

# Open Public Consultation on the 28th regime – an EU corporate legal framework

Open consultation issued by the European Commission (EC)

Comments from ACCA to The European Commission

30 September 2025

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## **About ACCA:**

We are ACCA (the Association of Chartered Certified Accountants), a globally recognised professional accountancy body providing qualifications and advancing standards in accountancy worldwide.

Founded in 1904 to widen access to the accountancy profession, we've long championed inclusion and today proudly support a diverse community of over 252,500 members and 526,000 future members in 180 countries.

Our forward-looking qualifications, continuous learning and insights are respected and valued by employers in every sector. They equip individuals with the business and finance expertise and ethical judgment to create, protect, and report the sustainable value delivered by organisations and economies.

Guided by our purpose and values, our vision is to develop the accountancy profession the world needs. Partnering with policymakers, standard setters, the donor community, educators and other accountancy bodies, we're strengthening and building a profession that drives a sustainable future for all. Find out more at: [www.accaglobal.com](http://www.accaglobal.com)

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## GENERAL COMMENTS

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ACCA welcomes the opportunity to comment on the EC's public consultation on a new 28th regime. ACCA supports the concept, including alignment initiatives that make it easier for small businesses to grow and enter new markets. Our overarching message is that regulation remains proportionate and limited to what is necessary. With respect to the proposals presented, ACCA's preference is to first consider updates to existing processes, where possible. For a 28th regime to meet its desired objectives, the framework must ultimately instil confidence.

For the green and digital transitions to be delivered successfully, ACCA continues to reiterate the need for investment in skills development and training. This is reflected in ACCA's 2025 Global Talent Trends research, which surveyed 10,000 professional accountants from 175 countries. In what shows the attraction and retention of talent problem, almost 50% of respondents in Europe expect their next career move to be away from their current organisation. Of that figure, close to two-thirds want to move within the next two years. Alongside responses to individual survey questions, ACCA makes the following recommendations:

- Support SMEs and finance professionals in acquiring necessary skills and knowledge to meet Europe's green and digital transitions.
- Reduce administrative burdens imposed by EU member states on training and mutual recognition of qualifications.
- Promote cross border recognition of qualifications through the dissemination of guidance and best practice examples.
- To avoid introducing further regulatory burden, a 28<sup>th</sup> regime must complement initiatives already in motion, including the EU Startup and Scaleup Strategy.

**Question 4: To what extent would it bring following benefits (very large extent, moderate...)**

- Option chosen: 'Other benefits'

For the 28th regime to meet its desired objectives, it must foster consistency and coordination between member states. As highlighted in ACCA's report on what we consider the key tenets of business law, governments should facilitate a financial system that provides confidence and services the needs of businesses when transacting with each other.<sup>1</sup>

While ACCA sees merit in exploring the establishment of a new EU-brand, its introduction is a significant undertaking—requiring significant resources and long lead-in times. Success is also contingent on cultivating market confidence. Given these complexities, ACCA posits whether it would be useful to first examine (and potentially update) the current process for setting up a European Company.

**Question five: In your view, what would be an appropriate company type for the 28th regime companies?**

- 'Other'

ACCA supports the EC's approach to updating company legal forms. While harmonisation is to be welcomed, we agree that revisions should not lead to administrative burdens and added costs. On the question of appropriate company type for a 28th regime, ACCA believes the private limited liability structure offers the right amount of flexibility for SMEs and entrepreneurs.

**Question 6: Who can set up a 28th regime company?**

- 'Other'

ACCA supports a flexible approach to setting up a 28th regime company. In line with the EC's desire to reduce administrative burdens, it makes sense for the regime to be accessible to both entrepreneurs and groups of companies. However, expansion should rest on a thorough understanding of the benefits and potential roadblocks. Robust safeguards are also necessary to ensure transparency.

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<sup>1</sup> ACCA Policy and Insights (2020), *Tenets of business law*. The complete report can be accessed [here](#).

