

(English version)

**Question for written answer E-001468/25
to the Commission
Moritz Körner (Renew)
(9 April 2025)**

Subject: Hungary and the Commission

In her speech during Parliament's plenary sitting on 9 October 2024, Commission President Ursula von der Leyen said that:

- Hungary discriminates against European companies by taxing them more than others;
- Hungary targets European businesses with arbitrary inspections and permit blocking;
- public contracts in Hungary mostly go to a small group of beneficiaries.

The Commission is asked to explain in detail, and separately for each of the above three criticisms, why — despite that particular criticism — it still pays EU funds to Hungary, and why it trusts that the indirect management of EU funds will not be misused by the Hungarian authorities?

Submitted: 9.4.2025

**Answer given by Mr Serafin on behalf of the European Commission
(11 July 2025)**

The Commission is committed to protect the financial interests of the EU and to ensure the correct application of EU law and implementation of the EU budget. Commitments and payments to Hungary, as for any Member State, follow the relevant rules.

As regards discrimination in taxation, since 3 October 2024, an infringement procedure against Hungary is ongoing for non-compliance of its retail tax regime with the freedom of establishment ⁽¹⁾.

The Commission also closely monitors the use of authorisation procedures and the enforcement of restrictive measures, particularly in the construction, mining and retail sectors.

Under the European Semester, the Commission follows related developments, notably on disproportionate burdens through sector-specific taxes and complaints of foreign firms about unequal and arbitrary treatment, and reports on them ⁽²⁾.

The concentration of awards was taken into consideration when adopting measures under the general regime of conditionality, which led to a suspension of 55% of three Cohesion Policy programmes in Hungary ⁽³⁾.

Within that procedure, Hungary committed to implement remedial measures to reduce the share of public procurements with single bids, monitor concentration and increase transparency of the public procurement market.

Moreover, Hungary's Recovery and Resilience Plan (RRP) includes the same commitments as milestones and targets ⁽⁴⁾. The Commission monitors the correct implementation of remedial measures and will — once Hungary submits a payment request under its RRP — assess the fulfilment of the related milestones and targets.

Until then, all RRP funds are suspended. EU funding to Hungary is also blocked under the horizontal enabling condition regarding the EU Charter of Fundamental Rights ⁽⁵⁾ related to the programmes under the Common Provisions Regulation ⁽⁶⁾.

The Commission follows closely the developments in Hungary via its annual Rule of Law Report ⁽⁷⁾, and will not hesitate to make use of the available tools to protect the financial interests of the EU and enforce EU law.

⁽¹⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12012E/TXT>.

⁽²⁾ https://economy-finance.ec.europa.eu/publications/2024-european-semester-country-reports_en.

⁽³⁾ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=oj:JOL_2022_325_R_TOC, OJ L 325, 20.12.2022, p. 94-109.

⁽⁴⁾ https://commission.europa.eu/business-economy-euro/economic-recovery/recovery-and-resilience-facility/country-pages/hungarys-recovery-and-resilience-plan_en#documents.

⁽⁵⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12012P/TXT>.

⁽⁶⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1060>.

⁽⁷⁾ https://commission.europa.eu/publications/2024-rule-law-report-communication-and-country-chapters_en.