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NOTE

From:	Permanent Representatives Committee (Part 1)
To:	Council
Subject:	Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on improving and enforcing working conditions of trainees and combating regular employment relationships disguised as traineeships ('Traineeships Directive')
	- General approach

I. <u>INTRODUCTION</u>

On 20 March 2024, the Commission presented a proposal for a Directive on improving and enforcing working conditions of trainees and combating regular employment relationships disguised as traineeships ('Traineeship Directive')¹. This proposal was published as a package together with a proposal for a Council Recommendation on a reinforced Quality Framework for Traineeships and replacing the Council Recommendation of 10 March 2014 on a Quality Framework for Traineeships².

¹ 2024/0068 (COD)

² 2024/0069 (NLE)

The 'Traineeships package' was preceded by a resolution of the European Parliament from 14 June 2023³ calling on the Commission to update and strengthen the Council Recommendation of 10 March 2014 on the Quality Framework for Traineeships.

The Commission proposal for a Directive seeks to:

- improve the working conditions of trainees, by ensuring that trainees are treated equally in terms of working conditions, including pay, compared to regular employees, unless different treatment is justified on objective grounds (Chapter II);
- combat cases where traineeships are used to disguise regular employment relationships, through controls and inspections (Chapter III);
- enforce the working conditions of trainees, by allowing workers' representatives to engage on behalf of trainees to secure their rights and by providing channels for trainees to report malpractice (Chapter IV).

In accordance with the proposed legal basis of Article 153(2)(b), in conjunction with Article 153(1)(b) of the Treaty on the Functioning of the European Union (TFEU), the Council is required to act with the European Parliament in accordance with the ordinary legislative procedure.

The European Parliament has not adopted its position at first reading yet.

The Economic and Social Committee adopted its opinion in its plenary session on 11 July 2024⁴.

The Committee of the Regions adopted its opinion in its plenary session on 7 October 2024⁵.

³ <u>https://www.europarl.europa.eu/doceo/document/TA-9-2023-0239_EN.html</u>

^{4 12342/24}

^{5 15673/24}

II. WORK IN THE COUNCIL

The Commission proposal for a Directive on traineeships was presented and the article-byarticle examination was completed during the Belgian Presidency. In general, delegations welcomed the overall aim to improve the quality of traineeships, while acknowledging the complexity of the proposal, given its cross-cutting nature and its potential impact on national traineeships systems.

Under the Hungarian Presidency, the Working Party on Social Questions met four times to discuss the iterations of a compromise text and to advance work towards a shared approach for the proposed Directive. The Hungarian Presidency also turned to Coreper on 6 November 2024 for political guidance to address two recurring issues during the discussions at technical level, namely the scope of the proposed Directive and how to combat cases where traineeships are used to disguise employment relationships. Based on the guidance provided by Coreper, the Hungarian Presidency presented a new compromise text to the EPSCO Council of 2 December 2024, however, there was not a sufficient majority to reach a general approach.

The Polish Presidency took over the file and resumed negotiations at technical level. During the Polish Presidency, the Working Party on Social Questions met five times, first to reflect on the direction of future work on the proposed Directive and later to continue working on a compromise text so as to reach a common approach. During the last months, the discussions have particularly focused on the scope, the definitions, and on how to combat false traineeships. Through each iteration of the text, the Presidency has sought to bring more legal clarity into the text and has addressed the outstanding issues and concerns raised by the delegations.

Based on all the contributions provided by the delegations throughout the last year, the Presidency prepared a compromise text that was presented at the Social Questions Working Party on 2 June 2025. Based on the feedback from the delegations, the Presidency prepared a compromise text that was submitted to the Permanent Representatives Committee (Part I) for its meeting on 11 June 2025 with a view to preparing for a general approach for the EPSCO Council of 19 June 2025.

At its meeting on 11 June 2025, the Permanent Representatives Committee (Part I) examined the compromise text. While there was not yet sufficient support for the compromise text during the meeting, the Committee agreed to submit the file to the EPSCO Council on 19 June 2025 with a view to reaching a general approach.

The final compromise text is set out in Annex to this note and is unchanged from the compromise text (9574/25) submitted to the Permanent Representatives Committee (Part I).

After the extensive work during the negotiations in the proposal, the Presidency considers that the compromise text presented in the Annex responds to all the concerns and outstanding issues expressed by the delegations. Therefore, the Presidency puts forward the text as a balanced compromise that represents the shared position of the Council.

III. <u>PRESIDENCY COMPROMISE TEXT</u>

The final compromise text reflects the discussions and the work carried out in the Council over the last year. It includes important provisions to improve the working conditions of trainees and provides for effective tools to combat false traineeships.

Chapter I: General provisions

Chapter I sets the general framework of the proposed Directive. It outlines the subject matter, a new article on scope and the definitions.

