Basic information

2023/0089(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Company law: further expanding and upgrading the use of digital tools and processes Amending Directive 2009/102 2008/0109(COD) Amending Directive 2017/1132 2015/0283(COD) **Subject** 3.45.01 Company law **Legislative priorities** Joint Declaration 2023-24	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
JURI Legal Affairs	RADEV Emil (EPP)	05/05/2023
	Shadow rapporteur LEITÃO-MARQUES Maria-Manuel (S&D) DZHAMBAZKI Angel (ECR)	

Committee for opinion	Rapporteur for opinion	Appointed
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	

Council of the European Union

European Commission

Commission DG	Commissioner
Justice and Consumers	REYNDERS Didier

European Economic and Social Committee

Key events

Date	Event	Reference	Summary
		COM(2023)0177	Summary

29/03/2023	Legislative proposal published		
17/04/2023	Committee referral announced in Parliament, 1st reading		
29/11/2023	Vote in committee, 1st reading		
29/11/2023	Committee decision to open interinstitutional negotiations with report adopted in committee		
05/12/2023	Committee report tabled for plenary, 1st reading	A9-0394/2023	Summary
11/12/2023	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		
13/12/2023	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 72)		
08/04/2024	Approval in committee of the text agreed at 1st reading interinstitutional negotiations		
24/04/2024	Decision by Parliament, 1st reading	T9-0360/2024	Summary
24/04/2024	Results of vote in Parliament		
16/12/2024	Act adopted by Council after Parliament's 1st reading		
19/12/2024	Final act signed		
10/01/2025	Final act published in Official Journal		

Technical information

Procedure reference	2023/0089(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Amending Directive 2009/102 2008/0109(COD) Amending Directive 2017/1132 2015/0283(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 114 Treaty on the Functioning of the European Union TFEU 050-p1 Treaty on the Functioning of the European Union TFEU 050-p2-ag
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	JURI/9/11686

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE751.881	19/07/2023	
Amendments tabled in committee		PE753.448	18/09/2023	
Committee report tabled for plenary, 1st reading/single reading		A9-0394/2023	05/12/2023	Summary

Text adopted by Parliament, 1st reading/single reading		T9-0360/2024	24/04/2024	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00074/2024/LEX	19/12/2024	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2023)0177	29/03/2023	Summary
Document attached to the procedure	SEC(2023)0377	30/03/2023	
Document attached to the procedure	SWD(2023)0177	30/03/2023	
Document attached to the procedure	SWD(2023)0178	30/03/2023	
Document attached to the procedure	SWD(2023)0179	30/03/2023	
Commission response to text adopted in plenary	SP(2024)394	08/08/2024	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	DE_BUNDESRAT	COM(2023)0177	28/06/2023	
Contribution	PT_PARLIAMENT	COM(2023)0177	18/09/2023	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EDPS	Document attached to the procedure	N9-0046/2023 OJ C 253 18.07.2023, p. 0008	17/05/2023	
EESC	Economic and Social Committee: opinion, report	CES1272/2023	14/06/2023	

Additional information

Source	Document	Date
European Parliament	Briefing	05/07/2024
European Commission	EUR-Lex	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	**Role**	**Committee**	**Date**	**Interest representatives**
LEITÃO-MARQUES Maria-Manuel	Shadow rapporteur	JURI	18/09/2023	Council of the Notariats of the European Union
LEITÃO-MARQUES Maria-Manuel	Shadow rapporteur	JURI	05/09/2023	Brussels Office of the Austrian Chamber of Civil Law Notaries
LEITÃO-MARQUES Maria-Manuel	Shadow rapporteur	JURI	04/09/2023	Council of Bars and Law Societies of Europe
LEITÃO-MARQUES Maria-Manuel	Shadow rapporteur	JURI	04/09/2023	Fleishman-Hillard Global Legal Entity Identifier Foundation
RADEV Emil	Rapporteur	JURI	18/07/2023	Conseil des Notariats de l'Union Européenne
RADEV Emil	Rapporteur	JURI	06/06/2023	Österreichische Notariatskammer

Final act	
Directive 2025/0025 OJ OJ L 10.01.2025	Summary

Company law: further expanding and upgrading the use of digital tools and processes

2023/0089(COD) - 10/01/2025 - Final act

PURPOSE: to increase the amount and improve the reliability of company documents and information available in business registers or through the system of interconnection of registers, and to enable direct use of company data available in business registers when setting up cross-border branches and subsidiaries and in other cross-border activities and situations.

