European political parties: revised funding rules adopted

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On 26 April 2018, the Council adopted revised rules on the funding of European political parties and foundations.

The new rules target certain abusive practices such as the creation of spurious entities for the purpose of receiving EU funding. Some of the changes will facilitate access to EU funds; others will help tackle fraud. Transparency will be increased.

This reform is important and timely. It will ensure that EU funds go to European political parties with a distinct political agenda, corresponding to the European citizens' needs and expectations. It also includes tougher measures against misspending and abuse. I very much hope that, with elections to the European Parliament coming up next year, there will also be much greater public awareness of the links between political life at the European level and in member states.

Monika Panayotova, Deputy Minister for the Bulgarian Presidency of the EU Council

The main changes are the following:

- Stricter requirements for forming a European political party: in future only parties and no longer individuals will be able to sponsor the creation of a European party. Cross-party membership will be prohibited;
- More proportional distribution of funding: the fixed amount each party receives from the EU budget will be reduced from 15% to 10%. This leaves a larger share of the budget (90%) which will be allocated in proportion to the number of members of the European Parliament in each party;
- Easier access to funds: the co-financing requirement will decrease from 15% to 10% for European political parties and to 5% for European political foundations, making it easier for them to reach the required level of own resources;
- Stronger enforcement: the new rules allow in certain cases for the recovery of money from individuals who are responsible for the misuse of EU funds. De-registration of parties which have provided false

information will also become simpler;

• Increased transparency: European political parties will in future only be able to receive funds if their EU member parties display the logo and programme of the European party on their websites.

The formal adoption of the new rules by the Council today concludes the legislative process. They are expected to be signed on 3 May. They will then be published in the EU Official Journal and enter into force the following day.

The funding for the current financial year (2018) will not be affected. However, in order to receive EU funds for 2019, the parties and foundations will have to comply with the new rules.

In some cases, such as for the display of logos and programmes, transitional arrangements will apply to ensure a smooth introduction of the new rules.

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