



EUROPEAN COMMISSION

*Brussels, 17.1.2018
C(2018) 53 final*

Dear Presidents,

The Commission would like to thank the Cortes Generales for their Opinion on the proposal for a Regulation amending 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}, and welcomes the Cortes Generales' full support for the proposal.

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 Parliament elections.

The current rules about who can sponsor the registration of a European political party are prone to abuse. The Commission therefore proposes 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 would become a condition for European political parties to apply for funding.

In order to ensure that European parties, in particular smaller parties, are given the means to better organise themselves the proposal lowers the co-financing requirement to 10% for European political parties and 5% for European political foundations.

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Furthermore, to limit the incentive to abuse the system for financial gain and 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. This will increase the share of funding distributed in proportion to the number of Members of European Parliament elected.

Finally, in order to tackle the fraud and to be able to recover misused or misspent amounts, the Commission's 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 looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*