

IMPACT OF EMPLOYEE OWNERSHIP ON CORPORATE PERFORMANCE

+2% annual growth (average)

EMPLOYEE OWNERSHIP

ACTIONNARIAT SALARIE

EMPLOYEE SHARE OWNERSHIP

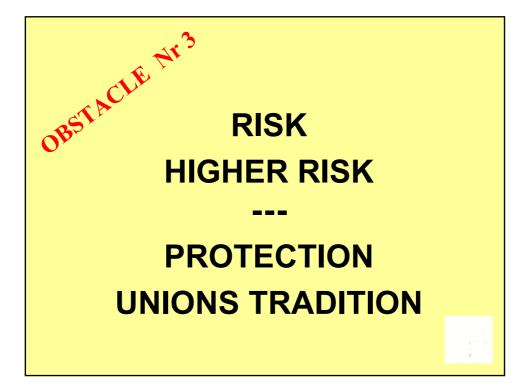
ENTREPRENEURIAT SALARIE

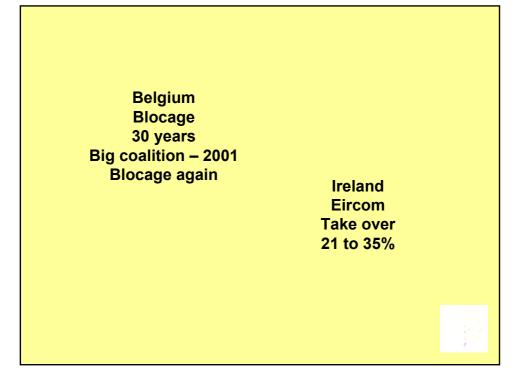
EMPLOYEE ENTREPRENEURSHIP

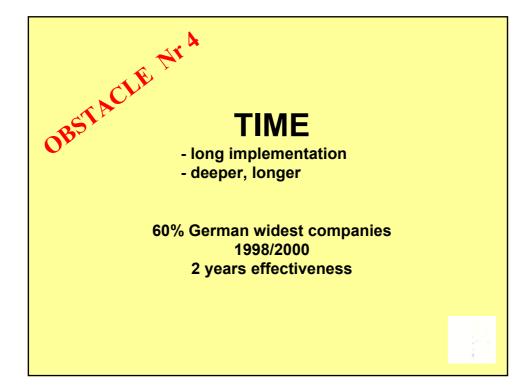
ENTREPRENEURSHIP

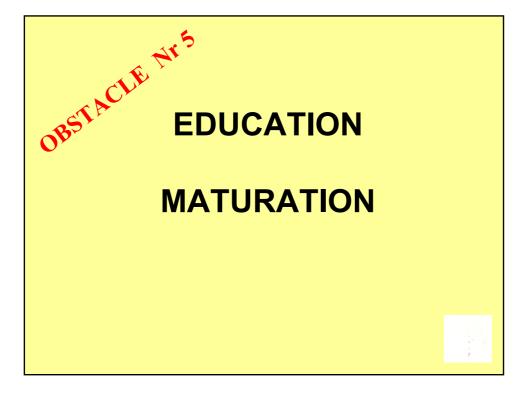
(co-entrepreneur)

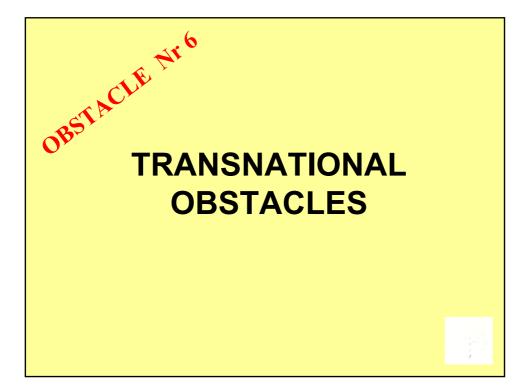












EUROPEAN COMMISSION

5.7.2002

COMMUNICATION FROM THE COMMISSION

On a framework for the promotion of employee financial participation

EUROPEAN COMMISSION

December 18, 2003

Report of the High Level Group

of independant experts, on cross-border obstacles to financial participation of employees for companies having a transnational dimension

MITTEILUNG DER KOMMISSION

- The lack of co-ordination of taxation policies and the different treatment by the Member States of the financial benefits from the various schemes;
- A lack of legal clarity on the payments of social security contributions on any income from membership of financial participation arrangements;
- The legal differences between the Member States in, for example, securities laws (in relation to share ownership plans) and employment legislation (in relation to termination of contracts and severance pay);
- The cultural differences, national traditions and the attitudes of employees towards financial participation schemes;
- The general lack of information about existing schemes or policies towards financial participation.

High Level Group

- The diversity of legal, fiscal and social frameworks in the Member States;
- > The variety of rules laid down by stock exchange authorities;
- The number of ways labour legislation considers financial participation, in particular around the provision of information and the consultation of trade unions and other employee organisations;
- The different approaches to corporate governance, in particular the different roles of the general assembly of shareholders in relation to the introduction of financial participation schemes;
- The different traditions, cultures and practice of industrial relations in the Member States;
- The costs of implementing participation plans, especially for SMEs

High Level Group

- Improving the dialogue between Member States on financial participation issues.
- A greater role for the social partners in educating their members and disseminating information on financial participation.
- Introduce a 'convention' on the taxation of share options, which would suggest consistent rules on taxation and social security contributions that are clear and easy to apply for employees who change residence;
- For other forms of financial participation, introduce a procedure for the mutual recognition between Member States

COORDINATION

COORDINATION BODY

Permanent working group, committee, institute, European agency... (European Parliament 1998)...

> Summer 2006: Stock Options in Italy, French socialists...

COORDINATION DON'T LEGISLATE ALONE

Be simple, avoid originality or national sophistication = obstacles at first for your own companies abroad

Summer 2006: Good French example

COORDINATION

MUTUAL RECOGNITION

Schemes, legal bodies, ...







