

Directive (EU) 2019/2121 of the European Parliament and of the Council of 27 November 2019 amending Directive (EU) 2017/1132 as regards cross-border conversions, mergers and divisions (Text with EEA relevance)

*Article 4*

**Reporting and review**

1 The Commission shall, no later than 1 February 2027, carry out an evaluation of this Directive, including an evaluation of the implementation of the provisions on employee information, consultation and participation in the context of cross-border operations, including an assessment of the rules on the proportion of employee representatives in the administrative body of the company resulting from the cross-border operation, and of the effectiveness of the safeguards regarding negotiations of employee participation rights, taking into consideration the dynamic nature of companies growing cross-border, and shall present a report to the European Parliament, the Council and the European Economic and Social Committee on the findings of that evaluation, in particular considering the possible need to introduce a harmonised framework on board level employee representation in Union law, accompanied, where appropriate, by a legislative proposal.

Member States shall provide the Commission with the information necessary for the preparation of that report, in particular by providing data on the number of cross-border conversions, mergers and divisions, their duration and related costs, data on the cases in which a pre-operation certificate was refused, as well as statistical aggregated data on the number of negotiations on employee participation rights in cross-border operations. The Member States shall also provide the Commission with data on the functioning and effects of jurisdiction rules applicable in cross-border operations.

2 The report shall in particular evaluate the procedures referred to in Chapters -I and IV of Title II of Directive (EU) 2017/1132, notably in terms of their duration and costs.

3 The report shall include an assessment of the feasibility of providing rules for types of cross-border divisions which are not covered by this Directive, including in particular cross-border divisions by acquisition.