



**COUNCIL OF
THE EUROPEAN UNION**

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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: Position of the Council at first reading with a view to the adoption of a Directive of the European Parliament and of the Council on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity and repealing Directive 86/613/EEC

- Adopted by the Council on 8 March 2010

DIRECTIVE 20../.../EU
OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of ...

**on the application of the principle of equal treatment
between men and women engaged
in an activity in a self-employed capacity
and repealing Directive 86/613/EEC**

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 157(3) thereof,

Having regard to the proposal from the European Commission,

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

Acting in accordance with the ordinary legislative procedure²,

¹ OJ C , .

² Position of the European Parliament of (not yet published in the Official Journal) and Council Decision of ...

Whereas:

- (1) Council Directive 86/613/EEC of 11 December 1986 on the application of the principle of equal treatment between men and women engaged in an activity, including agriculture, in a self-employed capacity, and on the protection of self-employed women during pregnancy and motherhood¹ ensures application in Member States of the principle of equal treatment as between men and women engaged in an activity in a self-employed capacity, or contributing to the pursuit of such activity. As far as self-employed workers and spouses of self-employed workers are concerned, Directive 86/613/EEC has not been very effective and its scope should be reconsidered, as discrimination based on sex and harassment also occur in areas outside salaried work. In the interest of clarity, Directive 86/613/EEC should be replaced by this Directive.
- (2) In its Communication of 1 March 2006 entitled "Roadmap for equality between women and men", the Commission announced that in order to improve governance of gender equality, it would review the existing EU gender equality legislation not included in the 2005 recast exercise with a view to updating, modernising and recasting where necessary. Directive 86/613/EEC was not included in the recasting exercise.

¹ OJ L 359, 19.12.1986, p. 56.

- (3) In its conclusions of 5 and 6 December 2007 on "Balanced roles of women and men for jobs, growth and social cohesion", the Council called on the Commission to consider the need to revise, if necessary, Directive 86/613/EEC in order to safeguard the rights related to motherhood and fatherhood of self-employed workers and their helping spouses.
- (4) The European Parliament has consistently called on the Commission to review Directive 86/613/EEC, in particular so as to boost maternity protection for self-employed women and to improve the situation of spouses of self-employed workers in agriculture.
- (5) In its Communication of 2 July 2008 entitled "Renewed Social Agenda: Opportunities, access and solidarity in 21st century Europe", the Commission has affirmed the need to take action on the gender gap in entrepreneurship as well as to improve the reconciliation of private and professional life.

- (6) There are already a number of existing legal instruments for the implementation of the principle of equal treatment which cover self-employment activities, in particular Council Directive 79/7/EEC of 19 December 1978 on the progressive implementation of the principle of equal treatment for men and women in matters of social security¹ and Directive 2006/54/EC of the European Parliament and of the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast)². This Directive should therefore not apply to the areas already covered by other directives.
- (7) This Directive is without prejudice to the powers of the Member States to organise their social protection systems. The exclusive competence of the Member States with regard to the organisation of their social protection systems includes inter alia decisions on the setting up, financing and management of such systems and related institutions as well as on the substance and delivery of benefits, the level of contributions and the conditions for access.

¹ OJ L 6, 10.1.1979, p. 24.

² OJ L 204, 26.7.2006, p. 23.

- (8) This Directive should apply to self-employed workers and to their spouses or, when and insofar as recognised by national law, their life partners, where they, under the conditions laid down by national law, habitually participate in the activities of the business. In order to improve the situation for these spouses and, when and insofar as recognised by national law the life partners, of self-employed workers, their work should be recognised.
- (9) This Directive should not apply to matters covered by other Directives implementing the principle of equal treatment between men and women, notably Council Directive 2004/113/EC of 13 December 2004 implementing the principle of equal treatment between men and women in the access to and supply of goods and services¹. Inter alia, Article 5 of Directive 2004/113/EC on insurance and related financial services remains applicable.
- (10) To prevent discrimination based on sex, this Directive should apply to both direct and indirect discrimination. Harassment and sexual harassment should be considered discrimination and therefore prohibited.
- (11) This Directive should be without prejudice to the rights and obligations deriving from marital or family status as defined in national law.

¹ OJ L 373, 21.12.2004, p. 37.

