

Vít Šimral

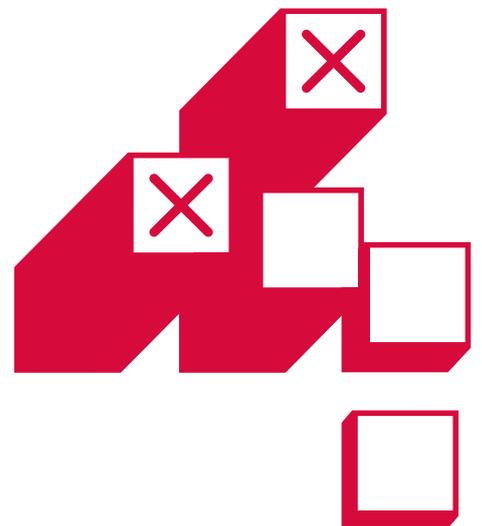
Contributing Authors: Magdaléna Klimešová,
Bartosz Kwiatkowski, Ctibor Košťál

The Funding and Oversight of Political Parties and Election Campaigns in East Central Europe

Vít Šimral

Contributing Authors: Magdaléna Klimešová,
Bartosz Kwiatkowski, Ctibor Košťál

The Funding and Oversight of Political Parties and Election Campaigns in East Central Europe



Prague, 2015

The Funding and Oversight of Political Parties and Election Campaigns in East Central Europe

Author: **Vít Šimral** (Frank Bold, Czech Republic)

Contributing Authors: **Magdaléna Klimešová** (Frank Bold, Czech Republic),

Bartosz Kwiatkowski (Frank Bold, Poland), **Ctibor Košťál** (Slovak Governance Institute, Slovakia)


Frank Bold



May 2015
Prague, Czech Republic

Peer Review: Grigorij Mesežnikov, Hubert Sickinger

Proofreading: Erik Piper

Graphic design: Vojtěch Lunga



Supported in part by a grant from Open Society Foundations
in cooperation with the Think Tank Fund



Co-funded by the Prevention of and Fight against Crime Programme of the European Union

This project has been funded with support from the European Commission. This publication reflects the views only of the author, and the European Commission cannot be held responsible for any use which may be made of the information contained therein.

Content

Introduction	5
Chapter 1: Campaign Finance in East Central Europe	7
Chapter 2: Legal Frameworks of Campaign Finance in the Czech Republic, Poland, and Slovakia	10
Chapter 3: Elections in the Czech Republic, Poland, and Slovakia	13
Chapter 4: Audit and Oversight	16
Chapter 5: Shared Weaknesses of the Regulatory Frameworks	19
Chapter 6: Possible Improvements of Regulations in Poland and Slovakia	21
Chapter 7: Recommendations for a Reform in the Czech Republic	23
Bibliography	25
Appendix: Tables and Figures	27

Introduction

Money in national party systems influences nations' politics and, despite a long tradition of scientific inquiry here, the outputs of empirical research into this field are still limited. Owing to the 'sunlight-resistant' nature of the subject, there is a lack of easily accessible data in even the oldest and best-ranking democracies in the world (Nassmacher 2009, 20) and this shortage is even more appreciable in recently democratised post-communist states, where major political players habitually overstep the boundaries of democratic competition. Political reality always seems to be one step ahead of the scholars working to uncover the channels where political money flows.

The present work aims to be an important addition to existing research on campaign finance in East Central Europe. It focuses on three post-communist states—the Czech Republic, Slovakia, and Poland—and compares their current legislation surrounding political parties' finances and activities. Moreover, the work presents a newly collected set of quantitative data on the real costs of party politics in the region as well as new qualitative information, collected via interviews, on actual practices in political campaigning and its supervision.

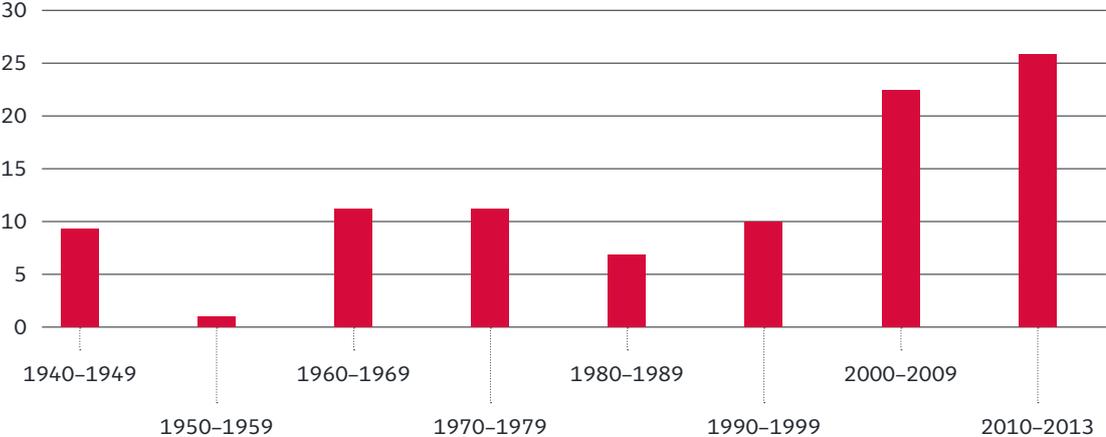
If today's typical post-communist state is, as some scholars argue (e.g., O'Dwyer 2006; Grzymala-Busse 2007; 2008), in danger of being captured by political parties and, even more perilously, by a small subset of large and rich parties, a truly democratic state must exercise sufficient and effective control over money within the political system. Regulation of party systems and political parties via formal means is a modern trend in both Western and East Central Europe: more and more countries are adopting legislation concerning the supervision of political parties, and this legislation is becoming more and more detailed. Table 1 and Chart 1 show the number and the extent of formal legal acts for regulating political parties adopted in countries that belong to the European Union today.

