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INFORMATION NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on European cross-border associations - Outcome of the European Parliament's first reading (Strasbourg, 11 to 14 March 2024)

I. INTRODUCTION

The rapporteur, Sergey LAGODINSKY (Greens/EFA, DE), presented a report on the above proposal for a Directive on behalf of the Committee on Legal Affairs (JURI) which contained 139 amendments (amendments 1 to 139) to the proposal. No other amendment was tabled.

II. VOTE

When it voted on 13 March 2024, the plenary of the European Parliament adopted amendments 1 to 139 to the proposal for a Directive.

The Commission's proposal as thus amended constitutes the Parliament's first-reading position which is contained in its legislative resolution as set out in the Annex hereto.

P9_TA(2024)0147

European cross-border associations

European Parliament legislative resolution of 13 March 2024 on the proposal for a directive of the European Parliament and of the Council on European cross-border associations (COM(2023)0516 – C9-0326/2023 – 2023/0315(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2023)0516),

– having regard to Article 294(2) and Articles 50 and 114 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0326/2023),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to the opinion of the European Economic and Social Committee of 17 January 2024[1],

– having regard to Rule 59 of its Rules of Procedure,

– having regard to the letter from the Committee on the Internal Market and Consumer Protection,

– having regard to the report of the Committee on Legal Affairs (A9-0062/2024),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

[1] Not yet published in the Official Journal.

Amendment 1
Proposal for a directive
Recital 2

Text proposed by the Commission	*Amendment*
(2) The elimination of barriers to the development of activities of non-profit associations across Member States is essential in order to attain their freedom of establishment, as well as other fundamental freedoms such as the freedom to provide and receive capital and the freedom to provide and receive services within the internal market. By approximating the provisions of national law which affect the exercise of these freedoms, this Directive serves the objective of improving the functioning of the internal market. In so doing, this Directive will further serve the objectives of strengthening European integration, promoting social fairness and prosperity for EU citizens and facilitating the effective exercise of the freedom of assembly and of association throughout the Union.	(2) The elimination of barriers to the development of activities of non-profit associations across Member States is essential in order to attain their freedom of establishment, as well as other fundamental freedoms such as the freedom to provide and receive capital and the freedom to provide and receive services within the internal market. By approximating the provisions of national law which affect the exercise of these freedoms, this Directive serves the objective of improving the functioning of the internal market. In so doing, this Directive will further serve the objectives of strengthening European integration, ***ensuring equal treatment, by*** promoting social fairness and prosperity for EU citizens and facilitating the effective exercise of the freedom of assembly and of association throughout the Union.

Amendment 2
Proposal for a directive
Recital 6

Text proposed by the Commission	*Amendment*
(6) Among the legal forms available in the non-profit sector and the social economy, the legal form of the non-profit association is the choice for the large majority. In addition to contributing to the Union's objectives and to achieving goals that are in the public interest, non-profit associations make an important contribution to the internal market by engaging on a regular basis in a wide range of economic activities, for example by offering services in sectors such as social services and health, communication and information, advocacy, culture, the protection of the environment, education, recreation, sports, and in the promotion of scientific and technological advances. This is true when the pursuit of economic activities is the principal activity or objective of the non-profit association, and in other cases.	(6) Among the legal forms available in the non-profit sector and the social economy, the legal form of the non-profit association is the choice for the large majority. In addition to contributing to the Union's objectives and to achieving goals that are in the public interest, non-profit associations make an important contribution to the internal market by engaging on a regular basis in a wide range of ***non-economic and*** economic activities, for example by offering services in sectors such as social services and health, communication and information, advocacy, culture, the protection of the environment, education, recreation, sports, and in the promotion of scientific and technological advances. This is true when the pursuit of economic activities is the principal activity or objective of the non-profit association, and in other cases.

Amendment 3
Proposal for a directive
Recital 6 a (new)

Text proposed by the Commission	*Amendment*
	(6a) Although the majority of the activities of non-profit organisations are currently carried out at national level, an increasing number of them are operating across borders, thereby strengthening the social cohesion between Member States and deepening the internal market. In order to ensure that the socio-economic potential of non-profit associations and related entities and their contribution to the European integration is fully exploited, all barriers, hindering the cross-border operation of their activities should be removed.

Amendment 4
Proposal for a directive
Recital 7

Text proposed by the Commission	*Amendment*
(7) A fully functioning internal market for the activities of non-profit associations is essential in order to promote economic and social growth across Member States. At present, barriers within the internal market prevent non-profit associations from extending their operations beyond their national borders, thereby hindering the effective operation of the internal market. Working towards a fully effective internal market requires full freedom of establishment for all activities which contribute to the objectives of the Union.	(7) A fully functioning internal market for the activities of non-profit associations is essential in order to promote economic and social growth across Member States. At present, barriers within the internal market ***and the lack of harmonisation*** prevent non-profit associations from extending their operations beyond their national borders***, as they often encounter unjustifiable restrictions***, thereby hindering the effective operation of the internal market. Working towards a fully effective ***and functioning*** internal market requires full freedom of establishment for all activities which contribute to the objectives of the Union ***thereby bolstering cohesion and cooperation throughout the Union***.

Amendment 5
Proposal for a directive
Recital 8

Text proposed by the Commission	*Amendment*
(8) In order to establish a genuine internal market for the economic activities of non-profit associations, it is necessary to abolish any unjustified restrictions on the freedom of establishment, the free movement of services, the free movement of goods and the free movement of capital that still apply in the laws of certain Member States. These restrictions hinder non-profit associations from operating cross-border, not least because they impose on them a specific need to allocate resources to unnecessary administrative or compliance activities, which has a particularly deterrent effect in view of their non-profit nature.	(8) In order to establish a genuine internal market for the economic activities of non-profit associations, it is necessary to abolish any unjustified restrictions ***and barriers*** on the freedom of establishment, the free movement of services, the free movement of goods and the free movement of capital that still apply in the laws of certain Member States. These restrictions ***create legal uncertainty, discourage and*** hinder non-profit associations from operating cross-border, not least because they impose on them a specific need to allocate resources to unnecessary administrative or compliance activities, which has a particularly deterrent effect in view of their non-profit nature. ***Therefore, Member States should not apply restrictive or disruptive measures which can amount to excessive or costly burden on non-profit organisations. The freedom of association does not only include the ability to create or dissolve an association but also the ability for that association to operate without unjustified interference by a Member State. It also includes the ability to seek, secure and use resources, which is essential to the operation of any association. In particular, Article 63 and 65 TFEU together with Articles 7, 8 and 12 of the Charter of Fundamental Rights of the European Union (the 'Charter') enshrine the freedom of association at all levels and protect non-profit organisations against discriminatory, unnecessary and unjustified restrictions regarding the free movement of capital. This principle has been further developed by the Court of Justice in its case law, including in its judgement of 10 June 2020 in Case C-78/18, Commission vs Hungary*.***
	**** Judgment of the Court of Justice of 10 June 2020, Commission v. Hungary, C-78/18, ECLI:EU:C:2020:476.***

Amendment 6
Proposal for a directive
Recital 9

Text proposed by the Commission	*Amendment*
(9) These barriers arise due to inconsistencies in the national legal frameworks of Member States. The legal framework in which non-profit associations carry out their activities in the Union is based on national law, without harmonisation at Union level. Presently, non-profit associations do not receive uniform recognition of their legal personality and capacity throughout the Union and often need to register for a second time or even form a new legal entity in order to engage in activities in a Member State other than the one in which they are established. The fundamental elements concerning the mobility of non-profit associations within the Union remain inadequately regulated, resulting in legal ambiguity for all non-profit associations with cross-border activities. For instance, when non-profit associations intend to relocate their registered office to a new Member State, uncertainties persist regarding relocation. In particular, the lack of a possibility of transferring the registered office without going through a liquidation hinders non-profit associations from acting, moving, and restructuring across borders within the Union. National rules diverge and often fail to provide clear solutions and procedures for the exercise of cross-border mobility and economic activities of non-profit associations.	(9) These barriers arise due to inconsistencies in the national legal frameworks of Member States. The legal framework in which non-profit associations carry out their activities in the Union is based on national law, without harmonisation at Union level. Presently, non-profit associations do not receive uniform recognition of their legal personality and capacity throughout the Union and often need to ***follow different administrative procedures in multiple Member States, for example, to*** register for a second time ***in another Member State*** or even form a new legal entity in order to engage in activities in a Member State other than the one in which they are established. The fundamental elements concerning the mobility of non-profit associations within the Union remain inadequately regulated, resulting in legal ambiguity for all non-profit associations with cross-border activities. For instance, when non-profit associations intend to relocate their registered office to a new Member State, uncertainties persist regarding relocation. In particular, the lack of a possibility of transferring the registered office without going through a liquidation hinders non-profit associations from acting, moving, and restructuring across borders within the Union. National rules diverge and often fail to provide clear solutions and procedures for the exercise of cross-border mobility and economic activities of non-profit associations.

Amendment 7
Proposal for a directive
Recital 9 a (new)

Text proposed by the Commission	*Amendment*
	(9a) The heterogeneity of national laws and the lack of approximation of practices also leads to an uneven playing field due to the different market conditions and the diverse obstacles that non-profit organisations face in different Member States, for example when opening bank accounts, raising and accounting funds, including foreign funds, benefitting from public support measures and schemes and verifying and complying with requirements with regard to transparency duties.

Amendment 8
Proposal for a directive
Recital 10

Text proposed by the Commission	*Amendment*
(10) The ability to access and channel funds and capital efficiently across borders is necessary in order to facilitate non-profit associations' activities in the internal market. This includes remuneration for economic activities, but also donations, inheritance, or other forms of funding. Different regulatory frameworks and existing restrictions in the Member States regarding receiving, soliciting donations, and similar contributions in whatever form result in fragmentation in the internal market and constitute a barrier to the functioning of the internal market.	(10) The ability to access and channel funds and capital efficiently across borders is necessary in order to facilitate non-profit associations' activities in the internal market***. Cooperation and the exchange of best practices between non-profit associations from different States can help to increase the efficiency and impact of their actions at European level. By promoting common standards and a cohesive approach, red tape can be reduced and cross-border financial support encouraged in a more fluid and efficient way***. This includes remuneration for economic activities, but also donations, inheritance, or other forms of funding. Different regulatory frameworks and existing restrictions in the Member States regarding receiving, soliciting donations, and similar contributions in whatever form result in fragmentation in the internal market and constitute a barrier to the functioning of the internal market.

Amendment 9
Proposal for a directive
Recital 11

Text proposed by the Commission	*Amendment*
(11) Moreover, laws of certain Member States impose requirements regarding nationality or legal residence on members of non-profit associations or on members of the executive body of such non-profit associations. Such requirements should be eliminated in order to protect the exercise of freedom of establishment and freedom of association of EU citizens.	(11) Moreover, laws of certain Member States impose requirements regarding nationality or legal residence on members of non-profit associations or on members of the executive body of such non-profit associations. Such requirements should be eliminated in order to protect the exercise of freedom of establishment and freedom of association of EU citizens***, which would encourage the active participation of Union citizens in various non-profit organisations, irrespective of their country of nationality or residence***.

