



2021/2180(INI)

1.3.2022

OPINION

of the Committee on Budgets

for the Committee on Civil Liberties, Justice and Home Affairs

on the Commission's 2021 Rule of Law Report
(2021/2180(INI))

Rapporteur for opinion: Eider Gardiazabal Rubial

PA_NonLeg

SUGGESTIONS

The Committee on Budgets calls on the Committee on Civil Liberties, Justice and Home Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas 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 budget¹ (Rule of Law Conditionality Regulation) entered into force on 1 January 2021 and has been binding in its entirety and directly applicable in all Member States since that date;
1. Reiterates that the identification of breaches of the principles of the rule of law requires an objective, impartial, fair and thorough qualitative assessment by the Commission, which should take into account relevant information from available sources and recognised institutions; insists that the annual Rule of Law Report be used systematically for that assessment, taking into account the above-mentioned criteria;
 2. Reiterates its call on the Commission to take immediate action under the Rule of Law Conditionality Regulation by making full use of its existing investigative tools without further delay in order to address rule of law deficiencies in Member States that could affect or seriously risk affecting the sound financial management of the EU budget in a sufficiently direct way; calls on the Commission to apply the Common Provisions Regulation and Financial Regulation more stringently in order to tackle the discriminatory use of EU funds, in particular any use of a politically motivated nature;
 3. Recalls that the competences of Parliament's committees should be allocated on the basis of Annex VI to its Rules of Procedure when infringements under the Rule of Law Conditionality Regulation procedure are dealt with within Parliament for the purposes of measures targeting the budget in the event of violations of the rule of law in a Member State;
 4. Invites the Commission to set out recommendations to help the Member States mitigate the negative impact of the pandemic on the activities of the national courts and ensure compliance with one of the fundamental elements of the rule of law – an effective justice system;
 5. Welcomes the fact that the report assesses the state of the rule of law in every Member State; notes, however, that it fails to make a clear distinction between Member States with isolated shortcomings and those with systemic rule of law deficiencies; calls on the Commission to make this distinction clearer in future reports;
 6. Recalling its resolution of 8 July 2021 on the creation of guidelines for the application of the general regime of conditionality for the protection of the Union budget², insists that the Commission include in its annual Rule of Law Report a section dedicated to

¹ OJ L 433 I, 22.12.2020, p. 1.

² OJ C 99, 1.3.2022, p. 146.

cases where breaches of the rule of law in a Member State could affect or seriously risk affecting the sound financial management of the EU budget or the protection of the financial interests of the Union in a sufficiently direct way; insists, furthermore, that the findings of the annual Rule of Law Report should not be subject to further informal exchanges with the Member State concerned in the context of the notification procedure under Article 6(1) of the Rule of Law Conditionality Regulation;

7. Recalls that the Rule of Law Conditionality Regulation applies both to individual breaches of the principles of the rule of law and to ‘systemic’ breaches that are widespread or are a result of recurrent practices or omissions by public authorities, or general measures adopted by such authorities; regrets that the structure of the 2021 Rule of Law Report does not always lend itself to the effective identification of such systemic breaches and calls on the Commission to ensure that the scrutiny of such systemic breaches is fully reflected in the 2022 Rule of Law Report; calls on the Commission to take action in response to the breaches it has identified in its previous annual Rule of Law Reports;
8. Recalls that in accordance with the Rule of Law Conditionality Regulation, the rule of law must be understood in the light of the values and principles enshrined in Article 2 of the Treaty on European Union, including fundamental rights and non-discrimination; is of the opinion that persistent violations of democracy and fundamental rights, including attacks on freedom of the media and journalists, migrants, women’s rights, LGBTQIA+ rights and freedom of association and assembly, affect the projects that Member States decide to finance with EU funds and may have a sufficiently direct impact on the protection of the Union’s financial interests; calls on the Commission to act and to take this into account in the application of the regulation;
9. Recalls that legal certainty and adherence to rule of law standards are key prerequisites for economic activity; points out that in view of an increasing tendency towards protectionism, the use of discriminatory measures against foreign investors, and the increasingly arbitrary nature of decisions taken by public authorities in some Member States, the economic dimension of the rule of law should be given greater consideration as an integral part of the rule of law mechanism; regrets the fact that the structure of the 2021 Rule of Law Report does not serve the effective identification of such breaches in the economic sector and calls on the Commission to improve the annual report in this respect;
10. Believes that the principle of the rule of law and the risks for the EU budget in the event of a breach require a holistic approach for the protection of EU public funding; considers that the bodies tasked with ensuring the proper management of EU funds need to cooperate as effectively as possible; calls on all Member States that have not yet done so to participate in the European Public Prosecutor’s Office;
11. Welcomes the reflection on the resilience of justice systems and stresses that effective justice systems are essential for upholding the rule of law; recalls that the pandemic had a negative impact on both access to justice and the efficiency of national courts, including the partial closure of national courts and the use of digitalisation for some legal proceedings;