Table 1: Legal Acts Regulating Political Parties in Current (28) EU Member States

Decade	Total Countries with Regulations	New Countries with Regulations	Instances of Reform	Number of Articles in Acts
1940–1949	3	3	3	28
1950–1959	4	1	1	1
1960–1969	7	5	5	56
1970–1979	11	6	7	78
1980–1989	12	6	7	48
1990–1999	24	16	36	359
2000–2009	26	19	26	578
2010–2014	27	13	14	359

Source: Simral (2015).

Chart 1: Average number of articles in an act regulating political parties in one EU Member State



Source: Author.

The following paragraphs discuss how this trend of formal regulation has manifested itself in the Czech Republic, Poland, and Slovakia. Through juxtaposition and an in-depth analysis of these three individual cases, the work aims to answer a fundamental question of both academic and real-world importance:

What can neighboring countries learn from one another in the area of campaign finance?

The text is structured as follows: Chapter 1 presents hard data on party budgets taken from financial reports of Czech, Polish, and Slovak political parties and analyzes this data, together with further statistics on countries and national party systems. Chapter 2 discusses the general legal frameworks of campaign finance in the Czech Republic, Poland, and Slovakia. In Chapter 3, the discussion is narrowed to the parts of the three countries' legal frameworks under which elections are defined and run. Chapter 4 continues on along the timeline of the electoral process and thus tackles post-election auditing and oversight. Chapter 5 analyzes the shared weaknesses of the researched countries' legal frameworks as uncovered in previous chapters. Chapter 6 focuses on what Poland and Slovakia may focus on improving in the future. In the seventh and final chapter, specific recommendations for the reform of Czech electoral laws and campaign finance regulations are presented; they are based on conclusions drawn from comparing the three countries and from other information in the present text.

CHAPTER 1:

Campaign Finance in East Central Europe

Democracy is a costly business.

From 2003 to 2013, the three post-communist countries of East Central Europe, the Czech Republic, Poland and Slovakia, taken together, subsidized the running of their respective national party systems with the sum of €662.3 million. In total, the incomes of the political parties in the three countries during this period totalled €1.230 billion.¹

Table 2 shows a snapshot of data from Simral (2014)² revealing the aggregate sums of the incomes of all political parties in this three-country region that were active in a given year and submitted their annual financial report (between 200 and 250 parties). Apart from the sums of total income and total subsidies, it also contains the amounts of donations sent to parties by private donors over the years, the number of subsidized parties each year in the three countries, and the percentage contributions of donations and subsidies, respectively, to parties' total incomes.

Table 2 (shortened): Income of Party Systems in CZE, POL, SVK (in mil €)

2003–2013	Total Income (mil)	Total Donations (mil)	Total Subsidy (mil)	Average No. of Subs. Parties	Share of Donations (percent)	Share of Subsidies (percent)
CZE	546.8	88.4	255.3	20.4	15.1	48.0
POL	559.9	125.2	316.8	7.6	18.2	61.7
SVK	123.3	8.4	90.2	8.3	6.6	68.6
AGG	1,230	222	662.3	36.3	17.5 (AVG)	53.6 (AVG)

Source: Simral (2014).

