C/2025/2101

14.4.2025

Action brought on 26 February 2025 – Hungary v Commission

(Case T-138/25)

(C/2025/2101)

Language of the case: Hungarian

Parties

Applicant: Hungary (represented by M.Z. Fehér, acting as Agent)

Defendant: European Commission

Form of order sought

The applicant claims that the General Court should:

— Annul Commission Decision C(2024) 9140 final of 16 December 2024, adopted pursuant to Article 7(2) of 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, concerning a written notification from Hungary with regard to Article 2(2) of Council Implementing Decision (EU) 2022/2506 of 15 December 2022 ('the contested decision').

— Order the Commission to pay the costs.

Pleas in law and main arguments

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

1. First plea in law, alleging infringement of Regulation (EU, Euratom) 2020/2092 [1] and of Council Implementing Decision (EU) 2022/2506 [2]

   In its action, the Hungarian Government submits that, in adopting the contested decision, the Commission infringed Regulation 2020/2092 and Implementing Decision 2022/2506 by finding that the law approved and notified by Hungary in order to remedy the 'weaknesses' identified in recital 43 of the implementing decision and which served as the basis for adoption of the measure set out in Article 2(2) of that implementing decision, failed to remedy the situation that gave rise to the adoption of that measure.

   In the contested decision, the Commission, at the same time as it acknowledged, in essence, that the notified law appropriately addressed the 'weaknesses' referred to with respect to the legal entities falling within the scope of application of the notified law, nevertheless laid down new requirements to be satisfied in order for the Commission to give a positive assessment as regards the remedying of the situation that gave rise to the adoption of the measure defined in Article 2(2) of Implementing Decision 2022/2506, which are not related, directly or indirectly, to the 'weaknesses' identified in that implementing decision.

   According to the Hungarian Government, in accordance with Regulation 2020/2092 and with Implementing Decision 2022/2506, there is no basis for any of the requirements laid down by the Commission in the contested decision and which the Commission considers necessary if it is to give a positive assessment as regards the remedying of the situation that gave rise to adoption of the measure defined in Article 2(2) of Implementing Decision 2022/2506. Consequently, the Commission found unlawfully that the law notified by Hungary did not, either in part or in full, remedy the 'weaknesses' identified in Implementing Decision 2022/2506, and acted illegitimately when it declined to submit to the Council a proposed reassessment of the measure adopted in Article 2(2) of that implementing decision.

[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 2020 L 433 I, p. 1).

[2] Council Implementing Decision (EU) 2022/2506 of 15 December 2022 on measures for the protection of the Union budget against breaches of the principles of the rule of law in Hungary (OJ 2022 L 325, p. 94).

2. Second plea in law, alleging infringement of the principles of sincere cooperation and of institutional balance and a misuse of powers

Having regard to the arguments set out in the first plea in law, the Hungarian Government submits, also, that in adopting the contested decision the Commission disregarded the requirements flowing from the principle of sincere cooperation under Article 4(3) TEU and from that of institutional balance under Article 13(2) TEU and misused its powers since, first, it found that the law notified by Hungary did not remedy, either in part or in full, the 'weaknesses' identified in Implementing Decision 2022/2506 and, consequently, it laid down new requirements to be satisfied in order for it to give a positive assessment as regards the remedying of the situation that gave rise to adoption of the measure defined in Article 2(2) of Implementing Decision 2022/2506, which are not related, directly or indirectly, to the 'weaknesses' identified in that implementing decision, and, second, it declined to submit to the Council a proposed reassessment of the measure adopted in Article 2(2) of Implementing Decision 2022/2506.