

The Director General

Ms Maud Olofsson
President of the EU Competitiveness Council
Swedish Minister for Enterprise and Energy
and Deputy Prime Minister
Mäster Samuelsgatan 70
SE-103 33 Stockholm

2 December 2009

Re: EPC statute discussion at the Competitiveness Council meeting on 3-4 December 2009

Your Excellency, Dear Madam President of the Competitiveness Council,

Orgalime, the European Engineering Industries Association, speaks for 34 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 22 European countries. The industry employs some 11 million people in the EU and in 2008 accounted for some €1,885 billion of annual output. The vast majority of these companies are SMEs, many of which operate in several EU countries.

Orgalime urges member states to reach an agreement on the European Private Company Statute (EPC) during the Competitiveness Council meeting on 3 and 4 December 2009. The EPC Statute was proposed as part of the Small Business Act for Europe in June last year and was in general welcomed by member states. We believe that such a statute would represent a significant simplification of the EU regulatory environment, since the establishment of subsidiaries in EU Member States still entails serious difficulties. Due to 27 very different national systems of company law and lack of transparency regarding liability issues or other obligations, extensive legal advice is needed with respect to the requirements for setting up a company. Our industry would therefore consider it as a major advantage and simplification of the regulatory framework if companies, especially SMEs, no longer had to deal with different company law systems, thereby facilitating their growth in the internal market. Orgalime and its members have been promoting in various position papers the necessity and the advantages of an EPC.

The incorporation of an EPC should be as simple as possible and both complementary applications of national company law provisions as well as cross-references to national company law must be avoided.

We trust that you will take into account our position hope that substantial progress will be made on this very important dossier. We would also be grateful if you could share it with the national delegations of the Competitiveness Council.

Yours sincerely,

Adrian Harris

Cc: Mr Rolf Skog

The European Engineering Industries Association