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## I

*(Resolutions, recommendations and opinions)*

## RESOLUTIONS

## EUROPEAN PARLIAMENT

**Interconnection of business registers**

P7\_TA(2010)0298

**European Parliament resolution of 7 September 2010 on the interconnection of business registers (2010/2055(INI))**

(2011/C 308 E/01)

*The European Parliament,*

- having regard to the Commission Green Paper of 4 November 2009 on the interconnection of business registers (COM(2009)0614) and the progress report accompanying it,
- having regard to First Council Directive 68/151/EEC of 9 March 1968 on coordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 58 of the Treaty, with a view to making such safeguards equivalent throughout the Community <sup>(1)</sup>, as amended by Directive 2003/58/EC of the European Parliament and of the Council of 15 July 2003 <sup>(2)</sup>,
- having regard to Eleventh Council Directive 89/666/EEC of 21 December 1989 concerning disclosure requirements in respect of branches opened in a Member State by certain types of company governed by the law of another State <sup>(3)</sup>,
- having regard to Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC <sup>(4)</sup>,
- having regard to Directive 2005/56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies <sup>(5)</sup>,
- having regard to Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) <sup>(6)</sup>,
- having regard to Council Regulation (EC) No 1435/2003 of 22 July 2003 on the Statute for a European Cooperative Society (SCE) <sup>(7)</sup>,

<sup>(1)</sup> OJ L 65, 14.3.1968, p. 8.<sup>(2)</sup> OJ L 221, 4.9.2003, p. 13.<sup>(3)</sup> OJ L 395, 30.12.1989, p. 36.<sup>(4)</sup> OJ L 390, 31.12.2004, p. 38.<sup>(5)</sup> OJ L 310, 25.11.2005, p. 1.<sup>(6)</sup> OJ L 294, 10.11.2001, p. 1.<sup>(7)</sup> OJ L 207, 18.8.2003, p. 1.

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- having regard to its resolution of 18 December 2008 with recommendations to the Commission on e-Justice <sup>(1)</sup>,
  
  - having regard to its resolution of 22 April 2009 on the effective enforcement of judgments in the European Union: the transparency of debtors' assets <sup>(2)</sup>,
  
  - having regard to Rule 48 of its Rules of Procedure,
  
  - having regard to the report of the Committee on Legal Affairs and the opinions of the Committee on Economic and Monetary Affairs and the Committee on the Internal Market and Consumer Protection (A7-0218/2010),
- A. whereas business registers examine, register and store company information about such matters as a company's legal form, seat and capital, the appointment, termination of office, powers and particulars of its legal representatives, the accounting documents for each financial year, and, where appropriate, the company's winding-up, and make that information available to the public,
- B. whereas business registers in the EU operate on a national or regional basis and store only information about companies which are registered in the area for which they are responsible,
- C. whereas there is an increasing demand for access to information about companies in a cross-border context, either for commercial purposes or to facilitate access to justice; whereas it is essential for creditors and enforcement authorities to have reliable and up-to-date information about debtors and their assets; whereas there is a necessity to disclose particular details in order to ensure that employees' rights laid down in European company law are respected,
- D. whereas the fact that business registers are not yet interconnected causes economic losses and problems for all stakeholders – not only companies but also their employees, consumers and the public – especially in terms of transparency, efficiency and legal certainty; whereas facilitated access to reliable and updated information on companies from all the Member States across borders increases transparency and legal certainty in the internal market and can restore trust in the markets following the financial and economic crisis,
- E. whereas since 1 January 2007 the information contained in business registries has been stored electronically and is accessible on-line in all Member States; whereas, although the relevant business information is available on-line, register standards differ and stakeholders have to deal with different languages, search conditions and structures,
- F. whereas the content, meaningfulness and legal significance of individual registers tends to differ, and whereas this could have legal consequences that could vary from Member State to Member State,
- G. whereas a single access point to business information relating to all European companies would save time and cost; whereas in order to achieve this aim the mandatory participation of all Member States in this access point should be considered,
- H. whereas this single access point should provide high-quality information from all Member States; whereas this information should be reliable, kept up to date and provided in a standard format and in all EU languages; whereas this single access point should be actively followed up by the Commission,

<sup>(1)</sup> Texts adopted, P6\_TA(2008)0637.

