

Action brought on 24 August 2018 — Hungary v Commission**(Case T-505/18)**

(2018/C 399/53)

*Language of the case: Hungarian***Parties***Applicant:* Hungary (represented by: M.Z. Fehér, M.M. Tátrai and A. Pokoraczki, acting as Agents)*Defendant:* European Commission**Form of order sought**

The applicant claims that the Court should:

- Annul Commission Implementing Decision (EU) 2018/873 of 13 June 2018 excluding from European Union financing certain expenditure incurred by the Member States under the European Agricultural Guarantee Fund (EAGF) and under the European Agricultural Fund for Rural Development (EAFRD), in the part concerning Hungary which excludes from EU financing the aid granted to producer groups which have qualified recognition;
- Order the Commission to pay the costs.

Pleas in law and main arguments

In support of the action, the applicant relies on two pleas in law.

1. First plea in law, alleging that the contested exclusion to which the contested decision refers is unlawful, since the aid given to the producer groups affected was granted in accordance with EU law.

The applicant relies on the nature of the recognition of producer groups. It takes the view that, in deciding on the reimbursement of the national financial aid granted to those producer groups, the Commission failed to take into account the fact that the producer groups that have been given qualified recognition meet the requirements under Regulation (EC) No 1698/2005.

2. Second plea in law, alleging that the contested exclusion to which the contested decision refers is unlawful since, by virtue of the principles of sincere cooperation, proportionality, legal certainty and the protection of legitimate expectations, the exclusion ought to have been reduced or omitted.

According to the applicant, the contested exclusion is unlawful since, by virtue of the principles of sincere cooperation, proportionality, legal certainty and the protection of legitimate expectations, the exclusion ought to have been attenuated or omitted, since the rules of EU law applicable in relation to the assessment of the contested national law and practice are not absolutely clear — thereby making the interpretation put forward by Hungary possible — and given that the Commission was already aware of that national law and practice and failed to raise any objection in that respect.

Action brought on 24 August 2018 — Czech Republic v European Commission**(Case T-509/18)**

(2018/C 399/54)

*Language of the case: Czech***Parties***Applicant:* Czech Republic (represented by: M. Smolek, J. Pavliš, O. Serdula and J. Vlácil, acting as Agents)*Defendant:* European Commission

Form of order sought

- annul Commission Implementing Decision (EU) 2018/873 of 13 June 2018 excluding from European Union financing certain expenditure incurred by the Member States under the European Agricultural Guarantee Fund (EAGF) and under the European Agricultural Fund for Rural Development (EAFRD) in so far as it excludes expenditure of a total of EUR 151 116,65 incurred by the Czech Republic, and
- order the European Commission to pay the costs.

Pleas in law and main arguments

In support of the action, the applicant relies on three pleas in law.

1. First plea in law: infringement of Article 52(1) of Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy ('Regulation No 1306/2013'). The Commission incorrectly considers that the time between visits of the control bodies to an agricultural undertaking may not exceed the time laid down in Article 25 of Commission Implementing Regulation (EU) No 809/2014 of 17 July 2014 laying down rules for the application of Regulation No 1306/2013 with regard to the integrated administration and control system, rural development measures and cross compliance ('Regulation No 809/2014').
2. Second plea in law: infringement of the principle of the protection of legitimate expectations. Even if there was an infringement of Regulation No 809/2014 in this case (*quod non*), the Czech Republic was entitled to have the legitimate expectation that its system of checks was consistent with EU law on the basis of the Commission's conclusion from the previous audit accepting that on-the-spot checks in the Czech Republic were carried out in accordance with EU law.
3. Third plea in law: infringement of Article 52(1) and (2) of Regulation No 1306/2013. Even if there was an infringement of Regulation No 809/2014 on the part of the Czech Republic in this case (*quod non*), the Commission also included in the calculation of the financial correction the resources paid to agricultural undertakings for which there was demonstrably no infringement of Regulation No 809/2014 in the on-the-spot checks. The Commission thus also imposed a financial correction with respect to expenditure which could not be regarded as unjustifiably incurred and from which there was no risk to the EU funds.

Action brought on 30 August 2018 — Luxembourg v Commission**(Case T-516/18)**

(2018/C 399/55)

*Language of the case: French***Parties**

Applicant: Grand Duchy of Luxembourg (represented by: D. Holderer, acting as Agent, and D. Waelbroeck, lawyer)

Defendant: European Commission

Form of order sought

The applicant claims that the Court should:

- declare the present application admissible and well founded;
- primarily, annul the Commission decision of 20 June 2018 concerning the alleged State aid SA.44888 which, it is claimed, was implemented by the Grand Duchy of Luxembourg in favour of Engie;
- in the alternative, annul the Commission decision of 20 June 2018 concerning the alleged State aid SA.44888 which, it is claimed, was implemented by the Grand Duchy of Luxembourg in favour of Engie in so far as that decision orders the recovery of the aid;