## **Question 8: How can 28th regime companies be set up?**

- 'Other methods'

In line with our response to Question 6, ACCA supports a flexible approach to setting up a 28th regime company. In line with what ACCA considers the four main tenets of business law – one of which is 'fairness' - it makes sense for the regime to be accessible to both entrepreneurs and groups of companies.<sup>2</sup> However, any expansion should rest on a thorough understanding of the benefits and potential roadblocks. Robust safeguards are also fundamental to ensuring transparency.

## **Question 15: Do you consider that all tools and processes for the 28th regime companies should be fully digital, without paper-based alternatives?**

- 'Yes - all procedures should be only online'

## **Question 17: In your opinion, would the following digital tools and solutions contribute to a fast and efficient setting up of 28th regime companies and to what extent?**

ACCA recommends subsequent policy development adopt the principle of 'Think Small First'. Our 2021 report, *Think Small First: Enabling effective climate action by Small and Medium-sized Businesses*, serves as an example of how to bring this principle to life.<sup>3</sup> With most fledgling businesses lacking the internal resources, full digitalisation is unlikely to be straightforward. We believe the report's four integrated principles – Standardise, Simplify, Automate, and Enable – provide a conceptual framework for looking at the challenges that might arise.

## **Question 20: In your opinion, how could the 28th regime companies benefit from the future European Business Wallet to ensure seamless and quick digital procedures for these companies?**

Professional accountants and SMP firms are 'technology evangelists' for SMEs and start-ups. ACCA recognises the potential of an EBW, including enabling interoperability, time savings, and unlocking access to different services. As highlighted in ACCA's 2024 research, *SMEs: Business Challenges and Strategic Innovation Opportunities*, professional accountants can help businesses realise the potential of advanced technologies like AI and Machine Learning.<sup>4</sup> Insights from global members reveal that most view technology adoption through an efficiency

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<sup>2</sup> ACCA Policy and Insights (2020), *Tenets of business law*.

<sup>3</sup> ACCA Policy and Insights (2021), *Think Small First: Enabling effective climate action by Small and Medium-sized Businesses*. The complete report can be accessed [here](#)

<sup>4</sup> ACCA Policy and Insights (2024), *SMEs: Business Challenges and Strategic Innovation Opportunities*? The complete report can be accessed [here](#).

lens. This suggests that the success of any EBW will depend on its practicality and in avoiding further administrative burdens.

**Question 21: In your view, what would be the most appropriate approach for 28th regime companies?**

- 'Other approach'

ACCA supports use of standardised templates and greater uniformity overall. Such measures stand to enhance the regime's attractiveness to companies. Understanding the cost and administrative implications is an essential step in that regard. The benefits offered by digitalisation and automatic tools are similarly important. More broadly, ACCA welcomes use of a single platform acting as the recognised destination for all company information.

**Question 37: What would be, in your view, the preferred financing channels for 28th regime companies?**

ACCA acknowledges the wide range of funding programmes that offer support to start-ups and SMEs. In that vein, we welcome efforts that look to strengthen the overall financing landscape. Reducing regulatory discrepancies between member states is essential to achieving that aim. Consistent legal and financial obligations – anchored in sound corporate governance standards and reporting requirements – will help build business confidence.

In ACCA's experience, finding the most appropriate terms is not always straight-forward. The reality is that many lack the time or expertise to navigate the various options. We therefore emphasise the role of updated, practical guidance connecting the different components of the financing ecosystem.

Professional accountants have increasing access to real-time financial data. By using cloud-based applications, blockchain, and AI-powered analytics, they can facilitate SME access to diverse funding sources. While a framework for Open Banking exists in the EU, thought should be given to how to increase wider uptake.

**Question 38: Do you consider that the proposal should include provisions to facilitate the eventual access of a 28th regime company to regulated markets as the company grows?**

- 'Yes'

While ACCA does not hold a definitive view on the proposal, we see it as worthy of further consideration. Indeed, we note that provisions to help companies make that transition already exist in several member states. ACCA's paper, *Priorities for the EU 2024 – 2029*, highlights

the need to ensure legislative actions remain proportionate and fit for purpose.<sup>5</sup> Administrative burdens may discourage use of a 28th regime, which underlines the value of wider confidence building efforts. Proposals of this nature should complement initiatives already in motion, including the EU Startup and Scaleup Strategy.

