



DEFENDING EUROPEAN DEMOCRATIC INTEGRITY IN A WORLD OF UNCERTAINTY

DRAFT BUDGETARY PLAN 2025

FOR THE AUTHORITY FOR EUROPEAN POLITICAL PARTIES AND EUROPEAN POLITICAL FOUNDATIONS

Part I: Our work streams to secure European democracy

A. Mission of the Authority

In line with Article 10(4) of the Treaty on European Union, political parties at European level contribute to forming European political awareness and to expressing the will of citizens of the Union. European political foundations contribute to the debate on European public policy issues.

Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council of 22 October 2014 on the statute and funding of European political parties and European political foundations (“Regulation (EU, Euratom) No 1141/2014”) establishes an independent Authority for European Political Parties and European Political Foundations (the “Authority”) for the purpose of registering, controlling and, where necessary, imposing sanctions on European political parties and European political foundations. Additionally, the Authority contributes to political awareness at European level by providing transparency services to the Union citizens by publishing key information on European political parties and European political foundations. The Authority’s team conducts this mission independently, efficiently and in respect of political pluralism. It contributes proactively to the European Union’s “Team democratic integrity” in close cooperation with Parliament, other Union institutions, bodies and agencies, as well as competent national authorities.

This document sets out the draft budgetary plan for the financial year 2025 for the Authority in accordance with Article 6(7) of Regulation (EU, Euratom) No 1141/2014, based on its mandate, and taking into account foreseeable evolutions in respect to its mandate.

Pursuant to Article 6(7) of Regulation (EU, Euratom) No 1141/2014, the appropriations for the expenditure of the Authority are provided under a separate Title in the Section for the European Parliament in the general budget of the European Union. According to that provision, those appropriations must be sufficient to ensure the full and independent operation of the Authority.

B. Prepared for the elections year

In order to be ready to face the challenges related to the European elections, in 2023 the Authority already launched a series of activities and initiatives as described below.

- **Upgraded control cycles and transparency**

In addition to its legally mandated standard processes, which in 2023 also involved a decision imposing a sanction, the Authority designed the European Campaign Action Plan (E-CAP) - a results-oriented, preventive compliance management guidance addressed to European political parties, in preparation for the European elections. The Authority further significantly expanded and accelerated its transparency services on the website and social media, including in implementation of the specific pre-electoral donations reporting requirement which began to apply on 6 December 2023 and requires the European political parties and foundations to report donations as and when they are received, on a weekly basis.

- **Enhanced cooperation with other European and Member State actors**

In addition and complementary to the close cooperation with the European Parliament, the Authority has developed relations with other EU institutions, agencies and bodies, as well as national contact points, data protection and cybersecurity authorities, and other international actors such as the Hybrid Centre of Excellence (Hybrid CoE).

In this vein, the Authority organised on 24 January 2023 an annual conference gathering the Authority's National Contact Points as defined in Article 2(10) of Regulation (EU, Euratom) No 1141/2014, to deepen mutual understanding and exchange best practices.

Additionally, after fruitful negotiations, on 7 November 2023, the Authority signed a Memorandum of Understanding with Europol to set out the modalities for cooperation in the areas of (a) strategic threat analysis, and (b) raising awareness of possible threats among Member States and institutional partners, as regards cyber-enabled electoral interference.

Another important stepping stone in strengthening democratic resilience was the table-top exercise organised by the Authority in two parts, with meetings on 29 June and 5 December 2023, on "Protecting the European elections against interference by personal data rules infringements" - Article 10a of Regulation (EU, Euratom) No 1141/2014.

Such partnerships need to continuously be nurtured and reinforced in the years to come, implying further efforts for the Authority in terms of time and human resources allocations.

- **Flanking measures**

The Authority proactively raised awareness on European democracy among key multipliers, in particular by

- a service contract with the network of European vote-matching applications, aiming to inform users in an objective manner about European political parties in the context of national political parties competing for votes in the European elections, and

- a school competition with a high-level jury, which allowed ca. 300 young Europeans aged 16+ and their teachers from across the Union to work on and symbolically get rewarded for their essays and video submissions.

