



2018/0136(COD)

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AMENDMENTS

49 - 242

Draft report

Eider Gardiazabal Rubial, Petri Sarvamaa
(PE628.374v01-00)

Protection of the Union's budget in case of generalised deficiencies as regards
the rule of law in the Member States

Proposal for a regulation
(COM(2018)0324 – C8-0178/2018 – 2018/0136(COD))

Amendment 49
Marian-Jean Marinescu

Proposal for a regulation

—

Proposal for rejection

***The European Parliament rejects the
Commission proposal.***

Or. en

Amendment 50
Stanisław Żółtek, André Elissen, Marco Zanni

Proposal for a regulation

—

Proposal for rejection

***The European Parliament rejects the
Commission proposal.***

Or. en

Amendment 51
Bart Staes, Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Title 1

Text proposed by the Commission

Proposal for a
REGULATION OF THE EUROPEAN
PARLIAMENT AND OF THE COUNCIL
on the protection of the Union's budget in
case of generalised deficiencies as regards
the ***rule of law*** in the Member States

Amendment

Proposal for a
REGULATION OF THE EUROPEAN
PARLIAMENT AND OF THE COUNCIL
on the protection of the Union's budget in
case of generalised deficiencies as regards
the ***Union values*** in the Member States

Or. en

Amendment 52

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) *The rule of law is one of the essential values upon which the Union is founded. As recalled by Article 2 of the Treaty on European Union, these values are common to the Member States.*

Amendment

(1) *Respect for certain constitutional principles common to the legal systems of the Member States is important to ensure sound management of the Union's financial interests. Respect for the principle of separation of state powers, and supervision by an independent and impartial court able to ensure effective judicial protection, are particularly important.*

Or. it

Amendment 53

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) *The rule of law is one of the essential values upon which the Union is founded. As recalled by Article 2 of the Treaty on European Union, these values are common to the Member States.*

Amendment

(1) The Union is founded *on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities.* As recalled by Article 2 of the Treaty on European Union, these values are common to the Member States.

Or. en

Amendment 54

Luke Ming Flanagan

Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) The rule of law is one of the essential values upon which the Union is founded. As recalled by Article 2 of the Treaty on European Union, these values are common to the Member States.

Amendment

(1) ***Notwithstanding that bad law has been and continues to be written,*** the rule of law is ***meant to be*** one of the essential values upon which the Union is founded. As recalled by Article 2 of the Treaty on European Union, these values are common to the Member States.

Or. en

Amendment 55
Răzvan Popa

Proposal for a regulation
Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) However, doctrinaire assessments of the rule of law, far from uniform, are, on the contrary, as diverse as they are surprising, with frequent inconsistencies between Member States. The rule of law must be based on the assumption of a clear and well-articulated hierarchy of rules, each with its specific place in the constitutional order, with precise laws that delimit exactly the actions of the implementing bodies empowered to monitor compliance with individual and general rules.

Or. ro

Amendment 56
Dennis de Jong

Proposal for a regulation
Recital 1 a (new)

(1a) In accordance with Article 7 TEU, the Union has the possibility to act in cases of there being a clear risk of a serious breach by a Member State of the values referred to in Article 2 TEU. Member States, Union institutions, bodies, office and agencies, as well as candidate countries are obliged to respect, protect and promote those principles and values.

Or. en

Amendment 57

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 2

(2) The rule of law requires that all public powers act within the constraints set out by law, in accordance with the values of democracy and fundamental rights, and under the control of independent and impartial courts. It requires, in particular, that the principles of legality⁷, legal certainty⁸, prohibition of arbitrariness of the executive powers⁹, separation of powers¹⁰ and effective judicial protection by independent courts¹¹ are respected¹².

deleted

⁷ Judgment of the Court of Justice of 29 April 2004, CAS Succhi di Frutta, C-496/99 PECLI:EU:C:2004:236, paragraph 63.

⁸ Judgment of the Court of Justice of 12 November 1981, Amministrazione delle finanze dello Stato v Srl Meridionale Industria Salumi and others Ditta Italo Orlandi & Figlio and Ditta Vincenzo Divella v Amministrazione delle finanze

dello Stato. Joined cases 212 to 217/80, ECLI:EU:C:1981:270, paragraph 10.

⁹ *Judgment of the Court of Justice of 21 September 1989, Hoechst, Joined cases 46/87 and 227/88, ECLI:EU:C:1989:337, paragraph 19.*

¹⁰ *Judgment of the Court of Justice of 10 November 2016, Kovalkovas, C-477/16, ECLI:EU:C:2016:861, paragraph 36; Judgment of the Court of Justice of 10 November 2016, PPU Poltorak, C-452/16, ECLI:EU:C:2016:858, paragraph 35; and Judgment of the Court of Justice of 22 December 2010, DEB, C-279/09, ECLI:EU:C:2010:811, paragraph 58.*

¹¹ *Judgment of the Court of Justice of 27 February 2018, Associação Sindical dos Juizes Portugueses v Tribunal de Contas C-64/16, ECLI:EU:C:2018:117, paragraphs 31, 40-41.*

¹² *Communication from the Commission "A new EU Framework to strengthen the Rule of Law", COM(2014) 158 final, Annex I.*

Or. it

Amendment 58

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 2

Text proposed by the Commission

Amendment

(2) The rule of law requires that all public powers act within the constraints set out by law, in accordance with the values of democracy and fundamental rights, and under the control of independent and impartial courts. It requires, in particular, that the principles of legality⁷, legal certainty⁸, prohibition of arbitrariness of the executive powers⁹,

deleted

separation of powers¹⁰ , and effective judicial protection by independent courts¹¹ are respected¹² .

⁷ *Judgment of the Court of Justice of 29 April 2004, CAS Succhi di Frutta, C-496/99 PECLI:EU:C:2004:236, paragraph 63.*

⁸ *Judgment of the Court of Justice of 12 November 1981, Amministrazione delle finanze dello Stato v Srl Meridionale Industria Salumi and others Ditta Italo Orlandi & Figlio and Ditta Vincenzo Divella v Amministrazione delle finanze dello Stato. Joined cases 212 to 217/80, ECLI:EU:C:1981:270, paragraph 10.*

⁹ *Judgment of the Court of Justice of 21 September 1989, Hoechst, Joined cases 46/87 and 227/88, ECLI:EU:C:1989:337, paragraph 19.*

¹⁰ *Judgment of the Court of Justice of 10 November 2016, Kovalkovas, C-477/16, ECLI:EU:C:2016:861, paragraph 36; Judgment of the Court of Justice of 10 November 2016, PPU Poltorak, C-452/16, ECLI:EU:C:2016:858, paragraph 35; and Judgment of the Court of Justice of 22 December 2010, DEB, C-279/09, ECLI:EU:C:2010:811, paragraph 58.*

¹¹ *Judgment of the Court of Justice of 27 February 2018, Associação Sindical dos Juizes Portugueses v Tribunal de Contas C-64/16, ECLI:EU:C:2018:117, paragraphs 31, 40-41.*

¹² *Communication from the Commission "A new EU Framework to strengthen the Rule of Law", COM(2014) 158 final, Annex I.*

Or. en

Amendment 59
Luke Ming Flanagan

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The rule of law requires that all public powers act within the constraints set out by law, in accordance with the values of democracy and fundamental rights, and under the control of independent and impartial courts. It requires, in particular, that the principles of legality⁷, legal certainty⁸, prohibition of arbitrariness of the executive powers⁹, separation of powers¹⁰, and effective judicial protection by independent courts¹¹ are respected¹².

⁷ Judgment of the Court of Justice of 29 April 2004, CAS Succhi di Frutta, C-496/99 PECLI:EU:C:2004:236, paragraph 63.

⁸ Judgment of the Court of Justice of 12 November 1981, Amministrazione delle finanze dello Stato v Srl Meridionale Industria Salumi and others Ditta Italo Orlandi & Figlio and Ditta Vincenzo Divella v Amministrazione delle finanze dello Stato. Joined cases 212 to 217/80, ECLI:EU:C:1981:270, paragraph 10.

⁹ Judgment of the Court of Justice of 21 September 1989, Hoechst, Joined cases 46/87 and 227/88, ECLI:EU:C:1989:337, paragraph 19.

¹⁰ Judgment of the Court of Justice of 10 November 2016, Kovalkovas, C-477/16, ECLI:EU:C:2016:861, paragraph 36; Judgment of the Court of Justice of 10 November 2016, PPU Poltorak, C-452/16, ECLI:EU:C:2016:858, paragraph 35; and Judgment of the Court of Justice of 22 December 2010, DEB, C-279/09,

Amendment

(2) The rule of law requires that all public powers - ***including representatives of institutions such as the European Central Bank*** - act within the constraints set out by law, in accordance with the values of democracy and fundamental rights, and under the control of independent and impartial courts. It requires, in particular, that the principles of legality⁷, ***of*** legal certainty⁸, ***of the primacy of law over even international standards, of*** prohibition of arbitrariness of the executive powers⁹, ***of*** separation of powers¹⁰, and ***of*** effective judicial protection by independent courts¹¹ are respected¹².

⁷ Judgment of the Court of Justice of 29 April 2004, CAS Succhi di Frutta, C-496/99 PECLI:EU:C:2004:236, paragraph 63.

⁸ Judgment of the Court of Justice of 12 November 1981, Amministrazione delle finanze dello Stato v Srl Meridionale Industria Salumi and others Ditta Italo Orlandi & Figlio and Ditta Vincenzo Divella v Amministrazione delle finanze dello Stato. Joined cases 212 to 217/80, ECLI:EU:C:1981:270, paragraph 10.

⁹ Judgment of the Court of Justice of 21 September 1989, Hoechst, Joined cases 46/87 and 227/88, ECLI:EU:C:1989:337, paragraph 19.

¹⁰ Judgment of the Court of Justice of 10 November 2016, Kovalkovas, C-477/16, ECLI:EU:C:2016:861, paragraph 36; Judgment of the Court of Justice of 10 November 2016, PPU Poltorak, C-452/16, ECLI:EU:C:2016:858, paragraph 35; and Judgment of the Court of Justice of 22 December 2010, DEB, C-279/09,

ECLI:EU:C:2010:811, paragraph 58.

¹¹ Judgment of the Court of Justice of 27 February 2018, Associação Sindical dos Juízes Portugueses v Tribunal de Contas C-64/16, ECLI:EU:C:2018:117, paragraphs 31, 40-41.

¹² Communication from the Commission "A new EU Framework to strengthen the Rule of Law", COM(2014) 158 final, Annex I.

ECLI:EU:C:2010:811, paragraph 58.

¹¹ Judgment of the Court of Justice of 27 February 2018, Associação Sindical dos Juízes Portugueses v Tribunal de Contas C-64/16, ECLI:EU:C:2018:117, paragraphs 31, 40-41.

¹² Communication from the Commission "A new EU Framework to strengthen the Rule of Law", COM(2014) 158 final, Annex I.

Or. en

Amendment 60

Maria Grapini, Răzvan Popa

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The rule of law requires that all public powers act within the constraints set out by law, in accordance with the values of democracy and fundamental rights, and under the control of independent and impartial courts. It requires, in particular, that the principles of legality⁷, legal certainty⁸, prohibition of arbitrariness of the executive powers⁹, separation of powers¹⁰, and effective judicial protection¹¹ by independent courts are respected¹².

⁷ Judgment of the Court of Justice of 29 April 2004, CAS Succhi di Frutta, C-496/99 PECLI:EU:C:2004:236, paragraph 63.

⁸ Judgment of the Court of Justice of 12 November 1981, Amministrazione delle finanze dello Stato v Srl Meridionale Industria Salumi and others Ditta Italo Orlandi & Figlio and Ditta Vincenzo Divella v Amministrazione delle finanze

Amendment

2. The rule of law requires that all public powers act within the constraints set out by law, in accordance with the ***Constitution of each Member State, with the*** values of democracy and fundamental rights, and under the control of independent and impartial courts. It requires, in particular, that the principles of legality⁷, legal certainty⁸, prohibition of arbitrariness of the executive powers⁹, separation of powers¹⁰, and effective judicial protection¹¹ by independent courts are respected¹².

⁷ Judgment of the Court of Justice of 29 April 2004, CAS Succhi di Frutta, C-496/99 PECLI:EU:C:2004:236, paragraph 63.

⁸ Judgment of the Court of Justice of 12 November 1981, Amministrazione delle finanze dello Stato v Srl Meridionale Industria Salumi and others Ditta Italo Orlandi & Figlio and Ditta Vincenzo Divella v Amministrazione delle finanze

dello Stato. Joined cases 212 to 217/80, ECLI:EU:C:1981:270, paragraph 10.

⁹Judgment of the Court of Justice of 21 September 1989, Hoechst, Joined cases 46/87 and 227/88, ECLI:EU:C:1989:337, paragraph 19.

¹⁰Judgment of the Court of Justice of 10 November 2016, Kovalkovas, C-477/16, ECLI:EU:C:2016:861, paragraph 36; Judgment of the Court of Justice of 10 November 2016, PPU Poltorak, C-452/16, ECLI:EU:C:2016:858, paragraph 35; and Judgment of the Court of Justice of 22 December 2010, DEB, C-279/09, ECLI:EU:C:2010:811, paragraph 58.

