

# Enterprise Policy

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## EUROPEAN COMPANY STATUTE

Council regulation [2157/2001](#) of 8 October 2001 on the Statute for a European company (SE)

### Objective

To create a legal structure for a European company, which makes the management of cross-border companies more flexible and stimulates cross-border co-operation between enterprises.

### Relevance for the hospitality industry

The option of a EU company statute could constitute a possible legal structure for a chain of hotels or restaurants active in various Member States.

### State of progress

Adopted on 8 October 2001. Entry into force on 8 October 2004

### Content

The European company statute is a new legal instrument that gives companies the option of forming a European Company – known formally by its Latin name of ‘Societas Europaea’ (SE).

There are four ways to create a SE: creation of a holding company, formation of a joint subsidiary, merger of companies located in at least two Member States or conversion of an existing public limited company previously formed under national law. The SE must have a minimum capital of EUR 120 000.

The registered office of the SE designated in the statutes must be the place where it has its central administration. The SE can easily transfer its registered office within the Community without dissolving the company in one Member State in order to form a new one in another Member State.

A SE will be able to operate on a European-wide basis, with one single management body, and be governed by Community law directly applicable in all Member States. With regard to taxation, an SE will be treated as any other multinational company according to the national fiscal legislation applicable at company level or branch level.

Under the Directive on worker involvement, the creation of a European Company will require negotiations on the involvement of employees with a body representing all employees of the companies concerned. If it proves impossible to negotiate a mutually-satisfactory arrangement, then a set of standard principles, laid down in an annex to the Directive, will apply. Essentially these principles oblige SE managers to provide regular reports on the basis of which there must be regular consultation of and information to a body representing the companies’ employees. In certain circumstances, where managers and employee representatives are unable to negotiate a mutually-satisfactory agreement and where the companies involved in the creation of an SE were previously covered by participation rules, a European Company will be obliged to apply standard principles on participation of its workers.

For a summary of the Directive you can visit the [SCADPlus](#) website (European Commission).

## HOTREC position

HOTREC welcomes the SE. The creation of the European Company Statute will mean in practice that companies established in more than one Member State will be able to merge and operate throughout the EU on the basis of a single set of rules and a unified management and reporting system. They will therefore avoid the need to set up a financially costly and administratively time-consuming complex network of subsidiaries governed by different national laws. In particular, there will be advantages in terms of significant reductions in administrative and legal costs, a single legal structure and unified management and reporting systems.

For further information on HOTREC position, see: HOTREC letter, Ref.: ND/234 of 8 May 1996 on the first phase of consultation on the information and consultation of employees

## Official references

Press Release [IP/04/1195](#) of 8 October 2004

Council regulation [2157/2001](#) of 8 October 2001 on the statute for a European company (SE), O.J. L 294 of 10.11.2001

Council Directive [2001/86/EC](#) of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of employees, O.J. L 294 of 10.11.2001

See also:

Opinion of the Economic and social Committee on the 'European Company Statute', [O.J. C 129 of 27.04.98](#)

Group of experts "European Systems of Worker Involvement" (with regard to the European Company Statute) -Final Report- May 1997

Council Conclusions of 27 June 1997 on further discussion of worker involvement in the European Company (report by the Working Party of Experts on European Systems of Worker Involvement), O.J. C 227 of 26.07.97