

AD 23/25

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CONF-ME 10

**ACCESSION DOCUMENT**

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Subject: EUROPEAN UNION COMMON POSITION  
- Chapter 6: Company Law

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## **EUROPEAN UNION COMMON POSITION**

### **Negotiating Chapter 6: Company Law**

This position of the European Union is based on its general position for the Accession Conference with Montenegro (AD 23/12 CONF-ME 2) and is subject to the negotiating principles endorsed therein, in particular:

- any view expressed by either party on a chapter of the negotiations will in no way prejudice the position which may be taken on other chapters;
- agreements – even partial agreements – reached during the course of the negotiations on chapters to be examined successively may not be considered as final until an overall agreement has been established;
- as well as the requirements set out in points 24, 28, 41 and 44 of the Negotiating Framework.

The EU encourages Montenegro to continue the process of alignment with the EU *acquis*, noting that additional *acquis* may enter into force before accession, to ensure its effective implementation and enforcement, and develop already before accession, policies and instruments as close as possible to those of the EU.

The EU notes that Montenegro, in its negotiating positions AD 8/13 CONF-ME 6 and AD 20/25 CONF-ME 7, Montenegro accepts the *acquis* under chapter 6 as in force on 14 October 2025, and that it declares that it will be ready to implement it by the date of its accession to the European Union.

### **Company Law**

The EU notes the significant progress made by Montenegro in aligning its legislation on company Law in all fields covered by this chapter with the EU *acquis*. In particular, the EU notes that in July 2025 Montenegro adopted the new Law on companies (Official Gazette of Montenegro, No. 90/25 and 121/25) and the new Law on the registration of business and other entities (Official Gazette of Montenegro, No. 92/25 and 121/25) and subsequent amendments in October 2025 and related secondary legislation, thus aligning with the core EU company Law *acquis* and namely Directive (EU) 2017/1132 of 14 June 2017 relating to certain aspects of company Law as amended by Directive (EU) 2019/1151 of the European Parliament and of the Council of 20 June 2019 as regards the use of digital tools and processes in company law; and Directive (EU) 2019/2121 of 27 November 2019 as regards cross-border conversions, mergers and divisions. The EU notes that the new Law on companies and the new Law on the registration of business and other entities will enter into force in Montenegro on 1 January 2026 at the latest.

The EU further takes note of Montenegro's commitment in its negotiating positions AD 8/13 CONF-ME 6 and AD 20/25 CONF-ME 7, to amend the identified national legislation that may conflict with the implementation of the **fully online formation and registration of companies and branches** and the **fully online filing related to companies and branches** such as the Law on notaries and the Law on certification of signatures, handwritings and copies to mention some examples. To that end, the EU urges Montenegro to finalise and adopt the amendments to its national legislation including rulebooks, by December 2025 to fully ensure the implementation of the new Laws as of 1 January 2026. In addition to harmonizing the legislative framework, the EU strongly recommends that Montenegro carries out all the necessary steps to develop the software infrastructure by the end of December 2025, to make the system fully operational for the implementation of laws starting as of 1 January 2026. The EU notes that Montenegro will organise targeted training and information sessions for businesses to facilitate the effective implementation of the new provisions. It is important that Montenegro continues with this training as necessary to ensure smooth adaptation to the new legislation.

As regards **the disclosure requirements, validity of obligations and grounds for nullity of public limited liability** companies (Directive (EU) 2017/1132), the EU notes that Montenegro aligned its legislation with the *acquis* with the adoption of the new Law on companies in 2025, introducing clearer rules on mandatory disclosures, enhancing legal certainty in the content of the instruments of incorporation of public limited liability companies, and harmonising grounds for nullity in line with EU standards.

As regards **single-member companies**, the EU takes note that Montenegro's new Law on companies adopted in 2025 stipulates the need for decisions by single-member joint stock companies to be recorded in writing, resulting in full alignment with Directive 2009/102/EC.

In the area of **capital formation, nullity, capital maintenance and alteration of public limited liability companies**, the EU takes note that provisions concerning the price of issuing of shares, the appointment of independent experts for the evaluation of contribution in kind, certain conditions relating to the acquisition of a company's own shares, and creditor protection in case of capital reduction, are covered by the Law on business organisations from 2020 (Official Gazette of Montenegro, No. 65/20) and further strengthened by the new 2025 Laws on companies and on the registration of business and other entities. Additionally, the new Law on companies contains explicit provisions on: the prohibition of issuance of shares at a price lower than their nominal value, the obligation to appoint an independent expert for the evaluation of in-kind contributions, non-monetary investments, the procedure for acquisition of own shares in cases one's own shares are accepted as security and the reduction in the subscribed capital by compulsory withdrawal of shares. The new Law on companies from 2025 thereby ensures full alignment with the Directive (EU) 2017/1132 on the above-mentioned topics.

As regards **domestic mergers and domestic divisions** of public limited liability companies foreseen under Directive (EU) 2017/1132, the EU notes that Montenegro is aligned with the *acquis* through the adoption of the new Law on companies and Law on the registration of business and other entities from 2025. The new Laws provide for a comprehensive and modernised framework for domestic mergers and divisions of companies.