- (12) The principle of equal treatment should cover the relationships between the self-employed worker and third parties within the remit of this Directive, but not relationships between the self-employed worker and his or her spouse or life partner.
- (13) In the area of self-employment, the application of the principle of equal treatment means that there must be no discrimination on grounds of sex, for instance in relation to the establishment, equipment or extension of a business or the launching or extension of any other form of self-employed activity.
- (14) Member States may, under Article 157(4) of the Treaty on the Functioning of the European Union, maintain or adopt measures providing for specific advantages in order to make it easier for the under-represented sex to engage in self-employed activities or to prevent or compensate for disadvantages in their professional careers. In principle, measures such as positive action aimed at achieving gender equality in practice should not be seen as being in breach of the legal principle of equal treatment between men and women.

- (15) It is necessary to ensure that the conditions for setting up a company between spouses or, when and insofar as recognised by national law, life partners, are not more restrictive than the conditions for setting up a company between other persons.
- (16) In view of their participation in the activities of the family business, spouses or, when and insofar as recognised by national law the life partners, of self-employed workers who have access to a system for social protection, should also be entitled to benefit from social protection. Member States should be required to take the necessary measures to organise this social protection in accordance with national law. In particular, it is up to Member States to decide whether this social protection should be implemented on a mandatory or voluntary basis. Member States may provide that this social protection may be proportional to the participation in the activities of the self-employed worker and/or the level of contribution. Without prejudice to this Directive, Member States may maintain national provisions limiting access to specific social protection schemes, or to a certain level of protection, including special funding conditions, to certain groups of self-employed workers or professions, provided that access to a general scheme is available.

- (17) The economic and physical vulnerability of pregnant self-employed workers and pregnant spouses and, when and insofar as recognised by national law pregnant life partners, of self-employed workers, makes it necessary for them to be granted the right to maternity benefits. The Member States remain competent to organise such benefits, including establishing the level of contributions and all the arrangements concerning benefits and payments, provided the minimum requirements of this Directive are complied with. In particular, they may determine in which period before and/or after confinement the right to maternity benefits is granted. Furthermore, the economic situation of the person or family in question may be taken into account when establishing contributions and/or benefits.

- (18) In order to take the specificities of self-employed activities into account, female self-employed workers and female spouses or, when and insofar as recognised by national law female life partners, of self-employed workers, should be given access, as far as possible, to any existing services supplying temporary replacement enabling interruptions in their occupational activity owing to pregnancy or motherhood, or to any existing national social services. Access to those services can be an alternative to or a part of the maternity allowance.
- (19) Enhancing the efficiency and effectiveness of welfare systems, notably through improved incentives, better administration and evaluation, and the prioritisation of spending programmes, has become crucial for the long-term financial sustainability of European social models. When devising the measures needed to implement this Directive, the Member States should pay special attention to improving and securing the quality and long-term sustainability of their social protection systems.

- (20) Persons who have been subject to discrimination based on sex should have adequate means of legal protection. To provide more effective protection, associations, organisations and other legal entities should be empowered to engage in proceedings, as Member States so determine, either on behalf or in support of any victim, without prejudice to national rules of procedure concerning representation and defence before the courts.
- (21) Protection of self-employed workers and spouses of self-employed workers and, when and insofar as recognised by national law the life partners, of self-employed workers, from discrimination based on sex should be strengthened by the existence of a body or bodies in each Member State with competence to analyse the problems involved, to study possible solutions and to provide practical assistance to the victims. The body or bodies may be the same as those with responsibility at national level for the defence of human rights or the safeguarding of individuals' rights, or the implementation of the principle of equal treatment.

- (22) This Directive lays down minimum requirements, thus giving the Member States the option of introducing or maintaining more favourable provisions.
- (23) Since the objective of the action to be taken, namely to ensure a common high level of protection from discrimination in all the Member States, cannot be sufficiently achieved by the Member States and can 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. 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 that objective,

HAVE ADOPTED THIS DIRECTIVE:

Article 1

Subject matter

1. This Directive lays down a framework for putting into effect in the Member States the principle of equal treatment between men and women engaged in an activity in a self-employed capacity, or contributing to the pursuit of such an activity, as regards those aspects not covered by Directives 2006/54/EC and 79/7/EEC.
2. The implementation of the principle of equal treatment between men and women in the access to and supply of goods and services remains covered by Directive 2004/113/EC.

