Basic information

2012/0237(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
European political parties and European political foundations: statute and funding Repealing Regulation (EC) No 2004/2003 2003/0039(COD) Repealed by 2021/0375(COD) Amended by 2017/0219(COD) See also 2012/0336(COD) See also 2017/2550(RSP) **Subject** 1.20.01 Political rights, right to vote and to stand in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	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AFCO Constitutional Affairs	GIANNAKOU Marietta (PPE)	17/09/2012
	Shadow rapporteur GURMAI Zita (S&D) ILCHEV Stanimir (ALDE) HÄFNER Gerald (Verts /ALE) HANNAN Daniel (ECR) SCHOLZ Helmut (GUE /NGL) MESSERSCHMIDT Morten (EFD)	

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	HERCZOG Edit (S&D)	03/10/2012
JURI Legal Affairs	BERLINGUER Luigi (S&D)	10/10/2012

Council of the European

Council configuration	Meetings	Date

Union	General Affairs	3334	2014-09-29
	General Affairs	3187	2012-09-24

European Commission	Commission DG	Commissioner
	Secretariat-General	BARROSO José Manuel

European Economic and Social Committee

European Committee of the Regions

Key events

Date	Event	Reference	Summary
12/09/2012	Legislative proposal published	COM(2012)0499	Summary
24/09/2012	Debate in Council		Summary
22/10/2012	Committee referral announced in Parliament, 1st reading		
15/04/2013	Vote in committee, 1st reading		
24/04/2013	Committee report tabled for plenary, 1st reading	A7-0140/2013	Summary
16/04/2014	Decision by Parliament, 1st reading	T7-0421/2014	Summary
16/04/2014	Results of vote in Parliament		
29/09/2014	Act adopted by Council after Parliament's 1st reading		
22/10/2014	Final act signed		
29/10/2014	End of procedure in Parliament		
04/11/2014	Final act published in Official Journal		

Technical information

Procedure reference	2012/0237(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EC) No 2004/2003 2003/0039(COD) Repealed by 2021/0375(COD) Amended by 2017/0219(COD) See also 2012/0336(COD) See also 2017/2550(RSP)
Legal basis	Treaty on the Functioning of the European Union TFEU 224
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	AFCO/7/10671

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE498.012	07/12/2012	
Amendments tabled in committee		PE504.068	18/01/2013	
Committee opinion	JURI	PE500.627	23/01/2013	
Committee opinion	BUDG	PE500.600	24/01/2013	
Committee report tabled for plenary, 1st reading/single reading		A7-0140/2013	24/04/2013	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0421/2014	16/04/2014	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00062/2014/LEX	22/10/2014	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2012)0499	12/09/2012	Summary
Commission response to text adopted in plenary	SP(2014)471	09/07/2014	
Follow-up document	COM(2019)0094	22/02/2019	
Follow-up document	COM(2021)0717	25/11/2021	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2012)0499	26/11/2012	
Contribution	IT_CHAMBER	COM(2012)0499	11/01/2013	
Contribution	IT_SENATE	COM(2012)0499	24/01/2013	
Contribution	CZ_SENATE	COM(2012)0499	13/02/2013	
Contribution	RO_CHAMBER	COM(2012)0499	18/04/2013	
Contribution	LT_PARLIAMENT	COM(2012)0499	24/04/2014	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0920/2013	13/02/2013	
EU	Implementing legislative act	32018D0628(01) OJ C 225 28.06.2018, p. 0004	28/05/2018	

Additional information		
Source	**Document**	**Date**
National parliaments	IPEX	
European Commission	EUR-Lex	
European Commission	EUR-Lex	

Final act	
Regulation 2014/1141 OJ L 317 04.11.2014, p. 0001	Summary

Delegated acts	
Reference	**Subject**
2015/2889(DEA)	Examination of delegated act

European political parties and European political foundations: statute and funding

2012/0237(COD) - 24/09/2012

The Council took note of the presentation by the Commission of proposals aimed at improving the rules and funding arrangements of European political parties and foundations (*please refer to the summary dated 12/09/2012*).