C. Support provided by the European Parliament to the Authority in this context

While the Authority has made efficient use of its own resources for the above efforts, and in particular benefited from the high level of personal commitment of its small number of staff, it should be recognised also that the Authority’s own capacity is complemented by administrative support provided by the European Parliament and by staff allocated to it. Before identifying resource needs to be included in the draft budgetary plan 2025, it is therefore relevant to summarise the budgetary structure and administrative support services already provided by the European Parliament.

The European Parliament has been supporting the Authority in the following ways:

- In accordance with Article 6(7) of Regulation (EU, Euratom) No 1141/2014, to ensure the Authority’s full and independent operations, the Authority manages independently an operational budget line on the European Parliament’s budget title, with means to cover task-specific expenditure exceeding the scope of administrative support services, in budget item 5 0 0 dedicated to “*Operational expenditure of the Authority for European Political Parties and European Political Foundations*”.
- Furthermore, in accordance with Article 6(4) of Regulation (EU, Euratom) No 1141/2014, the Authority is physically located in the European Parliament that provides the Authority with the necessary offices and administrative support to conduct its main activities.

The Authority and the European Parliament implemented this system of cooperation more specifically across the following areas:

- **Staff management.** Pursuant to Article 6(6) of Regulation (EU, Euratom) No 1141/2014, a Service Level Agreement was signed in September 2021 with the Directorate-General for Personnel of the European Parliament (“DG Personnel”). The agreement defines the conditions under which DG Personnel provides certain services to the Authority and describes the cooperation of DG Personnel and the Authority concerning various functions coming under personnel management or associated therewith (medical service, missions, well-being at work etc.). The agreement does not concern the provision of posts, which remain a matter for the budgetary procedure and arrangements between the Institutions for allocating the resulting burden.
- **Translation services.** Translation services are currently provided by the European Parliament.
- **Training services.** The Authority’s staff has currently access to trainings and related services provided by the European Parliament, including by virtue of the Service Level

Agreement with DG Personnel mentioned above. In addition, the appropriations envisaged in Part II below provide the Authority with a certain financial autonomy to source additional training services from the market (e.g., audit and accounting), should the Authority need specialised trainings outside the catalogue made available by the European Parliament.

- **Premises.** Pursuant to Article 6(4) of Regulation (EU, Euratom) No 1141/2014, the Authority is located in the European Parliament, which provides the necessary office space and administrative support facilities. In this context, a Service Level Agreement with the Directorate-General for Infrastructure and Logistics of the European Parliament was signed in December 2021. The Authority is based mainly in Parliament's premises in Brussels. Additionally, the Authority also obtained one office in Strasbourg, in order to be represented, when required, during Parliament's plenary part-sessions, in particular, to meet institutional representatives and stakeholders.
- **IT services.** The purchase, hire, servicing and maintenance of hardware and software for standard operations and related services are currently provided by the European Parliament. In this context, a Service Level Agreement with the Directorate-General for Innovation and Technological Support of the European Parliament was signed on 10 January 2023.

In addition, the appropriations envisaged in Part II below provides the Authority with a certain financial autonomy to explore alternative IT solutions that are not available in the European Parliament to respond to needs relating to the performance of its duties, in particular relating to auditing and investigating software.

- **Internal audit.** A memorandum of understanding with Parliament's internal auditor was signed in January 2022.
- **Office supplies.** The Authority makes use of the Parliament's framework contract for office supplies, but pays from its own operational budget line for it.
- **Postage services.** Postage services, including processing and delivery by national postal services or private delivery firms, are provided by the European Parliament.
- **Missions and duty travel.** Services related to the organisation and payment of missions and duty travel are provided by the European Parliament.
- **Documentation services.** Documentation services, including subscriptions to newspapers and periodicals and access to the library, are provided by the European Parliament.

D. Looking ahead - main resources needs

- **Defending democracy in 2025: Scrutiny of electoral finances and practices**

The compliance controls by the Authority are based mainly on financial statements to be submitted by the European political parties and foundations by the end of June of the year

following the year of reference, in accordance with Article 23 of Regulation (EU, Euratom) No 1141/2014.

Consequently, looking ahead to the year 2025, a focus for the Authority will be compliance controls relating to 2024, the year of the European elections. 2025 is therefore expected to be a particularly work-intensive one.

In this process, the Authority will further build upon its ongoing efforts to defend against foreign interference, ensuring the integrity of the electoral process. The Authority also will capitalise on the experiences of the preceding European elections, fostering a robust framework for European political entities and advancing the Union's commitment to democratic principles.