<sup>(2)</sup> Texts adopted, P6\_TA(2009)0238.

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- I. whereas in its flagship initiative ‘An industrial policy for the globalisation era’ contained in its communication entitled ‘Europe 2020: a European strategy for smart, sustainable and inclusive growth’, the Commission undertakes to ‘improve the business environment, especially for SMEs, including through reducing the transaction costs of doing business in Europe’,
- J. whereas on 25 and 26 May 2010 the Council adopted conclusions that rightly underline the importance of data quality and the need for access to information to be simplified in order to enhance stakeholders’ trust and the success of activities within the internal market, as well as the need for all the Member States to be involved in ensuring centralised access to information,
- K. whereas cooperation between business registers is essential in the case of cross-border mergers, seat transfers or cross-border insolvency proceedings; whereas cooperation is explicitly required by several company-law instruments, such as Directive 2005/56/EC, Regulation (EC) No 2157/2001 and Regulation (EC) No 1435/2003,
- L. whereas the disclosure requirements for foreign branches laid down by Eleventh Company Law Directive 89/666/EEC mean that in practice cooperation between business registries is essential; whereas that cooperation should not be confined to the time when a branch is opened, but should also extend to ensuring that the relevant information is correct and updated in order to avoid discrepancies between the contents of the register containing the branch’s details and those of that containing the parent company’s details,
- M. whereas once the Statute for a European Private Company (COM(2008)0396) is adopted the number of cases that require cross-border cooperation may increase significantly,
- N. whereas several mechanisms for cooperation between business registers are already in place, such as the European Business Register (EBR), the Business Register Interoperability Throughout Europe (BRITE) project and the Internal Market Information System (IMI); whereas the EBR and BRITE are voluntary, and therefore not all Member States participate in them; whereas, furthermore, BRITE is only a research project,
- O. whereas in its resolution of 18 December 2008 Parliament welcomed the idea of creating an e-Justice portal; whereas the European e-Justice action plan for 2009-2013 provides for the integration of the EBR into the European e-Justice portal,
1. Believes that the project’s usefulness for the further integration of the European economic area can be exploited only if all Member States take part and takes the view that to this end mandatory participation of all Member States should be taken into consideration;
  2. Takes the view that the EBR initiative and the BRITE project should be pursued first, and considers that participation should be made compulsory; insists on the importance of the IMI for enhanced implementation of internal market legislation, as it has already proved to be a successful instrument with regard to the implementation of the Professional Qualifications Directive <sup>(1)</sup> and the Services Directive <sup>(2)</sup>; recalls that all Member States already use IMI and that it could be extended to a wider range of procedures without incurring significant investment by the Member States;
  3. Points out that register data are not comparable with data of a purely economic nature; believes, for this reason, that public access to reliable, up-to-date information should be provided via an official single access point; points out that this will improve transparency, efficiency and legal certainty, to the benefit of companies and their workers, consumers and the system as a whole;

<sup>(1)</sup> Directive 2005/36/EC of the European Parliament and of the Council of 7 September 2005 on the recognition of professional qualifications (OJ L 255, 30.9.2005, p. 22).

<sup>(2)</sup> Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (OJ L 376, 27.12.2006, p. 36).

