



New Laws & Legislation Affecting Businesses Coming Into Effect During 2007

Corporate Law and Governance

1 Jan 2007 - Companies Act 2006

Relevant to: all companies

Provisions in the Act which give effect to recent amendments to the First Company Law Directive will be commenced. These changes are in large part designed to ensure increased facilities for e-communications with the national registrar of companies.

All UK companies are now required to list their company registration number, place of registration, and registered office address on their company website. This information should also appear on order forms and in email footers. Such information is already required on “business letters” but the duty is being extended.

Further information: <http://www.dti.gov.uk/bbf/co-act-2006/index.html>

20 Jan 2007 - Transparency Obligations Directive

Relevant to: all companies

The following provisions linked to implementation of the Transparency Obligations Directive will be commenced:

- provisions on company communications to shareholders and others, which include provisions facilitating electronic communication;
- provisions concerning a public company’s right to investigate who has an interest in its shares;
- and section 463, which sets out a statutory basis of directors’ liability to the company in relation to the directors’ report (including the business review), the directors’ remuneration report and any summary financial statement derived from such reports.

Further information: <http://www.dti.gov.uk/bbf/co-act-2006/index.html>

April 07 - Companies Act 2006

Relevant to: all companies

The following provisions in the Companies Act 2006 will be commenced:

- Section 1063 which relates to fees payable to the Registrar of Companies;
- Section 1281 of the Companies Act, which amends Part 9 of the Enterprise Act 2002 to give the Secretary of State the power to make an order enabling public

authorities to disclose information to be used in civil proceedings or otherwise for the purpose of establishing, enforcing or defending legal rights.

Further information: <http://www.dti.gov.uk/bbf/co-act-2006/index.html>

Employment Law

April 2007 Flexible Working - The right to request and the duty to consider

Relevant to: all employers

The right to request flexible working, which is currently available only for parents of children under 6, or under 18 if the child is disabled, will be extended to carers of adults with effect from 6 April 2007. There is now revised guidance on how the law works to explain how it will apply to such carers.

Further information: <http://www.dti.gov.uk/employment/workandfamilies/flexible-working/fw-guidance/index.html>

Other Subjects

April 07 - Changes to the UK hallmarking regime

Relevant to: Manufacturers and importers of high-end jewellery and articles of precious metal; traders in old and antique jewellery and articles of precious metal.

Amendment to hallmarking regime to allow voluntary hallmarking of articles made of mixtures of precious metal (thereby permitting them to be marketed as of gold, silver or platinum as appropriate).

Further amendment to hallmarking regime to extend exclusion from necessity for hallmarking in order to market goods of precious metal manufactured between 1920 and 1950 and of gold or silver.

Both amendments have the effect of relaxing current restrictions, which limit the trade from being able to accurately, describe and market certain types of mixed-metal goods and unhallmarked goods manufactured between 1920 and 1950.

Delayed due to need for notification under WTO rules and the Technical Standards Directive.

Further information: <http://www.dti.gov.uk/consultations/page32838.html>

April 07 - Repeal of redundant regulation, EC Competition Law (Articles 84 and 85) Enforcement Regulations 2001.

Relevant to: Tramp shipping and aviation sector

The 2001 Regulations related to the enforcement of competition law by competition authorities of EU member states. The 2001 Regulations covered only two sectors:

aviation between the EU and third countries and tramp shipping. The recent repeal of EC Regulation 4056/86 (shipping), and an earlier EC regulation which came into force on 1st May 2004 (Regulation 1/2003) has brought both sectors within EC competence.

April 07 The Regulatory Reform (Weights and Measures) Order

Relevant to: Businesses using weighing and measuring equipment that, following adjustment, requires verification before it can be placed back into use for trade; businesses carrying out manufacturing, installing or repairing of weighing and measuring equipment which undertake the adjustment of such legally compliant equipment that subsequently requires verification following adjustment under section 11 of the Act; local weights and measures authorities; consumers.

Proposal to Amend Section 11A of the Weights and Measures Act 1985 relating to testing, passing and stamping of weighing and measuring equipment as fit for use for trade by means of a Regulatory Reform Order

Further information: http://www.nwml.gov.uk/Regulatory_Reform_Order/default.aspx

Consumer and Competition Policy

2007 - The Cosmetics Directive (date unknown)

Relevant to: all those involved in the manufacture and distribution of cosmetic products.

The Cosmetics Directive (76/768/EEC) is an old approach technical Directive which is constantly updated to reflect current scientific thinking on cosmetics. Negotiations are taking time – not clear when will be repealed.

Further information: <http://www.dti.gov.uk/ccp/topics1/safetyprods.htm#cosmetic>

20 May 2007 – Amendments to Directive 84/500/EEC on ceramic articles intended to come into contact with foodstuffs

Relevant to: everyone in the supply chain of ceramic articles intended to come into contact with foodstuffs, from producer through to retailer.

