
STATUTORY INSTRUMENTS

2006 No. 2059

**The European Cooperative Society
(Involvement of Employees) Regulations 2006**

PART 1

GENERAL

Citation and commencement

1.—(1) These Regulations may be cited as the European Cooperative Society (Involvement of Employees) Regulations 2006.

(2) These Regulations come into force on 18th August 2006.

Extent and application

2.—(1) These Regulations extend to Northern Ireland.

(2) These Regulations, in their application in relation to Northern Ireland, shall have effect subject to the modifications set out in Schedule 3.

Interpretation

3.—(1) In these Regulations—

“the 1996 Act” means the Employment Rights Act 1996 ^{M1};

“absolute majority vote” means a vote passed by a majority of the total membership of the special negotiating body where the members voting with that majority represent the majority of the employees of—

- (a) the participating individuals, participating legal entities and such participating legal entities' concerned subsidiaries employed in the EEA States; or
- (b) in relation to an SCE to which regulation 6(1) applies, the SCE and its subsidiaries employed in the EEA States;

[^{F1}“agency worker” has the same meaning as in regulation 3 of the Agency Workers Regulations 2010;]

“Appeal Tribunal” means the Employment Appeal Tribunal;

[^{F2}“assignment” has the same meaning as in regulation 2 of the Agency Workers Regulations 2010;]

“CAC” means the Central Arbitration Committee;

“contract of employment” means a contract of service or apprenticeship whether express or implied, and (if it is express), whether oral or in writing;

“dismissed” and “dismissal”, in relation to an employee, shall be construed in accordance with Part 10 of the 1996 Act;

“the EC Directive” means Council Directive [2003/72/EC](#) of 22 July 2003 supplementing the Statute for a European Cooperative Society with regard to the involvement of employees ^{M2};

“the EC Regulation” means Council Regulation 1435/2003/EC of 22 July 2003 on the Statute for a European Cooperative Society ^{M3};

“EEA State” means a Member State, Norway, Iceland or Liechtenstein;

“employee” means an individual who has entered into or works under a contract of employment and, in Part 8 and regulation 41, includes, where the employment has ceased, an individual who worked under a contract of employment;

“employee involvement agreement” means an agreement reached—

- (a) between the special negotiating body on the one hand and the participating individuals and competent organs of the participating legal entities on the other governing the arrangements for the involvement of employees within the SCE; or
- (b) in relation to an SCE to which regulation 6(1) applies, between the special negotiating body on the one hand and the competent organ of the SCE on the other governing the arrangements for the involvement of employees within the SCE;

“employees' representatives” means—

- (a) if the employees are of a description in respect of which an independent trade union is recognised by their employer for the purpose of collective bargaining, representatives of the trade union who normally take part as negotiators in the collective bargaining process, and
- (b) any other employees of their employer who are elected or appointed as employee representatives to positions in which they are expected to receive, on behalf of the employees, information—
 - (i) which is relevant to the terms and conditions of employment of the employees, or
 - (ii) about the activities of the undertaking which may significantly affect the interests of the employees,
 but excluding representatives who are expected to receive information relevant only to a specific aspect of the terms and conditions or interests of the employees, such as health and safety, collective redundancies, or pension schemes;

[^{F3}“hirer” has the same meaning as in regulation 2 of the Agency Workers Regulations 2010;]

“information and consultation representative” has the meaning given to it in regulation 17(5) or, in relation to an SCE to which regulation 6(1) applies, under paragraph 11(4) of Schedule 1;

“participating individual” means a natural person directly participating in the establishing of an SCE;

“participation” means the influence of the representative body and the employees' representatives in the SCE or a participating legal entity by way of the right to—

- (a) elect or appoint some of the members of the SCE's or the participating legal entity's supervisory or administrative organ; or
- (b) recommend or oppose the appointment of some or all of the members of the SCE's or the participating legal entity's supervisory or administrative organ;

“participating cooperative” means a participating legal entity which is a cooperative;

“relevant time” means the happening of an event referred to in paragraphs (a) to (c) of regulation 7(1);

“representative body” means the persons elected or appointed under the employee involvement agreement or under the standard rules on employee involvement;

“SCE” means a European Cooperative Society within the meaning of the EC Regulation and, except as provided in these Regulations, means an SCE which is to be, or is, registered in the UK;