One of the key provisions with which the Authority controls compliance is the prohibition to receive donations from third countries. It is to be expected that the donations in the European election year increase significantly, as do the risks of foreign interference. Consequently, the processes relating to donor identity and origin by the Authority will be quantitatively and qualitatively more demanding in 2025 following the EP elections.

Additionally, in light of the Authority's mandate, especially pursuant to Article 10a of Regulation (EU, Euratom) No 1141/2014, preventing threats of foreign interference in European democracy has proven to be a key task of the Authority's activities in the course of the 2024 European Parliament elections, in very close cooperation with national competent authorities as required by legislation, and it continues to be even more so in the post-European Parliament elections year. Threats falling under the scope of this provision are not hypothetical: data thefts, data dumps or deep fakes, including by foreign powers or State-sponsored cybercriminals, count among them. For this reason, the Authority has to continue to keep its proactive role of reaching out and raising awareness among a network of bodies and institutions relevant to the joint defence of European democracy, ranging from the European Parliament's Directorate-General for Communication to the European External Action Service, the Hybrid Centre of Excellence and the European Data Protection Board ("EDPB"). This entails not only awareness-raising, but also dedicated events organised by the Authority in this respect.

The flanking measures initiated by the Authority to proactively raise awareness on European democracy - in particular the service contract with the network of European vote-matching applications - need to be further expanded also in the 2025 post-elections year. The translation of these actions into reality imply a deployment of resources by the Authority, both in terms of time and human capital.

- **Data analytics-based compliance checks**

The Authority is currently engaging a service provider to create, develop, and implement a tool utilising the KNIME Analytics Platform. This tool aims to enhance the efficiency of the Authority's compliance control obligations. Specifically, it will analyse the annual accounts of European political parties and foundations, along with the corresponding reporting template forms submitted by these entities. The objective is to detect any irregularities based on the risk

markers established by the Authority. Through this project, the Authority seeks to replace some of the labour-intensive and repetitive manual spreadsheet tasks in the compliance control cycle with an automated process. It is acknowledged that this transition will necessitate an initial investment of time and resources.

- **Enhanced transparency services to the citizens**

The Authority is committed to continuously improving the modalities of implementing the transparency provisions of Article 32 of Regulation (EU, Euratom) No 1141/2014. This requirement mandates the Authority to disclose certain information pertaining to the organisation and funding of European political parties and European political foundations. It extends to both the information contained in the Authority's Register of parties and foundations and details of contributions and donations reported by these entities. Efforts to enhance the workflow for organising and structuring verified information for publication will persist. Furthermore, drawing upon case law and accumulated administrative experience, the Authority issues guidance documents on various topics on its website. These guidance materials will be periodically supplemented to address evolving needs. It is noteworthy that the website is accessible in all 24 official EU languages, necessitating translation support and additional time investment for publication purposes.

The aforementioned optimisation of the processes, while certainly an improvement, requires an increased need for time investments. Guidance and intense scrutiny by the Authority will also concern European political parties' activities in light of the newly adopted framework relating to political advertisement¹.

- **Potentially evolving legal framework for the Authority's work**

A possible extension of the Authority's mandate² makes it necessary to propose an appropriate level of resources also in that scenario. Additional work streams on verifications, transparency and preventing threats of foreign interference would complement the tasks of the Authority's staff in that case.

¹ See the European Commission Proposal for a Regulation on the transparency and targeting of political advertising (COM/2021/731 final, 2021/0381(COD)). A provisional inter-institutional agreement was reached on 6 November 2023.

² See the European Commission Proposal for a Regulation on the statute and funding of European political parties and European political foundations (recast) of 25 November 2021 (COM(2021) 734 final, 2021/0375 (COD)). On 15 September 2022 the European Parliament in its Plenary session adopted its position at first reading. On 22 March 2022, Council in its General Affairs formation (GAC) reached a political agreement (a partial general approach) on the proposal. The Council revised its mandate on 17 March 2023.

