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REPORT FROM THE COMMISSION

Monitoring the application of European Union law

2023 Annual Report

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Disclaimer: This report sets out the Commission's actions to monitor and enforce the application of EU law during 2023. The state of play of infringement cases mentioned may have changed since then.

Foreword

At the start of this Commission's mandate, we promised to build a stronger, greener, and healthier Europe for the next generation, with an economy that works for all people, young and old. Five years later, and notwithstanding multiple crises, the EU has demonstrated its commitment to addressing challenges head-on, guided by our shared values and principles.

With a large number of new legislation proposed by the Commission and adopted by the European Parliament and the Council during this mandate, we have worked tirelessly together to ensure a more united, prosperous, and sustainable Europe. Yet our work is not done with the adoption of legislation – we must make sure that the rules agreed between the co-legislators, work on the ground in Member States and bring the necessary benefits to citizens and businesses all across Europe.



The report that you are about to read gives some key examples of the work done in 2023 to ensure the correct application of EU law across different sectors in all the Member States. The actions taken show that, where the need arose, the Commission acted decisively – to protect people's rights and freedoms and to ensure that the EU remains a bastion of democracy, rule of law and fundamental rights. The Commission remains firm in safeguarding the proper functioning of the single market, the foundation for our economic growth and competitiveness, while also protecting the interests of workers and consumers.

The Member States are the Commission's best allies in making sure that EU law is correctly implemented and applied from the start. This is why the Commission's early and continuous implementation support to Member States is vital, and a close cooperation with Member States based on mutual trust is the shortest path to achieving this common goal. This preventive strategy fosters a culture of compliance from the outset, is cost efficient and benefits everyone.

However, robust enforcement mechanisms remain a crucial backstop. And as this report shows, the Commission does not hesitate to make use of these mechanisms wherever necessary, to make sure that the rules agreed translate into practical reality that improves the lives of European citizens and businesses.

Dr Ursula von der Leyen

President of the European Commission

Enforcing EU law effectively

Together, we have shown that when Europe is bold, it gets things done. And our work is far from over – so let's stand together. Let's deliver today and prepare for tomorrow.

President von der Leyen, in her 2023 State of the Union address



The EU is a community of law. Compliance with EU law is the foundation of the EU's effectiveness for the benefit of people and businesses. Enforcing EU law is therefore crucial for maintaining a level playing field among Member States, ensuring that no country gains an unfair advantage and that the single market functions smoothly. This is a sign of our commitment to being competitive and protecting people's rights and the EU's fundamental values, including the rule of law.

Ensuring the proper application and enforcement of EU law is one of the Commission's core tasks as 'guardian of the Treaties'. The Commission's enforcement measures are guided by one overarching objective: to ensure that people and businesses enjoy the benefits of our commonly agreed rules, wherever they live in the EU. To achieve this goal, the Commission uses [a variety of tools](#): early implementation guidance and financial support, public reporting, solution-oriented dialogues with Member States and, if necessary, infringement procedures.

Supporting Member States to deliver from the outset

Smart enforcement means ensuring compliance with EU law from the outset, preventing breaches from happening in the first place. This is why the Commission is continuously stepping up its action to support Member States in implementing EU law. The support measures are diverse and it is often their combined use that makes a difference.

For instance, during the process of implementing specific EU law, the Commission provides practical guidance to Member States, businesses, stakeholders, and the public on how to understand and apply specific aspects of the legal text. This guidance can take the form of written guidelines or online FAQs, or it can be provided at dedicated meetings, for example at transposition workshops. Expert groups are also used to promote the correct implementation of EU law.

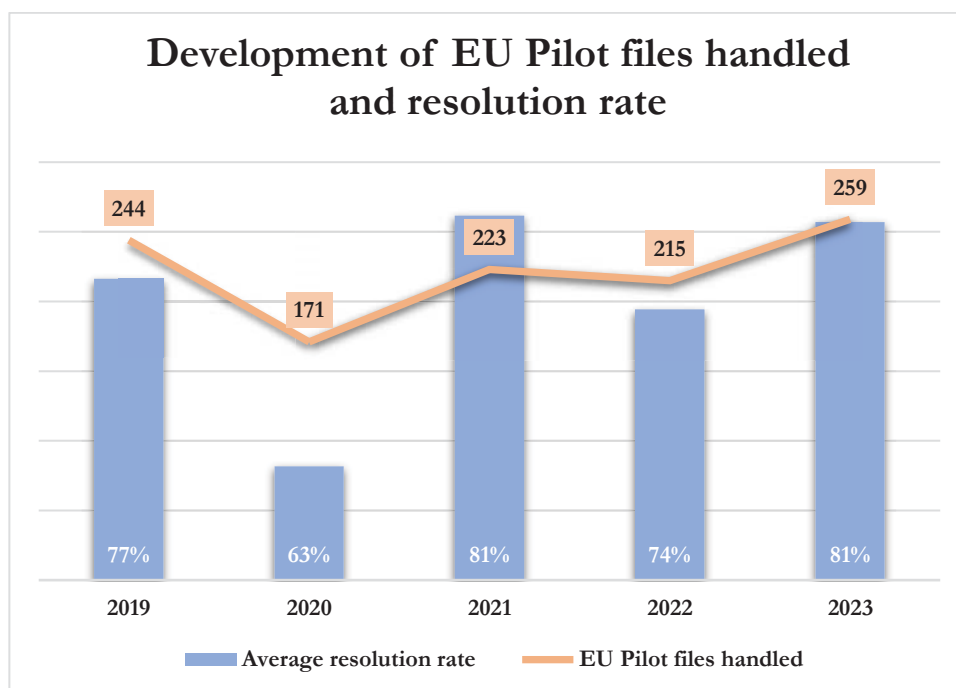
But support to Member States goes beyond guidance on the implementation of specific EU laws. Financial support from EU funds has also proven to be an effective tool to help and stimulate Member States to carry out reforms and, where appropriate, to accelerate the implementation of EU priorities. Another example of support to Member States in the form of technical expertise is the [Technical Support Instrument](#). By promoting administrative capacity building in Member States, it helps ensure correct implementation of EU laws and policies.

Early dialogue with Member States for quicker solutions

Where the Commission, despite its action to support Member States and to promote compliance, identifies a possible breach of EU law, it may decide to initiate a pre-infringement dialogue, under the well-established process known as [EU Pilot](#). This dialogue is used when it offers added value, for example where it is likely to lead to swifter compliance than a formal infringement procedure.

During the COVID-19 pandemic, airlines failed to reimburse passengers in time for cancelled flights and national authorities did not enforce EU rules effectively. The Commission used EU Pilot dialogues with all Member States to ensure that airlines respect EU passenger rights. As a consequence, airlines cleared the bulk of their reimbursement backlogs and improved their communication with passengers when a flight is cancelled. The Commission was able to close these EU Pilot dialogues in 2023.

Over time, the EU Pilot dialogue has proven its value. In 2023, the Commission handled 259 EU Pilot dialogues, with over 80% resolved satisfactorily. Only 11% of EU Pilot dialogues had to be followed up by an infringement procedure. EU Pilot proves successful across many policy areas, and in particular in the areas of energy (40 successful closures), taxation and customs (37), mobility and transport (36), and financial services (25).



Infringement procedures where other measures are insufficient

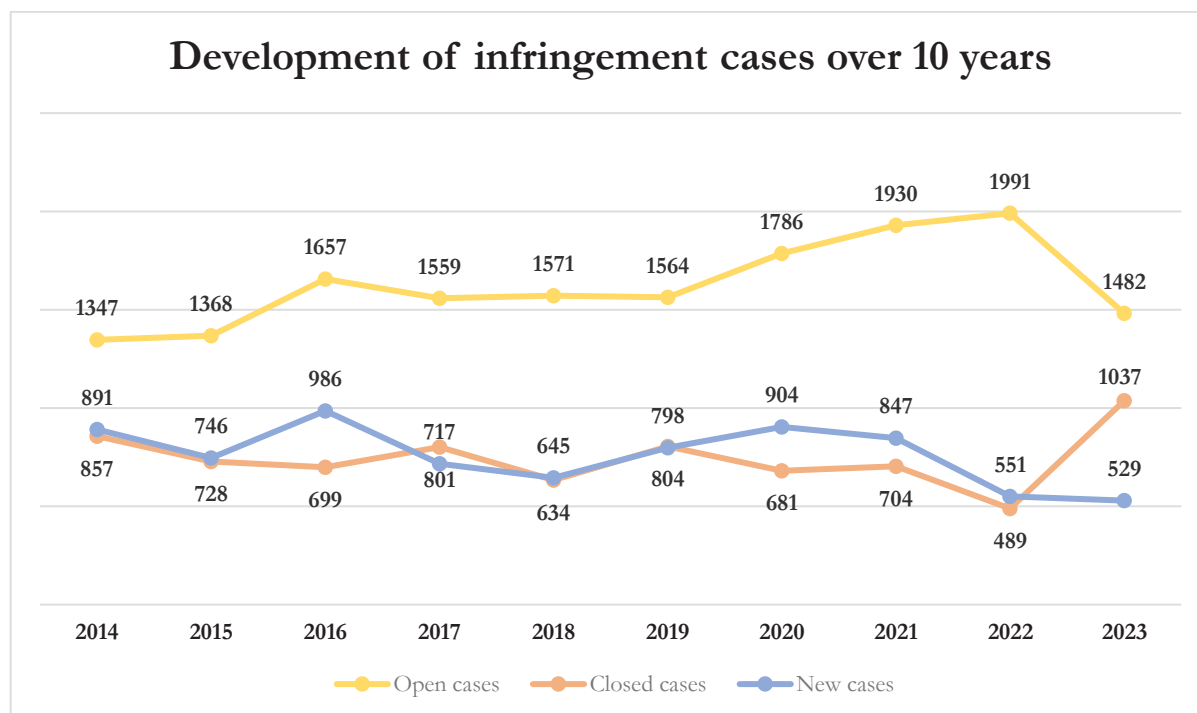
The Commission's use of infringement procedures has developed over the years, to drive broader, more impactful improvements. The strategic approach to enforcing EU law gives priority to breaches with the most significant impact on the interests of people and businesses.

