



EUROPEAN COMMISSION

Brussels, 12.10.2018
C(2018) 6678 final

Dear President,

The Commission would like to thank the Senát for its Opinion on the proposal for a Directive of the European Parliament and of the Council amending Directive (EU) 2017/1132 as regards the use of digital tools and processes in company law {COM(2018) 239 final}.

The proposal forms part of a broader package of ambitious measures designed to facilitate freedom of establishment within the internal market and to meet the challenges of the digital economy. In the Digital Single Market Strategy, the Commission committed to achieving simpler and less burdensome rules for companies.

The proposal aims to provide to businesses in all Member States the possibility to register, set up new companies or branches, or file documents to the business register online while it respects Member States' national systems and legal traditions. At the same time, it provides possibilities for Member States to prevent fraud and abuse in limited liability company creation and operation.

The Commission welcomes the Senát's general support for the development of efficient, modern and accessible administration and specifically the aim to provide digital tools and processes for company law.

The Commission is of the view that its proposal enhances legal certainty thanks to its clear provisions. In particular, the proposal defines the registration of companies as the formation of a company as a legal entity and, thus, covers the constitution and related registration of companies. The proposed rules on exchange of information on disqualified directors aim to contribute to fraud and abuse prevention. Member States could consider the information about disqualification, if received from other Member States, when registering companies in their business register or when new directors are appointed for the company.

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It also provides strong safeguards and builds on the secure electronic identification means established by the Regulation (EU) No 910/2014 on electronic identification and trust services for electronic transactions in the internal market¹.

The points made above are based on the initial proposal presented by the Commission which is currently in the legislative process involving both the European Parliament and the Council.

The Commission hopes that the clarifications provided in this reply address the issues raised by the Senát and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Věra Jourová
Member of the Commission*

¹ Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC; OJ L 257, 28.8.2014, p. 73–114.