Amendment 10
Proposal for a directive
Recital 11 a (new)

Text proposed by the Commission	*Amendment*
	(11a) Taking into account their particular nature and their non-profit purpose, a large part of the activities of non-profit associations may be organised in a non-commercial way and thus be non-economic in nature.

Amendment 11
Proposal for a directive
Recital 12

Text proposed by the Commission	*Amendment*
(12) The freedom of association is crucial for the functioning of democracy, as it constitutes an essential condition for the exercise of other fundamental rights by individuals, including the right to freedom of expression and information. As recognised in the Charter of Fundamental Rights of the European Union ***(CFR)*** and in the Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR), freedom of association is a fundamental right.	(12) The freedom of association is crucial for the functioning of democracy, as it constitutes an essential condition for the exercise of other fundamental rights by individuals, including the right to freedom of expression and information. As recognised in the Charter of Fundamental Rights of the European Union and in the Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR), freedom of association is a fundamental right. ***Furthermore, the essential role of civil society and representative organisations in contributing to democracy at all levels is considered a fundamental value of the Union, as recognised, in particular by Article 11 of the Treaty on European Union (TEU), and requires the existence of an open, transparent and regular dialogue. This implies therefore also that frameworks for such dialogue should be used for the implementation and application of this Directive.***

Amendment 12
Proposal for a directive
Recital 13

Text proposed by the Commission	*Amendment*
(13) It is ***therefore*** necessary to put in place harmonised rules facilitating the pursuit of non-profit associations' cross-border activities. Existing national rules on cross-border associations should be harmonised so that they allow those non-profit associations to take a legal form specifically designed to facilitate operations on a cross border basis. That legal form should be provided in Member State's domestic legal orders through the adaptation of their respective rules on non-profit associations. This legal form, which is to be designated as the 'European cross-border association', ('ECBA'), should be automatically recognised by all Member States and will allow non-profit associations to overcome the obstacles they face in the internal market, while respecting Member States' traditions regarding non-profit associations.	(13) ***It is important to ensure convergence at Union level and avoid any unnecessary fragmentation. Thus, it is*** necessary to put in place harmonised rules facilitating the pursuit of non-profit associations' cross-border activities. Existing national rules on cross-border associations should be harmonised so that they allow those non-profit associations to take a legal form specifically designed to facilitate operations on a cross border basis. That legal form should be provided in Member State's domestic legal orders through the adaptation of their respective rules on non-profit associations. This legal form, which is to be designated as the 'European cross-border association', ('ECBA'), should be automatically recognised by all Member States and will allow non-profit associations to overcome the obstacles they face in the internal market, while respecting Member States' traditions regarding non-profit associations. ***These are important steps towards the deepening and ultimately the completion of the internal market.***

Amendment 13
Proposal for a directive
Recital 13 a (new)

Text proposed by the Commission	*Amendment*
	(13a) Non-profit associations are currently not automatically recognised when they operate in a country other than the one in which they are established, and often have to set up a new entity, concerning around 310,000 associations in the EU, with 185,000 more entities likely to engage in cross-border activities within a simplified framework. The ECBA statute should facilitate the cross-border activities of non-profit associations and their mobility. The accompanying certificate should provide them with this automatic recognition and enable them to develop their activities in other Member States, thus fully enjoy the benefits of the internal market.

Amendment 14
Proposal for a directive
Recital 15

Text proposed by the Commission	*Amendment*
(15) Trade unions and associations of trade unions should not be allowed to establish ECBAs, since they have a particular status in national law.	(15) Trade unions and associations of trade unions should not be allowed to establish ECBAs, since they have a particular status in national law. ***It should however be possible for such organisations to become a non-founding member of an ECBA, if they choose to do so.***

Amendment 15
Proposal for a directive
Recital 16

Text proposed by the Commission	*Amendment*
(16) Nor political parties and associations of political parties be allowed to establish ECBAs, as they enjoy a particular status within national law and Union law as laid down in Regulation (EU, Euratom) 1141/2014 of the European Parliament and of the Council[39] .	(16) Nor political parties and associations of political parties ***should*** be allowed to establish ECBAs, as they enjoy a particular status within national law and Union law as laid down in Regulation (EU, Euratom) 1141/2014 of the European Parliament and of the Council [39] .
[39] Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council of 22 October 2014 on the statute and funding of European political parties and European political foundations (OJ L 317, 4.11.2014, p. 1).	[39] Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council of 22 October 2014 on the statute and funding of European political parties and European political foundations (OJ L 317, 4.11.2014, p. 1).

Amendment 16
Proposal for a directive
Recital 17

Text proposed by the Commission	*Amendment*
(17) Churches and other religious organisations and philosophical or non-confessional organisations, within the meaning of Article 17 TFEU, as well as associations of these entities, ***should also not be allowed to establish an ECBA, due to the lack of Union competence to regulate their status, and due to them having*** a particular status in national law.	(17) Churches and other religious organisations and philosophical or non-confessional organisations, within the meaning of Article 17 TFEU, as well as associations of these entities, ***have*** a particular status in national law***, which should not be adversely affected by this Directive***. ***Therefore, these entities should also be allowed to establish or become a member of an ECBA, if they choose to do so.***

Amendment 17
Proposal for a directive
Recital 18

Text proposed by the Commission	*Amendment*
(18) The establishment of an ECBA should be the result of an agreement between natural persons that are Union citizens or legally resident third-country nationals, or legal entities established in the Union, except persons that have been convicted of offences concerning money laundering, associated predicate offences[40] , or terrorist financing or are subject to measures that prohibit their operations in a Member State on the same grounds. In view of the non-profit purpose of the ECBA, where an ECBA is constituted by legal entities, they should also have a non-profit purpose.	(18) The establishment of an ECBA should be the result of an agreement between natural persons that are Union citizens or legally resident third-country nationals, or legal entities established in the Union, except persons that have been convicted of offences concerning money laundering, associated predicate offences [40] , or terrorist financing or are subject to measures that prohibit their operations in a Member State on the same grounds***. In this regards a proportionate level of accountability, public reporting and the transparency of financing and governance structure should be ensured***. In view of the non-profit purpose of the ECBA, where an ECBA is constituted by legal entities, they should also have a non-profit purpose.
[40] Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law (OJ L 284, 12.11.2018, p. 22–30).	[40] Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law (OJ L 284, 12.11.2018, p. 22–30).

Amendment 18
Proposal for a directive
Recital 19 – paragraph 1

Text proposed by the Commission	*Amendment*
The non-profit purpose of an ECBA should mean that, when a profit is generated by means of economic activities, it should be used only in pursuit of the objectives of the ECBA, as defined in its statutes, and may not be redistributed. Therefore, there should be an asset lock requiring that no distribution of assets to members is to take place, even in the event of dissolution. In the latter case, residual assets should be transferred in a disinterested manner, such as to other non-profit associations ***having the same*** purpose.	The non-profit purpose of an ECBA should mean that, when a profit is generated by means of economic activities, it should be used only in pursuit of the objectives of the ECBA, as defined in its statutes, and may not be redistributed ***directly nor indirectly among its members, including members of its governing bodies, nor among its founders or any other private parties. The direct beneficiaries of organisations aimed at providing care services for individuals with specific social needs or health conditions, should not be considered to be private parties in this regard***. Therefore, there should be an asset lock requiring that no distribution of assets to members is to take place, even in the event of dissolution. In the latter case, residual assets should be transferred in a disinterested manner, such as to other non-profit associations ***or a local authority to be used for a similar*** purpose.

Amendment 19
Proposal for a directive
Recital 20 a (new)

Text proposed by the Commission	*Amendment*
	(20a) The values of the European Union enshrined in Article 2 of the Treaty on European Union should be respected both in the purpose and in the exercise of the activity of an ECBA, everywhere and at all times. To that end, the statutes of the ECBA should include a declaration that it will respect these values in its objectives and in the pursuit of its activities.

Amendment 20
Proposal for a directive
Recital 21

Text proposed by the Commission	*Amendment*
(21) The cross-border element of an ECBA is central. Therefore, an ECBA should carry out or have in its statutes the objective to carry out at least part of its activities across borders in the Union, in at least two Member States, and have founding members with links to at least two Member States, either based on citizenship or residence in the case of natural persons, or based on the location of their registered office in the case of legal entities.	(21) The cross-border element of an ECBA is central. Therefore, an ECBA should carry out or have in its statutes the objective to carry out at least part of its activities across borders in the Union, in at least two Member States, and have founding members with links to at least two Member States, either based on citizenship or residence in the case of natural persons, or based on the location of their registered office in the case of legal entities. ***The notion of "cross-border" under the present Directive is without prejudice to this notion in other Union legislation.***

Amendment 21
Proposal for a directive
Recital 23

Text proposed by the Commission	*Amendment*
(23) Harmonisation throughout the Union of the key features of ECBAs' legal personality and capacity and their automatic recognition across Member States and the registration procedure, without Member States laying down diverging rules on these issues, is an essential condition for ensuring a level-playing field for all ECBAs. The aspects of ECBAs' activities that are not harmonised by this Directive should be governed by the national rules that apply to the most similar ***type*** of non-profit association in national law. Such entities, independently of their name in the domestic legal order, should in all cases be membership-based, have a non-profit purpose, and have legal personality. To ensure transparency and legal certainty, Member States should notify the Commission ***of those*** rules.	(23) Harmonisation throughout the Union of the key features of ECBAs' legal personality and capacity and their automatic recognition across Member States and the registration procedure, without Member States laying down diverging rules on these issues, is an essential condition for ensuring a level-playing field for all ECBAs***, required under the single market, and creating legal certainty. That may lead to cost reduction, improved access to the single market for associations, increased offer and quality of services and products, better cooperation and will foster innovation***. The aspects of ECBAs' activities that are not harmonised by this Directive should be governed by the national rules that apply to the ***single*** most similar ***or most commonly used legal form*** of non-profit association in national law***. This applies, for example, with regard to national rules on the potential acquisition of a public benefit status or the application of employment legislation in accordance with the legislation in the Member State in which the relevant activities and operations take place***. Such entities, independently of their name in the domestic legal order, should in all cases be membership-based ***and self-governed***, have a non-profit purpose, and have legal personality***. Self-governed in this context means having an institutional structure allowing the exercise of all internal and external organisational functions, and allowing the making of essential decisions to be carried out independently***. To ensure transparency and legal certainty, Member States should notify the Commission ***and the ECBA committee of the single legal form of non-profit association that is most similar or most commonly used in national law and of the*** rules ***applicable to such legal form***.

