



## The Legal Section

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### Note to the members of the ECRF

Subject: Draft comment of the ECRF on the Communication from the Commission to the Council and the European Parliament “Modernising Company Law and Enhancing Corporate Governance in the European - A Plan to Move Forward” presented by the European Commission on 21 May 2003

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### **Modern technology and Company Law - Background:**

- In Mai and June 2002 the High Level Group of Experts of Company Law Experts set up by the European Commission launched a consultation on modern European company law.

The consultative document can be downloaded at:

[http://europa.eu.int/comm/internal\\_market/en/company/company/modern/index.htm](http://europa.eu.int/comm/internal_market/en/company/company/modern/index.htm)

- The ECRF took part in the consultation and submitted comments agreed on at the annual conference in June 2002.

See annex to the newsletter “International cooperation between companies registries and recent developments in the EU”.

- The High Level Group of Company Law Experts presented its “Final Report on A Modern Regulatory framework for Company Law in Europe” on 4 November 2002.

The document can be found at:

[http://www.europa.eu.int/comm/internal\\_market/en/company/company/modern/index.htm](http://www.europa.eu.int/comm/internal_market/en/company/company/modern/index.htm)

- On 21 Mai 2003 the European Commission presented an “Action Plan on Modernising Company Law and Corporate Governance”.

The document can be downloaded at:

[http://www.europa.eu.int/comm/internal\\_market/en/company/company/official/index.htm](http://www.europa.eu.int/comm/internal_market/en/company/company/official/index.htm)

The Action Plan is the Commission's response to the Final Report of the High Level Group of Company Law Experts.

The Plan is open to public consultation.

Comments can be sent to: [MARKT-COMPLAW@cec.eu.int](mailto:MARKT-COMPLAW@cec.eu.int).

Deadline: 31 August 2003

## **Modern technology and Company Law - Positions:**

### *The High Level Group of Company Law Experts:*

According to the High Level Group of Company Law Experts modern technology should play a central role in a modern framework of company law.

The Group presented the following recommendations

- Listed Companies are to be required to publish all company law and securities law filings and disclosures on a specific section of their website, with to-way links to relevant public registers and filing systems.
- Linking of commercial registers in the EU should be actively promoted and facilitated.
- Each member State should set up a central electronic filing system for filings and disclosures by listed companies.

### *The ECRF*

In its comment to the High Level Group of Company Law Experts the ECRF underlined the importance of safe-keeping of data and the need to synchronise data sources.

In addition the ECRF drew attention to the ongoing projects European Business Register Trust and Internet Confidence Service (EBR-TIC) and crXML, an initiative of the ECRF to develop a standard for the exchange of data in respect of enterprises.

### *The European Commission*

The recommendations made by the High Level Group of Company Law Experts on modern technology are not addressed in the Commission's Action Plan. The Commission considers these proposals to be partly covered by the proposed Transparency Directive. According to the Commission the need for further EU intervention will depend upon forthcoming national initiatives. See MEMO/03/112.

## **Draft comment of the ECRF:**

**The following remarks are meant as a draft for the comment of the ECRF on the Commission's Action Plan to be discussed at the ECRF-conference in Seville 12 -13 June 2003.**

The European Commerce Registers Forum (ECRF) wants to increase the competitiveness of the European business and industry, and to encourage and assist improvement in the administration of technical and practical procedures, laws and regulations administered by the business and commerce registers, through mutual cooperation, education, benchmarking and exchange of ideas, conferences and working groups.

Modern technology has a profound impact on society in Europe. In the field of company law it offers many new possibilities but also dangers. This situation requires a co-ordinated approach with respect to developing national electronic filing systems.

The ECRF welcomes steps by EU institutions in order to support and co-ordinate initiatives towards linking of commercial registers or developing national central electronic filing systems.

In this context the ECRF would like to draw attention to the following ongoing projects: European Business Register Trust and Internet Confidence Service (EBR-TIC) and crXML, an initiative of the ECRF to develop a standard for the exchange of data in respect of enterprises.