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From:	General Secretariat of the Council
To:	Delegations
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Subject:	Council Conclusions on the Economic empowerment and financial independence of women as a pathway to substantive gender equality

Delegations will find attached the Council Conclusions on the above subject approved by the EPSCO Council at its meeting held on 7 May 2024.

**Economic empowerment and financial independence of women
as a pathway to substantive gender equality**

- Council Conclusions¹

ACKNOWLEDGING THAT

1. Gender equality and human rights are at the core of the European values. Equality between women and men is a fundamental principle of the European Union, enshrined in the Treaties and in the Charter of Fundamental Rights of the European Union.
2. Equal opportunities and gender equality, including equality of treatment and opportunities regarding participation in the labour market, terms and conditions of employment, career progression, acquisition of pension rights, as well as equal pay for work of equal value, and work-life balance, are recognised in Principles 2, 3, 9 and 15 of the European Pillar of Social Rights that was proclaimed by the European Parliament, the Council and the Commission in 2017.
3. The Beijing Platform for Action, adopted by the United Nations at the 4th World Conference on Women in 1995, identifies “Women and the Economy” (area F), including the promotion of women’s economic independence, as one of twelve critical areas of concern. It states that in addressing this area of concern governments and other actors should promote an active and visible policy of mainstreaming a gender perspective in all policies and programmes.

¹ Conclusions drawn up within the context of the review of the implementation of the Beijing Platform for Action, with particular reference to Critical Area of Concern F (Women and the Economy).

4. The UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), to which all Member States are party, calls for the adoption of measures to eliminate discrimination against women in the area of economic life, particularly in relation to the right to bank loans, mortgages and other forms of financial credit.

RECALLING THAT

5. In 2019, the Council called on the European Commission and the Member States to “promote women’s economic independence and sustainable and inclusive economic growth” as well as to “pursue a stronger focus on gender equality within different phases of the European Semester process, including by working on already existing gender equality indicators and, where appropriate, developing new ones, by continuing to develop sex-disaggregated data collection and statistical methods and analysis for monitoring progress on gender equality.”²
6. In 2023, the Council invited the European Commission and the Member States to recognise paid and unpaid care work and to “encourage the mobilization and effective use of EU resources and funds to support the implementation of the European Care Strategy and the Council Recommendations on long-term care and early childhood education and care (ECEC) so as to advance in the transition of care systems towards holistic, person-centred and community-based models in order to improve the recognition of the value of care and to eradicate prejudice and gender stereotypes.”³

² Doc. 14938/19.

³ Doc. 16094/1/23 REV 1.

7. In 2023, the Council also called on the European Commission to “ensure that gender equality considerations are integrated in the implementation of the EU budget, in order to close persisting gender gaps, including in particular by financing measures to advance gender equality and women’s economic empowerment in accordance with the respective spending programmes within the Multi-Annual Financial Framework (MFF), as well as by fully implementing the European Commission's methodology for tracking gender equality expenditure in the EU budget” and to “ensure the presentation of statistics disaggregated by sex throughout the Commission’s reports.”⁴
8. The Regulation on the Recovery and Resilience Facility (RRF) stresses the need to invest in robust care infrastructure “in order to ensure gender equality and the economic empowerment of women, in order to build resilient societies, combat precarious conditions in a female-dominated sector, boost job creation, prevent poverty and social exclusion, and in order to have a positive effect on Gross Domestic Product (GDP) as it allows more women to take part in paid work.”⁵
9. According to a study carried out by the European Institute for Gender Equality (EIGE) on the economic benefits of gender equality in the European Union, improving gender equality – including through the economic empowerment of women – would lead to up to a 9.6% GDP increase by 2050 in the EU.⁶

⁴ Doc. 9684/23.

⁵ OJ L 57, 18.2.2021, p. 17-75.