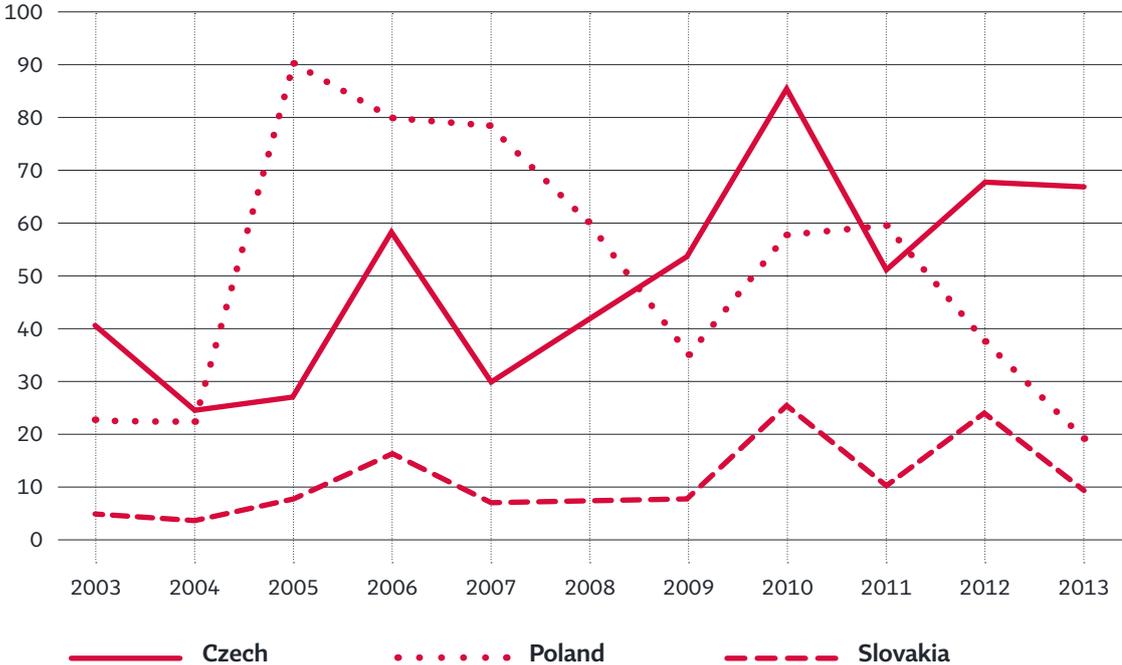
The significant total amount spent in the region on political parties is not the only thing noticeable when examining the real data found in party budgets and in publicly available country and party register statistics.

First, the three countries clearly differ in how much money their respective party systems use. If the data shown in the full 2003–2013 time-series in the Appendix is transformed into a chart (Chart 2), the Czech and the Polish party systems alternate in taking first place as the richest in the region, while the Slovak system trails behind them in third place. **In 2009 and 2010 and again in 2012 and 2013, the Czech party system firmly takes the top position as the one with the strongest financial backing.**

¹ Political parties' reported expenses are not discussed in this chapter, since, as argued later in the present text, they are not reliable, do not reflect the realities of political competition, and cannot be used without caution. Therefore, this chapter avoids them based on the GIGO principle ('garbage in, garbage out').

² For better readability, some tables are shortened in the text. For their full extent, please see the Appendix.

Chart 2: Income of Party Systems in the CZE, POL, and SVK (mil €)



Source: Author.

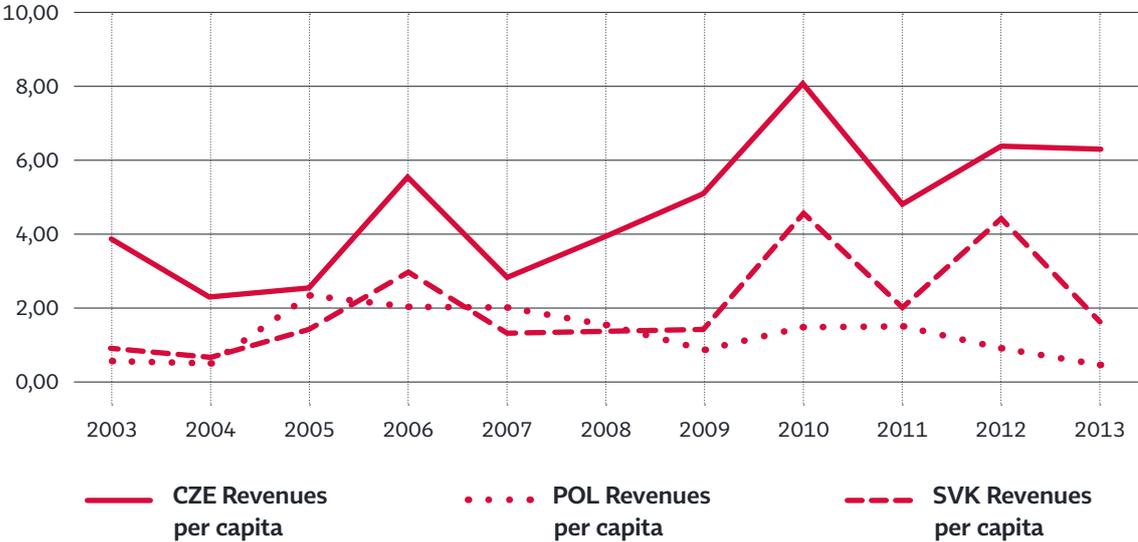
Second, private donations do not amount to even one fifth of the (officially declared) budgets of the region’s political parties. This number flies in the face of one piece of folk wisdom: that modern politics is a game of oligarchs and business tycoons. The data here does not confirm that—it instead implies that, **if private money really does drive the existing political system, then it is poured into it via some other means than direct sponsoring of political parties.**

