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Proposal for a

DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Directives 89/666/EEC, 2005/56/EC and 2009/101/EC as regards the interconnection of central, commercial and companies registers

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT

The financial crisis has highlighted once again the importance of transparency across the financial markets, including on companies governance and business activities. The Competitiveness Council Conclusions of 25 May 2010 confirmed that improving access to up-to-date and trustworthy information on companies could encourage greater confidence in the market, help recovery and increase the competitiveness of European business¹. Business registers² play an essential role in this regard; they register, examine and store company information, such as information on a company's legal form, its seat, capital, legal representatives and annual accounts, and they make this information available to the public.

Businesses increasingly expand beyond national borders using the opportunities offered by the single market. Progress in the field of information technology makes it easier for citizens and companies to purchase and sell goods and services abroad. Cross-border groups as well as many restructuring operations, such as mergers and divisions involve companies from different Member States of the EU. Accordingly, there is an increasing demand for access to information on companies in a cross-border context, either for commercial purposes or to facilitate access to justice.

Cross-border access to business information requires the cross-border cooperation among business registers. Some cooperation between them already exists but it is limited to certain types of information and does not cover all Member States. It is therefore not sufficient to satisfy the information needs induced by the business activity in the single market. But efficient cross-border cooperation between business registers is not only essential for the smooth functioning of the single market. It also reduces costs for companies operating cross-border.

In 2007, the Commission launched an Action Programme for reducing administrative burdens in order to improve the business environment for EU companies³ that was endorsed by the Spring European Council in March 2007⁴. In 2008, a large-scale administrative cost measurement exercise was carried out in which company law was considered a priority area⁵.

¹ Council Conclusions on the interconnection of business registers, 9678/10

² The term 'business register' used in the explanatory memorandum comprises all the central, commercial and companies registers within the meaning of Article 3 of Directive 2009/101/EC of the European Parliament and of the Council of 16 September 2009 on coordination of safeguards which, for the protection of the interests of members and third parties, are required by Member States of companies within the meaning of the second paragraph of Article 48 of the Treaty, with a view to making such safeguards equivalent, OJ L 258, 1.10.2009, p. 11.

³ Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions - "Action Programme for Reducing Administrative Burdens in the European Union" (COM(2007)23 final).

⁴ Presidency Conclusions of the Brussels European Council - 7224/07

⁵ Cap Gemini, Deloitte, Ramboll Management: Final Report for Priority Area Annual Accounts / Company Law.

The High Level Group of Independent Stakeholders on Administrative Burdens was fully in support of achieving interoperability between trade registers throughout Europe⁶.

The interconnection of business registers is one of the proposals in the Communication on the Single Market Act⁷ that aim to create a more business-friendly legal and fiscal environment and can also contribute to the agenda Europe 2020⁸ by improving confidence in the single market.

2. OBJECTIVES OF THE PROPOSAL

The objectives of this initiative are to increase confidence in the European single market by ensuring a safer business environment for consumers, creditors and other business partners, to foster the competitiveness of European business by reducing administrative burdens and increasing legal certainty and to improve the performance of public administration by promoting cooperation between business registers in Europe in procedures for cross-border mergers, seat transfers and updating the registration of foreign branches where cooperation mechanisms are lacking or limited.

The amendments to Directive 2009/101/EC therefore aim at facilitating cross-border access to official business information by setting up an electronic network of registers and determining a common minimum set of up-to-date information to be made available to third parties by electronic means in every Member State.

The amendments to Directive 89/666/EEC⁹ are intended to ensure that the business register of a company provides up-to-date information on the status of the company to the business register of foreign branches all across Europe.

The amendments to Directive 2005/56/EC¹⁰ aim to improve a cooperation framework between business registers in cross-border merger procedures. While Regulations 2157/2001¹¹ and 1435/2003¹² require cross-border cooperation between business registers in relation to the transfer of the registered office of European Companies (SEs) and European Cooperative Societies (SCEs), it might be more appropriate to amend these legal instruments as part of the upcoming review of the Regulations.

⁶ Opinion of the High Level Group of Independent Stakeholders on Administrative Burdens ("Stoiber Group") on the priority area company law / annual accounts, 10 July 2008

⁷ Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of Regions Towards a Single Market Act for a highly competitive social market economy (COM(2010) 608 final)

⁸ European Council Conclusions EUCO 13/10 – 17 June 2010

⁹ 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, OJ L 395, 30.12.1989, p. 36.

