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

2017/0219(COD) - 03/05/2018 - Final act

PURPOSE: to revise 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.

LEGISLATIVE ACT: Regulation (EU, Euratom) 2018/673 of the European Parliament and of the Council amending Regulation (EU, Euratom) No 1141/2014 on the statute and funding of European political parties and European political foundations.

CONTENT: this Regulation amends <u>Regulation (EU, Euratom) No 1141/2014</u> in order to better meet the objective of encouraging and assisting European political parties and their affiliated European political foundations in their endeavour to provide a strong link between European civil society and the Union institutions, and in particular the European Parliament.

The targeted modifications focused on the following points:

Respect for the values of the Union: European political parties and their affiliated European political foundations to respect, in particular in their programme and in their activities, the values on which the Union is founded, namely respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities.

Conditions for registration: a political alliance may apply to be registered as a European political party provided that:

- its member parties must be represented by, in at least one quarter of the Member States, members of the European Parliament, of national parliaments, of regional parliaments or of regional assemblies, or
- its member parties are not members of any other European political party.

The European Parliament, acting on its own initiative or following a reasoned request from a group of citizens, or the Council or the Commission, may lodge with the Authority a request for **verification of compliance by a specific European political party or European political foundation**. In such cases, the Authority shall ask the committee of independent eminent persons for an opinion on the subject. The committee shall give its opinion within two months.

Conditions applicable to financing: financial contributions or grants from the general budget of the European Union shall not exceed 90 % of the annual reimbursable expenditure indicated in the budget of a European political party and 95 % of the eligible costs incurred by a European political foundation. European political parties may use any unused part of the Union contribution awarded to cover reimbursable expenditure within the financial year following its award.

Transparency: the Regulation requires that a European political party shall include in its application evidence demonstrating that its EU member parties have, as a rule, **published on their websites**, in a clearly visible and user-friendly manner, throughout the 12 months preceding the final date for submission of applications, the **political programme and logo** of the European political party.

Parliament shall publish an updated list of Members of the European Parliament who are members of a European political party.

Proportionality of EU funding: the allocation of resources from the general budget of the European Union shall objectively take into account the demonstrable electoral support of a European political party.

To this end, the Regulation provides 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) 10 % shall be distributed among the beneficiary European political parties in equal shares; (ii) 90 % shall be distributed among the beneficiary European political parties in proportion to their share of elected members of the European Parliament.

Penalties: the Regulation provides for the possibility of **removing** a European political party or a European political foundation from the register if it no longer fulfils the conditions for registration or if the information on the basis of which the registration decision was taken is false or incomplete.

In the event of an infringement, the Authorising Officer of the European Parliament shall recover amounts unduly paid under the contribution or grant agreement or decision, including any unspent Union funds from previous years.

The representatives of the European political party, the European political foundation or the natural person concerned shall have the **right to be heard** by the authorising officer before any decision likely to infringe rights is taken.

Review: the European Parliament shall publish by **31 December 2021** at the latest and every five years thereafter a report on the application of the Regulation and the activities funded. The report shall indicate, where appropriate, possible amendments to be made to the statute and funding systems.

ENTRY INTO FORCE: 4.5.2018.