In 2023, the Commission opened 529 infringement procedures, across all main policy areas. Every Member State was concerned, with an average of 20 new cases per Member State. The Commission's enforcement actions safeguarded the integrity of the single market and strengthened the EU's economy. They promoted clean air, water and transport, and a circular economy. The Commission upheld the EU's common values, people's fundamental rights and the rule of law.

There are many factors that have an impact on the number of new infringement procedures. A decreasing number of new directives to be transposed (from 67 in 2014 to 34 in 2023) means that there are fewer infringement procedures for transposing directives late or incorrectly. Indeed, 2023 saw the lowest number of new infringement cases for incomplete transposition of directives (284) in over 20 years. The Commission's strengthened support to Member States to transpose and apply Directives correctly has also helped to prevent breaches.

In 2023, infringement procedures once again proved their effectiveness: the Commission successfully closed over 1 000 infringement procedures, as Member States had achieved compliance with EU law. This number also reflects the Commission's efforts to progress on older, long-standing cases, many of which the Commission was able to close in 2023.

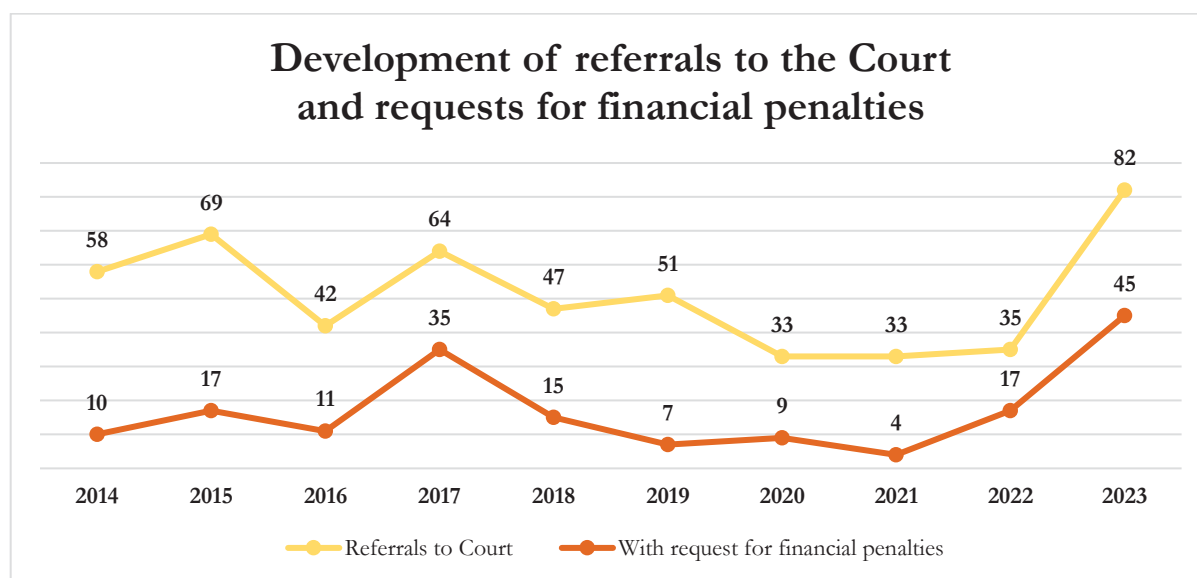
Of all closed cases, 95% were resolved before having to be referred to the Court of Justice of the European Union ('The Court of Justice'). Avoiding lengthy litigation means that citizens and businesses can enjoy the benefits of EU law sooner.



Referral to the Court of Justice as a measure of last resort

If the early stages of the infringement procedure do not resolve the breach of EU law, the Commission may eventually refer the case to the Court of Justice. In [specific instances](#), the Commission may request financial penalties to be imposed on the Member State concerned.

In 2023, the Commission decided to refer a total of 82 cases to the Court of Justice. In 45 cases, it asked the Court to impose financial penalties against the Member State in question. Of these cases, 40 concerned non-communication of transposition measures, and five were second referrals to the Court for failure to implement an earlier judgment. This represents a significant increase compared to previous years, illustrating the Commission's resolve to enforce EU law.



Enforcing EU law in times of crises

Crises or emergency situations, such as the Russian war of aggression against Ukraine, can create challenges to Member States' full compliance with the EU's four fundamental freedoms and the functioning of the single market. Under difficult circumstances, there may be a temptation to put domestic considerations before the proper application of EU law. However, the effective enforcement of EU law remains key to ensuring that people and businesses can continue to enjoy the protection and legal certainty offered by EU law, and that essential goods and services are delivered where they are needed.

The invasion of Ukraine by Russia affected the security of EU gas supply, making it particularly urgent to have solid risk-preparedness plans in place for all Member States. The Commission opened EU Pilot investigations against 26 Member States for failure to notify to the Commission the national risk assessments, preventive action and emergency plans required by the [Regulation on security of gas supply](#). Of these investigations, 16 could be closed after the Member States had submitted the required information, thus confirming that most Member States had put these measures in place.



The functioning of the EU's gas storage market and non-discriminatory rules for access conditions to natural gas transmission systems are key to ensuring security of supply and to stabilising energy prices. The Commission decided to refer [Poland](#) to the Court of Justice for measures imposing additional costs on companies complying with a mandatory gas storage requirement by using storage in another Member State. These measures hamper cross-border gas trade.

The Commission also acted to protect the single market in order to ensure the availability of safe, affordable and high-quality food in all Member States. Following the Commission's enforcement action, Hungary repealed its prior notification scheme for cereal exports. Operators in Hungary can again export cereals to other Member States without any barriers to trade. However, the Commission opened an infringement procedure on a prior notification scheme for certain grains and seeds against [Slovakia](#) in October 2023.

Future-proof enforcement of EU law

In July 2023, the Commission concluded a [stocktaking](#) in the Commission and with Member States to ensure that the way it enforces EU law works in practice and is future-proof. The stocktaking was organised around six areas: delivering the Commission's strategic approach to enforcing EU law; handling infringements efficiently; facilitating the treatment of complaints; making the monitoring of the application of regulations more systematic; increasing support to Member States; and increasing transparency.

Targeted improvements have been identified in all these areas, and the Commission has been working on implementing these, [together with Member States](#). They will lead to increased transparency, better information for prospective complainants, more efficient tools to cooperate with Member States on the transposition of directives, etc.



The stocktaking has shown the Commission's capacity to assess its enforcement tools and procedures in a transparent and frank manner, and to adapt to changing circumstances. It also proved that the Commission and Member States can work together to identify and put into practice improvements to their cooperation in a legally and politically complicated field like the enforcement of EU law.

Strengthening the economy and EU competitiveness

These three challenges – labour, inflation and business environment – come at a time when we are also asking industry to lead on the clean transition. So we need to look further ahead and set out how we remain competitive as we do that. [...] Because Europe will do ‘whatever it takes’ to keep its competitive edge.

President von der Leyen, in her 2023 State of the Union address



The 2023 Communication ‘[The Single Market at 30](#)’ showed how incomplete or incorrect application of EU rules continues to create barriers within the single market. This comes at a cost for businesses and consumers. Diverging national rules that introduce restrictions without a sound justification create complexity and distort competition. When a pattern emerges of several breaches by a single Member State, this constitutes a major challenge to one of the pillars of the EU. The Commission enforced EU rules to ensure a level playing field for businesses and worked to empower people to fully exploit their rights and benefits in the single market.

Preventing barriers in the single market to increase growth

The [Single Market Transparency Directive](#) and its [Technical Regulations Information System](#) aim to prevent new barriers in the single market through transparency, dialogue and better regulation. A notification procedure under the Directive allows the Commission and other Member States to examine any technical regulations a Member State plans to introduce for products and information society services.

The Court of Justice [recalled](#) the importance of the Directive and the possibility for people and businesses to actively oppose national rules adopted in breach of it. The Commission promoted the Directive's full application in many exchanges with Member States.

To ensure the continued functioning of the single market, the Commission took further steps in several cases, including by referring [Hungary to the Court of Justice](#) when it restricted the free movement of goods (e.g. building materials) by imposing restrictions (fixed price level, prior notification of exports, etc.).

Removing barriers for service providers in the single market

Services are crucial to the EU economy. They account for around 70% of the EU's GDP and an equal share of its employment. The sector plays a crucial role in the EU's economic recovery and resilience.

