

Law 5/2011, of 29 March, on Social Economy.

JUAN CARLOS I

KING OF SPAIN

Let it hereby be known to all that the Spanish Parliament has approved, and that I hereby sanction the following law.

PREAMBLE

I

The historic framework of the birth of the modern concept of Social Economy is structured around the first cooperative, associative and mutual society experiences that arose at the end of the 18th century and developed throughout the 19th century in different European countries (England, Italy, France or Spain). Drawing on this traditional nineteenth century concept which encompasses cooperatives, mutual societies, foundations, and associations, in the 70's and 80's of the last century, a series of declarations were made in different European countries, characterizing the identification of the social economy according to different principles. In this way, in France the «Charter of Social Economy» defines the term of social economy as «the set of entities not belonging to the public sector that with democratic practices and management and equal rights and obligations of members, exercise a special system of ownership and distribution of profits, using the year's surplus for the entity's growth and for the improvement of the services provided to the community». The «Conseil Wallon de l'Économie sociale» does the same in Belgium.

In 1992 the European Economic and Social Committee submitted three proposals for a Regulation on the Statute for a European Association, a European Cooperative Society, and a European Mutual Insurance Society. Out of these initiatives, the Regulation on the Statute for a European Cooperative Society was adopted (Regulation EC1435/2003 of the Council, of 22 July 2003) and the Directive supplementing the Statute of the European Cooperative Society with regard to the involvement of employees (Directive 2003/72/EC of the Council, of 22 July). The Regulation describes cooperatives as groups of persons with particular operating principles that are different from those of other economic agents, characterized by the principle of primacy of the individual. Such primacy of the individual is reflected in the specific rules on membership, resignation and expulsion, in the "one man, one vote" rule and in the fact that members cannot exercise any rights over the assets of the cooperative.

In 2002, the Charter of principles of the Social Economy of the European Standing Conference of Cooperatives, Mutual Societies, Associations and Foundations (CEP-CEMAF), the predecessor of the current Social Economy Europe association, introduced into the community *acquis* a set of principles that embody a differentiated reality of social economy entities, such as the primacy of the individual and the social objective over capital, voluntary and open membership, democratic control by the membership, the combination of the interests of members users and the general interest, the defence and application of the principle of solidarity and responsibility, autonomous management and independence from public authorities and the use of the surplus to carry out sustainable development objectives, services of interest to its members or of general interest. This specific and palpable reality has later transcended to the

community scope through the European Parliament itself, by means of Report 2008/2250 (INI) of 26 January 2009 or through the European Economic and Social Committee itself, through different opinions, such as «The Social Economy and the Single Market» in the year 2000, or more recently, the opinion «Diverse forms of enterprise» of the year 2009. In view of the above, Compared Law illustrates the trend observed in countries to establish a legal framework that supports and recognizes the social economy as a separate economic activity that requires substantive actions of public promotion and support.

II

In Spain, the legal substratum on which the social economy entities are based is noteworthy, since they obtain the highest rank from the articles of the Spanish Constitution. This occurs in several articles that refer, either generically or specifically, to any one or more of the social economy entities, as in the case of article 1.1, article 129.2 or the social equality provision of article 9.2, and other specific articles such as 40, 41 and 47, which reflect how deep-rooted the mentioned entities are in the constitutional text.

In Spain, after 1990, the social economy started to obtain express recognition from the public institutions, as a result of the formation of the National Institute for the Promotion of Social Economy (*Instituto Nacional de Fomento de la Economía Social* (INFES)), through Law 31/1990, of 27 December. Such Institute substituted the former Directorate General of Cooperatives and Employee Owned Companies (*Dirección General de Cooperativas y Sociedades Laborales*) of the Spanish Ministry of Labor and Social Security, and among its purposes was the promotion of social economy entities and, for that reason, it created the Council from among its members. Upon the extinction of the Institute in the year 1997, its tasks were assumed by the General Directorate for the Promotion of Social Economy (*Dirección General del Fomento de la Economía Social*) and the European Social Fund. Law 27/1999, of 16 July, on Cooperatives, incorporated the Council for the Promotion of the Social Economy as advisory and consultative body for activities related to the social economy, and was implemented by Royal Decree 219/2001, of 2 March, on the organization and operation of the Council. Thus, this Council is set up as the institution that provides visibility to the various entities of the social economy.