Regarding **cross-border mergers, divisions and conversions**, the EU notes that the legislative acts adopted in July 2025 introduced a legal framework for cross-border mergers, divisions and conversions of companies, ensuring thereby full alignment with Directive (EU) 2017/1132 as amended by Directive (EU) 2019/2121.

The EU notes that the adoption of the above-described legislative provisions fulfils the requirements of the second closing benchmark set in document AD 19/13 CONF-ME 15.

The EU underlines the importance for Montenegro to initialise the work to align with Directive (EU) 2025/25 amending Directives 2009/102/EC and 2017/1132 as regards further **expanding and upgrading the use of digital tools and processes** in company law.

The EU notes that in September 2025, Montenegro adopted the **revised Corporate Governance Code**. The Code, which will be implemented as of 1 January 2026, places special emphasis on responsible and sustainable governance, risk identification and management, and building trust between companies and their stakeholders thus improving business quality and market competitiveness.

The EU notes that Montenegro's legislative framework on transparency on capital markets is aligned with the EU *acquis*. In July 2018 Montenegro adopted the Law on capital markets (Official Gazette of Montenegro, No. 1/18) and related implementing legislation aiming to align with the **transparency Directive** (2004/109/EC). The EU welcomes the adoption of amendments to the Law on capital markets (Official Gazette of Montenegro, No. 69/25) together with a number of accompanying bylaws, in July 2025, thereby aligning with Directive 2004/109/EC as amended by Directive 2013/34/EC and with the complementing Directive 2007/14/EC of 8 March 2007 laying down detailed rules for the implementation of certain provisions of Directive 2004/109/EC.

The EU notes that through the adoption of the amendments to the Law on capital market Montenegro fulfils the requirements of the first closing benchmark set in document AD **19/13 CONF-ME 15**.

The EU expects Montenegro to ensure alignment with the **European Single Access Point *acquis*** particularly with Regulation (EU) 2023/2859 and 2023/2869 and Directive (EU) 2023/2864, as well as the applicable implementing and delegated acts as soon as possible before accession.

The EU takes note that Montenegro is aligned with Directive 2004/25/EC **on take-over bids** through the adoption of the amendments to the Law on takeover of joint stock companies in 2016 (Official Gazette of Montenegro, No. 018/11 and 52/16).

The EU notes that the adoption of this legislative act fulfils the requirements of the third closing benchmark set in document AD **19/13 CONF-ME 15**.

Concerning the **Statute for a European Company** (Societas Europaea or SE – Regulation (EC) No. 2157/2001) **and the European Economic Interest Grouping** (EEIG – Regulation (EEC) No. 2137/85), the EU takes note that these Regulations will be directly applicable in Montenegro from the date of accession.

Concerning the **rights of shareholders in listed companies**, the EU notes that Montenegro is aligned with Directive 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement.

The EU invites Montenegro to align with Directive (EU) 2024/2810, as regards multiple-vote share structures. As regards the **remuneration of directors**, the EU notes that the Montenegrin legal system is aligned with the Commission recommendations (2004/913/EC, amended by 2009/385/EC), through the new Law on registration of business and other entities, which provides for a legal framework for publishing directors' remuneration policies and preparing remuneration reports for the general meeting, also allowing the shareholders to express their opinion on the policy and level of directors' remuneration.

The EU notes that Montenegro is aligned with Directive 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the **gender balance** among directors of listed companies and related measures (Official Gazette of Montenegro, No. 90/25, 92/25 and 121/25).

Regarding the **Business Registers Interconnection System (BRIS)** (Directive (EU) 2017/1132 and implementing Regulation (EU) 2021/1042), the EU notes that so far only partial alignment has been ensured. The EU notes that Montenegro is working on the Central Registry of Business Entities (CRPS) on the establishment of online formation and registration for all forms of companies in line with related Reform step foreseen in Montenegro's Reform Agenda under the Growth Plan for the Western Balkans, in order to obtain the necessary conditions for timely connection with the BRIS. The EU stresses the importance for Montenegro to intensify its efforts and develop the necessary IT systems to ensure timely connection with the BRIS upon accession. The EU will closely monitor this development.

In this context, the EU notes that the test environment for the company Registration Module was deployed at the beginning of 2025 and all employees of CRPS and other registers of the Tax Administration have been working on testing the module. Additionally, the Beneficial Ownership Register, which forms part of the overall taxpayer portal, was launched in June 2025. Further to this, the EU expects Montenegro to continue developing the software and to finalise the preparations for the Integrated Revenue Management System (IRMS), ensuring that both systems are released by 1 January 2026.

### **Corporate reporting, accounting and auditing**

The EU notes the significant progress made by Montenegro in aligning its legislation with the EU *acquis* on **corporate reporting, accounting and auditing**.