Amendment 22
Proposal for a directive
Recital 23 a (new)

Text proposed by the Commission	*Amendment*
	(23a) Associations are already permitted to acquire a public benefit status in all Member States, though the requirements for and implications of acquiring such a status are very diverse. Such preferential status, regardless of its exact denomination, entails a number of benefits. With regard to recognising or granting a public benefit status, different approaches exist in national rules throughout the Union. In some Member States, such legal status is connected, for example, with fiscal privileges or access to public funding, and associations can decide to acquire such status in addition to their legal form, provided that they satisfy specific requirements and depending on the jurisdiction in which they operate. For example, entities legally established in the form of an association can acquire the legal status and denomination of non-profit organisations, public benefit organisations, non-governmental organisations, civil society organisations, third sector organisations, charities, provided they satisfy the legal requirements for such a status and denomination. This Directive should not affect such preferential status and should promote the activities of associations irrespective of such status under national rules. The Commission should, however, assess in the future whether it is appropriate to further develop legislation to also regulate such status at Union level.

Amendment 23
Proposal for a directive
Recital 24

Text proposed by the Commission	*Amendment*
(24) ***To ensure that Member States have the appropriate tools to combat terrorism financing and ensure transparency of certain capital movements,*** the rules applicable to ECBAs under this Directive should be without prejudice to measures adopted by Member States to prevent the misuse of non-profit associations for public policy and public security reasons and to ensure transparency of certain capital movements when required by Union law, or national law in compliance with Union law.	(24) The rules applicable to ECBAs under this Directive should be without prejudice to measures adopted by Member States to prevent the misuse of non-profit associations for public policy and public security reasons and to ensure transparency of certain capital movements***, in the context of the fight against terrorism financing and money laundering,*** when required by Union law, or national law in compliance with Union law . ***Such measures should be legitimate and appropriate, not go beyond what is strictly necessary and the impact of the measure on the ECBA should be proportionate to the objective pursued. To ensure these safeguards are upheld, an application of these measures should be based on a case-by-case assessment by the Member State's competent authorities.***

Amendment 24
Proposal for a directive
Recital 26

Text proposed by the Commission	*Amendment*
(26) ECBAs should be able to decide freely on their rules of operation. Any limitation on this freedom imposed by a Member State should be applied in a general and non-discriminatory way, prescribed by law, justified by an overriding reason in the public interest, ***and*** be appropriate ***for ensuring the attainment of*** the objective pursued ***and not going beyond what is necessary for it to be attained***.	(26) ECBAs should be able to decide freely on their rules of operation. Any limitation on this freedom imposed by a Member State should be applied in a general and non-discriminatory way, prescribed by law, justified by an overriding reason in the public interest, be appropriate ***and limited to what is strictly necessary, and the impact of the measure on the ECBA should proportionate to*** the objective pursued.

Amendment 25
Proposal for a directive
Recital 27

Text proposed by the Commission	*Amendment*
(27) Articles 52, 62 and 65 TFEU and relevant case law also apply to ECBAs. These TFEU Articles provide for the justification of measures restricting the freedom of establishment, freedom to provide services and free movement of capital on grounds including public policy, public security and public health. Furthermore, the concept of 'overriding reasons in the public interest' to which reference is made in certain provisions of this Directive has been developed by the Court of Justice in its case law. Measures by Member States that are liable to hinder or make less attractive the exercise of those Treaty freedoms should be permitted only where they can be justified by objectives listed in the Treaty or by overriding reasons in the public interest recognised by Union law. While no exhaustive definition exists, the Court of Justice has recognised that justifications are possible on various grounds such as public policy, public security and public health, the maintenance of order in society, social policy objectives, the protection of the recipients of services, consumer protection, the protection of workers, provided that the other conditions are met. Such measures need, in any event, to be appropriate ***for ensuring the attainment of*** the objective ***in question and not go beyond what is necessary to attain that objective***.	(27) Articles 52, 62 and 65 TFEU and relevant case law also apply to ECBAs. These TFEU Articles provide for the justification of measures restricting the freedom of establishment, freedom to provide services and free movement of capital on grounds including public policy, public security and public health. Furthermore, the concept of 'overriding reasons in the public interest' to which reference is made in certain provisions of this Directive has been developed by the Court of Justice in its case law. Measures by Member States that are liable to hinder or make less attractive the exercise of those Treaty freedoms should be permitted only where they can be justified by objectives listed in the Treaty or by overriding reasons in the public interest recognised by Union law. While no exhaustive definition exists, the Court of Justice has recognised that justifications are possible on various grounds such as public policy, public security and public health, the maintenance of order in society, social policy objectives, the protection of the recipients of services, consumer protection, the protection of workers, ***or the protection of creditors,*** provided that the other conditions are met. Such measures need, in any event, to be ***prescribed by law,*** appropriate ***and limited to what is strictly necessary, and the impact of the measure on the ECBA needs to be proportionate to*** the objective ***pursued. This is particularly relevant as many associations are active in the public interest areas mentioned in this recital***.

Amendment 26
Proposal for a directive
Recital 29

Text proposed by the Commission	*Amendment*
(29) In order to ensure that ECBAs are able to effectively perform their activities and ensure equal treatment vis-à-vis non-profit associations in national law, ECBAs should not be treated less favourably than the ***most similar*** non-profit association in the domestic legal order of the home Member State where it operates.	(29) In order to ensure that ECBAs are able to effectively perform their activities and ensure equal treatment vis-à-vis non-profit associations in national law, ECBAs should not be treated less favourably than the non-profit association ***of the single most similar or most commonly used legal form*** in the domestic legal order of the home Member State where it operates.

Amendment 27
Proposal for a directive
Recital 30

Text proposed by the Commission	*Amendment*
(30) In accordance with the ***principle of*** non-discrimination and to ensure the freedom of association, in the implementation and application of this Directive there should be no discrimination against any group or individual on any grounds, such as birth, age, colour, sex and gender, sexual orientation, gender identity, health conditions, immigration or residency status, genetic features, language, national, ethnic or social origin, political or any other opinion, membership of a national minority, physical or mental disability, property, race, religion or belief, or other status.	(30) In accordance with the ***principles of equality and*** non-discrimination and to ensure the freedom of association, in the implementation and application of this Directive there should be no discrimination against any group or individual on any grounds, such as birth, age, colour, sex and gender, sexual orientation, gender identity, health conditions, immigration or residency status, genetic features, language, national, ethnic or social origin, political or any other opinion, membership of a national minority, physical or mental disability, property, race, religion or belief, or other status.

Amendment 28
Proposal for a directive
Recital 31

Text proposed by the Commission	*Amendment*
(31) To facilitate the cooperation among Member States and between Member States and the Commission, Member States should designate a competent authority responsible for the application of the rule transposing this Directive ('competent authority'). The Commission should publish the list of competent authorities. To have a comprehensive overview of the legal treatment of ECBAs in Member States, Member States should notify the Commission of the names and tasks of relevant authorities, other than the competent authorities, established or designated for the purposes of the national rules applicable to the most similar non-profit association in national law, if applicable.	(31) To facilitate the cooperation among Member States and between Member States and the Commission, Member States should designate a competent authority responsible for the application of the rule transposing this Directive ('competent authority') ***and inform the Commission and the ECBA committee thereof. The competent authorities should keep in close contact with the Commission and the ECBA committee***. The Commission should publish the list of competent authorities ***on a public website and update it without undue delay when changes occur***. To have a comprehensive overview of the legal treatment of ECBAs in Member States, Member States should notify the Commission of the names and tasks of relevant authorities, other than the competent authorities, established or designated for the purposes of the national rules applicable to the ***single*** most similar ***or most commonly used legal form of*** non-profit association in national law, if applicable.

Amendment 29
Proposal for a directive
Recital 33

Text proposed by the Commission	*Amendment*
(33) In view of their non-profit purpose, ECBAs should be able to apply for funding from a public or private source in the Member State(s) in which they operate on a non-discriminatory basis. There should be no restriction on the ECBA's right to receive and provide funding, except where a restriction is prescribed by law, justified by an overriding reason in the public interest***, is appropriate for ensuring the attainment*** of the ***objective pursued and does not go beyond what is necessary for it to be attained and*** is compliant with Union law.	(33) In view of their non-profit purpose, ECBAs should be able to apply for funding from a public or private source in the Member State(s) in which they operate on a non-discriminatory basis***. Therefore, the same rules should apply to the ECBA as those applicable to the single most similar or most commonly used legal form***. There should be no restriction on the ECBA's right to receive and provide funding, except where a restriction is prescribed by law, justified by an overriding reason in the public interest ***or where the Member State can prove that the ECBA flagrantly and repeatedly breaches the values*** of the ***Union enshrined in Article 2 TEU through its activities, where it*** is compliant with Union law***, appropriate and limited to what is strictly necessary, and where the impact of the restriction on the ECBA is proportionate to the objective pursued***.

Amendment 30
Proposal for a directive
Recital 35 a (new)

Text proposed by the Commission	*Amendment*
	(35a) In line with the right to freedom of expression and freedom of association, it is important to ensure that Member States do not limit the right to participation of associations in public life and public or political debate, which could concern for example the organisation of or participation in public interest advocacy or peaceful assembly. Such participation in the public or political debate should however not be meant to benefit any single particular political party or political candidate.

Amendment 31
Proposal for a directive
Recital 36 a (new)

Text proposed by the Commission	*Amendment*
	(36a) The possibilities offered by the digitalization should be fully exploited by Member States in order to facilitate the exercise of the freedom of association and establishment as well as in order to reduce the administrative burdens and compliance costs. To facilitate the registration process, including in the case of mergers and conversions, Member States should ensure that the application for registration may be submitted online. That should also apply to the requests for transfer of the registered office and notification for a change of information part of the ECBA certificate. Digital means should be encouraged also to facilitate and speed up, where possible, administrative procedures and cooperation.

Amendment 32
Proposal for a directive
Recital 38

Text proposed by the Commission	*Amendment*
(38) Member States should be entitled to require a registered ECBA to make a declaration, provide information, request or obtain authorisations for engaging in particular activities only where such requirements are (i) applied in a general and non-discriminatory way, (ii) prescribed by law, (iii) justified by overriding reasons in the public interest, (iv) appropriate ***for ensuring the attainment of*** the objective pursued ***and do not go beyond what is necessary in order for it to be attained***. Such requirements may be connected, for example, to the specificities of certain sectors, like healthcare. Where Member States provide for such additional procedures, this information should be made publicly available in order to ensure that an ECBA is able to comply with these requirements.	(38) Member States should be entitled to require a registered ECBA to make a declaration, provide information, request or obtain authorisations for engaging in particular activities only where such requirements are (i) applied in a general and non-discriminatory way, (ii) prescribed by law, (iii) justified by overriding reasons in the public interest, (iv) appropriate ***and limited to what is strictly necessary, and the impact of the measure on the ECBA should proportionate to*** the objective pursued. Such requirements may be connected, for example, to the specificities of certain sectors, like healthcare. Where Member States provide for such additional procedures, this information should be made publicly available in ***a clear, easily accessible and comprehensible way, in*** order to ensure that an ECBA is able to comply with these requirements.