The Commission signalled its wish that the new rules be agreed in time for the 2014 European election campaign.

European political parties and European political foundations: statute and funding

2012/0237(COD) - 24/04/2013 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Constitutional Affairs adopted the report by Marietta GIANNAKOU (EPP, EL) 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.

The committee recommends that the European Parliament's position adopted at first reading, following the ordinary legislative procedure, should amend the Commission's proposal as follows:

European political party: the definition is clarified to make sure that only parties which are legally correct, also with regard to their **internal democratic order**, can be taken into account for the registration conditions.

Recognition: the report proposes that only **national or regional parties** should be entitled to set up a European party. The possibility of recognition of regional elected representatives should therefore be retained for the purpose of forming parties but only in the case of regions with legislative powers notified as such to the European Parliament.

Registration: a political alliance, which **observes the values on which the European Union is founded**, as referred to in Article 2 of the Treaty on European Union, shall be entitled to apply to register its statutes as a European political party with the European Parliament.

Whenever requested to do so by one quarter of its members, representing at least three political groups in the European Parliament, by the Commission or by the Council, the European Parliament shall decide whether a European political party or a European political foundation continues to respect the values on which the European Union is founded referred to in Article 2 of the Treaty on European Union.

If the European Parliament finds that a European political party or a European political foundation has failed to respect the values on which the Union is founded, it may be censured or fined, or may be **removed from the Registry**.

Governance and democracy within the European political parties: Members are opposed to the Commission's proposal which states that legal construction means that, before a "political alliance" can apply for being registered in order to obtain legal personality under Union-law. This was not the intention of the promoters of a statute for the European political parties as formulated by Parliament in its resolution of 6 April 2011. Parliament believes that authentic legal status for the European political parties and a legal personality of their own, based directly on the law of the European Union, will enable the European political parties and their foundations to act as representative agents of the European public interest.

The statutes of a European political party shall include rules on internal party democracy covering at least the following : (i) the democratic selection of the candidate supported by the party for the post of President of the European Commission or any other Union political office; (ii) the democratic standards to be met by affiliated member parties in the interest of internal party democracy at all political levels, in particular when lists of candidates are being drawn up; (iii) promotion of gender balance in its general assembly, in its governing bodies and in the composition of electoral lists.

The statutes of a European political foundation shall include the powers and democratic decision-making procedures of the foundation's bodies and their composition.

Financing: Members state that European political parties and **European political foundations** may use any unused part of the EU contribution or grant awarded within the following two financial years after its award. Amounts unused following those two financial years shall be recovered in accordance with the Financial Regulation.

For the purposes of **allocating the appropriations**, a Member of the European Parliament may be considered as belonging to only one European political party, which shall, where relevant, be the party to which his or her national or regional party is affiliated on the final date for the submission of applications.

The definition of 'donation' is clarified. It shall mean a payment or benefit in kind (goods or services) constituting an economic or financial advantage for the European political party or European political foundation concerned, with the **exception of contributions to the organisation of joint events**. Membership of a European political party and participation in its political activities on a voluntary basis should not be considered as a payment or benefit in kind, but as an act of voluntary dedication.

Members consider that European political parties should be able to **finance campaigns** conducted in the context of referenda in one or several Member States which directly concern matters relating to the European Union. On the other hand, the funding of European political parties and European political foundations shall not be used to finance national, regional or local referenda campaigns in the context where the issues are do not concern EU- related matters.

Transparency: the European Parliament shall publish on an annual lists of all Members of the European Parliament, of national parliaments, and of regional parliaments or assemblies who are members of European political parties, along with their respective party affiliation.

European political parties and European political foundations: statute and funding

2012/0237(COD) - 16/04/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 539 votes to 103 with 20 abstentions, a legislative resolution 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.

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:

Purpose: The Regulation laid down the conditions governing the statute and funding of political parties at European level and political foundations at European level. A 'political party' was defined as an association of citizens, which pursued political objectives, and was either recognised by, or established in accordance with, the legal order of at least one Member State.