¹¹ Judgment of the Court of Justice of 27 February 2018, Associação Sindical dos Juizes Portugueses v Tribunal de Contas C-64/16, ECLI:EU:C:2018:117, paragraphs 31, 40-41.

¹² Communication from the Commission "A new EU Framework to strengthen the Rule of Law", COM(2014) 158 final, Annex I.

dello Stato. Joined cases 212 to 217/80, ECLI:EU:C:1981:270, paragraph 10.

⁹Judgment of the Court of Justice of 21 September 1989, Hoechst, Joined cases 46/87 and 227/88, ECLI:EU:C:1989:337, paragraph 19.

¹⁰Judgment of the Court of Justice of 10 November 2016, Kovalkovas, C-477/16, ECLI:EU:C:2016:861, paragraph 36; Judgment of the Court of Justice of 10 November 2016, PPU Poltorak, C-452/16, ECLI:EU:C:2016:858, paragraph 35; and Judgment of the Court of Justice of 22 December 2010, DEB, C-279/09, ECLI:EU:C:2010:811, paragraph 58.

¹¹ Judgment of the Court of Justice of 27 February 2018, Associação Sindical dos Juizes Portugueses v Tribunal de Contas C-64/16, ECLI:EU:C:2018:117, paragraphs 31, 40-41.

¹² Communication from the Commission "A new EU Framework to strengthen the Rule of Law", COM(2014) 158 final, Annex I.

Or. ro

Amendment 61

Benedek Jávor

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The rule of law requires that all public powers act within the constraints set out by law, in accordance with the values of democracy and fundamental rights, and under the control of independent **and** impartial courts. It requires, in particular, that the principles of legality⁷, legal certainty⁸, prohibition of arbitrariness of the executive powers⁹, separation of powers¹⁰, and effective judicial protection

Amendment

(2) The rule of law requires that all public powers act within the constraints set out by law, in accordance with the values of democracy and fundamental rights, and under the control of independent, impartial **and effective** courts. It requires, in particular, that the principles of legality⁷, legal certainty⁸, prohibition of arbitrariness of the executive powers⁹, separation of powers¹⁰, and effective

by independent courts¹¹ are respected¹² .

⁷ Judgment of the Court of Justice of 29 April 2004, CAS Succhi di Frutta, C-496/99 PECLI:EU:C:2004:236, paragraph 63.

⁸ Judgment of the Court of Justice of 12 November 1981, Amministrazione delle finanze dello Stato v Srl Meridionale Industria Salumi and others Ditta Italo Orlandi & Figlio and Ditta Vincenzo Divella v Amministrazione delle finanze dello Stato. Joined cases 212 to 217/80, ECLI:EU:C:1981:270, paragraph 10.

⁹ Judgment of the Court of Justice of 21 September 1989, Hoechst, Joined cases 46/87 and 227/88, ECLI:EU:C:1989:337, paragraph 19.

¹⁰ Judgment of the Court of Justice of 10 November 2016, Kovalkovas, C-477/16, ECLI:EU:C:2016:861, paragraph 36; Judgment of the Court of Justice of 10 November 2016, PPU Poltorak, C-452/16, ECLI:EU:C:2016:858, paragraph 35; and Judgment of the Court of Justice of 22 December 2010, DEB, C-279/09, ECLI:EU:C:2010:811, paragraph 58.

¹¹ Judgment of the Court of Justice of 27 February 2018, Associação Sindical dos Juizes Portugueses v Tribunal de Contas C-64/16, ECLI:EU:C:2018:117, paragraphs 31, 40-41.

¹² Communication from the Commission "A new EU Framework to strengthen the Rule of Law", COM(2014) 158 final, Annex I.

judicial protection by independent courts¹¹ are respected¹² .

⁷ Judgment of the Court of Justice of 29 April 2004, CAS Succhi di Frutta, C-496/99 PECLI:EU:C:2004:236, paragraph 63.

⁸ Judgment of the Court of Justice of 12 November 1981, Amministrazione delle finanze dello Stato v Srl Meridionale Industria Salumi and others Ditta Italo Orlandi & Figlio and Ditta Vincenzo Divella v Amministrazione delle finanze dello Stato. Joined cases 212 to 217/80, ECLI:EU:C:1981:270, paragraph 10.

⁹ Judgment of the Court of Justice of 21 September 1989, Hoechst, Joined cases 46/87 and 227/88, ECLI:EU:C:1989:337, paragraph 19.

¹⁰ Judgment of the Court of Justice of 10 November 2016, Kovalkovas, C-477/16, ECLI:EU:C:2016:861, paragraph 36; Judgment of the Court of Justice of 10 November 2016, PPU Poltorak, C-452/16, ECLI:EU:C:2016:858, paragraph 35; and Judgment of the Court of Justice of 22 December 2010, DEB, C-279/09, ECLI:EU:C:2010:811, paragraph 58.

¹¹ Judgment of the Court of Justice of 27 February 2018, Associação Sindical dos Juizes Portugueses v Tribunal de Contas C-64/16, ECLI:EU:C:2018:117, paragraphs 31, 40-41.

¹² Communication from the Commission "A new EU Framework to strengthen the Rule of Law", COM(2014) 158 final, Annex I.

Or. en

Amendment 62
Răzvan Popa

Proposal for a regulation

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Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) The rule of law is based on the existence of a minimum body of conditions of which we can identify the following:

- autonomy of the law;***
- predictability;***
- separation of powers within the State;***
- constitutional power structure;***
- promotion of human rights;***
- benevolent, open and cooperative attitude on the part of the State towards civil society;***
- principle of separation of powers within the State upheld;***
- real and genuine democracy;***
- institutionalised and guaranteed human and civil rights;***
- a coherent and hierarchical legal order;***
- a system of internal regulation of public authorities through political, administrative hierarchical and judicial control;***
- control of the constitutionality of laws;***
- unrestricted access to justice and organisation of legal proceedings at several instances;***
- control of the constitutionality of laws;***
- control of legality of activities of public administration;***
- independent judiciary;***
- existence of the institution of ombudsman.***

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Recital 3

Amendment

(3) *The rule of law is a prerequisite for the protection of the other fundamental values on which the Union is founded, such as freedom, democracy, equality and respect for human rights. Respect for the rule of law is intrinsically linked to respect for democracy and for fundamental rights: there can be no democracy and respect for fundamental rights without respect for the rule of law and vice versa.*

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Recital 3

Amendment

(3) The *rule of law is a prerequisite for the protection of the other* fundamental values on which the Union is founded, *such as freedom, democracy, equality and respect for human rights. Respect for the rule of law is intrinsically linked to respect for democracy and for fundamental rights*: there can be no *democracy and respect for fundamental rights without respect for the rule of law and vice versa.*

(3) The fundamental values on which the Union is founded ***are*** intrinsically linked: there can be no ***hierarchy of values within the Union***.

Amendment 65
Luke Ming Flanagan

Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) The rule of law is a prerequisite for the protection of the other fundamental values on which the Union is founded, such as freedom, democracy, equality and respect for human rights. Respect for the rule of law is intrinsically linked to respect for democracy and for fundamental rights: there can be no democracy and respect for fundamental rights without respect for the rule of law and vice versa.

Amendment

(3) The rule of law is a prerequisite for the protection of the other fundamental values on which the Union is founded, such as freedom, democracy, equality and respect for human rights. Respect for the rule of law is intrinsically linked to respect for democracy and for fundamental rights: there can be no democracy and respect for fundamental rights without respect for the rule of law and vice versa. ***This applies particularly where a Member State has elected a sovereign government with a democratic mandate with which the senior officials of the various European Union institutions may not agree.***

Or. en

Amendment 66
Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation
Recital 4

Text proposed by the Commission

(4) Whenever the Member States implement the Union's budget, and whatever method of implementation they use, respect for the ***rule of law*** is an essential precondition to comply with the ***principles of*** sound financial management ***enshrined*** in Article 317 of the Treaty on the Functioning of the European Union.

Amendment

(4) Whenever the Member States implement the Union's budget, and whatever method of implementation they use, respect for the ***aforementioned common constitutional principles*** is an essential precondition to comply with the sound financial management ***referred to*** in Article 317 of the Treaty on the Functioning of the European Union.

Or. it

Amendment 67

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) Whenever the Member States implement the Union's budget, and whatever method of implementation they use, respect for the **rule of law** is an essential precondition to comply with the principles of sound financial management enshrined in Article 317 of the Treaty on the Functioning of the European Union.

Amendment

(4) Whenever the Member States implement the Union's budget, and whatever method of implementation they use, respect for the **Union values** is an essential precondition to comply with the principles of sound financial management enshrined in Article 317 of the Treaty on the Functioning of the European Union.

Or. en

Amendment 68

Luke Ming Flanagan

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) Whenever the Member States implement the Union's budget, and whatever method of implementation they use, respect for the rule of law is an essential precondition to comply with the principles of sound financial management enshrined in Article 317 of the Treaty on the Functioning of the European Union.

Amendment

(4) Whenever the Member States implement the Union's budget, and whatever method of implementation they use, respect for the rule of law is an essential precondition to comply with the principles of sound financial management enshrined in Article 317 of the Treaty on the Functioning of the European Union. ***In this regard, and whether implementing their own or the Union's budget, Member States with a democratic mandate with which senior officials of the various European Union institutions do not agree should not be prevented by any of those institutions from carrying out that mandate.***

Amendment 69

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 5

Text proposed by the Commission

Amendment

(5) Sound financial management can only be ensured by the Member States if public authorities act in accordance with the law, and if breaches thereof are effectively pursued by investigative and prosecution services, and if decisions of public authorities can be subject to effective judicial review by independent courts and by the Court of Justice of the European Union.

deleted

Amendment 70

Luke Ming Flanagan

Proposal for a regulation

Recital 5

Text proposed by the Commission

Amendment

(5) Sound financial management can only be ensured by the Member States if public authorities act in accordance with the law, and if breaches thereof are effectively pursued by investigative and prosecution services, and if decisions of public authorities can be subject to effective judicial review by independent courts and by the Court of Justice of the European Union.

(5) Sound financial management can only be ensured by the Member States if public authorities act in accordance with the law, and if breaches thereof are effectively pursued by investigative and prosecution services, and if decisions of public authorities can be subject to effective judicial review by independent courts and by the Court of Justice of the European Union. *This also extends to breaches of the law by the Union's own institutions, such as those which may have occurred in the ECB's dealings with Greece and the elected government led by*

Amendment 71

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 6

Text proposed by the Commission

Amendment

(6) *Judicial bodies should act independently and impartially and investigation and prosecution services should be able to properly execute their function. They should be endowed with sufficient resources and procedures to act effectively and in full respect of the right to a fair trial. These conditions are required as a minimum guarantee against unlawful and arbitrary decisions by public authorities that could harm the financial interests of the Union.* *deleted*

Amendment 72

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 7

Text proposed by the Commission

Amendment

(7) *The independence of the judiciary presupposes, in particular, that the body concerned is able to exercise its judicial functions wholly autonomously, without being subject to any hierarchical constraint or subordinated to any other body, and without taking orders or instructions from any source whatsoever,* *deleted*

and that it is thus protected against external interventions or pressure liable to impair the independent judgment of its members and to influence their decisions. The guarantees of independence and impartiality require rules, particularly as regards the composition of the body and the appointment, length of service and the grounds for rejection and dismissal of its members, in order to dismiss any reasonable doubt in the minds of individuals as to the imperviousness of that body to external factors and its neutrality with respect to the interests before it.

Or. en

Amendment 73
Dennis de Jong

Proposal for a regulation
Recital 7

Text proposed by the Commission

(7) The independence of the judiciary presupposes, in particular, that the body concerned is able to exercise its judicial functions wholly autonomously, without being subject to any hierarchical constraint or subordinated to any other body, and without taking orders or instructions from any source whatsoever, and that it is thus protected against external interventions or pressure liable to impair the independent judgment of its members and to influence their decisions. The guarantees of independence and impartiality require rules, particularly as regards the composition of the body and the appointment, length of service and the grounds for rejection and dismissal of its members, in order to dismiss any reasonable doubt in the minds of individuals as to the imperviousness of that body to external factors and its neutrality

Amendment

(7) The independence of the judiciary presupposes, in particular, that the body concerned is able to exercise its judicial functions wholly autonomously, without being subject to any hierarchical constraint or subordinated to any other body, and without taking orders or instructions from any source whatsoever, and that it is thus protected against external interventions or pressure liable to impair the independent judgment of its members and to influence their decisions. The guarantees of independence and impartiality require rules, particularly as regards the composition of the body and the appointment, length of service and the grounds for ***abstention***, rejection and dismissal of its members, in order to dismiss any reasonable doubt in the minds of individuals as to the imperviousness of that body to external factors and its

with respect to the interests before it.

neutrality with respect to the interests before it.

Or. en

Amendment 74

Răzvan Popa

Proposal for a regulation

Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) Respect for the rule of law is indispensable for the protection of all the fundamental values listed in Article 2 TEU. It is also an essential condition for the observance of all rights and obligations deriving from the Treaties and international law; respect for the rule of law is a prerequisite for EU membership.

Or. ro

Amendment 75

Benedek Jávor

Proposal for a regulation

Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) The independence of the prosecution and the judiciary comprises both the formal (de jure) and actual (de facto) independence of the prosecution and the judiciary and the individual prosecutors and judges.