Third, on average one half of all revenue in the party systems comes from state subsidies. Looking at the existing literature on party funding in Europe (e.g., Katz and Mair 1995; Szczerbiak 2001; Biezen 2008), this is unsurprising. Political parties are indeed today considered to be more a part of the state than of civil society (Mair 1994, 1–23). Since the Second World War, parties in Western Europe have suffered a significant decline in membership. Meanwhile in post-communist Central and Eastern Europe, political parties generally did not emerge from the grassroots; instead they have been artificially established by political elites (see e.g. Lewis 2000). **States are heavily invested in their national party systems not only due to their role as the machinery of democratic competition, but also literally, in financial terms.**

Fourth, even though the overall level of state subsidization is large, the number of political parties that actually partakes in the subsidy system is small. Even though the number of active (i.e., registered and solvent) political parties in 2013 was 257, only 43 of them were entitled to state subsidies. In other words, only 16.7 percent of the region’s active political parties received at least some state financial support. In the Czech Republic, the two electorally largest parties in the period—the Civic Democrats (ODS) and the Social Democrats (ČSSD)—absorbed 58 percent of all subsidies distributed in the Czech party system; in Poland, the Civic Platform (PO) and the Law and Justice Party (PiS) received a 53 percent share of Polish subsidies. Finally, in Slovakia, 63 percent of all subsidies were taken up by the three largest parties: Direction (Smer), Slovak Democratic and Christian Union-Democratic Party (SDKÚ-DS), and the Christian-Democratic Movement (KDH) (Simral 2014, 135–138). **The subsidization system is thus significantly skewed towards the largest parties, which receive the lion’s share of public funding.** This may further perpetuate the notion that **the post-communist states in the region are “captives” of a small set of political parties that have established dominion over public administration** (e.g., O’Dwyer 2006; Grzymala-Busse 2007; 2008).

Fifth, while Table 2 has already established that the Czech political parties are the wealthiest, the actual per capita income for all political parties is shown in Chart 3, based on Table 3 in the Appendix.

Chart 3: Income of Political Parties per Capita (€)

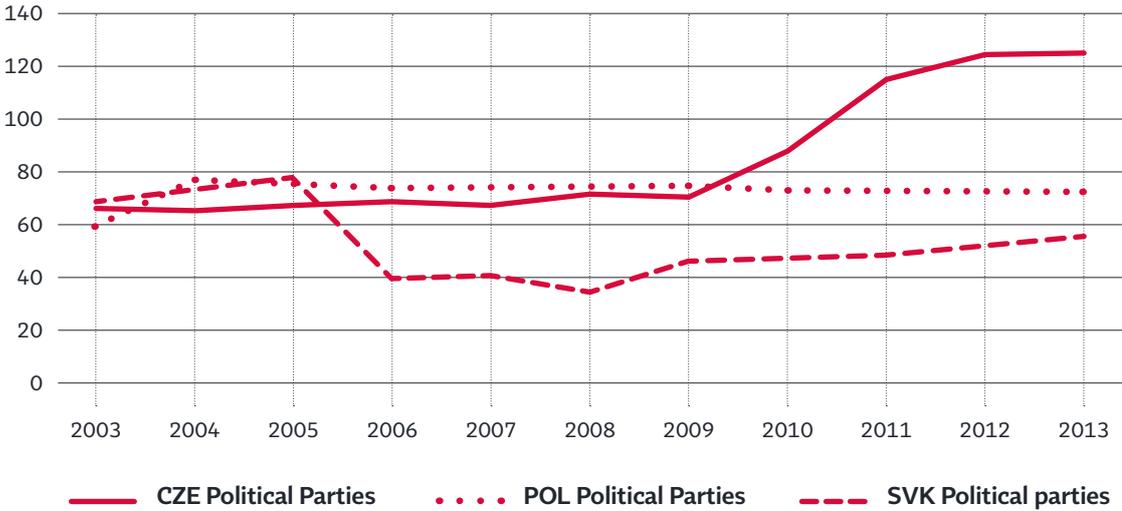


Source: Author.

From 2003 to 2013, Czech parties collected €4.72 on average per capita—more than twice as much as parties in Slovakia and over three times higher than in Poland. This might indicate that **there exists a need to curb the flow of money into the Czech party system—party revenues are already too high. Both the Polish and the Slovak electoral-law reforms set limits on campaign spending.**

Sixth, Chart 4 shows that there seems to have been a boom of new entities entering the Czech party system in recent years. From the 67 active political parties in 2003, the number has since doubled. This trend is unique within the region researched, as in both Poland and Slovakia the total number of political parties has remained relatively stable over these years. The Czech party system might benefit from a regulation that would enhance stability; however, such a regulation is beyond the scope of the present text and—since the regulation’s intended goal may also be a point of argument in future academic and policy-oriented works—will not be discussed here further. Instead, the following chapter turns to regulations specifically concerning political finances, in order to explore the formal rules that led to the state of party budgets in the region as presented in this chapter.

