Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council of 22 October 2014 on the statute and funding of European political parties and European political foundations

REGULATION (EU, EURATOM) No 1141/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

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THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 224 thereof,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[(1)],

Having regard to the opinion of the Committee of the Regions[(2)],

Having regard to the opinion of the Court of Auditors[(3)],

Acting in accordance with the ordinary legislative procedure[(4)],

Whereas:

(1) Article 10(4) of the Treaty on European Union (TEU) and Article 12(2) of the Charter of Fundamental Rights of the European Union (the Charter) state that political parties at European level contribute to forming European political awareness and to expressing the political will of citizens of the Union.

(2) Articles 11 and 12 of the Charter state that the right to freedom of association at all levels, for example in political and civic matters, and the right to freedom of expression, which includes the freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers, are fundamental rights of every citizen of the Union.

(3) European citizens should be enabled to use those rights in order to participate fully in the democratic life of the Union.

(4) Truly transnational European political parties and their affiliated European political 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.

Changes to legislation: *There are outstanding changes not yet made to Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

(5) European political parties and their affiliated European political foundations should be encouraged and assisted in their endeavour to provide a strong link between European civil society and the Union institutions, in particular the European Parliament.

(6) Experience acquired by the European political parties and their affiliated European political foundations in applying Regulation (EC) No 2004/2003 of the European Parliament and of the Council[(5)], together with the European Parliament's resolution of 6 April 2011 on the application of Regulation (EC) No 2004/2003[(6)], show the need to improve the legal and financial framework for European political parties and their affiliated European political foundations so as to enable them to become more visible and effective actors in the multi-level political system of the Union.

(7) As a recognition of the mission attributed to European political parties in the TEU and in order to facilitate their work, a specific European legal status should be established for European political parties and their affiliated European political foundations.

(8) An Authority for European political parties and foundations ('the Authority') should be established for the purpose of registering, controlling and imposing sanctions on European political parties and European political foundations. Registration should be necessary in order to obtain European legal status, which entails a series of rights and obligations. To avoid any possible conflict of interests, the Authority should be independent.

(9) The procedures to be followed by European political parties and their affiliated European political foundations in order to obtain European legal status pursuant to this Regulation should be laid down, as should the procedures and criteria to be respected in arriving at a decision on whether to grant such European legal status. It is also necessary to lay down the procedures for cases in which a European political party or a European political foundation forfeits, loses or gives up its European legal status.

(10) In order to facilitate the oversight of legal entities that will be subject to both Union and national law, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU) should be delegated to the Commission in respect of the functioning of a register of European political parties and foundations to be managed by the Authority ('the Register'), in particular as regards the information and supporting documents held in the Register. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

(11) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission as regards provisions on the registration number system and on standard extracts to be made available from the Register by the Authority to third parties upon request. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[(7)].

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(12) European political parties and their affiliated European political foundations wishing to obtain recognition as such at Union level by virtue of European legal status and to receive public funding from the general budget of the European Union should respect certain principles and fulfil certain conditions. In particular, it is necessary for European political parties and their affiliated European political foundations to respect the values on which the Union is founded, as expressed in Article 2 TEU.

(13) Decisions to de-register a European political party or a European political foundation on the ground of non-compliance with the values on which the Union is founded, as expressed in Article 2 TEU, should be taken only in the event of a manifest and serious breach of those values. When taking a decision to de-register, the Authority should fully respect the Charter.

(14) The statutes of a European political party or a European political foundation should contain a series of basic provisions. Member States should be allowed to impose additional requirements for the statutes of European political parties and European political foundations which have established their seat on their respective territories, provided those additional requirements are not inconsistent with this Regulation.

(15) The Authority should regularly verify that the conditions and requirements relating to the registration of European political parties and European political foundations continue to be met. Decisions relating to the respect for the values on which the Union is founded, as expressed in Article 2 TEU, should only be taken in accordance with a procedure specifically designed to that effect, following consultation of a committee of independent eminent persons.

(16) The Authority is a body of the Union within the meaning of Article 263 TFEU.

(17) The independence and transparency of the committee of independent eminent persons should be guaranteed.

(18) The European legal status granted to European political parties and their affiliated foundations should provide them with legal capacity and recognition in all the Member States. Such legal capacity and recognition do not entitle them to nominate candidates in national elections or elections to the European Parliament or to participate in referendum campaigns. Any such or similar entitlement remains under the competence of Member States.

(19) The activities of European political parties and European political foundations should be governed by this Regulation, and, for matters not governed by this Regulation, by the relevant provisions of national law in the Member States. The legal status of a European political party or of a European political foundation should be governed by this Regulation and by the applicable provisions of national law in the Member State where it has its seat ('Member State of the seat'). The Member State of the seat should be able to define ex ante the applicable law or to leave optionality for European political parties and European political foundations. The Member State of the seat should also be able to impose requirements other than, or additional to, those laid down in this Regulation, including provisions on the registration and integration of European political parties and foundations as such into national administrative and

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control systems and on their organisation and statutes, including on liability, provided that such provisions are not inconsistent with this Regulation.