Subject matter

The subject matter of the proposed Directive is twofold: to improve and enforce the working conditions of trainees within the scope of this Directive (Chapter II and Chapter IV) and to combat false traineeships (Chapter III). The title of the proposed Directive was adjusted accordingly to reflect the two objectives.

Scope

Following the delegations' call to clarify which types of trainees and which types of traineeships are covered by the proposed Directive, the text includes a new Article 1a to specify the scope. The text aligns the objectives of the proposed Directive with its personal scope. In this sense, the new Article 1a establishes that Chapter II and IV of the proposed Directive apply to trainees who have an employment contract or an employment relationship as defined either by national law, collective agreements or practice, with consideration to the case law of the Court of Justice, and whose traineeships is neither mandatory nor carried out as part of active labour market policies.

As explained in the new Recital 16b, traineeships carried out as part of active labour market policies are excluded from the scope of Chapter II and IV, because they have specific regulatory frameworks, which are designed to achieve certain social and labour market objectives, such as social inclusion, and because these types of traineeships are subject to public oversight within these frameworks.

In addition, Article 1a further specifies that Chapter III of the proposed Directive applies to any person engaged in a false traineeship.

Furthermore, Article 1a also clarifies that the proposed Directive does not cover traineeships that are carried out within the national framework of education or training, due to their specific regulatory frameworks and the public interests they pursue. The text incorporates a new Recital 16a A to provide specific examples of these types of traineeships.

In order to ensure that the proposed Directive respects the diversity of national traineeship systems, Article 11 (3) explains that the Directive does not impose any obligation on Member States to introduce a specific employment relationship for trainees in their national law.

Definitions

The text addresses the concerns raised by numerous delegations regarding the lack of consistency and clarity in the definitions of the proposed Directive.

The definition of 'traineeship' was simplified to refer to a limited period of work practice that includes a significant learning and training component, undertaken to gain professional experience with a view to improving employability and facilitating professional transition. Recital 19 clarifies that the learning and training component of a traineeship is significant when trainees acquire or improve a skill set, practical experience, industrial and professional insights, with a view to preparing them for career opportunities and challenges. In this line, Recital 19 further specifies that probationary periods in the framework of lasting employment relationships should not be understood as traineeships within the meaning of this Directive.

The definition of 'trainee' was amended to refer to any person undertaking a traineeship.

Moreover, a new definition of 'false traineeship' was incorporated in the text for clarity purposes and in order to facilitate the implementation of Chapter III. A 'false traineeship' refers to a disguised employment relationship that is claimed by the employer to be a traineeship but is in fact not a traineeship within the meaning of this Directive. In this sense, the new Recital 19b draws attention to the fact that individuals involved in false traineeships may not enjoy the appropriate level of rights and protection granted to workers under Union or national law, collective agreement or practice, thereby leading to legal uncertainty and less favourable working conditions for these individuals.

Based on delegations' request for clarity, the definitions of 'regular employment relationship' and 'regular employee' of the initial Commission proposal were removed so as to avoid possible confusion. Instead, a definition of 'comparable employee' was introduced to indicate whom the trainees should be compared with when it comes to the application of the principle of non-discrimination.

Chapter II: Equal treatment

Chapter II lays down the principle of non-discrimination and aims to ensure that, in respect of working conditions, including pay, trainees are not treated in a less favourable manner than comparable employees, unless different treatment is justified on objective grounds.

In order to reflect the diversity of the labour market models in the Union and to ensure the autonomy of the social partners, the text introduces an option for Member States to empower social partners, if they jointly agree, to uphold or conclude collective agreements establishing the objective grounds that are considered to justify a different treatment for trainees. In any case, as detailed in Recital 22, the extent of different treatment of trainees should be proportionate to the objective grounds and remain consistent with the objectives of this Directive.

Following the delegations' call to respect the national competences in matters of 'pay', the text further clarifies that the notion of 'pay' should be understood in accordance with national law, collective agreements or practice in each Member State and it can include compensation whether pecuniary or in kind (Recital 22).

Chapter III: False traineeships

After broad discussions throughout the negotiations in the Council, Chapter III brings clarity on how to achieve the second objective of the Directive, that is on how to combat false traineeships.

To achieve this objective, Article 4 states that Member States must provide for effective measures to identify and combat false traineeships. To address delegations' calls to respect the diversity of national systems, the text provides flexibility for Member States to decide which measures they should take to combat all false traineeships, including, where appropriate, controls and inspections.

In addition, Article 5 introduces the obligation for competent authorities to make an overall assessment of relevant factual elements in order to identify false traineeships. While providing for flexibility for competent authorities to carry out the assessment, the text proposes some elements that may be taken into account, such as the absence of a significant learning and training component, the excessive duration or multiple or consecutive traineeships with the same employer, the level of tasks, responsibility and intensity of work as compared to comparable employees, etc.

Following the delegations' request to avoid unnecessary administrative burden, the text also brings flexibility in the information that employers should provide to competent authorities for the purposes of the abovementioned assessment.

