EUROPEAN COMMISSION



Brussels, 17.1.2018 *C*(2018) 152 final

Dear President,

The Commission would like to thank the Senato della Repubblica for its Opinion on the proposal for a Regulation amending the Regulation of the European Parliament and of the Council No 1141/2014 of 22 October 2014 on the statute and funding of European political parties and European political foundations {COM(2017) 481 final}.

Democracy is one of the fundamental values on which the European Union is founded. To ensure the functioning of a representative democracy at the European level, the Treaties determine that the citizens of the European Union are directly represented in the European Parliament. Political parties at Union level contribute to expressing the political will of the citizens of the Union, a point reinforced in the Charter of Fundamental Rights of the European Union. Political parties and foundations satisfying a number of conditions were offered (already by the current Regulation from 2014) the opportunity to become European legal entities by registering at European level, and thereby enhancing access to European financial support. Despite the progress made with the existing rules, a number of loopholes have been identified. To this end the core of the Commission's amending proposal is to close these loopholes and to increase transparency still before the 2019 European Parliaments' elections.

The current rules about who can sponsor the registration of a European political party are prone to abuse. The Commission therefore proposed to allow only political parties, and no longer individuals, to sponsor the registration of a European political party. In order to make sure that voters know what candidates stand for before entering the voting booth, national parties' websites should show the political programme, logo and gender balance of the European party they are affiliated with. Such transparency becomes a condition for European political parties to apply for funding.

In addition to make the EU funding received by European parties more proportionate to their representation in the European Parliament, the Commission proposed to lower the fixed pool of money distributed to all parties from 15% to 5% of the total budget.

Mr Pietro GRASSO President of the Senato della Repubblica Piazza Madama, 1 IT – 00186 ROMA This would increase the share of funding distributed in proportion to the number of Members of European Parliament elected.

Furthermore in order to ensure that European parties are given the means to better organise themselves the amending proposal lowers the co-financing requirement to 10% for European political parties and 5% for European political foundations

Finally in order to tackle fraud and to be able to recover misused or misspent amounts the proposal better equips the independent Authority by clarifying its power to de-register a party or foundation which either ceases to comply with the registration criteria, or whose registration was based on incorrect or misleading information. In the same vein the proposal extends the scope of possible measures to recover funds, by also providing for recovery from the individuals responsible for breaching the rules.

The Commission notes that the Senato della Repubblica fully supports the amendments proposed and the rationale behind them, and would like to thank the Senato della Repubblica for its support. It looks forward to continuing the political dialogue in the future.

Yours faithfully,

Frans Timmermans First Vice-President