Furthermore, and due to the decentralization of powers that characterizes Spain's territorial system, there are different substantive rules regarding the various entities of the social economy with a regulation that falls within the scope of the regional governments, giving rise to the existence of similar institutions within each Autonomous Community, which strengthen the institutional visibility of the different entities included in the mentioned sector.

The different forms of cooperatives and, among them, the ones of associated work, consumer, housing, agricultural, services, shipyards, credit, education, health, insurance, transport, employee-owned enterprises, associations, foundations and mutual societies, insertion firms, special employment centres, agricultural processing companies and fishermen's associations share the guiding principles of the social economy. All these entities are covered, directly or indirectly, by the mentioned articles of the Spanish Constitution, satisfying the principles that confer them a differential and specific character with regard to other types of commercial companies and entities. Additionally, the live dynamics of the social economy entities lead to the addition of different special entities that also share the same principles as the above.

This valuable *acquis* is completed with a catalogue of potential entities that can become part of the social economy, but provided that they are limited to the

principles that determine a particular and inherent set of values and that they are perfectly delimited pursuant to their specific configuration.

There are various initiatives that coincide on the need to approve a Law on Social Economy and are worth mentioning. On the one hand, the demand of the Spanish Business Confederation of Social Economy (*Confederación Empresarial Española de la Economía Social* (CEPES)) with a draft proposal and, on the other hand, the works carried out by the Parliament's Subcommittee of the Congress of Deputies (*Subcomisión Parlamentaria del Congreso de los Diputados*), which was operating from March 2007 until the end of such year with the aim of studying the situation of the social economy in Spain and proposing actions to promote the same.

On the other hand, the need to approve a Law on Social Economy connects directly with the principles that inspire and the objectives sought by the Law on Sustainable Economy, to the extent that the social economy is in some way the precursor and is committed to the economic model of sustainable development, in its triple economic, social and environmental dimension.

The Central Government, through the Council for the Promotion of the Social Economy (*Consejo para el Fomento de la Economía Social*) and with CEPES' approval, designated an Independent Commission of experts that concluded the preparation works of a study of a Law on Social Economy in October 2009. Based on such Commission's report and at the proposal of CEPES, a common draft was elaborated which is supported by a great part of the sector. Additionally, the Regional Governments have been informed during the process of elaborating the project, through the Sectoral Conference on Employment and Labour Matters (*Conferencia Sectorial de Empleo y Asuntos Laborales*) held on 29 April 2010, and the Council for the Promotion of the Social Economy (*Consejo para el Fomento de la Economía Social*), the majority of whose members approved the text in the plenary session held on 29 April 2010.

III

The basic purpose of the Law is to set up the legal framework, without intending to replace the current regulations in force for each of the entities that are a part of the sector, for the purpose of achieving greater visibility and recognition for the social economy, providing it with more legal certainty through actions that define the social economy, establishing the principles that must be contemplated by the different entities that are a part thereof. Starting from these principles, it gathers the set of different entities and enterprises contemplated by the social economy. Likewise, the promotion, fostering and development of the social economy entities and its representative organizations are recognized as a task of general interest. Additionally, it contemplates the importance of the dialogue between the public authorities and the organizations representing the different entities that make up the social economy, considering their legal form and activity, highlighting the role to be played by the inter-sectoral confederations representing the sector at state level and restoring the Council for the Promotion of the Social Economy (*Consejo para el Fomento de la Economía Social*), with the most adequate legal regulation, as advising and consultative body linked to the Ministry of Labour and Immigration, thereby connecting the same to the sector through this Law, given that it was previously included under the State legislation on cooperatives.

