FOCRE: 07/12/2007

TRANSPOSITION: 30/12/2008