Amendment 33
Proposal for a directive
Recital 39

Text proposed by the Commission	*Amendment*
(39) To prevent fraud, it is important that Member States verify the identity of ***the founding members and*** the legal representatives of the ECBA. The verification of identity is particularly important if the application for registration is conducted electronically. Due to the variety of different practices in Member States, the specific methods of verifying identity should remain in the prerogative of the Member State concerned.	(39) To prevent fraud ***and to ensure the reliability of the relevant register***, it is important that Member States verify the identity of the legal representatives of the ECBA. The verification of identity is particularly important***, especially*** if the application for registration is conducted electronically. Due to the variety of different practices in Member States, the specific methods of verifying identity should remain in the prerogative of the Member State concerned. ***This approach provides the necessary flexibility to take account of the specific traditions, specificities and procedures of each Member State, while ensuring that security and authenticity standards are respected at Union level.***

Amendment 34
Proposal for a directive
Recital 40

Text proposed by the Commission	*Amendment*
(40) While respecting the freedom of establishment and association, the registration of an ECBA should be denied in cases of failure to comply with the formal requirements for the registration, as laid down in this Directive, where the application is not complete or if the objectives described in the statutes contravene Union law or national law compliant with Union law. Furthermore, the registration must be rejected, if the application fails to comply with the basic requirements set out in this Directive to constitute an ECBA, namely the non-profit purpose, the minimum number of founding members and the cross-border element in terms of activities in at least two Member States and founding members with links with at least two Member States. Any refusal to register an ECBA should be made in writing and duly reasoned by the competent authority.	(40) While respecting the freedom of establishment and association, the registration of an ECBA should be denied in cases of failure to comply with the formal requirements for the registration, as laid down in this Directive, where the application is not complete or if the objectives described in the statutes contravene Union law or national law compliant with Union law. Furthermore, the registration must be rejected, if the application fails to comply with the basic requirements set out in this Directive to constitute an ECBA, namely the non-profit purpose, the minimum number of founding members and the cross-border element in terms of ***carrying out or having the objective of carrying out*** activities in at least two Member States and founding members with links with at least two Member States. Any refusal to register an ECBA should be made in writing and duly reasoned by the competent authority.

Amendment 35
Proposal for a directive
Recital 41

Text proposed by the Commission	*Amendment*
(41) Member States should be required to establish a register for the purposes of the registration and for maintaining and publishing information on ECBAs. This register should contain information about ECBAs and the submitted documents. As the information kept in the register may become outdated, Member States should ensure that the ECBA notifies any changes concerning the information on ECBAs to the competent authority and that the information held in the register is updated. ***Member States should be allowed to make use of their existing national registers for the purpose of this Directive.*** In order to ensure transparency especially for members of an ECBA and its creditors, if applicable, the ECBA certificate, the liquidation and the dissolution of an ECBA are pieces of information that should be made publicly available ***for a maximum of 6 months after*** the dissolution of an ECBA. The interoperability solutions developed as part of the implementation of the Proposal for a Regulation of the European Parliament and of the Council laying down measures for a high level of public sector interoperability across the Union[42] can further support Member States to move towards cross-border interoperability of their registers. To ensure that information about the existence of an ECBA is still available even after its dissolution, all data retained and stored in the register should be kept for ***2*** years after dissolution.	(41) Member States should be required to establish a ***register or make use of an existing national*** register for the purposes of the registration and for maintaining and publishing information on ECBAs. This register should contain information about ECBAs and the submitted documents. As the information kept in the register may become outdated, Member States should ensure that the ECBA notifies any changes concerning the information on ECBAs to the competent authority and that the information held in the register is updated. In order to ensure transparency especially for members of an ECBA and its creditors, if applicable, the ECBA certificate, the liquidation and the dissolution of an ECBA are pieces of information that should be made publicly available ***until the end of the financial year following*** the dissolution of an ECBA. The interoperability solutions developed as part of the implementation of the Proposal for a Regulation of the European Parliament and of the Council laying down measures for a high level of public sector interoperability across the Union[42] can further support Member States to move towards cross-border interoperability of their registers. To ensure that information about the existence of an ECBA is still available even after its dissolution, all data retained and stored in the register should be kept for ***at least 5*** years after dissolution ***Any national or European requirements concerning the authenticity, reliability and the appropriate legal form of documents or information that are to be submitted in case of online registration of the single most similar or most commonly used legal form, should also apply to the ECBA***.
[42] COM(2022)720.	[42] COM(2022)720.

Amendment 36
Proposal for a directive
Recital 44

Text proposed by the Commission	*Amendment*
(44) To harmonise the procedure of transfer of registered office of an ECBA, Member States should ensure that a transfer of registered office is decided by the decision-making body of the ECBA concerned. The ECBA should submit the request with the relevant documents to the competent authority of the Member State to which the transfer is to be made and inform in parallel the competent authority of its home Member State when submitting the request for transfer. Where applicable, the proposed statutes of the ECBA should be amended according to the requirements of the national law of the Member State to which the ECBA requests the transfer. Upon transfer of the registered office, the ECBA becomes an ECBA under the national law of the new home Member State. This change of applicable law ensuing from the transfer of the registered office should not lead, in order to avoid duplications, the competent authority of the new home Member State to verify any element already verified during the registration in the previous Member State and harmonised by this Directive. The competent authority of the Member State to which the ECBA intends to transfer the registered office should reject the request of transfer only where the requirements laid down in national law transposing this Directive are not met and should not refuse it on other grounds. In particular, the competent authority should not reject the request on the ground of non-compliance with requirements under its national law that could not have been a ground to reject the registration in accordance with Article 19. In order to facilitate the transfer of registered office of an ECBA in the internal market, the competent authority of the new home Member State should issue an updated certificate in accordance with paragraph 2 of Article 21, adapting the	(44) To harmonise the procedure of transfer of registered office of an ECBA, Member States should ensure that a transfer of registered office is decided by the decision-making body of the ECBA concerned. The ECBA should submit the request with the relevant documents to the competent authority of the Member State to which the transfer is to be made and inform in parallel the competent authority of its home Member State when submitting the request for transfer***. One of the relevant documents in the event of a transfer would be a report explaining the safeguards for creditors and employees, if applicable under Union or national law. Member States should ensure that the preparation of such a report does not impose an excessive administrative burden***. Where applicable, the proposed statutes of the ECBA should be amended according to the requirements of the national law of the Member State to which the ECBA requests the transfer. Upon transfer of the registered office, the ECBA becomes an ECBA under the national law of the new home Member State. This change of applicable law ensuing from the transfer of the registered office should not lead, in order to avoid duplications, the competent authority of the new home Member State to verify any element already verified during the registration in the previous Member State and harmonised by this Directive. The competent authority of the Member State to which the ECBA intends to transfer the registered office should reject the request of transfer only where the requirements laid down in national law transposing this Directive are not met and should not refuse it on other grounds. In particular, the competent authority should not reject the request on the ground of non-compliance with requirements under its national law that

unique registration number and the two-letter country code of the Member State where the ECBA's office is transferred and the postal address of the registered office, as well as any other elements, if applicable..	could not have been a ground to reject the registration in accordance with Article 19. In order to facilitate the transfer of registered office of an ECBA in the internal market, the competent authority of the new home Member State should issue an updated certificate in accordance with paragraph 2 of Article 21, adapting the unique registration number and the two-letter country code of the Member State where the ECBA's office is transferred and the postal address of the registered office, as well as any other elements, if applicable.

Amendment 37
Proposal for a directive
Recital 45

Text proposed by the Commission	*Amendment*
(45) In compliance with the freedom of assembly and of association, an ECBA should be dissolved only by decision of its members or by a decision of the competent authority of the home Member State. Where the dissolution of an ECBA is the result of a decision of its members, it should be taken by two-thirds of the votes representing at least half of the total of the members during an extraordinary meeting. The dissolution of an ECBA may be involuntary by decision of the competent authority of the home Member State of the ECBA, as a last resort***, only*** where an ECBA does not respect its non-profit purpose, where its activities constitute a threat to public order, or ***where the members*** of the ***executive body of an ECBA have been convicted of a particularly serious criminal offence or the ECBA itself*** has been ***convicted of a criminal offence, if national law allows for this possibility***. In this case, the competent authority should communicate to the ECBA a formal notice of its concerns and hear the ECBA in order to give the ECBA the opportunity to reply.	(45) In compliance with the freedom of assembly and of association, an ECBA should be dissolved only by decision of its members or by a decision of the competent authority of the home Member State. Where the dissolution of an ECBA is the result of a decision of its members, it should be taken by two-thirds of the votes representing at least half of the total of the members. The dissolution of an ECBA may be involuntary by decision of the competent authority of the home Member State of the ECBA, as a last resort***.*** ***Therefore involuntary dissolution should only happen*** where an ECBA does not respect its non-profit purpose, ***or*** where its activities constitute a threat to public order, or ***a flagrant and repeated breach*** of the ***values of the Union enshrined in Article 2 TEU through its activities*** has been ***established under the condition that the dissolution is preceded by a risk assessment, that it is prescribed by law, appropriate and strictly necessary, and that the dissolution of the ECBA is proportionate to the objective pursued***. In this case, the competent authority should communicate to the ECBA a formal ***comprehensively reasoned*** notice of its concerns and hear the ECBA in order to give the ECBA the opportunity to reply ***or rectify the situation within a reasonable period of time***. ***Any decision for involuntary dissolution should be duly reasoned and include a comprehensive written justification.***

Amendment 38
Proposal for a directive
Recital 46

Text proposed by the Commission	*Amendment*
(46) The dissolution of the ECBA should lead to its liquidation. The liquidation of ECBAs should be compliant with Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (EIR 2105)[47] which requires that the law applicable to insolvency proceedings and their effects ***shall*** be that of the Member State within the territory of which such proceedings are opened. In line with the non-profit purpose of ECBAs, any assets of a dissolved ECBA should be transferred to a non-profit entity carrying out ***a similar*** activity ***as the one*** carried out by the dissolved ECBA or transferred to a local authority which should utilise them for an activity ***like that pursued by*** the dissolved ECBA.	(46) The dissolution of the ECBA should lead to its liquidation. The liquidation of ECBAs should be compliant with Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (EIR 2105)[47] which requires that the law applicable to insolvency proceedings and their effects ***should*** be that of the Member State within the territory of which such proceedings are opened. In line with the non-profit purpose of ECBAs, any assets of a dissolved ECBA should be transferred to a non-profit entity carrying out ***an*** activity ***similar to one of the activities*** carried out by the dissolved ECBA or**,** transferred to a local authority which should utilise them for an activity ***or for the pursuit of an objective that is similar to one of the activities or objectives of*** the dissolved ECBA.
[47] Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (EIR 2105), OJ L 141, 5.6.2015.	[47] Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (EIR 2105), OJ L 141, 5.6.2015.

