

Statute and funding of European political parties and European political foundations: membership, co-financing

2017/0219(COD) - 13/09/2017 - Legislative proposal

PURPOSE: to amend Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council with a view to strengthening the European dimension of European political parties and increasing transparency while guaranteeing the proper use of European funds.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament shall decide in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: [Regulation \(EU, Euratom\) No. 1141/2014](#) establishes a specific European legal status for European political parties and political foundations to benefit from and provides for their funding from the general budget of the European Union. It was introduced to increase the visibility, recognition, effectiveness, transparency and accountability of European political parties and their affiliated political foundations.

Despite the progress made by Regulation No 1141/2014, **the European Parliament and a number of European political parties have called for an improvement of these rules.**

On 15 June 2017, Parliament adopted a [resolution](#) calling upon the Commission to propose a revision of the current legal framework as soon as possible to address its shortcomings, especially with respect to the **level of co-financing** requested, and of the possibility of multi-party membership of European Parliaments' Members.

In its [2017 Report on EU Citizenship Rights](#), the Commission recognised that the functioning of the EU is founded on representative democracy. This requires transparency and an accessible, accountable political culture, supported by an effective electoral system and an informed and engaged electorate.

The current proposal is aligned to and complements these priorities and in addition to the issues set out in the previous section therefore includes some changes to **enhance the transparency of the link between parties at Member State level and the European parties with which they are affiliated.**

The aim is to ensure that the limited resources of the EU budget are well allocated and spent, as well as avoiding circumvention of existing rules.

The Commission considers that these focused changes should be introduced before the 2019 European elections.

CONTENT: the Commission proposes to make a **limited number of amendments** to Regulation No 1141/2014 in order to:

- determine who can sponsor the registration of a political party,
- allocate funds in a way that is more proportionate to the representativeness of European political parties in the European Parliament,
-

- address difficulties faced by European political parties and foundations in reaching the co-financing threshold.

The main elements of the proposal are:

Registration: in order to strengthen the link between policies at national and Union level and to prevent a single national party artificially creating several European political parties with identical or similar political trends, the Commission proposes to amend the rules so that **only parties, and no longer individuals, can sponsor the creation of a European political party.**

Co-financing: European foundations and political parties are currently struggling to meet the co-financing threshold of 15%. **The Commission therefore proposes that the co-financing obligation should be reduced to 10% for European political parties and 5% for European political foundations.** Thus, a greater share of public funding earmarked for these parties and foundations could be used, for example for election campaigns.

Transparency: it is proposed to impose an additional condition for a European political party to receive funding, which would require it to report on the publication, on its member parties' websites, of its political programme and logo as well as and information on the gender representation among the candidates at the last elections to the European Parliament and its members of the European Parliament.

Proportionality of EU funding: the allocation of resources from the general budget of the European Union should objectively reflect the genuine electoral support of a European political party. To this end, the Commission proposes that the respective appropriations available to those European political parties and European political foundations which have been awarded contributions or grants shall be distributed annually on the basis of the following distribution key: (i) **5 %** shall be distributed in equal shares among the beneficiary European political parties; (ii) **95 %** shall be distributed in proportion to their share of elected members of the European Parliament among the beneficiary European political parties.

De-registration: the proposal provides for the possibility of de-registering a European political party or foundation if they **no longer fulfil the conditions for registration** or if the information on the basis of which the registration decision was taken is incorrect or misleading.

Protection of the EU's financial interests: in the event of infringements, the authorising officer of the European Parliament should be able to **recover amounts unduly paid.**

Review: the Commission proposes to adapt the revision clause of the current Regulation so that the evaluation report can be **published during the first part of 2022** and may therefore also relate to the amendments proposed in this Regulation.