PAY TRANSPARENCY – 11/12/2025

National transposition of the Pay Transparency Directive

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The Pay Transparency Directive 2023/970 (PTD) should be transposed in national legislation by 7 June 2026. However, the transposition poses many difficulties in practice.

Further to the discussions in the EU Committee meeting of 20 November in Brussels, we asked you to share information on the state of play in your country of the PTD (cfr. Circular 304/25), based on the following questions:

1. Do you expect that the PTD will be transposed on time in your country?
2. What are the main hurdles for transposition?
3. What are the possible solutions that you are working on to tackle these hurdles?

Having an overview of the problems and possible solutions of implementing the PTD in your neighbouring countries / other EU Member States, may be helpful in your national discussions.

Finland

1. **Do you expect that the PTD will be transposed on time in your country?**
   The law is intended to come into force on 18.5.2026, and the government's proposal is expected to be presented in week 11/2026.

2. **What are the main hurdles for transposition?**
   The greatest difficulty in implementation relates to the ministry's interpretation of the directive's mandatory provisions and how these could be incorporated into national legislation. The ministry also lacks an understanding of salary systems based on collective agreements.

3. **What are the possible solutions that you are working on to tackle these hurdles?**
   Through our advocacy work, we aim to inform the ministry about what is already included in collective agreements (and our legislation) so that the directive does not need to be implemented in its entirety, as collective agreements already contain comprehensive, neutral pay systems.

France

1. **Do you expect that the PTD will be transposed on time in your country?**
   We don't think so but it's difficult to predict what will happen as the political situation is quite unstable. Indeed, the initial transposition schedule has been significantly delayed. For information the initial provisional timetable planned 3 steps in the transposition process : the

legislative measures (May to November), regulatory measures (November to January 2026) and support for businesses in 2026 (creation of a government online portal, work with payroll software publishers, development of Q&As).

According to the last information coming from the cabinet of the French labour ministry (the meeting occurred yesterday), the European Commission is opposed to any simplification of the text. Consequently, the ministry will resume end of December or in January consultative meetings with social partners concerning transposition. As a reminder, work on transposition has been suspended since September 2025.

2. What are the main hurdles for transposition?

We heard that the government had difficulties transposing the directive to the public sector. Political instability is also a hurdle.

In general, the text of the directive leaves very little flexibility, and where some articles do provide flexibility ("where applicable"), the French government has chosen to impose a restrictive implementation of the provisions.

Based on our current knowledge of the content of the forthcoming draft bill, here are the very restrictive or "gold-plating" points we have identified:

- Article 4: Obligation for companies to establish worker categories through social dialogue (company or group agreement, or, in the absence thereof, by unilateral decision).
  The employer is responsible for creating these categories, whereas under the directive this is only an option.

- Article 5: Possible regulation of the wage range communicated to a job applicant.
  This is not consistent with Article 5 nor with Recital 32: The employer must be able to communicate to the job applicant a freely defined salary range without it being precisely regulated by law or regulations
  Creation of a prohibition for a company to publish a job offer without mentioning an initial salary.
  The directive only provides for a simple obligation to make such information available to the applicant upon request.

- Article 9: Obligation to apply the provisions of the article to companies with 50 to 99 employees.
  Declaration of 6 indicators every year.
  Declaration of the 7th indicator every 3 years, without triggering the obligation of a joint assessment in case of a gap greater than 5% but instead imposing the obligation to integrate corrective measures within the framework of professional equality negotiations.
  In the directive, this is only an option.

- Article 24: Introduction of measures by the governement.

The directive merely leaves it to Member States to examine the possibility of adopting such measures. There is therefore no obligation to transpose this provision, which at the very least allows for some flexibility in implementation.

On the other articles of the text, the bill should comply with the provisions of the directive, but we will only be able to give our opinion once we have seen the draft law.

3. **What are the possible solutions that you are working on to tackle these hurdles?**
   Lobbying in coordination with Medef but the former government was not really flexible on the points mentioned above.

Germany

1. **Do you expect that the PTD will be transposed on time in your country?**
   Currently, there is no official draft law for the national implementation of the directive in Germany. Despite the approaching deadline, the government and the responsible ministry remain committed to implementing the directive in Germany on time by 7 June 2026. This could be achieved through an accelerated legislative process. In that case, implementation would occur "just in time".