LEGISLATIVE ACT: Directive (EU) 2025/25 of the European Parliament and of the Council amending Directives 2009/102/EC and (EU) 2017/1132 as regards further expanding and upgrading the use of digital tools and processes in company law.

CONTENT: the Directive aims to **harness the potential of digital tools** to facilitate the life of entrepreneurs, reduce administrative burdens and make cross-border business faster, simpler and more transparent.

The new rules will make company's data more easily available, enhance trust and transparency in companies across member states, create more connected public administrations and reduce red tape for companies and other stakeholders in cross-border situations.

The main elements of the amending directive are as follows:

Preventive control

The Directive provides for a preventive administrative, judicial or notarial control or any combination thereof, respecting Member States' legal systems and legal traditions, including business registers which are administrative or judicial authorities, should be provided for in all Member States in order to ensure the reliability of company documents and information in cross-border situations.

More connected public administrations

To facilitate access to company information and create more connected public administrations on a cross-border basis in the internal market, it is important to connect the already-functioning, Union-level systems of interconnection that hold important company information. Therefore, the **system of interconnection of registers** (**BRIS**) should be connected with the Beneficial Ownership Registers Interconnection System (BORIS) which links national central registers containing information on the beneficial owners of companies and other legal entities, trusts and other types of legal arrangements, and with the Insolvency Registers Interconnection system (IRI). The Directive makes it possible to disclose information on limited partners through the Business Registers Interconnection System (BRIS), where such information is publicly available in the national registers.

Applying the 'only once' principle

Applying the 'once-only' principle entails that companies are not asked to submit the same information to public authorities more than once. For example, when setting up a subsidiary company in another Member State, companies should not have to resubmit the company documents or information relating to the existence and registration of the founder company already submitted to the register where the founder company is registered.

Applying the 'once-only' principle also means that the founder company should not have to resubmit the company documents or information to any authority, body or person.

EU Company Certificate

The Directive establishes a harmonised EU Company Certificate. The latter must be accepted in all Member States as **sufficient proof**, at the time of its issue, of the incorporation of the company and of the information held by the register in which the company is registered.

The EU Company Certificate will include the object of the company, using NACE codes, where national law allows the use of these codes and the object of the company is registered in the national register (the NACE code is a 6-digit code corresponding to the statistical classification of economic activities in the European Community).

Certain types of companies, such as partnerships or capital companies, will be able to obtain their EU Company Certificate in electronic form **free of charge**, unless this would seriously prejudice the financing of the national register, in which case the price may not exceed the administrative costs. The Commission will publish the **multilingual template** of the EU Company Certificate on the European e-Justice Portal.

EU Digital Power of Attorney

Member States will have to ensure that companies, for the purposes of procedures carried out in another Member State, in particular the incorporation of companies, the registration or closure of branches, cross-border conversions, mergers and divisions, can use an EU Digital Power of Attorney template to authorise a person to represent the company.

The Directive clarifies the elements that will have to be included in the EU Digital Power of Attorney, a multilingual standard template that will reduce formalities such as apostille or translation in cross-border procedures.

Safeguards in cases of reasonable doubt as to abuse or fraud

The authorities in another Member State may **exceptionally and on a case-by-case basis**, where they have reasonable grounds to suspect abuse or fraud, refuse to accept documents or information about a company from a register in another Member State as evidence of the registration of a company or its continued existence, or as evidence in respect of the specific company information that is the subject of suspicion of abuse or fraud.

Revision clause

Lastly, the Directive provides for the possibility of including **cooperatives** in the Company Law Directive in the future.

ENTRY INTO FORCE: 30.1.2025.

TRANSPOSITION: no later than 31.7.2027.

