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Answer given by Mr McGrath
on behalf of the European Commission
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The Competitiveness Compass announced the initiative on the 28th regime as one of the key measures to contribute to EU competitiveness and to make business easier and faster in Europe. The burden due to fragmentation of rules in different policy areas, including national corporate regimes, is proportionately greater for smaller companies, which have less financial and human resources. The diversity of national regimes also creates constraints for investors by increasing complexity and costs.

This initiative will provide companies, in particular innovative ones, with a harmonised set of rules to make investing and operating in the single market easier. As a key element, it will set out a new corporate legal framework for companies. It will build further on existing solutions in EU *acquis*, in particular on fully on-line procedures and digital tools for companies in EU company law. This corporate legal framework will be complemented by targeted actions in other policy areas to help innovative companies, start-ups and scale-ups develop in the Single Market. Whether and what labour law elements could be included is to be determined.

The initiative will be subject to an open public consultation where all interested parties can express their views. In addition, the 28th regime will be discussed in the High-Level Forum on Justice for Growth. The Forum will be composed of representatives of all Member States, the European Parliament and stakeholders, including the main cross-industry organisations representing social partners at EU level. Further specific consultations would be considered, depending on the possible actions related to labour law.