



## European Foundation Statute: A brief history and milestones

February 2010

The European Foundation Centre (EFC) supports the creation of the European Foundation Statute (EFS), which will help foundations that wish to develop and expand their activities across several countries, while also encouraging the creation of new foundations at European level. The EFC has been telling the European Commission since 2001 that the foundation sector needs a legal instrument specific to its needs. Building upon the outcomes of the European Commission public consultation on a possible European Statute for foundations, the EFC now calls on the European Commission to conclude its internal impact assessment on the European Foundation Statute in 2010, and present a draft regulation for approval by the Council and the European Parliament in due course. This document gives a brief overview of the key developments and milestones leading up to the current impact assessment process.

### **2001**

EFC informs the European Commission of the need for a separate European legal instrument for foundations.

### **2001-2**

Commission sets up High Level Group (HLG) of Company Law Experts to review European company law trends and the need for new European legal forms. HLG consultation stresses the value of a European legal form for foundations.

### **May 2003**

Commission presents Action Plan for Company Law & Corporate Governance, which plans to review the feasibility of separate European Foundation Statute.

### **September 2005**

Expert Group Report on measures and actions to promote the role of foundations and the non-profit sector in boosting research and development investment urges the Commission to consider preparing a regulation for a European Foundation Statute, for adoption by European Council and Parliament<sup>1</sup>.

### **December 2005-March 2006**

Commission consultation on priorities for European Company Law & Corporate Governance specifies the need to launch EFS feasibility study. Foundations (c.33% of those consulted) urge Commission to conduct a feasibility study<sup>2</sup>.

### **July 2006**

European Parliament's report on the prospects of company law asks Commission to continue work on EFS<sup>3</sup>.

### **Autumn 2007**

11-month EFS feasibility study begins.

### **February 2009**

EC Directorate-General for Internal Market and Services (DG MARKT) releases the EFS Feasibility Study and launches third public consultation<sup>4</sup>.

European Parliament report on social economy notes that there is a need for the recognition of a European statute for foundations to ensure that they benefit from equal treatment in internal market law<sup>5</sup>.

### **July 2009**

European Economic and Social Committee decides to draw up an 'own-initiative opinion' on the EFS.

### **November 2009**

DG MARKT releases the outcome of the public consultation on an EFS: Foundation sector unanimously supports the European Statute as the most cost-effective policy option for addressing cross-border barriers and thereby stimulating foundations' activities across Europe.

### **January 2010**

Commissioner-designate for Internal Market announces that he will consider giving foundations a European Statute

...2010... Impact assessment begins

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<sup>1</sup> [http://ec.europa.eu/invest-in-research/pdf/download\\_en/rec\\_5\\_7800\\_giving\\_4\\_051018\\_bat.pdf](http://ec.europa.eu/invest-in-research/pdf/download_en/rec_5_7800_giving_4_051018_bat.pdf)

<sup>2</sup> Results of the consultation are available at:

[http://circa.europa.eu/Public/irc/markt/markt\\_consultations/library?!=company\\_law/priorities\\_consultation&vm=detailed&sb=Title](http://circa.europa.eu/Public/irc/markt/markt_consultations/library?!=company_law/priorities_consultation&vm=detailed&sb=Title)

<sup>3</sup> European Parliament resolution on recent developments and prospects in relation to company law (2006/2051(INI)): [http://www.europarl.europa.eu/RegData/seance\\_pleniere/textes\\_adoptes/definitif/2006/07-04/0295/P6\\_TA\(2006\)0295\\_EN.pdf](http://www.europarl.europa.eu/RegData/seance_pleniere/textes_adoptes/definitif/2006/07-04/0295/P6_TA(2006)0295_EN.pdf)

<sup>4</sup> [http://ec.europa.eu/internal\\_market/company/eufoundation/index\\_en.htm](http://ec.europa.eu/internal_market/company/eufoundation/index_en.htm)

<sup>5</sup> European Economic and Social Committee (EESC) resolution on social economy (2008/2250(INI)) <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P6-TA-2009-0062>