Company law: further expanding and upgrading the use of digital tools and processes

2023/0089(COD) - 05/12/2023 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Legal Affairs adopted the report by Emil RADEV (EPP, BG) on the proposal for a directive of the European Parliament and of the Council amending Directives 2009/102/EC and (EU) 2017/1132 as regards further expanding and upgrading the use of digital tools and processes in company law.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

With a view to reducing administrative burden for companies in order for them to fully benefit from a harmonised, integrated and digitalised single market, without administrative barriers, Members proposed the following changes:

Complementary public electronic controls of identity, legal capacity and legality

The report stated that the legality of company law transactions, the protection of reliable public registers and the prevention of illegal activities require the correct and secure identification of the participants to company law transactions as well as the verification of their legal capacity. The reliable identification of the customer in line with the know-your-customer principle under AML/CFT rules is the prerequisite for any AML/CFT customer due diligence obligations and thus any ML/TF prevention.

Therefore, for the procedures within the scope of this Directive, Member States should be allowed to provide for complementary public electronic controls of identity, legal capacity and legality. Those complementary public electronic controls could include public remote audio-visual identity controls, including electronic checks of identity photos.

EU Company Certificate

To encourage companies to apply for an EU Company Certificate, the amended text stated that Member States should ensure that each company listed in Annexes II and IIB, as well as third parties which need reliable essential information about companies, may obtain its EU Company Certificate in electronic format free of charge.

EU digital power of attorney

Members consider that the EU power of attorney should be signed using qualified electronic signatures or in case the digital EU power of attorney is certified or authenticated, the certifying or authenticating authority should use qualified electronic signatures or seals. Once filed, the digital EU power of attorney should be deemed to be valid in its published form until an amendment or revocation has been published in the register. Any amendment or revocation of the EU power of attorney has to be published in the register.

Competent authorities, registers or any other third party who can demonstrate legitimate interest, should have access to the digital EU power of attorney in the register of the company. Any charge for accessing such document should be proportionate to the actual cost for the register.

Company law: further expanding and upgrading the use of digital tools and processes

2023/0089(COD) - 29/03/2023 - Legislative proposal

PURPOSE: to further expand the use of digital tools and processes in EU company law.

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

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: companies are at the heart of the single market. Thanks to their business activities and investments, including on a cross-border basis, they play a leading role in contributing to the EU's economic prosperity, competitiveness and in carrying through the EU's twin transition to a sustainable and digital economy. To this end, companies need a **predictable legal framework** that is conducive to growth and adapted to face the new economic and social challenges in an increasingly digital world. The proposed measures will apply to around 16 million limited liability companies and 2 million partnerships in the EU.

The proposal is expected to bring a strong positive recurrent administrative costs saving for companies, of around EUR 437 million per year.

This proposal upgrades EU digital company law further through the use of digital tools and processes. While the proposal focuses primarily on online procedures and electronic copies and extracts of company documents or information, its provisions take into account both the physical and digital environment and also address physical procedures, e.g. any other forms of formation of companies than fully online, and paper copies and extracts.

The proposal is updating the existing EU rules for companies (Directive (EU) 2017/1132) to adapt them further to the digital developments and new challenges, and to stimulate growth and competitiveness in the single market.

CONTENT: the proposal's overall objectives are to enhance transparency and trust in the business environment, achieve more digitalised and connected cross-border public services for companies, and easier cross-border expansion for SMEs leading, in turn, to a more integrated and digitalised single market.

In particular, the proposal aims to:

- make more information about companies (e.g. about partnerships and groups of companies) publicly available in particular at EU level through the Business Registers Interconnection System (BRIS);

- ensure that company data in business registers is accurate, reliable and **up-to-date**, for example by providing for checks of company information before it is entered in business registers in all Member States;

- **cut red tape** when companies use company information from business registers in cross-border situations, e.g. by removing formalities such as the need for an **apostille** for company documents, applying the "once-only principle" when companies set up subsidiaries and branches in another Member State, and introducing a **multilingual EU Company Certificate** to be used in cross-border situations. Companies will benefit from reduction in administrative burden estimated at around EUR 437 million per year.

The new proposal, among other things, uses and expands the scope of the existing Business Registers Interconnection System (BRIS), which financing by the EU budget is mandatory under EU law, and that is already being funded by the Digital Europe Programme and managed by the Commission. In addition, the proposal does not introduce any new IT systems, but builds on the use of the existing and operational system of interconnection of registers as well as on the eIDAS Regulation.