As regards **annual accounts and consolidated accounts**, the EU takes note that Montenegro aligned its national legislation with Directive 2013/34/EU through the new Law on accounting adopted in July 2025 (Official Gazette of Montenegro, No. 84/2025) including with delegated Directive 2023/2775 on the new size thresholds for micro, small, medium sized and large undertaking or groups. Through this Law, Montenegro has also aligned with Directive 2021/2101 on country-by-country reporting. The EU further notes that Montenegro has also aimed to address the recommendations from World Bank Report on Observance of Standards and Codes (ROSC).

The EU notes that with the new Law on accounting Montenegro has introduced a set of specific rules for Public Interest Entities, and has established a more effective sanctioning system. The EU notes that Montenegro has introduced thresholds for the classification of legal entities and groups of legal entities, exceptionally allowing micro, small, and medium-sized legal entities that are not public-interest entities to apply the International Financial Reporting Standards (IFRS) for Small and Medium-Sized Entities (“IFRS for SMEs”). The EU recalls that the IFRS for SMEs is not endorsed for use in the EU, and therefore, the EU encourages Montenegro to ensure that its own national accounting rules for these entities are aligned with the EU accounting Directive by the time of EU accession. The EU further notes that the new Law on accounting also introduces provisions on the preparation, consistency check and publication of a management report by companies and groups, introducing relevant articles and provisions on disclosure of income tax information by certain undertakings and branches, thereby ensuring full alignment with the *acquis*.

As regards **statutory audits**, the EU takes note that Montenegro’s new Law on auditing (Official Gazette of Montenegro, No. 84/2025) is aligned with the audit Directive 2006/43/EC and its subsequent amendments including the provisions for the establishment of an independent and adequately funded audit oversight body, the Division for Audit Oversight, and of a quality assurance system to ensure compliance with the rules on statutory audit. The EU notes that through the new Law on auditing, Montenegro strengthened the provisions concerning the Audit Public Oversight System and Quality Assurance System through the introduction of a set of specific rules for Public Interest Entities, introducing inspections, investigations and establishing a more effective sanctioning regime.

Beyond the *acquis*, the EU notes Montenegro’s active participation in World Bank’s programs REPARIS (Program of Accounting Reform and Institutional Strengthening) and EAASURE (Enhancing Accounting, Auditing, and Sustainability Reporting) regional programs which aim at creating a transparent policy environment and effective institutional framework for corporate reporting as well as supporting Western Balkan countries to build and strengthen public audit oversight function and to improve quality of audits in this region.

Regarding the establishment of an independent and adequately funded and staffed **Public Oversight Body and a Quality Assurance System** to comply with the rules on statutory audit, the EU takes note that Montenegro's oversight body is established and that the Montenegrin authorities consider it has appropriate administrative capacity at this point in time. The EU highlights that adjustments in funding and staffing levels may be needed in the future. The EU encourages Montenegro to monitor and further strengthen the resources and administrative capacities in order to allow the oversight body to conduct inspections in accordance with the national law, international standards and good practices. The EU will closely monitor the efforts undertaken by Montenegro in this regard. The EU expects Montenegro to be ready to apply the audit Regulation (EU) 537/2014, as amended, by the time of EU accession.

The EU notes that through the adoption of the new Law on auditing and new Law on accounting and the establishment of the Public Oversight Body and Quality Assurance system, Montenegro fulfils the requirements of the fourth closing benchmark set in document **AD 19/13 CONF-ME 15**.

The EU encourages Montenegro to continue monitoring EU developments concerning the so called "**Omnibus I Package**" (Commission proposals COM(2025)80 and COM(2025)81) and to complete alignment with the outcome of the EU legislative process, namely with regards to Directive (EU) 2024/1760 on corporate sustainability due diligence (CSDDD) and Directive 2022/2464 on corporate sustainability reporting (CSRD).

The EU invites Montenegro to continue reporting on the implementation of the framework, strengthening of administrative capacity, and steps undertaken as regards further alignment of its legislation related to the EU *acquis* in this Chapter (Company Law).

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In view of the above considerations, the EU notes that, at this stage, this chapter does not require further negotiations.

Monitoring of progress in the alignment with and implementation of the EU *acquis* will continue throughout the negotiations. The EU underlines that it will devote particular attention to monitoring all specific issues mentioned above with a view to ensuring Montenegro's administrative capacity to enforce the *acquis* in this chapter. Particular consideration needs to be given to the links between the present chapter and other negotiation chapters. A final assessment of the conformity of Montenegro's legislation with the EU *acquis* and of its implementation capacity can only be made at a later stage of the negotiations. In addition to all the information the EU may require for the negotiations in this chapter, and which is to be provided to the Conference, the EU invites Montenegro to provide regularly detailed written information to the Stabilisation and Association Council on progress in the implementation of the *acquis*.

In view of all the above considerations, the EU will, if necessary, return to this chapter at an appropriate moment.

The EU notes that Montenegro, in its negotiating positions AD 8/13 CONF-ME 6/13 and AD 20/25 CONF-ME 7 accepts the *acquis* under chapter 6 as in force on 14 October 2025. The EU furthermore notes that Montenegro declares that it will continue the alignment process with the *acquis* and that it will be ready to implement it by the date of its accession to the European Union.

Furthermore, the EU recalls that there may be new *acquis* between 14 October 2025 and the conclusion of the negotiations.