RULE of LAW REPORT 2026

TOOLBOX

July 2026

The EU has several tools at its disposal to ensure respect for the rule of law across the EU. Member States generally have high rule of law standards, but there are also important challenges that vary from one Member State to another. Since the challenges differ, so too do the measures. Each tool is tailored to the specific situation and aims at promoting, preventing, or responding to rule of law issues and their impact.

WHY IS THE RULE OF LAW IMPORTANT?

The rule of law is a fundamental value of the European Union and the foundation of Europe's democracies. The rule of law means that everyone, including those in power, are equally subject to the law, under the control of independent and impartial courts.

WHAT IS THE COMMISSION'S ROLE?

The European Commission, as recognised by the Court of Justice of the European Union, is responsible for guaranteeing the respect of the rule of law and for making sure that EU law, values and principles are upheld.

HOW THE EU PROMOTES AND PROTECTS THE RULE OF LAW

ANNUAL RULE OF LAW CYCLE WITH THE RULE OF LAW REPORT AT ITS HEART

A yearly cycle anchored in the annual Rule of Law Report, promoting dialogue and exchange of information and preventing issues from emerging or deepening, covering all 27 Member States and, since 2024, four enlargement countries (Albania, Montenegro, North Macedonia and Serbia).

SUPPORTING THE RULE OF LAW THROUGH THE EU BUDGET

MULTIANNUAL FINANCIAL FRAMEWORK 2028-2034

In the next Multiannual Financial Framework, respect for the rule of law and fundamental rights will remain a must. A combination of financial support for rule of law investments and reforms, together with the application of strong safeguards for receiving support, will protect the EU budget and ensure it is used to strengthen the rule of law and other Union values.

SUPPORT FOR CIVIL SOCIETY, MEDIA, NETWORKS AND PROJECTS

EU funding instruments, communication campaigns and promotion activities that strengthen the rule of law, including support for judicial networks, media pluralism and media freedom. The Commission has presented specific initiatives to boost and strengthen its support, including through the EU Strategy for Civil Society and the European Media Freedom Act.

EU SUPPORT FOR STRUCTURAL REFORMS AND INVESTMENTS

Many Member States have included around 285 milestones and targets in their National Recovery and Resilience Plans on reforms and investments related to the rule of law. These include measures to strengthen judicial independence and to boost the fight against corruption.

RESPONSE

INFRINGEMENTS

If national authorities fail to properly implement EU laws, the Commission may launch a formal infringement procedure against the country in question. If the issue is still not settled, the Commission can decide to refer the case to the Court of Justice of the European Union. In some cases, the Commission may request the Court to impose financial sanctions on the Member State concerned.

ARTICLE 7 TEU

Instrument provided by the Treaties to address serious breaches to the rule of law, with dialogue and possible sanctions.

PROTECTING THE EU BUDGET FROM BREACHES OF THE PRINCIPLES OF RULE OF LAW

GENERAL CONDITIONALITY MECHANISM

The conditionality regime applies in case of breaches of the principles of the rule of law, which affect or seriously risk affecting the sound financial management of the Union budget or the protection of the financial interests of the Union in a sufficiently direct way.

HORIZONTAL ENABLING CONDITION ON THE CHARTER OF FUNDAMENTAL RIGHTS

This is another tool to protect EU funds in the context of cohesion policy. The horizontal enabling condition on the Charter of Fundamental Rights requires all Member States to put in place effective mechanisms to ensure that the programmes supported by the Common Provisions Regulation and their implementation comply with the Charter. This is a precondition for related expenditure to be reimbursed.

