



Plenary sitting

B9-0511/2022

21.11.2022

MOTION FOR A RESOLUTION

to wind up the debate on the statement by the Commission

pursuant to Rule 132(2) of the Rules of Procedure

on the assessment of Hungary's compliance with the rule of law conditions under the Conditionality Regulation and state of play of the Hungarian RRP (2022/2935(RSP))

Petri Sarvamaa, Jeroen Lenaers

on behalf of the PPE Group

Eider Gardiazabal Rubial, Thijs Reuten, Lara Wolters, Gabriele Bischoff, Csaba Molnár, Birgit Sippel, Juan Fernando López Aguilar, Katarina Barley, Sylvie Guillaume

on behalf of the S&D Group

Moritz Körner, Katalin Cseh

on behalf of the Renew Group

Damian Boeselager, Gwendoline Delbos-Corfield, Daniel Freund

on behalf of the Verts/ALE Group

Younous Omarjee, Malin Björk

on behalf of The Left Group

B9-0511/2022

European Parliament resolution on the assessment of Hungary’s compliance with the rule of law conditions under the Conditionality Regulation and state of play of the Hungarian RRP (2022/2935(RSP))

The European Parliament,

- having regard to the Charter of Fundamental Rights of the European Union (hereinafter ‘the Charter’),
- having regard to the Treaty on European Union (TEU), in particular Articles 2, 4(3) and 7(1) thereof,
- having regard to the European Convention on Human Rights and the protocols thereto,
- having regard to the Universal Declaration of Human Rights,
- having regard to the international human rights treaties of the United Nations and the Council of Europe,
- having regard to Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget (Conditionality Regulation)¹,
- having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility²,
- having regard to Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy³,
- having regard to the judgment of the Court of Justice of the European Union (CJEU) of 3 June 2021 in case C-650/18 dismissing Hungary’s action against the Parliament’s resolution of 12 September 2018 triggering the procedure for determining the existence of a clear risk of a serious breach by a Member State, of the values on which the European Union is founded⁴,
- having regard to the country chapters on Hungary in the Commission’s annual Rule of

¹ OJ L 433I, 22.12.2020, p. 1.

² OJ L 57, 18.2.2021, p. 17.

³ OJ L 231, 30.6.2021, p. 159.

⁴ Judgment of 3 June 2021, Hungary v Parliament, C-650/18, ECLI:EU:C:2021:426.

Law Reports, in particular that of 2021 and 2022,

- having regard to the case-law of the CJEU,
 - having regard to its previous resolutions, notably those of 15 September 2022 on the proposal for a Council decision determining, pursuant to Article 7(1) of the Treaty on European Union, the existence of a clear risk of a serious breach by Hungary of the values on which the Union is founded⁵, of 9 June 2022 on the rule of law and the potential approval of the Polish national recovery plan (RRF)⁶, of 5 May 2022 on ongoing hearings under Article 7(1) TEU regarding Poland and Hungary⁷, of 10 March 2022 on the rule of law and the consequences of the ECJ ruling⁸, of 8 July 2021 on breaches of EU law and of the rights of LGBTIQ citizens in Hungary as a result of the legal changes adopted by the Hungarian Parliament⁹, and of 10 June 2021 on the rule of law situation in the European Union and the application of the Conditionality Regulation (EU, Euratom) 2020/2092¹⁰,
 - having regard to the written notification sent by the Commission to the Hungarian Government on 27 April 2022 in line with article 6(1) of the Conditionality Regulation,
 - having regard to the remedial measures submitted by the Hungarian Government to the Commission by letter dated 22 August 2022,
 - having regard to the Commission proposal of 18 September 2022 for a council implementing decision on measures for the protection of the Union budget against breaches of the principles of the rule of law in Hungary (COM(2022)0485),
 - having regard Hungary's ranking in World Justice Project 2022 Rule of Law Index (73rd out of 140 countries and last in the EU, European Free Trade Association and North America region),
 - having regard to Rule 132(2) of its Rules of Procedure,
- A. whereas 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 set out in Article 2 TEU, and as reflected in the Charter of Fundamental Rights of the EU and embedded in international human rights treaties; whereas those values, which are common to the Member States and to which all Member States have freely subscribed, constitute the foundation of the rights enjoyed by those living in the Union;
- B. whereas the measures under the Conditionality Regulation can be implemented by the Commission when breaches of the rule of law principles directly affect or seriously risk affecting the sound financial management of the Union;

⁵ Texts adopted, P9_TA(2022)0324.

⁶ Texts adopted, P9_TA(2022)0240.

