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By PwC Deutschland | 16 July 2026

Federal Government Adopts Draft Bill to Modernize German Cooperative Law

The German federal government has adopted a draft bill to modernize German cooperative law. According to a press release issued by the Federal Ministry of Justice and Consumer Protection (BMJV), the draft bill adopted on July 15, 2026, is intended to accelerate the formation of cooperatives, further promote digitalization, and strengthen safeguards against the misuse of the cooperative legal form.
In particular, the draft bill provides for the following key changes:

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1. Promotion of Digital Processes

A central element of the draft bill is the further digitalization of cooperative structures and procedures. Written-form requirements under the Cooperatives Act are to be replaced by text-form requirements in various areas. As a result, cooperatives should generally be able to provide information to their members digitally in the future. The draft bill also clarifies that founding meetings, meetings of executive and supervisory boards, and elections of representatives may be held in digital formats.

2. Faster Formation of Cooperatives

The draft bill is also intended to streamline the formation process. In principle, registration of a cooperative is to be completed within 20 business days after the complete founding documents have been submitted. For this purpose, the draft bill introduces a corresponding registration deadline for the registry courts. In addition, improvements to the database of auditing associations involved in the formation process are intended to make it easier to identify a suitable auditing association. The review by the registry courts should be facilitated and accelerated by defining the contents of formation reviews.

3. Strengthening Safeguards Against Misuse

The draft bill further aims to prevent misuse of the cooperative legal form more effectively, particularly with a view to protecting cooperative members from financial risks. Legislative amendments introduced in 2017 and 2020 have already had an impact and are now to be supplemented by additional measures. These include an expansion of the rights and obligations of cooperative auditing associations, as well as closer government oversight of these associations.

Background

A draft bill with the same title had already been published during the previous legislative period. However, the legislative process was not completed at that time. The newly adopted draft bill has been revised in certain respects.

Next Steps

The draft bill adopted by the federal government will now be submitted to the Bundestag and the Bundesrat for the parliamentary legislative process.

Keywords

cooperative, register of companies