

Statute and funding of European political parties and European political foundations

2021/0375(COD) - 27/07/2022 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Constitutional Affairs adopted the report by Charles GOERENS (EPP, DE) and Rainer WIELAND (Renew, LU) on the proposal for a regulation of the European Parliament and of the Council on the statute and funding of European political parties and European political foundations (recast).

The recast proposal aims to amend the rules governing the statute and financing of political parties and political foundations at European level.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

Definitions

In order to ensure legal consistency, Members clarified a number of definitions for reasons of internal logic. Members have thus modified the concepts of ‘donation’, ‘association fees’, ‘ancillary own resources’, ‘indirect financing’, and introduced the concept of ‘contribution’.

For the purposes of the Regulation, a ‘political party’ is defined as an association of citizens recognised by the legal order of at least one Member State or of a **third country** which, being a member of the Council of Europe, has full rights of representation there or is established in accordance with that legal order. The definition of ‘European political party’ has also been clarified.

Transparency obligations regarding the use of logos, publication of the political programme and gender balance

Members introduced a specific article stating that each European political party should ensure that member parties publish on their websites the political programme and logo of the European political party. Each European political party and its member parties shall publish on their websites information on the gender balance among the candidates at the elections to the European Parliament following the entry into force of this Regulation along with updated information on gender representation among their Members of the European Parliament.

Members also clarified the provisions concerning the verification of compliance with the conditions and requirements for registration and the examination of **grounds for deletion from the register** by the Authority.

Verification of the registration conditions relating to the values upon which the Union is founded

A political alliance could apply for registration as a European political party on condition that it ensures that its member parties based in the Union respect the values set out in Article 2 of the Treaty on European Union and that its member parties based in a third country belonging to the Council of Europe respect equivalent values.

According to the amended text, the European Parliament, on its own initiative or following a reasoned request from a group of citizens, or the Council or the Commission could ask the Authority to verify whether a European political party or a specific European political foundation complies with the conditions for registration relating to the respect of the values on which the Union is founded.

In such cases, the Authority should inform the European political party or European political foundation concerned without undue delay, invite it to submit its observations and give it the opportunity to take steps to remedy the situation within one month.

Verification of obligations under national law

The Member State in which the European political party or European political foundation has its seat could submit an application for **deregistration** to the Authority if a European political party or European political foundation is in breach of the relevant obligations under the applicable national law and if, in the light of the freedom of association enshrined in Article 12 of the Charter and the need to guarantee the pluralism of political parties in Europe, this breach is sufficiently serious to justify its deregistration. This duly reasoned request should identify precisely and exhaustively the illegal actions and the specific national requirements that have not been respected.

Conditions for funding

In order to receive funding from the general budget of the European Union, a European political party or a European political foundation, which satisfies the conditions set out in the Regulation, should submit an application to the European Parliament following a call for contributions from the general budget of the European Union or a call for proposals.

For all **donations** with a cumulative annual value of more than EUR 3 000 from a single donor, European political parties and European political foundations should ask these donors to provide the necessary information so that they can be properly identified.

The total value of contributions to a European political party should not exceed 40% of its annual budget. The total value of association fees to a European political party should not exceed 20 % of the total value of contributions to that party.

Furthermore, the share of **additional own resources** in the total budget of a European political party or a European political foundation should be capped at 10% of the amount generated from contributions and fees in order to keep it proportionate to the total budget of these entities. The funding of European political parties from the general budget of the European Union or from any other source could be used to finance referendum campaigns when these concern issues directly related to the European Union.

Common directory for information provided by European political parties

European political parties should make available in the Authority's Directory information that enables citizens to understand the wider context and objectives of political advertising. Information on the amount of money allocated to political advertising in a given campaign could be based on a realistic estimation of the funds and on the actual amounts once known. The amounts to be mentioned in the repository include donations for specific purposes, benefits in kind, contributions, association fees and other own resources.