



Procedure file

| Basic information | |
|---|-------------------------------|
| COD - Ordinary legislative procedure (ex-codecision procedure) Regulation | Procedure lapsed or withdrawn |
| Statute for a European association | |
| Subject 3.45.07 Social economy, mutual societies, cooperatives, associations 4.10.16 Social and community life, associations, foundations | |

| Key players | | | |
|-------------------------------|---|----------------------|------------|
| European Parliament | | | |
| Council of the European Union | Council configuration | Meeting | Date |
| | Competitiveness (Internal Market, Industry, Research and Space) | 2007 | 21/05/1997 |
| European Commission | Commission DG | Commissioner | |
| | Internal Market, Industry, Entrepreneurship and SMEs | | |

| Key events | | | |
|------------|--|---|---------|
| 04/03/1992 | Legislative proposal published | COM(1991)0273 | Summary |
| 10/04/1992 | Committee referral announced in Parliament, 1st reading | | |
| 03/12/1992 | Vote in committee, 1st reading | | Summary |
| 02/12/1992 | Committee report tabled for plenary, 1st reading | A3-0001/1993 | |
| 19/01/1993 | Debate in Parliament |  | |
| 20/01/1993 | Decision by Parliament, 1st reading | T3-0012/1993 | Summary |
| 05/07/1993 | Modified legislative proposal published | COM(1993)0252 | Summary |
| 23/11/1993 | Vote in committee, 1st reading | | |
| 22/11/1993 | Committee report tabled for plenary confirming Parliament's position | A3-0364/1993 | |
| 02/12/1993 | Decision by Parliament, 1st reading | T3-0681/1993 | Summary |
| 21/05/1997 | Debate in Council | 2007 | |
| 27/10/1999 | Debate in Parliament |  | Summary |
| 17/03/2006 | Additional information | | Summary |

| Technical information | |
|----------------------------|--|
| Procedure reference | 1991/0386(COD) |
| Procedure type | COD - Ordinary legislative procedure (ex-codecision procedure) |
| Procedure subtype | Legislation |
| Legislative instrument | Regulation |
| Legal basis | EC Treaty (after Amsterdam) EC 095 |
| Stage reached in procedure | Procedure lapsed or withdrawn |

| Documentation gateway | | | | | |
|---|--|--|------------|-----|---------|
| Legislative proposal | | COM(1991)0273 | 05/03/1992 | EC | Summary |
| Economic and Social Committee: opinion, report | | CES0642/1992 OJ C 223 31.08.1992, p. 0052 | 26/05/1992 | ESC | Summary |
| Committee report tabled for plenary, 1st reading/single reading | | A3-0001/1993 OJ C 042 15.02.1993, p. 0003 | 03/12/1992 | EP | |
| Text adopted by Parliament, 1st reading/single reading | | T3-0012/1993 OJ C 042 15.02.1993, p. 0074-0089 | 20/01/1993 | EP | Summary |
| Modified legislative proposal | | COM(1993)0252 | 06/07/1993 | EC | Summary |
| Reconsultation | | COM(1993)0570 | 10/11/1993 | EC | |
| Committee final report tabled for plenary, 1st reading/single reading | | A3-0364/1993 OJ C 342 20.12.1993, p. 0002 | 23/11/1993 | EP | |
| Text adopted by Parliament confirming position adopted at 1st reading | | T3-0681/1993 OJ C 342 20.12.1993, p. 0015-0030 | 02/12/1993 | EP | Summary |

| Additional information | |
|------------------------|-------------------------|
| European Commission | EUR-Lex |

Statute for a European association

PURPOSE : to establish a European Statute for associations and foundations and to provide this sector with an appropriate legal instrument.

PROPOSED ACT: Council Regulation.

CONTENT: This proposal aims to establish a European legal instrument for the benefit of transnational non- profit organisations, which have members from at least two Member States. The proposed statute will confer on ?European Associations? a legal personality, which will be effective throughout the Community.

Basic principles: the European Association will be an organisation where Members will jointly pool their knowledge or their activities, either in the general interest or with a view to the direct or indirect promotion of sectoral and/or professional interests.

The EA will have legal personality from the time of its insertion in the register designated by the State where it has its headquarters.

The proposal provides for the setting up of an EA, either by a minimum of two legal entities constituted in accordance with the law of a Member State, and having its statutory headquarters in at least two Member States, or by at least 21 natural persons being nationals of two Member States of the Community and residing in two Member States.

An EA may also be achieved by conversion as soon as a national organisation has an establishment in a Member State other than that where it has its headquarters. The EA must be able to demonstrate that it has a real and effective transnational activity.

The headquarters of an EA, established by its articles must be located within the Community and must correspond to the seat of its central management.