¹⁰ Directive 2005/56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies, OJ L 310, 25.11.2005, p. 1.

¹¹ Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE), OJ L 294, 10.11.2001, p. 1.

¹² Council Regulation (EC) No 1435/2003 of 22 July 2003 on the Statute for a European Cooperative Society (SCE), OJ L 207, 18.8.2003, p. 1.

It is to note that the European e-Justice portal¹³ is to become the key point of access to legal information, legal and administrative institutions, registers, databases and other services in the EU. This proposal is complementary to the e-Justice project and should contribute to easier access to business information through the portal.

3. LEGAL BASIS

The legal basis for the proposal is Article 50(2)(g) of the Treaty on the Functioning of the European Union.

4. SUBSIDIARITY AND PROPORTIONALITY

Nearly two decades of experience with the voluntary cooperation of European business registers shows that self-regulation is not sufficient to achieve the objectives of this initiative. Neither can those objectives be achieved by the Member States as a common set of rules and conditions for cross-border cooperation between the registers needs to be established. If such provisions were determined at national level, they could be incompatible with each other and not suitable to achieve the objectives set.

The proposed amendments are limited to what is necessary to establish functioning communication mechanisms between business registers in the areas concerned and are proportionate to this objective. Action at EU level is therefore necessary and justified.

5. CONSULTATION OF INTERESTED PARTIES

On 5 November 2009, the European Commission adopted a Green Paper¹⁴ accompanied by a progress report¹⁵ on the interconnection of business registers. The progress report presented the state of play as regards the existing cooperation mechanisms between business registers and other authorities. The Green Paper complemented the report by considering different policy options for the future.

The Green Paper formed the basis of a public consultation that was conducted between 5 November 2009 and 31 January 2010. Almost all respondents expressed their support for improving of the interconnection of business registers in the EU. There was a broad agreement that such a network would only have real added value with respect to market transparency if it linked the business registers of all 27 Member States. As regards facilitating communication between registers in cross-border procedures (mergers, seat transfers, foreign branch registration), most respondents were in favour of a solution that would make automated data transmission possible between business registers.

On 25 May 2010, the Competitiveness Council adopted conclusions welcoming the Commission's initiative to improve the interconnection of business registers¹⁶. The Council underlined that the initiative should ensure that all Member States take part in the network, reliable, up-to-date and standardised data is transmitted through it and that there should be a

¹³ <https://e-justice.europa.eu/home.do>

¹⁴ Green Paper on the interconnection of business registers (COM(2009) 614 final).

¹⁵ Commission staff working document (SEC(2009) 1492).

¹⁶ 9678/10

legal basis for cooperation between registers. Moreover, clear channels of communication between business registers should ensure that they cooperate smoothly in cross-border procedures. In the long term, the possibility to connect the enhanced network of business registers to the electronic network, set up under the Transparency Directive (2004/109/EC), storing regulated information on listed companies could be examined.

The European Parliament adopted a resolution on 7 September 2010 which expressed general support for the project and emphasised that the usefulness of the project for the further integration of the European Economic Area can only be exploited if all Member States take part in the network¹⁷.

The European Economic and Social Committee¹⁸ and the Committee of Regions¹⁹ adopted equally supportive opinions.

6. IMPACT ASSESSMENT

The Impact Assessment Board issued an opinion approving the report on 15 September 2010. Following the Board's comments, a number of improvements have been made in the impact assessment report, in particular with respect to the better incorporation of the technological solutions and the related costs in the analysis. The costs of the initiative, however, depend on the chosen ICT solution. This choice needs to be made in the implementation phase of the project.

The issues around the interconnection of business registers were grouped in three sections.

6.1. Lack of up-to-date business information in the register of foreign branches

Directive 89/666/EEC requires companies to disclose some data and documents when they open a branch in another Member State. However, companies often fail to update this information. The omission may have critical consequences for the protection of consumers and business partners in particular when the register of the branch is not notified of the dissolution or the insolvency of the company. According to some surveys approximately 15% of the branches of foreign companies examined do not have an existing company behind them, i.e. potentially 16.800 branches could be in this situation today.