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4. Calls on the Commission to work towards integrating all the Member States into this future single information access point by providing expertise and additional resources; asks the Commission to examine the advantages and disadvantages of mandatory membership of this new single information access point for all Member States;
5. Points out that the significance of the data held in different business registers can vary and that this can in turn have legal consequences, not only for companies but also for their workers and for consumers, that may vary from Member State to Member State;
6. Considers that information about company registration is also of importance to employees, in particular in companies where European company law – i.e. Regulation (EC) No 2157/2001, Regulation (EC) No 1435/2003 and Directive 2005/56/EC – applies; considers that this information is also of importance in the light of the provisions of Directive 2003/72/EC<sup>(1)</sup> and Directive 2001/86/EC<sup>(2)</sup>, which provide for the preservation of employees' pre-existing participation rights in the resulting companies;
7. Emphasises, therefore, the importance of informing users accessing register data that the legal significance of and obligations relating to that data may vary from Member State to Member State;
8. Points out, with regard to the relationship between main offices and branches, that more automated interconnection would facilitate the exchange of entries;
9. Is aware that the content of entries is not always sufficiently consistent;
10. Believes that it is essential for the proper functioning of the internal market to make official and reliable information about companies trading in the EU available to the public; welcomes in this context the Commission Green Paper on the interconnection of business registers;
11. Notes that greater transparency in the internal market could lead to increased cross-border investment;
12. Is convinced that better and easier access to information is necessary in order to assist small and medium-sized enterprises, which are a key element in the backbone of the European economy and the main motor for creating jobs, economic growth and social cohesion in Europe, as it helps to lighten the administrative burdens of such enterprises;
13. Stresses that easy access to reliable data concerning mergers, seat transfers or other cross-border procedures is indispensable for European companies and will further boost competitiveness in the internal market and make it work more smoothly by reinforcing its main freedoms, i.e. the free movement of funds, services and individuals;
14. Believes that any strategy for exiting the crisis and improving the operation of the single market must involve greater transparency and cooperation in cross-border mechanisms, which will boost the confidence of Europe's 500 million consumers;
15. Acknowledges the efforts made within the different cooperation mechanisms and initiatives;

<sup>(1)</sup> Council Directive 2003/72/EC of 22 July 2003 supplementing the Statute for a European Cooperative Society with regard to the involvement of employees (OJ L 207, 18.8.2003, p. 25).

<sup>(2)</sup> Council Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of employees (OJ L 294, 10.11.2001, p. 22).

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16. Stresses, however, that further steps need to be taken and that market transparency requires, on the one hand, that the data contained in the business registries of the 27 Member States should be easy to access via a single access point that is actively followed up and, on the other hand, that they should be reliable, kept up to date and provided in a standard format and in all EU official languages; believes that it should first be evaluated to what extent this would cause additional translation costs and that, to this end, the mandatory participation of all Members States should be considered;
  17. Calls for effective ways of publicising the existence of this single access point to be guaranteed so that all stakeholders can use it to obtain clear and reliable information on European companies;
  18. Points out that the High Level Group of Independent Stakeholders on Administrative Burdens (Stoiber Group) has shown that facilitating cross-border electronic access to business information could generate annual savings of more than EUR 160 million;
  19. Stresses the importance of access to information on European companies, especially in the light of the Services Directive and the pending Statute for a European Private Company;
  20. Points out, however, that the steps taken should not impose additional administrative burdens on companies, particularly SMEs;
  21. Looks forward to the launch of the e-Justice portal, which must be accessible to individuals, businesses, legal practitioners and the judiciary and must be user-friendly; supports the idea of integrating the EBR into that portal;
  22. Stresses the importance of further merging of BRITE, IMI and EBR data and systems in order to put in place a single information access point for internal market stakeholders and consumers, reducing the costs of transactions for both producers and consumers by concentrating information in one place and thus boosting cross-border commerce, especially cross-border electronic commerce, and economic growth in the Union;
  23. Supports the establishment, in the meantime, of compulsory mechanisms for cooperation between registries, in particular in connection with regularly updating the data required to be disclosed in respect of foreign branches; recommends that practical questions involving cooperation should be clarified in an administrative agreement between the Member States and/or their business registers;
  24. Considers that linking the network of business registers to the electronic network created under the Transparency Directive will provide easy access to legal and financial information about listed companies, as well as added value for investors;
  25. Insists that any European solution must guarantee members of the public and companies adequate protection for personal and commercial data in order to prevent the misuse of such data and to guarantee the legal safety of sensitive data;
  26. Stresses that any integrated European solution must in particular take account of the extent to which national registers or existing European registers covering some sectors of the economy could be closed down, adapted or merged in order to prevent duplication of work, in keeping with the objective of cutting red tape and ensuring clarity and simplicity;
  27. Instructs its President to forward this resolution to the Council and the Commission.
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