The draft Law has nine articles, seven additional provisions, two transitional provisions and four final provisions.

Article 1 sets the purpose of the law, which is to create a common legal framework for the various entities that make up the sector of the social economy

and the different promotion measures applicable to the same; further developing the above, article 2 deals with the concept and denomination of the social economy. Article 3 fixes the scope of application of the law as the Social Economy entities that operate within the State, but without prejudice to the powers assumed by the Autonomous Communities.

Article 4 presents the four common and guiding principles for all social economy entities, which are those set forth in article 5, whether through the direct designation thereof and on the terms of paragraph one, or through the procedure set forth in paragraph two of the mentioned provision. Article 6 regulates the catalogue of social economy entities, which shall be prepared and updated by the Ministry of Labour and Immigration on the report of the Council for the Promotion of the Social Economy (*Consejo para el Fomento de la Economía Social*), which shall not be of substantive nature in any case.

Article 7 lays out the principles of representation of the entities of the social economy and the criteria for representativeness of the representative inter-sectoral confederations operating at state level. On the other hand, article 8 satisfies another one of the law's purposes: recognition of the promotion and spreading of the social economy.

Lastly, article 9 of this Law regulates the Council for the Promotion of the Social Economy, as an advising and consultative body for this matter, by establishing its tasks.

The first additional provision regulates statistical information about the entities of the social economy and the second additional provision refers to the funding of actions foreseen at state level.

The second additional provision regulates the methods for financing the promotion, spreading and training actions referred to in article 8.3 and the operation of the Council for the Promotion of the Social Economy.

The third additional provision clarifies the nature of the Spanish National Organization for the Blind (*Organización Nacional de Ciegos Españoles (ONCE)*) as a legal person governed by public law whose specific regulation confers the same the consideration of a special entity of the social economy.

The fourth additional provision sets forth the need for the Government to integrate the enterprises of the social economy into the strategies for the improvement of productivity.

The fifth additional provision provides that the Government will send to the Congress of Deputies, within two years from the effectiveness of the Law, a report on its effects.

There are two transitional provisions. The first transitional provision maintains the application of the second additional provision of Law 27/1999, of 16 July, on Cooperatives, to the extent that article 9.5 of this Law is not implemented via regulations.

The second transitional provision makes it possible for housing cooperatives to dispose of or lease to non-member third parties the homes owned by the same provided that the works started before the effective date this Law.

On the other hand, to powers to implement this law are determined under the first final provision, which constitutes basic legislation, enacted under article 149.1.13.^a of the Spanish Constitution, which attributes to the State the «basis and coordination for the general planning of economic activity», except for the

provisions of articles 8.3 and 9, which are part of the State's self-organization power, as well as the provisions of the first additional provision, enacted under the exclusive power attributed to the State by article 149.1.31.^a of the Constitution, in matters of «statistics for state purposes».

The second final provision authorizes the Government to issue any implementing legislation required.

Lastly, the fourth final provision provides for a one month «vacatio legis», a period that is considered adequate for its effectiveness.

Article 1. Purpose.

The purpose of this Law is to establish a common legal framework for the set of entities that make up the social economy, fully observing the specific rules applicable to each of them, as well as to determine the measures to promote such entities, considering the purposes and principles inherent to the same.

Article 2. Concept and designation.

Social economy is the designation for the set of economic and entrepreneurial activities that are carried out in the private scope by those entities that pursue the collective interest of their members, whether the general economic or social interest or both, in accordance with the principles set forth in article 4.

Article 3. Scope of application.

Without prejudice to any powers that the Autonomous Communities may have, the scope of application of this Law extends to all the entities of the social economy that operate within the State.

Article 4. Guiding principles.

