

BUSINESSEUROPE



EUROCHAMBRES

Madame Christine Lagarde
Ministre de l'économie, de l'industrie et
de l'emploi
139 rue de Bercy
75012 Paris
France

Brussels 16 February 2010

Subject: European Private Company Statute

Dear Mrs Lagarde,

On behalf of BUSINESSEUROPE and EUROCHAMBRES, we would like to express our disappointment about the December Competitiveness Council's failure to reach an agreement on the European Private Company Statute (*Societas Privata Europaea*, SPE).

We appreciated, a few years ago, your government's support for the European businesses community's desire to create a new statute for SMEs which led the European Commission to propose a draft regulation. In this light, it is now particularly striking that no agreement could be found at Council level despite the considerable efforts made by the Swedish Presidency.

We urge you to reiterate your support for this important project, a key element of the Small Business Act, and reach a political agreement during the Spanish Presidency.

We underline that only a sufficiently simple and flexible statute, as detailed in the annexed document, would allow the SPE to meet its objective, namely to facilitate SMEs' ability to exploit the internal market.

We thank you in advance for taking our comments into consideration and remain at your disposal should you wish to discuss this subject further.

Yours sincerely,

Philippe de Buck
Director General
BUSINESSEUROPE

Arnaldo Abruzzini
Secretary General
EUROCHAMBRES

**Key elements that have to be safeguarded
for the success of the SPE**

A European Private Company Statute European that business needs

The Commission proposal is a key step to boost EU competitiveness and reinforce the internal market.

- The European Private Company Statute will place SMEs in a better position to contribute to and benefit from the development of the internal market;
- It will provide companies with increased mobility, helping them to reinforce their presence in international markets;
- It will increase entrepreneurial flexibility, as it is based on contractual freedom;
- It will reduce administrative and financial burdens currently faced by European SMEs.

The essential characteristics of the European Private Company Statute

The SPE must remain a simple and flexible statute. The Council must retain the following characteristics of the proposed statute if it is to achieve its overall objectives and be of benefit to SMEs.

- Absence of a cross-border requirement to set up an SPE;
- Minimum capital is kept as low as possible to make the instrument attractive to SMEs and fully accessible to start-ups all around Europe;
- Possibility for the SPE to transfer its registered office without imposing a more stringent regime than that imposed on national corporate forms. According to the European Court's case law, companies already registered and recognised in a member state have the right to move their real seat to another member state and must be recognised by the host member state;
- Rules concerning workers participation should be determined by the laws governing the SPE's registered office. Discussion on this matter must not lead to any change that will impose extra burdens or impede adoption of the statute.

EUROCHAMBRES is the Association of European Chambers of Commerce and Industry. It represents 45 national Chamber associations, a European network of 2000 regional and local Chambers with over 19 million member companies in Europe.

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BUSINESSEUROPE – The Confederation of European Business represents more than 20 million small, medium and large companies. Active in European affairs since 1958, BUSINESSEUROPE Members are 40 central industrial and employers' federations from 34 countries, working together to achieve growth and competitiveness in Europe.

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