Amendment 39
Proposal for a directive
Recital 47

Text proposed by the Commission	*Amendment*
(47) To enable an ECBA to prove that it has registered within a Member State and to further facilitate cross-border procedures and simplify and reduce formalities, the competent authorities should, as the final step of the registration process, issue a certificate ('ECBA certificate') which contains the essential registration information, including the name of ***an ECBA***, the address of its registered office, and the names of the legal representatives. To facilitate the use of this certificate in various Member States without additional adaptations or compliance costs, the Commission should establish a standardised template available in all languages of the Union. Therefore, in order to ensure uniform conditions for the implementation of this act, implementing powers should be conferred on the Commission to produce a standardised template including in relation to the technical specifications of the template. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[48] . Those implementing acts should be adopted in accordance with the examination procedure referred to in Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council.	(47) To enable an ECBA to prove that it has registered within a Member State and to further facilitate cross-border procedures and simplify and reduce formalities, the competent authorities should, as the final step of the registration process, issue a certificate ('ECBA certificate') which contains the essential registration information, including the name of ***the association followed or preceded by the acronym 'ECBA'***, the address of its registered office, and the names of the legal representatives. To facilitate the use of this certificate in various Member States without additional adaptations or compliance costs, the Commission should establish a standardised template available in all languages of the Union. Therefore, in order to ensure uniform conditions for the implementation of this act, implementing powers should be conferred on the Commission to produce a standardised template including in relation to the technical specifications of the template. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[48]. Those implementing acts should be adopted in accordance with the examination procedure referred to in Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council.
[48] Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers, OJ L 55, 28.02.2011.	[48] Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers, OJ L 55, 28.02.2011.

Amendment 40
Proposal for a directive
Recital 48

Text proposed by the Commission	*Amendment*
(48) The notion of 'particularly serious crime' should be defined by Member States and may include terrorism, trafficking in human beings and sexual exploitation of women and children, illicit drug trafficking, illicit arms trafficking, money laundering, corruption, counterfeiting of means of payment, computer crime and organised crime.	***deleted***

Amendment 41
Proposal for a directive
Recital 49 a (new)

Text proposed by the Commission	*Amendment*
	(49a) In accordance with the right to good administration and the principles of efficiency and effectiveness of the public administrations, the transposition of this Directive should foster the simplification of administrative rules and the reduction of administrative costs and burdens. Member States should therefore ensure that the administrative procedures and obligations of ECBAs can be submitted online and that such procedures are easily accessible. Member States should make all the necessary information available and provide support for the administrative processes related to ECBAs.

Amendment 42
Proposal for a directive
Recital 49 b (new)

Text proposed by the Commission	*Amendment*
	(49b) In view of monitoring the implementation of this directive, the Commission should be assisted by the ECBA committee composed of representatives of the Member States. In line with the Union principles and article 2 TEU in particular, the composition of the committee should be balanced. The Committee should involve, as appropriate, other relevant Union bodies and committees and stakeholders in its work, such as the European Union Agency for Fundamental Rights and non-profit organisations. Public access to information on committee proceedings should be ensured in accordance with Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents.

Amendment 43
Proposal for a directive
Recital 49 c (new)

Text proposed by the Commission	*Amendment*
	(49c) This Directive takes an important step in completing the single market and opening it up further to the non-profit sector. In light of this, the Commission is invited to assess in addition to this Directive the possible benefits and the feasibility of complementing this Directive by measures to support a regular, meaningful and structured dialogue with civil society and representative organisations, of a similar European regulatory framework with regards to foundations.

Amendment 44
Proposal for a directive
Article 2 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) "non-profit purpose" means that, regardless of whether the association's activities are of an economic nature or not, any profits generated are used only in pursuit of the objectives of the ECBA as defined in its statutes and not to be distributed among its members;	(c) "non-profit purpose" means that, regardless of whether the association's activities are of an economic nature or not, any profits generated are used only in pursuit of the objectives of the ECBA as defined in its statutes and not to be distributed among its members***, including members of its governing bodies, nor among founders or other private parties, in a direct or indirect manner***;

Amendment 45
Proposal for a directive
Article 2 – paragraph 1 – point d

Text proposed by the Commission	*Amendment*
(d) "non-profit association" means a legal entity under national law that is membership-based, has a non-profit purpose and has legal personality;	(d) "non-profit association" means a legal entity under national law that is membership-based, ***self-governed,*** has a non-profit purpose***,*** and has legal personality;

Amendment 46
Proposal for a directive
Article 2 – paragraph 1 – point e

Text proposed by the Commission	*Amendment*
(e) "ECBA certificate" means a certificate issued by the competent authority of the home Member State, serving as evidence of the registration of an ECBA.	(e) "ECBA certificate" means a certificate issued by the competent authority of the home Member State, serving as evidence of the registration***, legal personality and legal capacity*** of an ECBA.

Amendment 47
Proposal for a directive
Article 2 – paragraph 1 – point e a (new)

Text proposed by the Commission	*Amendment*
	(ea) 'particularly serious criminal offence' means one of the offences listed in Article 2(2) of Council Framework Decision 2002/584/JHA, to be strictly interpreted by Member States and applied in a non-discriminatory way.

Amendment 48
Proposal for a directive
Article 3 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) trade unions**,** political parties**,** ***religious organisations and associations of such entities***;	(a) trade unions ***and*** political parties;

Amendment 49
Proposal for a directive
Article 3 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Member States shall ensure that an ECBA shall have a non-profit purpose ***and any profits of an ECBA shall be used exclusively for the pursuit of its objectives, as described in its statutes, without any distribution among its members***.	2. Member States shall ensure that an ECBA shall have a non-profit purpose ***in accordance with Article 2(1), point (c)***.

Amendment 50
Proposal for a directive
Article 3 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Member States shall ensure that an ECBA shall carry out or have in its statute the objective to carry out activities in at least two Member States and have founding members with links to at least two Member States, either ***based on citizenship or legal residence in the case of natural persons, or based on the location of their registered office in the case of legal entities.***	3. Member States shall ensure that an ECBA shall carry out or have in its statute the objective to carry out activities in at least two Member States and have founding members with links to at least two Member States, either***:***

Amendment 51
Proposal for a directive
Article 3 – paragraph 3 – point a (new)

Text proposed by the Commission	*Amendment*
	(a) based on citizenship or legal residence in the case of natural persons; or

Amendment 52
Proposal for a directive
Article 3 – paragraph 3 – point b (new)

Text proposed by the Commission	*Amendment*
	(b) based on the location of their registered office in the case of legal entities.

Amendment 53
Proposal for a directive
Article 4 – paragraph 2

Text proposed by the Commission	*Amendment*
2. For further matters that concern the establishment or operation of ECBAs, each Member State shall ensure that the national rules applicable to the most similar non-profit association in national law apply to ECBAs.	2. For further matters that concern the establishment or operation of ECBAs, each Member State shall ensure that the national rules applicable to the most similar ***or most commonly used legal form of*** non-profit association in national law apply to ECBAs.

Amendment 54
Proposal for a directive
Article 4 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The rules applicable to ECBAs under this Directive shall not affect the measures adopted by Member States on grounds of public policy and public security to prevent the risk of misuse of non-profit associations and to ensure transparency of certain capital movements when required by Union law or national law in compliance with Union law.	3. The rules applicable to ECBAs under this Directive shall not affect the measures adopted by Member States on grounds of public policy and public security to prevent the risk of misuse of non-profit associations and to ensure transparency of certain capital movements when required by Union law or national law in compliance with Union law***, where such measures are prescribed by law, are appropriate for the attainment of the objective pursued, do not go beyond what is strictly necessary and the impact of the measure on the ECBA is proportionate to the objective pursued. The application of these measures shall be based on a case-by-case assessment by the Member State's competent authorities.***

Amendment 55
Proposal for a directive
Article 4 – paragraph 4

Text proposed by the Commission	*Amendment*
4. By ***[two years*** after the entry into force of this Directive], each Member State shall identify the most similar legal form of non-profit association in its domestic legal order as referred to in paragraph 2 and notify the Commission thereof and of the national rules that apply to that legal form. Member States shall notify the Commission without delay of any changes regarding the legal forms identified and of any changes to the rules applicable to them. Member States and the Commission shall make the notified information referred to in this paragraph publicly available.	4. By ***... [one year*** after the entry into force of this Directive] ***and following consultation of stakeholders, including non-profit associations***, each Member State shall identify the ***single*** most similar ***or most commonly used*** legal form of non-profit association in its domestic legal order as referred to in paragraph 2 and notify the Commission ***and the ECBA Committee referred to in Article 30,*** thereof and of the national rules that apply to that legal form. Member States shall notify the Commission ***and ECBA Committee*** without delay of any changes regarding the legal forms identified and of any changes to the rules applicable to them. Member States and the Commission shall make the notified information referred to in this paragraph publicly available.

Amendment 56
Proposal for a directive
Article 4 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. The constitution of an ECBA, including through conversions or mergers, as well as the transfer of an office shall not be used to undermine workers' or trade union rights, representation, consultation or working conditions nor creditors rights, in accordance with applicable Union and national law as well as collective agreements.

Amendment 57
Proposal for a directive
Article 5 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Member States shall ensure that an ECBA acquires legal personality and legal capacity upon registration in accordance with Article 19. Member States shall recognise the legal personality and legal capacity of ECBAs registered in another Member State, without requiring any further registration.	1. Member States shall ensure that an ECBA acquires legal personality and legal capacity upon registration in accordance with Article 19. Member States shall recognise the legal personality and legal capacity of ECBAs registered in another Member State, without ***any further procedures or assessment or*** requiring any further registration.

Amendment 58
Proposal for a directive
Article 5 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Member States shall ensure that an ECBA has the right to conclude contracts and perform legal acts, be a party to legal proceedings, own movable and immovable property, carry out economic activities, employ staff, receive, solicit and dispose of donations and other funds ***of any kind from any lawful source***, participate in public tenders, and apply for public funding.	2. Member States shall ensure that an ECBA has the right to ***at least*** conclude contracts and perform legal acts, be a party to legal proceedings, own movable and immovable property, carry out economic activities, employ staff, receive, solicit and dispose of donations and other funds ***in line with Article 13***, participate in public tenders, and apply for public funding. ***The ECBA shall be allowed to do so in accordance with this Directive and without the need to register in any Member State other than the home Member State or to fulfil additional administrative requirements other than those required of the legal form identified in accordance with Article 4(4).***

Amendment 59
Proposal for a directive
Article 6 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) justified by overriding reasons in the public interest;	(b) justified by overriding reasons in the public interest; ***and***

Amendment 60
Proposal for a directive
Article 6 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) appropriate for ***ensuring*** the attainment of the objective pursued ***and*** do not go beyond what is necessary ***in order for it to be attained***.	(c) appropriate for the attainment of the objective pursued***,*** do not go beyond what is ***strictly*** necessary ***and the impact of the restricting rules on an ECBA is proportionate to the objective pursued***.

Amendment 61
Proposal for a directive
Article 6 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. Member States shall ensure that the statutes of an ECBA include the following information:	2. Member States shall ensure that the statutes of an ECBA ***are provided in writing, submitted in compliance with formal requirements applicable to the legal entity identified in accordance with Article 4(4), and*** include the following information:

Amendment 62
Proposal for a directive
Article 6 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) a detailed description of its objectives ***and*** a statement of its non-profit purpose;	(b) a detailed description of its objectives***,*** a statement of its non-profit purpose ***and a description of its cross-border dimension***;

Amendment 63
Proposal for a directive
Article 6 – paragraph 2 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) a declaration that the ECBA will respect the values of the Union enshrined in Article 2 TEU in its objectives and in the pursuit of its activities.