The [Services Directive](#) is essential to prevent unjustified barriers for businesses wanting to set up a branch in another Member State or to provide their services across borders. The Commission acted firmly against Member States in breach of the Directive.



The Commission opened infringement cases against [Malta](#), [Poland](#) (case closed later in 2023) and [Slovenia](#) for having in place a total prohibition on the advertising of lawyers' activities. It launched and pursued a case against [Slovenia](#) for failing to address issues regarding prices fixed by law for real estate agencies, and against [Cyprus](#) for restrictions determining who can own shares in real estate intermediation companies. The Commission also tackled restrictions of the cross-border provision of services, as well as financial guarantee requirements, by opening and taking further steps in a case against [Belgium](#).

As regards Member States' compliance with the EU Treaty provisions related to the freedom of establishment and to the free movement of services, the Commission decided to refer [Poland](#) to the Court of Justice for prohibiting advertising by pharmacies.

Late payments have negative effects on businesses as they reduce liquidity, prevent growth, hamper resilience and potentially hinder work to become greener and more digital.

[EU rules](#) oblige public authorities to pay their invoices within 30 days. The Commission's enforcement measures seek to achieve that public authorities pay suppliers of procured goods and services on time. The Commission referred [Belgium](#), [Greece](#), [Italy](#), [Portugal](#) and [Slovakia](#) to the Court of Justice for paying their suppliers late, and pursued additional infringement cases against [Greece](#) and [Italy](#).

[EU public procurement rules](#) ensure transparency and market access opportunities for businesses and the equal treatment of economic operators interested in participating in procurement procedures. They also support the sound management of public funds. To enforce these rules, the Commission launched infringement procedures against [Hungary](#), [Portugal](#), [Romania](#) and [Slovenia](#), and took further steps in a case against [Bulgaria](#). It was able to close procedures against Czechia,

Estonia, Greece, Latvia, Lithuania, Portugal and Sweden as they had achieved compliance with the EU rules.

Better information and assistance for people and businesses



In recent years, a set of the single market governance tools have been developed (the [Single Market Enforcement Taskforce \(SMET\)](#), [SOLVIT](#), the [Internal Market Information System](#), [Your Europe](#) and [Your Europe Advice](#)) to empower people and businesses to fully use their rights in the single market. They offer clear information, assistance and problem-solving. For instance, in 2023, SOLVIT centres assisted over 2 200

people and businesses with their problems. More than 88% of these cases were solved. The Commission published [the SMET report for 2022-2023](#) setting out the SMET's work and achievements. The Commission and the Member States work together in the SMET to analyse and remove remaining barriers in the single market. This can have a key impact through reducing barriers: for example, the SMET worked on eliminating 90 specific process-related barriers holding up the development of renewable energy projects.

In addition, evidence from these tools helps to identify and correct problems with the application of single market rules. SOLVIT in particular can bring to light structural issues that are repeatedly faced by people and businesses. In 2023, the first [implementation report on the single digital gateway](#) was published – the [single digital gateway](#), a website that facilitates online access to information, procedures, and assistance services that Europeans and businesses may need in another EU country, passed the 400 million visitors mark. [Your Europe](#) was the most popular Commission website, with 32 million visitors in 1 year. [Your Europe Advice](#), which informs people and businesses of their single market rights, was consulted over 26 000 times.

Financial services

Financial stability, protection of consumers and a sound business environment are the basis for a proper functioning of the financial markets. [Reporting](#) by multinational companies on the corporate tax they pay in each Member State is central to transparency. [Rules amending the Markets in Financial Instruments Directive II](#) set out a pilot regime for market infrastructures based on blockchain technology. They also changed the definition of 'financial instrument', to clarify that such instruments can be issued using crypto-currencies. Finally, [EU rules on motor insurance](#) strengthened the protection of victims of traffic accidents across the EU.

The Commission's enforcement actions helped to ensure the operations of financial services in a wide variety of field. The Commission launched 39 infringement procedures against Member States for failing to fully transpose the [Directive on disclosure of income tax information](#), the [Motor Insurance Directive](#) and the [Regulation amending the Markets in Financial Instruments Directive II](#).

Efficient retail payments

Efficient retail payments are the backbone of the EU's economy, facilitating seamless transactions across sectors and ensuring smooth economic activity. They play a vital role in driving economic

growth and fostering financial stability. For example, the [SEPA Regulation](#) allows people and businesses to make all cross-border cashless euro payments as easily as domestic payments.

The Commission initiated EU Pilot dialogues with two Member States on the correct implementation of the Regulation. The [Single Market Enforcement Task Force \(SMET\)](#) also asked Member States to identify and address shortcomings leading to [IBAN discrimination](#) (which means that accounts in other EU Member States cannot be used to set up direct debits or to transfer funds for domestic payments).

Sustainable finance

Sustainable finance is an important part of supporting the [European Green Deal](#). The EU's rules include the [Taxonomy Regulation](#), the [Sustainable Finance Disclosure Regulation](#), the [EU Climate Benchmark Regulation](#), the [European Green Bond Regulation](#) and the [Corporate Sustainability Reporting Directive](#).



To facilitate the legal interpretation and implementation of these rules, the Commission published several batches of [FAQs](#). The Commission also adopted a [Recommendation on transition finance](#) with guidance for markets on the use of the sustainable finance framework.

Money laundering

To combat the scourge of organised crime, it is vital that the EU anti-money laundering rules are applied effectively by all economic operators in all Member States. Achieving better compliance is an enforcement priority for the Commission, to protect people and to ensure a level playing field for financial businesses.

The Commission assessed if Member States transposed the [Fifth Anti-Money Laundering Directive](#) correctly. The Commission opened infringement procedures against [Cyprus](#), [Hungary](#), [Romania](#), [Italy](#), [Latvia](#), [Portugal](#) and [Bulgaria](#) for incorrectly transposing these rules, and against [Spain](#) and [Italy](#) for incorrectly applying them. The Commission was able to close infringement cases against Czechia, Italy and Portugal as they had achieved compliance with EU law. In addition, the Commission successfully concluded EU Pilot dialogues with 10 Member States.

A functioning transport sector

The single European railway area is an EU-wide system of rail networks that aims to enable the expansion of the rail sector based on competition, technical harmonisation and joint development of cross-border connections. The Commission decided to refer [Greece](#) and [Spain](#) to the Court of Justice for failing to fulfil their obligations under the [Single European Railway Area Directive](#). The Commission launched infringement procedures against [Hungary and Austria](#) for incorrect transposition of [EU rules](#) on the opening of the market for domestic passenger transport services by rail and the governance of the railway infrastructure. It continued infringement procedures against [Germany](#) and [Bulgaria](#) for incorrectly transposing certain provisions of the same Directive.



[Updated EU rules](#) on the maximum weight and dimensions of certain road vehicles play an important role in the functioning of the single market and the free movement of goods in the EU. The Commission continued an infringement procedure against [Lithuania](#) for its failure to fully implement these updated rules.

In the area of maritime transport, the Commission opened an infringement procedure against the [Netherlands](#) for failing to comply with EU rules on marine equipment contained

in the [Marine Equipment Directive](#). This Directive aims to improve safety at sea, prevent marine pollution, and ensure the free movement of marine equipment in the EU by applying international standards to EU ships. The Commission also took a further step in a similar infringement procedure against [Bulgaria](#).

In the rail transport sector, the Commission opened an infringement case against [the Netherlands](#) for wrongly applying [EU rules](#) on competitive award of rail public transport contracts.

In the road transport sector, the Commission decided to refer [Denmark](#) to the Court of Justice for failure to comply with [EU rules](#) on coach and bus services. These rules provide a definition of cabotage according to which EU carriers are free to provide occasional road passenger transport services on a temporary basis in Member States other than the one of establishment. The sole requirement is that they hold an EU-wide licence. The Danish interpretation of these rules unduly limits such cabotage operations seven consecutive days per month).

Enforcing competition rules

EU competition policy aims to ensure a competitive, level playing field. It is enforced by national competition authorities, together with the Commission. The [ECN+ Directive](#) increases the powers and effectiveness of national competition authorities, strengthening the implementation of the EU's competition rules. To enforce the Directive, the Commission referred [Estonia](#) to the Court of Justice and took the next step in the procedure against [Romania](#).



Indirect taxation for a fair business environment

EU rules on value added tax (VAT) and excise duties ensure that businesses can compete on a level playing field across the single market, and that taxes are paid where they are due. In areas without common rules, such as vehicle taxation, the Commission monitors that Member States do not create discriminatory obstacles for people and cars when moving in the EU.

The [revised common framework for excise products](#) simplifies the rules for the movement of alcohol, tobacco and energy products. The [revised rules for excise duties on alcohol](#) set up a common certification system for small producers.

The Commission pursued infringement proceedings against [Spain](#) for failing to transpose the [revised common framework for excise products](#) and the [revised rules for excise duties on alcohol](#). Overall, the Commission's enforcement action achieved results: 21 infringement procedures were able to be closed as nine Member States had completed the transposition of both sets of rules. Regarding the transposition of the [rules on the VAT and excise duty treatment of defence efforts undertaken in the EU](#), the Commission also closed the infringement proceedings against Belgium, Greece, Spain, Austria and Portugal.