The lack of cooperation between business registers puts administrative burden on companies as they have to update the content of the register of the foreign branch. Providing a solution could entail possible savings of EUR 69 million.

The impact assessment concludes that EU legislation should lay down a legal requirement for registers to cooperate by electronic means with regard to updating the registration of foreign branches and the Commission should determine the technical details of such cooperation in a delegated act.

¹⁷ European Parliament resolution on the interconnection of business registers, 2010/2055(INI).

¹⁸ CES296-2010_PA..

¹⁹ CdR 20/2010.

6.2. Difficulties of cooperation between registers in cross-border merger and seat transfer procedures

The cross-border cooperation of business registers in cross-border merger and seat transfer procedures is required explicitly by EU legislation. While these provisions have the potential to speed up registration procedures and increase legal certainty, there remain practical issues as regards their application as they do not provide guidance on the method of sending the notification or the question of translation. In practice, notifications between business registers are usually transmitted by regular mail in the language of the issuing authority.

The conclusion of the impact assessment is that EU legislation should delegate powers to the Commission to determine the technical details in cross-border merger and seat transfer procedures in a delegated act.

6.3. Difficult cross-border access to business information

While business information on companies is easily available in the country of their registration, access to the same information from another Member State may be hindered by technical or language barriers. There is already a voluntary cooperation mechanism between register (European Business Register) but it does not cover all 27 Member States and the information that is accessible through the network varies from one country to another.

Furthermore, the lack of a unique company identifier makes identifying and tracking companies difficult in cross-border situations (e.g. mergers or groups). Moreover, the frequency of updating business information is currently not harmonised and there is no information available for the users of the data as regards its legal value (i.e. whether it can be relied on by third parties) in the different Member States.

The impact assessment concluded that the best option to improve the existing situation would be for EU law to lay down a requirement for Member States to participate in an electronic network of registers, determine the list of information to be transmitted through the network and the frequency of updating the registered information and that the Commission should determine the technical details of the cooperation in a delegated act.

7. EXPLANATION OF THE PROPOSAL

7.1. Article 1: Amendment of Directive 89/666/EEC

Paragraph 1 ensures that branches (like companies) have a single European identifier that allows for their clear identification and connection to the company they belong to. Paragraph 2 makes it mandatory for the register of a foreign branch to send information by electronic means to the register of its company about the changes in the registered data. It should remain up for the Member States to decide how they act on such notification, i.e. whether they give legal value to it or consider it as a piece of information. In any case, they should ensure that branches of dissolved foreign companies are removed from the register as soon as possible. Paragraphs 3 and 4 contain the necessary rules on delegated acts and data protection.

7.2. Article 2: Amendment of Directive 2005/56/EC

Paragraph 1 of the Article contains a smaller modification making clear that business registries send each other notifications by electronic means in cross-border merger procedures

and empowers the Commission to determine in delegated acts the technical details of the communication between the registers. The details of the delegation and data protection are in paragraphs 2 and 3.

7.3. Article 3: Amendment of Directive 2009/101/EC

Paragraph 1 of the Article makes sure that the documents and particulars in the Member States' business registers are always up to date. They have to make sure that the registered data is updated within 15 calendar days after the underlying change occurs. In order to comply with this requirement, Member States have to ensure that the companies file the relevant changes on time and the change is registered without delay.

Paragraph 2 aims to introduce a unique identifier for all European limited-liability companies that would facilitate their identification at the European level and would allow for easier identification between companies and their foreign branches. Such an identifier could also be used by other registers identifying, for example, listed companies, financial institutions or multinational groups.

Paragraph 3 improves cross-border access to a common minimum set of registered business information by requiring Member States to make the documents and particulars listed in Article 2 and registered under the Directive's requirements available through a single European electronic platform, e.g. a central web-service that allows search in all EU business registers. As there are differences between the Member States in implementing paragraphs 5-7 of Article 3, in addition to the data listed in Article 2, a further piece of information should be attached to every data transmission explaining the provisions of the applicable national company law on the legal value of the registered business information, in particular to what extent third parties can rely on it ('public trust').

Paragraphs 4 and 6 require Member States to make their business registers interoperable and thus set up an electronic network. The details of this cooperation should be elaborated by experts and adopted in the form of a delegated act. Paragraph 5 determines the requirements for data protection.

