



European Commission Tender for a Study on the Proportionality Principle between Ownership and Control

Tender awarded on 7 September 2006



SHEARMAN & STERLING LLP

Enabling the Business of Corporate Governance



The European Commission commissioned an independent Study on the proportionality between ownership and control in EU listed companies

EC study on proportionality principle: objectives, contractors and deliverables

Objectives of the Study	Contractor Subcontractors	Deliverables
<p><b>Regulatory framework</b></p> <ul style="list-style-type: none"> <li>Company law, stock exchange regulation</li> <li>Deviations at company level</li> </ul>		<ul style="list-style-type: none"> <li>16 EU countries (IT, SP, GR, GE, FR, NL, UK, BE, IR, DE, SW, FI, PO, HU, LU, ES)</li> <li>More than 450 companies</li> </ul>
<p><b>Economic impact of deviations</b></p> <ul style="list-style-type: none"> <li>Questionnaires to institutional investors</li> <li>Review of academic research</li> </ul>		
<p><b>International comparison</b></p> <ul style="list-style-type: none"> <li>Regulatory framework</li> <li>Review of academic research</li> <li>Deviations at company level</li> </ul>		<ul style="list-style-type: none"> <li>Theoretical and empirical literature</li> <li>US, Japan, Australia</li> <li>Theoretical and empirical literature</li> <li>Use of proprietary databases</li> </ul>

The European Commission is looking for an independent comprehensive and factual Study on the proportionality principle in EU countries

**Study on proportionality principle: objectives of the European Commission**

*« The study represents the essential starting point for any further discussion on the adequacy of control to capital »*

*« It will provide a full, systematic picture of the essential features of Corporate Europe that the European public opinion is waiting for. Any discussion about how to move on, about possible initiatives in this area, needs to be based on sound facts »*

Commissioner Charlie McCreevy,  
28 June 2006

ISS, S&S and ECGI are committed to conducting a comprehensive and factual analysis across the EU, which will lay the groundwork for informed decision making