Operation: the constitution of the EA provides for the following bodies:

-a general assembly: this must take place at least once a year. It may be convened at any time without prior consultation , or at the request of 25% of members of the EA (this percentage may be lowered by the articles);

- a management board: this body manages and directs the EA with regard to third parties and represents the EA in court actions. The member or members of the management board are appointed or dismissed by the general assembly. The members of the management board are appointed for a term of six years, renewable one.

The EA must draw up a provisional budget for its future activities.

The dissolution of the EA is declared, either by the decision of the general assembly, notably at the end of the term fixed by its articles, or where it fails to publish its accounts three times, or by legal decision, especially when the headquarters of the EA has been transferred outside the Community.

Specific provisions: if EAs are placed under liquidation or insolvency procedures, they are subject to the national provisions of the Member State where they have their headquarters.

It should be noted that the instrument proposed by the Commission is optional.

Statute for a European association

Opening the debate on her report on the proposals from the Commission to the Council for three regulations and three directives on the statutes of European associations, European cooperative societies and European mutual societies, Marie-Claude Vayssade (Soc., F) stressed the importance of this sector: - there were 63 million members of cooperatives in Europe with a turnover of ECU 370 billion; - providence mutual societies had some 47 million members and covered 25 million families; - 3 million staff ran associations. Mrs Vayssade welcomed the 'fruitful dialogue' between the European Parliament and the European Commission in the preparation of this report and the consensus reached in the Committee on Legal Affairs. The rapporteur set out the three main features of her report: - the proposed statutes were optional. They were made available to those wishing to use them. The aim was not harmonisation of national laws on associations, cooperative societies and mutual societies, which had to retain their specific organisational arrangements; - these statutes were parallel to those laid down in the legislation on the European company; - the proposals aimed to preserve values specific to the social economy, notably the principle of primacy of the person and non-distribution of profits. As far as the statute for associations was concerned, Mrs Vayssade said she was in favour of keeping to the compromise reached in the Committee on Legal Affairs and refuted the amendments tabled by James Janssen van Raay (NL) on behalf of the EPP Group. In her view, these amendments were dangerous because they referred to a single country. As far as the statute for cooperatives was concerned, Mrs Vayssade said she was willing to accept the amendments concerned with Irish credit unions. On mutual societies, the rapporteur stressed the work done by the Committee on Legal Affairs to avoid putting certain national specificities in question. The proposals did not apply to basic social security schemes managed by mutuals, such as in Belgium or the teaching sector in France. In conclusion, Mrs Vayssade hoped that the Council of Ministers would take a quick decision on these matters. Marianne Thyssen (PPE, B), draftsman of the opinion of the Committee on Economic Affairs, considered that the Commission would have been better advised to wait for a decision by the Council of Ministers on the European company before making proposals on the organisations covered by Mrs Vayssade's report. Fair competition between the two forms of company was necessary, she believed. She regretted that the report failed to take account of the particularities of the sickness funds and the risks covered. As regards the involvement of employees, she said that she was 'taken aback' to find proposals in these reports when they were a very significant issue in the discussions on the establishment of the European company. She also asked why the Commission had not used the opportunity to present proposals on the general structure of the liberal professions. Winfried Menrad (PPE, D), draftsman of the opinion of the Committee on Social Affairs, noted that non-profit-making associations had to be treated differently from those associations whose objective was an economic one. He wished for greater autonomy at national level in the operation of these organisations. As regards employee involvement, which could range from simple consultation to German co-determination (Mitbestimmung), he mentioned the danger of evasion that the legislation could present for some undertakings who did not wish to apply their exacting national standards. In his view, the legislation must not simply guarantee consultation, but also rights of participation. The existing rights could not be jeopardised by the European measures, he concluded. Speaking on behalf of the Socialist Group, Rinaldo Bontempi (I) welcomed the fact that it was now possible to form European associations. This was particularly important, he believed, when social Europe was progressing at a slow speed compared with economic integration. Democratic associations of citizens, he continued, allowed the protection of the individual and of fundamental values. Nicole Fontaine (F) stressed, on behalf of the EPP Group, that it was very important to provide a legal instrument for associations that wished to develop their cross-border cooperation. The exclusion of non-profit-making societies from the European construction under Article 58 of the Treaty of Rome was an anachronism. The proposals from the Commission to the Council in this field were a stiff challenge, she observed, given the diversity of the situations in the Member States, which could not be called into question. After stating that the Vayssade report was 'satisfactory overall' for the EPP Group, Nicole Fontaine noted that the most delicate problem was striking a balance between the constraints of transparency and the need to avoid imposing excessive demands on small associations, which often depended, in their essentially social activities, on volunteers. That was why the EPP Group had tabled amendments on subsidiarity, which allowed each State to maintain its own legislation. Manuel Porto (P) stressed on behalf of the LDR Group that associations must take their place in the social economy in order to fill the gaps that existed in society. The proposed legislation made it possible to satisfy the appropriate conditions. Aline Archimbaud (Verts, F), speaking on behalf of the Greens, welcomed the fact that the foundations were being laid for a European status for the social economy. This was an innovative sector, she thought, which enabled investment to be made in socially useful and environmentally friendly sectors. Even though the role of the undertakings in question was still modest, it permitted the development of a real economic democracy. She hoped for the development of European networks built on solidarity, mobilising all those who were determined to be kept informed about all aspects of production. Lode Van Outrive (Soc., B) was concerned about the harmful effects that the planned legislation could have on Belgian sickness insurance funds. He feared that it could lead to more intense privatisation and threaten the principle of solidarity; in his view, there was a risk of creating funds for the rich and funds for the poor. Thomas Maher (LDR, Irl.) and Patrick Cooney (PPE, Irl.) drew attention to the fate of Irish credit unions. Mr Cooney specifically requested that the Second Banking Directive should not apply to the credit unions. The European Commissioner, Raniero Vanni d'Archirafi, making his maiden speech in Strasbourg, said that the debate on European associations and cooperatives was an example of the good spirit of cooperation between the Commission, the Council of Ministers and the European Parliament. This was a very important sector for European recovery, he added. He hoped that discussions would be quickly concluded in the Council of Ministers, stating that the Commission could accept about 75% of the amendments tabled. He pointed out that the Commission would oppose the amendments creating too much flexibility and depriving the sector of its specific characteristics and those that could produce grave risks for members of cooperatives and for others. In addition, the Commission would accept certain amendments allowing for a simplification of rules on publicity and accounts. On the other hand, with regard to the role of employees, the Commission would reject several amendments whose implicit consequence would be to introduce co-management in the eleven Member States where it did not exist. VOTE The European Parliament adopted at first reading the report by Marie-Claude Vayssade (Soc., F) on the proposals from the Commission to the Council for three regulations and three directives on the