Proposal for a

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amending Directives 89/666/EEC, 2005/56/EC and 2009/101/EC as regards the interconnection of central, commercial and companies registers

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 50(2)(g) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national Parliaments,

Having regard to the opinion of the European Economic and Social Committee²⁰,

Having consulted the European Data Protection Supervisor²¹,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) Businesses increasingly expand beyond national borders using the opportunities offered by the internal market. Cross-border groups as well as a many restructuring operations, such as mergers and divisions involve companies from different Member States. Consequently, there is an increasing demand for access to information on companies in a cross-border context. Official information on companies is, however, not always easily available on a cross-border basis.
- (2) The 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 State²² establishes the list of documents and particulars that companies have to disclose in the register of their branch. However, there is no legal obligation on the registers to exchange data concerning foreign branches. This leads to legal uncertainty for third parties in the country of the branch where important changes regarding the company are not reflected in the register.

²⁰ OJ C , , p. .

²¹ Opinion ofOJ C

²² OJ L 395, 30.12.1989, p. 36.

- (3) Operations such as cross-border mergers or transfers of registered office have made day-to-day cooperation of business registers a necessity. Directive 2005/56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies²³ requires the registers to cooperate across borders. There are, however, no established channels of communication that could accelerate procedures, help overcome the language problems and enhance legal certainty.
- (4) Directive 2009/101/EC of the European Parliament and of the Council of 16 September 2009 on coordination of safeguards which, for the protection of the interests of members and third parties, are required by Member States of companies within the meaning of the second paragraph of Article 48 of the Treaty, with a view to making such safeguards equivalent²⁴ ensures, *inter alia*, that documents and particulars stored in the register can be accessed by paper or by electronic means. However, citizens and companies still need to search country-by-country, in particular as the current voluntary cooperation between registers has not proved to be sufficient.
- (5) The Commission Communication on the Single Market Act²⁵ identified the interconnection of central, commercial and companies registers as a measure to create a more business-friendly legal and fiscal environment. The interconnection should contribute to foster the competitiveness of European business by reducing administrative burdens and increasing legal certainty and thus contribute to exiting the crisis, one of the priorities of the agenda Europe 2020²⁶. It should also improve cross-border communication between registers by using the innovations of information and communication technology.
- (6) The Council Conclusions of 25 May 2010 on the interconnection of business registers²⁷ confirmed that improving access to up-to-date and trustworthy information on companies could encourage greater confidence in the market, help recovery and increase the competitiveness of European business.
- (7) The European Parliament emphasised in its resolution of 7 September 2010 on the interconnection of business registers²⁸ that the usefulness of the project for the further integration of the European Economic Area can only be exploited if all Member States take part in the network.
- (8) The European e-Justice Action Plan²⁹ provides for the development of a European e-Justice Portal as the single access point for legal information, legal and administrative institutions, registers, databases and other services and considers the interconnection of central, commercial and companies registers as an important element.
- (9) Cross-border access to business information can only be improved if all Member States engage in building an electronic network of registers and transmit information to business information users in a standardised way (similar content and interoperable

²³ OJ L 310, 25.11.2005, p. 1.

²⁴ OJ L 258, 1.10.2009, p. 11.

²⁵ COM(2010) 608 final

²⁶ European Council Conclusions EUCO 13/10 – 17 June 2010

²⁷ 9678/10

²⁸ A7-0218/2010

²⁹ 2009/C 75/01

technologies) all over the Union. The users should be able to access information through a single European electronic platform that forms part of the electronic network.