In order to ensure the effective implementation of the Directive in multiple legal frameworks for traineeships in the Member States, the obligation to define the excessive duration of a traineeship was removed. Instead, the new Recital 26a establishes that a duration up to six months is generally considered sufficient to achieve the intended objectives of a traineeship, while acknowledging that some types of traineeships may have a longer duration depending on their purpose and sector.

Chapter IV: Enforcement and supporting measures

Chapter IV aims to ensure that all relevant Union law applicable to workers is fully implemented and enforced in relation to trainees. The text provides for more clarity and flexibility for Member States in the implementation of the enforcement and supporting measures in Chapter IV, so as to respect the specificities of each national system and avoid unnecessary administrative burden.

Under this Chapter IV, Member States have to ensure that there are channels in place for trainees to report alleged infringements of rights and obligations under this Directive (Article 6). Furthermore, the text introduces the possibility for workers' representatives to act on behalf or in support of a trainee in cases of infringement, if admissible pursuant national law or practice (Article 8).

Chapter V: Final provisions

This Directive provides for minimum harmonisation and thus sets minimum standards for the Member States. In the final provisions, it is specified that this Directive does not constitute a valid ground to reduce the general level of protection afforded to workers, including trainees, within Member States and that this Directive is without prejudice to other rights conferred on workers by other legal acts of the Union.

Regarding the reporting and review, the text envisages that the Commission must draw up and submit a report on the implementation of the Directive with a view to assessing the need for additional measures or for more protection for trainees. For this report, the Commission have to consult with Member States, social partners and SMEs in its evaluation of the implementation of the Directive.

IV. <u>CONCLUSION</u>

The Council is invited to reach a general approach on the compromise text as set out in the Annex of this document and to mandate the Presidency to enter into negotiations on the file with representatives of the European Parliament.

<u>ANNEX</u>

2024/0068 (COD)

Proposal for a

DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on improving and enforcing working conditions of trainees and combating false traineeships ('Traineeships Directive')

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 153(2), point (b), in conjunction with Article 153(1), point (b) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Having regard to the opinion of the Committee of the Regions²,

Acting in accordance with the ordinary legislative procedure³,

¹ OJ C , , p. .

² OJ C , , p. .

³ Position of the European Parliament of ... [(OJ ...)/(not yet published in the Official Journal)] and decision of the Council of

Whereas:

- (1) On 10 March 2014, the Council adopted a Recommendation for a Quality Framework on Traineeships⁴ (the '2014 Recommendation') to provide Union-wide quality standards for traineeships. The 2014 Recommendation includes 21 principles for traineeships to improve their quality, in particular to ensure high-quality learning and training content and adequate working conditions to support education-to-work transitions and to increase the employability of trainees. The 2014 Recommendation covers all traineeships except for those that are part of curricula of formal education and training, and those regulated under national law the completion of which is a mandatory requirement to access a specific profession.
- (2) [deleted]
- (3) The reinforced Youth Guarantee set out in the Council Recommendation of 30 October 2020 on A Bridge to Jobs⁵ aims at ensuring that young people under the age of 30 receive a good quality offer of employment, continued education, apprenticeship or traineeship within a period of four months of becoming unemployed or leaving education. The 2014 Recommendation is an important reference point for measuring the quality of traineeships offers under the reinforced Youth Guarantee.
- (4) There are labour shortages in many occupations and at all skill levels. They are expected to increase with the projected decline in the working age population and with increasing demand for several occupations that are relevant for the green and digital transitions. The lower labour market participation of young people contributes to those shortages. Quality traineeships can be a useful up- and/or re-skilling pathway for persons of any age to acquire practical skills on the job in order to enter the labour market or to take their career in a new direction.

⁴ OJ C 88, 27.3.2014, p. 1.

⁵ Council Recommendation of 30 October 2020 on A Bridge to Jobs – Reinforcing the Youth Guarantee and replacing the Council Recommendation of 22 April 2013 on establishing a Youth Guarantee 2020/C 372/01 (OJ C 372, 4.11.2020, p. 1).

- (5) Traineeships can help people gain practical and professional experience, improve their employability, and facilitate their transition into stable employment. Traineeships thus constitute an important pathway into the labour market. For employers, traineeships provide opportunities to attract, train and retain people. They can reduce the cost of searching for and recruiting skilled staff, when trainees are offered a regular position after their traineeships. However, this can only be achieved if traineeships are of good quality and offer decent working conditions.
- (6) Challenges persist regarding the problematic use of traineeships, including through false traineeships, which deprive workers of their full rights under Union law, national law and collective agreements, and risk trapping them in precarious working conditions. False traineeships distort competition between companies by putting compliant employers at a disadvantage, lead to the circumvention of employers' fiscal and social security obligations and to a substitution of permanent posts. In other cases, employers might not comply with all requirements stemming from Union law, national law, collective agreements or practice, depriving the trainees of their full rights.
- (7) Additionally, trainees are unlikely to defend their rights due to their vulnerable positions in the labour market. The absence, complexity or diversity of regulatory frameworks for traineeships in various Member States alongside the insufficient enforcement of national legislation and the lack of capacity for controls and inspections, as well as a lack of clarity regarding the authorities responsible for control and enforcement, are among the main factors leading to the problematic use of traineeships.
- (8) Evidence shows that a significant proportion of trainees are subject to less favourable working conditions as compared to employees, including regarding their pay, working hours, leave entitlements, and their access to equipment.

