

Luxembourg

1. La Société Anonyme

Brief overview: Establishment and structure of company

Statutory basis

Esp. law of 10.08.1915 on commercial companies and the Code Civil

Requirements for establishment

- Establishment by at least 2 partners
- Notarized company agreement (= statutes)
- Entry into Commercial Register
- Publication of statutes in official gazette

Minimum capital

1.25 million LF = 30,986.69 euro

Organisation

1) **General meeting (of shareholders) = highest executive body = Assemblée Générale**

Tasks include

- Nomination, deselection and discharge of Administrative Board and auditor
- Decision on year-end financial statement and its approval
- Decisions relating to disposal of profits
- Amendments to statutes

Meeting at least 1x year; extraordinary meetings possible

2) **Administrative Board = Conseil d'Administration**

Tasks include

- Authorised to carry out all business transactions
- Preparation of year-end financial statement
- Representation of the company internally and externally, in court and out of court

Number of members: at least 3

Term of office: 6 years, re-election possible

3) **Auditor = Commissaires**

Tasks include

- Examination of financial situation
- Examination of year-end financial statement
- Examination of legality of business

Brief overview: Employee participation at board level

Yes.

Requirements:

- 1) In companies with more than 1000 employees:
 - Composition of Administrative Board: 1/3 employee representatives (and 2/3 employer representatives)
 - Election of employee representatives by délégués du personnel (= workforce representatives) separated into blue collar and white collar workers
 - employee representatives on the Administrative Board must be employed within the company (exception: in iron and steel sector: nomination of the 3 employee representatives on the Administrative Board carried out by the nationally most representative trade unions)
- 2) In companies in which the state has a share of at least 25 % or that require a state concession for their main area of business:
 - One employee is elected to the Administrative Board for every 100 employees,
 - Minimum no of employee representatives: 3
 - Maximum no of employee representatives :1/3 of entire Administrative Board

In both cases the employee representatives have the same rights and duties as the employer representatives on the Administrative Board.

Employees are also involved in the auditing committee inasmuch as they elect an independent auditor to it: the election is undertaken jointly by the employee and shareholder representatives on the Administrative Board

2. La Société à responsabilité limitée

Brief overview: Establishment and structure of company

Statutory basis

Law of 18.09.1933

Requirements for establishment

- Establishment by one or more people
- Notarized company agreement
- Publication of company agreement in official gazette

Minimum capital

500,000 LUF = 12,394.68 euro

Organisation

1) General Meeting

Tasks include

- Nomination, deselection and discharge of Managing Director
- Amendments to statutes
- Election and supervision of other company organs
- Approval of year-end financial statement

Meetings mandatory only for more than 25 shareholders

2) Managing Director

Tasks include

- Managing the business, power to carry out all business actions unless the statutes state otherwise
- Representation of the company externally and internally
- Preparation of year-end financial statement (including inventory, annual accounts, profit and loss account)

3) Commissaires

Mandatory for more than 25 shareholders

Tasks include

- Examination of financial situation
- Examination of year-end financial statement
- Examination of legality of business

Brief overview: Employee participation at board level

None.

Source: Büggel, A. (2003) *Company law and existing legislative provision for employee participation in the EU member states*, in R. Köstler and A. Büggel, *The European Company and Company law and existing legislative provision for employee participation in the EU member states*, Brussels: ETUI. Report 79 (to order the whole report, please send an e-mail to etui@etuc.org; price: €20).