Governance of European political parties: the statutes of a European political party should comply with the applicable law of the Member State in which it had its seat. Its name and logo must be clearly distinguishable from those of any existing European political party and European political foundation. As well as a political programme, the statute should contain a statement that it did not pursue profit goals, and set out its administrative and financial organisation and procedures.

Authority: Parliament and Council agreed on establishing an Authority for European political parties and foundations for the purpose of **registration, control and sanctions**. Registration should be necessary to obtain the European legal status, which entails a series of rights and obligations. To avoid any possible conflict of interests, the Authority should be **independent**. It should have sufficient funding and its **seat should be in the European Parliament.**

The Director of the Authority shall be appointed for a five-year non-renewable term by the European Parliament, the Council and the European Commission by common accord, on the basis of proposals made by a selection committee composed of the Secretary Generals of those three institutions following an open call for candidates.

The Authority should **verify regularly** that the conditions and requirements related to the registration of European political parties or European political foundations continue to be met.

Decisions to **de-register** a European political party or a European political foundation on the grounds set out in the regulation should be communicated to the European Parliament and Council. Where Parliament or Council objected, the party of foundation should remain registered.

Register: the Authority should establish a Register on European political parties and European political foundations. Information from the Register shall be available on line.

Committee: a Committee of independent eminent persons would be established. It

Should consist of **six members**, with the European Parliament, the Council and the Commission each appointing two members. When requested by the Authority, the Committee shall **give an opinion** on any possible manifest and serious breach of the values on which the European Union is founded by a European political party or a European political foundation.

Acquisition of European legal personality: the European political party and the European political foundation should acquire European legal personality on the date of publication in the Official Journal of the European Union of the decision of the Authority to register it. The acquisition of European legal personality should be considered as a conversion of the national legal personality into a successor European legal personality.

Financing : the co-legislators agreed that financial contributions or grants from the general budget of the European Union should not exceed **85 %** of the annual reimbursable expenditure indicated in the budget of a European political party and 85 % of the eligible

Expenditure reimbursable through a financial contribution shall include administrative expenditure and expenditure linked to technical assistance, meetings, research, cross-border events, studies, information and publications, as well as expenditure linked to campaigns.

Donations and contributions: European political parties and European political foundations may accept donations from natural or legal persons of up to a value of **EUR 18 000** per year and per donor.

For donations from natural persons the value of which is **more than EUR 1 500 and below or equal to EUR 3 000**, the European political party or European political foundation shall indicate whether the corresponding donors have provided prior written consent to publication.

A European political party and a European political foundation should not accept: (i) donations from any public authority, from a Member State or a third country or from any undertaking over which such a public authority may exercise directly or indirectly a dominant influence; (ii) donations from any **private entities based in a third country** or from individuals from a third country who are not entitled to vote in European elections.

Control and Sanctions: control on compliance by European political parties and European political foundations with the obligations under the Regulation should be exercised, in cooperation, by the Authority, the Authorising Officer of the European Parliament and by the competent Member States.

The following **financial sanctions** should be applied:

- in cases of **non-quantifiable offences**, a fixed percentage of the annual budget of the European political party or European political foundation: 5%; or 7.5 % if there are concurrent offences; or 20 % if it is a repeated offence; a third of the percentages above if the European political party or European political foundation has voluntary declared the offence ;
- **in cases of quantifiable offences**, a fixed percentage of the amount of the irregular sums perceived or not reported as according to a scale, with a maximum of 10 % of the annual budget of the concerned European political party or European political foundation: 100 % of the irregular sums perceived or not reported if it is less than or equal to EUR 50 000 to 300 % of the irregular sums perceived or not reported if it is less than or equal than EUR 250 000 or higher.

The representatives of the European political party, the European political foundation or the applicant concerned should have the **right to be heard** before the Authority or the Authorising Officer of the European Parliament takes a decision which may adversely affect their rights.

European political parties and European political foundations: statute and funding

2012/0237(COD) - 22/10/2014 - Final act

PURPOSE: to improve the regulatory framework on the statute and funding of European political parties and European political foundations with a view to reinforcing and encouraging representative democracy at the European Union level.

