

EXPLANATORY MEMORANDUM

EUROPEAN PUBLIC LIMITED - LIABILITY COMPANY (FEES) REGULATIONS 2004

2004 No. 2407

This explanatory memorandum has been prepared by the Department of Trade and Industry and is laid before Parliament by Command of Her Majesty.

2 Description

2.1 The European Public Limited-Liability Company (Fees) Regulations 2004 (the “Fees Regulations”) come into force on 8th October 2004. The Fees Regulations set out the fees payable in connection with the services and facilities provided by the Department of Trade and Industry in respect of a new form of company, the European Public Limited-Liability Company or ‘Societas Europaea’ (SE). The European Public Limited-Liability Company Regulations 2004 (“the Principal Regulations”), which make provision for the SE, also come into force on 8th October 2004.

3 Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4 Legislative Background

4.1 The Fees Regulations are made by the Secretary of State for Trade and Industry with the consent of the Treasury, under powers conferred on her by sections 56(1) and 56(2) of the Finance Act 1973. The Fees Regulations are a consequence of the Principal Regulations. The Principal Regulations make provision in relation to Council Regulation 2157/2001 on the Statute for a European Company (“the EU Regulation”). They also implement Council Directive 2001/86/EC supplementing the Statute for a European Company with regard to the involvement of employees.

5 Extent

5.1 The Fees Regulations apply to Great Britain.

6 European Convention on Human Rights

6.1 Not applicable.

7 Policy Background

7.1 The Registrar of Companies will register European Companies (Societas Europaeas or SEs) in Great Britain.

7.2 Recital (5) of the EU Regulation provides that Member States are obliged to ensure that European Companies are not discriminated against because of unjustified different treatment compared with public limited-liability companies or disproportionate restrictions on formation or transfer of their registered offices. Article 10 of the EU Regulation provides that a European Company shall be treated in every Member State as if it were a public limited-liability company formed in accordance with the law of the Member State in which it has its registered office.

7.3 The policy underlying the Fees Regulations is to charge the same fee for the registration of a European Company as is charged for the incorporation of a public limited company. This adheres to the principle of equal treatment set out in Recital (5) and Article 10 of the EU Regulation. The fees that the Registrar will be charging are set out below.

7.4 Fee 1: covers the registration of a European Company. (There are five different methods of forming an SE, hence the reason for the five references to the fee.) Registration of an SE is comparable to company incorporation and therefore the fee is the same as the incorporation fee of a Plc, namely £20.

7.5 Fee 2: covers the conversion of a Plc to a European Company and is comparable with the re-registration of a private limited company to a Plc. Therefore the fee is the same at £20.

7.6 Fee 3: covers the registration of a European Company in GB on transfer from another Member State. This is comparable to the incorporation of a Plc and the fee is therefore £20.

7.7 Fee 4: covers the work involved in issuing the certificate that is required before the transfer of the registered office of a European Company from Great Britain. The fee is set at £20, the same as transfer into Great Britain.

8 Impact

8.1 No Regulatory Impact Assessment has been prepared for the Fees Regulations. However, a Regulatory Impact Assessment in respect of the Principal Regulations - which sets out the costs that might be incurred by companies which decide, voluntarily, to form SEs - has been prepared.

8.2 There is no impact on the public sector.

9 Contact

9.1 Andrew Wall at Companies House - telephone 029 2038 0861 or e-mail awall@companieshouse.gov.uk - can answer any queries regarding the Fees Regulations.