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) - 24/11/2022 - Text adopted by Parliament, single reading

The European Parliament adopted by 416 votes to 124, with 33 abstentions, a 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.

The resolution was tabled by the EPP, S&D, Renew, Greens/EFA and The Left groups.

Parliament welcomed the decision to trigger the Conditionality Regulation in the case of Hungary, albeit after a long delay and with a too limited a scope. It considered 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.

The Council is called on 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. If these measures are reversed in the future, the Union should proceed to financial correction.

The Commission should 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.

Parliament regretted 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.

Members reiterated their 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. They called 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.

Parliament regretted that due to the actions of the Hungarian government, the funding from the Recovery and Resilience Facility (RRF) has not yet reached the Hungarian population, Hungarian regions, local authorities or civil society organisations, while the other 26 plans under the RRF have been approved.

Noting that there is a risk of **misuse of RRF funds**, Parliament reiterated its call on the Commission to refrain from giving a positive assessment of Hungary's plan until it has fully complied with all recommendations in the field of the rule of law and has implemented all relevant rulings of the Court of Justice of the European Union and the European Court of Human Rights.

Lastly, Members expect the Commission to inform Parliament swiftly and regularly of any relevant developments in the negotiations between the Commission and the Hungarian authorities.