- (10) Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data³⁰ should govern the processing of personal data, including the transmission of personal data through an electronic network, carried out in the Member States.
- (11) A unique company identifier should be introduced, in addition to companies' existing registration number, in order to facilitate the identification of companies that are present, for example through branches or subsidiaries, in more than one Member State.
- (12) As for companies, branches should also have, in addition to their number in the register, a unique identifier that allows their unequivocal identification in the European Economic Area. Amending Directive 89/666/EEC in this respect should make it possible to establish a clear connection between companies and their foreign branches, this being necessary for the regular updating of information in the register of the company and the register of the foreign branch. The coherence of the registered information should ensure that third parties have access to up-to-date data on branches in their Member State. While Member States should be able to decide on the procedures they follow with respect to the branches registered in their territory, they have to ensure, at least, that the branches of dissolved companies are removed from the register without undue delay.
- (13) Directive 2005/56/EC should also be amended in order to ensure that communication between registers is carried out through the electronic network of registers.
- (14) In order to ensure that there are no significant differences in the quality of the documents and particulars registered in the Union, Member States should ensure that any information registered under Article 2 of Directive 2009/101/EC is updated, and the update is disclosed, not later than on the fifteenth calendar day after the event occurred that resulted in a change in the registered data. Furthermore, to improve the protection of third parties in other Member States, all documents and particulars transmitted through the network should be accompanied by clear information on the legal value thereof.
- (15) The Commission should be empowered to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union in respect of the governance, management, operation, representation and funding of the electronic network, the conditions for countries outside the European Economic Area to participate in the electronic network, the minimum security standards, the use of a unique identifier, the languages used by the electronic network, the method of transmitting information between the registers ensuring cross-border access to information, the interoperability of the information and communication technologies used by the members of the electronic network, the definition of standards on format, substance and limits for storing and retrieving the documents and particulars that

³⁰ OJ L 281, 23.11.1995, p. 31.

enables automated data exchange, the consequences of non-compliance, the method of identifying the link between a company and its foreign branch, the method of and the technical standards for the transmission of information between the register of the company and the register of the branch, the technical standards for the transmission of information between the registers and the standard forms of notification of the cross-border merger to be used by the registers. The governance of the network should comprise a feedback mechanism for users so that their needs can be taken into account. It is necessary that the powers are delegated to the Commission for an indeterminate time, in order to allow the rules to be adjusted, if needed.

- (16) Since the objectives of this Directive, namely improving cross-border access to business information, ensuring that up-to-date information is stored in the register of branches and establishing clear channels of communication between registers in cross-border registration procedures, cannot be sufficiently achieved by Member States and can therefore, by reason of the scale and effects, be better achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty of the European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.
- (17) Directives 89/666/EEC, 2005/56/EC and 2009/101/EC should therefore be amended accordingly,

HAVE ADOPTED THIS DIRECTIVE:

Article 1
Amendments to Directive 89/666/EEC

Directive 89/666/EC is amended as follows:

- (1) In Article 1, the following paragraph 3 is added:

3. Branches shall have a unique identifier that allows their unequivocal identification in the European Economic Area.

- (2) The following Article 5a is inserted:

'Article 5a

1. The register of the branch shall notify, without delay, through the electronic network referred to in Article 4a of Directive 2009/101/EC of the European Parliament and of the Council(*), the register of the company of any changes in the documents and particulars listed in Article 2 of this Directive.

2. Member States shall determine the legal procedure to be followed on receipt of the notifications referred to in paragraph 1 of this Article and in Article 4a(2) of Directive 2009/101/EC. Such procedures shall ensure that branches of companies that have been dissolved or otherwise removed from the register are closed without undue delay.

3. The Commission shall adopt delegated acts in accordance with Article 11a and subject to the conditions of Articles 11b and 11c specifying the following:

a) the method of identifying the link between a company and its branch;

b) the method of and the technical standards for the transmission of information between the register of the company and the register of the branch.'

(*) OJ L 258, 1.10.2009, p. 11.'

(3) The following Section IIIa is inserted:

'SECTION IIIA

DELEGATED ACTS

Article 11a

1. The power to adopt delegated acts referred to in Article 5a(3) shall be conferred on the Commission for an indeterminate period of time.

2. As soon as the Commission adopts a delegated act, it shall notify it simultaneously to the European Parliament and to the Council.

3. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in Articles 11b and 11c.

Article 11b

1. The delegation of powers referred to in Article 11a may be revoked at any time by the European Parliament or by the Council.

2. The institution which has commenced an internal procedure for deciding whether to revoke the delegation of powers shall endeavour to inform the other institution and the Commission within a reasonable time before the final decision is taken, indicating the delegated power which could be subject to revocation.

3. The decision of revocation shall put an end to the delegation of the powers specified in that decision. It shall take effect immediately or at a later date specified therein. It shall not affect the validity of the delegated acts already in force. It shall be published in the *Official Journal of the European Union*.