(9) At Union level, existing legal instruments provide a framework for the protection of workers, including the directives on transparent and predictable working conditions⁶, adequate minimum wages⁷, working time⁸, health and safety at work⁹, equality and non-discrimination¹⁰, work-life balance for parents and carers¹¹, information and consultation of employees¹², fixed-term work¹³, part-time work¹⁴, posting of workers¹⁵, and on temporary agency work¹⁶. This legal framework fully applies to trainees who have an employment contract or who are in an employment relationship as defined by law, collective agreements or practice in force in each Member State, with consideration to the case-law of the Court of Justice of the European Union. The Union legal framework also encompasses recommendations on the quality of traineeships¹⁷ and of apprenticeships¹⁸, and on access to social protection for workers and the self-employed¹⁹.

⁶ Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union (OJ L 186, 11.7.2019, p. 105, ELI: http://data.europa.eu/eli/dir/2019/1152/oj).

Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union (OJ L 275, 25.10.2022, p. 33).

⁸ Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organisation of working time (OJ L 299, 18.11.2003, p. 9).

⁹ Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work (OJ L 183, 29.06.1989, p. 1).

¹⁰ Among others: Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation (OJ L 303, 2.12.2000, p. 16).

¹¹ Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on worklife balance for parents and carers (OJ L 188, 12.7.2019, p. 79).

¹² Directive 2002/14/EC of the European Parliament and of the Council of 11 March 2002 establishing a general framework for informing and consulting employees in the European Community - Joint declaration of the European Parliament, the Council and the Commission on employee representation (OJ L 80, 23.3.2002, p. 29).

¹³ Council Directive 1999/70/EC of 28 June 1999 concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEEP (OJ L 175, 10.7.1999, p. 43).

¹⁴ Council Directive 97/81/EC of 15 December 1997 concerning the Framework Agreement on parttime working concluded by UNICE, CEEP and the ETUC – Annex: Framework agreement on parttime work (OJ L 14, 20.1.1998, p. 9).

¹⁵ Directive (EU) 2018/957 of the European Parliament and of the Council of 28 June 2018 amending Directive 96/71/EC concerning the posting of workers in the framework of the provision of services (OJ L 173, 9.7.2018, p. 16).

¹⁶ Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work (OJ L 327, 5.12.2008, p. 9).

¹⁷ Council Recommendation of 10 March 2014 on a Quality Framework for Traineeships (OJ C 88, 27.3.2014, p. 1).

¹⁸ Council Recommendation of 15 March 2018 on a European Framework for Quality and Effective Apprenticeships (OJ C 153, 2.5.2018, p. 1).

¹⁹ Council Recommendation of 8 November 2019 on access to social protection for workers and the self-employed (OJ C 387, 15.11.2019, p. 1).

- (10) The May 2022 Report on the final outcome of the Conference on the Future of Europe put forward a proposal on ensuring that young people's internships and jobs adhere to quality standards, including on remuneration, as well as banning through a legal instrument unpaid internships on the labour market and outside formal education.
- (11) On 14 June 2023, the European Parliament adopted a resolution pursuant to Article 225 of the Treaty on the Functioning of the European Union (TFEU) with recommendations to the Commission on quality traineeships²⁰. In the resolution, it called on the Commission "to update and strengthen the 2014 Council Recommendation and to turn it into a stronger legislative instrument". It further called on the Commission to include additional principles in an updated quality framework for traineeships. Specifically, the European Parliament called for the Commission to "propose a directive on open labour market traineeships, traineeships in the context of active labour market policies and traineeships that are a mandatory part of professional training, in order to ensure minimum quality standards, including rules on the duration of the traineeships, access to social protection in accordance with national law and practice as well as pay that ensures a decent standard of living in order to avoid exploitative practices".
- (12) The Commission carried out a two-stage consultation of social partners at Union level under Article 154 TFEU on the need, objectives and legal avenues for a potential action further improving the quality of traineeships. There was no agreement among the social partners to enter into negotiations with regard to those matters. It is, however, important to take action at Union level in this area by adapting the current framework on traineeships while taking into account the outcome of the consultation of social partners.

European Parliament resolution of 14 June 2023 with recommendations to the Commission on quality traineeships in the Union (OJ C, C/2024/484, 23.1.2024, ELI: <u>http://data.europa.eu/eli/C/2024/484/oj</u>).