⁶ *Economic benefits of gender equality in the European Union, p. 2.*

NOTING THAT

10. “Thriving in a gender equal economy” is a strategic priority of the Commission’s Gender Equality Strategy 2020-2025, which underlines that “women and men in all their diversity should have equal opportunities to thrive and be economically independent, be paid equally for their work of equal value, have equal access to finance and receive fair pensions.”⁷
11. In its report entitled “Financial independence and gender equality: joining the dots between income, wealth and power”, EIGE presents evidence of gender inequalities in terms of financial independence in the EU with a particular focus on how the concept of financial independence has been defined so far and analyses the harmful consequences of financial dependence, including economic violence.⁸
12. EIGE refers to women’s economic and financial empowerment as a “process by which women gain power and control over their own lives and acquire the ability to make strategic choices”. It defines financial independence as a multidimensional concept encompassing income, wealth and power/control, so as to capture the many facets of gender inequality more comprehensively.

⁷ See doc. 6678/20.

⁸ EIGE (2024), *Financial independence and gender equality*, (doc. 9019/24, p. ix-xiv and p. 15).

13. Persistent gender gaps remain, to the detriment of women in relation to employment, pay, earnings, and income, including pensions, as well as care, wealth, and access to credit⁹. The gaps stem from horizontal and vertical gender segregation and the lower participation of women in the labour market. Women are over-represented in part-time work and low-paid sectors due to gender-related barriers and gender stereotypes.
14. The unequal division of unpaid care and domestic work between women and men also disadvantages women as it hinders women's equal participation in the labour market and has a negative impact on their earnings and their financial independence.¹⁰ In 2022, the gender pay gap remains at around 12.7% in the EU. EIGE estimates the gender wealth gap for single adults aged 18-60 across eight Member States is 32%, with country estimates ranging from 8% to 49%.¹¹ Meanwhile, the gender pension gap, estimated at 26.1% in 2022, increases women's vulnerability regarding the risk-of-poverty rate.
15. According to EIGE's study, gender gaps in relation to employment, pay, earnings, income and wealth are particularly pronounced for certain groups of women, including women in single-parent households, older women, women with a migrant background, and women with dependent children.¹² Other vulnerable groups of women include women victims of violence, Roma women, women with disabilities, and women fleeing from Russia's war of aggression in Ukraine and from violent conflicts in other parts of the world.
16. The report concludes that financial independence is both a life cycle issue and a vicious circle: "a lack of financial independence makes it more difficult to pursue opportunities that would strengthen financial independence".¹³

⁹ EIGE (2024), *Financial independence and gender equality*, (doc. 9019/24, p. 78).

¹⁰ EIGE (2023), *A Better Work-Life Balance: Bridging the gender care gap*.

¹¹ EIGE (2024), *Financial independence and gender equality*, (doc. 9019/24, p.35).

¹² EIGE (2024), *Financial independence and gender equality*, (doc. 9019/24, p.79).

¹³ Ibid, p.63-64.

17. According to the Joint Employment Report 2024, taxation design can promote greater gender equality in the labour market, including by removing joint taxation, as 78% of second earners in the EU are women. The report highlights that joint progressive taxation systems can negatively impact second earners' entry into employment and hours worked by creating a high marginal tax burden.¹⁴ As confirmed by EIGE, taxation therefore has an important impact on the financial independence of women.¹⁵
18. Lack of financial independence increases the risk of poverty or social exclusion for women and the assumption of an equal distribution of resources within the household can hide the true extent of gender gaps in poverty and deprivation.
19. The income statistics currently available do not allow for a full gender equality analysis as they do not provide data for each household member or reflect the differences between women and men.¹⁶ Disaggregated data on wealth and savings is also lacking. As a result, women's income share in a household tends to be overestimated and women's risk of poverty and material deprivation underestimated.

¹⁴ Joint Employment Report 2024, p. 57.

¹⁵ EIGE (2024), *Financial independence and gender equality*, (doc. 9019/24, p. xii-xiii and - 54-56).

¹⁶ Eurostat. *EU statistics on income and living conditions (EU-SILC) methodology – monetary poverty of elderly people*.

20. Finally, according to EIGE's study, financial dependence is associated with a range of negative outcomes, including lower physical and mental health and fewer opportunities to engage in education, paid employment and entrepreneurial activities. In addition, women's financial dependence on their partners can prevent women from leaving or ending violent relationships, thereby increasing their risk of experiencing intimate partner violence. The Eurostat EU survey on gender-based violence against women and other forms of inter-personal violence (EU-GBV) shows the prevalence of economic violence, with 4% to 18% of women reporting their partner forbidding them to work or controlling family finances and excessively controlling their expenses.
21. This set of conclusions builds on previous work and political commitments voiced by the Council, the Commission and the European Parliament and relevant stakeholders in this area, including the documents listed in the Annex.

