<u>Press release - MEPs ready to take</u> <u>Commission to court for failing to</u> <u>protect EU budget</u>



In a resolution adopted on Thursday by 529 votes in favour, 148 against and 10 abstentions, MEPs recall that the failure of member states to respect the rule of law may affect the integrity of the EU budget. They warn the European Commission that if it fails to fulfil its obligations under the legally-binding conditionality regulation and does not take all appropriate measures to defend the EU's financial interests and values, Parliament "will consider this to constitute a failure to act" and will take the Commission to court under Article 265 TFEU.

MEPs insist the existing <u>rules</u> on the rule of law must be applied and "cannot be subject to the adoption of guidelines", a move the Commission is currently preparing. If the Commission does deem such guidelines necessary, today's resolution requests they must be ready by 1 June 2021, and that Parliament should be consulted prior to their adoption. MEPs reiterate the importance of applying the Rule of Law mechanism without delay, particularly given its potential implications for the upcoming disbursement of the <u>NextGenerationEU</u> recovery fund.

Background

The resolution voted on by MEPs today is the conclusion of the <u>debate</u> held at the previous plenary session, where MEPs reminded the Commission that the rule-of-law conditionality mechanism has already been in force since 1 January 2021.

Almost all speakers in that debate reiterated that the Regulation is legally binding — regardless of the position adopted by the <u>European Council</u>, which carries no legal effect, and despite the ongoing legal actions before the

Court of Justice of the European Union, which do not have any suspensory effect. The rule-of-law conditionality mechanism is a new tool designed to protect EU funds from being misused by EU governments who are found to have failed to respect the principle of the rule of law.