

Basic information

2021/0050(COD)

COD - Ordinary legislative procedure (ex-codecision procedure)
Directive

Equal pay for equal work between men and women (pay transparency and enforcement mechanisms)

Subject

4.15.08 Work, employment, wages and salaries: equal opportunities women and men, and for all

Legislative priorities

[Joint Declaration 2021](#)

[Joint Declaration 2022](#)

Procedure completed

Key players

European
Parliament

Joint committee responsible

EMPL Employment and Social Affairs

FEMM Women's Rights and Gender Equality

Rapporteur

PETER-HANSEN Kira Marie
(Greens/EFA)

RAFAELA Samira (Renew)

Appointed

07/06/2021

07/06/2021

Shadow rapporteur

PIETIKÄINEN Sirpa (EPP)

WALSH Maria (EPP)

REGNER Evelyn (S&D)

ANGEL Marc (S&D)

BRUNET Sylvie (Renew)

REINTKE Terry (Greens
/EFA)

DE LA PISA CARRIÓN
Margarita (ECR)

WIŚNIEWSKA Jadwiga
(ECR)

ANDERSON Christine (ID)

LIZZI Elena (ID)

RODRÍGUEZ PALOP
Eugenia (The Left)

MODIG Silvia (The Left)

Council of the

European Union					
European Commission	<table border="1"> <tr> <td>Commission DG</td> <td>Commissioner</td> </tr> <tr> <td>Justice and Consumers</td> <td>DALLI Helena</td> </tr> </table>	Commission DG	Commissioner	Justice and Consumers	DALLI Helena
	Commission DG	Commissioner			
Justice and Consumers	DALLI Helena				
European Economic and Social Committee					

Key events			
Date	Event	Reference	Summary
04/03/2021	Legislative proposal published	COM(2021)0093 	Summary
11/03/2021	Committee referral announced in Parliament, 1st reading		
10/06/2021	Referral to joint committee announced in Parliament		
17/03/2022	Vote in committee, 1st reading		
17/03/2022	Committee decision to open interinstitutional negotiations with report adopted in committee		
22/03/2022	Committee report tabled for plenary, 1st reading	A9-0056/2022	Summary
23/03/2022	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 71)		
05/04/2022	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 71 - vote)		
25/01/2023	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE740.543 GEDA/A/(2023)000029	
30/03/2023	Decision by Parliament, 1st reading	T9-0091/2023	Summary
30/03/2023	Results of vote in Parliament		
30/03/2023	Debate in Parliament		
24/04/2023	Act adopted by Council after Parliament's 1st reading		
10/05/2023	Final act signed		
17/05/2023	Final act published in Official Journal		

Technical information	
Procedure reference	2021/0050(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Legal basis	Rules of Procedure EP 59 Treaty on the Functioning of the European Union TFEU 157-p3
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE693.798	02/09/2021	
Committee report tabled for plenary, 1st reading/single reading		A9-0056/2022	22/03/2022	Summary
Text agreed during interinstitutional negotiations		PE740.543	21/12/2022	
Text adopted by Parliament, 1st reading/single reading		T9-0091/2023	30/03/2023	Summary

Council of the EU

Document type	Reference	Date	Summary
Coreper letter confirming interinstitutional agreement	GEDA/A/(2023)000029	21/12/2022	
Draft final act	00081/2022/LEX	10/05/2023	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2021)0093 	04/03/2021	Summary
Document attached to the procedure	SEC(2021)0101	04/03/2021	
Document attached to the procedure	SWD(2021)0041 	04/03/2021	
Document attached to the procedure	SWD(2021)0042 	04/03/2021	
Commission response to text adopted in plenary	SP(2023)227	12/05/2023	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	ES_PARLIAMENT	COM(2021)0093	29/04/2021	
Contribution	ES_PARLIAMENT	SWD(2021)0041	29/04/2021	
Contribution	ES_PARLIAMENT	SWD(2021)0042	29/04/2021	
Contribution	PT_PARLIAMENT	COM(2021)0093	06/05/2021	
Contribution	DK_PARLIAMENT	COM(2021)0093	06/05/2021	
Contribution	IT_SENATE	COM(2021)0093	07/06/2021	
Contribution	IT_CHAMBER	COM(2021)0093	15/07/2021	

Contribution	IT_SENATE	COM(2021)0093	16/09/2021	
Other institutions and bodies				
Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES1493/2021	09/06/2021	

