



CONTEXT

The idea behind a European Rule of Law Semester is straightforward: it's about making the protection of our rights as concrete and regular as the monitoring of our economies. Just as the European Semester helps us keep public finances in check, a Rule of Law Semester would help us keep our democracies healthy. It means that when journalists are silenced, when judges face pressure, or when public money is misused, Europe would be able to detect it early, react quickly, and act together - before citizens' rights are weakened. In short, it's about making the rule of law clearer, more accessible, efficient and better structured - so that citizens better understand their rights, and those rights are better protected in practice.

The moment to make this vision a reality is now. With the upcoming revision of the Multiannual Financial Framework, we have a concrete opportunity to turn principles into practice, by anchoring the protection of the rule of law in the very heart of Europe's financial architecture.

On July 16, the European Commission presented its proposal for the next MFF (2028–2034). In this proposal, nearly half of the funds are made conditional on compliance with the rule of law and the EU Charter of Fundamental Rights before the approval of the national and regional partnership plans of the Member States.

Furthermore, in her **2025 State of the Union address**, the President of the Commission, Ursula von der Leyen, used the following words:

"We need an integrated annual cycle of the RoL: a common rhythm, clear milestones and contributions from all institutions. Our focus must me to close existing loopholes.

We have strengthened the link between funds and the respect of the RoL. With the next long-term budget we will go even further. Respecting the RoL is a must for European funds now and in future".

The idea of this integrated annual cycle on the rule of law **fits perfectly with the initiative of a European Rule of Law Semester** put forward by Sophie Wilmès and approved in July within the Renew group. At a time when we are witnessing a clear backlash against the rule of law, fundamental rights and freedoms across Europe, a stronger, targeted and consistent EU action to defend the foundation of our Union is even more necessary.

In this context, Members of Parliament Alessandro ZAN (S&D), Michal WAWRYKIEWICZ (EPP), and Sophie WILMES (Renew) have built a joint initiative for their three political groups, which aims to strengthen the recent proposals of the European Commission for the next MFF. This position paper therefore presents this cross-party, ready-to-use concept for the Commission.

WHY DOES IT FIT?

The Commission's proposal stipulates that, in order for their plans to be approved, Member States must:

- demonstrate that they have <u>adequate mechanisms</u> in place to ensure compliance with the principles of the rule of law and the Charter of Fundamental Rights throughout the implementation of the funds;
- respect the rule of law and the Charter **before** the disbursement of funds ;
- remedy the identified infringement <u>as quickly as possible</u> or face consequences like a suspension of the EU financial support.

The guestion that arises is "How?":

- Adequate mechanisms are essential but they are not enough. We need to assess on the ground how the rule of law and fundamental rights are actually respected.
- How can we ensure that Member States have adequate mechanisms to protect the rule of law and the Charter of Fundamental Rights?

How can the fulfilment of these guarantees be assessed, both prior to the disbursement of funds and in determining whether a suspension of payments is warranted? When should it take place, and according to what timeline? How can it be ensured that milestones are met and that progress and developments are reported with full transparency?

Our answer? Through a European Semester on the Rule of Law, which:

- Enables, through enhanced, transparent and more structured monitoring system, the prevention and correction of developments that pose a risk to the rule of law in Member States;
- Allows for systematic oversight thanks to an integrated annual exercise, with contributions of all institutions and better coordination of our tools;
- Ensures a swifter and more consistent response in the event of a problem.

THE CYCLE



In practice, the aim is not to add new layers or overburden the current system, but rather to structure it more effectively in order to increase efficiency and effectiveness in protecting the rights and freedoms of our citizens, while ensuring greater clarity and transparency of those rights.

Start of the cycle (June): The Commission's annual report would continue to be published as it is today, but it would:

- include clear indicators to assess the seriousness of infringements;
- distinguish which recommendations concern serious and systemic issues;
- allow recommendations to be formulated as concrete milestones, following the RRF model, with clear and realistic deadlines, making them easily transposable into future national and regional partnerships.
- introduce sub-pillars to capture additional dimensions, such as the monitoring of hate crimes and the monitoring of the integrity of electoral processes.

