

## EU Inc. – Europe Prepares a Corporate Level Playing Field

On 18 March 2026, the European Commission published a formal proposal for a regulation introducing the EU Inc., a unified corporate entity for all 27 EU Member States.<sup>[1]</sup> This initiative, titled the “28<sup>th</sup> Regime”, forms part of the EU Startup and Scaleup Strategy adopted in May 2025. It is being described as a “decisive step” in advancing the EU’s competitiveness agenda and establishing a legal framework capable of supporting Europe in the global technology race. The objective is to enable founders and investors to establish businesses more easily in Europe, access funding, and scale across the European Union.

The proposal sets out a comprehensive body of rules covering the entire lifecycle of a company, with the aim of making it easier to start and grow a business in Europe, attract investment, and reduce the cost of failure. The main features of the proposed EU Inc. include:

- A single legal framework for one limited liability company applicable across all 27 Member States.
- Incorporation within a maximum of 48 hours.
- Incorporation costs capped at 100 euros.
- Digital incorporation and registration in a central digital corporate register.
- No minimum share capital requirement.
- No in-person formalities.
- Simple digital share transfers without notaries or other intermediaries.
- Harmonised provisions for convertible instruments.
- A single board of directors, with at least one member resident in the EU.

The Commission aims to conclude the political consultation by the end of 2026, with the first EU Inc. incorporations expected in 2028.

The proposal is clearly an ambitious step towards creating a modern, investor-friendly regime in the EU that could remove significant barriers and complexities arising from 27 different legal systems. However, several aspects will undoubtedly be debated and may be challenged within the legal communities of many Member States. These discussions are likely to focus on issues such as employee protection, taxation, and creditor protection. In addition, the vested interests of notaries and other intermediaries, who

currently play an important role in the incorporation, registration, and transfer of shares in many EU jurisdictions, will also need to be considered.

It therefore remains unclear when and in what form the EU Inc. will ultimately be implemented, and whether these positive ambitions will translate into a workable and practical corporate regime.

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