Chart 4: Active Political Parties in CZE, POL, SVK



Source: Author.

CHAPTER 2:

Legal Frameworks of Campaign Finance in the Czech Republic, Poland, and Slovakia

Campaign finance in these three countries is regulated by a number of laws and subordinate regulations, which are different in each country. That being said, the keystones of each framework resemble their counterparts in the other countries (summarized in Table 4).

Table 4: Major Regulations of Political Finances in CZE, POL, SVK

	Current Laws on Political Parties	Nr of Amendments
CZE	Act 424/1991 Coll., on Assembly in Political Parties and Movements	23
POL	Act 1997 Nr. 98 Poz. 604, on Political Parties	14
SVK	Act 85/2005 Coll., on Political Parties and Movements	5
	(Act 333/2004 Coll, on Elections to the National Council of the Slovak Republic)*	8
	Other Laws Regulating Political Finances	
CZE	Act 247/1995 Coll., on Elections to the Parliament of the Czech Republic	22
	Act 491/2001 Coll., on Elections to Local Councils	7
	Act 130/2000 Coll., on Elections to Regional Councils	8
	Act 62/2003, on Elections to the European Parliament	3
	Act 275/2012 Coll., on the Election of the President of the Republic	3
POL	Act 2011 Nr. 21 Poz 113, Electoral Code	5
SVK	(Act 180/2014 Coll., on Conditions for the Execution of the Electoral Right)**	1
	Act 181/2014 Coll., on Election Campaign**	

* in force until 1 July 2015

** first part in force from 1 July 2014, other parts from 1 July 2015 and 1 January 2016

Source: Compiled by author.

The Czech Republic, Poland, and Slovakia all feature their own laws on political parties. The Czech Republic has Act 424/1991 Coll., on Assembly in Political Parties and Movements; this act has been amended 23 times as of 2015, but still applies. Poland and Slovakia each took the path of a much more substantive legal reform, enacted in 1997 and 2005 respectively, scrapping their previous party Acts from 1990 and 1991. In Poland, Act 1997 No. 98 Poz. 604, on Political Parties, has been amended 14 times as of 2015. Slovakia's Act 85/2005 Coll., on Political Parties and Movements, has been amended five times.

Apart from these basic laws regulating the conditions for the establishment of political parties and movements, the standards for their activities, and their conditions of disbandment, several acts in all three countries regulate individual election types—namely, elections to the chambers of the national parliaments, municipal elections, regional elections, elections to the European parliament, and presidential elections.

In the Czech Republic, these election laws are: Act 247/1995 Coll., on Elections to the Parliament of the Czech Republic, amended 22 times, Act 491/2001 Coll., on Elections to Local Councils, amended seven times, Act 130/2000 Coll., on Elections to Regional Councils, amended eight times, Act 62/2003, on Elections to the European Parliament, amended three times, and Act 275/2012 Coll., on the Election of the President of the Republic, amended three times.

In 2011 Poland adopted the comprehensive Act 2011 No. 21 Poz 112, or Electoral Code, which includes the regulations for all elections in Poland, namely, parliamentary elections, presidential elections, local elections and elections to the European Parliament. This act has since been amended five times.

A reform of election laws took place very recently in Slovakia, where Act 180/2014 Coll., on Conditions for the Execution of the Electoral Right, abrogated Act 333/2004 Coll., on Elections to the National Council of the Slovak Republic, together with Act 303/2001 Coll., on Elections to Bodies of Self-Governing Regions, Act 346/1990 Coll., on Elections to Bodies of Self-Governing Municipalities, and Act 331/2003 Coll., on Elections to the European Parliament. A comprehensive election law was adopted in Act 181/2014 Coll., on Election Campaigns. The Slovak model now closely resembles the Polish one, with two comprehensive laws regulating all types of elections.

In summary, the Czech regulatory model is significantly more fragmented already at the level of primary legislation. While Poland and Slovakia recently adopted comprehensive laws that serve as integrated electoral acts, elections in the Czech Republic are still conducted under five separate laws, with each of them covering one type of election. Compared to its post-communist neighbors, the Czech Republic stands out as a case where electoral legislation is in a state of relative disarray and deserving of a large-scale overhaul.

Impetuses for such an overhaul have arrived from various sources over the years; significant among them is that from the Group of States Against Corruption, GRECO. In its Third Evaluation Round, begun in 2007, GRECO assessed the transparency of campaign finance in its member states (Theme II of the Third Round). GRECO Evaluation Teams visited the Czech Republic, Poland, and Slovakia in October 2010, June 2008, and June 2007 respectively. All three countries were from the start heavily criticized by GRECO as lacking important transparency mechanisms in their Acts regulating political parties and election campaigning. Table 5, found in the Appendix, lists the GRECO recommendations for the three individual countries.

