











Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation 2021/0375(COD)	Awaiting Parliament's position in 1st reading
Statute and funding of European political parties and foundations Repealing Regulation 2014/1141 2012/0237(COD)	
Subject 1.20.01 Political rights, right to vote and to stand in elections 4.10.16 Social and community life, associations, foundations 8.40.08 Agencies and bodies of the EU 8.70 Budget of the Union	
Legislative priorities Joint Declaration 2021 Joint Declaration 2022	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Constitutional Affairs		26/01/2022
		 WIELAND Rainer	26/01/2022
		 GOERENS Charles	
		Shadow rapporteur	
		 BISCHOFF Gabriele	
		 DELBOS-CORFIELD Gwendoline	
		 SARYUSZ-WOLSKI Jacek	
		 SCHOLZ Helmut	
		Committee for opinion	Rapporteur for opinion
 Budgets			16/12/2021
	Committee for opinion on the recast technique	Rapporteur for opinion	Appointed
 Legal Affairs			01/01/2022
		 ADAMOWICZ Magdalena	
Council of the European Union European Commission	Commission DG Secretariat-General	Commissioner JOUROVÁ Věra	

Key events

25/11/2021	Legislative proposal published	COM(2021)0734	Summary
17/01/2022	Committee referral announced in Parliament, 1st reading		
13/07/2022	Vote in committee, 1st reading		
27/07/2022	Committee report tabled for plenary, 1st reading		

Forecasts

15/09/2022	Debate in plenary scheduled
------------	-----------------------------

Technical information

Procedure reference	2021/0375(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Recast
Legislative instrument	Regulation
	Repealing Regulation 2014/1141 2012/0237(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 224; Rules of Procedure EP 110
Mandatory consultation of other institutions	European Court of Auditors
Stage reached in procedure	Awaiting Parliament's position in 1st reading
Committee dossier	AFCO/9/07842

Documentation gateway

Legislative proposal		COM(2021)0734	25/11/2021	EC	Summary
Document attached to the procedure		SEC(2021)0577	25/11/2021	EC	
Document attached to the procedure		SWD(2021)0359	25/11/2021	EC	
Document attached to the procedure		SWD(2021)0360	25/11/2021	EC	
Economic and Social Committee: opinion, report		CES6449/2021	23/02/2022	ESC	
Committee draft report		PE719.606	22/03/2022	EP	
Court of Auditors: opinion, report		52022AA0001 OJ C 182 04.05.2022, p. 0014	07/04/2022	CofA	
Amendments tabled in committee		PE719.607	13/04/2022	EP	
Committee opinion	BUDG	PE719.619	17/05/2022	EP	
Opinion on the recast technique		PE732.690	30/05/2022	EP	
Specific opinion	JURI	PE734.087	16/06/2022	EP	

PURPOSE : to recast the regulation laying down the conditions governing the statute and funding of political parties at European level and political foundations at European level (recast).

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

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

BACKGROUND: Regulation No 1141/2014 of the European Parliament and of the Council governs the statute and funding of European political parties and European political foundations. Clearer rules are needed on the financing of European political parties and for greater transparency in sponsored political content (political advertising). The current legal framework does not address sufficiently the need for transparency of political advertising, which is essential for a fair democratic debate and free and fair elections.

Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council on the statute and funding of European political parties and European political foundations has been substantially amended several times. Since further amendments are to be made, that Regulation should be recast in the interests of clarity.

CONTENT: the recast proposal aims to amend the rules on the conditions governing the statute and funding of both political parties and political foundations at European level.

This recast proposal intends to:

- amend the definition of European political foundation to allow for the organisation of capacity building activities that could help form future political leadership in Europe;
- introduce a definition of political advertising and of paid political advertisement with a view to increasing its transparency;
- introduce an addition category of revenue sources, which is currently limited to contributions or donations, which is linked to financial income created by the party or foundation activity. This revenue should be capped so that that it does not become over-dimensioned in relation to this entity's overall budget;
- introduce a new Article to clarify the notion of indirect funding and the fact that its prohibition should not prevent European political parties and foundations from engaging with their member parties and organisations;
- clarify that the obligation to respect the values on which the Union is founded, as set out in Article 2 of the Treaty on European Union, applies not only to European political parties and foundations, but that these values must also be observed by their member parties and member organisations;
- include in the statute of political parties their internal rules on gender equality;
- provide for a repository for the disclosures to be made by the European political parties to the Authority;
- introduce a co-financing rate for European political parties of 5% (as opposed to 10%) to address the difficulties that smaller European political parties face in achieving the 10% co-financing rate required by Regulation (EU, Euratom) No 1141/2014;
- reduce the co-financing rate to 0% in the year of the elections to the European Parliament to help European political parties increase the number and intensity of their campaign activities and increase their visibility at national level;
- clarify the requirements for displaying the logo of the European political party that a member party is affiliated to in order to increase the visibility of European political parties at national level. Sanctions should apply where a European political party fails to provide evidence in its application for EU funding that its logo is displayed by its member parties;
- provide stronger protection of the Unions financial interests by eliminating the 3-month period between a de-registration decision by the Authority and the decisions entry into force;
- introduce a due diligence mechanism for donations above EUR 3 000;
- introduce a cap on contributions from members outside the EU at 10% of total contributions (which, in turn, are capped to 40% of the annual budget of the party or foundation) in order to mitigate the risk of foreign interference and to ensure proportionality.

Budgetary implications

The lowering of the co-financing rate for European political parties from the current 10% to 5% and the new 0% co-financing rate for the year of the elections to the European Parliament, may require the provision of additional financial resources for European political parties and foundations. However, this will be for the budgetary authority to decide on annual basis.