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A COMPARATIVE-LEGAL ANALYZE OF TYPES OF COMPANIES IN EU, JAPANESE, AND UZBEK COMPANY LAW.

Annotation:

This article conducts a comprehensive comparative-legal analysis of the types of companies recognized under the company laws of the European Union (EU), Japan, and Uzbekistan. By examining the distinct legal frameworks governing company structures in these diverse jurisdictions, the study seeks to identify key similarities, differences, and unique features. It delves into the regulatory aspects, formation requirements, governance structures, and implications of choosing different company types. Through this analysis, the article aims to contribute to the understanding of global corporate governance and facilitate informed decision-making for businesses and investors operating in these regions.

Keywords: Company types, corporate governance, EU Company Law, Japanese Company Law, Uzbek Company Law, business entities, legal framework, formation requirements, governance structures, company structures, investment decisions, regulatory aspects, corporate structures

Company law is one of the most essential laws in modern systems today because it can play a crucial role in companies and their governance. Companies are the central part of a country's economy. That's why we are going to discuss and talk about company law. The topic is a comparative-legal analysis of types of companies in the EU, Japanese, and Uzbek Company law.

Company law (also known as business law, corporate law, or enterprise law) governs the rights, relations, and conduct of persons, companies, organizations, and businesses. The term refers to the legal practice of law relating to corporations, or the theory of corporations. Comparative-legal analysis of Japanese, Uzbek and, EU Company Law Introduction The purpose of this essay is to conduct a comparative-legal analysis of company law in three different regions, namely Japan, Uzbekistan, and, the European Union. Company law, also known as corporate law, governs the formation and, operations of companies. The legal frameworks of these three regions differ in various aspects, including mechanisms for setting up companies, ownership and liability issues, and, the roles of directors and shareholders. Understanding these differences is crucial for businesses and investors operating across different jurisdictions. Comparative-legal analysis is a method of studying legal systems by comparing them to one another. The approach aims to identify similarities and differences between legal systems and to establish their strengths and weaknesses. Comparative-legal analysis can also examine the social, political, and cultural contexts that influence the development of legal systems. The study of different legal systems can provide valuable insights that can inform national and international legal policymaking. It can also

help identify areas where legal reform may be necessary and serve as a starting point for legal professionals seeking to understand foreign legal systems. Brief overview of Japanese, Uzbek, and EU Company Law In terms of company law, Japan has traditionally followed the German model, with more emphasis placed on creditors' interests rather than shareholders'. Uzbekistan's company law, on the other hand, has undergone significant changes since the country's independence in 1991, largely influenced by Russian law. The EU has harmonized its company law through various directives, with a focus on promoting a single market for companies. These diverse approaches to company law produce varying regulatory environments for businesses in each jurisdiction.

Comparing these legal systems is essential as it helps in the identification of similarities and differences. It is an important step in understanding the effectiveness and efficiency of different legal systems. The comparative legal analysis of Japanese, Uzbek, and EU Company Law reveals that they all have different approaches to corporate governance, shareholder rights, and the responsibilities of directors. Studying these differences helps identify best practices and areas for improvement. This is especially important for businesses operating across borders as they need to comply with different legal systems. Therefore, comparative legal analysis is a crucial step in understanding and improving legal systems. Furthermore, it is worth noting that the Japanese Commercial Code, the Uzbek Civil Code, and the EU Company Law are all designed to balance the interests of shareholders and management in different ways. Whilst the Japanese Commercial Code is generally seen to prioritize management and the Uzbek Commercial Code is said to prioritize shareholders, the EU Company Law strikes a middle ground to ensure the interests of all stakeholders are protected. This reflects the different cultural and economic contexts in which these legal systems operate. Japanese Company Law also harbors certain provisions to regulate hostile takeovers. In case of an acquisition aimed at obtaining control over a target firm, the acquirer is required to disclose its intent to the management of the target company and the Financial Services Agency (FSA). Such disclosure requirement is triggered upon the acquisition of shares to the extent that the share ownership of the acquirer reaches 20%, 33%, or 50% of the total number of shares issued by the target firm. The acquirer must disclose its intent to acquire the target company through a tender offer or other means. The historical background and development of company law in Japan is a complex issue that has been influenced by a variety of factors, including social, economic, political, and cultural ones. While initially, the Japanese legal system was heavily influenced by the German Civil Law system, the country has evolved its own unique system over time. In recent years, Japan has modernized its company law regime to promote cooperation, increase transparency, and protect shareholders' rights, while also encouraging growth and innovation in business. Japanese Company Law has key provisions that govern various aspects of companies, such as formation, governance, shareholders, directors, and auditors. One of the notable features is the one-tier board system, which allows for a company to have only one board comprising both executive and non-executive directors. The law also provides for fair and equitable treatment of all shareholders, with minority shareholders enjoying certain rights and remedies. Additionally, the law requires companies to disclose information and maintain accurate financial records, with severe penalties for noncompliance. The comparison between Uzbek and EU company law reveals some interesting similarities and differences. Like Japan, Uzbekistan has a civil law system, but there are some notable differences, such as a lack of clear corporate governance rules in Uzbekistan. On the other hand, the EU has a common law system, but there are harmonizing directives that aim to provide uniform rules on company law throughout the region. Additionally, the EU places a significant emphasis on the rights of shareholders, which is somewhat different from the approach taken by Japan and Uzbekistan. Investors in Japan, Uzbekistan, and the EU are bound by different legal frameworks, and while there is some overlap, there are significant differences. For instance,