Additional information		
Source	Document	Date
EP Research Service	Briefing	21/02/2022
European Commission	EUR-Lex	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	Role	Committee	Date	Interest representatives
RAFAELA Samira	Rapporteur	FEMM	13/12/2022	Vereniging VNO-NCW
WALSH Maria	Shadow rapporteur	EMPL	07/12/2022	European Women's Lobby
PETER-HANSEN Kira Marie	Rapporteur	EMPL	22/11/2022	Swedish perm rep
PETER-HANSEN Kira Marie	Rapporteur	EMPL	17/11/2022	Ligestillingskomiteen
PETER-HANSEN Kira Marie	Rapporteur	EMPL	25/10/2022	FH Følgegruppe
PETER-HANSEN Kira Marie	Rapporteur	EMPL	05/07/2022	ETUC
PETER-HANSEN Kira Marie	Rapporteur	EMPL	05/07/2022	Latvian government
RAFAELA Samira	Rapporteur	FEMM	17/06/2022	European Confederation of Independent Trade Unions
PETER-HANSEN Kira Marie	Rapporteur	EMPL	14/06/2022	Norges Arbejdsminister
RAFAELA Samira	Rapporteur	FEMM	30/05/2022	Vereniging VNO-NCW
PETER-HANSEN Kira Marie	Rapporteur	EMPL	06/05/2022	Beskæftigelsesministeren
PETER-HANSEN Kira Marie	Rapporteur	EMPL	08/04/2022	FH Følgegruppe
PETER-HANSEN Kira Marie	Rapporteur	EMPL	07/03/2022	Beskæftigelsesministeren
PETER-HANSEN Kira Marie	Rapporteur	EMPL	03/03/2022	FH
WALSH Maria	Shadow rapporteur	EMPL	10/02/2022	EUROPEAN TRADE UNION CONFEDERATION
RAFAELA Samira	Rapporteur	FEMM	31/01/2022	EUROPEAN TRADE UNION CONFEDERATION

REGNER Evelyn	Shadow rapporteur	FEMM	26/01/2022	EUROPEAN TRADE UNION CONFEDERATION
PETER-HANSEN Kira Marie	Rapporteur	EMPL	07/01/2022	Emma Holten
RAFAELA Samira	Rapporteur	FEMM	17/11/2021	Swedish Permanent Representation
WALSH Maria	Shadow rapporteur	EMPL	10/11/2021	Irish Congress Trade Unions
RAFAELA Samira	Rapporteur	FEMM	14/10/2021	German Trade Unions
RAFAELA Samira	Rapporteur	FEMM	13/10/2021	Swedish Trade Union Confederations
RAFAELA Samira	Rapporteur	FEMM	17/05/2021	Vereniging VNO-NCW
RAFAELA Samira	Rapporteur	FEMM	22/04/2021	ETUC
RAFAELA Samira	Rapporteur	FEMM	20/04/2021	FNV

Other Members

Transparency		
Name	Date	Interest representatives
FRANSSEN Cindy	19/12/2022	Vrouw & Maatschappij
JONGERIUS Agnes	14/11/2022	TU Eindhoven
JONGERIUS Agnes	05/07/2022	ETUC
JONGERIUS Agnes	04/04/2022	ETUC
BISCHOFF Gabriele	16/02/2022	Bundesvereinigung der Deutschen Arbeitgeberverbände e.V.
REGNER Evelyn	28/01/2022	ÖGB Austrian Trade Union
REGNER Evelyn	28/01/2022	Arbeiterkammer AK EUROPA
JONGERIUS Agnes	08/09/2021	Ministry of Social Affairs of the Netherlands

Final act	
Directive 2023/0970 OJ L 132 17.05.2023, p. 0021	Summary

Equal pay for equal work between men and women (pay transparency and enforcement mechanisms)

2021/0050(COD) - 22/03/2022 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Employment and Social Affairs and the Committee on Women's Rights and Gender Equality jointly adopted a report by Kira Marie PETER-HANSEN (Greens/EFA, DK) and Samira RAFAELA (Renew Europe, NL) on the proposal for a directive of the European Parliament and of the Council 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.

The principle of equal pay is laid down in Article 157 TFEU. However, across the European Union, the gender pay gap persists and stands at around 14%, with significant variations among member states; it has decreased only minimally over the last ten years.

Moreover, the economic and social consequences of the COVID-19 pandemic are having a disproportionate impact on women and gender equality, and job losses have been concentrated in low-paid, female-dominated sectors. The effects of the COVID-19 pandemic will therefore further widen

gender inequalities and the gender pay gap unless the recovery response is gender sensitive. Those consequences have made it even more pressing to tackle the issue of equal pay for equal work or work of equal value.

