

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

2018/0136(COD) - 14/12/2020 - Committee recommendation tabled for plenary, 2nd reading

The Committee on Budgets and the Committee on Budgetary Control adopted the recommendation for second reading contained in the report by Petri SARVAMAA (EPP, FI) and Eider GARDIAZABAL RUBIAL (S&D, ES) on the Council position at first reading with a view to the adoption of a regulation of the European Parliament and of the Council on a general regime of conditionality for the protection of the Union Budget.

The competent committees recommended that the European Parliament approve the Council's position at first reading without amendment.

The Council's position at first reading reflects the agreement reached between the Parliament and the Council in the framework of the inter-institutional negotiations at the early second reading stage.

The proposed Regulation aims at establishing a general regime of conditionality for the protection of the EU budget where infringements of the principles of the rule of law in a Member State affect or are likely to affect in a sufficiently direct manner the sound financial management of the EU budget or the protection of the EU's financial interests.

In a joint statement annexed to the Recommendation, the Parliament, the Council and the Commission agreed to consider including the content of this Regulation into Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 (Financial Regulation) upon its next revision.

For its part, the Commission for its part will consider accompanying the report to the European Parliament and the Council on the application of the Regulation, if necessary, with appropriate proposals.