Or. en

Amendment 76

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 8

Text proposed by the Commission

Amendment

(8) *Respect for the rule of law is not only important for citizens of the Union, but also for business initiatives, innovation, investment and the proper functioning of the internal market, which will flourish most where a solid legal and institutional framework is in place.*

deleted

Or. en

Amendment 77

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 8

Text proposed by the Commission

Amendment

(8) Respect for *the rule of law* is not only important for citizens of the Union, but also for business initiatives, innovation, investment and the proper functioning of the internal market, which will flourish most where a solid legal and institutional framework is in place.

(8) Respect for *these common constitutional principles* is not only important for citizens of the Union, but also for business initiatives, innovation, investment and the proper functioning of the internal market, which will flourish most where a solid legal and institutional framework is in place.

Or. it

Amendment 78

Benedek Jávor

Proposal for a regulation

Recital 8

Text proposed by the Commission

Amendment

(8) Respect for the rule of law is not only important for citizens of the Union,

(8) Respect for the rule of law is not only important for citizens of the Union,

but also for business initiatives, innovation, investment and the proper functioning of the internal market, which will flourish most where a solid legal and institutional framework is in place.

but also for business initiatives, innovation, investment, ***economic, social and territorial cohesion*** and the proper functioning of the internal market, which will flourish most where a solid legal and institutional framework is in place.

Or. en

Amendment 79
Eider Gardiazabal Rubial

Proposal for a regulation
Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) Social and fiscal dumping harm fair competition and endanger the financial interests of the Union. Therefore it needs to be prevented by the Member States.

Or. en

Amendment 80
Eider Gardiazabal Rubial

Proposal for a regulation
Recital 8 b (new)

Text proposed by the Commission

Amendment

(8b) Lack of transparency, arbitrary discrimination, distortion of competition and an uneven playing field within and outside the internal market, impact on the integrity of the single market and on the fairness, stability and legitimacy of the tax system, increased economic inequalities, unfair competition between states, social dissatisfaction, mistrust and democratic deficit are some of the negative effects of harmful tax practices.

Amendment 81

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 9

Text proposed by the Commission

Amendment

(9) Article 19 TEU, which gives concrete expression to the value of the rule of law stated in Article 2 TEU, requires the Member States to provide effective judicial protection in the fields covered by Union law, including those relating to the implementation of the Union's budget. The very existence of effective judicial review designed to ensure compliance with Union law is the essence of the rule of law and requires independent courts¹³. Maintaining the independence of the courts is essential, as confirmed by the second subparagraph of Article 47 of the Charter of Fundamental Rights of the European Union¹⁴. This is true, in particular, for the judicial review of the validity of the measures, contracts or other instruments giving rise to public expenditure or debts, inter alia in the context of public procurement procedures which may also be brought before the courts.

deleted

¹³ Case C-64/16, para 32-36.

¹⁴ Case C-64/16, para 40-41.

Amendment 82

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) Article 19 TEU, ***which gives concrete expression to the value of the rule of law stated in Article 2 TEU***, requires the Member States to provide effective judicial protection in the fields covered by Union law, including those relating to the implementation of the Union's budget. ***The very existence of effective judicial review designed to ensure compliance with Union law is the essence of the rule of law and requires independent courts***¹³. Maintaining the independence of the courts is essential, as confirmed by the second subparagraph of Article 47 of the Charter of Fundamental Rights of the European Union¹⁴. This is true, in particular, for the judicial review of the validity of the measures, contracts or other instruments giving rise to public expenditure or debts, inter alia in the context of public procurement procedures which may also be brought before the courts.

¹³ Case C-64/16, para 32-36.

¹⁴ Case C-64/16, para 40-41.

Amendment

(9) Article 19 TEU requires the Member States to provide effective judicial protection in the fields covered by Union law, including those relating to the implementation of the Union's budget. Maintaining the independence of the courts is essential, as confirmed by the second subparagraph of Article 47 of the Charter of Fundamental Rights of the European Union. This is true, in particular, for the judicial review of the validity of the measures, contracts or other instruments giving rise to public expenditure or debts, inter alia in the context of public procurement procedures which may also be brought before the courts.

Or. it

Amendment 83

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) ***There is hence a clear relationship between respect for the rule of law and an efficient implementation of the Union budget in accordance with the principles***

Amendment

deleted

of sound financial management.

Or. en

Amendment 84

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) There is hence a clear relationship between respect for the ***rule of law*** and an efficient implementation of the Union budget in accordance with the principles of sound financial management.

Amendment

(10) There is hence a clear relationship between respect for the ***principles of separation of state powers and of independence and impartiality in judicial review*** and an efficient implementation of the Union budget in accordance with the principles of sound financial management.

Or. it

Amendment 85

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) Generalised deficiencies in the Member States as regards the ***rule of law which affect in particular the proper functioning of public authorities and effective judicial review***, can seriously harm the financial interests of the Union.

Amendment

(11) Generalised deficiencies in the Member States as regards the ***Union values*** can seriously harm the financial interests of the Union.

Or. en

Amendment 86

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) Generalised deficiencies *in the Member States* as regards the *rule of law which affect in particular the* proper functioning of public authorities and effective judicial review, can seriously harm the financial interests of the Union.

Amendment

(11) Generalised deficiencies as regards the proper functioning of public authorities and effective judicial review, can seriously harm the financial interests of the Union.

Or. it

Amendment 87
Eider Gardiazabal Rubial

Proposal for a regulation
Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) *The scale of tax evasion and avoidance is estimated by the Commission to be up to EUR 1 trillion a year. The negative impacts of such practices on the Member States' and Union's budgets and on citizens are evident and could undermine trust in democracy.*

Or. en

Amendment 88
Anneli Jäätteenmäki, Sophia in 't Veld, Louis Michel

Proposal for a regulation
Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) *The Commission should be able to continuously monitor the state of the rule of law in the Member States and an EU mechanism on democracy, the rule of law and fundamental rights could be set up as requested by the European Parliament in*

its resolution of 25 October 2016^{1a}.

^{1a} European Parliament resolution of 25 October 2016 with recommendations to the Commission on the establishment of an EU mechanism on democracy, the rule of law and fundamental rights (2015/2254(INL)), OJ C 215, 19.6.2018, p. 162–177

Or. en

Amendment 89
Eider Gardiazabal Rubial

Proposal for a regulation
Recital 11 b (new)

Text proposed by the Commission

Amendment

(11b) Member States must comply with European competition law and ensure that tax legislation is compatible with the principles of the internal market and does not create distortion of competition.

Or. en

Amendment 90
Eider Gardiazabal Rubial

Proposal for a regulation
Recital 11 c (new)

Text proposed by the Commission

Amendment

(11c) Corporate tax avoidance has a direct impact on national and EU budgets and on the breakdown of the tax effort between categories of tax payers as well as between economic factors.

Or. en

Amendment 91
Eider Gardiazabal Rubial

Proposal for a regulation
Recital 11 d (new)

Text proposed by the Commission

Amendment

(11d) Member States should fully apply the principle of sincere cooperation in matters of tax competition.

Or. en

Amendment 92
Eider Gardiazabal Rubial

Proposal for a regulation
Recital 11 e (new)

Text proposed by the Commission

Amendment

(11e) The Commission as guardian of the Treaties should ensure that EU law and the principle of sincere cooperation between Member States are fully complied with.

Or. en

Amendment 93
Eider Gardiazabal Rubial

Proposal for a regulation
Recital 11 f (new)

Text proposed by the Commission

Amendment

(11f) Assessing and monitoring Member States' tax policies at Union level would ensure that no new harmful tax measures are implemented in Member States. Monitoring compliance of Member States, their jurisdictions, regions or other

administrative structures with the common Union list of non-cooperative jurisdictions would safeguard the single market and ensure its proper and coherent functioning.

Or. en

Amendment 94

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) The identification of a generalised deficiency requires a qualitative assessment by the Commission. That assessment *could* be based on the ***information from all available sources and recognized institutions, including judgments of the Court of Justice of the European Union, reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations and networks, such as the bodies of the Council of Europe and the European networks of supreme courts and councils for the judiciary.***

Amendment

(12) The identification of a generalised deficiency requires a qualitative ***and quantitative*** assessment by the Commission. That assessment ***should*** be based on the judgments of the Court of Justice of the European Union ***and*** reports of the Court of Auditors.

Or. it

Amendment 95

Benedek Jávor

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) The identification of a generalised deficiency requires a qualitative assessment by the Commission. ***That***

Amendment

(12) The identification of a generalised deficiency requires a qualitative assessment by the Commission. ***In order to***

assessment *could be* based on the information from all available sources and recognized institutions, including judgments of the Court of Justice of the European Union, reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations and networks, such as the bodies of the Council of Europe and the European networks of supreme courts and councils for the judiciary.

provide an objective and systematic assessment, the Commission should regularly publish an assessment of threats to the rule of law, including risks of systemic corruption, in each Member State based on a set of indicators and independent reports, including the information from all available sources and recognized institutions, including judgments of the Court of Justice of the European Union, reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations and networks, such as the bodies of the Council of Europe and the European networks of supreme courts and councils for the judiciary.

Or. en

Amendment 96

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) The identification of a generalised deficiency requires a qualitative assessment by the Commission. That assessment could be based on the information from all available sources and recognized institutions, including judgments of the Court of Justice of the European Union, reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations and networks, such as the bodies of the Council of Europe and the European networks of supreme courts and councils for the judiciary.

Amendment

(12) The identification of a generalised deficiency requires a qualitative assessment by the Commission, *assisted by a representative panel of independent experts*. That assessment *should be impartial and transparent*, and could be based on the information from all available sources and recognized institutions, including judgments of the Court of Justice of the European Union, reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations and networks, such as the bodies of the Council of Europe and the European networks of supreme courts and councils for the judiciary.

Or. en

Amendment 97

Benedek Jávor

Proposal for a regulation

Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) The Commission in its analysis of risks of systemic corruption in each Member State should include the following set of indicators: avoiding the publication of calls for tenders in the official public procurement journal, leaving little time for bidders to submit, changing the technical criteria of eligibility after publication, overly complex eligibility criteria (proxy of tailoring the conditions to a single company), use of invitation tenders, use of hard-to-quantify evaluation criteria (increasing room for discretion) with large weight, extremely short decision time (suggesting premeditation) or excessively long decision time due to legal challenge, single bid received on an otherwise competitive market, recurrent contract award to the same. The data should be received from the analysis of big data obtained from individual public procurement procedures and contract using data mining techniques.

Or. en

Amendment 98

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) When identifying generalised deficiencies, the Commission should bear

in mind that data concerning a higher number of reports generally equate to a more effective monitoring and control system and should not by themselves be regarded as indicators of a generalised deficiency.

Or. it

Amendment 99
Maria Grapini, Răzvan Popa

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) The possible measures to be adopted in the event of generalised deficiencies and the procedure to be followed to adopt them should be determined. Those measures ***should*** include the suspension of payments and of commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients.

Amendment

13. The possible ***equitable and proportionate*** measures to be adopted in the event of generalised deficiencies and the procedure to be followed to adopt them should be determined. Those measures ***may*** include the suspension of payments and of commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients, ***in the presence of irrefutable evidence.***

Or. ro

Amendment 100
Benedek Jávor

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) The possible measures to be adopted in the event of generalised deficiencies and the procedure to be followed to adopt them should be determined. Those measures should include the suspension of payments and of

Amendment

(13) The possible measures to be adopted in the event of generalised deficiencies and the procedure to be followed to adopt them should be determined. Those measures should include the ***change of shared management***

commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients.

to direct/indirect management, to reallocate funds to the Rights and Values Programme, and ultimately the suspension of payments and of commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients.

Or. en

Amendment 101

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) The possible measures to be adopted in the event of generalised deficiencies and the procedure to be followed to adopt them should be determined. Those measures should include the suspension of payments and of commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients.

Amendment

(13) The possible measures to be adopted in the event of generalised deficiencies and the procedure to be followed to adopt them should be determined. Those measures should include the *transfer of allocations, the replacement of recipients*, the suspension of payments and of commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients.

Or. en

Amendment 102

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) The possible measures to be adopted in the event of generalised

Amendment

(13) The possible measures to be adopted in the event of generalised

deficiencies and the procedure to be followed to adopt them should be determined. Those measures should include the suspension of payments and of commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients.

deficiencies and the procedure to be followed to adopt them should be determined, ***and an assessment made of the impact they will have on citizens in the Member State concerned. It is important to ensure that measures penalising actions or omissions by the state apparatus do not have an adverse effect on citizens.*** Those measures should include the suspension of payments and of commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients.

Or. it

Amendment 103

Ivana Maletić

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) The possible measures to be adopted in the event of generalised deficiencies and the procedure to be followed to adopt them should be determined. Those measures should include the suspension of payments and of commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients.