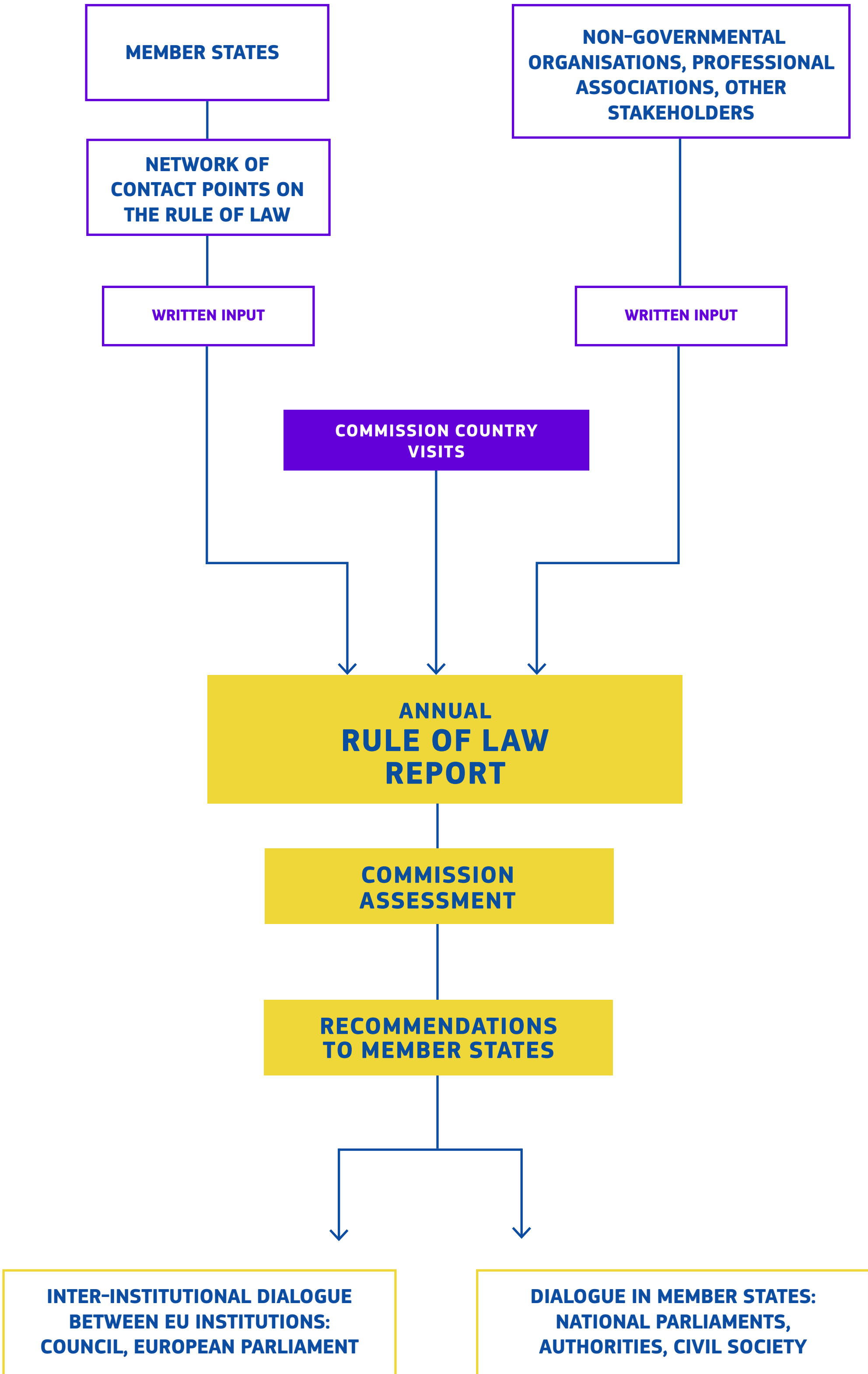
EU JUSTICE SCOREBOARD

An annual report providing comparable data on the independence, quality and efficiency of national justice systems and other indicators relevant for the Single Market.

EUROPEAN SEMESTER

A yearly process resulting in country-specific recommendations on macroeconomic and structural issues, including on justice systems and the fight against corruption, aiming to boost economic growth.

HOW THE ANNUAL RULE OF LAW CYCLE WORKS:



HOW THE RULE OF LAW CONDITIONALITY MECHANISM WORKS:

ONGOING SCREENING

The Commission screens sources to identify breaches of the principles of the rule of law (e.g. Rule of Law Report, Council of Europe bodies' opinions, complaints, etc.)

Possibility to contact Member States

CONDITIONS TO INITIATE A PROCEDURE

- Situations that are indicative of breaches of the principles of the rule of law
- Breaches affect or seriously risk affecting the Union budget in a sufficiently direct way
- Other procedures would not allow the Commission to protect the Union budget more effectively

PROCEDURE

The Commission formally notifies Member State of findings and informs Council and European Parliament

The Member State submits observations/remedial measures within specified timing

COMMISSION ASSESSMENT

If findings are not addressed, Commission informs the Member State of measures to be proposed to the Council

The Member State replies

COMMISSION SECOND ASSESSMENT

The Commission considers information received, observations by Member State and proposed remedial measures

If findings remain unaddressed or proposed remedial measures are not adequate, Commission submits a proposal to the Council for an implementing decision on the appropriate measures