THE COUNCIL OF THE EUROPEAN UNION CALLS ON THE MEMBER STATES, in accordance with their competences, to:

22. Systematically integrate a gender equality perspective in the field of economic and financial policies and legislation, in particular by:
- a) further improving the labour-market participation of women, in particular those wishing to enter, re-enter or remain on the labour market, for example through the design of tax and benefit systems, in particular by introducing incentives and removing disincentives, especially for second earners. This could include action, inter alia, on joint taxation¹⁷, as mentioned in the Joint Employment Report 2024;
 - b) ensuring gender-sensitive support for women in order to facilitate their entry or re-entry into the labour market by, for example, offering training programmes to empower women and to enhance their skills on the labour market;
 - c) promoting further research and improving the availability of sex-disaggregated data in the area of fiscal policies and exploring possibilities of assessment and accounting for intra-household inequalities. Where feasible and relevant, the data should also be disaggregated by age, disability, household composition or origin;
 - d) addressing the gender care gap by promoting the equal sharing of unpaid care work and domestic responsibilities between women and men, notably by ensuring accessible, affordable and high quality ECEC and long-term care infrastructure and services, in line with the Council Recommendations on early childhood education and care and long-term care;
 - e) exchanging good practices regarding gender-sensitive analysis in the field of the legal frameworks and property arrangements of marriages and cohabitation regimes and their dissolution, taking account in particular of their impact on the financial independence of women and men and the risk of economic violence;

¹⁷ Joint Employment Report 2024, p. 12 and p. 57-58.

- f) striving to ensure that pension systems integrate a gender equality perspective and have sufficient and adequate coverage and benefit levels to be equitable and to help to prevent old-age poverty and social exclusion, paying particular attention to the situation of persons who have taken career breaks to care for dependants or have been on medical leave. It is important that such systems take into account the evolutions of contemporary society and its changing forms of cohabitation, with a view to achieving greater gender equality, while ensuring the sustainability of the pension systems;
- g) promoting and developing the collection and analysis of sex-disaggregated data on individualised income and inter- and intra-household transfers;
- h) encouraging, developing and implementing strategies to improve the gender balance in decision-making in all sectors, including in particular strategies for increasing the number of women in economic and financial policy and decision-making processes at all stages and all levels.

23. Provide education and training opportunities to enable all girls and boys, women and men in their respective diverse situations and conditions, to gain or improve their education and training, including financial literacy so as to boost their future prospects in securing and maintaining financial independence.

24. Promote gender-sensitive life-long learning and training opportunities designed to improve financial and digital knowledge and skills such as numeracy and literacy, for women of all ages, including via apprenticeships, online training or other routes that take into account, including from an intersectional perspective, the various disadvantages that they may face (e.g. exclusion from the labour market, lack of access to or familiarity with financial services, lack of power and control, and the gender digital divide).
25. Support measures to promote women's entrepreneurship, business ownership and access to financial resources, including through dedicated peer-learning programmes.
26. Promote coordinated cooperation between institutions and actors in the labour market, as well as in social, financial, and education and training fields, including both the private and public sector, so as to build a more comprehensive understanding from a gender perspective of the factors relevant to financial independence and behaviour (i.e. accumulation of pension rights; gender-based violence risks including economic violence; financial diversification strategies and risks, etc.).
27. Promote the involvement of the private sector in advancing equal opportunities and women's economic empowerment, including through the creation of work environments that prioritise gender equality and inclusion as well as through other measures to foster the financial independence of women.
28. Ensure that action plans against gender-based violence provided for in the forthcoming directive on combating violence against women and domestic violence,¹⁸ include targeted measures for tackling economic violence and supporting women in their social and professional reintegration.

¹⁸ Proposal for a Directive of the European Parliament and of the Council on combating violence against women and domestic violence (COM(2022)105).