Amendment

(13) The possible measures to be adopted in the event of generalised deficiencies and the procedure to be followed to adopt them should be determined. Those measures should include the suspension of payments and of commitments, a reduction of funding under existing commitments, and a prohibition to conclude new commitments with recipients. ***In the case of ESI funds the measures defined in the Common Provisions Regulation should apply.***

Or. en

Amendment 104

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) The principle of proportionality should apply when determining the measures to be adopted, in particular taking into account the ***seriousness of the situation, the time which has elapsed since the relevant conduct started, its duration and its recurrence, the intention, and the degree of cooperation of the Member State concerned in putting an end to the generalised deficiency as regards the rule of law, and the effects of that deficiency on the respective Union funds.***

Amendment

(14) The principle of proportionality should apply when determining the measures to be adopted, in particular taking into account the effects of that deficiency on the respective Union funds ***and how citizens and businesses will be affected. The measures taken should in each case be restricted to those Union actions actually affected by the deficiencies identified.***

Or. it

Amendment 105

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) The principle of proportionality should apply when determining the measures to be adopted, in particular taking into account the seriousness of the situation, the time which has elapsed since the relevant conduct started, its duration and its recurrence, the intention, and the degree of cooperation of the Member State concerned in putting an end to the generalised deficiency as regards the ***rule of law***, and the effects of that deficiency on the respective Union funds.

Amendment

(14) The principle of proportionality should apply when determining the measures to be adopted, in particular taking into account the seriousness of the situation, the time which has elapsed since the relevant conduct started, its duration and its recurrence, the intention, and the degree of cooperation of the Member State concerned in putting an end to the generalised deficiency as regards the ***Union values***, and the effects of that deficiency on the respective Union funds.

Or. en

Amendment 106

Ivana Maletić

Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) The principle of proportionality should apply when determining the measures to be adopted, in particular taking into account the seriousness of the situation, the time which has elapsed since the relevant conduct started, its duration and its recurrence, the intention, and the degree of cooperation of the Member State concerned in putting an end to the generalised deficiency as regards the rule of law, and the effects of that deficiency on the respective Union funds.

Amendment

(14) The principle of proportionality should apply when determining the measures to be adopted, in particular taking into account the seriousness of the situation, the time which has elapsed since the relevant conduct started, its duration and its recurrence, the intention, and the degree of cooperation of the Member State concerned in putting an end to the generalised deficiency as regards the rule of law, and the effects of that deficiency on the respective Union funds. ***Any decision to enforce conditionality should provide serious guarantees, based on impact assessments, to ensure that final beneficiaries of EU funds are not adversely affected.***

Or. en

Amendment 107
Benedek Jávor

Proposal for a regulation
Recital 14 a (new)

Text proposed by the Commission

Amendment

(14 a) The rights of the final beneficiaries should be upheld and guaranteed when measures are executed, unless the final beneficiaries are involved in damaging the Union's financial interest in any way.

Or. en

Amendment 108
Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the **Council which should act on the basis of a Commission proposal. To facilitate the adoption of decisions which are required to protect the financial interests of the Union, reversed qualified majority voting should be used.**

Amendment

(15) In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the Commission.

Or. en

Amendment 109

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the Council which should act on the basis of a Commission proposal. To facilitate the adoption of decisions which are required to protect the financial interests of the Union, **reversed qualified majority voting** should be used.

Amendment

(15) In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the Council which should act on the basis of a Commission proposal **following a preliminary stage in which the Council and the Commission examine with the Member State the alleged deficiencies and the measures the Commission may require to remedy them.** To facilitate the adoption of decisions which are required to protect the financial interests of the Union, **a unanimous vote** should be used. **The European Parliament should be consulted**

before the measures provided for in this Regulation may be adopted.

Or. it

Amendment 110

Tamás Deutsch

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the Council which should act on the basis of a Commission proposal. To facilitate the adoption of decisions which are required to protect the financial interests of the Union, ***reversed qualified majority*** voting should be used.

Amendment

(15) In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the Council which should act on the basis of a Commission proposal. To facilitate the adoption of decisions which are required to protect the financial interests of the Union, ***unanimous*** voting should be used ***with the non-participation of the Member State concerned.***

Or. en

Amendment 111

Dennis de Jong

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the Council which should act on the basis of a Commission proposal. ***To facilitate the***

Amendment

(15) In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the Council which should act on the basis of a Commission proposal.

adoption of decisions which are required to protect the financial interests of the Union, reversed qualified majority voting should be used.

Or. en

Amendment 112

Maria Grapini, Răzvan Popa

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the Council which should act on the basis of a Commission proposal. To facilitate the adoption of decisions which are required to protect the financial interests of the Union, reversed qualified majority voting should be used.

Amendment

15. In order to ensure uniform implementation of this Regulation and in view of the importance of the financial effects of measures being imposed pursuant to this Regulation, implementing powers should be conferred on the Council which should act on the basis of a Commission proposal ***after consultation of the European Parliament.*** To facilitate the adoption of decisions which are required to protect the financial interests of the Union, reversed qualified majority voting should be used, ***based on a report by a group of neutral experts.***

Or. ro

Amendment 113

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 15 a (new)

Text proposed by the Commission

Amendment

(15a) In view of their effect on the Union budget, measures with budgetary impact imposed pursuant to this Regulation should only enter into force

after the European Parliament and the Council have approved a transfer in the budget of an amount equivalent to the value of the measures adopted. To facilitate the adoption of decisions which are required to protect the financial interests of the Union, such transfers should be considered to be approved unless, within a set period, the European Parliament or the Council, the latter acting by qualified majority, amend or reject them.

Or. en

Amendment 114
Dennis de Jong

Proposal for a regulation
Recital 15 a (new)

Text proposed by the Commission

Amendment

(15a) In order to ensure a swift decision on the measures which are required to protect the financial interests of the Union, provisional application should be made possible in the event of protracted discussions in the Council.

Or. en

Amendment 115

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation
Recital 16

Text proposed by the Commission

Amendment

(16) Before proposing the adoption of any measure pursuant to this Regulation, the Commission should inform the Member State concerned why it considers that *a generalised deficiency regarding the*

(16) Before proposing the adoption of any measure pursuant to this Regulation, the Commission should inform the Member State concerned why it considers that *the principles of separation of state*

rule of law might exist in that Member State. The Member State should be allowed to submit its observations. The Commission and the Council should take those observations into account.

powers and of independence and impartiality in judicial review may have been affected. The Member State should be allowed to submit its observations *contradicting the Commission's view.* The Commission and the Council should take those observations into account.

Or. it

Amendment 116

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) Before proposing the adoption of any measure pursuant to this Regulation, the Commission should inform the Member State concerned why it considers that a generalised deficiency regarding the *rule of law* might exist in that Member State. The Member State should be allowed to submit its observations. The Commission *and the Council* should take those observations into account.

Amendment

(16) Before proposing the adoption of any measure pursuant to this Regulation, the Commission should inform the Member State concerned why it considers that a generalised deficiency regarding the *Union values* might exist in that Member State. The Member State should be allowed to submit its observations. The Commission should take those observations into account.

Or. en

Amendment 117

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) The *Council* should lift measures with suspensive effect on a proposal from the Commission, if the situation leading to the imposition of those measures has been

Amendment

(17) The *Commission* should lift measures with suspensive effect on a proposal from the Commission, if the situation leading to the imposition of those

sufficiently remedied.

measures has been sufficiently remedied

Or. en

Amendment 118

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Recital 18

Text proposed by the Commission

Amendment

(18) The Commission should keep the European Parliament informed of any measures proposed and adopted pursuant to this Regulation,

deleted

Or. it

Amendment 119

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 1 – paragraph 1

Text proposed by the Commission

Amendment

This Regulation establishes the rules necessary for the protection of the Union's budget in the case of generalised deficiencies as regards the **rule of law** in the Member States.

This Regulation establishes the rules necessary for the protection of the Union's budget in the case of generalised deficiencies as regards the **principles of separation of state powers and of independence and impartiality in judicial review** in the Member States.

Or. it

Amendment 120

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 1

Text proposed by the Commission

This Regulation establishes the rules necessary for the protection of the Union's budget in the case of generalised deficiencies as regards the ***rule of law*** in the Member States.

Amendment

This Regulation establishes the rules necessary for the protection of the Union's budget in the case of generalised deficiencies as regards the ***Union values*** in the Member States.

Or. en

Amendment 121

Răzvan Popa

Proposal for a regulation

Article 1 – paragraph 1

Text proposed by the Commission

This Regulation establishes the rules necessary for the protection of the Union's budget in the case of generalised deficiencies as regards the rule of law in the Member States.

Amendment

This Regulation establishes the rules necessary for the protection of the Union's budget in the case of generalised deficiencies as regards the rule of law in the Member States; ***infringement procedures can only be launched by the Commission if such concerns relate at the same time to breach of a specific provision of EU law.***

Or. ro

Amendment 122

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 2 – paragraph 1 – point a

Text proposed by the Commission

(a) 'the rule of law' refers to the Union value enshrined in Article 2 of the Treaty on European Union which includes the principles of legality, implying a transparent, accountable, democratic and pluralistic process for enacting laws; legal certainty; prohibition

Amendment

deleted

*of arbitrariness of the executive powers;
effective judicial protection by
independent courts, including of
fundamental rights; separation of powers
and equality before the law;*

Or. it

Amendment 123

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 1 – point a

Text proposed by the Commission

(a) 'the ***rule of law***' refers to the Union ***value*** enshrined in Article 2 of the Treaty on European Union which ***includes the principles of legality, implying a transparent, accountable, democratic and pluralistic process for enacting laws; legal certainty; prohibition of arbitrariness of the executive powers; effective judicial protection by independent courts, including of fundamental rights; separation of powers and equality before the law;***

Amendment

(a) 'the ***Union values***' refers to the Union ***values*** enshrined in Article 2 of the Treaty on European Union which ***include respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities;***

Or. en

Amendment 124

Răzvan Popa

Proposal for a regulation

Article 2 – paragraph 1 – point a

Text proposed by the Commission

(a) 'the rule of law' refers to the Union value enshrined in Article 2 of the Treaty on European Union which includes the principles of legality, implying a transparent, accountable, democratic and

Amendment

(a) 'the rule of law' refers to the Union value enshrined in Article 2 of the Treaty on European Union which includes the principles of legality, implying a transparent, accountable, democratic and

pluralistic process for enacting laws; legal certainty; prohibition of arbitrariness of the executive powers; effective judicial protection by independent courts, including of fundamental rights; separation of powers and equality before the law;

pluralistic process for enacting laws; legal certainty; prohibition of arbitrariness of the executive powers; effective judicial protection by independent courts, including of fundamental rights; separation of powers and equality before the law;

The rules defining the 'rule of law' require:

- *a pyramid power structure and dissemination to a large number of bodies;*
- *public participation in the exercise of power through judicial control of compliance with the law by State organs and through redress against illegal acts by the authorities;*
- *guarantee of fundamental rights and freedoms of the individual;*
- *limit imposed on each of the three powers by the other two;*
- *political control exercised by elected assembly;*
- *separation of powers within the State;*
- *hierarchical structure of executive and judicial power, allowing for control the existing authority in the exercise thereof.*

Or. ro

Amendment 125

Benedek Jávor

Proposal for a regulation

Article 2 – paragraph 1 – point a

Text proposed by the Commission

(a) 'the rule of law' refers to the Union value enshrined in Article 2 of the Treaty on European Union which includes the principles of legality, implying a transparent, accountable, democratic and pluralistic process for enacting laws; legal certainty; prohibition of arbitrariness of the executive powers; effective judicial

Amendment

(a) 'the rule of law' refers to the Union value enshrined in Article 2 of the Treaty on European Union which includes the principles of legality, implying a transparent, accountable, democratic and pluralistic process for enacting laws; legal certainty; prohibition of arbitrariness of the executive powers; ***checks and balances***;

protection by independent courts, including of fundamental rights; separation of powers and equality before the law;

effective judicial protection by independent courts, including of fundamental rights; separation of powers and equality before the law;

Or. en

Amendment 126

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 1 – point b

Text proposed by the Commission

(b) 'generalised deficiency as regards the ***rule of law***' means ***a*** widespread or recurrent ***practice or omission, or measure*** by public authorities ***which affects the rule of law***;

Amendment

(b) 'generalised deficiency as regards the ***Union values***' means ***any situation where a systemic threat to the Union values may be established or where the Union values are directly or indirectly undermined in a systemic way either because of the combined impact of practices, omissions, measures or inactions by public authorities or because of widespread or recurrent practices, omissions, measures or inactions by public authorities resulting in undermining one or several components of the Union values***;

Or. en

Amendment 127

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 2 – paragraph 1 – point b

Text proposed by the Commission

(b) 'generalised deficiency as regards the ***rule of law***' means a widespread or recurrent practice or omission, or measure by public authorities which affects the ***rule***

Amendment

(b) 'generalised deficiency as regards the ***principles of separation of state powers and of independence and impartiality in judicial review***' means a

of law;

widespread or recurrent practice or omission, or measure by public authorities which affects the *principles of separation of state powers and of independence and impartiality in judicial review;*

Or. it

Amendment 128

Eider Gardiazabal Rubial

Proposal for a regulation

Article 2 – paragraph 1 – point b

Text proposed by the Commission

(b) 'generalised deficiency as regards the rule of law' means a widespread or recurrent practice or omission, or measure by public authorities which affects the rule of law;

Amendment

(b) 'generalised deficiency as regards the rule of law' means a widespread or recurrent practice or omission, or measure by public authorities which affects the *values of the respect for human dignity, freedom, democracy, equality, the rule of law and respect of human rights, including the rights of persons belonging to minorities, values that are common to Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail;*

Or. en

Amendment 129

Marian-Jean Marinescu

Proposal for a regulation

Article 2 – paragraph 1 – point c

Text proposed by the Commission

(c) 'government entity' means *all* public *authorities* at all levels of government, including national, regional and local authorities, as well as Member State organisations within the meaning of

Amendment

(c) 'government entity' means *any* public *authority* at all levels of government, including national, regional and local authorities, as well as Member State organisations within the meaning of

[point 42 of Article 2] of Regulation (EU, Euratom) No [...] (the ‘Financial Regulation’).