in Japan, the legal system has a strong emphasis on stability and predictability, which can be beneficial for investors. Meanwhile, in Uzbekistan, the legal framework is underdeveloped, and it is often difficult to enforce contracts. In the EU, there are varying laws and regulations in each member state, which can create a complex environment for foreign investors. Uzbek Company Law is primarily based on the civil law system, which focuses on the comprehensive regulation of all aspects of a company's activities. It is embodied in the Civil Code of Uzbekistan, along with specific laws and regulations governing different types of legal entities. The Law also requires companies to comply with the constitution of Uzbekistan, which guarantees the protection of property rights and the right to conduct business. Under the Law, companies have to be registered with the Ministry of Justice and are subject to regular audits to ensure compliance with all legal requirements. The historical development of company law in Uzbekistan can be primarily traced back to the Soviet-era legal system, which laid the foundation for modern commercial law in the country. Following the country's independence in 1991, Uzbekistan began developing its own legal framework for corporate governance, including laws on limited liability companies and joint stock companies. The most recent amendments to the company law were made in 2019, which increased transparency requirements for companies and reinforced the accountability of directors and management. Overall, Uzbekistan's company law has undergone significant evolution over the past few decades to modernize its commercial legal framework and align with international best practices. Overview of key features of the current Uzbek Company Law contains several key features. Firstly, there are three types of companies recognized under the law: limited liability companies, joint-stock companies, and partnerships. Secondly, there are provisions in place that govern the appointment and responsibilities of directors and auditors. Thirdly, there are regulations regarding the formation and management of companies, including the requirements for minimum share capital and the process for registering a company. Finally, the law also contains provisions regarding the dissolution and liquidation of companies. These key features are designed to facilitate the efficient and effective operation of companies in Uzbekistan. Comparison with Japanese and EU Company Law Furthermore, a comparison between Japanese and EU company law reveals some similarities. Both legal systems require companies to be registered, have a board of directors, and maintain accurate records. However, there are also differences, as the EU has a more uniform approach to company law across member states, while Japan allows for more flexibility in its corporate governance practices. Additionally, EU law places a greater emphasis on the protection of shareholder rights, while Japanese law focuses more on preserving long-term relationships between companies and their stakeholders. In conclusion, the comparative analysis of Japanese, Uzbek, and EU Company Law has demonstrated significant differences and similarities between the three legal systems. Although Japanese and Uzbek legal frameworks share similarities in terms of tradition and cultural values, their approaches to company law diverge in several significant respects. Meanwhile, the EU's legal framework, with the harmonization of laws across member states, has created one of the most advanced legal frameworks for the regulation of corporate entities. Ultimately, further comparative research is necessary to better understand how different legal frameworks function in practice.

EU Company Law has undergone significant evolution over the years. Recently, the European Commission proposed and implemented a directive aimed at promoting corporate social responsibility in European companies. The directive requires companies to disclose relevant social, environmental, and governance information in annual reports. Furthermore, EU Company law requires directors to act in the interest of the company and its stakeholders and has specific rules on corporate governance and shareholder rights. EU Company Law provides a framework that ensures a balance between the interests of a company and its stakeholders. A. Brief history and development of company law in the EU The development

of company law in the EU has been a gradual process that began after World War II. It was initially driven by national efforts to achieve economic integration in Europe. The first major step was the establishment of the European Economic Community in 1957. Over time, EU company law has become increasingly harmonized, with directives regulating the formation, management, and dissolution of companies. Today, EU company law plays a crucial role in creating a single market for capital and promoting cross-border investment and economic growth in Europe. The EU Company Law incorporates numerous key features, such as the harmonization of corporate governance and shareholder rights across Member States. Additionally, it promotes transparency and public disclosure, the protection of minority shareholders, and the freedom of establishment and the cross-border mobility of companies. The directives also facilitate the creation of European companies (*Societas Europaea*) and provide a regulatory framework for mergers and acquisitions, corporate reorganizations, and insolvency procedures. Overall, the EU Company Law provides a robust legal foundation for companies doing business within the European Union.