29. Ensure coordinated steering of the national policy for the prevention of economic violence and coercive control in all its forms, including for instance measures to address the problem of loans and debts contracted on behalf of the household by one of the partners without the consent the other partner.
30. Promote the availability of quality and accessible financial and employment counselling services for victims of domestic violence, especially for those who have experienced economic violence or abuse.
31. Raise awareness, especially among the young, about healthy, non-violent and equal approaches to handling financial matters in the context of intimate relationships.
32. Ensure gender-sensitive research and work towards the collection, analysis and communication of administrative and survey data disaggregated by sex on economic violence and its links with financial dependence and independence, taking into account the minimum standards on data collection regarding violence against women as set out in the forthcoming Violence Against Women Directive.

CALLS ON THE EUROPEAN COMMISSION AND THE MEMBER STATES, in accordance with their respective competences and respecting the role and autonomy of the social partners, to:

33. Strengthen measures to ensure the achievement of the Beijing Platform of Action objectives, as well as the implementation of the UN 2030 Agenda for Sustainable Development, by:
- a) striving to close the gender pay gap, including through the timely and effective transposition and implementation of the Pay Transparency Directive;
 - b) applying the dual approach to gender equality by pursuing specific gender equality policies and measures while also systematically integrating a gender mainstreaming perspective throughout social, financial and economic policies, programmes and budgets, so as to detect and effectively reduce gender gaps in these domains;
 - c) developing and distributing advice or guidance on economic empowerment and financial independence of women and developing relevant awareness-raising campaigns, involving competent entities such as equality bodies, or experts, in this regard;
 - d) continuing to improve the balance between work, family and private life through the effective implementation and application of the Work-Life Balance Directive, the European Care Strategy, and the Council Recommendations on early childhood education and care and long-term care, in particular with a view to facilitating women's participation in the labour market;
 - e) considering further measures to act against economic violence with the wider aim of effectively eliminating all forms of gender-based violence and discrimination, in particular multiple discrimination, including intersectional discrimination.

34. Promote measures to support victims of domestic violence, including measures to help them maintain or gain financial independence, such as measures to help them retain employment or measures providing for paid leave from work.
35. Work on the development of harmonised and regularly collected data on individual wealth, disaggregated by sex and other intersecting social characteristics, together with the Social Protection Committee (SPC) and the Employment Committee (EMCO), and consider the possibility of including this data in EU-SILC in the future.
36. Integrate into the relevant EU surveys questions on income and expenditure at individual level, on income pooling and on income sharing, disaggregated by sex and according to the type of income, and if relevant other relevant variables.
37. Take into account and disseminate the results of the forthcoming European study based on the EU survey on gender-based violence and other forms of interpersonal violence, coordinated by Eurostat and supported by EIGE and the European Agency for Fundamental Rights (FRA).
38. Facilitate mutual learning and promote good practices among actors engaged in the promotion of the economic empowerment and financial independence of women and in addressing the problem of economic violence.
39. Continue to combat gender stereotypes, sexism, gender roles and gender norms including those that tend to confer upon men a predominant role in financial decision making; and support targeted programmes designed to engage men and boys in combatting gender stereotypes and discrimination. Promote stereotype-free equal distribution of unpaid care and domestic work between women and men. Encourage girls, boys, women and men to choose educational fields and occupations in accordance with their abilities and skills, not based on gender stereotypes, so as to increase men's share in occupations such as care and early childhood education where women are currently over-represented and to increase women's participation in STEM¹⁹ fields.

¹⁹ Science, technology, engineering and mathematics.

CALLS ON THE EUROPEAN COMMISSION TO:

40. Support research on the issue of financial independence of women as a multidimensional concept encompassing income, wealth and power/control so as to capture the many facets of gender inequality more comprehensively.
41. Work towards developing standard indicators for the monitoring of financial independence, in collaboration with EIGE and with input from Eurostat with a view to discussion in the SPC and EMCO. Integrate the relevant indicators of economic violence in possible future EU-wide surveys on gender-based violence and domestic violence.
42. Support the Member States in developing and implementing effective strategies for improving the gender balance in economic and financial policy and decision-making, in particular by monitoring the correct implementation and application of the Directive on improving the gender balance among directors of listed companies and related measures.
43. Continue to support Member States regarding ways in which national tax-benefit systems can act as financial incentives or disincentives to the employment of second earners,²⁰ including through initiatives that aim to reduce the unequal financial burden of taxation on second earners, such as, for example, the promotion of the individualisation of income tax schemes.
44. Enhance gender mainstreaming in the EU's economic policies, including in the European Semester.