Further to a complaint, the Commission opened an infringement procedure against [Portugal](#) for its non-compliance with the [EU definition of wine for excise duty purposes](#), which impacts the tax treatment of certain alcoholic beverages. Under EU law, products with a strength of between 15% and 18% alcohol by volume can only be included in the category of wine if no enrichment takes place for their production. However, Portugal treats enriched products as wine and incorrectly applies a zero rate.

In 2023, the Commission's enforcement measures in EU tax law brought tangible benefits to people and businesses. For example, Romania refunded people the registration taxes that had been incorrectly levied on used cars acquired from other Member States. [Greece](#) removed the VAT exemption on commercial postal services supplied by the national universal service provider. Businesses can now compete fairly with each other and offer a wider choice of commercial postal services to consumers, at competitive prices. Moreover, following successful EU Pilot dialogues, Denmark, Estonia, Ireland, Greece, Croatia, Italy, Lithuania, Slovenia and Finland now facilitate the [recovery of tax claims](#) by replying promptly and accurately to requests for information from other Member States.

In cases of non-payment of the initial price of goods and services (for example when a company is in an insolvency procedure), the [VAT Directive](#) requires Member States to reduce the amount on which VAT is applied based on national conditions. The Commission entered into an EU Pilot dialogue with Spain on the implementation of these rules, to ensure that VAT is collected on the correct amount without imposing disproportionate conditions on businesses. The EU Pilot process was closed successfully after Spain took measures to align its legislation to EU rules.

EU rules mandate that VAT is not paid on goods exported outside the EU. Non-EU operators exporting from Bulgaria could not present the customs document requested by the national administration and consequently had to pay VAT. Following a successful EU Pilot dialogue, Bulgaria took steps to ensure correct application of these rules.

In September 2023, following enforcement action by the Commission, the Court of Justice [ruled](#) that the United Kingdom had not taken steps to comply with its earlier judgment concerning incorrect marking of fuel. The Court obliged the United Kingdom to pay a financial penalty.

Direct taxation promoting the single market

The single market guarantees that people and businesses have the freedom to move, operate and invest across national borders. However, national direct taxation rules are not fully harmonised across the EU. Differences between national tax systems give rise to obstacles in the single market and avenues for aggressive tax planning and tax avoidance.

The [Directive on rules against tax avoidance practices](#) aims to create a minimum level of protection against corporate tax avoidance throughout the EU, while ensuring a fairer and more stable environment for businesses. In 2023, the Commission decided to refer [Belgium](#) and [Luxembourg](#) to the Court of Justice for having incorrectly transposed the Directive. The Commission successfully closed an infringement case against Spain as it had completed the transposition of [the rules on exit tax](#).



The [Directive on administrative cooperation in the field of taxation](#) introduced [new tax transparency rules for transactions on digital platforms](#). They will help Member States identify situations where tax should be paid, preventing tax evasion or misreporting. To further the transposition of these rules, the Commission launched infringement proceedings against 14 Member States and took further steps in cases against [Belgium](#), [Greece](#), [Spain](#), [Cyprus](#), [Poland](#) and [Portugal](#). The enforcement measures were successful, as by the end of 2023, the Commission could close most of these infringement procedures.

In 2023, the Commission took further enforcement action after the Court of Justice [had found](#) that Belgium infringed EU law by refusing non-resident taxpayers who earn less than 75% of their worldwide income in Belgium the right to deduct their alimony payments from their taxable income. Belgium failed to bring its legislation in line with the Court's first judgment, so in November 2023, the Commission [decided to refer Belgium to the Court for the second time](#).

As a result of the Commission's enforcement action and removing an obstacle to the freedom to provide services in the EU, [Spain](#) abolished the obligation for non-resident taxpayers from the EU to appoint a tax representative. This obligation imposed additional costs on non-resident taxpayers, discouraging them from taking up activities or investing in Spain.

Following informal exchanges with the Commission, several Member States aligned their national legislation with EU direct taxation rules. Lithuania remedied its incorrect transposition of the anti-avoidance [rules on hybrid mismatches](#). Romania corrected its improper transposition of the rules on [mandatory automatic exchange of information in the field of taxation](#), and remedied the situation of the hospitality sector, which could not benefit from the exemption from withholding taxes on payments between associated companies under the [Parent-Subsidiary Directive](#).

Following a complaint, the Commission decided to open infringement proceedings against [Sweden](#) on preliminary income taxation. Sweden unjustifiably restricts the freedom to provide services ([Article 56 of the Treaty on the Functioning of the EU](#) and [Article 36 of the EEA Agreement](#)).

Secure and simple customs

The [Union Customs Code](#) sets the legal framework for customs rules and procedures in the EU customs territory, adapted to modern trade models and communication tools.

The Commission's enforcement strategy in the area of customs focused on the correct and uniform application of the Code. It did so by examining the problem of undervaluation of goods, assessing IT systems in the customs area in Member States, detecting charges with equivalent effect to customs duties in the EU, and finding irregularities in the application of the [Cash Controls Regulation](#).



In 2023, in the area of postal fees for customs representation, the Commission focused a cross-cutting enquiry covering all Member States on the [application](#) of provisions on low-value postal consignments.

Creating a green, sustainable and prosperous Europe

This is the strength of Europe's response to climate change. The European Green Deal provides the necessary frame, incentives, and investment – but it is the people, the inventors, the engineers who develop the solutions.

President von der Leyen, in her 2023 State of the Union address



The European Green Deal is the EU's roadmap for tackling the threefold threat of the climate, environmental and biodiversity crises. The EU aims to provide clean, affordable and secure energy, to achieve its climate goals and boost economic development. In 2023, the Commission's enforcement measures promoted clean air, water and transport, and a circular economy. The Commission helped Member States and farmers under the common agricultural policy. It achieved progress on the EU's energy union and continued work to keep nuclear energy safe.

Climate action

The [Governance Regulation](#) sets out common [rules for planning, reporting and monitoring](#) to help the EU reach its 2030 climate and energy targets. It also ensures appropriate, timely and coherent reporting by the EU under the [United Nations Framework Convention on Climate Change](#) and the [Paris Agreement](#).

The Regulation requires Member States to submit [long-term strategies](#) with a perspective of at least 30 years, to support implementation of the [EU climate targets](#). In 2023, the Commission took the next step in the infringement proceedings against [Poland](#) and [Romania](#) for failing to notify such strategies to the Commission.

Member States also have to prepare and update 10-year [national energy and climate plans](#), outlining their roadmap to achieve the objectives of the energy union, including decarbonisation. The Commission initiated pre-infringement dialogues with 11 Member States who did not submit the

updated draft plans for 2021-2030 in time. Overall, the dialogues were successful and the majority of the Member States concerned submitted their updated plans. Three of the dialogues resulted in infringement proceedings, namely against [Bulgaria](#), [Austria](#) and [Poland](#).

Clean transport

Sustainable urban transport and clean and energy-efficient vehicles improve people's quality of life and strengthen the EU's economy. The objective is to improve transport while at the same time reducing congestion, accidents and pollution in European cities.



In 2023, the Commission referred [Bulgaria](#) to the Court of Justice for failing to transpose [EU rules](#) setting minimum national targets for the public procurement of clean vehicles. These targets are particularly relevant to urban buses, where public procurement represents around 70% of the market. The Commission closed infringement cases against Czechia, Estonia, Hungary, Slovenia, Finland and Sweden, which had completed the transposition of these rules.

Clean air and water

EU clean air policy aims to improve air quality and tackle air pollution, to protect the environment and human health. Air pollution is the number one environmental health problem in the EU. It causes serious illnesses such as asthma, cardiovascular problems and lung cancer, and vulnerable groups are affected the most.

EU water policy protects water resources, fresh and salt water ecosystems, and ensures our drinking and bathing water are clean. The [Water Framework Directive](#) provides the main framework and the objectives for water policy in the EU.

The Commission called on [12 Member States](#) to ensure correct implementation of their reduction commitments for several atmospheric pollutants in line with [EU rules](#). The Commission also [enforced EU legislation](#) on the monitoring of air pollution.

To protect people from environmental noise, the Commission called on [France](#) and [Greece](#) to adopt noise action plans and/or maps. It took the next step in the procedures against [Latvia](#) and [Austria](#) for failing to fully transpose [EU rules](#) in this area.

Under EU water policy, the Commission decided to refer [Belgium](#) to the Court of Justice over its failure to take sufficient action on nitrate pollution in Wallonia. The Commission was able to close the case before the end of 2023 as Belgium had achieved compliance with EU rules. The Commission also decided to refer [Greece](#) to the Court for its failure to provide updated flood risk and flood hazard maps. The Commission took further steps against [eight Member States](#) that had not completed the review of their water management plans and/or flood risk management plans. Finally, the Commission referred [Spain](#) to the Court over shortcomings in the treatment of waste water.

Protecting biodiversity

As part of the European Green Deal, the [biodiversity strategy for 2030](#) is the EU's plan to put biodiversity on the path to recovery by 2030. It contains specific commitments and measures to protect nature and reverse the degradation of ecosystems, building on existing nature laws.



