



Barcelona, 18 February 2021



## **DECREE LAW 7/2021 ON EXTRAORDINARY MEASURES FOR SOCIAL ECONOMY COOPERATIVES, ENTERPRISES AND ENTITIES DUE TO THE CRISIS RESULTING FROM COVID-19**

Decree Law 7/2021 on extraordinary measures for social economy cooperatives, enterprises and entities due to the crisis resulting from COVID-19, amending Decree Law 16/2020 on urgent complementary measures on transparency, social aid, contracting and mobility to combat COVID-19, was published in the DOGC (Official Gazette of the Government of Catalonia) on 11 February 2021.

The measures introduced by this Decree-Law concerning Catalan cooperatives are discussed below, divided into the following areas: grounds for dissolution, term of office, ordinary assemblies and measures relating to resolutions for the total or partial suspension of cooperative activity. The lines of aid and support for social economy enterprises and entities are also discussed.



## **MEASURES RELATING TO CATALAN COOPERATIVE SOCIETIES**

The Decree-Law maintains, on an exceptional basis and until 31 December 2022, **the measures relating to the convening of General Assemblies and the Governing Council** established in Title II of Decree-Law 47/2020 of 24 November, which were analysed at the time in [NEWS ALERT XXVIII - Decree-Law 19/2020 Catalan Co-operative Measures](#).

This extension **is subject to the emergency health measures** limiting the mobility of persons or requiring the maintenance of a physical interpersonal distance that makes it difficult or impossible to bring together a large number of persons in the same place **remaining in force**.

Additionally, the Decree-Law proposes **two amendments** to said Decree-Law 47/2020 which should be **highlighted**:

### **o Grounds for dissolution**

For the sole purpose of determining the existence of the grounds for dissolution set out in Article 102.1.e) of the Cooperatives Act, the **fiscal years ending in the years in which the state of emergency deriving from COVID-19 has been in force will not be taken into consideration for the purposes of calculating** the established period.

### **o Validity of terms of office**

On an exceptional basis, the appointments of officers in cooperative societies and administrative bodies **whose terms expire in 2019, 2020 and, if appropriate, 2021 will be understood to remain in force until the first assembly called**, which in any event must be held **no later than 31 December 2022**.

This measure will only apply in the event that the limits on meetings set out in the health measures adopted during the COVID-19 pandemic are maintained, and **when the following conditions are met and attested to**:

- i. Due to the number of members and their profile with special difficulties, the assembly cannot be held in person or online;
- ii. The Governing Council has approved the resolution on the preparation of the relevant accounts in due time and in due form, and, if appropriate,
- iii. The relevant audit report has been prepared.

On a complementary basis, the following **new measures** proposed by the Decree-Law should be highlighted:



### ○ Ordinary Assembly

The **deadline for holding the Ordinary Assembly in relation to the annual accounts** for fiscal year 2020, as stipulated in Article 43.5 of Law 12/2015 of 9 July on cooperatives in Catalonia, **is extended until 31 December 2021**.

Provided that the conditions described in points (i) to (iii) of the preceding paragraph regarding the term of office are maintained, **registry restrictions will not be imposed** if the annual accounts for 2019, 2020 and 2021 are not filed.

In the event that an **assembly to appoint the auditor cannot be held**, as provided for in point iii) above, the **Governing Council may** exceptionally **appoint the auditor**, although this appointment will be subject to subsequent ratification by the Ordinary Assembly.

In any case, the appointment **must be accredited before the General Registry of Cooperatives by means of a certificate**, complying with the formalities defined in paragraphs three and four of Article 2.2 of the Decree-Law.

### ○ Measures relating to the resolution on the total or partial suspension of the cooperative activity

In addition, exceptionally and provided that the measures described at the beginning of this News Alert remain in force, **the Governing Board may decide to suspend all or part of the cooperative activity of all or some of the working members or workers**, provided that **the Assembly cannot be held** either in person or by electronic means, or because **the urgency of the situation** is such that waiting for it to be held is not feasible.

## **MEASURES IN SOCIAL ECONOMY ENTERPRISES AND ENTITIES**

Secondly, the Royal Decree also **lays down new measures** that amend the articles of Chapter V of **Decree Law 16/2020 of 5 May**, on urgent complementary measures in the areas of transparency, social aid, contracting and mobility in order to deal with Covid-19.

In this respect, the proposed amendments **to the lines of aid and support for the social economy sector** should be noted, which take the form of the lines of subsidies existing until now and also of the **incorporation of a new line of support for technological platform and logistics distribution projects**, defined in paragraph d) of Article 29.2 of the aforementioned Decree-Law 16/2020.



These projects are defined as those that **promote cooperative consumption** in the form of a technological platforms and/or that have an impact on the positioning of the social economy as a logistical model of consumption and distribution covering the entire Catalan territory.

Energy transition projects are also included as a priority.

In relation to this new line, it will be necessary to **comply with the rules on qualifying expenditure** set out in Article 30 et seq. of said Royal Decree 16/2020, which have been **slightly adapted** to the new paragraph.

### Entry into force

The measures adopted under **Decree Law 7/2021** on extraordinary measures for social economy cooperatives, enterprises and entities due to the crisis resulting from COVID-19, amending Decree Law 16/2020 on urgent complementary measures on transparency, social aid, contracting and mobility to combat COVID-19, **came into force on 11 February 2021**.

The full legal text can be found at the following [LINK](#)

We will continue to inform you of any new measures and/or changes in legislation that may arise as a result of the COVID-19 pandemic.

*The professionals that regularly work with your company are at your disposal for any clarification or additional information you may require in relation to the content of this News Alert. Please contact us by telephone at 934 677 414.*

Yours sincerely,  
**AUDICONSULTORES**  
Legal Area

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