The release of the Commission's Rule of Law Report will take place in June rather than July, in order to align it with the timeline of the European Semester, which includes budgetary recommendations related to the rule of law, and to ensure greater visibility at a time when attention is not diluted by the summer break.

Next phase (February–March): The European Parliament, supported by the DRFMG (Democracy, Rule of Law and Fundamental Rights Monitoring Group), would issue a resolution which would:

- be issued at a more appropriate time to avoid the current overlap with the release of the following year's report, thereby allowing for greater responsiveness from Parliament and ensuring that its work can be duly taken into account by the Commission;
- make better use of an existing structure, namely the DRFMG, to organize hearings and fact-finding missions based on the issues highlighted by the Commission, which could then feed into a formal consultation process with the Commission and be taken into account, alongside other contributions, in the drafting of its subsequent report;
- draw together the most relevant insights from the Commission's report, the DRFMG's monitoring, the Council's annual dialogues, and contributions from civil society organisations;
- highlight best practices identified during the annual Inter-Parliamentary Meeting with national parliaments on the rule of law, in order to provide concrete support to Member States in implementing specific recommendations;
- evaluate the implementation of the Commission's previous annual recommendations, offering a multiannual perspective and identifying whether positive or negative trends can be observed compared to earlier recommendations;
- put forward **recommendations to the Commission** on cases where it considers part or all of a Member State's payments should be blocked when member States fail to comply with EU values, the Charter and Rule of Law. Additional enforcement tools could also be envisaged.

Final phase (May): This would be the "moment de rendez-vous" for the Commission to review previous recommendations, assess their implementation, and take into account the report of the European Parliament. The Commission would:

- follow up on the formal consultation process with the Democracy, Rule of Law and Fundamental Rights Monitoring Group (DRFMG) and take its input alongside other contributions into account in the assessment;
- take into account, where relevant, the European Parliament's recommendations as part of its overall analysis and assessment, while fully respecting the Commission's competences and independence;
- **hold an annual debriefing in the LIBE Committee** to foster an open exchange on how the Parliament's work and recommendations have been considered and, where relevant, integrated in the Commission's decisions and follow-up actions;
- assess progress: where positive developments are observed, the implementation deadline for one or more recommendations could be extended. In the absence of progress or where progress remains insufficient in cases of serious and/or systemic breaches of the rule of law parts of the national or regional partnership funds could be suspended;
- activate additional instruments when necessary, including infringement procedures, the Rule of Law Conditionality Regulation, horizontal enabling conditions, or Article 7 procedures in cases of severe and persistent violations;
- ensure that blocked funds can effectively support civil society, as proposed in the MFF. It will be essential, however, to guarantee that a meaningful share of this envelope goes directly to organisations within the Member State concerned to strengthen local civil society where violations have occurred, since experience shows that empowering civil society has been key to achieving lasting progress.

Of course, the possibility for the Commission and/or the Council to trigger, at any point during the cycle, one or more of these instruments in response to emerging risks or signs of deterioration is safeguarded at any point during the cycle.

The Parliament is fully aware of the scope of its demands, including its call for more proactive monitoring of the rule of law and, therefore, sees the need for a careful assessment of current human resources and future requirements. In addition, given that multiple Directorates-General are involved in this monitoring, particular attention should be paid to ensuring the effective flow of information and fostering good cooperation between departments.



CONCLUSION

A few years ago, at the height of the financial crisis, we realised through the European Semester the need for a structured cycle of upstream, consistent, and systematic monitoring of Member States' budgetary situations - so that action could be taken early, before a situation turned critical for the whole system.

There is no reason why we should not apply the same approach in a society where threats to **European citizens' rights and freedoms** continue to be challenged.

Addressing problems early, ensuring that every citizen feels actively and consistently protected and acting in due time; this is not only a question of credibility, but above all of safeguarding the rights of our citizens.

The result?

Their rights will not only be better protected - they will also be better understood.

This is therefore our project for the next MFF, and this is what we will stand for: the citizens of Europe.

Sophie WILMES (Renew), Alessandro ZAN (S&D), Michal WAWRYKIEWICZ (EPP)







