EN E-007008/2020 Answer given by Mr Hahn on behalf of the European Commission (31.3.2021)

The Regulation on a general regime of conditionality for the protection of the Union budget (the "Regulation") is in force and applies as of 1 January 2021¹. The procedure for the adoption of measures is set out in the Regulation².

As is normal with new complex financial legislation, the Commission has started to draw up guidelines on the application of the Regulation. The Commission is aware that Poland and Hungary have challenged the validity of the Regulation before the Court of Justice of the European Union. The Commission will take the judgment into account when finalising the guidelines.

The Commission is fully committed to enforce the Regulation as from 1 January 2021. All relevant breaches affecting the sound financial management of the Union budget and the financial interests of the Union after that date will be covered. At the same time, the Commission does not envisage to propose measures for adoption by the Council pursuant to the Regulation before the guidelines have been adopted.

The Commission generally intervenes in support of the defence of the validity of legislative acts adopted pursuant to a Commission proposal, when a case is brought against them.

 $^{^1}$ Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget, OJ L 433I, 22.12.2020.

² Article 6 of Regulation (EU, Euratom) 2020/2092.