The committee recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the Commission's proposal as follows:

Equal work and work of equal value

The amended text proposed that Member States should, in cooperation with the social partners, take the necessary measures, after consulting the equality bodies, to ensure that employers have pay structures in place ensuring equal pay for equal work or work of equal value, without discrimination based on grounds of sex, gender, gender identity, gender expression or sex characteristics.

Pay transparency prior to employment

Employers should ensure that vacancy notices, job titles and recruitment processes are gender neutral and that the information is provided in a manner accessible to workers with disabilities, upon request, in accordance with harmonised legal acts of the Union on accessibility.

Right to information

The amended text called for workers and their workers' representatives to have the right to receive **clear and complete information** on their individual pay level and the average pay levels, **broken down by gender**, for categories of workers performing the same work as them or work of equal value to theirs, as well as the gender pay gap and median gender pay gap between workers employed by the same employer, but not more frequently than twice a year and provided that that information has not already been communicated to them through their workers' representatives.

Disclosure of pay information

Workers should not be prevented from disclosing their pay. To this end, Member States should put in place measures to prohibit contractual clauses preventing workers from disclosing information about their pay.

Labelling

The text proposes the Commission should create an official label for all employers who do not have a gender pay gap based on the information received by the monitoring bodies on the gender pay gap and median gender pay gap.

Reporting on pay gap between female and male workers

Members demand that EU companies with at least 50 employees (instead of 250 as originally proposed) be required to disclose information that makes it easier for those working for the same employer to compare salaries and expose any existing gender pay gap within the organisation.

If the pay reporting shows a gender pay gap of at least 2.5% (versus 5% in the initial proposal), Member States would need to ensure that employers, in cooperation with their workers' representatives, conduct a joint pay assessment and develop a gender action plan.

Monitoring and awareness-raising

Member States should ensure that the tasks of the monitoring body include the following: (i) raise awareness among public and private undertakings and organisations, social partners and the general public to promote the principle of equal pay and the right to pay transparency; (ii) devise tools and guidance to help analyse and assess pay inequalities in order to tackle discrimination, including the causes of the gender pay gap; (iii) aggregate data received from employers and publish this data in an accessible and user-friendly manner.

Union Pay Equality Plans

A new article has been introduced concerning pay equality plans created by the Commission setting out the priorities and targets to fill in concrete measures and corrective actions based on data on labour market segregation and the biases in equal pay for equal work or work of equal value in the Union and the single market. The Union Pay Equality Plan should be presented for a five-year period.

Equal pay for equal work between men and women (pay transparency and enforcement mechanisms)

2021/0050(COD) - 04/03/2021 - Legislative proposal

PURPOSE: to establish minimum requirements 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 mechanism.

PURPOSE: to set up a European Partnership on Metrology jointly undertaken by several Member States.

PROPOSED ACT: Decision of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: Articles 2 and 3(3) of the Treaty on European Union enshrine the right to equality between women and men as one of the core values and tasks of the Union. The European pillar of social rights, jointly proclaimed by the European Parliament, the Council and the Commission, includes among its principles equal treatment of women and men and the right to equal pay for work of equal value.

Despite [Directive 2006/54/EC](#), supplemented in 2014 by a Commission [Recommendation](#) on pay transparency, the effective implementation of the principle of equal pay remains problematic in practice in the EU.

The gender pay gap in the EU remains at around 14%. The COVID-19 pandemic and its economic and social consequences on female workers make it even more urgent to address this issue.

The European Parliament has repeatedly called for more action at EU level to improve the implementation of equal pay provisions. The Council has called on both the Member States and the Commission to act. Following the evaluation of the existing framework on equal pay for equal work or work of equal value, [the gender equality strategy 2020-2025](#) announced binding measures on pay transparency.

CONTENT: the proposed directive aims to address the persistent inadequacy in the application of the fundamental right to equal pay and to ensure that this right is respected throughout the EU, by setting standards for pay transparency to enable workers to assert their right to equal pay. Member States could provide for a higher level of protection than that guaranteed by the Directive.

Same work and work of equal value

The proposal requires Member States to establish tools or methodologies to assess and compare the value of work in line with a set of objective criteria which include educational, professional and training requirements, skills, effort and responsibility, work undertaken and the nature of the tasks involved.