“SCE to be formed by merger” means an SCE to be formed in accordance with the penultimate paragraph of Article 2(1) of the EC Regulation;

“SCE to be formed by conversion” means an SCE to be formed in accordance with the final paragraph of Article 2(1) of the EC Regulation and “SCE formed by conversion” shall be construed accordingly;

“standard rules on employee involvement” means the rules in Schedule 2;

[^{F4}“suitable information relating to the use of agency workers” means—

- (a) the number of agency workers working temporarily for and under the supervision and direction of the SCE or any subsidiary, in each EEA State;
- (b) the parts of the SCE’s or subsidiary’s undertaking and the concerned establishments in which those agency workers are working; and
- (c) the type of work those agency workers are carrying out;]

“total workforce” means the total number of employees employed by—

- (a) all participating individuals, participating legal entities and concerned subsidiaries throughout all EEA States; or
- (b) in relation to an SCE to which regulation 6(1) applies, employed by the SCE and its subsidiaries throughout all EEA States;

“two thirds majority vote” means a vote passed by a majority of at least two thirds of the total membership of the special negotiating body where the members voting with that majority—

- (a) represent at least two thirds of the employees of the participating individuals, participating legal entities and their concerned subsidiaries employed in the EEA States; or
- (b) in relation to an SCE to which regulation 6(1) applies, represent at least two thirds of the employees of the SCE and its subsidiaries employed in the EEA States, and in either case include members representing employees employed in at least two EEA States;

“UK employee” means an employee employed to work in the United Kingdom; and

“UK members of the special negotiating body” means members of the special negotiating body elected or appointed by UK employees.

(2) The following terms have the same meaning in these Regulations as that given by Article 2 of the EC Directive—

“participating legal entities”

“subsidiary”

“involvement of employees”

“information”

“consultation”

and references to a “concerned subsidiary” or a “concerned establishment” shall be construed in accordance with the definition of “concerned subsidiary or establishment” in the EC Directive, except that the references in such definition to an “establishment of a participating legal entity” shall be taken to include an establishment of a participating individual.

(3) In these Regulations, “special negotiating body” means—

- (a) the body established pursuant to regulation 10 to negotiate with the participating individuals and the competent organs of the participating legal entities, or

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(b) in relation to an SCE to which regulation 6(1) applies, the body established pursuant to paragraph 4 of Schedule 1 to negotiate with the competent organ of the SCE,
in either case, as to the establishment of arrangements for the involvement of employees within the SCE.

(4) Except as otherwise provided in these Regulations, words and expressions which are used in the EC Regulation or the EC Directive have the same meaning as they have in that Regulation or Directive.

- F1** Words in [reg. 3\(1\)](#) inserted (1.10.2011) by [The Agency Workers Regulations 2010 \(S.I. 2010/93\)](#), [reg. 1\(1\)](#), [Sch. 2 para. 31\(a\)](#)
- F2** Words in [reg. 3\(1\)](#) inserted (1.10.2011) by [The Agency Workers Regulations 2010 \(S.I. 2010/93\)](#), [reg. 1\(1\)](#), [Sch. 2 para. 31\(b\)](#)
- F3** Words in [reg. 3\(1\)](#) inserted (1.10.2011) by [The Agency Workers Regulations 2010 \(S.I. 2010/93\)](#), [reg. 1\(1\)](#), [Sch. 2 para. 31\(c\)](#)
- F4** Words in [reg. 3\(1\)](#) inserted (1.10.2011) by [The Agency Workers Regulations 2010 \(S.I. 2010/93\)](#), [reg. 1\(1\)](#), [Sch. 2 para. 31\(d\)](#)

Marginal Citations

- M1** 1996 c. 18
- M2** O.J. L207, 18.8.03, p.25. The EC Directive extends to the EEA under Article 98 of the EEA Agreement by Decision No: 44/2004 of the EEA Joint Committee (OJ No. L277, 26.8.2004, p. 11 and EEA Supplement No. 43, 26.8.2004, p. 11.
- M3** O.J. L207, 18.8.03, p.1.

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Changes and effects yet to be applied to :

- Regulations modified by [S.R. 2011/350 art. 23\(1\)Sch. 1 para. 1\(b\)](#)

Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- Sch. 3 para. 9A inserted by [S.R. 2020/4 Sch. para. 40\(2\)](#)