Article 2

Scope

This Directive covers:

- (a) self-employed workers, namely all persons pursuing a gainful activity for their own account, under the conditions laid down by national law;
- (b) the spouses of self-employed workers or, when and insofar as recognised by national law, the life partners of self-employed workers, not being employees or business partners, where they habitually, under the conditions laid down by national law, participate in the activities of the self-employed worker and perform the same tasks or ancillary tasks.

Article 3
Definitions

1. For the purposes of this Directive, the following definitions shall apply:
 - (a) "direct discrimination": where one person is treated less favourably on grounds of sex than another is, has been or would be, treated in a comparable situation;
 - (b) "indirect discrimination": where an apparently neutral provision, criterion or practice would put persons of one sex at a particular disadvantage compared with persons of the other sex, unless that provision, criterion or practice is objectively justified by a legitimate aim, and the means of achieving that aim are appropriate and necessary;

- (c) "harassment": where unwanted conduct related to the sex of a person occurs with the purpose, or effect, of violating the dignity of that person, and of creating an intimidating, hostile, degrading, humiliating or offensive environment;
- (d) "sexual harassment": where any form of unwanted verbal, non-verbal, or physical, conduct of a sexual nature occurs, with the purpose or effect of violating the dignity of a person, in particular when creating an intimidating, hostile, degrading, humiliating or offensive environment.

Article 4

Principle of equal treatment

1. The principle of equal treatment means that there shall be no discrimination whatsoever on grounds of sex in the public or private sectors, either directly or indirectly, for instance in relation to the establishment, equipment or extension of a business or the launching or extension of any other form of self-employed activity.

2. In the areas covered by paragraph 1, harassment and sexual harassment shall be deemed to be discrimination on grounds of sex and therefore prohibited. A person's rejection of, or submission to, such conduct may not be used as a basis for a decision affecting that person.
3. In the areas covered by paragraph 1, an instruction to discriminate against persons on grounds of sex shall be deemed to be discrimination.

Article 5

Positive action

Member States may maintain or adopt measures within the meaning of Article 157(4) of the Treaty on the Functioning of the European Union with a view to ensuring full equality in practice between men and women in working life, for instance aimed at promoting entrepreneurship among women.

Article 6
Establishment of a company

Without prejudice to the specific conditions for access to certain activities which apply equally to both sexes, the Member States shall take the measures necessary to ensure that the conditions for the establishment of a company between spouses, or between life partners when and insofar as recognised by national law, are not more restrictive than the conditions for the establishment of a company between other persons.

Article 7
Social protection

1. Where a system for social protection for self-employed workers exists in a Member State, that Member State shall take the necessary measures to ensure that spouses and life partners referred to in Article 2(b) can benefit from a social protection in accordance with national law.

2. The Member States may decide whether the social protection referred to in paragraph 1 is implemented on a mandatory or voluntary basis. Accordingly, they may provide that this social protection is granted only upon the request of spouses and life partners referred to in Article 2(b).

Article 8

Maternity benefits

1. The Member States shall take the necessary measures to ensure that female self-employed workers and female spouses and life partners referred to in Article 2 may, in accordance with national law, be granted an adequate maternity allowance enabling interruptions in their occupational activity owing to pregnancy or motherhood for at least 14 weeks.
2. The Member States may decide whether the maternity allowance referred to in paragraph 1 is granted on a mandatory or voluntary basis. Accordingly, they may provide that this allowance is granted only upon request of female self-employed workers and female spouses and life partners referred to in Article 2.

3. The allowance referred to in paragraph 1 shall be deemed adequate if it guarantees an income at least equivalent to:
- (a) the allowance which the person concerned would receive in the event of a break in her activities on grounds connected with her state of health and/or
 - (b) the average loss of income or profit in relation to a comparable preceding period subject to any ceiling laid down under national law and/or
 - (c) any other family related allowance established by national law, subject to any ceiling laid down under national law.
4. The Member States shall take the necessary measures to ensure that female self-employed workers and female spouses and life partners referred to in Article 2 have access as far as possible to any existing services supplying temporary replacements or to any existing national social services. The Member States may provide that access to those services is an alternative to or a part of the allowance referred to in paragraph 1 of this Article.

