Basic information

2008/0083(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure lapsed or withdrawn
Company law: publication and translation obligations of certain types of companies **Subject** 3.45.01 Company law 3.45.08 Business environment, reduction of the administrative burdens	

Key players

Council of the European Union	
European Commission	Commission DG: Financial Stability, Financial Services and Capital Markets Union — Commissioner: BARNIER Michel

Key events

Date	Event	Reference	Summary
17/04/2008	Legislative proposal published	COM(2008)0194	Summary
20/05/2008	Committee referral announced in Parliament, 1st reading		
07/10/2008	Vote in committee, 1st reading		Summary
31/10/2008	Committee report tabled for plenary, 1st reading	A6-0400/2008	
18/11/2008	Debate in Parliament		
19/11/2008	Decision by Parliament, 1st reading	T6-0547/2008	Summary
19/11/2008	Results of vote in Parliament		
26/04/2012	Proposal withdrawn by Commission		Summary

Technical information

Procedure reference	2008/0083(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Legal basis	Treaty on European Union TEU 50-p2 Treaty on the Functioning of the European Union TFEU 050-p2-ag
Stage reached in procedure	Procedure lapsed or withdrawn

Committee dossier	JURI/6/62015

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE409.698	18/07/2008	
Committee opinion	ECON	PE412.084	07/10/2008	
Committee report tabled for plenary, 1st reading/single reading		A6-0400/2008	31/10/2008	
Text adopted by Parliament, 1st reading/single reading		T6-0547/2008	19/11/2008	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2008)0194	17/04/2008	Summary
Document attached to the procedure	SEC(2008)0466	17/04/2008	
Document attached to the procedure	SEC(2008)0467	17/04/2008	
Commission response to text adopted in plenary	SP(2008)7295	12/12/2008	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Company law: publication and translation obligations of certain types of companies

2008/0083(COD) - 19/11/2008 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted, by 571 votes to 35 with 10 abstentions, a legislative resolution, amending the proposal for a directive of the European Parliament and of the Council amending Council Directives 68/151/EEC and 89/666/EEC as regards publication and translation obligations of certain types of companies. The report had been tabled for consideration in plenary by Piia-Noora **KAUPPI** (EPP-ED, FI), on behalf of the Committee on Legal Affairs. Parliament supported the Commission's proposal and made certain amendments to clarify the practical implementation of provisions on the costs of publication and translation.

The main amendments – adopted in 1st reading of the codecision procedure – are as follows:

- in order to allow for a cost effective publication that provides users with easy access to the information Member States should make mandatory the use of a central electronic platform. Parliament stated that this platform should either contain all the information that is required to be disclosed or give access to this information in the company's electronic file in the Member States' registers. Member States should, furthermore, ensure that any costs charged to companies for such publication are included in a single fee, together with those, if any, that are charged for entries in the register.

- any existing publication obligations in Member States should not lead to any additional specific fees. This should not, however, prejudice the freedom of Member States to pass on to companies the costs connected with the setting-up and operation of the platform, including the formatting of documents, either by including those costs in registration fees or by demanding a mandatory periodical contribution from companies ;

- in line with the principle of subsidiarity, Member States may continue all other existing forms of publication, provided that they are well defined and based on objective conditions, particularly in the interests of legal certainty and information security and having regard to the availability of access to the Internet and national practices. Member States should cover the costs of such complementary publication obligations within the single fee.

- where a Member State requires certification, the translation shall be certified by a person so qualified in any Member State ;

- lastly, Members adopted a technical amendment in order to ensure a correct cross-referencing with the Second Company Law Directive (77/91/EEC).

Company law: publication and translation obligations of certain types of companies

2008/0083(COD) - 17/04/2008 - Legislative proposal

PURPOSE: to amend Council Directives 68/151/EEC and 89/666/EEC as regards publication and translation obligations of certain types of companies.

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

BACKGROUND: the European Council agreed, at its meeting on 8 and 9 March 2007, that administrative burdens on companies should be reduced by 25% by the year 2012 in order to enhance the competitiveness of companies in the Community. Company law has been identified as one area that contains a high number of information obligations for companies, some of which seem outdated or excessive. These information obligations need to be reviewed in order to reduce the burdens weighing on companies within the Community to the minimum that is necessary to ensure the protection of the interests of other stakeholders.

Under the **First Company law Directive 68/151/EEC** of 9 March 1968, companies need to publish, in the national gazettes, certain information that has to be entered into the Member States' commercial registers. This is, in particular, information about the company's foundation, later changes to this information and the annual accounts that have to be published on a yearly basis. In most cases, the publication in the national gazette entails additional costs for the companies without providing real added value in times where company registries make their information available online. The objective is therefore to remove any additional publication requirements in national law that cause additional costs to the companies.

Under **Eleventh Company Law Directive 89/666/EEC** of 21 December 1989, the proposal targets the translation requirements, in national law, for documents to be filed to the branch's register. When registering a branch, companies need to file certain information contained in their file also with the register of the branch. This often leads to a double cost for companies as they not only have to ensure the translation of certain documents into the language of the Member State where the branch is situated but also have to comply with sometimes excessive requirements for certification and/or notarisation of that translation. The objective is to reduce the costs for translation and certification to the minimum.

CONTENT: the proposed measures constitute a second series of actions and an overall programme aimed at reducing the administrative burdens on companies from 25% by the year 2010 (see also COD/2008/0084):

Amendment of the First Company law Directive: it sets a new minimum publication requirement on the basis of the alternative means of publication contained currently in Article 3(4) First Company law Directive. This minimum requirement takes account of the fact that the use of electronic means is becoming more and more common in all areas. The fact that the provision sets only a minimum requirement means that Member States have to provide for an electronic chronological access to the information but remain free to prescribe, in addition, the use of the additional means of publication (e.g. paper based national gazette, national or regional newspapers). However, the new second subparagraph of Article 3(4) clarifies that Member States have to make sure that the publication in any case does not lead to any specific fees being charged to the companies.

Amendment of the Eleventh Company law Directive: it maintains the current possibility, for Member States, to require the translation and certification of that translation with a view to certain documents concerning the company. It clarified that also the attestation pursuant to Article 2(2)(c) can be required in the language of the host Member State of the branch which in practice is already done by most Member States today. The second sentence then stipulates, however, that any such requirement shall be deemed fulfilled where a translation is submitted that has been certified by a person that, under the rules on certification in force in another Member State , is entitled to issue such a certificate. The attestations that have been issued in the language required by the Member State of the branch have to be accepted by the register in that state.

The proposal also clarifies that Member States, apart from the formalities described above cannot impose any other formal requirements. This provision covers in particular any requirements for notarisation of already certified documents or their legalisation, for instance by an Apostille under Hague Convention of 5 October 1961 Abolishing the Requirement of Legalisation for Foreign Public Documents. It is, however, without prejudice to any rules requiring Apostille for the attestation on the existence of the company.