The Commission decided to refer [Bulgaria](#), [Ireland](#), [Greece](#), [Italy](#), [Latvia](#) and [Portugal](#) to the Court of Justice for failing to prevent invasive alien species from damaging European nature. It also referred [Ireland](#) to the Court for failing to adopt and notify penalties required under [EU rules](#) on invasive alien species. Cases against Ireland, Greece, Italy, Latvia and Portugal were closed in 2023 as these countries had achieved compliance with EU law. The Commission took the next step in a procedure against [Estonia](#) for failure to correctly apply the [Habitats Directive](#), in particular regarding logging activities in Natura 2000 sites.

The Commission decided to refer [Portugal](#) to the Court for its failure to correctly transpose the [Environmental Impact Assessment Directive](#). The case was closed later in 2023 as Portugal had made the necessary legal changes.

Promoting a circular economy

The EU aims to transition to a circular economy to become cleaner and more competitive. The transition to a circular economy will reduce pressure on natural resources and create sustainable growth and jobs. It is necessary to achieve the EU's 2050 climate neutrality target and to halt biodiversity loss. The [Circular Economy Action Plan](#) is a core building block of the European Green Deal.

The Commission referred [Greece](#), [Croatia](#), [Slovakia](#) and [Slovenia](#) to the Court of Justice for failing to rehabilitate and close landfills. It also called on [Slovakia](#) to comply with the [Waste Framework Directive](#) as regards 67 abandoned waste sites. The Commission launched infringement procedures against [six Member States](#) for incorrectly transposing these rules into national law.

The Commission closed a case against Slovenia concerning 20 illegal landfills as they had been gradually closed and rehabilitated. The Commission also adopted a reasoned opinion under Article 259 TFEU following a complaint brought by [Poland against Germany](#) concerning illegal shipments of waste from Germany to Poland.

A sustainable agriculture that ensures security of food supply

The EU's [common agricultural policy](#) aims to ensure food supply in the EU, stabilise agricultural markets and guarantee a fair income for farmers. It also helps address climate change and loss of biodiversity.

Since 2023, all Member States have in place national strategic plans on how to use EU financial support to achieve the objectives of the common agricultural policy. The Commission supports Member States in correctly applying their plans. Other areas of close cooperation to implement EU rules are [organic farming](#) and [protecting geographical indications](#).



The Commission's enforcement measures meant that all Member States transposed the [Directive on unfair trading practices in business-to-business relationships in the agricultural and food supply chain](#). The Commission held dialogues with 22 Member States to ensure that transposition is not only complete, but also correct.

Sustainable fisheries and maritime spatial planning

The EU's [common fisheries policy](#) aims to ensure long-term sustainability for fisheries and aquaculture, contributing to the availability of food supplies. It also has the objective of maintaining a fair standard of living for those who depend on fishing. The policy focuses on maintaining fish stocks through measures like restricting fleet capacity and setting catch limits. Member States must set up control and enforcement systems to ensure these measures are fully implemented.



The Commission took the next step in a procedure against [Croatia](#) over shortcomings in the national control system for bluefin tuna farms. It closed a case against Denmark, which had achieved compliance with EU weighing and catch reporting obligations.

[Maritime spatial plans](#) promote sustainable growth of maritime economies and a healthy use of marine resources. The Commission called on [Greece](#), [Croatia](#), [Italy](#), [Cyprus](#), [Portugal](#) and [Romania](#) to draw up and send

their plans to the Commission. The Commission was able to close procedures against Bulgaria and Spain as they had complied with this obligation.

Environmental governance

Engaging people in environmental issues is key to improving environmental compliance and achieving a healthier environment. The Commission called on [Austria](#) to improve its legislation on public participation in decision-making and access to justice in environmental matters, in line with the [Aarhus Convention](#). It was able to close a case against France as it had achieved compliance with [EU rules](#), improving people's access to environmental information. The Commission took the next step in a procedure against [Bulgaria](#) for failing to remove barriers to access to justice in relation to [air quality plans](#).

Clean and affordable energy

The integrated EU energy market is the most cost-effective tool to ensure a secure and affordable energy supply for people and businesses. Common rules and cross-border infrastructure make it possible for energy produced in one EU country to be delivered to consumers in another. Competition and a larger choice of energy suppliers for consumers keep prices in check. An integrated market also helps improve sustainability.

The Commission launched infringement procedures against [Croatia](#) for restricting the export of gas, and against [Romania](#) for restricting the export of electricity.

The Commission monitored the implementation of the [Clean Energy for All Europeans package](#). Implementing the package's legislation is a stepping stone to applying the '[Fit for 55](#)' package and the [REPowerEU plan](#).

To achieve complete transposition of EU rules into national laws, the Commission took the next step in its infringement proceedings against:

- [France](#), [Malta](#), the [Netherlands](#), [Poland](#) and [Portugal](#) on the amending [Energy Performance of Buildings Directive](#);
- [Hungary](#) on the amending [Energy Efficiency Directive](#);
- [against 10 Member States on the Renewable Energy Directive \(REDII\)](#); and
- [against 13 Member States on the Electricity Directive](#).

At the same time, the Commission was able to close 23 infringement cases as Member States had completed the transposition of these Directives.

Keeping nuclear power safe



Nuclear energy can play a positive role in meeting climate targets and ensuring energy security, but the highest levels of nuclear safety and radiation protection must be met. The Commission continued to support the effective implementation of the Euratom legal framework on nuclear safety, protecting workers, patients and the public from ionising radiation and making sure that radioactive waste is handled safely.

The Commission launched infringement [procedures against eight Member States](#) for failing to correctly transpose [radiation protection legislation](#). Cases against Bulgaria, Ireland, France, Lithuania and Luxembourg could be closed in 2023, as these countries had adjusted national rules and provided additional clarifications.

The Commission also closed cases against Denmark, Croatia, the Netherlands and Poland on the transposition of the [Radioactive Waste Directive](#) after they had improved national legislation. The Directive's correct transposition helps ensure the safe and responsible management of spent fuel and radioactive waste, protecting people and the environment against the risks of nuclear contamination.

A Europe fit for the digital age

When it comes to making business and life easier, we have seen how important digital technology is. It is telling that we have far overshot the 20% investment target in digital projects of NextGenerationEU. Member States have used that investment to digitise their healthcare, justice system or transport network.

President von der Leyen, in her 2023 State of the Union address



The EU supports a human-centric, sustainable vision for the digital society that empowers people and businesses. Digital society and digital technologies bring with them new freedoms and rights, along with new opportunities to learn, entertain and work. In 2023, the Commission enforced EU rules to promote technology while ensuring an open, fair and sustainable digital environment.

Technology that works for people

The [European Electronic Communications Code](#) modernises EU telecoms rules to the benefit of both consumers and industry. In 2023, the Commission was able to close cases against Estonia, Spain, France, Croatia, Luxembourg, Austria, Romania and Slovakia. The Code is fully transposed into national law in 24 Member States. Clearer consumer contracts, better quality of services and strong competitive dynamics in the markets will boost investments in connectivity while protecting European users.

A fair and competitive digital economy

The [Platform to Business Regulation](#) is the first-ever set of rules for creating a fair, transparent and predictable business environment for smaller businesses and traders on online platforms. The Commission opened infringement proceedings against [eight Member States](#) for failing to fulfil their obligations under this Regulation. Out of these eight cases, the Commission successfully closed cases against Czechia and Portugal, and took the next step in the procedures against [Hungary and Lithuania](#).

The [Directive on copyright in the digital single market](#) and the [Directive on online television and radio programmes](#) modernise EU copyright rules and enable consumers and creators to make the most of the digital world. The Commission referred [Bulgaria](#), [Denmark](#), [Finland](#), [Latvia](#), [Poland](#) and [Portugal](#) to the Court of Justice, as they were still lagging behind in transposing at least one of

the two Directives. This enforcement action meant that by the end of 2023, only Poland was yet to complete the transposition of both Directives.

An open, democratic and sustainable digital society

The revised [Audiovisual Media Services Directive](#) promotes fair conditions for all players in the audiovisual sector. This includes traditional television broadcasters and on-demand service providers. Some rules also extend to video-sharing platforms. The Directive aims to achieve a safer, fairer and more diverse audiovisual landscape.

The Commission was able to close infringement procedures against Czechia, Estonia, France, Croatia, Slovenia and Slovakia as these countries had completed the transposition of the Directive.



The [Digital Services Act](#) lays down common rules that apply across the single market, including due diligence obligations on illegal and harmful online activities and disinformation. It sets an unprecedented standard for the accountability of major online intermediaries, including online platforms. The Commission [supported](#) Member States in preparing for the application of the new law. It also adopted a [list of 17 very large online platforms and two very large search engines](#). These providers had to comply with the Digital Services Act earlier than others, already in August 2023, for the benefit of all users in the EU.

Promoting the data economy

The [Open Data Directive](#) aims to make more of the data produced and funded by the public sector available for reuse by anyone for any new purpose. It stimulates the development of data-intensive innovations such as weather or transport apps, which often use dynamic data. It increases transparency by opening access to publicly funded research data, and supports new technologies, including artificial intelligence.

The Commission took the next step in the infringement procedures against four [Member States](#) (Belgium, Bulgaria, Latvia and the Netherlands) and referred them to the Court of Justice for failing to transpose the Directive into national law. At the same time, the Commission was able to close infringement proceedings against other Member States as they had notified complete transposition to the Commission.

