

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

2020/0073(APP) - 11/05/2020 - Legislative proposal

PURPOSE: to provide a temporary emergency solution for European Companies (SEs) and European Cooperative Societies (SCEs) enabling them to derogate from the provisions of the legislation in force concerning the timing of the holding of general meetings in the context of 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 approved it.

BACKGROUND: the unprecedented measures put in place by Member States to contain the spread of COVID-19, in particular measures concerning confinement and social distancing of persons, may prevent companies and cooperative societies from complying with their legal obligations under national and Union company law, in particular, by making it considerably difficult for them to hold 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 a general meeting to be held within six months of the end of the financial year. In view of the current exceptional circumstances caused by the COVID-19 pandemic, a temporary derogation from this requirement should be granted.

Many Member States have already allowed the use of digital tools and processes for holding general meetings and have extended the deadlines for holding general meetings in 2020.

CONTENT: the holding of the general meeting is essential to ensure that legally binding or economically necessary decisions are taken in a timely manner.

Under the draft Council Regulation, SEs and SCEs should be allowed to hold their general meeting within 12 months of the end of the financial year, provided that it takes place no later than 31 December 2020. As this derogation is a temporary measure due to the exceptional circumstances caused by the COVID-19 pandemic, it should only apply to general meetings that are required to be held in 2020.

The proposed Regulation should enter into force as a matter of urgency.