

# EU Inc. 28th Regime Proposal

On 18 March 2026, the European Commission published its legislative proposal for EU Inc., the pan-European company structure that our community has been pushing for. After direct engagement with the Commission and months of advocacy, we have a genuine milestone: a proposed regulation that creates a single, optional, digital-by-default corporate framework that could fundamentally change how you start and scale a company in Europe.

The proposed Regulation includes many of the things you told us mattered most:

- Fast digital incorporation,
- Low fees,
- No minimum share capital, and
- A single point of entry for company information.

However, the Commission's proposed Regulation is just the start of the battle. Parliament and Council still need to reach an agreement to enact the Regulation into law, and how Member States implement the framework will determine whether EU Inc. delivers real simplification in practice or becomes another layer of complexity on top of existing national regimes. Below, you can see exactly where we got what we asked for and where we'll keep pushing.

Also, if you want to have a look at the full proposal, you can find it [here](#).

**Thank you for the amazing work!**

Colours indicate how our members' positions align with the Commission proposal: Green – Aligned Yellow – Partially Aligned Red – Not Aligned

ACT Members' Ask	European Commission Proposal	What Does This Mean for Startups and SMEs
Use a Regulation as the legal basis	Use a Regulation as the legal basis	The final text will apply automatically and uniformly across all Member States, after entering into force
An EU-wide optional regime to which companies can opt-in and be able to operate across 27 Member States	An EU-wide optional legal form for limited liability company (called 'EU Inc.')	EU Inc. companies will be able to register under a harmonised EU-wide company form, but they will still be subject to national laws for areas not covered by the Regulation
48 hours incorporation, fully digital	48 hours incorporation, fully digital	EU Inc. companies will be able to incorporate fully online within 48 hours, speeding up business creation
Harmonised templates	Harmonised templates but not mandatory use. The Commission shall establish multilingual EU templates for the standard articles of association	EU Inc. companies can use optional harmonised, multilingual templates for their articles of association to simplify setup
All companies can opt into the EU Inc.	All companies can opt into the EU Inc. Companies can be formed ex nihilo, or created through a domestic conversion, merger, or division	The adoption of an EU Inc. legal form is flexible and can be done at any stage
Modern, flexible corporate structures (share classes, EU-wide venture instruments, model agreements)	Every EU Inc. shall create upon registration and maintain an up-to-date digital register of shares. Shares shall be freely transferable. Shares may not be transferred before the consideration for them has been fully paid. Enabling shares without a nominal value in order to facilitate common arrangements for venture capital and early-stage financing	EU Inc. companies can manage shares digitally and attract investors more easily with flexible share structures for venture capital
No initial capital required	No initial capital or legal reserves required	EU Inc. companies can be set up with no upfront capital
Establishment of the EU Employee Stock Option Plan (EU-ESO)	Establishment of the EU Employee Stock Ownership Plan (EU-ESO) with taxation only at the exit	EU Inc. companies can grant employee stock options (EU-ESO) to staff and board members to attract and retain talent, while employees only pay tax when they sell the shares
1 EUR symbolic fee	100 EUR incorporation fee	EU Inc. companies can incorporate with fee of just 100 EUR
EU-level registry, one stop-shop to submit documents	EU central interface that connects to the national registry and works as a one-stop-shop to submit documents. The central EU registry would come up in the future	EU Inc. companies can submit registration and other documents through a single EU portal, simplifying administration, but full cross-border integration will depend on the future introduction of the central EU registry
Special proceeding on insolvency and cross border insolvency	Simplified winding up proceedings when insolvency only for innovative startups	Innovative startups can close down more quickly and with less bureaucracy if insolvent, but this simplified process only applies to qualifying 'innovative startups' and not to all EU Inc. companies
EU-FAST: A convertible investment instrument that allows investors to subscribe for shares in advance of their actual issuance, thereby providing the company with capital before a formal share sale and the closing of an investment round. Similar to US SAFE.	No introduction of a new investment instrument. The Recitals of the proposal only mention that EU Inc companies should have broad flexibility in issuing instruments that entitle their holders to new shares (i.e. the Simple Agreements for Future Equity (SAFE), the Keep It Simple Security (KISS) convertible notes as well as employee stock ownership in an EU Inc.)	No new EU-wide investment tool has been provided for EU Inc. Companies can still use flexible instruments like SAFEs or convertible notes to raise funding more easily
The tax framework should uphold the key principles of fairness, simplicity, and centralisation to ensure predictability and growth while ensuring efficient revenue collection across multiple EU jurisdictions.	National laws should also apply to matters outside the scope of this Regulation such as tax or social security.	EU Inc. companies will still need to navigate different national rules on tax and social security, limiting full harmonisation across the EU
Facilitate cross-border hiring	No plan to facilitate cross-border hiring	EU Inc. companies would probably still need to open branches in other Member States to hire
Harmonised employee participation rules	Subject to the rules applicable in the Member State in which it has its registered office	EU Inc. companies must comply with the employee participation rules of the country where they are registered, which will consist in applying different employee participation requirements
Specialised EU Court for EU Inc. disputes	No introduction of an EU court for dispute resolutions. Member States will designate the competent court in charge of dispute resolution of EU Inc. companies	EU Inc. companies will rely on national courts for dispute resolution, meaning they may face different legal interpretations and costs