

COUNCIL OF THE EUROPEAN UNION



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Council adopts intra-corporate transferees directive

The Council adopted today¹ a directive on the conditions of entry and residence of thirdcountry nationals in the framework of an intra-corporate transfer (<u>*PE-CONS 58/14*</u>). Member states will need to transpose this directive within two and a half years after its publication in the Official Journal.

This directive will make it easier and quicker for multinational companies to temporarily assign highly skilled employees to subsidiaries situated in the EU. Moreover, the directive will facilitate mobility of intra-corporate transferees between member states during their assignments. The directive also lays down a common set of rights for intra-corporate transferees when working in the EU in order to avoid their exploitation and distortion of competition.

According to the Commission 15 000 to 20 000 intra-corporate transferees will be admitted annually in the framework of this directive. This will contribute to EU competitiveness and economic growth.

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At a meeting of the General Affairs Council, without discussion.



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What's new?

- Facilitation of intra-corporate transfers of managers, specialists and trainee employees to the EU by setting up transparent and harmonised conditions for admission, residence and work. To be eligible for an intra-corporate permit, managers and specialists must have worked at least 3 up to 12 uninterrupted months for the multinational company immediately preceding their transfer (for trainee employees this period is 3 to 6 uninterrupted months). Member states retain the right to set the volumes of admission of intra-corporate transferees who apply to be admitted to their territory. The permit will be valid for a maximum of 3 years in the case of managers and specialists and 1 year for trainee employees.
- An innovative scheme for intra-EU mobility. The intra-EU mobility scheme signifies a major innovation compared to existing national schemes which do not allow intra-corporate transferees to work in subsidiaries established in another member state. Replying to the strong mobility needs of this category of migrant workers, intra-corporate transferees are exempted from the Schengen visa-obligations. Subject to a number of conditions, they can enter, stay and work in member states other than the one to which they were initially admitted with little or no interruption to their assignments. The conditions for long-term mobility (more than 90 days) are stricter than those for short-term mobility (less than 90 days in any 180 day period).
- Better possibilities for family members to enter into and work in the EU. With a view to removing an important obstacle to accept an assignment in the EU, family members will be able to accompany the intra-corporate transferee from the start of the assignment if they apply at the same time. They also have the right to be employed or self-employed in the host member state throughout the duration of the transfer.
- Guarantees to uphold labour and social security standards. In order to ensure that companies established in a third country will not be able to benefit from lower labour standards, thereby distorting competition, member states must require, as a ground for admission, that the remuneration granted to the intra-corporate transferee is not less favourable than the remuneration granted to nationals occupying comparable positions. The directive also lays down a clear set of rights for intra-corporate transferees in relation to freedom of affiliation to a trade union, recognition of diplomas, and access to public goods and services, except housing. Furthermore, as regards terms and conditions of employment other than remuneration (such as maximum work periods or safety at work) they are entitled to equal treatment with posted workers. Finally, equal treatment between intracorporate transferees and nationals applies to branches of social security, in practice, in particular to benefits related to sickness, invalidity and old-age. Member states can make an exception where the national law or a bilateral agreement with the host member state establishes that the laws of the country of origin of the intra-corporate transferee will apply. Member states may decide not to grant family benefits to employees who stay less than 9 months in the EU.

Background

The intra-corporate transferees directive is a new legislative instrument of the EU common policy on legal migration. This directive complements three existing legal migration directives setting out the admission criteria for and the rights of highly qualified third-country workers: the <u>EU Blue Card directive on highly qualified workers</u> (adopted in May 2009), the Single Permit directive on third-country workers legally residing in an <u>EU</u> member state (adopted in December 2011) and the <u>Seasonal Workers directive</u> (adopted in 2014). The proposal for a directive on the conditions of entry and residence of third-country nationals for the purposes of research, studies, pupil exchange, remunerated and unremunerated training, voluntary service and au pairing [recast] is still under negotiation.