The entities of the social economy operate on the basis of the following guiding principles:

- a) Primacy of the individual and of the social purpose over capital, which materializes in an autonomous and transparent, democratic and participative management, which leads to prioritizing the taking of decisions according to the individuals and their work contributions and services provided to the entity or according to the social purpose, over their contributions to the capital.
- b) Profits obtained from the economic activity shall be distributed mainly according to the work contributed or the service or activity performed by its partners or by its members and, if appropriate, according to the entity's social purpose.
- c) Promotion of solidarity internally and with society, promoting commitment with local development, equal opportunities between men and women, social cohesion, the insertion of persons with the risk of social exclusion, the generation of stable and quality jobs, the conciliation of private, family and work life and sustainability.
- d) Independence with regard to the public authorities.

Article 5. Entities of the social economy.

1. Cooperatives, mutual societies, foundations and associations engaged in an economic activity, employee-owned enterprises, insertion companies, special employment centres, fishermen's associations, agricultural processing companies and unique entities created under specific rules that are governed by the principles set forth in the previous article are part of the social economy.

2. Likewise, any entities that carry out economic and entrepreneurial activities and whose operating rules respond to the principles set out in the previous

article, and included in the catalogue of entities set forth in article 6 of this Law may be part of the social economy.

3. In any case, the entities of the social economy will be regulated by their specific substantive rules.

Article 6. Catalogue of social economy entities.

The Ministry of Labour and Immigration, on report of the Council for the Promotion of the Social Economy and in coordination with the Autonomous Communities, will elaborate and maintain an updated catalogue with the different types of entities that make part of the social economy, taking into account the principles established in this law and in coordination with the catalogues existing within the autonomous community scope.

The catalogues of social economy entities must be public. The publicity will be made through electronic means.

Article 7. Organization and representation.

1. The social economy entities may create associations for the representation and defence of their interests, and the latter may join in groups among them, in accordance with the provisions of their specific legislation or, as the case may be, Organic Law 1/2002, 22 March, on the right of association.

2. Representative inter-sectoral confederations operating within national scope will be the ones that meet the following requirements:

a) To gather at least the majority of the types of entities contemplated in article 5 of the present Law.

b) To represent at least twenty five per cent of all enterprises or entities associated, whether directly or through intermediate organizations, with the Inter-sectoral Confederations, which concur to the representativeness procedure, provided that such Confederations meet the requirement under point a).

c) To represent, in at least the majority of the types of entities of article 5 joined under the relevant Confederation, at least fifteen percent of the total entities or enterprises of each type associated to the inter-sectoral confederations that concur to the representativeness procedure, understanding that the Confederations that have met the requirements of letters a) and b) concur.

3. The representative national-scope inter-sectoral confederations will be represented in the State's General Administration institutional participation bodies that deal with the matters that affect their economic and social interests. In the same way, national-scope organizations that gather the majority of the social economy institutions will be represented in the bodies of the Central Government, in all representation activities inherent to the same given their activity or legal nature.

4. Likewise, organizations, federations or confederations representing each Autonomous Community will be represented in the institutional participation bodies of the Autonomous Communities' Administrations that deal with the matters that affect their economic and social interests, as envisaged by the Autonomous Communities.

Article 8. Promotion and spreading of social economy.

1. The promotion, stimulation and development of the entities of the social economy and their representative organizations is recognized as a task of general interest.

2. The public authorities, within the scope of their respective powers, will pursue, among others, the following as objectives of their policies for the promotion of the social economy:

a) To remove the obstacles that prevent the commencement and development of an economic activity by social economy entities. For this purpose, special attention will be given to simplify the administrative procedure for the creation of social economy entities.

b) To facilitate the different social economy initiatives.

c) To promote the principles and values of social economy.

d) To promote occupational training and retraining within the scope of social economy entities.

e) To facilitate access to technological and organizational innovation processes for entrepreneurs of social economy entities.

f) To create an environment that promotes the development of economic and social initiatives within the framework of the social economy.

g) To engage social economy entities in active employment policies, particularly in favour of the sectors that are more affected by unemployment, women, young people and long term unemployed population.

h) To include references to social economy in the curricula of the different education phases.

i) To promote the development of social economy in areas such as rural development, dependence and social integration.