[point 42 of Article 2] of Regulation (EU, Euratom) No [...] (the ‘Financial Regulation’).

Or. en

Amendment 130

Anneli Jäätteenmäki, Louis Michel

Proposal for a regulation

Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Monitoring

The Commission shall continuously monitor and assess the correct implementation of the Union law and the respect of the rule of law.

Or. en

Amendment 131

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Measures

1. Appropriate measures shall be taken where a generalised deficiency as regards the Union values in a Member State affects or risks affecting the proper implementation of the EU budget, in particular the management and control activities, in accordance with the principles of sound financial management and the protection of the financial

interests of the Union, and where:

(a) the Commission activates the EU Rule of Law Framework;

(b) one third of the Member States, the European Parliament or the Commission submit a reasoned proposal to the Council in accordance with Article 7(1) TEU to determine that there is a clear risk of a serious breach by that Member State of the values referred to in Article 2 TEU;

(c) one third of the Member States or the Commission submit a reasoned proposal to the European Council in accordance with Article 7(2) TEU to determine the existence of a serious and persistent breach by that Member State of the values referred to in Article 2 TEU.

2. In the assessment of the state of generalised deficiencies as regards the Union values, the Commission shall be assisted by a representative panel of independent experts (Democracy, Rule of Law and Fundamental Rights Expert Panel). The Democracy, Rule of Law and Fundamental Rights Expert Panel shall assess the situation on the basis of a quantitative and qualitative review of the data and information available, including decisions of the Court of Justice of the European Union, reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations.

3. The assessment by the Democracy, Rule of Law and Fundamental Rights Expert Panel shall be made public by the Commission, including a justification and the methodology used.

Or. en

(See amendment relating to Article 3.)

Amendment 132
Marian-Jean Marinescu

Proposal for a regulation
Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Generalised deficiencies

The following may, in particular, be considered generalised deficiencies as regards the rule of law:

- (a) endangering the independence of judiciary;*
- (b) failing to prevent, correct and sanction arbitrary or unlawful decisions by public authorities, including by law enforcement authorities, withholding financial and human resources affecting their proper functioning or failing to ensure the absence of conflicts of interests;*
- (c) limiting the availability and effectiveness of legal remedies, including through restrictive procedural rules, lack of implementation of judgments, or limiting the effective investigation, prosecution or sanctioning of breaches of law.*

Or. en

(See amendment relating to Article 3 – paragraph 2.)

Amendment 133
Bart Staes, Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 3

Text proposed by the Commission

Amendment

Article 3

deleted

Measures

- 1. Appropriate measures shall be**

taken where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union, in particular:

- (a) the proper functioning of the authorities of that Member State implementing the Union budget, in particular in the context of public procurement or grant procedures, and when carrying out monitoring and controls;*
- (b) the proper functioning of investigation and public prosecution services in relation to the prosecution of fraud, corruption or other breaches of Union law relating to the implementation of the Union budget;*
- (c) the effective judicial review by independent courts of actions or omissions by the authorities referred to in points (a) and b);*
- (d) the prevention and sanctioning of fraud, corruption or other breaches of Union law relating to the implementation of the Union budget, and the imposition of effective and dissuasive penalties on recipients by national courts or by administrative authorities;*
- (e) the recovery of funds unduly paid;*
- (f) the effective and timely cooperation with the European Anti-fraud Office and with the European Public Prosecutor's Office in their investigations or prosecutions pursuant to their respective legal acts and to the principle of loyal cooperation.*

2. The following may, in particular, be considered generalised deficiencies as regards the rule of law,

- (a) endangering the independence of judiciary;*
- (b) failing to prevent, correct and sanction arbitrary or unlawful decisions*

by public authorities, including by law enforcement authorities, withholding financial and human resources affecting their proper functioning or failing to ensure the absence of conflicts of interests;

(c) limiting the availability and effectiveness of legal remedies, including through restrictive procedural rules, lack of implementation of judgments, or limiting the effective investigation, prosecution or sanctioning of breaches of law.

Or. en

(See amendment relating to Article 2 a (new).)

Amendment 134

Marian-Jean Marinescu

Proposal for a regulation

Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

1. Appropriate measures ***shall*** be taken where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union, in particular:

Amendment

1. Appropriate measures ***may*** be taken, ***by the government entities at the request of the Commission***, where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union, in particular:

Or. en

Amendment 135

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

1. Appropriate measures shall be taken where a generalised deficiency as regards the *rule of law* in a Member State affects *or risks affecting the principles of sound financial management or* the protection of the financial interests of the Union, in particular:

1. Appropriate measures shall be taken where a generalised deficiency as regards the *principles of separation of state powers and of independence and impartiality in judicial review* in a Member State affects the protection of the financial interests of the Union, in particular:

Or. it

Amendment 136
Maria Grapini, Răzvan Popa

Proposal for a regulation
Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

1. Appropriate measures shall be taken where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union, in particular:

Amendment

1. Appropriate *balanced and proportionate* measures shall be taken where a generalised deficiency as regards the rule of law in a Member State *under the Constitution* affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union, in particular:

Or. ro

Amendment 137
Tamás Deutsch

Proposal for a regulation
Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

1. Appropriate measures shall be taken where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the

Amendment

1. Appropriate measures shall be taken where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the

Union, in particular:

Union *by breach of secondary EU law*, in particular:

Or. en

Amendment 138

Dennis de Jong

Proposal for a regulation

Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

1. *Appropriate* measures shall be taken where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union, in particular:

Amendment

1. Measures *referred to in Article 4* shall be taken where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union, in particular:

Or. en

Amendment 139

Răzvan Popa

Proposal for a regulation

Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

1. *Appropriate* measures shall be taken where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union, in particular:

Amendment

1. Measures shall be taken where a generalised deficiency as regards the rule of law in a Member State affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union, in particular:

Or. ro

Justification

European fund management is a purely technical mechanism and cannot be linked to the rule of law, which falls into the purely political decision-making category, while the management and control structure is the domain of public service or technical staff alone.

Amendment 140

Răzvan Popa

Proposal for a regulation

Article 3 – paragraph 1 – point a

Text proposed by the Commission

Amendment

(a) the proper functioning of the authorities of that Member State implementing the Union budget, in particular in the context of public procurement or grant procedures, and when carrying out monitoring and controls;

deleted

Or. ro

Justification

Management and control regulations are already in place to identify deficiencies on the part of the Member State authorities responsible for implementing the EU budget, especially with regard to public procurement or grant award procedures (when monitoring and carrying out controls), which is also covered by management and control regulations. Such a measure may be considered as over-regulation in response to the same deficiencies.

Amendment 141

Marian-Jean Marinescu

Proposal for a regulation

Article 3 – paragraph 1 – point a

Text proposed by the Commission

Amendment

(a) the proper functioning of the authorities of that Member State implementing the Union budget, in particular in the context of public procurement or grant procedures, and when carrying out monitoring and controls;

*(a) **ensuring** the proper functioning of the authorities of that Member State implementing the Union budget, in particular in the context of public procurement or grant procedures, and when carrying out monitoring and controls;*

Amendment 142
Marian-Jean Marinescu

Proposal for a regulation
Article 3 – paragraph 1 – point b

Text proposed by the Commission

(b) the proper functioning of investigation and public prosecution services in relation to the prosecution of fraud, corruption or other breaches of Union law relating to the implementation of the Union budget;

Amendment

(b) **ensuring** the proper functioning of investigation and public prosecution services in relation to the prosecution of fraud, corruption or other breaches of Union law relating to the implementation of the Union budget;

Or. en

Amendment 143
Marian-Jean Marinescu

Proposal for a regulation
Article 3 – paragraph 1 – point c

Text proposed by the Commission

(c) **the** effective judicial review by independent courts of actions or omissions by the authorities referred to in points (a) and b);

Amendment

(c) **implementing an** effective judicial review by independent courts of actions or omissions by the authorities referred to in points (a) and b);

Or. en

Amendment 144
Marian-Jean Marinescu

Proposal for a regulation
Article 3 – paragraph 1 – point d

Text proposed by the Commission

(d) the prevention and sanctioning of fraud, corruption or other breaches of

Amendment

(d) **ensuring** the prevention and sanctioning of fraud, corruption or other

Union law relating to the implementation of the Union budget, and the imposition of effective and dissuasive penalties on recipients by national courts or by administrative authorities;

breaches of Union law relating to the implementation of the Union budget, and the imposition of effective and dissuasive penalties on recipients by national courts or by administrative authorities;

Or. en

Amendment 145

Răzvan Popa

Proposal for a regulation

Article 3 – paragraph 1 – point e

Text proposed by the Commission

Amendment

(e) *the recovery of funds unduly paid;* *deleted*

Or. ro

Justification

The Member State authorities involved in management and control are already subject to rules ensuring rigorous financial management (by the management, certification and audit authorities), so that any risk of damage to the EU budget is obviated through the functioning of the judicial system.

Amendment 146

Marian-Jean Marinescu

Proposal for a regulation

Article 3 – paragraph 1 – point e

Text proposed by the Commission

Amendment

(e) the recovery of funds unduly paid; (e) ***assuring*** the recovery of funds unduly paid;

Or. en

Amendment 147

Eider Gardiazabal Rubial

Proposal for a regulation
Article 3 – paragraph 1 – point e a (new)

Text proposed by the Commission

Amendment

(ea) the prevention and sanctioning of tax evasion and tax competition and the proper functioning of authorities contributing to administrative cooperation in tax matters;

Or. en

Amendment 148
Ingeborg Gräßle

Proposal for a regulation
Article 3 – paragraph 1 – point e a (new)

Text proposed by the Commission

Amendment

(ea) the proper functioning of authorities contributing to administrative cooperation in tax matters;

Or. en

Amendment 149
Răzvan Popa

Proposal for a regulation
Article 3 – paragraph 1 – point f

Text proposed by the Commission

Amendment

(f) the effective and timely cooperation with the European Anti-fraud Office **and with the European Public Prosecutor's Office** in **their** investigations or prosecutions pursuant to their respective legal acts and to the principle of loyal cooperation.

(f) the effective and timely cooperation with the European Anti-fraud Office in **its** investigations or prosecutions pursuant to their respective legal acts and to the principle of loyal cooperation.

Or. ro

Justification

The European Public Prosecutor's Office was established through enhanced cooperation and not all Member States are included. The proposal for a regulation in question would therefore not be applicable to all Member States where such deficiencies occur.

Amendment 150

Dennis de Jong

Proposal for a regulation

Article 3 – paragraph 1 – point f

Text proposed by the Commission

(f) the effective and timely cooperation with the European Anti-fraud Office and with the European Public Prosecutor's Office in their investigations or prosecutions pursuant to their respective legal acts and to the principle of loyal cooperation.

Amendment

(f) the effective and timely cooperation with the European Anti-fraud Office and, ***subject to the participation of the Member State concerned***, with the European Public Prosecutor's Office in their investigations or prosecutions pursuant to their respective legal acts and to the principle of loyal cooperation.

Or. en

Amendment 151

Marian-Jean Marinescu

Proposal for a regulation

Article 3 – paragraph 1 – point f

Text proposed by the Commission

(f) the effective and timely cooperation with the European Anti-fraud Office and with the European Public Prosecutor's Office in their investigations or prosecutions pursuant to their respective legal acts and to the principle of loyal cooperation.

Amendment

(f) ***providing*** the effective and timely cooperation with the European Anti-fraud Office and with the European Public Prosecutor's Office in their investigations or prosecutions pursuant to their respective legal acts and to the principle of loyal cooperation.

Or. en

Amendment 152

Tamás Deutsch

Proposal for a regulation

Article 3 – paragraph 1 – point f a (new)

Text proposed by the Commission

Amendment

(fa) fiscal discipline of Member States, notably the avoidance of excessive government deficits in line with Article 126 TFEU.

Or. en

Amendment 153

Marian-Jean Marinescu

Proposal for a regulation

Article 3 – paragraph 2

Text proposed by the Commission

Amendment

2. The following may, in particular, be considered generalised deficiencies as regards the rule of law,

deleted

(a) endangering the independence of judiciary;

(b) failing to prevent, correct and sanction arbitrary or unlawful decisions by public authorities, including by law enforcement authorities, withholding financial and human resources affecting their proper functioning or failing to ensure the absence of conflicts of interests;

(c) limiting the availability and effectiveness of legal remedies, including through restrictive procedural rules, lack of implementation of judgments, or limiting the effective investigation, prosecution or sanctioning of breaches of law.

Or. en

(See amendment relating to Article 2 a (new).)

Amendment 154

Tamás Deutsch

Proposal for a regulation

Article 3 – paragraph 2 – point c

Text proposed by the Commission

(c) limiting the availability and effectiveness of legal remedies, including through restrictive procedural rules, lack of implementation of judgments, or limiting the effective investigation, prosecution or sanctioning of breaches of law.