Facilitating cross-border operations by companies

EU [company law](#) provides a predictable legal framework to help EU companies operate across borders and face new challenges in an increasingly digital world. The adoption of the [Digitalisation Directive](#) was an important step towards digitalising company law. It also reduces costs for companies by enabling entrepreneurs to set up new businesses and to update their information in business registers fully online. The [Cross-Border Mobility Directive](#) sets out clear procedures for merging, dividing or moving across borders to support companies when they expand or restructure in the single market.

Overall, 23 Member States had transposed the Digitalisation Directive by the end of 2023. The Commission took the next steps in the procedures against [Bulgaria](#) and [Cyprus](#) for failing to transpose the Directive. The Commission also opened infringement procedures against [11 Member States](#) for not having transposed some of the Directive's rules, which had a longer implementation deadline. As 20 Member States did not transpose the Cross-Border Mobility Directive in time, the Commission opened infringement procedures. By the end of 2023, a total of 19 Member States had transposed these rules.

Digital transport systems

In the road transport sector, the [European Electronic Tolling System Directive](#) ensures that tolling services are interoperable across roads in the EU. It makes it possible for road users to easily pay tolls throughout the whole EU with only one subscription contract with one service provider and a single on-board unit. The Commission decided to refer [Bulgaria and Poland](#) to the Court of Justice for failing to fully transpose the Directive into their national law. It continued infringement procedures against [Denmark, Greece, Finland and Sweden](#) for the same matter.

In the aviation sector, the Commission opened an infringement procedure against [Slovakia](#) for failing to comply with [EU rules](#) on the operation of unmanned aircrafts. It also opened infringement procedures against [17 Member States](#) for failing to ensure compliance with the [Common Project One Regulation](#). This Regulation



ensures a synchronised implementation of procedures and technical solutions essential for good air traffic management performance across the entire Single European Sky network.

Building a fair and social Europe

The future of our continent depends on the choices we make today. On the steps we take to complete our Union. The people of Europe want a Union that stands up for them in a time of great power competition. But also one that protects and stands close to them, as a partner and ally in their daily battles.

President von der Leyen, in her 2023 State of the Union address



The EU strives for an economic recovery and green and digital transitions that are socially just and fair. EU rules aim to ensure that everyone has equal chances in life and can benefit from the same social rights. This is why the Commission, in 2023, took enforcement measures to protect workers' rights and to promote fair working conditions. It tackled discrimination that undermines the free movement of workers and achieved wider implementation of EU rules to reconcile work and family life.

Labour law

[EU labour law](#) protects employees in their relationship with their employers. These rules ensure sustainable working time and rest periods, equitable treatment of precarious workers, and appropriate consideration for employees in an event of insolvency.

The Commission published a [report on Member States' implementation](#) of the [Working Time Directive](#). The findings show a generally positive picture of national implementation. The Commission's [Interpretative Communication](#) summarises the case law of the Court of Justice on the Directive, to bring legal clarity and certainty to stakeholders.

To enforce the EU's [rules on fixed-term work](#), the Commission took [further action against Italy](#), including on the working conditions of [honorary magistrates](#). The aim was to prevent abusive use of fixed-term contracts and avoid discriminatory employment conditions in the public sector. The Commission also addressed potential discrimination of fixed-term workers in Poland in an EU Pilot dialogue. Poland subsequently amended its rules on the termination of employment relationships to ensure that fixed-term workers are not discriminated against.

The new [Minimum Wage Directive](#) sets a common framework for appropriate minimum wages in the EU. To promote its correct transposition from the outset, well ahead of the transposition deadline of 15 November 2024, the Commission supported Member States by providing guidance in the [report issued by the specialist expert group](#).

Enforcing rules on fair working conditions and equitable employment is central to improving people's welfare and to the functioning of the single market. A key principle is ensuring a level playing field between Member States' labour markets.

Health and safety at work

The EU has developed an extensive body of rules on [health and safety at work](#) to ensure a high level of protection for workers. Healthy and safe working conditions lead to a healthy and productive workforce, which also feeds into the sustainable growth of the EU economy.

The Commission continued its EU Pilot dialogue with five Member States to bring national measures in line with the [Fourth List of Indicative Occupational Exposure Limit Values](#) under the Chemical Agents Directive. As a result, Hungary and the Netherlands achieved compliance with the Directive, while Czechia and Poland committed to shortly bringing their national laws in line with EU rules. However, the Commission opened an infringement procedure against [Germany](#).



The Commission also continued its EU Pilot dialogue with 13 Member States on the transposition of the first amendment updating the [Carcinogens, Mutagens or Reprotoxic Substances Directive](#). Following this dialogue, six Member States achieved compliance with the Directive and three committed themselves to bringing their national laws in line with EU rules. The dialogue with the remaining four Member States continues. The Commission also initiated an EU Pilot dialogue with 14 Member States to ensure conformity with the updated [Biological Agents Directive](#).

The Commission closed three infringement procedures as Germany, Cyprus and Austria had transposed EU rules into national law. The acts concerned were respectively the [Construction Sites Directive](#), the [Medical Treatment on Board Vessels Directive](#) and the [Personal Protective Equipment Directive](#). In consequence, workers enjoy safer working conditions.

Labour mobility

[Free movement of workers](#) is one of the EU's fundamental freedoms. It includes the right to work and reside for this purpose in another Member State, to look for a job in another Member State, and to stay there even after the employment has finished. EU workers enjoy equal treatment with nationals in access to employment, working conditions and all other social and tax advantages.

The Commission [referred Italy to the Court of Justice](#) over its refusal to end the discrimination of foreign language lecturers at public universities, in proceedings based on a [petition to the European Parliament](#).

The [Posting of Workers Directives](#) regulate the situation where an employee is sent by their employer to carry out a service in another EU Member State on a temporary basis. This can happen under a contract of services or as part of an intra-group posting or a hiring-out through a temporary agency.

In 2023, the Commission took the next step in infringement procedures against 17 Member States for failure to bring their national provisions in line with [EU rules](#) on the posting of workers. As a result, nine Member States indicated their readiness to address the grievances raised by the Commission.

Social security coordination

[EU law](#) coordinates the social security systems of Member States. It protects the social security rights of people who move within the EU. It constitutes therefore an important element to guarantee that the free movement of people is exercised effectively.

Following complaints from EU citizens, the Commission opened infringement procedures against [Greece](#) and [Italy](#) over limitations of access of EU workers to the allowances for dependent children. Access to it is conditional upon a 2-year (Italy) or 5-year (Greece) period of residence. Moreover, in Italy, the child must be living with the beneficiary. These conditions violate EU rules on free movement of workers and social security coordination.



The Commission took the next step in the procedure against [Germany](#) (Bavaria) for making indexation of family benefits dependent on the country of residence of the beneficiary's child. This action aims to protect the free movement of workers and address unjustified indirect discrimination based on the nationality of migrant workers.

Thanks to these enforcement measures in the field of labour mobility and social security coordination, workers across the EU have access to 27 labour markets and benefit from the same social security as other taxpayers in their host Member State.

Gender equality

The [Work-Life Balance Directive](#) aims to ensure equality in labour market participation. It facilitates the reconciliation of work and family life for workers with care responsibilities and encourages equal sharing of care responsibilities between parents.

In April 2023, the Commission took further steps in infringement cases against [11 Member States](#) for failing to fully transpose the Directive. Most of these Member States adopted the necessary legislation later in 2023. Furthermore, the Commission decided to refer [Belgium, Ireland and Spain](#) to the Court of Justice for continuing to fail to fully transpose the Directive.



Non-discrimination in employment and inclusion



Embracing equality as a foundational principle of the EU, the Commission champions non-discrimination in employment and beyond.

The [European Accessibility Act](#) sets requirements to ensure the accessibility of products and services for persons with disabilities and older people. An environment where products and services are more accessible allows for

a more inclusive society and facilitates independent living for persons with disabilities.

To ensure a complete transposition of the [European Accessibility Act](#), the Commission launched infringement procedures against [Denmark, Estonia and Italy](#), and took the next step in the procedures against [Bulgaria, Cyprus, Ireland, the Netherlands and Poland](#). The Commission also launched [AccessibleEU](#), a support centre to help Member States in the implementation of EU accessibility legislation.

Protecting people and our freedoms

Democracy is about our individual right to be heard. But democracy is also our collective responsibility. Every new generation is responsible to keep our democracy healthy. To make it more representative and inclusive. To protect it from internal and external threats. And to guarantee checks and balances on power.

President von der Leyen, at the high-level event on elections on 23 October 2023



Protecting and promoting the EU's values is a top priority of the European Commission. Enforcing EU law is instrumental to guarantee people's rights, helping to ensure that fundamental rights and freedoms are uniformly respected across Member States. In 2023, the Commission continued its actions to defend and uphold the rule of law as well as the protection of fundamental rights, also taking specific action in areas such as compliance with the EU's non-discrimination legislation and enforcing EU rules to combat child sexual abuse and protect children from abduction. It safeguarded the rights of consumers and of cross-border patients, ensured safer transport, and strengthened the European Security Union.