Article 11c

1. The European Parliament and the Council may object to a delegated act within a period of two months from the date of notification.

At the initiative of the European Parliament or the Council this period shall be extended by two months.

2. If, on the expiry of this period, neither the European Parliament nor the Council has objected to the delegated act, it shall be published in the *Official Journal of the European Union* and shall enter into force on the date stated therein.

The delegated act may be published in the *Official Journal of the European Union* and enter into force before the expiry of that period if the European Parliament and the Council have both informed the Commission of their intention not to raise objections.

3. If the European Parliament or the Council objects to a delegated act, it shall not enter into force. The institution which objects shall state the reasons for objecting to the delegated act.'

(4) The following Section IIIb is inserted:

'SECTION IIIb

DATA PROTECTION

Article 11d

The processing of personal data carried out in the context of this Directive shall be subject to Directive 95/46/EC of the European Parliament and of the Council(*).

(*) OJ L 281, 23.11.1995, p. 31.'

Article 2

Amendments to Directive 2005/56/EC

Directive 2005/56/EC is amended as follows:

(1) Article 13 is replaced by the following:

'Article 13

1. The law of each of the Member States to whose jurisdiction the merging companies were subject shall determine, with respect to the territory of that State, the arrangements, in accordance with Article 3 of Directive 2009/101/EC of the European Parliament and of the Council(*), for publicising completion of the cross-border merger in the public register in which each of the companies is required to file documents.

The registry for the registration of the company resulting from the cross-border merger shall notify, without delay, through the electronic network referred to in Article 4a of Directive 2009/101/EC, the registry in which each of the companies was required to file documents that the cross-border merger has taken effect. Deletion of the old registration, if applicable, shall be effected on receipt of that notification, but not before.

2. The Commission shall adopt delegated acts in accordance with Article 17a and subject to the conditions of Articles 17b and 17c specifying the following:

a) the technical standards for the transmission of information between the registries;

b) the standard forms of notification of the cross-border merger to be used.'

(*) OJ L 258, 1.10.2009, p. 11.'

(2) The following Articles 17a, 17 b and 17c are inserted:

'Article 17a

Exercise of the delegation

1. The power to adopt delegated acts referred to in Article 13(2) shall be conferred on the Commission for an indeterminate period of time.
2. As soon as the Commission adopts a delegated act, it shall notify it simultaneously to the European Parliament and to the Council.
3. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in Articles 17b and 17c.

Article 17b

Revocation of the delegation

1. The delegation of powers referred to in Article 13(2) may be revoked at any time by the European Parliament or by the Council.
2. The institution which has commenced an internal procedure for deciding whether to revoke the delegation of powers shall endeavour to inform the other institution and the Commission within a reasonable time before the final decision is taken, indicating the delegated power which could be subject to revocation.
3. The decision of revocation shall put an end to the delegation of the powers specified in that decision. It shall take effect immediately or at a later date specified therein. It shall not affect the validity of the delegated acts already in force. It shall be published in the *Official Journal of the European Union*.

Article 17c

Objection to delegated acts

1. The European Parliament and the Council may object to a delegated act within a period of two months from the date of notification.

At the initiative of the European Parliament or the Council this period shall be extended by two months.

2. If, on the expiry of this period, neither the European Parliament nor the Council has objected to the delegated act, it shall be published in the *Official Journal of the European Union* and shall enter into force on the date stated therein.

The delegated act may be published in the *Official Journal of the European Union* and enter into force before the expiry of that period if the European Parliament and the Council have both informed the Commission of their intention not to raise objections.

3. If the European Parliament or the Council objects to a delegated act, it shall not enter into force. The institution which objects shall state the reasons for objecting to the delegated act.'

(3) The following Article 17d is inserted:

'Article 17d

Data protection

The processing of personal data carried out in the context of this Directive shall be subject to Directive 95/46/EC of the European Parliament and of the Council(*).'

(*) OJ L 281, 23.11.1995, p. 31.'

Article 3

Amendments to Directive 2009/101/EC

Directive 2009/101/EC is amended as follows:

(1) In Article 2, the following paragraph is added:

'Member States shall take the measures required to ensure that any changes in the documents and particulars referred to in the first paragraph is disclosed within 15 calendar days.'