LEGISLATIVE ACT: 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.

CONTENT: this Regulation lays down the **conditions governing the statute and funding of political parties at European level and political foundations at European level**. These parties and foundations have a key role to play in articulating the voices of citizens at European level by bridging the gap between politics at national level and at Union level.

European legal statute: this Regulation introduces a European legal statute. The European statute provides for the possibility to register as a European political party or a European political foundation and thus obtain a legal status based on EU law. The European legal status will also be a pre-condition to receive public funding from the EU budget.

A political alliance shall be entitled to apply to register as a European political party subject to the following conditions:

- it or its members must be, or be represented by, in at least **one quarter of the EU Member States** (i.e. in 7 of the 28 Member States), or have received, in at least one quarter of the Member States, **at least 3% of the votes cast** in each of those Member States at the most recent elections to the European Parliament;
- **respect of the values** on which the European Union is founded (e.g. human dignity, democracy, the rule of law, human rights);
- it or its members must have participated in elections to the European Parliament, or have expressed publicly the intention to **participate** in the next elections to the European Parliament.

Independent authority: the European legal status is granted by an independent authority located within the European Parliament. It shall be represented by its Director appointed for a five-year non-renewable term by the European Parliament, the Council and the Commission.

The authority's task is also to **regularly verify** that the conditions for obtaining the European legal status are still met.

A decision of the Authority to **de-register** a European political party or foundation on the ground of a manifest and serious breach of the values on which the Union is founded shall be communicated to the European Parliament and the Council. **In the event of an objection by the European Parliament and by the Council**, the European political party or foundation shall remain registered.

Committee: the Regulation establishes a committee of independent eminent persons. It shall consist of **six members**, with the European Parliament, the Council and the Commission each appointing two members. When requested by the Authority, the committee shall give an opinion on any possible manifest and serious breach of the values on which the Union is founded, by a European political party or a European political foundation.

Sanctions: the Authority may also impose financial sanctions on European political parties and their foundations in case of infringements of the regulation.

As regards quantifiable infringements, a fixed percentage of the amount of the irregular sums received or not reported in accordance with the following scale, up to a **maximum of 10% of the annual budget** of the European political party or European political foundation concerned: 100% of the irregular sums received or not reported where those sums do not exceed EUR 50 000 to 300% of the irregular sums received or not reported where those sums exceed EUR 200 000.

Funding provisions: the Regulation stipulates that financial contributions or grants from the general budget of the European Union shall not exceed **85%** of the annual reimbursable expenditure indicated in the budget of a European political party and **85%** of the eligible costs incurred by a European political foundation.

The respective appropriations available to those European political parties and European political foundations which have been awarded contributions or grants shall be distributed annually on the basis of the following distribution key: (i) **15%** shall be distributed in equal shares among the beneficiary European political parties, (ii) **85%** shall be distributed in proportion to their share of elected members of the European Parliament among the beneficiary European political parties.

- **Donations** from natural or legal persons to European political parties and their foundations will be limited to a value of EUR 18 000 per year and per donor. The names of donors contributing more than EUR 3000 per year will always have to be published.
- **Contributions** from European political parties' or foundations' members may not exceed 40% of the parties' or foundations' budget. In addition, contributions from non-elected individual members of a European political party are limited to a value of EUR 18 000 per year and individual member.

It should be noted that a Regulation adapting the Financial Regulation to the particular characteristics of European political parties has been adopted in parallel.

ENTRY INTO FORCE: 24.11.2014. This Regulation shall apply from 1.1.2017.

DELEGATED ACTS: in order to facilitate the oversight of legal entities that will be subject to both Union and national law, the power to adopt delegated acts shall be conferred on the Commission for **a period of five years (renewable) from 24 November 2014**.

The European Parliament or the Council may object to a delegated act within a period of two months from the date of notification (this period may be extended by two months). If the European Parliament or the Council objects, the delegated act shall not enter into force.

