

Parliament of Romania

Chamber of Deputies

No 1/1525/V8

16 April 2013

OPINION

**on the Proposal for a Directive of the European Parliament and of the
Council on improving the gender balance among non-executive directors of
companies listed on stock exchanges and related measures**

COM(2012) 614

Having regard to the Treaty of Lisbon, in particular Articles 5 and 12 TEU and Protocols 1 and 2 annexed to the Treaty,

Having regard to Decision No 11/2011 of the Chamber of Deputies,

Having regard to the Constitution of Romania, republished, in particular Article 148 thereof,

Having regard to the draft opinion adopted by the Committee for Legal Affairs, Disciplinary Matters and Immunities at its meeting of 15 January 2013,

Having regard to the draft opinion adopted by the Committee for Equal Opportunities for Women and Men at its meeting of 5 March 2013,

Having regard to the information provided in the Ministry of Foreign Affairs' information sheet,

Having regard to 'Romania's framework position for the negotiations on the Proposal for a Directive on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures', together with Annexes 1 and 2, drafted by the Directorate for Equality between Women and Men of the Ministry of Employment, the

Family, Social Protection and the Elderly,

Taking into account the final draft opinion adopted by the Committee for European Affairs at its meeting of 5 March 2013,

Having regard to the approval given by the Permanent Bureau of the Chamber of Deputies on 8 April 2013,

The Chamber of Deputies, acting in accordance with Article 40 of its Decision No 11 of 27 April 2011, hereby adopts this Opinion:

Having noted that the Romanian Government supports the gender mainstreaming approach, the Chamber of Deputies in principle agrees with the Proposal's general objective of improving gender equality in economic decision-making by increasing the number of women in board positions but nevertheless considers it necessary that clarifications be made regarding the appropriateness and feasibility of imposing a binding objective of a minimum share of 40% for the under-represented sex.

The Chamber of Deputies takes note of the Romanian Government's view that by establishing binding quotas at European level, the Proposal for a Directive puts pressure on businesses and would require changes to company law and the organisation of companies (freedom of shareholders to choose their own representatives).

The Chamber of Deputies has also taken into consideration the results of the consultation organised by the Ministry of Employment with social partners and listed companies, which found the following:

- the companies consulted do not have specific policies for the promotion of women to board positions and nor have they adopted measures to promote women;
- the opinions expressed by the companies varied, with some considering that gender equality has positive economic effects, while others considered that the promotion of women would also bring other types of benefits, while a third group considered that any potential benefits would depend on other factors;
- the companies took the view that employees should be promoted solely on the basis of

competence. Employers agree that in cases of candidates of equal competence, skills and ability, the employer should promote the female candidate. They are not in favour of positive discrimination;

- trade unions consider that, as a democratic principle, there are positive economic effects to be gained from gender equality and diversity among the non-executive directors of listed companies;

- trade unions, employers and companies are, in principle, in favour of the promotion of women to board positions (management boards) in listed companies;

- employers consider that making 40% requirement binding could restrict the freedom of choice of company executive management;

- the companies consider that binding quotas are not necessary because the share of board members should be determined by professional competence, irrespective of gender. Moreover, it would be very difficult to meet the target in certain fields, given the specific nature of the work they do;

- as regards the question of the most effective method of achieving gender balance in listed companies, trade unions consider it necessary to introduce mandatory measures with clear objectives, deadlines and penalties, whereas the companies consulted do not believe that there is a need for measures to increase the number of women and that the promotion of gender equality can be achieved through measures of a non-binding nature.

The Chamber of Deputies takes note that with regard to the issue of subsidiarity, nine national parliaments or parliamentary chambers have presented reasoned opinions concerning the Proposal for a Directive, namely the Chamber of Deputies of the Czech Republic, the Danish Parliament, the two chambers of the Polish Parliament, the Swedish Parliament, the two chambers of the Dutch Parliament, and the two chambers of the British Parliament.

The Chamber of Deputies:

1. takes note of the Decision of the Committee for Equality between Women and Men to support the Proposal for a Directive by means of a favourable draft opinion, but with the

reservation expressed by the Ministry of Employment that important stakeholders believe that it is not necessary to impose binding measures to increase the number of women in management boards, and that the share of women and men should be determined on the basis of criteria of professional competence;

2. agrees with the conclusions of the most recent documents adopted in this field: 'A Women's Charter', the 'Strategy for Equality between Women and Men 2010-2015' and in particular the 'European Pact for Gender Equality' (2011-2020) adopted on 7 March 2011, which stresses that gender equality policies are vital to economic growth, prosperity and competitiveness;
3. considers that the proposal contributes to achieving the objectives laid down in the Europe 2020 Strategy and that adoption of the Directive will diminish the impediments experienced by women who wish to take up a board position and improve corporate governance and business performance;
4. considers that when competences are similar, competence should prevail over gender;
5. considers it necessary that a set of unified and minimum criteria be drawn up for the purpose of harmonising reporting;
6. recommends close monitoring of the legislative proposals that will be drafted in order to implement the proposed measures.

This opinion is addressed to the Presidents of the European Parliament, the Council and the European Commission and to the Romanian Government.

PRESIDENT

Valeriu Stefan Zgonea