

The power struggle between the European Union and Hungary

A decade of tension

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16 February 2012

The **Resolution on the recent political developments in Hungary** adopted by the European Parliament

expresses "serious concern at the situation in Hungary in relation to the exercise of democracy, the rule of law, the respect and protection of human and social rights, the system of checks and balances, equality and non-discrimination."

✓
315 votes
in favour

✗
263 votes
against

49 abstentions

3 July 2013

The **Tavares Report**, adopted by the European Parliament

concludes that the Hungarian government's "systemic and general trend" of moving the goalposts is incompatible with the EU's fundamental values and "considers that – unless corrected in a timely and adequate manner – this trend will result in a clear risk of a serious breach" of these values.

✓
370 votes
in favour

✗
249 votes
against

82 abstentions



16 December 2020

The **Regulation of the European Parliament and of the Council on a general regime of conditionality for the protection of the Union budget**, adopted

It provides for the suspension of EU budget payments to a Member State which, due to its non-compliance with the principles of the rule of law, endangers (or risks endangering) the EU's financial interests.



12 September 2018

Rapport Sargentini, adopted by the European Parliament

calls on the Council to "determine (...) the existence of a clear risk of a serious breach by Hungary of the values on which the Union is founded" (triggering of article 7 of the Treaty on European Union).

✓
448 votes
in favour

✗
197 votes
against

48 abstentions



16 February 2022

The **Court of Justice of the EU dismisses**

the actions brought by Hungary (and Poland) against the conditionality mechanism in relation to compliance with the rule of law.

15 September 2022

The **Delbos-Corfield Report**, adopted by the European Parliament

expresses a "breakdown in democracy, the rule of law and fundamental rights in Hungary, turning the country into a hybrid regime of electoral autocracy".

✓
433 votes in favour

✗
123 votes against

28 abstentions



27 April 2022

The **European Commission notifies Hungary of the triggering of the conditionality mechanism**



18 September 2022

The **European Commission proposes to the Council of the EU**

"budget protection measures under the conditionality regulation", namely the suspension of 65% of the commitments under the cohesion policy (approx. €7.5 billion). This comes on top of the blocking of resources from the "Recovery and Resilience Facility" (up to €5.8 billion in grants and €9.7 billion in loans).



**Věra
Jourová**

**Vice-President of
the European Commission**

In charge of values and transparency. She must "coordinate the Commission's work on upholding the rule of law, working closely with the Commissioner for Justice". Viktor Orbán called for her resignation after she commented that Hungary is a "sick" democracy, in September 2020.



**Gwendoline
Delbos-Corfield,**

**MEP
(Greens/EFA, France)**

Rapporteur for the most recent resolution of the European Parliament on Hungary.

Didier Reynders

**European Commissioner
for Justice**

One of his key missions is to "lead the work of the Commission to ensure that the rule of law is upheld across the Union", and to achieve this he is to "use the full toolbox at [his] disposal to prevent and identify breaches" of the principles of the rule of law.



Johannes Hahn

**European Commissioner
for Budget**

His tasks include overseeing "the Commission's work to protect the financial interests of the European Union". He is therefore on the front line to respond to Hungary's criticism of the management of European funds and the resulting financial sanctions.



Viktor Orbán

Prime Minister

Prime Minister since 2010 (and from 1998 to 2002), founder and president of the Fidesz party. A figurehead of "illiberal democracy", his opponents blame him for an ongoing erosion of the rule of law and democratic principles in Hungary since 2010. He is also accused of major irregularities (according to reports by the European Anti-Fraud Office (OLAF)) in the allocation of European funds.



Judit Varga

Minister of Justice

Minister of Justice since 2019. Her ministry coordinates Hungary's European policy and is in particular in charge of Hungary's permanent representation to the EU.

**Bálint
Ódor**

**Hungarian permanent
representative to the EU**

Hungary's permanent representative to the EU since September 2022, appointed after the resignation of Tibor Stelbaczky in June 2022. While Stelbaczky had the profile of an expert in EU affairs, having already served prior to Viktor Orbán's return to power, Bálint Ódor has only served under Orbán's governments and his experience in Brussels only began in 2020.



**Péter
Szijjártó**

**Minister of Foreign
Affairs**

Minister of Foreign Affairs since 2014. While the European agenda is now chiefly under the remit of the Ministry of Justice, the head of Hungarian diplomacy remains a visible figure in Brussels, not directly concerning affairs related to the rule of law, but in other areas, which contribute to heightening tensions between Hungary and its European partners, even with its ideological ally, Poland, on the issue of sanctions against Russia.



In its reports on the rule of law in Member States, the **European Commission** focuses on four areas:



Responses from the Hungarian government and its supporters

- I.** Condemnation of the ill-will of "liberals", for political and ideological reasons, against a government which asserts its conservative, "illiberal" and anti-immigration stance.
- II.** Attempts to put the notions flagged by critics into perspective, starting with the concept of rule of law, by suggesting that there are many definitions that vary from one country to the next.
- III.** Accusing Western European countries of applying "double standards" with regard to Central Europe and Hungary in particular, pointing out situations identified in various Western countries that are allegedly similar or identical to the situation in Hungary.



In addition, since the European Commission triggered the conditionality mechanism, **the Hungarian government has expressed a desire for compromise**, and has undertaken to implement 17 measures inspired by the Commission's recommendations. These measures are designed to introduce a solid framework to combat corruption and the misappropriation of European funds, with in particular the creation of an independent authority to oversee the use of funds, and the options for citizens to institute court proceedings against the prosecution service when it decides not to investigate a corruption case.

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Funding at stake

Recovery plan

Provisional allocation, under the "Recovery and Resilience Facility"



Grants
original ceiling
€7.2 billion



After adjustment
of national allocations
in June 2022
€5.8 billion



Loans
up to
€9.7 billion



Cohesion policy

As part of the "Investment for Jobs and Growth" objective, through the various European funds, the allocation for Hungary for the 2021-2027 period is €21.73 billion. For the record, over the 2014-2020 period, Hungary received €26.5 billion.

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The procedure underway

19 Nov. 2022



This was the deadline set for Hungary to notify the Commission of progress made in the actual implementation of the 17 reforms.

24 Nov. 2022



The European Parliament encouraged the Commission and the Council, through a resolution adopted on 24 November, by 416 votes in favour against 124 against and 33 abstentions, to consider the Hungarian government's proposed reforms as insufficient and to suspend funds for Hungary.

End Nov. 2022



The Commission must publish its assessment of the Hungarian measures in view of the criticism expressed in the notification of 27 April and the proposal of 18 September.

19 Dec. 2022



Deadline for the Council's decision regarding the potential suspension of European funds.