Upholding the rule of law

The Commission uses several tools to protect and promote the rule of law in the EU. Member States generally ensure high rule of law standards. However, there are also important challenges in some Member States, which the Commission addresses by drawing on a varied rule of law toolbox.

The annual [Rule of Law Report](#) presents both positive and negative developments across Member States in areas that are key to upholding the rule of law, and makes [country-specific recommendations](#). The report is the cornerstone of the rule of law mechanism, a yearly cycle to promote the rule of law and prevent problems from emerging or worsening.

The [Conditionality Regulation](#) protects the EU budget from being affected by breaches of principles of the rule of law. The Commission applies this Regulation strictly: on 13 December 2023, one year after the Council adopted [measures](#) to protect the EU budget from breaches of the principles of the rule of law in Hungary, the Commission [re-evaluated](#) Hungary's situation. It concluded that Hungary had not addressed the issues that led to the adoption of the [measures to protect the EU budget](#), and that therefore those could not be lifted.

Rule of law considerations are also integrated into the work of the [Recovery and Resilience Facility](#), where Member States implement relevant reforms under their [Recovery and Resilience Plans](#).

Finally, rule of law concerns can be reflected specifically in breaches of EU law, which the Commission has addressed through infringement procedures.

In February 2023, the Commission decided to refer [Poland](#) to the Court of Justice for violations of EU law by the Polish Constitutional Tribunal. The Commission had concluded that rulings of the Tribunal adversely affect fundamental principles of the EU legal order, including the primacy of EU law. In another infringement case against Poland, the Court of Justice in its [ruling](#) confirmed the Commission's position on national legislation undermining the independence of Polish judges. Poland has announced its intention to take the steps required to comply with the judgment. In June 2023, the Commission launched an infringement procedure against [Poland](#) concerning a law setting up a special committee to investigate Russian influence on the internal security of Poland between 2007 and 2022. The Commission considered that the law violated a number of EU Treaty provisions and principles, and rights under the EU Charter of Fundamental Rights. Following the Commission's enforcement action, the special committee did not start working and following 2023 Polish general elections, its members were dismissed by the Sejm (though the law establishing the committee is yet to be repealed).

Combating racism, xenophobia and discrimination

Hate speech and hate crimes pose a serious threat not only to direct victims, but also to society as a whole. They undermine social cohesion by spreading fear, dividing communities, and fostering an atmosphere conducive to discrimination and violence.

The Commission continued to fight these crimes by enforcing the EU [Framework Decision on combating racism and xenophobia by means of criminal law](#). This law requires the criminalisation of public incitement to violence or hatred based on race, colour, religion, descent, national or ethnic origin. Following the Commission's enforcement action, Belgium, Germany, Greece, Luxembourg and Romania rectified their legislation.



The [Equality Directives](#) prohibit discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation in various fields.

The Commission referred [Slovakia](#) to the Court of Justice for failing to effectively tackle the issue of segregation of Roma pupils in education. Discrimination on grounds of ethnic origin in education is a serious issue with lifelong consequences and is prohibited under the [Racial Equality Directive](#).

Protecting people who report breaches of EU law

The protection of whistleblowers promotes the fundamental values of the rule of law and democracy as well as the right to freedom of expression. This is because whistleblowers expose

wrongdoing, preventing harm to the public interest, and promoting transparency and accountability. The [Whistleblower Protection Directive](#) protects whistleblowers from retaliation for reporting breaches of EU law. It requires Member States to establish effective channels for reporting such breaches confidentially.

The Commission referred [Czechia, Germany, Estonia, Luxembourg, Hungary and Poland](#) to the Court of Justice as they had not transposed these rules into national law. Infringement procedures at the pre-litigation stage were also ongoing against six other Member States at the end of 2023. At the same time, the Commission closed cases against nine Member States as they had fully turned the Directive into national law.

Protecting children

To continue [protecting minors](#), the Commission followed up on infringement procedures against 16 Member States for incorrect transposition of the [Directive combating child sexual abuse](#). The Commission was able to close the cases against Germany and Sweden.

Children must also be protected from parental child abduction and returned to their place of habitual residence as soon as possible. The [Brussels IIa Regulation](#) protects children in cross-border disputes relating to parental responsibility and child abduction.



The Commission opened infringement proceedings against [Poland](#) for failure to fulfil obligations under the [Brussels IIa Regulation](#). The Commission considers that Polish authorities fail to recognise and speedily and effectively enforce judgments ordering the return of abducted children to other Member States.

Justice cooperation and individual guarantees in criminal law

The [European arrest warrant](#) is the cornerstone of Member States' cooperation in criminal justice. To enforce it, the Commission took steps in infringement procedures against [10 Member States](#). As Italy, Cyprus, Malta and Romania had amended their legislation, procedures against them were able to be closed. Another infringement case, against Ireland, was brought to an end as the country had completed the transposition of [EU rules](#) on mutual recognition of judgments in criminal matters.

The Commission also progressed in monitoring the transposition of the [EU Procedural Rights Directives](#). It launched infringement proceedings against 13 Member States for incomplete transposition of the [Directive on procedural safeguards for children](#). It pursued infringement cases against 14 Member States for partial or incorrect transposition of the [Directive on the right to have a lawyer](#). Next steps were also taken against [Bulgaria and Latvia](#) for incorrect transposition of the [right to information in criminal proceedings](#).

The Commission enforced the correct transposition of the [right to interpretation and translation for suspects and accused persons](#). It launched infringement procedures against [Bulgaria](#) and took further steps in existing cases against [Belgium](#), [Portugal](#), [Sweden](#) and [Latvia](#). The Commission also opened cases against [Belgium](#), [Bulgaria](#), [Croatia](#), [Latvia](#) and [Hungary](#) for incorrect transposition of the [EU rules on strengthening the presumption of innocence](#).



The Commission closed a total of 13 cases as Member States had achieved compliance with procedural safeguards for suspects and accused persons under the above Directives.

Protecting consumers

EU rules provide a high level of protection for consumers when purchasing goods, digital content and digital services in the single market.

The [Better Enforcement and Modernisation Directive](#) strengthened the existing consumer protection rules. Increased transparency in price reduction announcements, stronger penalties and remedies for victims of unfair commercial practices are some of the Directive's achievements. Thanks to the Commission's enforcement action, all Member States have completed the process of turning these rules into national law. This is also the case of the [Digital Content Directive and the Sale of Goods Directive](#). The Commission also closed all remaining infringement procedures for incomplete transposition of the [Digital Content Directive and the Sale of Goods Directive](#), with the exception of one Member State.

The [Representative Action Directive](#) creates a new framework for protecting consumers in mass harm situations. Qualified entities, such as consumer organisations or public bodies, can initiate legal action to stop infringements and seek appropriate remedies for consumers. The Commission launched infringement procedures against 24 Member States for not transposing the Directive on time and has already taken a next step in eight of these cases.

The Court of Justice in a [ruling](#) confirmed Slovakia's failure to comply with the [Package Travel Directive at the time of the COVID-19 pandemic](#). The ruling confirmed that suspending the right of travellers to a refund within 14 days following the cancellation of a package holiday due to COVID-19 was in breach of the Directive.

Protecting personal data

Data protection is an essential safeguard enshrined in the EU Charter of Fundamental Rights. In 2023, the Commission continued monitoring the implementation of EU data protection rules in Member States. It assessed the compliance of national legislation with the [General Data Protection Regulation](#) and the [Data Protection Law Enforcement Directive](#), pursuing infringement procedures where necessary.

The Commission opened [infringement proceedings](#) against Belgium for lack of judicial remedy against a parliamentary decision to dismiss members of the Belgian data protection authority. This decision constituted a violation of the [General Data Protection Regulation](#) and the right to an effective remedy and to a fair trial enshrined in the EU Charter of Fundamental Rights. In another case, the Commission closed the infringement procedure after Belgium had addressed the lack of independence of members of its data protection authority.

Safer transport

Road transport is the most widely used means of travel. To limit risks of road accidents, the Commission has promoted and enforced EU rules and technical standards to decrease the number of fatalities caused by such accidents. In 2023, the Commission opened infringement procedures against [Czechia and Austria](#) for failing to fully transpose the [revised EU rules](#) on road infrastructure safety management. It also launched



infringement procedures against [Denmark, Greece, Lithuania and Austria](#) and continued infringement procedures against [Bulgaria and Finland](#) for incorrect transposition of the [EU rules on periodic roadworthiness tests](#). The Commission took the next step in an infringement procedure against [Czechia](#) for incorrectly transposing [EU rules](#) on minimum standards of fitness for driving in relation to cardiovascular conditions.

In the rail sector, the Commission opened an infringement procedure against [Hungary](#) and continued infringement cases against [Poland and Portugal](#) for failing to correctly implement certain rail [safety](#) rules. The Commission also continued infringement procedures against [Germany](#) and [Poland](#) for incorrectly implementing certain rail [interoperability](#) rules. These are part of the [Fourth Railway Package](#), seeking to complete the single market for rail services, revitalise the rail sector and make it more competitive with other modes of transport.

In the maritime sector, the Commission launched an infringement procedure against [Sweden](#) for failing to fulfil its obligations under EU [maritime security legislation](#). These rules set out security requirements for ships and ports and provide for maritime security inspections. These measures make an important contribution to port security, both to combat crime and to help resilience of the EU's critical infrastructure.

