

8 October 2001

**EUROPEAN COMPANY STATUTE ADOPTED AFTER 30 YEARS –  
PROGRESS BUT WITH WEAKNESSES, SAYS UNICE**

UNICE sees today's adoption – after thirty years of discussion - of the European Company Statute as an important political step in the establishment of a real single market for companies. However, the statute adopted has three important weaknesses, according to UNICE:

- it does not include an agreement on a suitable tax regime,
- it falls short of providing companies with a genuine Community law instrument but rather creates fifteen different statutes,
- automatic application of pre-ordained "reference" rules, which prescribe a form of co-determination alien to the majority of Member States may have the effect of distorting the negotiating balance from the outset.

UNICE regrets that good proposals from the European Parliament were not taken on board by the Council.<sup>1</sup> The Parliament had explicitly asked the Commission to propose standard rules on taxation as a long-term solution to problems arising out of unequal taxation burdens.

Since the first proposal for a European Company Statute in June 1970, UNICE has repeatedly stressed the positive impact that the creation of an appropriate European Company Statute could have for the competitiveness of European companies on global markets. UNICE now trusts that the Committee that has to be set up to ensure proper implementation of the European Company Statute will take into account UNICE's concerns and can serve as a Forum to resolve many of the open questions which might affect the attractiveness of the statute.

Note to the editor:

UNICE is the official voice of more than 16 million small, medium and large companies active in Europe, employing over 106 million people. Active in European affairs since 1958, UNICE's members are 33 central industrial and employers federations from 26 countries, working together to achieve growth and competitiveness in Europe.

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<sup>1</sup> Concerning in particular aspects of company law (amendments 2, 4, 15 and 18), of fiscal aspects (amendments 5, 6 and 16) and worker involvement (amendments 7, 10, 12).