After the first GRECO visits in 2007 and 2008, Slovakia and Poland each set out on a path to reform their laws regulating political parties and election-related financial activities. In the seven years after that, GRECO reported on Slovakia a total of six times (two compliance reports, three interim reports, and one addendum), and only in the final report did it report significant progress in adopting the recommended changes. In the Addendum to the Second Compliance Report (GRECO 2014), GRECO welcomed the passing of Act 180/2014 Coll., on Conditions for the Execution of the Electoral Right, and of Act 181/2014, on Election Campaigns. According to GRECO, the acts represented a significant improvement over the existing framework, even though some regulatory shortcomings remained. GRECO criticised two by name: first, the unsolved lack of strict campaign finance rules for individual candidates, and second, the fact that the new major supervisory body—the State Commission—is assisted by the Ministry of Interior, posing a threat to the impartiality and independence of the State Commission. Despite these two weak points, GRECO commended Slovakia for its reform and terminated the Third Round compliance procedure in Slovakia in October 2014 with the following score-sheet: (GRECO 2014): seven satisfactorily implemented or dealt with satisfactorily recommendations (ii, iii, iv, vi, viii, ix, x.), two partly implemented (v, vii.) and one not implemented (i.).

After its initial 2008 evaluation, GRECO only reported on Poland three times (two compliance reports and one addendum). The draft Electoral Code, later adopted as Act 2011 No. 21 Poz 112, was already mentioned in the first Compliance Report; before the Code's adoption, the old Act on the Election of the President was amended one time (Act 2009 No. 213 Poz 1652 and Act 2009 No. 202 Poz 1547). Both steps were positively evaluated by GRECO. The Electoral Code came into force on 1 August 2011, a year before the second Compliance Report on Poland. Its adoption provided a satisfactory implementation of two GRECO recommendations (i. and ii.) and partial implementation of five (iii, v, vi, vii, and viii.), and one recommendation (iv.) had been dealt with in a satisfactory manner.

The Czech Republic has not achieved any progress since GRECO's initial 2010 visit. In all three reports (one compliance report and two interim reports) issued between April 2013 and February 2015, GRECO evaluated the situation in the Czech Republic as 'globally unsatisfactory', since none of its nine recommendations had been implemented. Out of the three countries researched, the Czech Republic is clearly the farthest behind in reforming political finance regulations.

The following chapters provide a more detailed comparison of the most important political finance laws currently in force in the Czech Republic, Poland, and Slovakia, starting with the general requirements for participating in an election in the three countries.

CHAPTER 3:

Elections in the Czech Republic, Poland, and Slovakia

The similarity of the political systems of the Czech Republic, Poland, and Slovakia means that, among other shared features, all three countries share (almost) the same types of elections. These are: elections to local councils, regional councils, the national parliament, and the European parliament, and the elections for the head of state—the President. To this one should add the referenda there have been on various issues (in the past e.g. accession to the European Union). However, the number of regular elections is six in the Czech Republic and Poland and five in Slovakia³, since the latter has a unicameral parliament, and thus it alone of the three has no Senate elections.

Some of these elections may see participation both by candidates proposed by political parties and by independent candidates who are not proposed by any party. Other elections are open only to candidates proposed by political parties. In the Czech Republic, independent candidates may run for the office of the President, seats in the Senate, and local councils, but they must enclose a petition of public support for the candidate, with a varying minimum number of signatures—ranging from 25 for candidates to the smallest local councils (Act 491/2001 Coll.), to 1,000 for a candidate to the Senate (Act 247/1995 Coll.), to 50,000 for a presidential candidate (Act 275/2012 Coll.). In the case of local councils, independents may also run on political parties' candidate lists, or form a list of independent candidates supported by a public petition. In Poland, independent candidates may run for all seats in all elections, provided that they gather the number of voter signatures needed to establish an election committee of voters—ranging from 1,000 signatures for a deputy to the Sejm to 100,000 signatures for a presidential candidate (Electoral Code). Finally, in Slovakia, independents not proposed by political parties may run for the presidential office, a mayoral office, the office of the Chair of Regional Administration, and for deputyship in local and regional councils (Constitution of the Slovak Republic, Art. 101) (Act 180/2014 Coll.). The precise numbers of signatures needed for all elected positions in the three countries are found in Table 6 in the Appendix.

Limits exist on candidates' campaigns leading up to most of these election types. In the Czech Republic, the term "election campaign" is defined only in Act 275/2012 Coll., on the Election of the President of the Republic, Art. 35, as "any propagation of the candidate or campaign in his favour...". The time period for which a campaign lasts is at least from the day of the election announcement until the closure of the polling booths, or even longer when a candidate starts campaigning before the announcement day. The limit on campaign spending set by the Act (Art. 37) applies to all funds spent on campaign expenses during this period. Other electoral Acts in the Czech Republic do not use the term "election campaign"; they only mention that campaigning must be fair, honest, and free of libel.

