



EUROCHAMBRES

Connecting business to Europe

Position Paper

January 2010

INTERCONNECTION OF BUSINESS REGISTERS

GREEN PAPER
{SEC(2009) 1492}



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SUMMARY OF EUROCHAMBRES' POSITION

- Users should have easy and efficient access to reliable business register information. The quality (correctness and completeness) of the information is of great importance. And its access should be as cost effective and inexpensive as possible.
- EUROCHAMBRES considers that the cooperation of all EU business registers is a must and should be enforced if necessary. The experience developed by the EBR network makes it the natural vehicle for enhancing this cooperation.
- We call for the setting up of a minimum format and content for a European business extract/certificate of European enterprises, with the goal to further enhance uniformity and legal certainty.
- It is of the utmost importance that automated communication between business registers is based on standards and allows interoperability.
- The BRITE project has delivered good results that should be further exploited with the help of the Commission. The IMI system offers some complementarities.

1. THE NECESSITY OF AN ENHANCED COOPERATION OF BUSINESS REGISTERS

We agree with the European Commission that further measures are necessary to improve the access to information on companies in the European Union and thereby improve the application of the company law directives. The need for this will become even stronger with the implementation of the Services Directive and the still expected Statute for a European Private Company (SPE).

It is of particular importance that the users of the business register information can obtain the required information as easily as possible and at reasonable cost. The best solution would be that they can access the information from companies in other EU countries through the same Business Register organisation via which they access company information in their own country.

Additionally, we call upon the European Commission to lay down a minimum and comprehensive set of mandatory information to be registered in the national registries. That will allow the development of a European business extract/certificate of European enterprises, with the goal to further enhance uniformity and legal certainty. This information must be correct and complete ensuring a high level of reliability.

2. METHODS FOR IMPROVED COOPERATION

In our view it is of the utmost importance that at least all business registers from the EU countries take an active part in the EBR network to facilitate EU wide access to information. At the moment, a number of EBR participants cannot be member of the EEIG due to legal reasons.

It is desirable that this cooperation is governed by a solid legal basis, through means of a governance agreement or by EU legislation that obliges the competent organisations in the Member States to participate in the cooperation. Such a legal basis, which will be binding for all business registers in the EU member states, will also enhance the trust in the quality of the information and the systems which are used.

On the other hand, it is important to note that within the framework of the current cooperation a lot has already been achieved. Therefore we recommend not legislating too "heavily".

3. FACILITATING COMMUNICATION

It is of the utmost importance that automated communication between business registers are based on standards and allow interoperability.

We favour the implementation of the BRITE project results and consider the support of the European Commission to implement these results necessary.

- Several components deserve to be used as standards in the communication between business registers. E.g. the international business register number (Registered Entity Identifier; REID), the register of business registers (Directory of Registers; DoR) and the Branch Disclosure Service (BDS). This ensures that the data of the head office, branches, parent companies and subsidiaries registered in different business registers are kept up-to-date.
- BRITE operations are automated which, compared to the manual (error prone) processing of e-mail inquiries via IMI, makes it more reliable and the costs lower.
- BRITE can offer cross border services against the established regular prices, while the information provision via IMI is free of charge. According to the Services Directive, competent authorities from other countries must be able to access information from registers under the same conditions as authorities from the home country. It would therefore be rather peculiar if authorities from other countries would get access against more favourable conditions (for example free of charge) than the authorities based in the country of the entity itself.

BRITE is a pilot project that needs political support to gather around its objective all EU business registers. The support of the European Commission could focus on:

- Establishing a working plan that will state when and under which conditions each component should be implemented by Member States.
- Facilitating the development of ambitious objectives. E.g. information transmitted should have legal force, including in electronic form (as provided by the First Directive on Company Law).

EUROCHAMBRES recommends the European Commission to support existing sources, systems and registers first. However, IMI is an excellent instrument for the exchange of data for which there are currently no digital systems available yet. IMI would be a complementary system for business register information. Therefore EUROCHAMBRES recommends making more efficient use of IMI:

- Use the EBR system first to retrieve all the information on company registers through its multilingual interface.
- Offer a computer interface (APIs) that enables access to information that would only be available via the IMI system.

4. THE DISCLOSURE OF BRANCHES

EUROCHAMBRES agrees that a permanent connection and an automated comparative check of the content of the registers involved is required with regard to branch disclosures. The technical solution could be provided by implementing the Branch Disclosure Service (BDS) from the BRITE-project.

We support the European Commission's idea to establish a legal basis for cooperation between business registers with respect to foreign branches, since the 11th company law directive (89/666/EEC) currently does not lay down a legal requirement for this type of cooperation.

Another innovative solution could be to lay down in the 11th company law directive that the registration of a branch will take place on the register where the company is registered, and that the registration in the jurisdiction where the company establishes the branch is automatically generated from the 'mother'-register.

5. INTERCONNECTION WITH THE ELECTRONIC NETWORK SET UP UNDER THE TRANSPARENCY DIRECTIVE

EUROCHAMBRES strongly supports the cooperation and direct link between the electronic network set up by the Transparency Directive for the storage of regulated information on listed companies and the EBR centralised service providing access to the EU Member States business registers.

6. ADDITIONAL REQUEST

In some member states, despite the introduction of electronic business registers, law still requires additional publication duties in paper form. We call for the immediate abolishment of these additional costly and unnecessary duties. This is particularly burdensome for SMEs and has not any added value.

EUROCHAMBRES is the sole European body that serves the interests of every sector and every size of European business and the only one so closely connected to business. EUROCHAMBRES has member organisations in 45 countries representing a network of 2,000 regional and local Chambers, with over 19.8 million member companies. Chamber members employ over 120 million people.

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