(13) [deleted]

- (14) Article 153(2) TFEU, in conjunction with Article 153 (1)(b) TFEU, empowers the European Parliament and the Council to adopt Directives setting minimum requirements on working conditions with a view to achieving the objectives set out in Article 151 TFEU, namely the promotion of employment and improved living and working conditions.
- (15) Considering the persisting challenges regarding the problematic use of traineeships in the Union, further action is needed to combat false traineeships and to ensure that the relevant Union and national law applicable is fully implemented and enforced in relation to trainees. This Directive addresses these challenges by laying down minimum requirements to improve and enforce the working conditions of trainees in the Union and to combat false traineeships, by establishing a common framework of principles and measures necessary to ensure equal treatment and to implement and enforce Union and national law applicable to workers more effectively.
- (16) Chapter II and IV of this Directive should apply to trainees who have an employment contract or who are in an employment relationship as defined by the law, collective agreements or practice in force in the Member States, with consideration to the case-law of the Court of Justice of the European Union. The case law of the Court of Justice of the European Union has established criteria for determining the status of a worker, a matter which is to be based on a case-by-case-analysis. Furthermore, Chapter III of this Directive should apply to any person engaged in a false traineeship.

- (16a) The classification of a traineeship as part of formal education is determined within national education and training systems, taking into account their specific structures and regulations. Due to their specific regulatory frameworks and the specific public interests they pursue, traineeships that are carried out within the national framework of education or training should not be covered by this Directive, such as vocational education and training relationships, apprenticeships, traineeships which are carried out within the framework of formal education, including those that are a prerequisite to start formal education or vocational education and training, as well as traineeships that are obligatory in order to achieve a specific degree or qualification, professional traineeships as defined in Directive 2005/36/EC of the European Parliament and of the Council on the recognition of professional qualifications²¹.
- (16b) Traineeships carried out as part of active labour market policies should be excluded from the scope of Chapters II and IV of this Directive, due to their specific regulatory frameworks designed to achieve certain social and labour market objectives and because they are subject to public oversight within these frameworks.
- (17) [deleted]
- (18) [deleted]

²¹ Directive 2005/36/EC of the European Parliament and of the Council of 7 September 2005 on the recognition of professional qualifications (OJ L 255, 30.9.2005, p. 22, ELI: <u>http://data.europa.eu/eli/dir/2005/36/oj</u>).

- (19) Traineeships are limited in time, include a significant learning and training component and are undertaken in order to gain practical and professional experience. The learning and training component of traineeships is understood as being significant when trainees acquire or improve a skill set, practical experience, or industrial and professional insights, with a view to improving employability and preparing them for future career opportunities and challenges. In the light of these elements, persons having to undergo a probationary period aimed at assessing their performance in the framework of a lasting employment relationship (e.g. open-ended contract in the private sector, statutory civil service, etc.) should not be understood as trainees under this Directive.
- (19b) False traineeships should be understood as disguised employment relationships that are claimed by the employer to be a traineeship but in fact are employment relationships which do not meet the elements of a traineeship as defined in this Directive. As a result, individuals concerned may not be in a position to enjoy the appropriate level of rights and protections granted to workers under Union or national law, collective agreements or practice, which may lead to legal uncertainty and less favourable working conditions.
- (20) The principle of non-discrimination is suitable to combat the abuses of traineeships, such as granting trainees less favourable working conditions or lower pay compared with comparable employees without appropriate justification. It can also help make traineeships more accessible to groups of workers in a vulnerable situation and improve the sustainability of traineeships as a pathway to stable employment opportunities.

- (21) It is therefore necessary to lay down the principle of non-discrimination for trainees, which should apply in addition to Clause 4 of the Annex to Council Directive 1999/70/EC²², which provides that in respect of employment conditions, fixed-term workers are not to be treated in a less favourable manner than comparable permanent workers solely because they have a fixed-term contract or relation, unless different treatment is justified on objective grounds. Trainees who have an employment relationship qualify as 'fixed-term workers' within the meaning of that Directive. Its clause on the principle of non-discrimination, however, does not provide for comparison with other fixed-term workers. It also fails to recognise the particularly vulnerable position of trainees. It is therefore necessary to ensure that the principle of equal treatment with comparable employees applies to trainees who have an employment relationship.
- Member States should therefore ensure that, in respect of working conditions, including (22)pay, trainees are not treated in a less favourable manner than comparable employees in the same establishment, unless different treatment is justified on objective grounds. For the purpose of this Directive, "pay" should be understood in accordance with national law, collective agreements and practice in each Member State and can include compensation whether pecuniary or in kind. The sole fact of being a trainee cannot constitute grounds for less favourable treatment compared to employees in the same establishment. At the same time, different tasks, lower responsibilities or work intensity in relation to comparable employees can be objective grounds for different treatment, where relevant, with regard to the working condition(s), including pay, at issue. Member States may, where admissible pursuant to national law or practice and where social partners jointly agree, give social partners the option to establish via collective agreements the objective grounds that could justify a different treatment of trainees. The extent of different treatment should in any case be proportionate to those objective grounds and remain consistent with the objectives of this Directive.