Company law: further expanding and upgrading the use of digital tools and processes

2023/0089(COD) - 24/04/2024 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 550 votes to 3, with 19 abstentions, a legislative resolution on the proposal for a directive of the European Parliament and of the Council amending Directives 2009/102/EC and (EU) 2017/1132 as regards further expanding and upgrading the use of digital tools and processes in company law.

The objectives of this Directive aim to increase the amount and improve the reliability of company data available in business registers or through the system of interconnection of registers, and to enable direct use of company data available in business registers when setting up cross-border branches and subsidiaries and in other cross-border activities and situations.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the proposal as follows:

Preventive control

Member States should provide for preventive **administrative, judicial or notarial control**, or any combination thereof, of the instrument of constitution, the company statutes and any amendments to those documents.

Documents and information to be disclosed by partnerships

Member States should ensure compulsory disclosure by the types of partnerships listed in Annex IIB of at least the following documents and information:

- the name of the partnership; the legal form of the partnership; the registered office of the partnership or equivalent; the registration number of the partnership;

- the maximum amount of liability or contribution of limited partners, where this information is recorded in the national register;

- the instrument of constitution, and the statutes if they are contained in a separate instrument, if the filing of these documents to the register is required by national law;

- the **particulars of the partners, directors or other statutory representatives** who are authorised to represent the partnership in dealings with third parties and in legal proceedings, and information as to whether those persons are authorised to represent the partnership alone or are required to act jointly, or, if not applicable, information about the nature and scope of the authorisation of the partners, directors or other representatives to represent the partnership and their particulars;

- the particulars of the liquidators and their respective powers, unless such powers are expressly and exclusively derived from law or from the statutes of the partnership, where this information is recorded in the national register.

Applying the 'once-only' principle

Applying the 'once-only' principle entails that companies are not asked to submit the same information to public authorities more than once. For example, companies should not have to resubmit the company documents or information relating to the existence and registration of the founder company and thus already submitted to the register where the company is registered when creating a subsidiary in another Member State. Applying the 'once-only' principle also means that the founder company should not have to resubmit the company documents or information to any authority, body or person. These authorities should directly access information that is publicly available through the system of interconnections of registers via the European e-Justice portal.

EU Company Certificate

The certificate should include the **object of the company** describing its main activity or activities, which can be expressed using the Statistical Classification of Economic Activities in the European Community (NACE) code, where such code is used for the purposes of the register pursuant to applicable national law, and where the object is recorded in the national register.

Member States should ensure that each company listed in Annexes II and IIB may obtain its EU Company Certificate in electronic format **free of charge** unless it causes a serious prejudice to the financing of the business registers but in any case each company should be able to obtain its EU company certificate free of charge at least once per calendar year. In any case, the price for obtaining the EU Company Certificate, whether by paper or electronic means, should not exceed the administrative costs thereof, including the costs of development and maintenance of registers.

Digital EU power of attorney

Member States should ensure that, in order to carry out procedures in another Member State within the scope of this Directive, in particular the formation of companies, registration or closure of branches, cross-border conversions, mergers and divisions, may use a template for the digital EU power of attorney to authorise a person to represent the company.

Member States may require that the digital EU power of attorney, any amendment to it, and any revocation is to be filed in a register. The Commission should publish the **template** for the digital EU power of attorney on the portal in all official languages of the Union.

Safeguards in case of reasonable doubt as to abuse or fraud

Where justified by reasons of public interest to prevent abuse or fraud, the authorities in another Member State may exceptionally and on a case-by-case basis where they have reasonable grounds to suspect fraud or abuse, refuse to accept information or documents about a company from a

register in another Member State as evidence of the registration of a company or its continued existence, or as evidence of the specific company information subject to suspicion of fraud or abuse.

Company groups

Information about company groups is important to promote transparency and enhance trust in the business environment as well as to contribute to the effective detection of fraudulent or abusive schemes that could affect public revenues and the credibility of the single market. Therefore, information about group structures should be **publicly available** through the system of interconnection of registers for both domestic and cross-border groups.

Lastly, the Commission should assess whether **cooperatives**, which play an important role in many Member States, should be included in the scope of this Directive, taking into account their specificities.