
The European Commission (EC) is considering how to modernise EU company law

The EC launched a [public consultation](#) to support its initiative to facilitate the use of digital technologies throughout a company's life cycle, including for divisions (restructuring, divestments or sale of parts of the business or subsidiaries, etc.) and cross-border mergers. The consultation, which ends on 6 August, 2017, seeks stakeholder views on how problems in company law may be addressed at the European Union (EU) level. The consultation focuses on three key aspects:

Use of online tools throughout the company's life cycle

Of particular interest are views addressing:

- *The digital interaction between companies and Member States.* Currently, there is a limited EU legal framework to allow the use of digital processes or tools in company law and no obligation on the online registration of companies.
- *The digital interaction between companies and shareholders.* Digital tools (such as digital information exchange platforms) could make the interaction between companies and their shareholders easier but are not always allowed. In addition, a lack of standardisation in the Member States may create barriers to the effective use of digital tools in company law.

Cross-border mobility of companies (mergers, divisions, conversions)

The EC believes the current EU framework for cross-border mergers remains costly and complex. EU law does not provide a specific legal framework for cross-border divisions and conversions (i.e. the transfer of the registered office from one Member State to another) and creates legal uncertainty for cross-border operations of companies.

Conflict-of-law for companies

Companies operating across borders or considering cross-border activities face the risk of being governed by different or contradictory laws depending on where they are formed or active. The lack of legal certainty as to which law applies leads to considerable practical difficulties and additional costs.