(2) In Article 3(1), the following subparagraph is added:

'Companies shall have a unique identifier that allows for their unequivocal identification in the European Economic Area.'

(3) The following Article 3a is inserted:

'Article 3a

1. Member States shall ensure that the documents and particulars referred to in Article 2 that have been filed with their register can be obtained, on application by any applicant, by electronic means through a single European electronic platform accessible from every Member State.

2. Member States shall also ensure that for each document and particular kept in their register and transmitted in accordance with paragraph 1, clear information is attached explaining the provisions of national law according to which third parties can rely on those documents and particulars, in accordance with paragraphs 5, 6 and 7 of Article 3.

3. The fees charged for obtaining documents and particulars shall not exceed the administrative costs thereof.'

(4) The following Article 4a is inserted:

'Article 4a

1. Member States shall take the necessary measures to ensure that the registers referred to in Article 3(1) are interoperable and form an electronic network (hereinafter referred to as the electronic network).

2. The register of the company shall notify, without delay, through the electronic network the register of its branch about any changes in the documents and particulars listed in Article 2 of Directive 89/666/EEC(*).

3. The Commission shall adopt delegated acts in accordance with Article 13a and subject to the conditions of Articles 13b and 13c specifying the following:

a) the rules concerning the governance, management, operation and representation of the electronic network;

(b) the funding of the electronic network;

(c) the conditions for countries outside the European Economic Area to participate in the electronic network;

(d) the minimum security standards for the electronic network;

(e) the use of a unique identifier;

(f) the languages used by the electronic network;

(g) the method of transmitting information between the registers ensuring cross-border access to information in accordance with Article 3a, including the choice of the single European electronic platform;

h) the interoperability of the information and communication technologies used by the members of the electronic network, including a payment interface;

i) the definition of standards on format, substance and limits for storing and retrieving the documents and particulars that enables automated data exchange;

j) the consequences of non-compliance with the conditions in points a) to i) and how to enforce these conditions.'

(*) OJ L 395, 30.12.1989, p. 36.

(5) The following Article 7a is inserted:

'Article 7a

The processing of personal data carried out in the context of this Directive shall be subject to Directive 95/46/EC of the European Parliament and of the Council(*).'

(*) OJ L 281, 23.11.1995, p. 31.

(6) The following Chapter 4a is inserted:

CHAPTER 4A

DELEGATED ACTS

Article 13a

1. The power to adopt delegated acts referred to in Article 4a(3) shall be conferred on the Commission for an indeterminate period of time.
2. As soon as the Commission adopts a delegated act, it shall notify it simultaneously to the European Parliament and to the Council.
3. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in Articles 13b and 13c.

Article 13b

1. The delegation of powers referred to in Article 13a may be revoked at any time by the European Parliament or by the Council.
2. The institution which has commenced an internal procedure for deciding whether to revoke the delegation of powers shall endeavour to inform the other institution and the Commission within a reasonable time before the final decision is taken, indicating the delegated power which could be subject to revocation.
3. The decision of revocation shall put an end to the delegation of the powers specified in that decision. It shall take effect immediately or at a later date specified therein. It shall not affect the validity of the delegated acts already in force. It shall be published in the *Official Journal of the European Union*.

Article 13c

1. The European Parliament and the Council may object to a delegated act within a period of two months from the date of notification.

At the initiative of the European Parliament or the Council this period shall be extended by two months.

2. If, on the expiry of this period, neither the European Parliament nor the Council has objected to the delegated act, it shall be published in the *Official Journal of the European Union* and shall enter into force on the date stated therein.

The delegated act may be published in the *Official Journal of the European Union* and enter into force before the expiry of that period if the European Parliament and the Council have both informed the Commission of their intention not to raise objections.

3. If the European Parliament or the Council objects to a delegated act, it shall not enter into force. The institution which objects shall state the reasons for objecting to the delegated act.'

Article 4
Transposition

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 1 January 2014 at the latest. They shall forthwith communicate to the Commission the text of those provisions and a correlation table between those provisions and this Directive.

When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.

2. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.

Article 5
Entry into force

This Directive shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Article 6
Addressees

This Directive is addressed to the Member States.

Done at Brussels,

For the European Parliament
The President

For the Council
The President