Company Law In contrast to the Uzbek legal system, Japanese law provides for more transparency and accountability in corporate governance. Although both Japan and Uzbekistan have adopted the two-tier board system, the Japanese board is composed of independent directors who are elected by shareholders, while in Uzbekistan, the members are elected by the general meeting of shareholders, leaving room for abuse of power. Additionally, Japanese law has stricter regulations on insider trading and disclosure of information, maintaining investor confidence and promoting a fair market. In conclusion, while there are similarities in the areas of corporate governance and management structure between the Japanese, Uzbek, and EU company laws, there are also significant differences that are shaped by a variety of factors such as cultural, historical, and economic contexts. Therefore, while it may be possible to identify some best practices or models for corporate regulation, it is incumbent upon lawmakers and regulators to be aware of these different contexts and to develop laws and regulations which take into account the unique circumstances of each country. Comparative Analysis To sum it up, this comparative analysis of Japanese, Uzbek, and EU company law proves that there are significant differences in legal frameworks, corporate governance cultures, and business practices among these jurisdictions. While Uzbek and Japanese company law is primarily based on civil law systems, the EU adopts a common law approach, leading to different regulatory approaches. There also exist different approaches to corporate transparency, shareholder rights, and board composition and functions. The findings of this research should help policymakers, businesses, and legal practitioners to better understand the peculiarities of doing business in these regions. Similarities and differences between Japanese, Uzbek, and EU Company Law In conclusion, Japanese, Uzbek, and EU Company Law share several similarities and differences. They all require some form of registration, provide for shareholder rights and have rules regarding directors' duties and liability. However, there are some notable differences such as Japan's emphasis on stakeholder interests and the EU's harmonization efforts. Uzbekistan also has unique features such as the requirement for state approval of certain transactions. Understanding these similarities and differences is important for foreign companies seeking to do business in these jurisdictions. Factors influencing the development of these legal systems Several factors have influenced the development of legal systems in Japan, Uzbekistan, and the European Union. These include political, economic, social, historical, and cultural factors, among others. For example, Japan's legal system was strongly influenced by the country's cultural heritage, particularly its Confucianism values and Shinto religion. Uzbekistan, on the other hand, has been marked by an authoritarian political regime that has influenced its legal system. In contrast, the European Union's legal framework has been shaped by the need to integrate diverse national legal systems and stakeholders from different political and cultural backgrounds. Implications for businesses

operating in each jurisdiction. The comparative-legal analysis of Japanese, Uzbek, and EU Company Law has significant implications for businesses operating in each jurisdiction. Companies operating in Japan need to comply with stricter regulations, such as the requirement of at least one Japanese director.

In Uzbekistan, companies face challenges related to transparency and corruption. Meanwhile, in the EU, companies enjoy more flexible regulations and a more consumer-friendly approach. These differences in legal frameworks can impact a company's ability to operate effectively and successfully in each jurisdiction. In conclusion, company laws in Japan, Uzbekistan, and the EU all share certain similarities and differences. The principles of corporate governance and corporate social responsibility are recognized in each of these legal systems, but the extent to which these concepts are enforced varies across jurisdictions. The EU and Japan have more developed legal frameworks that provide greater protection to shareholders and offer more comprehensive regulation of corporate governance practices. However, Uzbekistan is taking steps towards modernizing its company law, particularly concerning shareholder rights and the adoption of international standards.

In conclusion, this paper has provided a comparative-legal analysis of Japanese, Uzbek, and EU Company Law. It has been observed that while there are significant differences among the company law regimes of these jurisdictions, there are also important commonalities. These commonalities include concepts such as corporate governance, shareholding, and the role of company management. Overall, this analysis highlights the importance of understanding the differences and similarities across company law regimes to facilitate cross-border business activities and promote transparency, accountability, and responsible corporate behavior. The comparative-legal analysis of Japanese, Uzbek, and EU company law revealed several important differences and similarities. The Japanese system places a strong emphasis on stakeholder participation and social responsibility. Uzbekistan is still developing its corporate governance framework but is making progress toward the adoption of international corporate governance standards. The EU adopts a shareholder-oriented approach but also requires some level of stakeholder involvement. Overall, further research and analysis of corporate governance practices in different countries is crucial for promoting transparency and accountability in the global business environment. Understanding comparative legal analysis of company law is vital for businesses operating internationally. A company cannot expect to compete in foreign markets without a deep knowledge and understanding of the laws and regulations that govern its industry. Performing a comparative analysis allows businesses to identify potential legal risks, opportunities for growth, and best practices in different jurisdictions. Moreover, a deep understanding of comparative legal analysis helps companies ensure compliance with foreign laws while minimizing the risk of legal disputes. Ultimately, understanding the comparative legal analysis of company law is crucial for businesses to succeed and thrive in the global marketplace. Future implications and potential developments in these legal systems. The comparative-legal analysis of Japanese, Uzbek, and EU Company Law reveals several similarities and differences in their legislation and practical application. It is clear that each legal system has its own unique characteristics and challenges, but all are influenced by the global trend of corporate governance. In the future, there may be potential developments in these legal systems, such as increasing regulations in Japan, Uzbekistan's ongoing efforts to modernize its laws, and the EU's focus on sustainability and digitalization in the business world.

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