



# EU Directive Interconnection of Business Registers

IACA  
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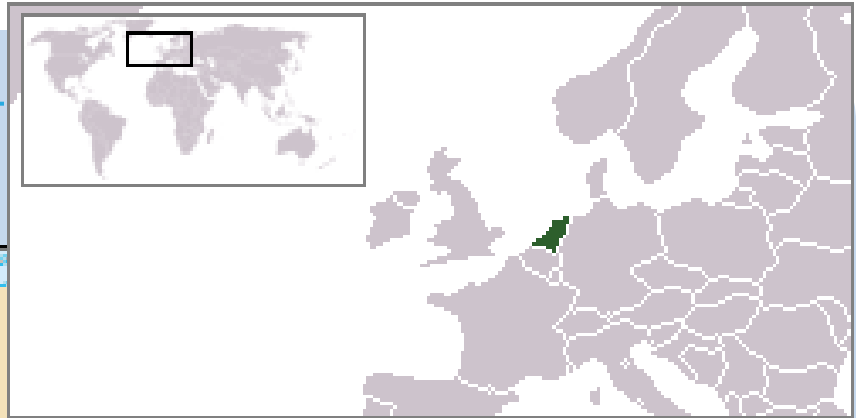
# European Union



27 Member States



# The Netherlands



# The Dutch business register

- Chamber of Commerce runs the business register
- Autonomous public body
- No government agency
- Task delegated by law to CCI
  - Chambers of Commerce Act
  - Trade Register Act
- All economic relevant entities have to register
  - Companies, partnerships, sole traders, branches in NL of foreign companies
  - Associations, foundations
  - Professionals, government bodies, churches
  - 2.2 million registered organisations
- Funding
  - Yearly fee for registration (sole trader € 14, large limited € 800) 60%
  - Sales of information 40%
  - No government funding



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# Business Registers in Europe

- Business Register is everywhere
  - EU 1st Directive Company Law
- Content basically the same
- Registration authorities quite diverse, almost never CCI
  - UK en EI agency Ministry
  - FR en DE courts
  - NO one central register center
  - NL en IT CCI
- Main differences
  - registration companies versus sole traders
  - registration associations and foundations
  - filing annual accounts
  - funding
  - dissemination of data

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# Green Paper

- Growing cooperation between Business Registers in Europe
  - European Business Register (EBR) 1992
  - European Commerce Registers' Forum (ECRF) 1998
  - BRITE-project 2006 – 2009
- Contacts with European Commission, DG Internal Market
- Sundsvall Conference Nov 2009
  
- Publication EU Green Paper Nov 2009
  - Transparency across financial markets
  - Better international access to official data on businesses needed
  - 2 main topics
    - Access to information – the network of business registers
    - Cooperation of business registers in cross-border procedures
      - Cross-border mergers
      - Transfer of seat
      - Branches abroad
  - Consultation period



# EU Directive Interconnection of Business Registers

- Draft Directive (Feb 2011)
  
- Changes existing Directives
  - 1st Company Law Directive (2009/101/EC)
  - 10th Directive on Cross Border Mergers (2005/56/EC)
  - 11th Directive on Branch Disclosures (89/666/EC)
  
- General provisions
  - Obligation for Business Registers to cooperate
  - In an electronic multilingual network
  - Unique international number (REID)
  
- Delegated acts to assign power to the Commission to define procedures and technical standards

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# Changes in Directives

## ➤ 1st Company Law Directive

- Disclose all changes in the register within 15 days
- Unique identifier
- All information electronically available through a single European electronic platform
- Explanations of national law for the information (third parties can rely on)
- Notification to the register of its branch about changes

## ➤ Directive Cross-Border mergers

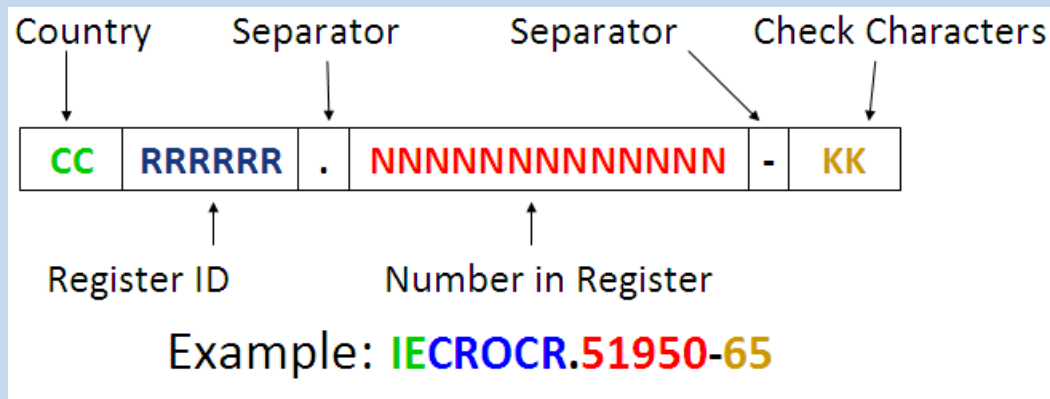
- Notification by the register of the new company to the old register(s) on a merger

## ➤ Branch Disclosures Directive

- Unique identifier for branches
- Notification to the register of the company about changes



# Registered Entity Identifier (REID)



- 1: ISO Country code
- 2: unique Register Identifier, as specified by the Directory of Registers (max. 6 characters)
- 3: unique Company Number within the register; identical with the company's registering number in its "home" register (max. 20 characters)
- 4: two character Check Digit. Check Digits are a "checksum" on a number or word to help prevent manual typing errors and are a simple and easy way to negate the human element of keying in data
- REID does not require any change in the company's registering number in its national or local register but it is an external representation of the existing registered company number

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# Delegated Acts

- The proposal assigns powers to the European Commission called 'Delegated Acts' to define procedures and technical standards
- These powers would be
  - rules on governance, management, operation and representation of the electronic network;
  - funding of the electronic network;
  - conditions for countries outside the European Economic Area to participate in the electronic network;
  - minimum security standards for the electronic network;
  - use of a unique identifier;
  - languages used by the electronic network;
  - method of transmitting information between the registers ensuring cross-border access to information, including the choice of the single European electronic platform;
  - interoperability of the information and communication technologies used by the members of the electronic network, including a payment interface;
  - definition of standards on format, substance and limits for storing and retrieving the documents and particulars that enables automated data exchange and
  - the consequences of non-compliance with the conditions and how to enforce these conditions

# European Business Register

- Established 1992
- Purpose: to create an internet network which gives easy multilingual access to the official company information in Europe
  
- 26 members (20 EU, 6 other European countries)
- Access to information of 20 million companies
  
- Standard products
  - Company search
  - Company profile
  - Company officials profile
  - Person search
  - Person profile
- National products
  - Annual accounts, deeds, articles of association etc
  
- Branch Disclosure Service

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# Information

➤ All information on the EU website

➤ [http://ec.europa.eu/internal\\_market/company/business\\_registers/index\\_en.htm](http://ec.europa.eu/internal_market/company/business_registers/index_en.htm)

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Thank you!

Questions?



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