The availability of clear criteria at national level will help workers to establish a valid comparator and assess whether they are treated less favourably than the comparator performing the same work or work of equal value.

Pay transparency

The proposal:

- requires employers to provide, prior to the job interview, information on the initial pay level or a corresponding range (based on objective and gender-neutral criteria) to be paid to the future worker in relation to a specific position or job. Employers would not have the right to ask applicants about their pay history in their former employment relationship;
- requires employers to make available to workers a description of the gender-neutral criteria used to define their pay and career progression;
- gives workers the right to ask their employer for information on their individual pay level and on average pay levels, broken down by sex, for categories of workers performing the same work or work of equal value;
- requires employers with at least 250 workers to make publicly accessible certain information, such as the pay gap between female and male workers in their organisation. On the basis of the information provided, employees and their representatives would have the right to ask the employer for clarification of this information;
- obliges the employers concerned to carry out a pay assessment in cooperation with employee representatives where the pay information indicates a gender pay gap of at least 5%, which the employer cannot justify on the basis of objective and gender-neutral factors.

Better access to justice for victims of pay discrimination

With regard to redress and enforcement, the proposal:

- requires Member States to ensure that judicial procedures are available to enforce the rights and obligations under the Directive;
- introduces the right for equality bodies and workers' representatives or other legal entities to act on behalf or in support of a worker, and for them to bring collective claims to court;
- obliges Member States to ensure that any worker who is a victim of sex discrimination in pay can obtain full compensation for the harm caused;
- increases the burden of proof on the employer: the employer, not the worker, should prove the absence of discrimination in relation to pay;
- provides that the limitation period for bringing a claim under the proposed Directive should be at least three years;
- requires Member States to establish specific penalties for infringements of the equal pay rule, including minimum fines.

Equal pay for equal work between men and women (pay transparency and enforcement mechanisms)

PURPOSE: to improve and make more effective the application of the principle of equal pay by establishing common minimum requirements which should apply to all companies and organisations throughout the Union.

LEGISLATIVE ACT: Directive (EU) 2023/970 of the European Parliament and of the Council 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.

CONTENT: this Directive lays down **minimum requirements** to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women and the prohibition of discrimination laid down in Article 4 of Directive 2006/54/EC, in particular through pay transparency and reinforced enforcement mechanisms.

Equal work and work of equal value

Member States will take the necessary measures to ensure that employers have pay structures ensuring equal pay for **equal work or work of equal value**. Analytical tools or methodologies will be made available and will be easily accessible to support and guide the assessment and comparison of the value of work. These tools or methodologies should allow employers and/or the social partners to easily establish and use gender-neutral job evaluation and classification systems that exclude any pay discrimination on grounds of sex.

Accessing information

The new rules will make it compulsory for employers to inform job seekers about the **starting salary or pay range** of advertised positions, whether in the vacancy notice or ahead of the interview. Employers will also be prevented from asking candidates about their **pay history**.

Once in the role, workers will be entitled to ask their employers for information about average pay levels, broken down by sex, for categories of employees doing the same work or work of equal value. They will also have access to the **criteria** used to determine pay and career progression, which must be objective and gender neutral.

Communication of data on the gender pay gap

Employers with **250 or more employees** will be required to provide the competent national authority with information on the gender pay gap within their organisation by 7 June 2027 and **annually** thereafter. For organisations with between 150 and 249 employees, the reporting obligation will apply every three years. For employers with between 100 and 149 employees, the reporting obligation will apply every three years from 7 June 2031.

If the data reported reveals a **pay gap of more than 5%** that cannot be justified by objective, gender-neutral criteria, companies will be required to take action in the form of a **joint pay review** carried out in cooperation with employee representatives.

Remedies and right to compensation

Member States will ensure that, after possible recourse to conciliation, court proceedings for the enforcement of rights and obligations relating to the principle of equal pay are available to all workers who consider themselves wronged by a failure to apply the principle of equal pay. Such proceedings will be easily accessible to workers and to persons who act on their behalf, even after the end of the employment relationship in which the discrimination is alleged to have occurred.

Shift of burden of proof

Member States will take the appropriate measures, in accordance with their national judicial systems, to ensure that, when workers who consider themselves wronged because the principle of equal pay has not been applied to them establish before a competent authority or national court facts from which it may be presumed that there has been direct or indirect discrimination, it shall be for the respondent to prove that there has been no direct or indirect discrimination in relation to pay.

Penalties for breaches must be effective, proportionate and dissuasive and will include fines.

