

THE HARMONISATION OF EU LAW AFFECTING COMPANIES AND NOT-FOR-PROFIT ORGANISATIONS: IMPLICATIONS FOR RELIGIOUS ASSOCIATIONS

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ABSTRACT

The European Union has a growing interest in the not-for-profit sector for a cocktail of reasons including enhancing its own legitimacy, furthering social objectives and encouraging economic prosperity. The European Commission has been the driving force behind this with key developments including proposed legislative structures for European Associations, European Mutual Societies and European Co-operatives to facilitate cross-border co-operation; a Communication on “Promoting the Role of Voluntary Organisations and Foundations in Europe”; and the establishment of a Consultative Committee to include associations. Such interest has been paralleled in the United Kingdom with a major drive by the Cabinet Office Strategy Unit to reform charities and the not-for-profit sector demonstrated by the Report “Private Action, Public Benefit”.

However, this renewal of interest in the not-for-profit sector raises many fundamental questions which are highly pertinent to religious associations, including Christian churches and organisations. What purpose(s) do religious associations exist to fulfil? Do organisational structures “matter” to such associations in fulfilling those purposes? What basis might there be for legislative involvement in creating the framework for and monitoring the operations of such associations and to what extent is European harmonisation desirable? This paper examines the position from a specifically Christian perspective whilst seeking to establish general principles likely to be shared by other faith communities. It argues that the European Commission should make a conscious break from the past in its approach to harmonisation in the not-for-profit sector in favour of a new approach which will reconcile the legitimate interests of both the European Union and its citizens with those of Christians and those from other religious faiths.