Statute and financing of European political parties

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PURPOSE: to present a proposal for a Council Regulation on the statue and financing of European political parties. CONTENT: Article 191 of the EC Treaty contains no clause recognising the operational and personnel expenditure of political parties. The amendments in the Nice Treaty underline the role and importance of European political parties as factors for integration within the Union. They also underline that financing fom the budget of the Community cannot be used to finance, directly or indirectly, national political parties. However, the European Parliament's political groups give subsidies to the corresponding parties and provide staff charged to their budget, ultimately therefore to the European Parliament's budget. The Court of Auditors considers this to be illegal, in the absence of a legal basis. Since Atricle 191 does not supply an adequate operational legal base, a specific legal base must be added so that the relevant expenditure can be charged to the general budget of the European Communities. Against this background, the most appropriate legal basis for this expenditure would without doubt be Article 308, in conjunction with Article 191. The measure must fully respect the subsidiarity principle; it must not impinge on national systems for financing parties. In particular, it must not have the effect of financing national parties, which would be incompatible with Article 191, or their national or European election campaigns. Subject to fulfilling certain criteria, political parties could be eligible for financing from the Union budget in compliance with Article 191 and at the same time the subsidiarity principle. This financing is not to replace the autonomous financing of European parties which must represent at least 25% of the budget of each party. The distribution between parties eligible for financing is based on objective factors. Within the 75% threshold, each party would receive a flat-rate basic grant plus a second component based on the number of elected representatives in the European Parliament. The two components would account for 15% and 85% of the appropriations respectively.