

Commission Directive 2006/111/EC of 16 November 2006 on the transparency of financial relations between Member States and public undertakings as well as on financial transparency within certain undertakings (Text with EEA relevance) (Codified version)

Article 8

1 Member States whose public undertakings operate in the manufacturing sector shall supply the financial information as set out in paragraphs 2 and 3 to the Commission on an annual basis within the timetable contained in paragraph 5.

2 The financial information required for each public undertaking operating in the manufacturing sector and in accordance with paragraph 4 shall be the annual report and annual accounts, in accordance with the definition of Council Directive 78/660/EEC⁽¹⁾. The annual accounts and annual report include the balance sheet and profit/loss account, explanatory notes, together with accounting policies, statements by directors, segmental and activity reports. Moreover, notices of shareholders' meetings and any other pertinent information shall be provided.

The reports required shall be provided for each individual public undertaking separately, as well as for the holding or subholding company which consolidates several public undertakings in so far as the consolidated sales of the holding or subholding company lead to its being classified as 'manufacturing'.

3 The following details, in so far as not disclosed in the annual report and annual accounts of each public undertaking, shall be provided in addition to the information referred to in paragraph 2:

- a the provision of any share capital or quasi-capital funds similar in nature to equity, specifying the terms of its or their provision (whether ordinary, preference, deferred or convertible shares and interest rates; the dividend or conversion rights attaching thereto);
- b non-refundable grants, or grants which are only refundable in certain circumstances;
- c the award to the enterprise of any loans, including overdrafts and advances on capital injections, with a specification of interest rates and the terms of the loan and its security, if any, given to the lender by the enterprise receiving the loan;
- d guarantees given to the enterprise by public authorities in respect of loan finance (specifying terms and any charges paid by enterprises for these guarantees);
- e dividends paid out and profits retained;
- f any other forms of State intervention, in particular, the forgoing of sums due to the State by a public undertaking, including *inter alia* the repayment of loans, grants, payment of corporate or social taxes or any similar charges.

The share capital referred to in (a) shall include share capital contributed by the State directly and any share capital received contributed by a public holding company or other public undertaking, including financial institutions, whether inside or outside the same group, to a given public undertaking. The relationship between the provider of the finance and the recipient shall always be specified.

4 The information required by paragraphs 2 and 3 shall be provided for all public undertakings whose turnover for the most recent financial year was more than EUR 250 million.

The information required above shall be supplied separately for each public undertaking including those located in other Member States, and shall include, where appropriate,

Status: EU Directives are being published on this site to aid cross referencing from UK legislation. After IP completion day (31 December 2020 11pm) no further amendments will be applied to this version.

details of all intra- and inter-group transactions between different public undertakings, as well as transactions conducted directly between public undertakings and the State.

Certain public enterprises split their activities into several legally distinct undertakings. For such enterprises the Commission is willing to accept one consolidated report. The consolidation should reflect the economic reality of a group of enterprises operating in the same or closely related sectors. Consolidated reports from diverse, and purely financial, holdings shall not be sufficient.

5 The information required under paragraphs 2 and 3 shall be supplied to the Commission on an annual basis.

The information shall be provided within 15 working days of the date of publication of the annual report of the public undertaking concerned. In any case, and specifically for undertakings which do not publish an annual report, the required information shall be submitted not later than nine months following the end of the undertaking's financial year.

6 In order to assess the number of companies covered by this reporting system, Member States shall supply to the Commission a list of the companies covered by this Article and their turnover. The list is to be updated by 31 March of each year.

7 Member States will furnish the Commission with any additional information that it deems necessary in order to complete a thorough appraisal of the data submitted.

Status: EU Directives are being published on this site to aid cross referencing from UK legislation. After IP completion day (31 December 2020 11pm) no further amendments will be applied to this version.

(1) [OJ L 222, 14.8.1978, p. 11.](#)