statutes of European associations, European cooperative societies and European mutual societies and on the involvement of employees in these three kinds of society. Amongst other things, Parliament adopted, by 190 votes to 154 with 20 abstentions, an amendment tabled by Raymonde Dury (Soc., B) on European mutual societies. That amendment drew a distinction between European provident mutual societies and European mutual societies carrying on other activities. In addition, Parliament rejected several amendments tabled on behalf of the EPP Group by Mr Menrad (D) and Mr Janssen van Raay (NL). Those amendments provided for a distinction between associations defined as economic and others and made reference to the right of co-determination for employees in European associations. In her explanation of vote, Raymonde Dury (Soc., B) was happy that, by its vote, Parliament had taken into consideration the specific situation of Belgian mutuelles and mutualités. Winfried Menrad (PPE, D) was keen to stress that he did not agree with the text adopted by Parliament on the rights of employees in European associations. He believed that the legislation desired by Parliament would mean 'getting lost in a maze of labour and institutional rules'. Elmar Brok (PPE, D) wished for the differences between Member States to be taken into account more. He noted that worker co-determination in economic associations had been rejected by a large number in the Socialist Group. The rapporteur, Mrs Vayssade, was sorry about Parliament's vote on mutual societies, which 'will please only the Belgians'. In the other countries, the semantic distinctions between mutuelles and mutualités did not exist. She pointed out to Mr Menred that she had not been able to support his amendment introducing a distinction between economic and other associations, a typically German distinction, because [...] ?

Statute for a European association

The Commission's amended proposal incorporated 14 of the European Parliament's 25 amendments fully or in part, including, in particular: -extension of the rights granted to the European Association to call on the generosity of the public for its financing; -the possibility of setting up 'joint' European Associations of natural and legal persons; -extension of the European association's sources of finance to all those open to associations in the State where they have their registered place of business and also in Member States where they have establishments. Under pressure from the Member States, the Commission has also tightened up the conditions for transferring the EA's seat from one Member State to another. ?

Statute for a European association

The European Parliament confirmed as its first reading the text voted on 20.01.1993 on a proposal for a Regulation on the Statute for a European association the number of the legal base of which has changed following the entry into force of the Amsterdam Treaty.?

Statute for a European association

?Following the screening exercise of proposals pending undertaken as part of its effort for better regulation in the framework of the Partnership for Growth and Jobs in the European Union, the Commission has decided to withdraw certain proposals on which the Legislator has not yet reached a decision and which were found not to be consistent with the Lisbon and Better Regulation criteria, unlikely to make further progress in the legislative process or found to be no longer topical for objective reasons?. (OJ C64 of 17.03.2006, pages 3-10).