COUNCIL ADOPTION OR AMENDMENT OF PROPOSAL

By qualified majority

Measures may be amended

COMMISSION RE-ASSESSMENT AFTER ADOPTION

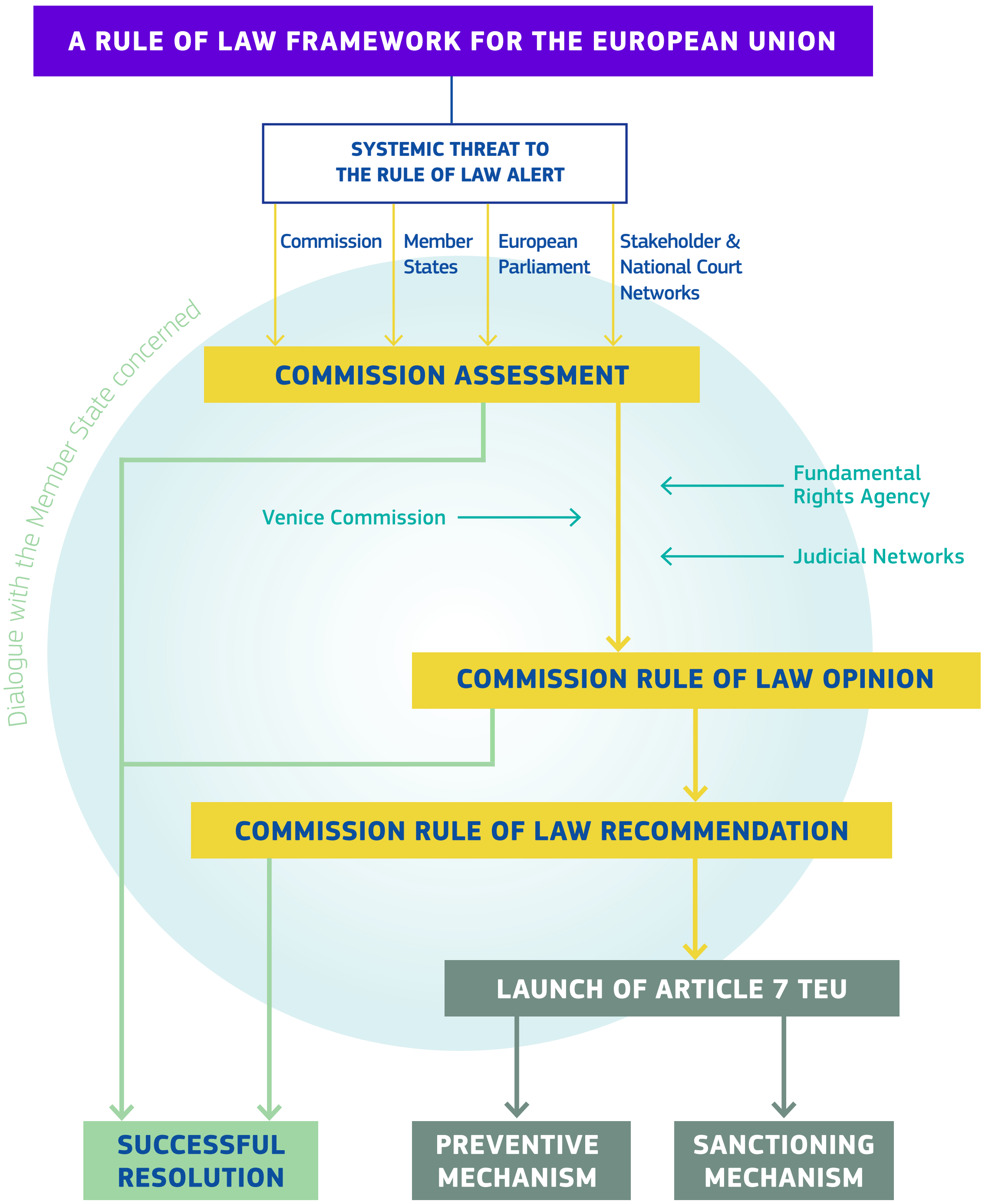
The Commission reassesses the situation at the latest one year after adoption of measures

If the Commission finds that the initial situation had not been remedied, it adopts a reasoned decision and informs the Member State and the Council

The Commission proposes decision to adapt or lift the measures to Council

The Council adopts or amends proposal by qualified majority

HOW THE RULE OF LAW FRAMEWORK WORKS:



HOW ARTICLE 7 OF THE EU TREATY WORKS:

Article 7(1): PREVENTIVE MEASURES

Determining a clear risk of a serious breach of the values in Article 2 TEU

Reasoned proposal by:

1/3 of **Member States**

or

The European Commission

or

The European Parliament

(2/3 majority of the votes cast, representing the majority of its component members)

Hearing of the EU Member State concerned in the Council

Consent by the European Parliament

(2/3 majority of the votes cast, representing the majority of its component members)

Decision by the Council to determine clear risk of a serious breach of the values referred in Article 2 TEU

(by a majority of 4/5 of Members States excluding EU country concerned)

Council can issue recommendations

(by a majority of 4/5 of Members States excluding EU country concerned)

Article 7 (2-3) SANCTIONS MECHANISM

Determination of the existence of a serious and persistent breach of values in Article 2 TEU

Proposal by:

Article 7(2)

1/3 of **Member States**

or

The European Commission

Observations submitted by the EU country concerned

Consent by the European Parliament (2/3 majority of the votes cast representing the majority of MEPs)

The European Council determines the existence of a serious and persistent breach (decision by unanimity excluding EU country concerned)

Article 7 (3) TEU: Suspension of certain rights

The Council can suspend membership rights, including voting rights

The vote requires a qualified majority, which is defined as:

- 72% of Member States, excluding the Member State concerned;
- And comprising 65% of the EU's population of the Member States participating in the vote.

The EU Member State concerned does not participate in the vote.

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