The term "election campaign" is mentioned significantly more in the Polish and Slovak electoral codices. In Poland, the campaign lasts from the day of the election-date announcement until 24 hours before voting begins; in Slovakia, it is from the announcement day until 48 hours before voting. Caps on campaign spending apply to these time periods; in Slovakia, under the newly approved Act 181/2014 Coll., the cap applies to the election campaign period plus 180 days before it starts, and it also covers discounts; under the spending-cap rules, these are defined as the difference between a common market price and the discounted one. In the Czech Republic, a spending cap has so far been introduced for presidential elections only; it equals 40 million CZK or 50 million CZK (€1.5 and €1.8 million, respectively), with the higher of these caps applying if a candidate reaches the second round of a run-off election. In Slovakia, Act 181/2014 Coll., on Election Campaigns, established a system of spending limits for each election type, ranging from €2,000 for mayoral candidates in the smallest communities, to the €500,000 that political parties may spend in local and regional elections and on candidates in the presidential race, up to the €3 million allowed in campaigns for elections to the National Council and the European Parliament. The Polish Electoral

³ In Poland and Slovakia, the heads of local administrations (mayors) and regional administrations are also directly elected; however, these elections take place alongside local and regional elections, respectively, so they are counted here as one election.

Code (Act 112/2001, Art. 99) also covers all election types, with the spending cap calculated using a formula based on the number of eligible voters and a multiplier specific to each election type; the multiplier ranges from 0.18 PLN for the Senate elections, to 0.30 for mayoral elections in larger municipalities and 0.60 for elections to the European Parliament and mayoral elections in smaller municipalities, all the way up to 0.82 PLN for the Sejm. In local and regional elections, the spending limit ranges from 1,000 PLN (for the *gmina*) to 6,000 PLN (for the *sejmik województwa*) per local or regional councilor.

Apart from the above spending caps, there are also other, minor restrictions, financial and otherwise, on election campaigning in the three countries. Election campaigns in the Czech Republic are restrained by the non-permissibility of party activities or propaganda in places of education, including universities (Act 111/1998 Coll., Act 561/2004 Coll.), in military sites/during military activities (Act 361/1992 Coll.), and near polling booths on election day. Similar regulations limiting campaigning in educational institutions, in the military, and near polling booths also apply in Poland (Electoral Code, Art. 108) and Slovakia (Act 245/2008 Coll., Act 346/2005 Coll.).

In Czech presidential elections, all revenues and expenses related to campaigning must be channeled through a special, i.e. transparent bank account, where all operations are visible to the public via the Internet (Act 275/2012 Coll., Art. 24). This is a relatively unique concept that has not yet been widely applied in other countries. Neither in Poland nor in Slovakia has any precisely similar feature yet existed; however, the new Slovak Election Campaigns Act makes transparent accounts the only legal source from which finances for election campaigns may be drawn (Act 181/2014 Coll., Art. 3) for all election types.

In Poland and Slovakia, there are also specific limits on donations towards election campaigns. The total sum of money donated by one Polish citizen to an election committee may not exceed 15 times the minimum wage applicable on the day before the act announcing a given election is published (as of 2015, this is roughly $15 \times \text{€}440$, i.e. €6,600). Individual candidates for local councils, the Senate, the office of the President, and the European Parliament may pay to an election committee an amount not exceeding 45 times the minimum wage (approx. €19,800) (Electoral Code, Art. 134). In Slovakia, election campaigns may be co-financed by third parties registered at the State Commission for Elections and Political Parties. These third parties may spend up to €100,000 for campaigning in any election except local elections, where the limit is €25,000. Third parties are also obliged to keep all finances in a transparent bank account.

Various minor rules distinguish the three countries here: while the Czech Republic does not currently have a detailed regulation on election campaigning, Poland and Slovakia do. In those two countries, special rules cover TV and radio advertisements. In Poland, the pricing and availability for political commercials on both public and private stations must be set in a schedule binding as of the day of the election announcement, and all parties and candidates must be treated according to this schedule (Electoral Code, Art. 119). In Slovakia, private stations may begin broadcasting political advertisements 21 days before an election and must finish such broadcasting no later than 48 hours before polling begins; both private and public stations are obliged to ensure fair access to political advertisement opportunities to all candidates (Act 181/2014 Coll., Art. 10–13). The 48-hour window of silence before the polls open in Slovakia also extends to political advertisements in printed media. Public opinion polls may be published no later than 14 days prior to the election (Act 181/2014 Coll., Art. 17)—an exceptionally long period compared to other countries. In Poland, the window of silence lasts 24 hours. Throughout the whole election campaign, Polish election committees may organize neither raffles, nor any games of chance and contests in which the prizes include cash or items higher in value than typical advertising/promotional items. It is also forbidden to provide or deliver alcoholic beverages free of charge or to sell them at prices below their purchase prices or production costs (Electoral Code, Art. 107–108).