3. For the implementation of this Law, the Government will be in charge of, on a general basis, through the Ministry of Labour and Immigration, promoting within its scope social economy promotion, spreading and training actions, without prejudice to the powers of other departments of state in connection with the economic, business and social activity developed by the social economy entities to comply with their social purpose.

4. In the development of activities for the promotion of social economy, the powers of the Autonomous Communities will be respected. The Central Government will foster the necessary cooperation and collaboration mechanisms with the Administrations of the Autonomous Communities to develop the social economy promotion activities.

Article 9. Council for the Promotion of the Social Economy.

1. The Council for the Promotion of the Social Economy will be governed by the provisions of this Law, serving as an advisory and consultative body for activities related to the social economy and integrated, through the Ministry of Labour and Immigration, within the Central Government, without participating in the hierarchical structure of the same. It will act as a body for collaboration, coordination and dialogue between the social economy actors and the Central Government.

2. In accordance with the powers given to the same, and in accordance with the scope of this law, it will be in charge of the following tasks:

a) To report and collaborate in the elaboration of projects on any statutory or regulatory provision that affect social economy entities.

b) To elaborate the reports requested by the Ministry of Labour and Immigration and other departments of state.

c) To issue a preliminary report, in accordance with article 6 of this Law, in connection with the elaboration and updating of the catalogue of social economy entities of the Ministry of Labour and Immigration.

d) To give its opinion with regard to the social economy development and promotion programs.

e) To carry out studies and reports on matters and problems that affect the social economy and particularly with regard to the strengthening of the knowledge, institutional presence and international projection of the social economy.

f) To ensure the promotion and respect for the guiding principles of this Law.

g) To issue a preliminary report with regard to the adoption of the statistical information measures of the social economy entities on the terms of the first additional provision of this Law.

h) Any other tasks and powers attributed to the same under statutory and regulatory provisions.

3. The Council for the Promotion of the Social Economy will include representatives of the Central Government, the Regional Government and the most representative association of local entities of the national-scope representative inter-sectoral confederations referred to in article 5 of this Law, which are not represented by the mentioned inter-sectoral confederations, of the most representative labour unions and by five recognized experts in social economy, appointed by the Ministry of Labour and Immigration.

4. The Council for the Promotion of the Social Economy will be chaired by a person holding an office in the Secretariat of the Department of Labour.

5. The operation and composition of the Council will be implemented through regulations and will adjust to the rules on collegiate bodies contained in Law 30/1992, of 26 November, on the Legal Regime of Public Administrations and Common Administrative Proceedings and in Law 6/1997, of 14 April, on the Organization and Operation of the Central Government's Administration.

First additional provision. Statistical information about social economy entities.

The Ministry of Labour and Immigration will adopt, in collaboration and coordination with the departments of state and the Administrations that have powers with regard to the registration of social economy entities, and on the report of the Council for the Promotion of Social Economy, the measures necessary to guarantee statistical information about such companies as well as the organizations representing the same, periodically updated and adjusted, with regard to the classification made, to the catalogue provided for in article 6 of this Law.

Second additional provision. Funding.

Fostering the promotion, spreading and training actions referred to in article 8.3, as well as the operation of the Council for the Development of the Social Economy provided for under article 9, will be financed with the credits that the Ministry of Labour and Immigration actually has available for the year 2010, which may not entail a net increase in the expense, pursuant to the provisions of the immediate Action Plan for 2010 and subsequent years, within the Central Government's 2011-2013 Austerity Plan.

The Central Government may agree with the Autonomous Communities the fostering of certain social economy promotion, spreading and training actions, establishing for such purpose the relevant collaboration agreements which shall specify the resources contributed.

Third additional provision. Legal rules that apply to the ONCE as a singular entity.

