

## Italy Legal Framework Analysis: Key Highlights

This one-pager aims to provide a brief overview of the most notable features of Italy's national cooperative legal framework, based on the work of national legal experts and ICA member input.

In Italy, the main rules are contained in the Civil Code (articles 2511-2548) within the general framework on companies. At the same time there are separate acts specifically dedicated to cooperatives. There are also special laws on particular types of cooperatives (worker cooperatives, social cooperatives and cooperative banks). All the ICA Principles of cooperative identity are referred to in the Italian law.

**Main regulations:** This table displays a selection of cooperative regulations identified by experts and ICA members. For the full analysis including all relevant regulations, see the full report [here].

Regulation	Brief Description
Decreto Legislativo 14 December 1947, <a href="#">No.1577</a> .	'Provvedimenti per la cooperazione' or 'Measures for cooperation' otherwise known as the "Basevi Law", the first law that organically regulated the model of a cooperative society.
Legge 13 January 1992, <a href="#">No. 59</a> .	'Nuove norme in materia di società cooperative' or 'New rules on cooperative societies' introduces in particular the investors members and the holders of cooperative shares, as well as the mutualistic fund, inter alia.
Decreto Legislativo 2 August 2002, <a href="#">No. 220</a> .	'Norme in materia di riordino della vigilanza sugli enti cooperativi' or 'law on the reorganization of the supervision of cooperatives' which rules on the supervision of cooperative entities, with particular reference to the position of the worker member.
Legge 27 February 1985, <a href="#">No. 49</a>	<i>Misure per il credito e cooperazione</i> or <i>measures for credit and cooperation</i> known as the "Marcora Law" which refers to employment and worker buyouts.

**Cooperative Friendliness:** The Italian legislation has high degree of "cooperative friendliness". The Italian legislation on cooperatives can be considered one of the most advanced and complete at European level, also because it is based on the specific constitutional recognition of the social function of cooperation. Cooperative law in Italy is therefore considered to be well developed

**Key recommendations for improvement:** A major issue is the existence of 'false cooperatives'. The false cooperatives are companies that evade proper control and are a barrier to the many cooperatives that operate legally. They represent a real and perceived economic loss for other cooperatives. It would be necessary to improve and intensify the cooperative external control in order to reduce this phenomenon. In addition, the promotion of national legislation on community cooperatives is a key priority.

**Conclusions:** Italian cooperative law is a strong framework, which may serve as an example for other countries. It can be stated that legislative changes are not presently needed, but that administrative simplifications are required.