Amendment 64
Proposal for a directive
Article 6 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) where a founding member is a legal entity, a detailed description of its statutes and a detailed description of its non-profit purpose;	(d) where a founding member is a legal entity, a detailed description ***or copy*** of its statutes and a detailed description of its non-profit purpose;

Amendment 65
Proposal for a directive
Article 6 – paragraph 2 – point j

Text proposed by the Commission	*Amendment*
(j) provisions governing appointment, removal, powers and responsibilities of the members of the executive body;	(j) provisions governing ***the number,*** appointment, removal, powers and responsibilities of the members of the executive body;

Amendment 66
Proposal for a directive
Article 6 – paragraph 2 – point n

Text proposed by the Commission	*Amendment*
(n) the method of disposition of the ECBA's assets in the event of dissolution***.***	(n) the method of disposition of the ECBA's assets in the event of dissolution***; and***

Amendment 67
Proposal for a directive
Article 6 – paragraph 2 – point n a (new)

Text proposed by the Commission	*Amendment*
	(na) the date of adoption of the statutes.

Amendment 68
Proposal for a directive
Article 7 – paragraph 2

Text proposed by the Commission	*Amendment*
2. ***Member States*** shall ***ensure that only*** natural persons that are Union citizens or legally resident in the Union ***and*** legal entities with a non-profit purpose established in the Union, through their representatives***, may be members of the executive body of an ECBA***. ***The executive body of an ECBA shall be composed of a minimum of three persons.***	2. ***The executive body of an ECBA*** shall ***be composed of a minimum of three persons, of which at least two persons are*** natural persons that are Union citizens or legally resident in the Union***, or*** legal entities with a non-profit purpose established in the Union, through their representatives.

Amendment 69
Proposal for a directive
Article 7 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Member States shall ensure that natural persons who have been convicted of a particularly serious criminal offence are not to be members of the executive body or representatives of a legal entity that is a member of the executive body.	3. Member States shall ensure that natural persons who have been convicted of a particularly serious criminal offence are not to be members of the executive body or representatives of a legal entity that is a member of the executive body***, in case participation in the executive body by this person would constitute a threat to the public order***.

Amendment 70
Proposal for a directive
Article 8 – paragraph -1 (new)

Text proposed by the Commission	*Amendment*
	-1. Notwithstanding the criteria for the constitution of an ECBA laid down in Article 3(1), the membership criteria of an ECBA shall be regulated by its statutes.

Amendment 71
Proposal for a directive
Article 8 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Member States shall ensure that each member of an ECBA has one vote.	1. Member States shall ensure that each member of an ECBA has one vote***, unless the ECBA decides to allow a differentiation including by making a distinction between full members who can vote and associate members who cannot vote. In all cases, any differentiation in voting rights shall be set out in the statutes.***

Amendment 72
Proposal for a directive
Article 10 – paragraph 1

Text proposed by the Commission	*Amendment*
Member States shall ensure that, within the ambit of application of this Directive, ***public authorities do not*** discriminate against any group or individual on any grounds, such as birth, age, colour, sex and gender, sexual orientation, gender identity, health conditions, immigration or residency status, genetic features, language, national, ethnic or social origin, political or any other opinion, physical or mental disability, membership of a national minority, property, race, religion or belief, or other status.	Member States shall ensure that, within the ambit of application of this Directive, ***ECBAs are not discriminated nor that national laws, regulations or administrative acts regulating ECBAs*** discriminate against any group or individual on any grounds, such as birth, age, colour, sex and gender, sexual orientation, gender identity, health conditions, immigration or residency status, genetic features, language, national, ethnic or social origin, political or any other opinion, physical or mental disability, membership of a national minority, property, race, religion or belief, or other status.

Amendment 73
Proposal for a directive
Article 11 – paragraph 1

Text proposed by the Commission	*Amendment*
Member States shall ensure that all decisions of competent authorities on their territory affecting the rights and obligations of ECBAs, or the rights and obligations of other persons in connection to the operations of ECBAs, are subject to effective ***judicial review***, in compliance with Article 47 Charter of Fundamental Rights of the Union.	Member States ***shall ensure access to effective complaint mechanisms in accordance with national law and*** shall ensure that all decisions of competent authorities on their territory affecting the rights and obligations of ECBAs, or the rights and obligations of other persons in connection to the operations of ECBAs, are subject to ***effective remedies, in compliance with Article 47 of the Charter.***

Amendment 74
Proposal for a directive
Article 12 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. Member States shall not require registered ECBAs to make a declaration, provide information, or request or obtain authorisations for engaging in particular activities, unless such requirements are:	2. ***Without prejudice to Articles 9 to 11,*** Member States shall not require registered ECBAs to make a declaration, provide information, or request or obtain authorisations for engaging in particular activities, unless such requirements are:

Amendment 75
Proposal for a directive
Article 12 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) justified by overriding reasons in the public interest;	(b) justified by overriding reasons in the public interest; ***and***

Amendment 76
Proposal for a directive
Article 12 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) appropriate for ***ensuring*** the attainment of the objective pursued ***and*** do not go beyond what is necessary ***in order for it to be attained***.	(c) appropriate for the attainment of the objective pursued***,*** do not go beyond what is ***strictly*** necessary ***and the impact of the requirements on an ECBA is proportionate to the objective pursued***.

Amendment 77
Proposal for a directive
Article 13 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. Member States shall not impose any restrictions on an ECBA's ability to provide or receive funding, including donations, from any ***lawful*** source, except to the extent that such restrictions are:	2. ***Without prejudice to Articles 9 to 11,*** Member States shall not impose any restrictions on an ECBA's ability to provide or receive funding, including donations, from any source, except to the extent that such restrictions are:

Amendment 78
Proposal for a directive
Article 13 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) justified by overriding reasons in the public interest;	(b) justified by overriding reasons in the public interest ***or where the Member State can prove that the ECBA flagrantly and repeatedly breaches the values of the Union enshrined in Article 2 TEU through its activities***; ***and***

Amendment 79
Proposal for a directive
Article 13 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) appropriate for ***ensuring*** the attainment of the objective pursued ***and*** do not go beyond what is necessary ***in order for it to be attained***.	(c) appropriate for the attainment of the objective pursued***,*** do not go beyond what is ***strictly*** necessary ***and the impact of the restriction on an ECBA is proportionate to the objective pursued***.

Amendment 80
Proposal for a directive
Article 14 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. Without prejudice to provisions of other acts of Union law, Member States shall not impose any restrictions on the activities referred to in paragraph 1, unless such restrictions are:	2. Without prejudice to provisions of other acts of Union law ***as well as Articles 9 to 11 of this Directive***, Member States shall not impose any restrictions on the activities referred to in paragraph 1, unless such restrictions are:

Amendment 81
Proposal for a directive
Article 14 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) justified by overriding reasons ***in the*** public interest;	(b) justified by overriding reasons ***of*** public interest; ***and***

Amendment 82
Proposal for a directive
Article 14 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) appropriate for ***ensuring*** the attainment of the objective pursued ***and*** do not go beyond what is necessary ***in order for it to be attained***.	(c) appropriate for the attainment of the objective pursued***,*** do not go beyond what is ***strictly*** necessary ***and the impact of the restriction on an ECBA is proportionate to the objective pursued***.

Amendment 83
Proposal for a directive
Article 15 – paragraph 1 – point g – introductory part

Text proposed by the Commission	*Amendment*
(g) the following restrictions on the exercise of economic activities, whether carried out on a regular or on an occasional basis:	(g) the following restrictions on the exercise of economic activities, whether carried out on a regular or on an occasional basis***, unless such prohibition would allow the ECBA to access a different preferential status***:

Amendment 84
Proposal for a directive
Article 15 – paragraph 1 – point g a (new)

Text proposed by the Commission	*Amendment*
	(ga) restrictions or additional requirements regarding the participation in matters of public debate, whether carried out on a regular or on an occasional basis.

Amendment 85
Proposal for a directive
Article 16 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Member States shall ensure that the ***founding members express their intention to constitute an ECBA either by*** written agreement between ***them*** or by ***an agreement at*** the constitutive meeting ***of the ECBA that is recorded in the written minutes; to that end, such an agreement or minutes shall be duly*** signed by ***the*** founding members.	3. Member States shall ensure that the ***formation of an ECBA shall be executed by a*** written agreement between ***all of the founding members*** or by ***written minutes documenting*** the constitutive meeting signed by ***all*** founding members ***and duly verified if the applicable national law requires so for the legal entity identified in accordance with Article 4(4)***.

Amendment 86
Proposal for a directive
Article 17 – title

Text proposed by the Commission	*Amendment*
Conversion of non-profit ***associations*** into an ECBA	Conversion of non-profit ***entities*** into an ECBA

Amendment 87
Proposal for a directive
Article 17 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Member States shall ensure that non-profit ***associations*** established in ***the Union may*** convert into an ECBA within the same Member State.	1. Member States shall ensure that ***existing*** non-profit ***entities that are legally*** established in ***a Member State and which fulfil the requirements set out in this Directive, can*** convert into an ECBA within the same Member State.

Amendment 88
Proposal for a directive
Article 17 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Member States shall ensure the conversion shall not result in the dissolution of the non-profit association that is converting or any loss ***of*** interruption of its legal personality.	3. Member States shall ensure the conversion shall not result in the dissolution of the non-profit association that is converting or ***in*** any loss ***or*** interruption of its legal personality.

Amendment 89
Proposal for a directive
Article 17 a (new)

Text proposed by the Commission	*Amendment*
	Article 17a
	Merger of existing non-profit entities into an ECBAs
	1. Member States shall ensure that two or more existing non-profit entities that are legally established in on or more Member States, can merge into an ECBA where:
	(a) one or more non-profit entity, on being dissolved without going into liquidation, transfers all its assets and liabilities to another existing ECBA, being the acquiring ECBA; or
	(b) one or more non-profit entity, on being dissolved without going into liquidation, transfers all its or their assets and liabilities to an ECBA that it or they form, being the newly established ECBA.
	2. Member States shall ensure that any merger is approved by the decision-making bodies of the merging non-profit entities.
	3. Member States shall ensure that mergers do not result in the dissolution or any loss or interruption of the legal personality of the acquiring ECBA and that legal continuity is unaffected in the event of a merger that results in a newly established ECBA.
	4. Member States shall ensure that all assets and liabilities are transferred to the acquiring or newly constituted ECBA, as applicable.
	5. Member States shall ensure that the merger shall take effect, as applicable, upon registration of the newly established ECBA in accordance with Article 19 or from the date from which the transactions of the acquired ECBAs are to be treated for accounting purposes as being those of the acquiring ECBA.
	6. Member States shall ensure that the entry concerning the non-profit entities that merged, apart from the acquiring ECBA where applicable, are removed from any register.

