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NEWS REPORT

Country:	Portugal
Title:	Recent developments in Portuguese Employment Law regarding Women on Company Boards
Date:	23 November 2017
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<u>Context</u>	
Issue at stake:	Women on Company Boards; new legislation
Ground of discrimination:	Sex
Source:	Legislation
Field:	Employment

Content

Key points of analysis: The National Parliament has recently approved Law No. 62/2017 of 1 August 2017, concerning women on company boards. This law is applicable to public companies and public institutions (on central, regional or local level), and to listed private companies. It establishes a minimum representation of women on executive company boards and surveillance boards. For public companies, the required minimum of female board members will be 33,3% as off 1 January 2018. For private listed companies, the set minimum be 20% from 1 January 2018, but growing towards 33,3% from 1 January 2020.

Personal assessment:

- For the first time in Portugal, a mandatory minimum quota for women on decision-making boards for private listed companies is set (Article 1). Prior to this legislation only public companies were submitted to such a rule and private companies were merely recommended to facilitate the access of women to board positions;
- The timetable for the adjustment of the companies to the minimum quota of 33,3% is relatively short (Article 4 and 5), so the measure will be in place in the coming years;
- The notion of 'boards' for the purposes of this law is wide, in the sense that it includes executive boards, administrative boards and surveillance boards. And since the minimum quota of women is imposed on each of these boards (Article 1 (1), Article 3 and Article 4), the influence of women at all levels of decision-making in companies will be effective;
- The sanctions imposed for a breach of the minimum representation of women on company boards are severe, including the invalidity of the company's decision appointment of the irregular boards and, if the irregularity persists, the application of administrative fines (Article 6) These sanctions may be the key to ensure the practical implementation of this piece of legislation;
- The law also imposes on companies the duty to elaborate their annual equality plans. The aim of these plans is to achieve equal opportunities and equal treatment of women and men, and to promote the reconciliation of professional and family life

- within the company.; These plans must follow the guidelines indicated by the Public Equality Agency in Employment Area (CITE) (Article 7). This is also a very important provision because until now, these plans were not mandatory.

Internet source: www.dre.pt