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**Chair of the Committee on Constitutional Affairs, European Parliament**

**Oral Question:**  
**Review of the regulation on the statute and funding of European political parties and foundations**

*Plenary session statement*  
*15th March 2017, European Parliament, Strasbourg*

Dear President,  
Dear Commissioner,  
Dear colleagues,

For the Committee on Constitutional Affairs the revision of the regulation on the statute and funding of European political parties and European political foundations is as a matter of urgency.

In a letter dated 22 April 2016, the Presidents of three European political parties, the European People's Party, the Party of European Socialists and the Alliance of Liberals and Democrats for Europe, asked the Commission to present a legislative proposal amending Regulation 1141/2014 on the statute and funding of European political parties and European political foundations.

In their letter, the Presidents requested the Commission to examine and initiate a review of the regulation on three substantial provisions, related to efficiency, credibility and legitimacy, which is fully applicable since the beginning of this year. The three provisions are:

- a reduction of the co-financing obligation from 15% down to 7,5%.
- the increase of the minimum membership threshold to 3 Members of the European Parliament, in order to qualify for receiving public funding.
- the prevention of cross-party membership, which makes it possible to maximise subventions.

In his reply, dated 2 June 2016, the President of the Commission stated that the Commission was open for discussing the issues raised by the three co-signatories, which represent the main European political parties. In so doing, he stressed that it would be preferable to first gather some experience on the implementation of the regulation, which in any case provides for an early review in 2018.

In the meantime, the Parliament's Secretary General presented a report to the Bureau.

Many additional issues were raised in this report. Let me just mention four which could be considered: the possibility to limit contributions in kind to 10% of own

resources, allowing for the possibility to finance referendum campaigns when they deal with issues related to Europe, providing an assessment of the financial viability of the parties before any application for funding, and reintroducing the possibility to build up reserves for the following year, which was possible under the previous regulation, but which would imply a derogation from the non-profit principle.

After intense discussions in the Constitutional Affairs Committee, it decided to present this oral question in order to raise public awareness of this important issue.

Let me say that, indeed, we note that the new regulation ensures greater transparency and accountability of the European political parties.

However, there are shortcomings that need to be addressed. And let's be clear of one thing: This oral question is not about asking for more money, but for the money to be spent correctly, in respect of the values of the European Union. This is not about banning parties with critical opinions on the EU!

We believe that in a democracy and in a democratic system every person is entitled to freedom of speech and opinion.

However, those that do not respect the EU values, as stated in Article 2 of the TEU, and engage in clear racist, undemocratic and discriminatory action and behaviour should not be able to fund their actions using European funds.

Indeed, we may understand the Commission's reluctance to initiate a revision of a regulation whose implementation has just started. However, I would like to remind the Commission that on a number of occasions it stated that incentives for speculative behaviour should under no circumstances be granted!

It is becoming more and more evident through cases brought to our attention by the press that abuse and misuse of European funds occur far too often. The use of hundreds of thousands of Euros, paid from the European Union's budget, for purposes other than the ones foreseen by the Treaty, is unacceptable!

The shortcomings highlighted in the oral question should be swiftly addressed in order to guarantee that the highest standards of probity are respected.

In this regard, one can wonder whether it is defensible to allow for party cross-membership or to have such a low threshold in the European Parliament, namely one single Member, in order to receive funding from the EU.

One should indeed reflect if "one-man parties" really contribute to forming European political awareness and to expressing the political will of citizens of the Union. Do such situations justify receiving financial support from the European Union's budget?

Besides elections, referenda are an important instrument to express the will of the population in a democratic, organised, well informed way.

The current Regulation prohibits any funding linked to referenda campaigns for both European political parties and European political foundations. It makes it impossible

for parties and foundations to take positions publically on issues of fundamental importance for citizens, such whether the UK should remain in or exit from the EU. This is in clear contradiction with the position of the European Parliament expressed in its resolution of 6 April 2011 on the participation of European political parties in referendum campaigns, when the referenda concerned are directly linked to issues relating to the European Union.

From this perspective, it could be justified to allow funding of referendum campaigns on issues relating to the European Union, where political parties can help forming European political awareness.

I think we can all agree that the identified problems are not the result of partisan views but aim at correcting obvious shortcomings.

We would therefore like to hear from the Commission in this context what are its intentions and urge it to react quickly to our requests, if this possible revision were to be adopted in time before the next European elections in 2019.

Since this regulation falls under the co-decision procedure, it would be appreciated if the Commission could also inform Parliament on any exchange it has undertaken with the Council, in order to evaluate the openness of the other co-legislator towards the possible revision of the regulation.