Part II: Appropriations

The breakdown provided hereunder comprises projected expenditure appropriations for administrative support by the European Parliament, the Authority's dedicated budget items 500 and expenditure appropriations concerning staff salaries. The Authority's dedicated budget items 500 are included under *Section I - European Parliament* of the general budget of the European Union. The appropriations foreseen in budget item 500 aim to provide the Authority with a certain financial independence to finance specific professional trainings, purchase specialised studies and analysis following the European Parliament elections, expertise and advice, cover legal costs and damages, documentation and outreach activities, as well as other administrative costs not covered by Parliament's administrative support services.

Amounts provided below for 2025 are best estimates at the time of writing and depend on the number of full time equivalents that will be working for the Authority in 2025. The Authority will monitor the evolution of its needs and review this budgetary plan and the amounts contained therein to align them to that evolution.

A. Support from the Institutions

The budget items corresponding to the support appropriations listed below are currently included in the respective chapters of the budget of the European Parliament, with the respective lines managed by the relevant Authorising Officers of the European Parliament.

Nature of expenditure	Assessment	Amount (EUR) for financial year 2024	Amount (EUR) for financial year 2025
Language services (Chap 14)	Costs of translation and interpretation services	10 330,00	10 526.27
Professional trainings (Chap 16)	Costs of trainings	12 396,00	12 631.52
Building, IT and ancillary expenses (Chap 20 and 21)	Expenditure related to premises and standard operations	258 250,00	263 156.75
Missions (Chap 30)	Costs of missions and duty travel	98 135,00	99 999.56
Documentation services (Chap 32)	Costs of access to available documentation	2 582,00	2 631.05
Total		381 693,00	388 945.15

B. Appropriations under item 5 0 0

In accordance with Article 6(7) of Regulation (EU, Euratom) No 1141/2014, the Authority shall be provided with its own budget item 5 0 0 under a separate Title (Title 5) in the Section for the European Parliament in the general budget of the European Union. The Authority's director acts as Authorising Officer with respect to that budget item.

In line with the text of the Regulation, these requested appropriations for budget item 5 0 0 aim to ensure the full and independent operation of the Authority. They cover in particular expenditure specifically related to the mission of the Authority namely professional trainings, purchase of non-standard software and hardware, acquisition of expertise and advice, legal costs and damages, documentation and outreach activities, as well as other costs, including administrative costs. These appropriations may also cover costs invoiced by an institution in case the Authority exceeds the thresholds agreed with that institution when sourcing goods or services in the context of the agreements and administrative arrangements concluded under Article 6 of Regulation (EU, Euratom) No 1141/2014. The corresponding request for 2025 is limited to inflation adjustment and was already included in the preparation of Parliament's provisional budget for the 2025 financial year in November 2023.

Resources	Legal Basis	Amount (EUR) for financial year 2024	Amount (EUR) for financial year 2025
Budget item of the Authority 5 0 0(*)	Article 6(7) of Reg. No 1141/2014	400 000,00	408 000,00

(*) It is understood that the appropriations to be foreseen for the functioning of the Committee for Independent Eminent Persons are additional to this amount, and included in a separate budget item.

C. Appropriations relating to staff

In accordance with Article 6(5) of Regulation (EU, Euratom) No 1141/2014, the Director shall be assisted by staff in relation to whom he or she is the appointing authority. Currently, the Authority's posts for staff as well as contract agent appropriations are ringfenced in the corresponding budget lines of the European Parliament's budget. In the spirit of the European Parliament resolution of 18 October 2023 on the Council position on the draft general budget of the European Union for the financial year 2024³ and pending a reform of the Union budget structure in relation to appropriations of the Authority, it is useful to distinguish staff-related appropriations between the European Parliament and the Authority transparently. The necessary staff-related appropriations are based on the detailed analysis provided in the Annex attached herewith and estimated as follows, taking into account the annual inflation adjustments for 2024 and 2025:

Resources	Legal Basis	Amount (EUR) for financial year 2024	Amount (EUR) for financial year 2025 Scenario 1: Unchanged legislation	Amount (EUR) for financial year 2025 Scenario 2: Updated legislation
Staff-related appropriations of the Authority	Article 6(7) of Reg. No 1141/2014	2 400 287,32	2 445 892,78	3 316 242,60

³ See the European Parliament resolution of 18 October 2023 on the Council position on the draft general budget of the European Union for the financial year 2024 (11565/2023 – C9-0336/2023 – 2023/0264(BUD)).