Amendment 90
Proposal for a directive
Article 18 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
Member States shall ensure that an application for registration of an ECBA is submitted to the competent authority of the Member State in which the ECBA intends to have its registered office. The application shall be accompanied by the following documents and information, provided in an official language of that Member State or any other language allowed under the law of that Member State:	Member States shall ensure that an application for registration of an ECBA is submitted to the competent authority of the Member State in which the ECBA intends to have its registered office. The application shall be ***submitted in the same format the legal entity identified in accordance with Article 4(4) is required to use, and shall be*** accompanied by the following documents and information, provided in an official language of that Member State or any other language allowed under the law of that Member State:

Amendment 91
Proposal for a directive
Article 18 – paragraph 1 – subparagraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) the postal address of the intended registered office ***and an electronic mail address***;	(c) the postal address of the intended registered office;

Amendment 92
Proposal for a directive
Article 18 – paragraph 1 – subparagraph 1 – point e

Text proposed by the Commission	*Amendment*
(e) the written agreement of the founding members or minutes of the constitutive meeting of the ECBA containing such an agreement, duly signed by the founding members, or the decision to convert referred in Article 17;	(e) the written agreement of the founding members or minutes of the constitutive meeting of the ECBA containing such an agreement, duly signed by the founding members, or the decision to convert referred in Article 17 ***or the decision to merge referred to in Article 17a***;

Amendment 93
Proposal for a directive
Article 18 – paragraph 3

Text proposed by the Commission	*Amendment*
3. By way of derogation from the second subparagraph of paragraph 1, Member States may adopt rules allowing the competent authority to request documents or information additional to those referred to in paragraph 1 by written decision addressed to the person authorised to represent the ECBA referred to in Article 18(1), point (d), setting out a duly substantiated concern that the objectives described in the statutes of the ECBA would contravene Union law or provisions of national law compliant with Union law, where those documents or information are necessary.	3. By way of derogation from the second subparagraph of paragraph 1, Member States may adopt rules allowing the competent authority to request documents or information additional to those referred to in paragraph 1 by written decision addressed to the person authorised to represent the ECBA referred to in Article 18(1), point (d), setting out a duly substantiated concern that the objectives described in the statutes of the ECBA would contravene Union law***, including the values of the Union as enshrined in Article 2 TEU,*** or provisions of national law compliant with Union law, where those documents or information are necessary.

Amendment 94
Proposal for a directive
Article 18 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Member States shall ensure that the application for registration of an ECBA ***may*** be submitted online.	4. Member States shall ensure that the application for registration of an ECBA ***including in cases of conversions and mergers, can*** be submitted online.

Amendment 95
Proposal for a directive
Article 19 – paragraph 4 – subparagraph 1 – point d

Text proposed by the Commission	*Amendment*
(d) the competent authority determines, after having taken the decision set out in Article 18(3) and assessed all documents and information provided in response to that decision, that the objectives described in the statutes of the ECBA would contravene Union law or provisions of national law compliant with Union law;	(d) the competent authority determines, after having taken the decision set out in Article 18(3) and assessed all documents and information provided in response to that decision, that the objectives described in the statutes of the ECBA would contravene Union law***, including the values of the Union enshrined in Article 2 TEU,*** or provisions of national law compliant with Union law;

Amendment 96
Proposal for a directive
Article 19 – paragraph 4 – subparagraph 1 – point e

Text proposed by the Commission	*Amendment*
(e) where any person authorised to represent the ECBA referred to in Article 18(1), point (d) or any member of the executive body, has been convicted of a particularly serious criminal offence.	(e) where any person authorised to represent the ECBA referred to in Article 18(1), point (d) or any member of the executive body, has been convicted of a particularly serious criminal offence***, and where this would constitute a threat to public order***. ***In such cases, the ECBA shall be given reasonable time to rectify the situation.***

Amendment 97
Proposal for a directive
Article 19 – paragraph 5 a (new)

Text proposed by the Commission	*Amendment*
	5a. Member States shall publish the registration procedure on the Single Digital Gateway established by Regulation (EU) 2018/1724of the European Parliament and of the Council*.
	**** Regulation (EU) 2018/1724 of the European Parliament and of the Council of 2 October 2018 establishing a single digital gateway to provide access to information, to procedures and to assistance and problem-solving services and amending Regulation (EU) No 1024/2012 (OJ L 295, 21.11.2018, p. 1).***

Amendment 98
Proposal for a directive
Article 20 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Each Member State shall ***establish a*** register for the purposes of registration of ECBAs pursuant to Article 19.	1. Each Member State shall ***designate a national*** register ***and responsible public body,*** for the purposes of registration of ECBAs pursuant to Article 19***, and shall inform the Commission thereof***.

Amendment 99
Proposal for a directive
Article 20 – paragraph 2 – point a a (new)

Text proposed by the Commission	*Amendment*
	(aa) the annual reports of the ECBA, drafted in accordance with the national law applicable to the legal entity identified in accordance with Article 4(4);

Amendment 100
Proposal for a directive
Article 20 – paragraph 5

Text proposed by the Commission	*Amendment*
5. Member States shall ensure that the documents and information referred to in paragraph 4 are ***not*** publicly available ***for longer than 6 months after*** the dissolution of an ECBA.	5. Member States shall ensure that the documents and information referred to in paragraph 4 are publicly available ***until the end of the financial year following*** the dissolution of an ECBA.

Amendment 101
Proposal for a directive
Article 20 – paragraph 6

Text proposed by the Commission	*Amendment*
6. Member States shall ensure that personal data are not retained in the register after the dissolution of an ECBA for longer than ***2*** years.	6. Member States shall ensure that personal data are not retained in the register after the dissolution of an ECBA for longer than ***5*** years.

Amendment 102
Proposal for a directive
Article 21 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Member State shall ensure that the competent authorities issue the ECBA certificate, both digitally and in paper form within 5 days from the registration of an ECBA. Member States shall ensure that he ECBA certificate is recognised as evidence of the registration of the ECBA. The ECBA certificate shall include the following information:	1. Member State shall ensure that the competent authorities issue the ECBA certificate, both digitally and in paper form within 5 days from the registration of an ECBA. Member States shall ensure that he ECBA certificate is recognised as evidence of the registration***, its legal personality and legal capacity*** of the ECBA. The ECBA certificate shall include the following information:

Amendment 103
Proposal for a directive
Article 21 – paragraph 3

Text proposed by the Commission	*Amendment*
3. To facilitate the use of the ECBA certificate in all Member States, harmonise its format and reduce the administrative burden for both Member States competent authorities and ECBAs, the Commission shall establish the template for the ECBA certificate and its technical specifications by means of an implementing act. That implementing act shall be adopted in accordance with the examination procedure referred to in Article ***30(2)***.	3. To facilitate the use of the ECBA certificate in all Member States, harmonise its format and reduce the administrative burden for both Member States competent authorities and ECBAs, the Commission shall establish the template for the ECBA certificate and its technical specifications by means of an implementing act. That implementing act shall be adopted in accordance with the examination procedure referred to in Article ***29a(6)***.

Amendment 104
Proposal for a directive
Article 22 – paragraph 4 – point c

Text proposed by the Commission	*Amendment*
(c) when insolvency ***are pending***;	(c) when ***an ECBA has been declared insolvent or is subject to*** insolvency ***proceedings***;

Amendment 105
Proposal for a directive
Article 22 – paragraph 4 – point d

Text proposed by the Commission	*Amendment*
(d) where the persons authorised to represent the ECBA referred to in Article 18(1), point (d), any member of the executive body or the ECBA itself, if national law provides for this possibility, are the subject of proceedings for a particularly serious criminal offence ***in the previous home*** Member State.	(d) where the persons authorised to represent the ECBA referred to in Article 18(1), point (d), any member of the executive body or the ECBA itself, if national law provides for this possibility, are the subject of proceedings for a particularly serious criminal offence***, and where this would constitute a threat to public order. In such cases, a*** Member State ***shall proceed with the transfer of the registered office when the representative or member of the executive body has been replaced or where the proceedings have ended and they did not lead to a conviction***.

Amendment 106
Proposal for a directive
Article 23 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Without prejudice to any provisions in force more favourable to employees based on national or Union law, Member States shall ensure that the employees of an ECBA willing to transfer its registered office are informed of the potential transfer and entitled, in good time and at least one month before the ***extraordinary*** meeting referred to in paragraph 2, to examine the draft of the decision approving the transfer of registered office referred to in paragraph ***2***.	1. Without prejudice to any provisions in force more favourable to employees based on national or Union law, Member States shall ensure that the employees of an ECBA willing to transfer its registered office are informed of the potential transfer and entitled, in good time and at least one month before the meeting referred to in paragraph 2, to examine the draft of the decision approving the ***request for*** transfer of registered office referred to in paragraph ***3, and to express their views***.

Amendment 107
Proposal for a directive
Article 23 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. Member States shall provide for an adequate system of protection of the interests of creditors to ensure that the creditors of an ECBA whose claims existed prior to the publication of the request for transfer referred to in paragraph 3a, can require the ECBA to provide them with appropriate safeguards. The provision of such guarantees shall be governed by the law of the Member State in which the ECBA had its registered office prior to the transfer. The system of protection of creditors provided for in accordance with article 86j of Directive (EU) 2017/1132 of the European Parliament and of the Council* shall apply mutatis mutandis.
	**** Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law (OJ L 169, 30.06.2017, p.46).***

Amendment 108
Proposal for a directive
Article 23 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Member States shall ensure that the transfer of the registered office needs to be adopted ***by*** the decision-making body of the ECBA ***in an extraordinary meeting***. That decision shall be taken by two thirds of the votes, representing at least half of all members.	2. Member States shall ensure that the transfer of the registered office needs to be adopted ***at a meeting of*** the decision-making body of the ECBA. That decision shall be taken by two thirds of the votes, representing at least half of all members.

Amendment 109
Proposal for a directive
Article 23 – paragraph 3 – point f

Text proposed by the Commission	*Amendment*
(f) a report explaining the safeguards for creditors and employees***, if applicable under*** Union ***or*** national law.	(f) a report explaining ***in detail*** the safeguards for creditors and employees ***that the ECBA has put in place, in accordance with*** Union ***law,*** national law ***and collective agreements***.

Amendment 110
Proposal for a directive
Article 23 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. Member States shall ensure that the request for a transfer of a registered office can be submitted online, and that any request is published on a publicly available website.