In the field of aviation safety, the Commission opened an infringement procedure against [Estonia](#) for failing to comply with [EU rules](#) on aviation safety management. It also launched an infringement case against [Greece](#) for failing to comply with [EU rules](#) on verifying the conformity of air transport operators and carrying out oversight activities in civil aviation safety. The Commission also opened infringement procedures against [Denmark and Cyprus](#) for implementing EU aviation safety rules incorrectly.

Promoting health and food safety

EU rules on health and food safety aim to secure a high level of protection of human, animal and plant health, safeguarding the interests of consumers. The Commission takes a ‘One Health’ approach to preparedness and prevention, covering human, animal and environmental health, as well as food and feed safety. The Commission helps Member States to implement and enforce these EU rules and carries out checks, including audits, to verify compliance.

In 2023, the Commission acted in several areas to ensure Member State compliance with EU law. On access to healthcare in other Member States, Finland amended its legislation to ensure an appropriate level of reimbursement of patients, in line with the [Cross-border Healthcare Directive](#). In the field of human tissues and cells, the Commission received a complaint about shortcomings in Greece in the implementation of [EU rules](#), in particular with regard to the licensing of eye tissue banks. Following a dialogue with the Commission, Greece addressed the issue and applications for the recognition of eye tissue banks can now be effectively handled.



In the area of [plant health](#), the Commission closed a case against Italy on the implementation of measures against the plant pest *Xylella fastidiosa*. A Commission audit confirmed that Italy had resolved implementation issues on the ground, following a [judgment](#) of the Court of Justice.



[Animal health](#) and [welfare](#) is receiving increasing public attention in the EU. To enforce EU rules in this field, the Commission and the Member States carried out a [joint enforcement action](#) to combat the illegal trade in cats and dogs. The action helped identify recurring trends and operators involved in fraudulent and deceptive practices. It resulted in 47 judicial proceedings in the EU.

[EU food information rules](#) protect consumers from being misled and ensure fair trading. In one case on the marketing of natural mineral waters, the Commission took the decision to refer [Bulgaria](#) to the Court of Justice. One important issue was that Bulgarian legislation allows to market natural mineral water and spring water from one and the same spring under more than one trade description. It also does not require the name of the spring to be indicated on the labels of mineral and spring waters.

Better regulation of professions and free movement of professionals

The [Proportionality Test Directive](#) obliges Member States to make sure that any new requirements for professions are necessary. Burdensome national rules make it harder for qualified candidates to access or practise a wide range of professions across the EU, hampering efforts to address the shortages of skilled labour across the EU.

The Commission launched an infringement case against [Belgium](#) and [Estonia](#) and took the next step in the procedures against [16 Member States](#) for having incorrectly transposed these rules. At the same time, it closed procedures against 12 Member States. In these Member States, the Proportionality Test Directive can achieve its full potential, facilitating access to, and practice of, regulated professions.

To enforce rules on the [recognition of professional qualifications](#), the Commission pursued cases against [Belgium, Cyprus and Romania](#) and two cases against [Greece](#). The enforcement action in Greece, for instance, aims to ensure that professionals qualified as career counsellors, school directors and other education managers in other Member States can practise their professions in Greece. The Commission opened cases against [Germany, Ireland and Spain](#) for failing to ensure recognition of professional qualifications from across the EU, while it closed procedures against 13 Member States. The case against [Ireland](#) was based on a [petition to the European Parliament](#).

Protecting posted drivers

In the road transport sector, [EU rules](#) ensure social protection for drivers employed in one Member State who are sent to work temporarily in another Member State. The rules ensure that these posted drivers receive the remuneration of the host Member State for the period during which they are posted. The rules also provide an exhaustive list of administrative requirements for companies posting drivers to another Member State and harmonise inspection measures across the EU.

In 2023, the Commission decided to refer [the Netherlands and Portugal](#) to the Court of Justice for failing to transpose these rules into their national law. The Commission opened an infringement procedure against [Denmark and France](#) and took further steps in the procedures against [eight Member States](#) for the same reason.

Strengthening the European Security Union

The [European Security Union](#) aims to ensure that EU [security](#) policy adapts to changing threats and builds long-term and sustainable resilience. The Commission kept up its work to enforce the [Directive on combating terrorism](#), which criminalises conduct such as training and travelling for the purpose of terrorism, as well as terrorist financing. It took the next step in the procedures [against 10 Member States](#) to ensure that the Directive is correctly transposed. At the same time, the Commission closed cases against 11 Member States once they achieved correct transposition of these rules.

The [Regulation on online terrorist content](#) tackles the threat of terrorist content on the web and the misuse of the internet for terrorist purposes. The Commission acted to safeguard the correct implementation of the Regulation, launching infringement procedures against [22 Member States](#). The enforcement action proved effective, with 10 Member States already complying with their obligations to ensure removal of online terrorist content. The corresponding infringement cases could be closed.

[EU rules on firearms](#) set minimum standards for the acquisition, possession and exchange of civilian firearms and protect against criminal acts and [illicit trafficking](#). The Commission decided to refer [Luxembourg](#) and [Sweden](#) to the Court of Justice for failing to implement this key legislation. The case against Sweden could later be closed, as well as other cases against the latter, Bulgaria, Ireland, Greece and Luxembourg. This means more security for everybody in the EU as these Member States now properly apply the rules to avoid illicit arms trafficking.

The Commission is committed to combating the [risks inherent to the digital transformation](#) and the threat to prosperity and security posed by [organised crime](#). It launched infringement cases against [Czechia, Hungary, Poland, Slovenia and Finland](#) to enforce the transposition of the [Directive on combating money laundering by criminal law](#). At the same time, progress meant that it was able to close cases against 13 other Member States.

To enforce the [Directive on the fight against fraud affecting the EU's financial interests](#), the Commission opened infringement proceedings against [Bulgaria](#) and [Poland](#) and took the next step in the procedure against [Finland](#) for incorrectly transposing the Directive.

The Commission took further decisions to enforce the common rules on [drugs](#). It referred [Hungary](#) to the Court of Justice for its failure to respect the agreed EU position on the international scheduling of cannabis and related substances in the UN Commission on Narcotic Drugs.

Managing external borders

The [Schengen area](#) is one of the EU's greatest achievements, allowing EU citizens, non-EU residents and visitors to freely and safely travel across the EU. The Commission is committed to ensuring compliance with the uniform format for visas and residence permits, aiming to keep travel and residency in the EU secure, legally consistent, and in line with the principles of free movement and international cooperation.



The Commission launched infringement procedures against [Bulgaria](#), [Greece](#), [Cyprus](#) and [Lithuania](#) for not implementing a 2D barcode required as part of the [uniform format](#) for visas. Following a complaint, the Commission opened an infringement case against [Portugal](#) for incorrect implementation of the [uniform format](#) for residence permits for non-EU nationals. It also took the next step in a procedure against [Bulgaria](#) for failing to implement this new format for residence permits for non-EU nationals.

A united EU response to migration and asylum

The Commission continued to work on rules ensuring fast and fair [asylum](#) and [return](#) procedures, providing [legal pathways](#) to the EU, preventing [irregular migration](#), and preserving the [integrity of EU external borders](#), in full conformity with European values and fundamental rights. These are the aims of the [Pact on Migration and Asylum](#) agreed by the European Parliament and the Council. The Commission will help to ensure full implementation, so that rules are applied from the outset.

The Commission opened infringement cases against [Belgium, Greece, Spain and Portugal](#) for incorrect transposition of the [Reception Conditions Directive](#). It also enforced the [Qualification Directive](#) by tackling its incomplete ([Czechia](#)) or incorrect ([Greece, Portugal and Finland](#)) transposition. These rules aim to ensure that asylum seekers are treated equally in an open and fair system. Reception conditions should ensure a dignified standard of living, common grounds for granting international protection, and access to rights and integration measures for beneficiaries of international protection.

On EU migration legislation, the Commission launched an infringement procedure against [Hungary](#) for breaching the [Facilitators Package](#) combatting migrant smuggling. To promote compliance with [legal migration](#) rules, the Commission opened infringement cases against 18 [Member States](#) for incorrect transposition or implementation of the [Seasonal Workers Directive](#). The Commission also continued to enforce the correct implementation of the [Long-Term Residents Directive](#), following up on a case against [Malta](#) that is based on [two petitions](#) to the European Parliament. It satisfactorily closed a case against Lithuania on the same rules.

Implementing sanctions against Russia

To strike against Russia's ability to finance its war of aggression against Ukraine, the EU adopted three additional packages of sanctions in 2023, bringing the total to 12. They cover a wide range of sectors, such as finance, energy, media, transport and trade.

The Commission monitored and promoted the sanctions' implementation by Member States. It requested information from Member States and conducted bilateral visits to national sanctions authorities. The Commission also followed up on information received through the [EU sanctions whistleblower tool](#), a secure online platform that enables whistleblowers to report violations anonymously. The [Freeze and Seize Task Force](#) convened by the Commission stepped up enforcement of sanctions against Russian and Belarusian individuals and entities, combating sanctions violations. This work has coordinated the freezing of more than EUR 27 billion of private assets and the immobilisation of more than EUR 200 billion of Russian sovereign assets.