²² Council Directive 1999/70/EC of 28 June 1999 concerning the framework agreement on fixed-term work conducted by ETUC, UNICE and CEEP (OJ L 175, 10.7.1999, p. 43, ELI: <u>http://data.europa.eu/eli/dir/1999/70/oj</u>).

- (23) The application of the principle of non-discrimination requires the identification of a comparable employee engaged in the same, or a similar, type of work or occupation as the trainee, due regard being given to circumstances such as professional experience, qualifications and skills, as defined in national law or collective agreements.
- (24) [deleted]
- (25) Member States should provide for effective measures in accordance with national law and practice, including, where appropriate, controls and inspections conducted by the competent authorities, to identify and combat false traineeships. Where appropriate, and in accordance with national law or practice, Member States could also entrust social partners with tasks related to identifying and combating false traineeships.
- (26) The assessment to identify and combat false traineeships should be based on the factual circumstances and not on the formal designation of the contractual relationship. Competent authorities should perform an overall assessment of all relevant factual elements on a caseby-case basis.
- (26a) While the appropriate duration of a traineeship may vary depending on its purpose and sector, in accordance with national law or practice, a duration of up to six months is generally considered sufficient to achieve its intended objectives. A significantly longer duration, particularly where multiple consecutive traineeships are conducted with the same provider, may raise concerns about the genuine nature of the traineeship and should be carefully assessed. However, in certain cases, a longer duration may be appropriate if it supports the purpose of the traineeship.

- (26b) For carrying out the assessment of all relevant factual elements, the competent authorities may take into account among others the following elements: the absence of a significant learning or training component; the excessive duration or multiple consecutive traineeships with the same employer by the same person; and the levels of tasks, responsibilities and intensity of work. The competent authorities may take into account additional elements as a matter of national law or practice.
- (27) [deleted]
- (28) When competent authorities carry out their analysis of all relevant factual elements to identify and combat false traineeships, the information needed to perform that analysis might not always be easily accessible to them. In order to enable competent authorities to perform their tasks, employers should be obliged to provide them with the necessary information that lies in their control upon request. Ensuring access to such information is crucial to enable competent authorities to determine whether a traineeship is used in accordance with its intended purpose or whether it may constitute a false traineeship.
- (28a) Such information may include details on the number of trainees hosted by the employer and their employment status in relation to the total number of employees. It may also cover the duration of traineeships, as well as the nature of tasks and responsibilities assigned to trainees compared to those performed by comparable employees.
- (29) [deleted]
- (30) [deleted]

- (31) In addition to this Directive, Member States should ensure full implementation and enforcement of the rights enshrined in the Union *acquis* applicable to trainees in an employment relationship. In particular, Member States should develop the capability of the competent authorities, where appropriate following a risk-based approach.
- (32) This Directive includes an extensive system of provisions to help ensure effective enforcement and the defence of the rights of trainees in an employment relationship, whether stemming from this Directive or from other Union law applicable to workers. Channels to report alleged infringements arising from the application of this Directive can support trainees in enforcing their labour rights. Existing channels can also be used for that purpose.
- (33) Trainees should have access to effective and impartial dispute resolution and a right to redress, including adequate compensation. Trainees should be informed about the redress mechanisms for the purpose of exercising their right to redress. Having regard to the fundamental nature of the right to effective legal protection, trainees should continue to enjoy such protection even after the end of a traineeship giving rise to an alleged breach of rights under this Directive.
- (34) To provide effective protection of trainees, Member States should ensure that workers' representatives are able to engage, in accordance with national law or practice, in any relevant judicial or administrative proceedings in order to defend or enforce any of the rights and obligations arising from this Directive. Where such action is admissible pursuant to national law or practice, Member States should ensure that workers' representatives are able to act on behalf or in support of a trainee. Member States which do not allow workers' representatives to act on behalf or in support of a trainee should not be required to do so.

- (35) Trainees should be provided with adequate judicial and administrative protection against any adverse treatment and consequences in reaction to any complaint lodged with the employer or resulting from any proceedings initiated with the aim of enforcing the obligations and claiming the rights provided for in this Directive. In particular, trainees in an employment relationship should be protected from dismissal or its equivalent and from all preparations for dismissal or its equivalent for exercising the rights provided for in this Directive.
- (36) Member States should lay down rules on effective, proportionate and dissuasive penalties for infringements of the rights provided for in this Directive. Penalties can include administrative and financial penalties, such as fines, or the payment of compensation, as well as other types of penalties.
- (37) This Directive lays down minimum requirements, thus leaving untouched Member States' prerogative to maintain or introduce more favourable provisions. Rights acquired under the existing legal framework should continue to apply, unless more favourable provisions are introduced by this Directive.
- (38) Since the objectives of this Directive cannot be sufficiently achieved by the Member States, but can, by reason of their scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union (TEU). In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.

