

Regulations governing political parties at European level and rules regarding their funding

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The Committee on Constitutional Affairs adopted - at 1st reading under the codecision procedure - the report drafted by Jo **LEINEN** (PES, DE) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 2004/2003 on the regulations governing political parties at European level and the rules regarding their funding.

The committee welcomes the Commission's proposal in its entirety and recommends that it be adopted, together with the proposed amendments, which are **primarily for clarification**.

- firstly, MEPs wish to specify that political parties at European level act in the context of European Parliament elections in particular in order to highlight the European character of those elections;
- other amendments aim to align the criteria for foundations with those for parties. "Political foundations at European level" shall mean an entity or network of entities which has legal personality in the Member State in which its seat is located that is separate from that of the political party at European level to which it is affiliated. A "political foundation" at European level may only apply for funding from the general budget of the European Union through the political party at European level with which it is affiliated. Funding allocated to a political foundation at European level shall only be used for the purpose of financing the activities of the former. On no account may it be used to finance election campaigns;
- contributions to a political party at European level from national political parties which are members of a political party at European level or from a natural person who is a member of a political party at European level shall be admissible. Contributions to a political party at European level from national political parties or from a natural person may not exceed 40 % of that party's annual budget;
- according to the proposal, contributions to a political foundation at European level from national political foundations, which are members of a political foundation at European level, as well as from political parties at European level, shall be admissible. They must not derive from funds received by a political party at European level pursuant to this Regulation from the general budget of the European Union. The burden of proof shall rest with the political party at European level concerned;
- other amendments have been introduced by the committee aiming to facilitate checks and controls. It has been clarified that the independent external auditor responsible for the annual certification shall also be required, where appropriate, to attest that the provisions governing such carry-overs have been implemented correctly;
- in order to improve transparency, the report states that the European Parliament shall publish jointly in a section of its website created for that purpose – for each financial year for which grants have been paid – the following documents: i) a table of the amounts paid to each political party and each political foundation at European level; ii) the provisions for the implementation of this Regulation adopted by the Bureau of the European Parliament;
- the committee states that funding charged to the general budget of the European Union shall not exceed 85% of those costs of a political party or political foundation at European level which are eligible for funding. The burden of proof shall rest with the relevant political party at European level;

- as regards transitional provisions, the report highlights that the provisions laid down by this Regulation shall apply to grants awarded to the European political parties as from the financial year 2008. For the financial year 2008, any applications for funding of political foundations at European level shall relate exclusively to eligible costs incurred after 1 September 2008.

- European political parties that have duly submitted their applications for grants for 2008 may, within three months following the entry into force of this Regulation, submit a supplementary application for funding based on the modifications introduced by this Regulation and, where appropriate, an application for a grant for the foundation affiliated to that political party. The European Parliament shall adopt appropriate implementation measures.