

Temporary measures concerning the general meetings of European companies (SE) and of European Cooperative Societies (SCE)

2020/0073(APP) - 29/04/2020

PURPOSE: to introduce temporary measures concerning the general meetings of European Companies (SE) and European Cooperative Societies (SCE) to help companies cope with the Covid-19 pandemic.

PROPOSED ACT: Council Regulation.

ROLE OF THE EUROPEAN PARLIAMENT: the Council may adopt the act only if the European Parliament has given its consent.

BACKGROUND: the unprecedented measures put in place by Member States to contain the spread of COVID-19, and in particular the measures to confine and socially distance people, may prevent companies and cooperative societies from complying with their legal obligations under national and Union company law, in particular by creating considerable difficulties for them to organise their general meetings.

At EU level, European Companies (SEs) are regulated by [Council Regulation \(EC\) No 2157/2001](#) and European Cooperative Societies (SCEs) are regulated by [Council Regulation \(EC\) No 1435/2003](#). Both Regulations require in their respective Articles 54 that a general meeting is held within six months of the end of the financial year.

Having regard to the current exceptional circumstances a temporary derogation from that requirement should be granted.

This temporary derogation is necessary to allow SEs and SCEs to make the necessary preparations for the general meeting and to provide legal certainty as regards compliance with the obligations laid down in the SE and SCE Regulations.

As with the national emergency measures already adopted by Member States in respect of public limited liability companies or other companies or entities, Member States shall ensure that SEs and SCEs make use of digital tools and processes to ensure that the necessary decisions are taken.

CONTENT: the Commission proposes to introduce a temporary derogation to the deadline provided in Article 54 of the SE Regulation and Article 54 of the SCE Regulation in order to provide SEs and SCEs with the necessary flexibility to convene their general meetings within twelve months of the end of the financial year, and in any case no later than 31 December 2020.

Being a temporary measure due to Covid-19, the derogation shall only be applicable to the general meetings that are required to be held in 2020.