Amendment 111
Proposal for a directive
Article 24 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Member States shall ensure that an ECBA shall only be dissolved by decision of its members and ***only in the following cases:***	1. Member States shall ensure that an ECBA shall only be dissolved by decision of its members and ***in accordance with its statutes.***

Amendment 112
Proposal for a directive
Article 24 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) the objective of the ECBA has been achieved;	***deleted***

Amendment 113
Proposal for a directive
Article 24 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) the time for which it was set up has expired;	***deleted***

Amendment 114
Proposal for a directive
Article 24 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) for any reason in accordance with its statutes.	***deleted***

Amendment 115
Proposal for a directive
Article 25 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. Member States may provide for the involuntary dissolution of an ECBA only on the basis of one of the following reasons:	2. Member States may provide for the involuntary dissolution of an ECBA***, provided that the dissolution is preceded by a risk assessment, that it is prescribed by law, appropriate for the attainment of the objective pursued, does not go beyond what is strictly necessary, and that the dissolution is proportionate to the objective pursued, and*** only on the basis of one of the following reasons:

Amendment 116
Proposal for a directive
Article 25 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) a serious threat to public order or public security caused by the activities of the ECBAs;	(b) a serious threat to public order or public security caused by the activities of the ECBAs; ***or***

Amendment 117
Proposal for a directive
Article 25 – paragraph 2 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) a flagrant and repeated breach of the values of the Union enshrined in Article 2 TEU through its activities;

Amendment 118
Proposal for a directive
Article 25 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) a conviction for a serious criminal offence of the ECBA or of the members of its executive body;	(c) a conviction for a ***particularly*** serious criminal offence of the ECBA or of the members of its executive body ***committed in the name, on behalf or for the benefit of the ECBA***; ***or***

Amendment 119
Proposal for a directive
Article 25 – paragraph 2 – point c a (new)

Text proposed by the Commission	*Amendment*
	(ca) a conviction for a serious criminal offence of a member of the executive body for a particularly serious criminal offence committed after the creation of the ECBA where participation in the executive body by such person would constitute a threat to public order.

Amendment 120
Proposal for a directive
Article 25 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Where the competent authority has concerns that one of the reasons referred to in paragraph 2 of this Article exists, it shall give a reasoned notice to the ECBA in writing of its concerns and give reasonable time to the ECBA to provide replies regarding those concerns.	3. Where the competent authority has concerns that one of the reasons referred to in paragraph 2 of this Article exists, it shall give a ***comprehensively*** reasoned notice to the ECBA in writing of its concerns and give reasonable time to the ECBA to provide replies regarding those concerns ***as well as to rectify the situation***.

Amendment 121
Proposal for a directive
Article 25 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Member States shall ensure that where, after having duly examined the replies by the ECBA pursuant to paragraph 3 of this Article, the competent authority determines that the ECBA must be dissolved because one of the reasons referred to in paragraph 2 of this Article has been ascertained, it shall adopt a written decision to that effect. A decision to dissolve an ECBA may only be taken where there are no less restrictive measures capable of addressing the concerns raised by the competent authority.	4. Member States shall ensure that where, after having duly examined the replies by the ECBA pursuant to paragraph 3 of this Article, the competent authority determines that the ECBA must be dissolved because one of the reasons referred to in paragraph 2 of this Article has been ascertained ***and has not been rectified***, it shall adopt a written decision to that effect ***which is to be formally shared with the ECBA***. A decision to dissolve an ECBA may only be taken where there are no less restrictive measures capable of addressing the concerns raised by the competent authority.

Amendment 122
Proposal for a directive
Article 25 – paragraph 5

Text proposed by the Commission	*Amendment*
5. Member States shall ensure that the decision referred to in paragraph 4 of this Article is reasoned, subject to effective judicial review, and does not take effect while judicial review is pending.	5. Member States shall ensure that the decision referred to in paragraph 4 of this Article is ***duly*** reasoned ***and includes a comprehensive written justification***, ***confirmed by a judicial decision, where applicable, in accordance with national law and*** subject to effective ***and independent*** judicial review ***in line with Article 11***, and does not take effect while judicial review is pending.

Amendment 123
Proposal for a directive
Article 26 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Member States shall ensure that any assets of the dissolved ECBA remaining after financial interests of possible creditors are discounted are transferred to a non-profit entity carrying out ***a similar*** activity ***as*** the dissolved ECBA or that the assets are transferred to a local authority, which is obliged to utilise them for an activity that is similar to ***the one pursued by*** the dissolved ECBA.	2. Member States shall ensure that any assets of the dissolved ECBA remaining after financial interests of possible creditors are discounted are transferred to a non-profit entity carrying out ***an*** activity ***similar to one of the activities of*** the dissolved ECBA or that the assets are transferred to a local authority, which is obliged to utilise them for an activity ***or for the pursuit of an objective*** that is similar to ***one of the activities or objectives of*** the dissolved ECBA.

Amendment 124
Proposal for a directive
Article 27 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Each Member States shall designate the competent authority ('competent authority') responsible for the application of this Directive.	1. Each Member States shall designate the competent authority ('competent authority') responsible for the application of ***and supervision under*** this Directive.

Amendment 125
Proposal for a directive
Article 27 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Member States shall notify the Commission of the names of the competent authority designated pursuant to paragraph 1. The Commission shall publish a list of the designated competent authorities.	2. Member States shall notify the Commission of the names of the competent authority designated pursuant to paragraph 1. The Commission shall publish a list of the designated competent authorities ***on a publicly available website and update it when relevant***.

Amendment 126
Proposal for a directive
Article 27 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Member States shall notify the Commission of the names and tasks of other competent authorities established or designated for the purposes of the national rules applicable to the ***most similar non-profit association*** in their domestic legal order***, as*** identified pursuant to Article 4(4), if applicable.	3. Member States shall notify the Commission of the names and tasks of other competent authorities established or designated for the purposes of the national rules applicable to the ***legal entity*** in their domestic legal order identified pursuant to Article 4(4), if applicable.

Amendment 127
Proposal for a directive
Article 29 – title

Text proposed by the Commission	*Amendment*
Reporting	Reporting ***and review***

Amendment 128
Proposal for a directive
Article 29 – paragraph -1 a (new)

Text proposed by the Commission	*Amendment*
	-1. On a yearly basis Member States shall share with the Commission and the ECBA committee referred to in Article 30, to the extent possible through digital tools, a list of ECBAs registered in their territory, aggregated data concerning those ECBAs, as well as information with regard to:
	(a) any measures adopted or updated by Member States on grounds of public policy and public security to prevent the risk of misuse of non-profit associations and to ensure transparency in relation to certain capital movements, as referred to in Article 4(3),
	(b) national rules restricting an ECBA's right to determine its rules of operation, as referred to in Article 6(1),
	(c) cases where additional requirements for registration were imposed on ECBAs, in accordance with Article 12(2),
	(d) cases where restrictions on funding were imposed on an ECBA, in accordance with Article 13(2),
	(e) cases where restrictions on the provision of services and trade in goods were imposed on an ECBA, in accordance with Article 14(2),
	(f) cases where additional documents or information were requested, in accordance with Article 18(3),
	(g) cases where registration was refused, in accordance with Article 19(4),
	(h) cases where the transfer of a registered office was refused in accordance with Article 22(4) or Article 23(5), and
	(i) cases of involuntary dissolution as referred to in Article 27.
	The Commission shall publish the list of all registered ECBAs on a publicly available website.

Amendment 129
Proposal for a directive
Article 29 – paragraph 1

Text proposed by the Commission	*Amendment*
By [***seven*** years after transposition deadline] at the latest, and every five years thereafter, the Commission shall report to the European Parliament and to the Council on the transposition and application of this Directive. ***To that end, the Commission may request, to the extent possible through digital tools, Member States to share aggregated data concerning*** ECBAs ***registered in their territory.***	By ... [***five*** years after transposition deadline] at the latest, and every five years thereafter, the Commission shall report to the European Parliament and to the Council on the transposition and application of this Directive. ***The report shall be preceded by a consultation of relevant stakeholders, including*** ECBAs ***and other relevant non-profit organisations, and shall include in particular:***

Amendment 130
Proposal for a directive
Article 29 – paragraph 1 – point a (new)

Text proposed by the Commission	*Amendment*
	(a) an overview of the number and geographical spread of ECBAs in the EU;

Amendment 131
Proposal for a directive
Article 29 – paragraph 1 – point b (new)

Text proposed by the Commission	*Amendment*
	(b) an evaluation of the adequacy and effectiveness of the Directive with regard to the goals pursued, including an assessment of the impact of this directive on the functioning of the internal market;

Amendment 132
Proposal for a directive
Article 29 – paragraph 1 – point c (new)

Text proposed by the Commission	*Amendment*
	(c) an assessment of the relevant legal, technical and economic developments affecting non-profit associations, and

Amendment 133
Proposal for a directive
Article 29 – paragraph 1 – point d (new)

Text proposed by the Commission	*Amendment*
	(d) an assessment of possible benefits and the feasibility of harmonising at Union level the transparency requirements and recognition and granting of a public benefit status, in particular to ECBAs;

Amendment 134
Proposal for a directive
Article 29 – paragraph 1 – subparagraph 1 (new)

Text proposed by the Commission	*Amendment*
	Where appropriate, the report shall be accompanied by a legislative proposal for amending this Directive.

Amendment 135
Proposal for a directive
Article 29 a (new)

Text proposed by the Commission	*Amendment*
	Article29a
	ECBA Committee
	1. The Commission shall be assisted by a Committee called the ECBA Committee. That Committee shall be a committee within the meaning of Article 3(2) of the Regulation (EU) No 182/2011.The Committee shall establish its own rules of procedure and adopt and organise its own operational arrangements.
	2. The Committee shall monitor the implementation of this Directive, in particular with regard to the provisions that make reference to Article 29(-1). It shall promote the exchange of information, experience and best practices as well as the coordination of policy approaches among national governments, competent authorities, and the Commission.
	3. The Committee may prepare reports, formulate opinions, develop guidelines or undertake other work within its fields of competence, and shall, as appropriate, have regular contacts and exchanges with other relevant bodies and committees as well as relevant stakeholders.
	4. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.
	5. The Commission shall inform the Council and the European Parliament about the activities of the Committee on an annual basis.

Amendment 136
Proposal for a directive
Article 30

Text proposed by the Commission	*Amendment*
Article 30	***deleted***
Committee procedure	
1. The Commission shall be assisted by a Committee. That Committee shall be a committee within the meaning of Article 3(2) of the Regulation (EU) No 182/2011.	
2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.	

Amendment 137
Proposal for a directive
Article 31 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Member States shall adopt and publish the laws, regulations, and administrative provisions necessary to comply with this Directive by [***2 years*** from the entry into force of this Directive]. They shall immediately communicate the text of those measures to the Commission.	1. Member States shall adopt and publish***, including online,*** the laws, regulations, and administrative provisions necessary to comply with this Directive by ... [***1 year*** from the entry into force of this Directive]. They shall immediately communicate the text of those measures to the Commission.

Amendment 138
Proposal for a directive
Article 31 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. Member States shall provide information to and consult with non-profit organisations established, registered or operating in their territory prior to and during the transposition and implementation of the provisions of this Directive as well as the revision of relevant national provisions.

Amendment 139
Proposal for a directive
Article 31 – paragraph 2

Text proposed by the Commission	*Amendment*
2. When Member States adopt those measures, they shall contain a reference to this Directive or shall be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made and how that statement is to be formulated.	2. When Member States adopt those measures ***pursuant to paragraph 1***, they shall contain a reference to this Directive or shall be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made and how that statement is to be formulated.