Broadening the scope

Women with disabilities, women of different racial or ethnic origin, including Roma women, and young or elderly women are among the groups likely to face intersectional discrimination. This Directive specifies that, in the context of gender-based pay discrimination, it will be possible to take account of such a combination, so as to enable the courts and other competent authorities at national level to take account of any situation of intersectional discrimination.

Report and review

No later than 7 June 2031, Member States will report to the Commission on the implementation of this Directive and its effects in practice. No later than 7 June 2033, the Commission will present a report on the implementation of the Directive. The Commission will propose any legislative amendments it considers necessary on the basis of this report.

ENTRY INTO FORCE: 6.6.2023.

TRANSPOSITION: 7.6.2026 at the latest.

Equal pay for equal work between men and women (pay transparency and enforcement mechanisms)

2021/0050(COD) - 30/03/2023 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 427 votes to 79, with 76 abstentions, a legislative resolution on the proposal for a directive of the European Parliament and of the Council 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.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the Commission's proposal as follows:

Equal work and work of equal value

Member States should take the necessary measures to ensure that employers have pay structures ensuring equal pay for equal work or work of equal value. Analytical tools or methodologies should be made available and are easily accessible to support and guide the assessment and comparison of the value of work. These tools or methodologies should allow employers and/or the social partners to easily establish and use **gender-neutral job evaluation and classification systems** that exclude any pay discrimination on grounds of sex.

Pay structures should be such as to enable the assessment of whether workers are in a comparable situation in regard to the value of work on the basis of objective, gender-neutral criteria agreed with workers' representatives where such representatives exist. These criteria should not be based directly or indirectly on workers' sex.

Pay transparency prior to employment

Information should be provided in a manner such as to ensure an informed and transparent negotiation on pay, such as in a published job vacancy notice, prior to the job interview or otherwise. Employers should **ensure that job vacancy notices and job titles are genderneutral** and that recruitment processes are led in a non-discriminatory manner, in order not to undermine the right to equal pay for equal work or work of equal value (the 'right to equal pay').

Employers should make easily accessible to their workers the criteria that are used to determine workers' pay, pay levels and pay progression. Member States may exempt employers with fewer than 50 workers from the obligation related to the pay progression.

Right to information

Workers should have the right to request and receive **in writing** information on their individual pay level and on the average pay levels, broken down by sex, for categories of workers performing the same work as them or work of equal value to theirs. If the information received is inaccurate or incomplete, workers should have the right to request, either personally or through their representatives, reasonable additional details and clarification and to receive a substantiated response.

Employers should provide any information shared with workers or job applicants in a format accessible to people with disabilities.

Reporting on pay gap between female and male workers

Employers with **250 or more employees** should provide information on the gender pay gap no later than four years after the date of entry into force of the Directive and annually thereafter. Employers with **between 150 and 249 employees** should provide this information no later than four years after the date of entry into force of the Directive and every three years thereafter. Employers with **between 100 and 149 employees** should provide this information no later than eight years after the date of entry into force of the Directive and every three years thereafter.

Member States may require employers with **fewer than 100 employees** to provide information on pay.

Joint assessment of pay

Employers subject to the obligation to report pay data should carry out a joint pay assessment where the following conditions are met:

- (a) the pay reporting demonstrates a difference in the average pay level between female and male workers of at least **5 %** in any category of workers;
- (b) the employer has not justified such a difference in the average pay level on the basis of objective, gender-neutral criteria;
- (c) the employer has not remedied such an unjustified difference in the average pay level within six months of the date of submission of the pay reporting.

Social dialogue

Member States should take adequate measures to promote the role of the social partners and encourage the exercise of the right to collective bargaining on measures to tackle pay discrimination and its adverse impact on the valuation of jobs predominantly carried out by workers of one sex.

Penalties

Member States should lay down the rules on **effective, proportionate and dissuasive penalties** applicable to infringements of the rights and obligations relating to the principle of equal pay. These penalties should guarantee a real deterrent effect with regard to infringements of the rights and obligations relating to the principle of equal pay. They should take into account any relevant aggravating or mitigating factor applicable to the circumstances of the infringement, which may include intersectional discrimination.

Statistics

Member States should, on an annual basis, provide the Commission (Eurostat) with up-to-date national data for the calculation of the gender pay gap in unadjusted form. Those statistics should be broken down by sex, economic sector, working time (full-time/part-time), economic control (public/private ownership) and age and should be calculated on an annual basis. The data should be transmitted **from 31 January 2028** for reference year 2026.