For the purposes of paragraph 1 of article 5 of this Law, the Spanish National Organization for the Blind (*Organización Nacional de Ciegos Españoles* (ONCE)) is a special social economy organization, which adjusts its rules and operations to the provisions of the laws, as well as its specific rules, formed mainly by Royal Decree 358/1991, of 15 March, on the reorganization of the ONCE and its current Articles of Association; whose basic and genuine features relating to its economic and entrepreneurial activity, as well as its nature as a gaming operator of recognized standing, are reflected in this additional provision.

The ONCE is an Organization governed by Public Law of social nature; it has its specific rules and its social purposes are aimed at achieving personal autonomy and full integration of blind persons and persons suffering a serious visual deficiency, by providing social services, with its own legal personality and full capacity to act and for self-organization; its social, economic and entrepreneurial activity is characterized by the principles of solidarity, non-profit and general interest; it exercises in the entire Spanish territory tasks that are delegated by the Public Administration, under the Supervision of the Central Government; and to finance its social purposes, it has a set of public authorizations for gaming matters.

Fourth additional provision. Integration of the social economy enterprises into the strategies for the improvement of productivity.

The Government will take into account the special characteristics of the social economy enterprise for its strategies to improve productivity and business competitiveness.

Fifth additional provision. Government's Report.

The Government, within two years following the taking effect of this Law, will send to the Congress of Deputies a report analyzing and evaluating the effects and consequences of the application of the contents of the same.

Sixth additional provision. Exercise of healthcare activities by University graduates with a Degree in Psychology or Graduated within the scope of Psychology.

1. Within twelve months following the taking of effect of this Law, the Government will send to the Spanish Parliament a draft Law regulating the activity of «Healthcare psychology» as a healthcare profession that requires a degree and is regulated, defining the conditions to access such profession and the tasks reserved to the same.

2. On a transitional basis, until the Law takes effect pursuant to the provisions of the previous paragraph, anybody with the degree of Graduate in Psychology or any of the Graduate degrees within the scope of Psychology who are registered with the Registry of Universities, Centres and Certificates of Degree ascribed to the branch of knowledge of Health Sciences, may exercise healthcare activities provided they can prove that they have completed the specific training through any of the following means:

a) Completing undergraduate/graduate studies following a qualified curriculum because of its connection with the Personality, Evaluation and Psychological Treatment teaching area, or with Clinical and Healthcare Psychology educational areas.

b) Completing supplementary postgraduate education of no less than 400 hours (or its equivalent in European credits), of which at least 100 will be of practical nature, in connection with the areas mentioned in point a) above.

3. Psychology consulting-rooms and offices that can prove that they are in any of the situations foreseen in the previous paragraph may request registration with the relevant healthcare centres, services and establishments.

4. Psychologists who develop their activity in centres, establishments and Services of the National Healthcare System or concerted with the same, in order to obtain the healthcare benefits that derive from the common services portfolio corresponding to such professionals, both in the field of primary and specialized healthcare, must be in possession of the official degree of Psychologist Specialized in Clinical Psychology referred to in paragraph 3 of annex I of Royal Decree 183/2008, of 8 February, which determines and classifies the specialties in Health Sciences and develops certain aspects of the specialized healthcare education system.

Seven additional provision. Program to promote social economy entities.

The Government will approve, within six months following the taking of effect of this Law, a program to promote social economy entities, with special focus on the ones particularly rooted in their environment and those that generate jobs in the most disadvantaged sectors. This program will reflect, *inter alia*, the following measures:

1st After consulting the representative entities of the social economy, of the Council for the Promotion of the Social Economy and of the Autonomous Communities, it will review the rules required to eliminate the limitations for social economy entities, so that they may operate in any economic activity subject to no unjustified restrains.

2nd After consulting the representative entities of the social economy, of the Council for the Promotion of the Social Economy and of the Autonomous Communities, it will send to the Parliament a draft law that updates and revises Law 4/1997, of 24 March, on Employee-Owned Enterprises.

3rd After consulting the entities that carry out social actions, it will review the implementing regulations of Law 38/2003, of 17 November, on Subsidies, which applies to the same, for the purpose of simplifying the procedures regulated therein.