Amendment

(c) limiting the availability and effectiveness of legal remedies, including through restrictive procedural rules, lack of implementation of judgments, ***with particular focus on decisions of the Court of Justice of the European Union deriving from infringement procedures***, or limiting the effective investigation, prosecution or sanctioning of breaches of law.

Or. en

Amendment 155

Jens Geier, Sylvia-Yvonne Kaufmann

Proposal for a regulation

Article 3 – paragraph 2 – point c

Text proposed by the Commission

(c) limiting the availability and effectiveness of legal remedies, including through restrictive procedural rules, lack of implementation of judgments, or limiting the effective investigation, prosecution or sanctioning of breaches of law.

Amendment

(c) limiting the availability and effectiveness of legal remedies, including through restrictive procedural rules, lack of implementation of judgments, or limiting the effective investigation, prosecution or sanctioning of breaches of law ***and action which erodes the independence of lawyers and encroaches on safeguards for confidential communication between lawyers and their clients.***

Or. de

Amendment 156

Monika Hohlmeier

Proposal for a regulation

Article 3 – paragraph 2 – point c a (new)

Text proposed by the Commission

Amendment

(ca) measures interfering with the independence of the attorneyship;

Or. en

Amendment 157

Monika Hohlmeier

Proposal for a regulation

Article 3 – paragraph 2 – point c b (new)

Text proposed by the Commission

Amendment

(cb) measures that weaken the protection of the confidential communication between lawyer and client.

Or. en

Amendment 158

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 3 a (new)

Text proposed by the Commission

Amendment

Article 3a

Democracy, Rule of Law and Fundamental Rights Expert Panel

1. The Democracy, Rule of Law and Fundamental Rights Expert Panel shall be composed of the following members:

(a) one independent expert designated by the parliament of each Member State; the members of the expert panel shall be qualified constitutional court or supreme court judges, not currently in active

service;

(b) ten further experts designated by the European Parliament by a majority of two-thirds of the votes cast, chosen from a list of experts nominated by:

(i) the federation of All European Academies (ALLEA);

(ii) the European Network of National Human Rights Institutions (ENNHRI);

(iii) the Council of Europe (including the Venice Commission, GRECO and the Council of Europe Commissioner for Human Rights);

(iv) CEPEJ and the Council of Law and Bar Societies Europe (CCBE);

(v) the United Nations (UN), the OSCE and the Organisation for Economic Co-operation and Development (OECD).

2. The composition of the Democracy, Rule of Law and Fundamental Rights Expert Panel shall ensure gender balance.

Or. en

Amendment 159

Dennis de Jong

Proposal for a regulation

Article 4 – title

Text proposed by the Commission

Content of measures

Amendment

Measures ***for the protection of the Union's budget***

Or. en

Amendment 160

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation
Article 4 – paragraph -1 (new)

Text proposed by the Commission

Amendment

-1. In cases referred to in point (a) of Article 2a(1), one or more of the following appropriate measures may be adopted:

(a) where the Commission implements the Union's budget in shared management pursuant to point (b) of Article 62 of the Financial Regulation, a modification of the method to implement the budget from shared to direct management;

(b) where the Commission implements the Union's budget in indirect management pursuant to point (c) of Article 62 of the Financial Regulation, and where a Member State organisation which is responsible for the deficiencies as regards the Union values is involved in the management of the funds:

(i) a replacement of the entity implementing the budget for the benefit of strengthening the Union values in the Member State concerned;

(ii) a modification of the method to implement the budget from indirect to direct management.

Or. en

Amendment 161
Bart Staes, Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 4 – paragraph -1 a (new)

Text proposed by the Commission

Amendment

-1a. In cases referred to in point (b) of Article 2a(1), one or more of the following

appropriate measures may be adopted:

(a) where the Commission implements the Union's budget in direct management pursuant to point(a) of Article 62 of the Financial Regulation, and where a government entity is the recipient:

(i) a transfer of financial allocations from the programme to any other instrument for the benefit of strengthening the Union values in the Member State concerned;

(ii) a replacement of the recipient by another government entity or a different entity for the benefit of strengthening the Union values in the Member State concerned;

(b) where the Commission implements the Union's budget in shared management pursuant to point (b) of Article 62 of the Financial Regulation:

(i) a transfer of financial allocations from the programme to another programme for the benefit of strengthening the Union values in the Member State concerned;

(ii) measures referred to in point (a) of Article 4(-1);

(c) where the Commission implements the Union's budget in indirect management pursuant to point (c) of Article 62 of the Financial Regulation, and where a Member State organisation which is responsible for the deficiencies as regards the Union values is involved in the management of the funds:

(i) a transfer of financial allocations from the programme to another programme for the benefit of strengthening the Union values in the Member State concerned;

(ii) measures referred to in point (b) of Article 4(-1);

(d) where the Commission implements the Union's budget in indirect

management pursuant to points (c) of Article 62 of the Financial Regulation, and where a Member State organisation is the recipient, a transfer of financial allocations from the programme to another programme for the benefit of strengthening the Union values in the Member State concerned.

Or. en

Amendment 162

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 4 – paragraph 1 – introductory part

Text proposed by the Commission

1. One or more of the following appropriate measures may be adopted

Amendment

1. *In cases referred to in point (c) of Article 2a(1),* one or more of the following appropriate measures may be adopted

Or. en

Amendment 163

Dennis de Jong

Proposal for a regulation

Article 4 – paragraph 1 – introductory part

Text proposed by the Commission

1. One or more of the following *appropriate* measures may be adopted

Amendment

1. *When the conditions of Article 3 are fulfilled,* one or more of the following measures may be adopted

Or. en

Amendment 164

Benedek Jávor

Proposal for a regulation

Article 4 – paragraph 1 – point a – point -1 (new)

Text proposed by the Commission

Amendment

(-1) reallocating payments to the Rights and Values Programme;

Or. en

Amendment 165

Marian-Jean Marinescu

Proposal for a regulation

Article 4 – paragraph 1 – point a – point 1

Text proposed by the Commission

Amendment

(1) a suspension of payments or of the implementation of the legal commitment or a termination of the legal commitment pursuant to Article [131(3)] of the Financial Regulation;

(1) a suspension of payments or of the implementation of the legal commitment or a termination of the legal commitment pursuant to Article [131(3)] of the Financial Regulation ***for/with the respective government entity;***

Or. en

Amendment 166

Marian-Jean Marinescu

Proposal for a regulation

Article 4 – paragraph 1 – point a – point 2

Text proposed by the Commission

Amendment

(2) a prohibition to enter into new legal commitments;

(2) a prohibition to enter into new legal commitments ***for the respective government entity;***

Or. en

Amendment 167

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 4 – paragraph 1 – point a – point 2 a (new)

Text proposed by the Commission

Amendment

(2a) measures referred to in point (a) of Article 4(-1a).

Or. en

Amendment 168

Ivana Maletić

Proposal for a regulation

Article 4 – paragraph 1 – point b – introductory part

Text proposed by the Commission

Amendment

(b) where the Commission implements the Union's budget in shared management pursuant to [point (b) of Article 62] of the Financial Regulation:

(b) where the Commission implements the Union's budget in shared management pursuant to [point (b) of Article 62] of the Financial Regulation, ***except for the ESI funds where the measures defined in the Common Provisions Regulation shall apply:***

Or. en

Amendment 169

Benedek Jávor

Proposal for a regulation

Article 4 – paragraph 1 – point b – point -1 (new)

Text proposed by the Commission

Amendment

(-1) taking the funds of one or more programmes into direct or indirect management of the Commission;

Or. en

Amendment 170
Benedek Jávor

Proposal for a regulation
Article 4 – paragraph 1 – point b – point -1 a (new)

Text proposed by the Commission

Amendment

**(-1a) reallocating payments to the
Rights and Values Programme;**

Or. en

Amendment 171
Răzvan Popa

Proposal for a regulation
Article 4 – paragraph 1 – point b – point 1

Text proposed by the Commission

Amendment

(1) a suspension of the approval of one or more programmes or an amendment thereof; **deleted**

Or. ro

Justification

Sanctiunile propuse pentru programele cu gestiune partajată sunt mult mai numeroase față de perioada precedentă și vizează și suspendarea procedurilor de aprobare și modificare a programelor, reducerea angajamentelor și a pre-finanțărilor sau întreruperea termenelor de plată. Este necesară eliminarea măsurilor cu impact substanțial în derularea operațiunilor finanțate din FESI pentru reducerea decalajelor de dezvoltare între regiuni și între Statele Membre, obiectiv ce nu poate fi îndeplinit prin aplicarea măsurilor aferente legăturii cu statul de drept. Există deja constrângeri în ceea ce privește efectuarea plătilor de către COM referitoare la îndeplinirea condițiilor prealabile.

Amendment 172
Marian-Jean Marinescu

Proposal for a regulation
Article 4 – paragraph 1 – point b – point 1

Text proposed by the Commission

Amendment

(1) a suspension of the approval of one or more programmes or an amendment thereof; *deleted*

Or. en

Amendment 173

Răzvan Popa

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 2

Text proposed by the Commission

Amendment

(2) a suspension of commitments; *deleted*

Or. ro

Justification

Sancțiunile propuse pentru programele cu gestiune partajată sunt mult mai numeroase față de perioada precedentă și vizează și suspendarea procedurilor de aprobare și modificare a programelor, reducerea angajamentelor și a pre-finanțărilor sau întreruperea termenelor de plată. Este necesară eliminarea măsurilor cu impact substanțial în derularea operațiunilor finanțate din FESI pentru reducerea decalajelor de dezvoltare între regiuni și între Statele Membre, obiectiv ce nu poate fi îndeplinit prin aplicarea măsurilor aferente legăturii cu statul de drept. Există deja constrângeri în ceea ce privește efectuarea plăților de către COM referitoare la îndeplinirea condițiilor prealabile.

Amendment 174

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 2

Text proposed by the Commission

Amendment

(2) a suspension of commitments; *deleted*

Or. it

Amendment 175

Marian-Jean Marinescu

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 2

Text proposed by the Commission

Amendment

(2) a suspension of commitments;

(2) a suspension of commitments **for one program;**

Or. en

Amendment 176

Răzvan Popa

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 3

Text proposed by the Commission

Amendment

(3) **a reduction of commitments, including through financial corrections or transfers to other spending programmes;**

deleted

Or. ro

Justification

Sanctiunile propuse pentru programele cu gestiune partajată sunt mult mai numeroase față de perioada precedentă și vizează și suspendarea procedurilor de aprobare și modificare a programelor, reducerea angajamentelor și a pre-finanțărilor sau întreruperea termenelor de plată. Este necesară eliminarea măsurilor cu impact substanțial în derularea operațiunilor finanțate din FESI pentru reducerea decalajelor de dezvoltare între regiuni și între Statele Membre, obiectiv ce nu poate fi îndeplinit prin aplicarea măsurilor aferente legăturii cu statul de drept. Există deja constrângeri în ceea ce privește efectuarea plăților de către COM referitoare la îndeplinirea condițiilor prealabile.

Amendment 177

Marian-Jean Marinescu

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 3

Text proposed by the Commission

Amendment

(3) a reduction of commitments,

(3) a reduction of commitments **for one**

including through financial corrections or transfers to other spending programmes;

programme, including through financial corrections or transfers to other spending programmes ***from the same Member State***;

Or. en

Amendment 178

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 3

Text proposed by the Commission

(3) a reduction of commitments, including through financial corrections or transfers to other spending programmes;

Amendment

(3) a reduction of commitments, ***restricted to the current year and for the amount of the deficiency detected***, including through financial corrections or transfers to other spending programmes;

Or. it

Amendment 179

Ivana Maletić

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 4

Text proposed by the Commission

(4) ***a reduction of pre-financing;***

Amendment

deleted

Or. en

Amendment 180

Răzvan Popa

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 4

Text proposed by the Commission

(4) ***a reduction of pre-financing;***

Amendment

deleted

Justification

Sanctiunile propuse pentru programele cu gestiune partajată sunt mult mai numeroase față de perioada precedentă și vizează și suspendarea procedurilor de aprobare și modificare a programelor, reducerea angajamentelor și a pre-finanțărilor sau întreruperea termenelor de plată. Este necesară eliminarea măsurilor cu impact substanțial în derularea operațiunilor finanțate din FESI pentru reducerea decalajelor de dezvoltare între regiuni și între Statele Membre, obiectiv ce nu poate fi îndeplinit prin aplicarea măsurilor aferente legăturii cu statul de drept. Există deja constrângeri în ceea ce privește efectuarea plăților de către COM referitoare la îndeplinirea condițiilor prealabile.

Amendment 181**Marian-Jean Marinescu****Proposal for a regulation****Article 4 – paragraph 1 – point b – point 4***Text proposed by the Commission*

(4) a reduction of pre-financing;

Amendment(4) a reduction of pre-financing ***for one program;***

Or. en

Amendment 182**Marian-Jean Marinescu****Proposal for a regulation****Article 4 – paragraph 1 – point b – point 5***Text proposed by the Commission*

(5) an interruption of payment deadlines;

Amendment(5) an interruption of payment deadlines ***for one program;***

Or. en

Amendment 183**Ivana Maletić****Proposal for a regulation****Article 4 – paragraph 1 – point b – point 6**

Text proposed by the Commission

Amendment

(6) a suspension of payments. *deleted*

Or. en

Amendment 184

Marian-Jean Marinescu

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 6

Text proposed by the Commission

Amendment

(6) a suspension of payments. (6) a suspension of payments *for one program.*

Or. en

Amendment 185

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 6 a (new)

Text proposed by the Commission

Amendment

(6a) measures referred to in point (b) of Article 4(-1a).