- (39) In implementing this Directive, Member States should avoid imposing unnecessary administrative, financial and legal constraints, in particular if they hold back the creation and development of micro-, small and medium-sized enterprises. Member States are therefore encouraged to assess the impact of their transposition measures on those enterprises in order to ensure that they are not disproportionately affected, paying particular attention to microenterprises and to the administrative burden, to publish the results of such assessments, and to provide support to those enterprises as necessary.
- (40) Member States may entrust the social partners with the implementation of this Directive, where the social partners jointly request to do so, and provided that the Member States take all the necessary steps to ensure that they can at all times guarantee the results sought under this Directive. They should also, in accordance with national law and practice, take adequate measures to ensure the effective involvement of the social partners and to promote and enhance social dialogue with a view to implementing the provisions of this Directive,

HAVE ADOPTED THIS DIRECTIVE:

Chapter I General provisions

Article 1

Subject matter

This Directive lays down a common framework of principles and measures to:

- a) improve and enforce the working conditions of trainees covered by this Directive; and
- b) combat false traineeships.

Article 1a

Scope

- For the purposes of Chapters II and IV, this Directive applies to trainees who have an employment contract or who are in an employment relationship as defined by the law, collective agreements or practice in force in the Member State, with consideration to the case law of the Court of Justice, and whose traineeship is not mandatory and is not carried out as part of active labour market policies.
- For the purposes of Chapter III, this Directive applies to any person engaged in a false traineeship.
- 2. This Directive shall not apply to traineeships that are carried out within the national framework of education or training.

Definitions

For the purposes of this Directive, the following definitions apply:

- (a) 'traineeship' means a limited period of work practice which includes a significant learning and training component, undertaken to gain practical and professional experience with a view to improving employability and facilitating professional transition;
- (b) 'trainee' means any person undertaking a traineeship.
- (c) [deleted]
- (d) [deleted]
- (e) "comparable employee" means a person with an employment contract or employment relationship in the same establishment, who is not undertaking a traineeship and is engaged in the same or similar work or occupation, due regard being given to circumstances such as professional experience, qualifications and skills.
- (f) "false traineeship" means a disguised employment relationship that is claimed by the employer to be a traineeship but in fact is not a traineeship in the meaning of this Directive.

Chapter II Equal treatment

Article 3 Principle of non-discrimination

- Member States shall ensure that, in respect of working conditions, including pay, trainees are not treated in a less favourable manner than comparable employees, unless different treatment is justified on objective grounds, such as different tasks, lower responsibilities, work intensity or the higher weight of the learning and training component.
- 2. Where there is no comparable employee in the same establishment, the comparison shall be made by reference to the applicable collective agreement, or where there is no applicable collective agreement, in accordance with national law or practice.
- 3. Member States may, if the national social partners jointly agree, give the social partners, at the appropriate level and subject to the conditions laid down by Member States, the option of upholding or concluding collective agreements establishing the objective grounds that are considered to justify a different treatment, in accordance with paragraph 1.

Chapter III False traineeships

Article 4 Measures to combat false traineeships

Member States shall provide for effective measures in accordance with national law or practice, including, where appropriate, controls and inspections conducted by the competent authorities to identify and combat false traineeships.

Article 5 Assessment of false traineeships

- 1. In order to identify a false traineeship, competent authorities shall make an overall assessment of relevant factual elements, in accordance with national law or practice. That assessment may take into account, among others, the following elements:
 - (a) the absence of a significant learning or training component;
 - (b) the excessive duration or multiple and/or consecutive purported traineeships with the same employer by the same person;
 - (c) the equivalent levels of tasks, responsibilities and intensity of work compared to comparable employees;
 - (d) [deleted]
 - (e) [deleted]
 - (f) [deleted]

- 2. For the purpose of the assessment referred to in paragraph 1, Member States shall ensure that employers provide, upon request, the competent authorities with any necessary information.
 - (a) [deleted]
 - (b) [deleted]
 - (c) [deleted]
 - (d) [deleted]
 - (e) [deleted]
- 3. [deleted]

Chapter IV

Enforcement and supporting measures

Article 6

Implementation and enforcement of relevant Union law

Member States shall take effective measures in accordance with national law or practice to ensure that all relevant Union law applicable to workers is also fully implemented and enforced in relation to trainees. In particular they shall:

- (a) ensure that information on the rights of trainees is publicly available in a clear, comprehensive and easily accessible way;
- (b) develop guidance for the employers of trainees regarding the legal framework for traineeships, including an adequate level of information on the relevant labour law and social protection aspects;
- (c) provide for effective measures including, where appropriate, controls and inspections conducted by the competent authorities, to enforce the relevant labour law in relation to trainees;
- (d) [deleted]
- (e) develop the capabilities of the competent authorities, in particular through training and guidance, to proactively target and pursue non-compliant employers;
- (f) ensure, in cooperation with the competent authorities or, where appropriate, social partners, that channels are in place for trainees to report alleged infringements of rights and obligations under this Directive, and provide information on those channels.