First transitional provision. Transitional regime applicable to the Council for the Promotion of the Social Economy.

Until the implementing regulations foreseen in article 9.5 of this Law take effect, the Council for the Promotion of Social Economy will be governed by the second additional provision of Law 27/1999, of 16 July, on Cooperatives.

Second transitional provision. Housing cooperatives.

Without prejudice to the provisions of article 89.4 of Law 27/1999, of 16 July, on Cooperatives, housing cooperatives may dispose of or lease to non-member third parties, the houses owned by the same for which construction started before this Law took effect. In this event, the disposal or lease of the houses and their general conditions must have been previously agreed by the General Assembly. Additionally, these transactions with non-member third parties may reach a maximum limit of 50 per cent of the ones carried out with partners. The General Assembly will also resolve on the use of the amount obtained from the disposal or lease.

First final provision. Basis for the powers.

This Law constitutes basic legislation issued under article 149.1.13.^a of the Spanish Constitution, which attributes to the State the «basis and coordination of

the general planning of the economic activity». However, the following will not be of basic nature:

a) The contents of this Law that refer to the organization and operation of Central Government bodies or bodies ascribed to the Central Government's Administration: Article 8.3 and article 9.

b) The first additional provision which is included under article 149.1.31.^a of the Spanish Constitution which attributes to the State the power in matters of «Statistics for state purposes».

Second final provision. Government Authorization.

The Government is authorized to issue as many provisions as may be required for the application and implementation of this Law within its scope of powers.

Third final provision. Modification of the consolidated text of the General Law on the Social Security System, approved by Royal Legislative Decree 1/1994, of 20 June.

The consolidated text of the General Law on the Social Security System, approved by Royal Legislative Decree 1/1994, of 20 June, is amended in the following terms:

One. Paragraph 1 of the twenty fifth additional provision is amended, which is now worded on the following terms:

«1. The processing of benefits and other actions in matters of Social Security, including the unemployment benefit, which are not regarded as collections or sanctions, will adjust to the provisions of the Law on the Legal Regime of Public Administrations and the Common Administrative Procedure (*Ley de Régimen Jurídico de las Administraciones Públicas y del Procedimiento Administrativo Común*), with the particularities provided for in the same for such actions with regard to the challenging and *ex officio* review thereof, as well as those established in the present additional provision, in the fiftieth additional provision of this Law or in other applicable provisions.»

Two. Paragraphs 2 and 4 of the fiftieth additional provision are amended, which are now worded on the following terms:

«2. Notices of administrative actions resulting or issued as a consequence of data that must be electronically communicated through the RED system, made to those authorized for such transfer, will be necessarily made by such electronic, computerized or digital means at the website of the Social Security system, and will be valid and binding for all legal purposes for all enterprises and subjects bound by such obligation, to which such data refer, unless the latter have stated their preference for having such notice at the electronic seat made directly to them or to a third party.»

«4. In the events foreseen in article 59.5 of Law 30/1992, of 26 November, if it has not been possible to give notice at the website of the Social Security system or at the interested party's address, pursuant to that indicated in the previous paragraphs, notice shall be published exclusively on the announcements board of the Social Security system located at such website, without proceeding to publish the same in any other media.

Upon the lapse of twenty calendar days from the time notice has been given via the announcements board of the Social Security system, it will be understood that the same has been given, and that such step has been met and thus the procedure may continue.

The announcements board of the Social Security system will be managed by the Department of State of the Social Security. Notice given therein shall be carried out on the terms determined in the order of the Ministry of Labour and Immigration.»

Fourth final provision. Effectiveness.

The present Law will take effect from one month after its publication in the «Official Journal».

**Therefore,
I order all Spaniards, individuals and authorities, to observe and ensure observance of this law.**

Madrid, 29 March 2011.

JUAN CARLOS R.

**The Head of the Spanish Government,
JOSÉ LUIS RODRÍGUEZ ZAPATERO**

Non oficial
translation
Check against
original in
Spanish