This Directive, which the UK is bound to transpose into national law, is an amending Directive. It introduces three changes to the previous Directive:

- i) producers and distributors are now obliged to ensure that the ceramic product is accompanied at all stages of marketing (up to and including retail) by documentation stating that it complies with the rules applicable to it,
- i) manufacturers and importers must show enforcement authorities (on request) appropriate documentation demonstrating compliance with lead and cadmium

migration limits, and

iii) performance criteria are now introduced for the analytical method employed to test compliance, allowing a wider range of testing methodologies.

Additionally, there is a requirement on Member States to introduce a prohibition on the manufacture and importation (into the Community) of non-compliant products. Implementation of the Directive will take the form of new Ceramic Articles in Contact with Food (England) Regulations 2006, which will replace the existing Ceramic Ware (Safety) Regulations 1988. Analogous legislation will be introduced separately in Scotland, Wales and Northern Ireland. The Directive has to be implemented by 20th May 2006 (see previous entry), but the changes identified by i) to iii) above will not come into force until 20th May 2007.

Further information: <http://www2.dti.gov.uk/ccp/topics1/facts/ceramics.htm>

12 Dec 07 - Implementing the Directive on Unfair Commercial Practices (2005/29/EC) changing existing consumer legislation

Relevant to: all businesses. Particularly: retail; advertising & marketing.

Description: the Directive introduces a general prohibition on traders treating consumers unfairly. This focuses in particular on misleading actions & omissions, and aggressive commercial practices. In addition, the Directive may require amendments to or repeal 28 existing pieces of legislation.

Further information: <http://www.dti.gov.uk/ccp/topics1/unfair.htm>

Energy

Gas Appliances Directive (date unknown)

Relevant to: all those involved in the manufacture and distribution of gas appliances

The Gas Appliances Directive (90/396/EEC) as amended has been under consideration by the Commission and Member States for revision for a number of years. An informal draft has been prepared by the Commission (early 2005) for the working group with a view that the Commission would take this forward urgently during 2005. The Commission has done nothing to date, and are short of resources in this area, we should hear during 2006 whether there is an intention to take forward a revision. The UK stakeholders are generally content with the Directive as it stands, though there are some minor areas where there could be improvement.

6 April 07 - Consultation on safety zones around or adjacent to offshore renewable energy generating stations

Relevant for: Developers of offshore renewable energy generating stations, such as wind farms and wave and tidal devices, and other users of the sea, including the shipping and fishing sectors.

Consultation on safety zones around or adjacent to offshore renewable energy generating stations, such as wind farms and wave and tidal installations.

Summer 07 - Guidance on decommissioning offshore renewable energy generating stations

Relevant for: owners, developers and operators of offshore renewable energy generating stations (wind, wave and tidal).

The Energy Act 2004 (Sections 105 to 114) introduced provisions relating to the decommissioning of offshore renewable energy generating stations (wind, wave and tidal). These provisions came into effect on 1 October 2005. The Government is consulting stakeholders about the development of guidance, which will explain businesses' decommissioning obligations under the Energy Act and set out the Government's expectations regarding decommissioning standards and financial security. The guidance is expected to be available in November 2006.

Further information: <http://www.dti.gov.uk/consultations/index.html>

Innovation

EU Communications Review

Relevant to: All sectors of communications industry including SMEs

Review of the effectiveness of the regulatory framework to be completed by end of 2006 will provide final formal set of proposals from the Commission for changes to the Directives expected end 2006/early 2007.

Further Information <http://www.dti.gov.uk/sectors/telecoms/2006review/page26449.html>

Amendment to the Electromagnetic Compatibility (EMC) Directive 89/336/EEC

Relevant to: All sectors of industry including SMEs

The new EMC Directive, 2004/108/EC, has to be implemented into national legislation by 20 January 2007 and will take effect on 20 July 2007. The Directive maintains the objectives of the current Directive of guaranteeing free movement of electrical products whilst creating an acceptable electromagnetic environment within the EU. It however clarifies the original Directive and reduces unnecessary administrative burdens on industry. It is planned to issue a consultation document before the end of March 2006 in preparation for laying the necessary implementing Statutory Instrument in December 2006.

Further Information <http://www.dti.gov.uk/strd/emc.html>

Waste Electrical and Electronic Equipment (WEEE)

Relevant to: producers of appliances containing electrical components

This has proved a complex Directive to implement. Further discussions will be held

with stakeholders to resolve outstanding issues and ensure as smooth a transition as possible. Implementation has therefore been delayed to allow a review of arrangements, following which a new timetable will be set.

Further Information <http://www.dti.gov.uk/innovation/sustainability/weee/page30269.html>

Consolidation of Insolvency Secondary Legislation 2007

Relevant to: Mainly Insolvency Practitioners and the legal profession.

A project is underway to review, consolidate and simplify 10 insolvency statutory instruments with a view to reducing regulatory and administrative burdens that may currently exist for users of insolvency legislation. The 10 new statutory instruments are planned to come into force on 1 October 2007.

Further information: <http://www.insolvency.gov.uk/insolvencyprofessionandlegislation/consolidation/consolidationhome.htm>

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