



## LEGAL COOPERATIVE FRAMEWORK ANALYSIS

### Within the ICA-EU Alliance

#### KEY HIGHLIGHTS FOR ARGENTINA

This one-pager aims to provide a brief overview of the most notable features of Argentina's national cooperative legal framework, based on the work of the national legal expert.

Argentinian cooperative legislation is included in the national law N° 20.337 called Law of Cooperatives (LC) published on the Official Bulletin on 15 May 1973 ([www.infoleg.gob.ar](http://www.infoleg.gob.ar)). It is necessary to clarify that, even though it is a country with federal political organization, as constitutional mandate the substantial law is national; hence, provinces cannot legislate on this subject. The LC is not part of the Civil and Commercial Code, although the latter recognizes cooperatives as private legal entities. As disposed by the LC (art. 118), cooperatives are additionally governed by the regulations on anonymous societies included in the General Law of Societies N° 19.550, if they agree with its dispositions and with the nature of cooperatives. That way the gaps that the LC may present can be filled, while respecting the nature of cooperatives.

**Cooperative Friendliness:** Although a general concurrence exists regarding the merit of the specific law of cooperatives, the combination of other applicable laws, rules and regulations leads to the conclusion that, even with some differentiating aspects in the opinions, the categorization that best reflects the support level of the law in general to cooperatives may be synthesized stating that “is more against than in favor of cooperatives”.

**Key Recommendations for Improvement:** Express recognition of the cooperative difference in the law referred to diverse services avoiding the equal treatment when objective differences exist with for-profit companies; simplification and acceleration of administrative procedures for the legal constitution and statute reforms of cooperatives and establishment of a simplified accounting system for small cooperatives.

**Conclusions:** the devising of the report has coincided with the parliament process of the yearly budget law of the national public administration which includes disturbing dispositions related to the taxation of cooperatives, which highlights the importance of relying on these investigations and on the orientation leading to an adequate and opportune incidence work. The information on this subject that reflects the situation and experience of other countries, both in the region and worldwide, is considered very opportune.

