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OUTCOME OF PROCEEDINGS

From: The Working Party on Social Questions
on: 23 March 2015

No. prev. doc.: 6633/15 SOC 121 EGC 6 ECOFIN 208 DRS 25 CODEC 358 + ADD 1

No. Cion prop.: 16433/12 SOC 943 COMPET 708 DRS 130 CODEC 2724

Subject: Proposal for a Directive of the European Parliament and of the Council on improving the gender balance among directors of companies listed on stock exchanges and related measures

I. INTRODUCTION

At its meeting on 23 March 2015, the Working Party on Social Questions continued its examination of the above proposal. The discussion was based on a set of questions and a comparative table prepared by the Presidency (6633/15 + ADD 1).

The Chair presented the comparative table which gave an overview of the evolution of the text during the negotiations that had taken place within the Council.

Recalling the exchanges that had taken place the run-up to the EPSCO Council on 11 December 2014, the Commission representative welcomed the encouraging evolution of the file, called for a fresh attempt to reach a qualified majority and offered to speak bilaterally with delegations that still had outstanding concerns. Given that certain stakeholders continued to misinterpret the proposal as an instrument that would establish binding quotas, the Commission representative invited the Member States to help to explain the content of the initiative as clearly as possible to the wider public. He also shared the latest statistics¹ on the gender balance on company boards and pointed out that slow progress was being made in the EU as a whole but the gap was widening between the countries that were really moving forward and those that were not. The Commission representative invited the Member States to consider how the EU could best advance the cause of improving the gender balance on company boards.

II. MAIN ITEMS DISCUSSED

Latest developments / national measures

Delegations described the latest developments in their countries in terms of efforts made to improve the gender balance on company boards. A range of different approaches were described, including the following:

- legislation imposing binding quotas, with different rules applying depending on various criteria, including ownership (private or public) and size in terms of turnover and/or workforce; and
- self-regulation by companies, using methods and combinations of methods such as strategies, voluntary targets, guidelines, corporate governance codes, training, awareness-raising, transparency methods (e.g. comply or explain), and the publication of studies and statistics.

¹ http://ec.europa.eu/justice/gender-equality/files/womenonboards/wob-factsheet_2015-01_en.pdf

Role of the EU

FI acknowledged the support received in this policy area in the form of projects mounted within the framework of the PROGRESS Programme.

FR suggested that the issue of improving the gender balance on company boards be included in the Commission's new gender equality strategy.

Main outstanding issues

Delegations were invited to address what they considered to be the main outstanding issues and to propose further improvements to the text with a view to advancing towards a broadly supported compromise.

A number of delegations (PT, SI, RO, PL, FR, BG, IT, BE, LT) reaffirmed their broad support for the proposal, several expressing their willingness to consider compromise suggestions put forward by delegations with outstanding concerns.

AT lifted its scrutiny reservation and expressed broad support for the proposal.

DE entered a general scrutiny reservation on the proposal.

Some of the delegations that remain opposed to the adoption of the Directive reaffirmed their positions (UK, EE, CZ, DK, HR, SK, NL). Certain among these delegations indicated the possibility that their position could be open to review depending on the circumstances.

Suggested changes to the text

BG reiterated its call for the deadline for reaching the objectives (1 January 2020) to be extended to 31 December 2020. BG also supported the revised transposition calendar suggested by the Italian Presidency.¹

¹ 16300/14.

ES suggested that Member States should be allowed to avail themselves of the flexibility clause set out in Article 4b on the basis of demonstrable progress measured as a percentage increase as opposed to a quantified objective. Cion recalled that one of the examples given in Article 4 already included the notion of a percentage increase, albeit combined with a necessary minimum level of achievement (see Article 4b(1a)(c)). ES also made the point that the implementation deadline should not be postponed too far given that the quantitative objectives were to be attained by 2020.

III. CONCLUSION

The Chair thanked delegations for describing the measures they had implemented. She repeated the call for concrete compromise suggestions to be tabled by delegations with outstanding concerns. The Presidency undertook to take into account the suggestions made by delegations in preparing a new draft of the text. The next meeting of the Working Party is provisionally scheduled for 27 April.