D. Overall expenditure appropriations deemed necessary for the operation of the Authority

Resources	Legal Basis	Amount (EUR) for financial year 2024	Amount (EUR) for financial year 2025 Scenario 1: Unchanged legislation	Amount (EUR) for financial year 2025 Scenario 2: Updated legislation
Administrative support from EP	Article 6(4) of Reg. No 1141/2014	381 693,00	388 945,15	388 945,15
Budget item of the Authority 5 0 0(*)	Article 6(7) of Reg. No 1141/2014	400 000,00	408 000,00	408 000,00
Staff-related appropriations for the Authority		2 400 287,32	2 445 892,78	3 316 242,60
Total		3 181 980,32	3 242 837,93	4 113 187,75

(*) It is understood that the appropriations to be foreseen for the functioning of the Committee for Independent Eminent Persons are additional to this amount, and included in a separate budget item.

DETAILED ANALYSIS ON THE AUTHORITY'S STAFFING 2025

The assessment of the Authority presented in the budgetary plan 2025 is based on the analysis of the developments in the factual environment and legal framework.

To counter foreign interference threats and implement the experience gained during the electoral year into the Authority's processes will also constitute resources needs for the Authority's in 2025, as part of a broader effort to defend democracy in the post-European Parliament elections year. Furthermore, from 2025, the Authority will implement compliance controls relating to the financial statements of the election year, and in particular the activities of European political parties, which will be received by 30 June 2025. Additionally, guidance materials and enhanced transparency services to the citizens will be provided by the Authority, which implies time investments. Moreover, the recently adopted framework relating to political advertisement, which also impacts European political parties, will have to be accompanied with dedicate guidance and heightened scrutiny by the Authority. Finally, the newly implemented IT tool for compliance controls is expected to enter production phase and hence will require specialised implementation capacities.

The Authority is much encouraged by the additional appropriations relating to contract staff earmarked in the European Parliament's staff-related budget lines as from 2024. Taking into account this improvement over 2023, the present draft budgetary plan nonetheless highlights the functional risks inherent to staffing arrangements increasingly reliant on contract agents. While equally brilliant colleagues, contract agents' specific status naturally results in a potentially higher staff turnover. This was recognised also by the European Commission in the explanatory memorandum annexed to its proposal for a recast of the Regulation on the statute and funding of European political parties and European political foundations⁴, where it highlighted the Authority's need for stable human resources⁵.

In addition, possible legislative developments in the course of the new legislature would likely affect the mandate of the Authority. This would create an immediate need for additional resources due to the enlargement of its mandate, in all its main competence areas, particularly in the areas of registration, compliance controls as well as reporting and transparency requirements.

In light of the above, the Authority estimates that the level of staffing in 2025 that will allow for efficient operation in relation to day-to day-activities would be as follows, while transparently distinguishing the scenario of unchanged legislative framework from that in case

⁴ See (COM(2021) 734 final, 2021/0375 (COD)).

⁵ See the Annexes to the Commission proposal COM(2021) 734 final of 25.11.2021, 2021/0375 (COD), Annex IV (Legislative Financial Statement), Point 1.4.2 (Specific objective(s)), last paragraph, stating that *"It is necessary to ensure that the Authority has sufficient resources to fully complete its tasks, both those provided for by the existing Regulation (EU, Euratom) No 1141/2014 and the new ones envisaged by the present recast proposal. This requires stable staffing and strengthening of the human resources currently provided to the Authority."*

the currently known elements of the legislative procedure following the European Commission's proposal for a possible extension of the Authority's mandate were adopted:

	<i>Scenario 1: Unchanged legislation</i>	<i>Scenario 2: Amended legislation</i>
Additional tasks	Additional tasks resulting from evolving environment of EU democracy.	Additional tasks in the field of registration, enhanced donations control, sanctions, coordination with Member States and EP Authorising Officer.
Resulting additional AD posts	None	<ul style="list-style-type: none"> • Two AD posts related to enhanced compliance control and cooperation workflows, • Two AD posts related to additional registration conditions and regular verification thereof.
Resulting additional AST posts	<ul style="list-style-type: none"> • One AST post related to data analytics. 	<ul style="list-style-type: none"> • Three AST posts related to assisting in rapid publication processes and verification cycles.
<i>Sub-total</i>	<i>1</i>	<i>7</i>
		+1 as in base-line scenario 1
<i>Total</i>	<i>1</i>	<i>8</i>