European political parties and European political foundations: statute and funding

2012/0237(COD) - 12/09/2012 - Legislative proposal

PURPOSE: to improve the regulatory framework on the statute and funding of European political parties and European political foundations with a view to reinforcing and encouraging representative democracy at the European Union level.

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

CONTEXT: Article 10 of the Treaty on European Union states that "political parties at European level contribute to forming European political awareness and to expressing the will of citizens of the Union". **Truly transnational European political parties and political foundations** are key to articulating the voices of the citizens at European level.

Nine years after the entry into force of Regulation (EC) No 2004/2003 on the regulations governing political parties at European level and the rules regarding their funding, and five years after its revision in 2007, which, inter alia, introduced affiliated political foundations at European level within the scope of the Regulation, the Commission has conducted a comprehensive assessment of the current financing and regulatory framework of European political parties and foundations.

It has done so following the adoption, on the one hand, of a **report by the Secretary General of the European Parliament (EP)** on party funding at European level, and, on the other hand, of the EP's resolution of 6 April 2011 on the application of Regulation (EC) No 2004/2003 (hereafter referred to as "the Giannakou report"). The Giannakou report covers two main areas by:

- calling on the Commission to propose a statute for European political parties and political foundations, referring also to related issues of internal party democracy; and
- suggesting a number of changes linked to the funding regime applicable to the political parties and their affiliated political foundations, requesting stricter conditions for access to funding, on the one hand, and a more flexible system, on the other.

As part of its assessment of the existing rules governing European-level political parties and political foundations, **the Commission has taken due consideration of the conclusions reached by the EP in the Giannakou report**. It shares the view that European political parties and foundations have an important role to play to reinforce and foster representative democracy at EU level, and bridge the divide between EU politics and the Union's citizens.

IMPACT ASSESSMENT: the Commission has prepared the current proposal in close dialogue and consultation with relevant stakeholders: representatives of the political parties and foundations at European level, the political groups in the EP, national and academic experts, the President of the EP, the EP's Secretary General, and the rapporteur of the EP's evaluation report.

LEGAL BASE: Article 224 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: In the present proposal for a Regulation on the statute and funding of European political parties and European political foundations, the Commission is proposing a series of improvements to Regulation (EC) No 2004/2003. Their overarching objective is to increase the **visibility, recognition, effectiveness, transparency and accountability** of European political parties and foundations.

European legal statute: this proposal introduces a European legal statute. The European statute provides for the possibility to register as a European political party or a European political foundation and thus obtain a legal status based on EU law.

- Obtaining a European legal status will be conditional on **respecting high standards** of governance, accountability and transparency. The specific conditions and requirements for obtaining a European legal status include strict respect for the values on which the EU is founded, and, in the case of political parties, satisfying minimum rules on internal party democracy.

- Although it will be possible to **register statutes as a European political party or as a European political foundation but not apply for EU funding** , the opposite is not true.

- As requested by the European Parliament, the Commission is proposing that only those political parties – and, by extension, affiliated political foundations – that are represented in the European Parliament by **at least one of their members** should be entitled to receive EU funding.

Mode of funding: the present proposal **raises the level of donations permitted per year and per donor** to foster the ability of the political parties and foundations to generate their own resources.

- European political parties and European political foundations may accept donations from natural or legal persons of up to a value of **EUR 25 000** per year and per donor.

- Single donations exceeding a value of **EUR 12 000** that have been accepted by the European political parties and European political foundations shall be immediately reported to the European Parliament in writing.

In order to counterbalance the increased flexibility, **a comprehensive and transparent regulatory and control framework** is established, encompassing all aspects linked to the activities and financing of European political parties and their affiliated political foundations, covering all of their financial operations, irrespective of the source of funding.

This framework reinforces reporting and transparency obligations, it strengthens the accounting and control mechanisms, and it introduces a new regime of proportionate administrative and financial sanctions for breaches of the conditions of the Regulation, including breaches of the values on which the EU is founded.

BUDGETARY IMPLICATION: the EU funding provided to European political parties and European political foundations will continue to come from the budget of the European Parliament. The present proposal has no significant additional implications for the EU budget.