

COMPANY LAW IN MALTA

Malta's 1995 company law was already largely modelled on EU standards. Minor changes are required such as to protect employees' rights when a company is transferred. Following legal changes in 1994, no new offshore companies were registered in Malta since December 1996. Existing ones will start to be regulated like normal companies by the year 2004.

THE EU AND COMPANY LAW

Companies registered in EU countries have the right to set up branches and to offer services in other EU countries. Companies registered in one EU country that establish themselves in another are not required to comply with formalities over and above what is required in their home country. National differences in company law remain and there is still no single European company statute. However, the EU has developed a number of rules on company law in order to introduce a measure of common standards and also to promote greater public access to information and investor protection. These rules cover areas ranging from accounting and auditing rules to the possibility of companies being set up by single individuals.

INTERNATIONAL CONVENTIONS

Between now and membership, Malta will be adopting the following international conventions. These provide for the reciprocal recognition of judgements and for safeguards concerning the law that applies to contracts. This will make it easier for Maltese judgements to be recognised abroad and for foreign judgements to be recognised in Malta.

THESE ARE THE INTERNATIONAL CONVENTIONS:

1. The Lugano Convention on the Jurisdiction and Enforcement of Judgements in Civil and Commercial Matters;
2. The Brussels Convention on the Jurisdiction and Enforcement of Judgements in Civil and Commercial Matters, and
3. The Rome Convention on the Law Applicable to Contractual Obligations.

EUROPEAN ECONOMIC INTEREST GROUPING (EEIG)

An EEIG is a legal instrument that facilitates co-operation or partnership between businesses in different EU countries and is recognised by EU law. An EEIG must have at least two partners from two different EU countries and like a company has a separate legal personality. It is a way of bringing Small and Medium-sized enterprises (SMEs) from different EU countries together to improve the results of their business activities out of co-operation. Malta will be adopting the EEIG by the end of 2001.

TRADEMARKS

Upon membership, Malta will adopt the EU rules on the Community Trademark which gives protection to trademarks throughout the countries of the EU. In Malta, existing trademarks will still be protected.

THE FIGHT AGAINST PIRACY

The EU protects the innovative work of researchers, the creative work of artists and the reputation of entrepreneurs. For this reason, it supports the fight against piracy through a number of laws that protect what is known as intellectual property. This includes trade marks, designs, inventions as well as literary, musical and artistic works. Malta already has international obligations to protect intellectual property and adopted EU standards in its Copyright, Patents and Trade Mark laws. The Economic Crimes Unit of the Police Department protects intellectual property rights with respect to goods available on the local market. The Police and the Customs Department also work together against the importation (or production) of pirated goods.