Financial rules applicable to the general budget of the Union: financing of European political parties

2012/0336(COD) - 16/04/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 598 votes to 44 with 20 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU, Euratom) No 966/2012 as regards the financing of European political parties.

Parliament adopted its position at first reading under the ordinary legislative procedure. The amendments adopted in plenary were the result of a compromise between Parliament and Council. They amend the Commission's proposal as follows:

Contributions: direct financial contributions from the budget may be awarded to European political parties in view of their contribution to forming European political awareness and to expressing the political will of the citizens of the Union in accordance with the provisions of Regulation of the European Parliament and of the Council on the statute and funding of European political parties and European political foundations.

The amendments clarified the following:

- contributions may be used to reimburse expenditure relating to contracts concluded by European political parties, provided that there were no conflicts of interest when they were awarded;
- contributions should not be used to grant directly or indirectly any personal advantage, in cash or in kind, to any individual member or staff of a European political party;
- European political parties receiving a contribution should not receive directly or indirectly other funds from the budget. In particular, donations from the budgets of political groups in the European Parliament should be prohibited.

The appropriations set aside for independent external audit bodies or experts should be charged directly to the budget of the European Parliament.

Evaluation procedure: if the application is rejected, the authorising officer should inform the applicant of the available means of administrative and/or judicial redress.

Rules on contributions: where lump sums, flat-rate financing and unit costs are used, they should be defined in the call for contributions with their respective amounts and rates, where applicable. The call for contributions should also contain a description of the methods for determining lump sums, unit costs or flat-rate financing, which should be based on objective means such as statistical data, certified or auditable historical data of the European political parties or their usual cost accounting practices

Use of contributions: contributions by third parties to joint events should not be considered as part of the own resources of a European political party.

Record keeping: European political parties should keep all records and supporting documents, and other records pertinent to the contribution for five years following the submission of the annual final report and accounts.

Selection of external audit bodies or experts: the selection should be done through a public procurement procedure. The term of their contract should be no longer than 5 years. After two consecutive terms, they should be deemed to have conflicting interests, which may negatively affect the performance of the audit.