



No EU money for autocrats - protect Europe's rule of law!

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2 [The European Union is founded on a set of shared principles, including the respect for fundamental](#)
3 [rights, democracy, and the rule of law. These common values are laid down in the Treaty on](#)
4 [European Union \(TEU\) and explicitly stipulated in the Preamble of the Charter of Fundamental](#)
5 [Rights of the European Union. However, democracy ~~Democracy~~ and the rule of law in Europe are in](#)
6 danger. The Hungarian government
7 is systematically dismantling democracy in Hungary. Prime Minister Viktor Orbán
8 bases his power in part on corruption and nepotism. Media freedom, [academic freedoms, space](#)
9 [for independent civil society organisations, independence of the judiciary](#), and the rights
10 of minorities and refugees have been severely restricted [with discriminating laws that violate](#)
11 [fundamental rights](#). He uses his veto power
12 as a nationalist instrument and thus restricts the European Union's unity and
13 ability to act. In recent years, similar attempts to threaten free media or
14 attack the judiciary have also been observed in other EU Member States.

15 In recent years, the Polish ruling party PiS embarked on a similar political
16 course that undermines judicial independence. Judgments of the European Court of
17 Justice (ECJ) [and the European Court of Human Rights](#) are regularly ignored. The PiS party has
18 attacked the rights of
19 women, members of the LGBTQI community, refugees and many others. EU
20 governments, which do not respect the rule of law and democratic values, should
21 face financial and political consequences. However, activation of the Article 7
22 mechanism, which can result in the withdrawal of voting rights for Member
23 States, is blocked in the Council as it requires a unanimous vote. The fight
24 against corruption and the misuse of EU funds must now be a top priority.

25 [Since 2001, the EU has a new mechanism to suspend, reduce or restrict Member States' access to](#)
26 [EU funding in case of serious breaches of the rule of law that affect or risk affecting EU financial](#)
27 [interests, which is, at this moment, the EU's tool with the most potential](#) ~~Linking the disbursement~~
28 ~~of EU funds to rule-of-law principles is the EU's most~~
29 ~~important contribution~~ to preventing Member States from drifting away from the
30 common consensus on values. ~~EU funds must not be misused to undermine the rule~~
31 ~~of law.~~

32 The European Commission and its President Ursula von der Leyen [personally](#) are the guardians
33 of the EU Treaties; the Commission is obliged to defend democracy and the rule
34 of law. It must use [all means at its disposal](#) ~~the necessary instruments~~ to do so, [including the](#)
35 [horizontal principles and enabling conditions in the current funding regulation](#). We welcome the
36 fact that
37 the EU Commission has now applied the conditionality regulation for the first
38 time
39 and wants to freeze €7.5 billion in EU funding to Hungary, [representing about a third of the total](#)
40 [amount of cohesion funds that Hungary is allocated until 2027](#). [The Council has to take a decision](#)



41 [via qualified majority on this proposal by 19 December 2022](#). It is very important
42 that this new instrument is used in an absolutely legally sound and court-proof
43 manner and will not be damaged.

44 Via the Recovery and Resilience Facility (RRF), a further €35.4 billion could
45 flow into Poland and €7.2 billion into Hungary. The responsible Council of EU
46 ministers conditionally approved the Polish recovery plan in June,
47 without the Polish government having carried out any significant judicial
48 reforms. If corresponding milestones are met, the €35.4 billion can now be
49 disbursed to the Polish government in tranches. However, these milestones are
50 controversial. Negotiations between the Commission and the Hungarian government
51 on the approval of Hungary's recovery plan [touched upon the rule of law as well are ongoing](#).

52 Europe must defend EU citizens' fundamental rights in all EU countries. We must
53 ensure that EU funds serve to strengthen prosperity, democracy and the rule of
54 law and do not disappear into the pockets of autocrats and their friends.

55 We demand:

56 - The EU Commission presses ahead with the suspension of EU funds in the ongoing
57 rule-of-law proceedings against the Hungarian government and [decides-proposes](#) to suspend
58 further payments in the event of continued violations of the rule of law.; [The European Commission](#)
59 [should also in its assessment. Of. implemented measures always take into account risks that](#)
60 [might persist in the long run](#)

61 - EU Member State governments actively advocate in the Council for such action
62 by the EU Commission to restore the rule of law and the independence of the
63 judiciary in Hungary;

64 [- The Council to adopt, without further delay, the European Commission proposal of suspending](#)
65 [65% of the main cohesion funds directed to Hungary, in line with the European Parliament](#)
66 [resolution of 24 november 2022; and also adopt sanctions under article 7 procedure initiated by EP](#)

67 - The Commission and the national governments only approve payment requests by
68 the Polish government under the RRF if the agreed milestones are [met-fully and effectively met and](#)
69 and the
70 related ECJ rulings are [fully effectively](#) implemented [also in order to minimise the risk of a reversal;](#)

71 - The Commission only approves the [payments under the](#) Hungarian recovery plan on the condition
72 that
73 the rule-of-law violations documented by the Commission are remedied [and all 27 agreed](#)
74 [milestones are fully implemented;](#)

75 - The national governments in the Council only approve the Hungarian recovery
76 plan if it ~~has~~ fully [complies with thee Regulation remedied all documented rule-of-law deficiencies;](#)

77 - The European Commission, as guardian of the Treaties, uses the existing rule-
78 of-law instruments consistently and in a timely manner, and enforces the ECJ's
79 rulings.