⁷ Texts adopted, P9_TA(2022)0204.

⁸ OJ C 347, 9.9.2022, p. 168.

⁹ OJ C 99, 1.3.2022, p. 218.

¹⁰ OJ C 67, 8.2.2022, p. 86.

- C. whereas on the 18 September 2022 the Commission put forward budget protection measures under the Conditionality Regulation through a proposal for a Council implementing decision ensuring the protection of the EU's financial interests against breaches of the principles of the rule of law in Hungary, with the suspension of 65 % of the commitments for three programmes under the cohesion policy or, if applicable, the approval of the three programmes, as well as a prohibition to enter into legal commitments with the public interest trusts for programmes implemented in direct and indirect management;
- D. whereas the remedial measures adopted by the Hungarian Government are not sufficient to prove that breaches of the principles of the rule of law in Hungary no longer affect or seriously risk affecting the sound financial management of the Union budget or the protection of the financial interests of the Union nor are they adequate to remedy the limited set of deficiencies that the Commission chose to address in the draft Council implementing decision, and whereas even their full implementation seems unlikely to be adequate to remedy breaches of the rule of law affecting or seriously risking to affect the sound financial management of the EU budget in Hungary; whereas these remedial measures would not remedy other breaches of the principle of the rule of law in Hungary, beyond the scope of the regulation;
- E. whereas Hungary has decided not to participate in enhanced cooperation for the establishment of the European Public Prosecutor's Office;
1. Welcomes the decision to trigger the Conditionality Regulation in the case of Hungary, albeit after a long delay and with a too limited a scope;
 2. Is of the opinion that the 17 measures negotiated by the Commission and the Hungarian Government are not sufficient to address the existing systemic risk to the EU's financial interests;
 3. Calls on the Commission to point in its assessment to the continuing risk and to maintain the need for remedial measures in order to provide for grounds for the Council to approve by qualified majority the Commission proposal of 18 September 2022 for a Council implementing decision on measures for the protection of the Union budget against breaches of the principles of the rule of law in Hungary;
 4. Calls on the Council to adopt the measures under the Conditionality Regulation, as proposed by the Commission on 18 September 2022, and to lift the adopted measures only after seeing evidence that the conditions for the adoption of the measures are no longer fulfilled, namely that the remedial measures adopted by the Hungarian Government have had a sustainable effect in practice and in particular that no regression has been registered on already adopted measures; stresses that if these measures are reversed in the future, the Union should proceed to financial correction;
 5. Calls on the Commission to take immediate action under the Conditionality Regulation as regards other breaches of the rule of law, particularly those relating to the independence of the judiciary and other grounds addressed in the letter sent by the Commission to Hungary on 19 November 2021;
 6. Regrets the continued abuse by the Hungarian authorities of the EU's unanimity rule to

block crucial decisions with the objective of pressuring the Commission and Council to release EU funds, thereby delaying the EUR 18 billion Ukrainian aid package and the global minimum corporate tax rate; calls on the Commission and the Council to ensure that this does not have any impact on its decisions in relation to the Recovery and Resilience Facility (RRF) and rule of law conditionality;

7. Reiterates its call on the Commission to ensure that the final recipients or beneficiaries of EU funds are not deprived of these funds in the event that measures are applied under the Rule of Law Conditionality Mechanism, as set out in Article 5(4) and (5), of the Conditionality Regulation; calls on the Commission to find ways to distribute EU funds via local governments and NGOs if the government concerned does not cooperate regarding deficiencies in the rule of law;
8. Recalls that the purpose of the RRF is to boost recovery and resilience in the EU and its Member States, including Hungary; deplores the fact that, because of the Hungarian Government's actions, RRF funding has not reached yet the people and regions of Hungary nor local governments or civil society organisations, while the 26 other RRF plans have been approved; notes that there is a risk of misuse of funds under the RRF and reiterates its call for the Commission to refrain from giving a positive assessment of the Hungary's plan until it has fully complied with all recommendations in the field of the rule of law and until it has implemented all of the relevant judgments of the CJEU and European Court of Human Rights; expects the Commission to exclude any risks of programmes under cohesion policy contributing to the misuse of EU funds or to breaches of the rule of law before approving the partnership agreements and cohesion policy programmes;
9. Regrets the lack of information made available to Parliament regarding the negotiations between the Commission and the Hungarian authorities; expects the Commission to inform Parliament swiftly and regularly on any relevant developments; notes the importance of transparency also for European citizens, including Hungarian citizens for whom the stakes are incredibly high;
10. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.