Right to redress

Member States shall ensure that trainees, including those whose employment relationship has ended, have access to effective and impartial dispute resolution and a right to redress, including adequate compensation for the damage sustained, in the case of infringements of their rights arising from this Directive.

Article 8

Procedures by workers' representatives

Member States shall ensure that workers' representatives are able to engage, in accordance with national law or practice, in any relevant judicial or administrative procedure to enforce the rights and obligations arising from this Directive and are able to act, where admissible pursuant to national law or practice, on behalf or in support of a trainee in case of an infringement of any right or obligation arising from this Directive, with the trainee's approval.

Protection against adverse treatment and consequences

- 1. Member States shall introduce the necessary measures to protect trainees or their representatives from any adverse treatment by the employer and from any adverse consequences resulting from a complaint lodged with the employer or resulting from any proceedings initiated with the aim of enforcing compliance with the rights and obligations provided for in this Directive.
- 2. In particular, Member States shall take the necessary measures to prohibit the dismissal or its equivalent, and all preparations for the dismissal or its equivalent, of trainees on the grounds that they have exercised the rights provided for in this Directive.
- 3. Trainees who consider that they have been dismissed, or have been subject to measures with equivalent effect, on the grounds that they have exercised the rights provided for in this Directive, may request the employer to provide duly substantiated grounds for the dismissal or the equivalent measures. The employer shall provide those grounds in writing.
- 4. Member States shall take the necessary measures to ensure that, when trainees referred to in paragraph 3 establish, before a court or other competent authority or body, facts from which it may be presumed that there has been such a dismissal or equivalent measures, it shall be for the employer to prove that the dismissal or equivalent measures were based on grounds other than those referred to in paragraph 2.

- 5. Member States shall not be required to apply paragraph 4 to proceedings in which it is for the court or other competent authority or body to investigate the facts of the case.
- 6. Paragraph 4 shall not apply to criminal proceedings, unless otherwise provided by the Member State.

Article 10 Penalties

Member States shall lay down the rules on penalties applicable to infringements of national provisions adopted pursuant to this Directive or the relevant provisions already in force concerning rights which are within the scope of this Directive. The penalties provided for shall be effective, proportionate and dissuasive.

Chapter V Final provisions

Article 11

Non-regression and more favourable provisions

- No provision in this Directive shall be construed as lowering the protection of workers afforded by other instruments of Union law, national law, collective agreements or practice.
- 2. This Directive shall not constitute valid grounds for reducing the general level of protection already afforded to workers, including trainees, within Member States.
- 3. This Directive shall not affect Member States' prerogative to apply or to introduce laws, regulations or administrative provisions which are more favourable to workers or to encourage or permit the application of collective agreements which are more favourable to workers. At the same time, nothing in this Directive shall be construed as imposing an obligation on Member States to introduce a specific employment relationship for trainees in their national law.
- 3a. This Directive is without prejudice to other rights conferred on workers by other legal acts of the Union.

Transposition and implementation

- Member States shall take the necessary measures to comply with this Directive by [2 years after entry into force of this Directive]. They shall immediately inform the Commission thereof.
- 2. When Member States adopt the measures referred to in paragraph 1, they shall contain a reference to this Directive or shall be accompanied by such reference on the occasion of their official publication. The methods of making such reference shall be laid down by Member States.
- 3. Member States shall communicate to the Commission the text of the main measures of national law which they adopt in the field covered by this Directive.
- 4. Member States shall, in accordance with their national law and practice, take adequate measures to ensure the effective involvement of the social partners and to promote and enhance social dialogue with a view to implementing this Directive.
- 5. Member States may entrust the social partners with the implementation of this Directive, where the social partners jointly request to do so and provided that Member States take all necessary steps to ensure that they can at all times guarantee the results sought under this Directive.

Reporting and review

- 1. By [7 years after the date of entry into force of this Directive], Member States shall communicate to the Commission relevant information concerning the implementation of this Directive that is necessary for the Commission to draw up the report referred to in paragraph 2. That information shall include relevant data on traineeships for the purposes of allowing the proper monitoring and assessment of the implementation of this Directive.
- 2. By [8 years after the date of entry into force of this Directive], the Commission shall, after consulting the Member States and the social partners at Union level and taking into account the impact on micro-, small and medium-sized enterprises, submit a report on the implementation of this Directive to the European Parliament and to the Council. The report shall evaluate the way in which this Directive has been implemented and assess the need for additional measures, with a view to improving the protection of trainees. The report shall, if appropriate, be accompanied by a legislative proposal.

Entry into force

The Directive shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Article 15 Addressees

This Directive is addressed to the Member States.

Done at ...,

For the European Parliament The President For the Council The President