

EXPLANATORY MEMORANDUM TO
THE EUROPEAN POLITICAL PARTIES AND EUROPEAN POLITICAL
FOUNDATIONS REGULATIONS 2017

2017 No. 474

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Department for Business, Energy and Industrial Strategy and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

- 2.1 To implement Regulation 1141/2014 (“the EUPP Regulation”) on the statute and funding of European political parties and affiliated political foundations.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

- 3.1 None.

Other matters of interest to the House of Commons

- 3.2 As this instrument is subject to negative resolution procedure and has not been prayed against, consideration as to whether there are other matters of interest to the House of Commons does not arise at this stage.

4. Legislative Context

- 4.1 The regulations make the necessary legislative provisions to apply the EUPP Regulation to any European political party or European political foundation which has its central administration in the UK.
- 4.2 An Explanatory Memorandum on Opinion No.1/2013 (pursuant to Articles 287 and 322 TFEU) concerning the Proposal for a Regulation of the European Parliament and of the Council on the statute and funding of European political parties and European political foundations and of the Council amending Regulation (EU, Euratom) No.966/2012 as regards the financing of European political parties was submitted by the Foreign and Commonwealth Office for Parliamentary Scrutiny on 1 March 2013. The House of Commons European Scrutiny Committee cleared the document as “politically important” after the debate in European Committee B on 10 June 2013 (ESC 34688, Session 2012/13). The House of Lords Select Committee on the European Union cleared the document on 22 May 2013 after referral to Sub-Committee E.

5. Extent and Territorial Application

- 5.1 The extent of this instrument is the United Kingdom.
- 5.2 The territorial application of this instrument is the United Kingdom.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

What is being done and why

7.1 A European political party is an international alliance of national political parties. A European political foundation is an entity which is formally affiliated with a European political party and whose activities support the objectives of its associated party. If these groups meet certain criteria, they are eligible to apply for registration with the European Union to receive funding (these eligible parties are hereafter referred to as “EUPPs”).

7.2 The EUPP Regulation makes adjustments to the requirements for European political parties to register as EUPPs. It also sets out changes to the control mechanisms and permitted funding schema for these entities. The EUPP Regulation provides that entities have “European legal personality” for the period of time during which they are registered as EUPPs.

7.3 This regulation adds to UK company law. It provides that an application to register a EUPP with a seat in the UK may only be made if the applicant is registered in the UK as a company limited by guarantee. Where the registration of the EUPP is terminated by the European Union, the UK successor body would be a company limited by guarantee, which would be subject to a formal insolvency process.

Consolidation

7.4 The regulations do not amend another instrument.

8. Consultation outcome

8.1 No general consultation has been carried out in relation to this regulation. It is a technical regulation to allow the directly applicable EUPP Regulation to function. No European political party or political foundation is currently based in the UK.

9. Guidance

9.1 The Department does not intend to issue any guidance alongside this instrument.

10. Impact

10.1 There is no impact on business, charities or voluntary bodies.

10.2 There is no impact on the public sector.

10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The Regulations do not apply to activities that are undertaken by small businesses.

12. Monitoring & review

12.1 A review provision is included in these Regulations.

12.2 The Secretary of State must publish a report setting out the conclusions of the first review of these Regulations within five years of the Regulations coming into force.

13. Contact

13.1 Rob Cottam at the Department for Business, Energy and Industrial Strategy
Telephone: 0207 215 0169 or email: rob.cottam@beis.gov.uk can answer any queries regarding the instrument.