2. **What are the main hurdles for transposition?**
   The Pay Transparency Act (EntgTranspG), which has been in force in Germany since 2017, must undergo a comprehensive reform. The biggest hurdle lies in the differences between the ideologically driven advocates of pay equality—who demand an excessive, or at least a one-to-one, implementation of the directive—and business practitioners, who call for an implementation with minimal bureaucracy and consideration of the importance of collective agreements. Specifically, the debate centers on very different interpretations of the concept of remuneration (actual pay versus target pay; as broad or as narrow as possible), the question of whether maintaining the presumption of appropriateness for collectively agreed pay groups complies with EU law, the issue of work equivalence, and the remedial procedure and joint pay assessment (scope of works council/collective bargaining party involvement; flexibility regarding deadlines, etc.).

3. **What are the possible solutions that you are working on to tackle these hurdles?**
   To overcome these differences, the federal government set up an expert commission (including top-level social partners, BDA and DGB), which, after hearing expert testimony, developed streamlined and practical recommendations for implementing the directive in summer 2025 and submitted them to the Federal Minister for Family Affairs in early November 2025. Based on these largely sensible recommendations, we expect a draft law later this year or at the beginning of 2026. However, whether the responsible ministry will adopt these recommendations—which would increase acceptance of the implementation law—remains questionable, as the officials in the ministry tend to adhere strictly to legal doctrine and are determined to avoid any risk of infringement proceedings.

From an employer's perspective, a delay in implementing the Pay Transparency Directive (ETRL) would indeed be desirable, particularly due to the current legal situation under the Pay Transparency Act regarding the presumption of appropriateness and the collective bargaining privilege for companies bound by or applying collective agreements.

Hungary

With regard to your questions about the transposition of the Pay Transparency Directive (PTD), I can inform you that the plan has not yet changed to ensure that the implementation takes place within the deadline.

However, the substantive work has not yet begun, it is planned to take place in February and March.

The employers' organizations are already dealing with the issue and are preparing for negotiations with the government. Accordingly, no obstacles are yet known that would cause disruption or seem unsolvable.

Netherlands

Due to the change of government, the PTD transposition is postponed for the next administration. A new government might not be formed before March. The former government was quite advanced, but there was quite some criticism on the draft law.

Italy

Regarding the PTD, I have no information if it will be transposed on time in Italy. The only information that we have is that social partners have been heard by the Minister of Labour for a first confrontation on this issue.

Among the main hurdles for transposition are: the difficulty to define exactly "equal work and work of equal value" and the effects of the article 9 in conjunction with the article 10 of the PTD.

Together with Confindustria (General Confederation of Italian Industry) we are working to propose to our Government a suitable solution in order to prevent the joint pay assessment with workers' representatives should the pay reporting demonstrate a difference in the average pay level between female and male workers above of 5%.

Spain

1. **Do you expect that the PTD will be transposed on time in your country?**
   Regarding the PTD, although the Ministry of Labour and the Pay Equality Portal continue to indicate 7 June 2026 as the formal deadline, the reality is that there is still no draft bill for the transposition of the Directive. Consequently, meeting the deadline is, as of today, highly uncertain.

2. **What are the main hurdles for transposition?**
   Regarding the main hurdles, despite the existence of current regulations on pay equality, it will be necessary to reorganise and harmonise key concepts and determine how they will operate in practice. We also anticipate a significant increase in workload, business costs, and technical complexity linked to the preparation of periodic workforce-segment reports, the design of internal professional classification systems, and the establishment of salary bands based on objective criteria, among other requirements. There is also substantial uncertainty, particularly among SMEs, due to the increase in administrative obligations, the need to redesign traditionally discretionary pay structures, and the heightened risk of litigation related to potential pay discrimination.

3. **What are the possible solutions that you are working on to tackle these hurdles?**
   As for possible solutions, one option under consideration is to build on existing regulatory instruments when adapting to the Directive, expanding and harmonising current obligations rather than creating an entirely new system, which would help reduce legal uncertainty. Likewise, the development of common methodologies and tools is being considered: national technical guidelines for job evaluation and pay-gap calculation, standardised reporting templates by company size, and targeted support for SMEs through online portals, software solutions, and sector-specific training.

Sweden

1. **Do you expect that the PTD will be transposed on time in your country?**
   Yes, although the bill has been delayed until March 2026, the plan of the Swedish Government is that it will enter into force in June 2026.

2. **What are the main hurdles for transposition?**
   Very technical legislation that has to be adapted to the already existing extensive Swedish legislation on pay surveys, in particular the definition of category of worker is complicated to implement.

3. **What are the possible solutions that you are working on to tackle these hurdles?**
   Postponing the implementation and working for the inclusion of pay transparency in any potential social omnibus.