Or. en

Amendment 186

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 4 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(ba) where the Commission implements the Union's budget in indirect management pursuant to points (c) of Article 62 of the Financial Regulation, and where a Member State organisation which is responsible for the deficiencies as regards the Union values is involved in the management of the funds:

(i) a suspension of payments or of the implementation of the legal commitment or a termination of the legal commitment pursuant to Article 131(3) of the Financial Regulation;

(ii) a prohibition to enter into new legal commitments;

(iii) measures referred to in point (c) of Article 4(-1a).

Or. en

Amendment 187

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 4 – paragraph 1 – point b b (new)

Text proposed by the Commission

Amendment

(bb) where the Commission implements the Union's budget in indirect management pursuant to points (c) of Article 62 of the Financial Regulation, and where a Member State organisation is the recipient:

(i) a suspension of payments or of the implementation of the legal commitment or a termination of the legal commitment pursuant to Article 131(3) of the Financial Regulation;

(ii) a prohibition to enter into new legal commitments;

(iii) measures referred to in point (d) of Article 4(-1a).

Amendment 188

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 4 – paragraph 2

Text proposed by the Commission

2. ***Unless the decision adopting the measures provides otherwise***, the imposition of appropriate measures shall not affect the obligation of government entities referred to in ***point (a) of*** paragraph 1 or of Member States referred to in ***point (b) of*** paragraph 1 to implement the programme or fund affected by the measure, and in particular the obligation to make payments to final recipients or beneficiaries.

Amendment

2. The imposition of appropriate measures shall not affect the obligation of government entities referred to in paragraph ***-1a and*** 1 or of Member States referred to in paragraph ***-1a or*** 1 to implement the programme or fund affected by the measure, and in particular the obligation to make payments to final recipients or beneficiaries.

Amendment 189

Dennis de Jong

Proposal for a regulation

Article 4 – paragraph 2

Text proposed by the Commission

2. ***Unless the decision adopting the measures provides otherwise***, the imposition of ***appropriate*** measures shall not affect the obligation of government entities referred to in point (a) of paragraph 1 or of Member States referred to in point (b) of paragraph 1 to implement the programme or fund affected by the measure, and in particular the obligation to make payments to final recipients or beneficiaries.

Amendment

2. The imposition of ***the*** measures ***referred to in paragraph 1*** shall not affect the obligation of government entities referred to in point (a) of paragraph 1 or of Member States referred to in point (b) of paragraph 1 to implement the programme or fund affected by the measure, and in particular the obligation to make payments to final recipients or beneficiaries. ***Article 68, paragraph 1, point b of Regulation (EU, Euratom) No XXXX (Common Provisions Regulation) shall not apply.***

Amendment 190

Ivana Maletić

Proposal for a regulation

Article 4 – paragraph 2

Text proposed by the Commission

2. Unless the decision adopting the measures provides otherwise, the imposition of appropriate measures shall not affect the obligation of government entities referred to in point (a) of paragraph 1 or of Member States referred to in point (b) of paragraph 1 to implement the programme or fund affected by the measure, and in particular the obligation to make payments to final recipients or beneficiaries.

Amendment

2. Unless the decision adopting the measures provides otherwise, the imposition of appropriate measures shall not affect the obligation of government entities referred to in point (a) of paragraph 1 or of Member States referred to in point (b) of paragraph 1 to implement the programme or fund affected by the measure, and in particular the obligation to make payments to final recipients or beneficiaries. ***Any decision to enforce conditionality shall provide serious guarantees, based on impact assessments, to ensure that final beneficiaries of EU funds are not adversely affected.***

Or. en

Amendment 191

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 4 – paragraph 3

Text proposed by the Commission

3. The measures taken shall be ***proportionate*** to the ***nature, gravity and scope*** of the ***generalised*** deficiency ***as regards the rule of law***. They shall, ***insofar as possible***, target the Union actions affected or potentially affected by that deficiency.

Amendment

3. The measures taken shall be ***restricted*** to the ***extent*** of the deficiency ***identified***. They shall ***only*** target the Union actions affected or potentially affected by that deficiency.

Or. it

Amendment 192

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 4 – paragraph 3

Text proposed by the Commission

3. The measures taken shall be proportionate to the nature, gravity and scope of the generalised deficiency as regards the **rule of law**. They shall, insofar as possible, target the Union actions affected or potentially affected by that deficiency.

Amendment

3. The measures taken shall be proportionate to the nature, gravity and scope of the generalised deficiency as regards the **Union values**. They shall, insofar as possible, target the Union actions affected or potentially affected by that deficiency.

Or. en

Amendment 193

Dennis de Jong

Proposal for a regulation

Article 4 – paragraph 3

Text proposed by the Commission

3. The measures taken shall be proportionate to the nature, gravity and scope of the generalised deficiency as regards the rule of law. They shall, insofar as possible, target the Union actions affected or potentially affected by that deficiency.

Amendment

3. The measures taken shall be proportionate to the nature, gravity, **duration** and scope of the generalised deficiency as regards the rule of law. They shall, insofar as possible, target the Union actions affected or potentially affected by that deficiency.

Or. en

Amendment 194

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 4 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Before taking such measures, the Commission shall conduct a mandatory assessment of the impact of the measures on citizens, businesses and civil society in the Member State concerned.

Or. it

Amendment 195

Benedek Jávor

Proposal for a regulation

Article 5 – paragraph -1 (new)

Text proposed by the Commission

Amendment

-1. The Commission shall establish a risk assessment framework that assesses the state of the rule of law in all Member States, based on criteria laid down in Article 3. The Commission shall prepare and publish these assessments annually.

Or. en

Amendment 196

Benedek Jávor

Proposal for a regulation

Article 5 – paragraph -1 a (new)

Text proposed by the Commission

Amendment

-1a. The Commission in its risk assessment framework shall implement a system of continuously assessing the presence of corruption risks in the public procurement processes involving EU funds by analysing data on individual procurement processes and contracts, and by monitoring the ownership structure of recurrent contract winners with a large share of total contract value, with the aim

of detecting the channelling of EU funds to closed networks, if it occurs, and, in the case of Member States not participating in the European Public Prosecutor's Office, a system of regularly monitoring the follow-up to OLAF's recommendations made to the national prosecutorial authorities.

Or. en

Amendment 197

Răzvan Popa

Proposal for a regulation

Article 5 – paragraph 1

Text proposed by the Commission

1. Where the Commission finds that it has **reasonable** grounds to believe that the conditions of Article 3 are fulfilled, it shall send a written notification to that Member State, setting out the grounds on which it based its finding.

Amendment

1. Where the Commission finds that it has grounds to believe that the conditions of Article 3 are fulfilled, it shall send a written notification to that Member State, setting out the grounds on which it based its finding.

Or. ro

Amendment 198

Benedek Jávor

Proposal for a regulation

Article 5 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. If the European Parliament considers it necessary it may initiate the action of the European Commission set out in paragraph 1.

Or. en

Amendment 199

Răzvan Popa

Proposal for a regulation

Article 5 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall ensure equal treatment by concomitantly adopting similar and non-discriminatory measures applicable to all Member States.

Or. ro

Amendment 200

Benedek Jávor

Proposal for a regulation

Article 5 – paragraph 2

Text proposed by the Commission

Amendment

2. The Commission **may** take into account all relevant information, including decisions of the Court of Justice of the European Union, reports of the Court of Auditors, **and** conclusions and recommendations of relevant international organisations.

2. **Before resorting to a written notification pursuant to paragraph 1** the Commission **shall** take into account all relevant information, including decisions of the Court of Justice of the European Union, reports of the Court of Auditors. **The Commission shall take into account in particular:**

- (i) the Venice Commission’s Rule of Law Checklist;**
- (ii) the Council of Europe Recommendation CM/Rec (2010)12 ‘Judges: independence, efficiency and responsibilities’;**
- (iii) the Venice Commission Report on the Independence of the Judicial System Part I: the Independence of Judges (CDL-AD(2010)004);**
- (iv) the Venice Commission Report on Part II: the Prosecution Service (CDL-AD(2010)040);**
- (v) the relevant evaluation and compliance reports of the Group of States against Corruption (GRECO);**

- (vi) *the relevant anti-corruption recommendations of the European Semester;*
 - (vii) *the relevant findings of the EU Justice Scoreboard;*
 - (viii) *the reports and recommendations of OLAF.*
- The Commission may take into account:*
- (i) *the conclusions and recommendations of relevant international organisations;*
 - (ii) *the studies of the academia and other scientific institutions;*
 - (iii) *the findings of relevant non-governmental organisations.*

Or. en

Amendment 201

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 5 – paragraph 2

Text proposed by the Commission

2. The Commission *may* take into account all relevant information, including *decisions of the Court of Justice of the European Union, reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations.*

Amendment

2. The Commission *shall* take into account all relevant information, including *the assessment made by the Democracy, Rule of Law and Fundamental Rights Expert Panel.*

Or. en

Amendment 202

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 5 – paragraph 2

Text proposed by the Commission

Amendment

2. The Commission **may** take into account ***all relevant information, including*** decisions of the Court of Justice of the European Union, reports of the Court of Auditors, ***and conclusions and recommendations of relevant international organisations.***

2. The Commission **shall** take into account decisions of the Court of Justice of the European Union, ***and*** reports of the Court of Auditors.

Or. it

Amendment 203
Răzvan Popa

Proposal for a regulation
Article 5 – paragraph 2

Text proposed by the Commission

2. The Commission **may** take into account ***all relevant information, including*** decisions of the Court of Justice of the European Union, reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations.

Amendment

2. The Commission **shall** take into account decisions of the Court of Justice of the European Union, ***as well as*** reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations.

Or. ro

Amendment 204
Tamás Deutsch

Proposal for a regulation
Article 5 – paragraph 2

Text proposed by the Commission

2. The Commission may take into account all relevant information, including decisions of the Court of Justice of the European Union, reports of the Court of Auditors, and conclusions and recommendations of relevant international organisations.

Amendment

2. The Commission may take into account all relevant information, including decisions of the Court of Justice of the European Union, reports of the Court of Auditors, ***recommendations and decisions of the Commission related to procedures for excessive deficit of Member States,*** and conclusions and recommendations of relevant international organisations.

Amendment 205

Răzvan Popa

Proposal for a regulation

Article 5 – paragraph 3

Text proposed by the Commission

3. The Commission *may* request *any additional* information required for its assessment, *both before and after having made a finding pursuant to* paragraph 1.

Amendment

3. The Commission *shall* request *from the Member State concerned* additional information required for its assessment, *prior to notification of a finding referred to in* paragraph 1.

Or. ro

Amendment 206

Răzvan Popa

Proposal for a regulation

Article 5 – paragraph 4

Text proposed by the Commission

4. The Member State concerned shall provide all required information and may make observations within a time limit specified by the Commission, which shall not be less than 1 month from the date of *notification of the finding*. In its observations, the Member State may propose the adoption of remedial measures.

Amendment

4. The Member State concerned shall provide all required information and may make observations within a time limit specified by the Commission, which shall not be less than 1 month from the date of *the request*. In its observations, the Member State may propose the adoption of remedial measures.

Or. ro

207

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 5 – paragraph 5

Text proposed by the Commission

5. The Commission shall take into account the information received ***and any observations made by the Member State concerned***, as well as the ***adequacy of any proposed remedial measures***, when deciding whether or not to submit a proposal for a decision on the appropriate measures.

Amendment

5. The Commission shall ***hear the Member State concerned and shall*** take into account the information received ***previously***, as well as the ***results of the impact assessment conducted pursuant to Article 4(3a)***, when deciding whether or not to submit a proposal for a decision on the appropriate measures.

Or. it

Amendment 208
Dennis de Jong

Proposal for a regulation
Article 5 – paragraph 5

Text proposed by the Commission

5. The Commission shall take into account the information received and any observations made by the Member State concerned, as well as the adequacy of any proposed remedial measures, when deciding whether or not to submit a proposal for a decision on the ***appropriate*** measures.

Amendment

5. The Commission shall take into account the information received and any observations made by the Member State concerned, as well as the adequacy of any proposed remedial measures, when deciding whether or not to submit a proposal for a decision on ***any of*** the measures ***referred to in Article 4***.

Or. en

Amendment 209
Bart Staes, Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 5 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Where the appropriate measures decided by the Commission have an impact on the budgetary allocations, the Commission shall submit to the European

Parliament and to the Council a proposal to transfer the amount equivalent to the value of the measures.

Or. en

Amendment 210

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 5 – paragraph 6

Text proposed by the Commission

6. Where the Commission considers that the generalised deficiency as regards the ***rule of law*** is established, it shall ***submit a proposal for an implementing act*** on the appropriate measures ***to the Council***.

Amendment

6. Where the Commission considers that the generalised deficiency as regards the ***Union values*** is established, it shall ***adopt a decision*** on the appropriate measures ***by means of an implementing act. The Commission shall publish its proposal in the Official Journal including the justification and the methodology used in the procedure***

Or. en

Amendment 211

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 5 – paragraph 6

Text proposed by the Commission

6. Where the Commission considers that the generalised deficiency as regards the ***rule of law*** is established, it shall submit a proposal for an implementing act on the appropriate measures to the Council.