Article 9
Defence of rights

1. The Member States shall ensure that judicial or administrative proceedings, including, where Member States consider it appropriate, conciliation procedures, for the enforcement of the obligations under this Directive are available to all persons who consider they have sustained loss or damage as a result of a failure to apply the principle of equal treatment to them, even after the relationship in which the discrimination is alleged to have occurred has ended.
2. The Member States shall ensure that associations, organisations and other legal entities which have, in accordance with the criteria laid down by their national law, a legitimate interest in ensuring that this Directive is complied with may engage, either on behalf or in support of the complainant, with his or her approval, in any judicial or administrative proceedings provided for the enforcement of obligations under this Directive.
3. Paragraphs 1 and 2 shall be without prejudice to national rules on time limits for bringing actions relating to the principle of equal treatment.

Article 10

Compensation or reparation

The Member States shall introduce such measures into their national legal systems as are necessary to ensure real and effective compensation or reparation, as Member States so determine, for the loss or damage sustained by a person as a result of discrimination on grounds of sex, such compensation or reparation being dissuasive and proportionate to the loss or damage suffered. Such compensation or reparation shall not be limited by the fixing of a prior upper limit.

Article 11

Equality bodies

1. The Member States shall designate and make the necessary arrangements for a body or bodies for the promotion, analysis, monitoring and support of equal treatment of all persons without discrimination on grounds of sex. Such bodies may form part of agencies entrusted at national level with the defence of human rights or the safeguard of individuals' rights, or the implementation of the principle of equal treatment.

2. The Member States shall ensure that the tasks of the bodies referred to in paragraph 1 include:
- (a) providing independent assistance to victims of discrimination in pursuing their complaints of discrimination, without prejudice to the rights of victims and of associations, organisations and other legal entities referred to in Article 9(2);
 - (b) conducting independent surveys on discrimination;
 - (c) publishing independent reports and making recommendations on any issue relating to such discrimination;
 - (d) exchanging, at the appropriate level, the information available with the corresponding European bodies, such as the European Institute for Gender Equality.

Article 12

Gender mainstreaming

The Member States shall actively take into account the objective of equality between men and women when formulating and implementing laws, regulations, administrative provisions, policies and activities in the areas referred to in this Directive.

Article 13

Dissemination of information

The Member States shall ensure that the provisions adopted pursuant to this Directive, together with the relevant provisions already in force, are brought by all appropriate means to the attention of the persons concerned throughout their territory.

Article 14
Level of protection

The Member States may introduce or maintain provisions which are more favourable to the protection of the principle of equal treatment between men and women than those laid down in this Directive.

The implementation of this Directive shall under no circumstances constitute grounds for a reduction in the level of protection against discrimination already afforded by Member States in the fields covered by this Directive.

Article 15

Reports

1. Member States shall communicate all available information concerning the application of this Directive to the Commission by...^{*}.

The Commission shall draw up a summary report for submission to the European Parliament and to the Council no later than ...^{**}. Where appropriate, that report shall be accompanied by proposals for amending this Directive.

2. The Commission's report shall take the viewpoints of the stakeholders into account.

^{*} OJ: Please insert the date that is six years after the entry into force of this Directive.

^{**} OJ: Please insert the date that is seven years after the entry into force of this Directive.

Article 16
Implementation

1. The Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by ...* at the latest. They shall forthwith communicate to the Commission the text of those provisions.

When the Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.

2. Where justified by particular difficulties, the Member States may, if necessary, have an additional period of two years until ...** in order to comply with Article 7, and in order to comply with Article 8 as regards female spouses and life partners referred to in Article 2(b).
3. The Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.

* OJ: Please insert the date that is two years after the entry into force of this Directive.

** OJ: Please insert the date that is four years after the entry into force of this Directive.

Article 17

Repeal

Directive 86/613/EEC shall be repealed, with effect from ...*

References to the repealed Directive shall be construed as references to this Directive.

Article 18

Entry into force

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

* OJ: Please insert the date that is two years after the entry into force of this Directive.

Article 19
Addressees

This Directive is addressed to the Member States.

Done at,

For the European Parliament
The President

For the Council
The President
