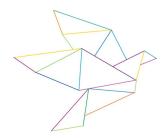
State of the Union 2017 — Democracy Package: Reform of Citizens' Initiative and Political Party funding



On 13 September, in his annual State of the Union address, President Jean-Claude **Juncker** stated: "Our Union needs a democratic leap forward. Too often Europe-wide elections have been reduced to nothing more than the sum of national campaigns. European democracy deserves better. We should be giving European parties the means to better organise themselves."

Increasing democratic legitimacy in the EU through stronger citizen participation is among the <u>Ten Priorities of the Juncker Commission</u> (Priority 10 — Democratic Change). To continue delivering on this commitment, the European Commission adopted two legislative proposals to revise the European Citizens' Initiative Regulation and the Regulation on European Political Parties and Foundations.

First Vice-President Frans **Timmermans** said: "With these proposals, we are empowering Europeans to participate in the democratic process. We want to make the European Citizens' Initiative more accessible for all Europeans, and by lowering the age limit from 18 to 16, we have invited 10 million more young Europeans to step forward and help shape the EU's policy agenda. At the same time, our political party reform will ensure that Europeans are better informed about the link between national and European parties, and will ensure that their funding better reflects the democratic choices made by citizens in the European elections."

Making the European Citizens' Initiative more user-friendly

Since the Lisbon Treaty, European Citizens' Initiatives empower one million citizens to ask the European Commission to propose new EU legislation. While more than eight million citizens have already supported Initiatives and shaped the EU policy agenda in the past five years, the tool still has more potential. Our proposal to reform the existing Regulation will make it easier for citizens to set up and support initiatives by a more extensive use of digital possibilities and by lifting burdensome requirements. It will also give the possibility to younger Europeans — as from 16 years fo age — to support an Initiative.

Since taking office in November 2014, the Juncker Commission has taken practical steps to make this tool work better. A new approach means decisions

are taken at political level by the College of Commissioners, and partial registrations of Initiatives have been authorised in some cases. As a result, only one Initiative has been refused under the Juncker Commission, a request to 'Stop Brexit' which clearly falls outside the scope of the Regulation. At the same time, the Commission has revised its earlier decision not to register the 'Stop TTIP' Initiative after it was annulled by the Court of Justice of the EU. Today's legislative proposal tackles other obstacles in the current Regulation which limit its potential.

To make it easier to organise a Citizens' Initiative, the Commission will work more closely with organisers to ensure the eligibility of their registration requests. We will also offer a free online data collection service for organisers, the possibility to use eID to support an Initiative, and translation of all Initiatives into all EU languages. To make it easier to support an initiative, the Commission will reduce the amount of data required; organisers will only need to work with two types of support form, compared to the 13 different models which currently exist because of different national rules. The Commission's proposal will also lower the age for supporting an initiative from 18 to 16, instantly opening the door to 10 million new potential supporters. To increase the impact of successful initiatives, the follow-up process will be improved to promote a meaningful debate before the Commission gives its response. Citizens will also be informed about the follow-up given to Initiatives they have signed, if they so choose.

Funding of European Political Parties

The proposed amendments aim to increase **transparency**, so people know who they are voting for, improve **democratic legitimacy** so funding will better reflect the European electorate, and strengthen **enforcement** so abuse can be tackled and funds reclaimed. These proposals should be adopted and in force before the European elections in 2019.

European political parties play a critical role in creating a direct link between the citizens and the European political system, enhancing the legitimacy of the European Union. We need European parties with a genuine European dimension and with the means to make a difference.

The proposed reform of the European Political Parties and Foundations addresses repeated demands from the European Parliament to close the loopholes that lead to abuse of European taxpayers' money. In some cases individual members of the same national party are sponsoring the creation of different European parties. Moreover, the existing distribution method for EU funding for European political parties is not sufficiently proportionate to the size of representation achieved in European elections. Finally, parties find it difficult to meet the co-financing requirement to get such finding.

The Commission's proposals will make a **closer link between true representation and funding**, by increasing the percentage of funding which is allocated based on the real vote share from 85% to 95%. Under the current system, 15% of funding is shared between all parties, regardless of the number of voters they represent.

The proposals will also provide **greater transparency** for European citizens on the links between European and national parties, by requiring national parties to display clearly on their websites the logo and political programme of the European party to which they are affiliated. The gender balance of the parties' MEPs will also be displayed.

Finally, to ensure taxpayers' money is better managed, the proposed reform will close loopholes that allow parties to abuse the system by setting up multiple European entities, each eligible for extra funding.

Next Steps: The two legislative proposals presented today by the Commission must now be adopted by the European Parliament and Council through the ordinary legislative process, in order to enter into force. The Commission counts on a swift and constructive debate so that these important changes in the democratic life of our Union can enter into force as soon as possible.

Background

European Citizens' Initiatives were introduced with the Lisbon Treaty and launched as an agenda-setting tool in the hands of citizens in April 2012, upon the entry into force of the European Citizens' Initiative Regulation which implements the Treaty provisions.

Once formally registered, a European Citizens' Initiative allows one million citizens from at least one quarter of EU Member States to invite the European Commission to propose a legal act in areas where the Commission has the power to do so. If an Initiative reaches the required level of support, the Commission has to explain in a communication whether or not it intends to follow up and why.

European Political Parties are foreseen in the Treaty on European Union, which states that "political parties at European level contribute to forming European political awareness and to expressing the will of citizens of the Union". The Regulation on the statute and funding of European political parties and European political foundations introduced in 2014 increases the visibility, recognition, effectiveness, transparency and accountability of European political parties and their affiliated political foundations.

Political parties and foundations satisfying a number of conditions are offered the opportunity to become European legal entities by registering at European level, and thereby enhancing access to European financial support. These conditions include representation in a sufficiently large number of EU Member States and respect, both in their programme and activities, of the values on which the EU is founded.

For more information:

2017 State of the Union speech

2017 State of the Union Brochure

Proposal for a regulation: European Citizens' Initiative Regulation Revision

<u>Proposal for a regulation: Amendment on statute and funding of European political parties and European political foundations</u>

Questions & Answers on the European Citizens' Initiative and Political Parties Funding