(20) As a key element of possessing European legal status, European political parties and European political foundations should have European legal personality. The acquisition of European legal personality should be subject to requirements and procedures to protect the interests of the Member State of the seat, of the applicant for European legal status ('the applicant') and of any third parties concerned. In particular, any pre-existing national legal personality should be converted into a European legal personality and any individual rights and obligations that have accrued to the former national legal entity should be transferred to the new European legal entity. Moreover, in order to facilitate continuity of activity, safeguards should be put in place to prevent the Member State concerned from applying prohibitive conditions to such conversion. The Member State of the seat should be able to specify which types of national legal persons may be converted into European legal persons, and to withhold its agreement to the acquisition of European legal personality under this Regulation until adequate guarantees are provided, in particular, for the legality of the applicant's statutes under the laws of that Member State or for the protection of creditors or holders of other rights in respect of any pre-existing national legal personality.

(21) The termination of European legal personality should be subject to requirements and procedures to protect the interests of the Union, of the Member State of the seat, of the European political party or European political foundation and of any third parties concerned. In particular, if the European political party or European political foundation acquires legal personality under the law of the Member State of its seat, this should be considered as a conversion of the European legal personality and any individual rights and obligations that the former European legal entity has respectively acquired or incurred should be transferred to the national legal entity. Moreover, in order to facilitate continuity of activity, safeguards should be put in place to prevent the Member State concerned from applying prohibitive conditions to such conversion. If the European political party or European political foundation does not acquire legal personality in the Member State of its seat, it should be wound up in accordance with the law of that Member State and in accordance with the condition requiring it not to pursue profit goals. The Authority and the Authorising Officer of the European Parliament should be able to agree modalities with the Member State concerned regarding the termination of the European legal personality, in particular in order to ensure the recovery of funds received from the general budget of the European Union and any financial sanctions.

(22) If a European political party or a European political foundation seriously fails to comply with relevant national law and if the matter relates to elements affecting respect of the values on which the Union is founded, as expressed in Article 2 TEU, the Authority should decide, upon request by the Member State concerned, to apply the procedures laid down by this Regulation. Moreover, the Authority should decide, upon request from the Member State of the seat, to remove from the Register a European political party or European political foundation which has seriously failed to comply with relevant national law on any other matter.

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(23) Eligibility for funding from the general budget of the European Union should be limited to European political parties and their affiliated European political foundations that have been recognised as such and have obtained European legal status. While it is crucial to ensure that the conditions applicable to becoming a European political party are not excessive but can readily be met by organised and serious transnational alliances of political parties or natural persons or both, it is also necessary to establish proportionate criteria in order to allocate limited resources from the general budget of the European Union which criteria objectively reflect the European ambition and genuine electoral support of a European political party. Such criteria are best based on the outcome of elections to the European Parliament, in which the European political parties or their members are required to participate under this Regulation, providing a precise indication of the electoral recognition of a European political party. These should reflect the European Parliament's role of directly representing the Union's citizens, assigned to it by Article 10(2) TEU, as well as the objective for European political parties to participate fully in the democratic life of the Union and to become actors in Europe's representative democracy, in order effectively to express the views, opinions and political will of the citizens of the Union. Eligibility for funding from the general budget of the European Union should therefore be limited to European political parties which are represented in the European Parliament by at least one of their members and to European political foundations which apply through a European political party that is represented in the European Parliament by at least one of its members.

(24) In order to increase the transparency of European political party funding, and to avoid potential abuse of the funding rules, a member of the European Parliament should, for the purposes of funding only, be regarded as a member of only one European political party, which should, where relevant, be the one to which his or her national or regional political party is affiliated on the final date for the submission of applications for funding.

(25) The procedures to be followed by European political parties and their affiliated European political foundations when they apply for funding from the general budget of the European Union should be laid down, as well as the procedures, criteria and rules to be respected in arriving at a decision on the grant of such funding.

(26) In order to enhance the independence, accountability and responsibility of European political parties and European political foundations, certain types of donations and contributions from sources other than the general budget of the European Union should be prohibited or subject to limitations. Any restriction on free movement of capital which such limitations might entail is justified on grounds of public policy and is strictly necessary for the attainment of those objectives.

(27) European political parties should be able to finance campaigns conducted in the context of elections to the European Parliament, while the funding and limitation of election expenses for parties and candidates at such elections should be governed by the rules applicable in each Member State.

(28) European political parties should not fund, directly or indirectly, other political parties and, in particular, national parties or candidates. European political foundations should