²⁰

Joint Employment Report 2024, p. 57-58

See for instance:

Rastrigina, O., Verashchagina, A., *Secondary earners and fiscal policies in Europe*, study commissioned by the European Commission, Directorate-General for Justice and Consumers, Publications Office, 2015, URL: <https://op.europa.eu/en/publication-detail/-/publication/a48ea2ce-7eef-4106-afe2-692a9de13d5e> ; and European Commission, Directorate-General Economic and Financial Affairs, *The Macro-Economic Benefits of Gender Equality*, Economic Brief 071, March 2022, URL: https://economy-finance.ec.europa.eu/document/download/e1e9946c-6b83-4df5-ae38-8baadeb22bee_en?filename=eb071_en.pdf.

45. Promote further research and compile sex-disaggregated data on the care economy, on care needs and on care occupations, as well as on the status of formal and informal carers and their working conditions in line with the European Care Strategy.
 46. Continue monitoring progress with regard to legislation, policies and measures for reducing the gender pay and pension gaps building on existing processes, notably the triennial Pension Adequacy Report (PAR), and continue the sharing of good practices in this area.
 47. Support funding for gender-sensitive education and training programmes to improve financial knowledge and skills, including numeracy and financial and digital literacy, with a focus on women and girls.
 48. Introduce awareness-raising campaigns on the new rights for workers in the Pay Transparency Directive and the Work-Life Balance Directive so as to ensure that citizens know and can exercise their rights.
 49. Monitor progress and awareness, and share good practices with regard to policies to address gender gaps, notably regarding the Council Recommendation on adequate minimum income, and the European Care Strategy, including the Council Recommendations on early childhood education and care and long-term care, as well as the Work-Life Balance, Minimum Wage and Pay Transparency Directives.
 50. Continue to work in the areas identified in the Gender Equality Strategy 2020-2025 and ensure that the long-term strategic commitment to advance gender equality will be sustained and further reinforced beyond 2025, based on a strong institutional follow-up including a new strategy setting out the priorities at EU level and serving as a compass for action at national level.
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References

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Joint Employment Report 2024 (6073/24)

2. EU legislation

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Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17-75)

Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures (OJ L 315, 7.12.2022, p. 44-59)

Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms (OJ L 132, 17.5.2023, p. 21–44)

3. Council

Council Conclusions of 13 June 2019 on Closing the Gender Pay Gap: Key Policies and Measures (doc. 10349/19)

Council Conclusions of 24 October 2019 on The Economy of Wellbeing (doc. 13432/19)

Council Conclusions of 10 December 2019 on Gender-Equal Economies in the EU: The Way Forward (doc.14938/19)

Council Conclusions of 1 December 2020 on Tackling the Gender Pay Gap: Valuation and Distribution of Paid Work and Unpaid Care Work (doc. 13584/20)

Council Recommendation on access to affordable high-quality long-term care (OJ C 476, 15.12.2022, p. 1)

Council Recommendation on early childhood education and care: The Barcelona targets for 2030 (OJ C 484, 20.12.2022, p. 1)

Council Conclusions of 12 June 2023 on Mainstreaming a gender equality perspective in policies, programmes, and budgets (doc. 9684/23)

Council Conclusions of 29 November 2023 on The Transition of care systems throughout the life towards, holistic, person-centred and community-based support models with a gender perspective (doc. 16094/1/23 REV 1)

4. European Commission

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A Better Work-Life Balance: Bridging the gender care gap, 2023.

Financial independence and gender equality: joining the dots between income, wealth and power (9019/24)

6. United Nations

The Beijing Declaration and Platform for Action (UN agenda for gender equality and women's empowerment)

The Convention on the Elimination of All Forms of Violence Against Women (CEDAW)