12. Calls on the Commission to ensure that its annual Rule of Law Reports also focus on any relevant country-specific recommendations for the European Semester, notably those linked to the independence of the judiciary and the public prosecutor and to fighting corruption and ensuring transparency and integrity;
13. Underlines the essential role played by civil society actors in swiftly identifying issues pertinent to the drafting of the annual Rule of Law Report and strongly insists that the Commission allows for proper consultation with reasonable timelines, notably excluding the winter holidays from the usual two-month period; calls on the Commission, furthermore, to reconsider the one-size-fits-all format of the questionnaire for providing input and to ensure that consultations are backed up by proper dialogue with the participating civil society organisations, whose input should be fully reflected in the report; encourages the Commission to seek further input from civil society on how to optimise the consultation process for future reports;
14. Is concerned by the spill-over effects of the erosion of media freedom with particular regard to the protection of the EU's financial interests; urges the Commission to provide an assessment of the efficiency and effectiveness of the national frameworks for the protection of media freedom and media pluralism with a particular focus on the role the media plays in fighting corruption; stresses the importance of assessing and monitoring the media situation in the Member States, in particular by examining any government measures designed to silence critical media and/or undermine freedom and pluralism, in order to prevent information from being concentrated further in the hands of a few, which could hamper the dissemination of free and independent information; considers that the Commission should focus such efforts on both public service media and the private sector in the Member States and the extent to which they are independent – both *de jure* and *de facto* – from national authorities, political parties or any other form of interference, and should identify situations where no assessment of potential conflicts of interest and of media concentration and transparency of media ownership was conducted; highlights the need to ensure that private media operators are financially independent and have the right conditions in which to operate sustainably in order to prevent the political capture of the media.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	28.2.2022
Result of final vote	+: 30 -: 5 0: 1
Members present for the final vote	Rasmus Andresen, Anna Bonfrisco, Olivier Chastel, Lefteris Christoforou, David Cormand, Paolo De Castro, Andor Deli, José Manuel Fernandes, Eider Gardiazabal Rubial, Alexandra Geese, Vlad Gheorghe, Valentino Grant, Francisco Guerreiro, Valérie Hayer, Eero Heinäluoma, Niclas Herbst, Monika Hohlmeier, Moritz Körner, Joachim Kuhs, Hélène Laporte, Pierre Larrouturou, Camilla Laureti, Janusz Lewandowski, Margarida Marques, Silvia Modig, Siegfried Mureşan, Victor Negrescu, Lefteris Nikolaou-Alavanos, Andrey Novakov, Jan Olbrycht, Dimitrios Papadimoulis, Karlo Ressler, Bogdan Rzońca, Nicolae Ştefănuţă, Nils Torvalds, Johan Van Overtveldt, Rainer Wieland, Angelika Winzig
Substitutes present for the final vote	Elisabetta Gualmini

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

30	+
PPE	Lefteris Christoforou, José Manuel Fernandes, Niclas Herbst, Monika Hohlmeier, Janusz Lewandowski, Siegfried Mureşan, Andrey Novakov, Jan Olbrycht, Karlo Ressler, Rainer Wieland, Angelika Winzig
Renew	Olivier Chastel, Vlad Gheorghe, Valérie Hayer, Moritz Körner, Nicolae Ştefănuţă, Nils Torvalds
S&D	Paolo De Castro, Eider Gardiazabal Rubial, Elisabetta Gualmini, Eero Heinäluoma, Pierre Larroustourou, Margarida Marques, Victor Negrescu
The Left	Silvia Modig, Dimitrios Papadimoulis
Verts/ALE	Rasmus Andresen, David Cormand, Alexandra Geese, Francisco Guerreiro

5	-
ECR	Bogdan Rzońca
ID	Valentino Grant, Hélène Laporte
NI	Andor Deli, Lefteris Nikolaou-Alavanos

1	0
ID	Joachim Kuhs

Key to symbols:

+ : in favour

- : against

0 : abstention