

Implementation of the rule of law conditionality regime

2025/2061(INI) - 18/12/2025 - Text adopted by Parliament, single reading

The European Parliament adopted by 386 votes to 184, with 15 abstentions, a resolution on the implementation of the rule of law conditionality regime.

Members stressed that the adoption of the Conditionality Regulation in 2020 is a core pillar for the protection of the EU budget against risks resulting from the rule of law breaches. However, they noted that its practical implementation remains insufficient and called for concrete improvements to ensure its full effectiveness.

Application of the Conditionality Regulation and problems identified

Parliament regretted that, following the entry into force of the Conditionality Regulation on 1 January 2021, the Commission did not immediately trigger Article 6(1) in reaction to the ongoing severe violations of the principles of the rule of law in some Member States. Recalling that Parliament has brought an action against the Commission before the CJEU under Article 265 TFEU for failing to fulfil its obligation to act and apply the regulation, Members stressed that it is essential for the Commission **to react in a timely manner, respecting clear internal timelines**, in order to protect the EU budget.

Members criticised the **lack of transparency in the Commission's assessments**, which either fail to produce proposed measures or result in the selection of an alternative instrument. They recommended that the Commission accept complaints in any written form and called for the establishment of a **confidential reporting portal** that protects the identity of whistleblowers and ensures their protection against retaliation.

The Commission and, where appropriate, the Council, should **act swiftly and transparently** if a link has been established between violations of the rule of law, or serious risks of such violations, and risks to the EU budget, and if the Member State concerned fails to take timely and effective measures to remedy the situation.

Reaffirming that the rule of law must never be treated as a bargaining chip, Members insisted that lengthy informal dialogues must not become a substitute for decisive action, and that **political deadlock or blackmailing, used to obstruct EU decision-making, must be firmly rejected**.

Parliament noted that the Council has decided to suspend 55% of the budgetary commitments made under three operational cohesion policy programmes for Hungary. The systemic and persistent nature of the breaches of the rule of law by the Hungarian government should lead to the suspension of a much larger proportion of EU funding. Members believe that **up to 100% of the funding could be suspended**. EU funds suspended under the conditionality regulation should only be released once the situation that led to the adoption of the measures has been integrally remedied.

Lastly, Parliament considered the **specific interaction arrangements** between the conditionality regulation and other instruments in the rule of law toolbox to be unclear, particularly the horizontal enabling condition on the Charter under the Common Provisions Regulation and the rule of law super milestones under the Recovery and Resilience Facility (RRF). It is concerned that this lack of transparency undermines trust in the unbiased application of the conditionality regulation.

Democratic scrutiny and transparency

Members noted that the regulation on conditionality empowers the Council - acting by qualified majority - to amend the Commission's proposal before measures are adopted, while **Parliament's role is limited** to ex post information, thus depriving it of any meaningful say in decisions that are key to protecting the EU's budget. They called for **better information sharing**, secure communication, measures to combat disinformation, support for civil society, and the protection of the ultimate beneficiaries of EU funds.

Recommendations for future improvements

Parliament believes that the regime should be applied **to the entire EU budget**, so that no EU expenditure escapes effective rule of law scrutiny. Some aspects of the application of the conditionality regulation should be improved **to increase the effectiveness and transparency of this tool**, as well as its coordination and consistency with other instruments in the rule of law toolbox.

The Commission is invited, *inter alia*, to:

- urgently revise the 2022 guidelines so as to address the risk of fund diversion or reallocation more directly;
- review its interpretation of the Conditionality Regulation as an instrument of last resort and to be generally more proactive in its use of the rule of law toolbox when warranted;
- systematically consider in its proportionality assessment the adverse consequences for (potential) final recipients and beneficiaries, specifically smaller ones, including universities, SMEs and civil society organisations;
- review how it can effectively fulfil its obligation to safeguard the legitimate financial interests of final recipients and beneficiaries, particularly those who suffer the consequences of rule of law deficiencies;
- further develop the link between preventive and reactive instruments and, on the basis of the findings of the annual rule of law report, to promptly launch coordinated infringement procedures;
- assess and report in the annual rule of law report on the potential risks to the EU budget posed by weaknesses in the rule of law regimes;
- justify its decisions not to propose measures under the Conditionality Regulation where country-specific recommendations with links to the EU budget remain unaddressed for a long time;
- reinforce its investigative capacity and adopt a more proactive approach in dealing with complaints;
- set up a permanent coordination framework involving all relevant EU agencies and bodies, to ensure early detection and effective investigation of fraud, money laundering and acts of corruption.

Deploring the overlaps with the conditionality mechanism introduced by the Commission's proposal for the 2028-2034 MFF, Parliament called for **a unified, coherent, and comprehensive framework** across all EU funding programmes under the conditionality regulation within the framework of the next MFF. It called on the Commission to consolidate all rule of law tools into a single framework that provides clear, objective, and transparent criteria for application and clarifies how it will ensure coordination between these tools.