Amendment

6. Where the Commission considers that the generalised deficiency as regards the ***principles of separation of state powers and of independence and impartiality in judicial review*** is established, it shall submit a proposal for an implementing act on the appropriate measures to the Council.

Or. it

Amendment 212
Marian-Jean Marinescu

Proposal for a regulation
Article 5 – paragraph 6

Text proposed by the Commission

6. Where the Commission considers that the generalised deficiency as regards the rule of law is established, it shall submit a proposal for an implementing act on the appropriate measures to the Council.

Amendment

6. Where the Commission, ***after a period of evaluation of the effects of the application of the remedial measures***, considers that the generalised deficiency as regards the rule of law is established, it shall submit a proposal for an implementing act on the appropriate measures to the Council.

Or. en

Amendment 213
Maria Grapini, Răzvan Popa

Proposal for a regulation
Article 5 – paragraph 6

Text proposed by the Commission

6. Where the Commission considers that the generalised deficiency as regards the rule of law is established, it shall submit a proposal for an implementing act on the appropriate measures to the Council.

Amendment

6. Where the Commission considers that the generalised deficiency as regards the rule of law is established, it shall submit a proposal for an implementing act on the appropriate measures to the Council ***and Parliament***.

Or. ro

Amendment 214
Dennis de Jong

Proposal for a regulation
Article 5 – paragraph 6

Text proposed by the Commission

Amendment

6. Where the Commission considers that the generalised deficiency as regards the rule of law is established, it shall submit a proposal for an implementing act on the *appropriate* measures to the Council.

6. Where the Commission considers that the generalised deficiency as regards the rule of law is established, it shall submit a proposal for an implementing act on the measures *referred to in Article 4* to the Council.

Or. en

Amendment 215

Benedek Jávor

Proposal for a regulation

Article 5 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. The Commission shall publish its proposal in the Official Journal including the justification and the methodology used in the procedure.

Or. en

Amendment 216

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 5 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. The Council, in agreement with the Commission, shall open a preliminary stage in which the Commission shall examine with the Member State the alleged deficiencies and the measures the Commission may require to remedy them. The preliminary stage may not last for less than three months. Should the Council decide by simple majority that the Member State concerned has in the meantime remedied the deficiencies identified, the implementing act shall lapse automatically.

Amendment 217

Dennis de Jong

Proposal for a regulation

Article 5 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. At the same time as it adopts its proposal for an implementing act, as referred to in paragraph 6 of this Article, the Commission shall submit to the European Parliament and to the Council a proposal to transfer to a budgetary reserve an amount equivalent to the value of the measures adopted.

Or. en

Amendment 218

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 5 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. Where the appropriate measures decided by the Commission have an impact on the budgetary allocations, the Commission shall submit to the European Parliament and to the Council a proposal to transfer the amount equivalent to the value of the measures.

Or. en

Amendment 219

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation
Article 5 – paragraph 6 b (new)

Text proposed by the Commission

Amendment

6b. By way of derogation from Article 31(4) and (6) of the Financial Regulation, the European Parliament and the Council shall deliberate upon the transfer proposal within four weeks of its receipt by both institutions. The transfer proposal shall be considered to be approved unless, within the four-week period, the European Parliament, acting by majority of the votes cast, or the Council, acting by qualified majority, amend or reject it. If the European Parliament or the Council amend the transfer proposal, Article 31(8) of the Financial Regulation shall apply.

Or. en

Amendment 220
Marian-Jean Marinescu

Proposal for a regulation
Article 5 – paragraph 7

Text proposed by the Commission

Amendment

7. The decision shall be deemed to have been adopted by the Council, unless it decides, by qualified majority, to reject the Commission proposal within one month of its adoption by the Commission.

deleted

Or. en

Amendment 221
Bart Staes, Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 5 – paragraph 7

Text proposed by the Commission

Amendment

7. The decision shall be deemed to have been adopted by the Council, unless it decides, by qualified majority, to reject the Commission proposal within one month of its adoption by the Commission.

deleted

Or. en

Amendment 222

Dennis de Jong

Proposal for a regulation

Article 5 – paragraph 7

Text proposed by the Commission

Amendment

7. The decision shall be deemed to have been adopted by the Council, unless it decides, by qualified majority, to reject the Commission proposal within one month of its adoption by the Commission.

deleted

Or. en

Amendment 223

Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation

Article 5 – paragraph 7

Text proposed by the Commission

Amendment

7. The decision shall be deemed to have been adopted by the Council, unless it decides, by qualified majority, to reject the Commission proposal within one month of its adoption by the Commission.

7. The Council shall decide by unanimous vote on the Commission proposal within one month of the end of the preliminary stage.

Or. it

Amendment 224

Răzvan Popa

**Proposal for a regulation
Article 5 – paragraph 7**

Text proposed by the Commission

7. The decision shall be deemed to have been adopted by the Council, ***unless it decides, by qualified majority, to reject the Commission proposal*** within one month of its adoption by the Commission.

Amendment

7. The decision shall be deemed to have been adopted ***or rejected*** by the Council, ***acting unanimously, as for other measures imposing sanctions on Member States under the TFEU***, within one month of its adoption by the Commission.

Or. ro

**Amendment 225
Tamás Deutsch**

**Proposal for a regulation
Article 5 – paragraph 7**

Text proposed by the Commission

7. The decision shall be ***deemed to have been*** adopted by the Council, ***unless it decides, by qualified majority, to reject the Commission proposal within one month of its adoption by the Commission.***

Amendment

7. The decision shall be adopted by the Council, ***by unanimity with the non-participation of the Member State concerned.***

Or. en

**Amendment 226
Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo**

**Proposal for a regulation
Article 5 – paragraph 7 a (new)**

Text proposed by the Commission

Amendment

7a. The European Parliament shall adopt the proposal under the consent procedure.

Or. it

Amendment 227

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 5 – paragraph 8

Text proposed by the Commission

Amendment

8. *The Council, acting by a qualified majority, may amend the Commission's proposal and adopt the amended text as a Council decision.* *deleted*

Or. en

Amendment 228

Răzvan Popa

Proposal for a regulation

Article 5 – paragraph 8

Text proposed by the Commission

Amendment

8. The Council, acting *by a qualified majority*, may amend the Commission's proposal and adopt the amended text as a Council decision.

8. The Council, acting *unanimously*, may amend the Commission's proposal and adopt the amended text as a Council decision

Or. ro

Justification

The decision must be taken unanimously in Council, as for other MS sanction mechanisms under the TFEU.

Amendment 229

Tamás Deutsch

Proposal for a regulation

Article 5 – paragraph 8

Text proposed by the Commission

Amendment

8. The Council, acting by *a qualified majority*, may amend the Commission's

8. The Council, acting by *unanimity with the non-participation of the Member*

proposal and adopt the amended text as a Council decision.

State concerned may amend the Commission's proposal and adopt the amended text as a Council decision.

Or. en

Amendment 230
Marian-Jean Marinescu

Proposal for a regulation
Article 5 – paragraph 8

Text proposed by the Commission

8. The Council, acting by a qualified majority, may amend the Commission's proposal and adopt the amended text as a Council decision.

Amendment

8. The Council, acting by a qualified majority, ***may adopt the proposal of the Commission or*** may amend the Commission's proposal and adopt the amended text as a Council decision.

Or. en

Amendment 231
Dennis de Jong

Proposal for a regulation
Article 5 – paragraph 8

Text proposed by the Commission

8. The Council, acting by a qualified majority, may ***amend*** the Commission's proposal ***and adopt the*** amended ***text*** as a Council decision.

Amendment

8. The Council, acting by a qualified majority, may ***adopt*** the Commission's proposal, amended ***or otherwise***, as a Council decision.

Or. en

Amendment 232
Dennis de Jong

Proposal for a regulation
Article 5 – paragraph 8 a (new)

8a. *Where the Council reaches no decision within two months after the submission of the proposal by the Commission referred to in paragraph 6 of this Article, and until such time as the Council has decided, the Commission shall be empowered to apply the proposed measures provisionally.*

Or. en

Amendment 233

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 6 – paragraph 1

Text proposed by the Commission

1. The Member State concerned may, at any time, submit to the Commission evidence to show that the generalised deficiency as regards the **rule of law** has been remedied or has ceased to exist.

Amendment

1. The Member State concerned may, at any time, submit to the Commission evidence to show that the generalised deficiency as regards the **Union values** has been remedied or has ceased to exist

Or. en

Amendment 234

Dennis de Jong

Proposal for a regulation

Article 6 – paragraph 1

Text proposed by the Commission

1. The Member State concerned may, at any time, submit to the Commission evidence to show that the generalised deficiency as regards the rule of law has been remedied or has ceased to exist.

Amendment

1. The Member State concerned may, at any time, submit to the Commission evidence to show that the generalised deficiency as regards the rule of law has **sufficiently** been remedied or has ceased to exist.

Amendment 235**Bart Staes, Sven Giegold**

on behalf of the Verts/ALE Group

Proposal for a regulation**Article 6 – paragraph 2***Text proposed by the Commission*

2. The Commission shall assess the situation in **the** Member State concerned. Once the generalised deficiencies as regards the **rule of law** which on the grounds of which the appropriate measures were adopted cease to exist in full or in part, the Commission shall **submit to the Council a proposal for** a decision lifting those measures in full or in part. The procedure set out in **paragraphs 2, 4, 5, 6 and 7 of** Article 5 shall apply.

Amendment

2. **At the request of the Member State concerned or on its own initiative**, the Commission shall assess the situation in **that** Member State concerned, **assisted by the Democracy, Rule of Law and Fundamental Rights Expert Panel**. Once the generalised deficiencies as regards the **Union values** which on the grounds of which the appropriate measures were adopted cease to exist in full or in part, the Commission shall **adopt** a decision lifting those measures in full or in part. **At the same time as it adopts its decision, the Commission shall simultaneously submit to the European Parliament and to the Council a proposal to transfer the amount equivalent to the value of the measures.** The procedure set out in Article 5 shall apply

Or. en

Amendment 236**Marian-Jean Marinescu****Proposal for a regulation****Article 6 – paragraph 2***Text proposed by the Commission*

2. The Commission shall assess the situation in the Member State concerned. Once the generalised deficiencies as regards the rule of law which on the grounds of which the appropriate measures

Amendment

2. The Commission shall assess, **by one month from the date of receiving the Member State request**, the situation in the Member State concerned. Once the generalised deficiencies as regards the rule

were adopted cease to exist in full or in part, the Commission shall submit to the Council a proposal for a decision lifting those measures in full or in part. The procedure set out in paragraphs 2, 4, 5, 6 and 7 of Article 5 shall apply.

of law which on the grounds of which the appropriate measures were adopted cease to exist in full or in part, the Commission shall submit to the Council a proposal for a decision lifting those measures in full or in part. The procedure set out in paragraphs 2 and 8 of Article 5 shall apply.

Or. en

Amendment 237
Benedek Jávor

Proposal for a regulation
Article 6 – paragraph 2

Text proposed by the Commission

2. The Commission shall assess the situation in *the* Member State concerned. Once the generalised deficiencies as regards the rule of law which on the grounds of which the appropriate measures were adopted cease to exist in full or in part, the Commission shall submit to the Council a proposal for a decision lifting those measures in full or in part. The procedure set out in paragraphs 2, 4, 5, 6 and 7 of Article 5 shall apply.

Amendment

2. *At the request of the Member State concerned or on its own initiative*, the Commission shall assess the situation in *that* Member State concerned. Once the generalised deficiencies as regards the rule of law which on the grounds of which the appropriate measures were adopted cease to exist in full or in part, the Commission shall submit to the Council a proposal for a decision lifting those measures in full or in part. The procedure set out in paragraphs 2, 4, 5, 6 and 7 of Article 5 shall apply.

Or. en

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Laura Agea, Laura Ferrara, Rosa D'Amato, Ignazio Corrao, Fabio Massimo Castaldo

Proposal for a regulation
Article 7

Text proposed by the Commission

Article 7

Information of the European Parliament
The Commission shall immediately

Amendment

deleted

inform the European Parliament of any measures proposed or adopted pursuant to Articles 4 and 5

Or. it

Amendment 239

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 7 – title

Text proposed by the Commission

Amendment

Information of the European Parliament

Role of the European Parliament

Or. en

Amendment 240

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 7 – paragraph 1

Text proposed by the Commission

Amendment

The Commission shall immediately inform the European Parliament of any measures proposed or adopted pursuant to Articles 4 *and 5*

The Commission shall immediately inform the European Parliament of any measures proposed or adopted pursuant to Articles 4, *5 and 6*

Or. en

Amendment 241

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

In order to enhance the dialogue between

the Union institutions, in particular the European Parliament, the Council and the Commission, and to ensure greater transparency and accountability, the competent committee of the European Parliament may invite the President of the Council and the Commission and, where appropriate, the President of the European Council to appear before the committee to discuss decisions taken pursuant to this Regulation. The competent committee of the European Parliament may offer the opportunity to the Member State concerned by such decisions to participate in an exchange of views.

Or. en

Amendment 242

Bart Staes, Sven Giegold

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 8 – paragraph 1

Text proposed by the Commission

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. ***It shall apply from 1 January 2021.***

Amendment

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

Or. en