**Question 40: What are the main obstacles related to taxation for companies, especially when they do business in more than one EU country?**

*Simplicity, certainty and stability:* in ACCA's view these are the cornerstones of a good tax system.<sup>6</sup> Yet tax complexities increase exponentially once a business starts trading across different jurisdictions. Despite initiatives like the *One Stop Shop* scheme, many businesses still find themselves registering for VAT in foreign jurisdictions – including instances where it has not been necessary in their home country. The need to seek professional advice serves as a further deterrent.

The path to ensuring a fair and sustainable tax environment is for governments to place tax cooperation ahead of competition. The effectiveness of a 28th regime will hinge on its interoperability with existing pan-European and global standards. Examples include those set out in OECD Pillar II and the Business in Europe Framework for Income Taxation.

**Question 41: Are there any potential tax measures, including tax incentives, that you would consider helpful to support the future 28th regime's goal of allowing start-ups and scale-ups to develop in the EU?**

ACCA has contributed to discussions on tax measures aimed at supporting SMEs in various jurisdictions. In a fast-changing world, SMEs and start-ups need support and encouragement to grow. Consistent with that theme, ACCA supports the use of R&D initiatives to encourage investment. However, careful consideration of the wider eco-system is needed to ensure businesses make best use of these.

Key areas include dissemination of comprehensive guidance, practical examples, and recognising the value of regulation to reduce fraud and error. Given the 28th regime's goals, flexibility and agility must be built into any system.

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<sup>5</sup> ACCA (2024), *ACCA: Priorities for the EU 2024 – 2029*. ACCA's full list of recommendations can be accessed [here](#).

<sup>6</sup> ACCA Policy and Insights (2020), *Simplicity in Tax*. The complete report can be accessed [here](#)

**Question 42: What are the main obstacles related to employment for companies, especially when they do business in more than one EU country and employ people in various Member States?**

The accountancy profession plays a key role in helping businesses navigate evolving EU rules and access new opportunities – all the while contributing to transparency in capital markets. From ACCA's perspective, attraction and retention of talent continues to pose challenges. This is supported by findings from ACCA's *2025 Global Talent Trends* research, which surveyed almost 10,000 professional accountants from 175 countries.<sup>7</sup> For respondents in Europe, almost half expect their next career move to be away from their current organisation. The findings also highlight the immediacy of the issue, with close to 40% in agreement on wanting to move in the next 12 months. When extended to a two-year period, the figure increases to 64%.

While common frameworks provide the basis for mutual recognition of qualifications and training, barriers persist. For regulated roles like statutory audit, fully qualified members report difficulties having their experience recognised in another member state. Given the scale of EU audit reform, ACCA reiterates the importance of awareness-raising-campaigns that promote best practice. These include up-to-date public registers, use of digital systems, alongside published criteria, and timelines for applications.

ACCA has Mutual Recognition Agreements (MRAs) with accountancy bodies in several European countries.<sup>8</sup> The 2023 agreement between the UK and Switzerland is one such example. For ACCA members and students, it opens a pathway to gain UK statutory audit work experience directly in Switzerland. Cross border recognition also helps build capacity in developing areas, including the breadth of expertise required to deliver high quality sustainability assurance. Those core competencies include professional scepticism, acting in accordance with ethical standards, and linking both financial and sustainability information.

ACCA continues to engage with the EU on the talent shortage in accountancy. ACCA will soon host a high-level conference on the margins of Denmark's EU Council Presidency, bringing together EU and Danish leaders to discuss the issue. The event will focus on strategic investment in skills development and training – both integral components to Europe's green and digital transitions. We will also discuss measures to support SMEs and enhance their competitiveness.

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<sup>7</sup> ACCA Policy and Insights (2025), *Global Talent Trends 2025*. The key 2025 findings for Europe can be accessed [here](#).

<sup>8</sup> Financial Reporting Council (2023), *UK and Switzerland mutual recognition of statutory auditors*. Details regarding the agreement can be accessed [here](#).