Both Polish and Slovak electoral law makes it compulsory to mark all promotional material used in election campaigns with a clear sign that identifies, in the Polish case, the election committee, and in the Slovak case, the provider and purchaser of the service (Electoral Code, Art. 109; Act 181/2014 Coll., Art. 15). In the Czech Republic, such an identification of the supplier and provider is so far compulsory only for the presidential election campaign (Act 275/2012 Coll., Art. 35).

Some election campaigns in Poland and Slovakia, and presidential election campaigns in the Czech Republic, are closed up with a final financial report. Requirements for these reports differ not only across countries, but also across different levels of elections. In Poland, within 3 months from every election date, each election committee is obliged to submit to the National Electoral Commission—or an election commissioner appointed specifically for that election—a financial report containing all the committee's revenues, expenditures, and financial commitments,

including bank loans. The exact form for final financial reports and all accompanying documents is agreed upon by the Electoral Commission together with the Ministry of Finance. Within six months, the Commission or the election commissioner must adopt the report without or with reservations, or reject it; the last option may, if the rejection specifically relates to the report on state subsidies, lead to a penalty in the form of partial or full state subsidy withdrawal. Theoretically, serious irregularities in any part of the report may even result in imprisonment of individual offenders; that, however, requires the intervention of other state authorities (prosecutors, police, courts) and is not among the sanctions available to the Electoral Commission. In elections to the Sejm, the Senate, and the European Parliament, and in elections of the President, the National Electoral Commission publishes all financial reports within 30 days of their dates of submission, via the Public Information Bulletin (Electoral Code, Art. 141–149, 509).

In Slovakia, political parties must submit comprehensive financial reports to the Ministry of Interior no later than 30 days after the date of a given National Council election; individual candidates must do so after mayoral and presidential elections, and after elections for the position of Chair of Regional Administration (Act 181/2014 Coll., Art. 4–6). These reports are then accessible both on the party/candidate websites and on the Ministry of Interior website. There is no similar requirement for elections to local and regional representation bodies, nor for elections to the European Parliament; there is, however, still the requirement that all political parties fund their campaigns via centralized, transparent bank accounts. Third parties leading election campaigns are obliged to make public all their financial operations on their websites no later than 10 days after the election date and for no less than 60 days (Act 181/2014 Coll., Art. 8). Infractions of the Law on Election Campaigns are punishable by fines—imposed by either the State Commission or the Ministry of Interior—in the amount of up to €300,000 for political parties, €50,000 for presidential candidates, and €10,000 for independent candidates and third parties (Act 181/2014 Coll., Art. 19).

After Czech presidential elections, candidates are obliged to submit financial reports to the Senate and make them accessible via their websites. The Senate examines the accuracy of each financial report, but does not have any sanctioning privileges (Act 107/1999, Art. 33). In case of any irregularities in the reports, other presidential candidates may file a claim before the court. In case of a guilty verdict, such a claim results in a fine amounting to one and a half times the sum received or spent in the campaign in conflict with regulations (Act 150/2000 Coll., Art. 90).

CHAPTER 4:

Audit and Oversight

Apart from public oversight—performed both electronically and non-electronically—and oversight performed during election campaigns by the state institutions listed in the chapter above, oversight is also provided via auditors who monitor political parties' and candidates' accounts. In all three countries, private auditors play a significant role in the system of campaign finance supervision; in the Czech Republic and Slovakia, their role is limited to auditing political parties' annual financial statements, while in Poland, they are also directly involved in checking the post-campaign financial reports of election committees.

The Polish National Electoral Commission or an election commissioner may demand that an auditor's reports be attached to the final financial report submitted by an election committee, unless that committee declares that during the campaign, they neither incurred expenses nor received income. For the remaining committees, auditors are selected by the National Electoral Commission from among candidates selected by the National Council of Chartered Accountants. The costs of audits are fully covered by the state—specifically, the Ministry of Finance (Electoral Code, Art. 142)—and any hindrance or obstruction to the audit's completion by a private person is punishable by a fine or imprisonment of up to two years (or by a fine only, in the case of unintentional obstructions (Art. 510)). Apart from auditing election committees' reports, Polish auditors also annually investigate the use of state subsidies by political parties, but do not audit private sources.

By 31 March each year, every political party that received a state subsidy must submit a statement of all expenses paid out of that subsidy, together with an opinion on the completeness and veracity of this statement, provided by a registered auditor appointed by the National Electoral Commission (Political Parties Act, Art. 34). Each political party is also obliged to submit a report by the same date regarding all sources of funds they raised—including bank loans and terms on which these were obtained—and regarding spending out of the Election Fund in the previous calendar year. This report as well must be accompanied by an opinion from a registered auditor (Art. 38). The audit costs are fully covered from the budget of the National Electoral Commission, which is also responsible for assigning auditors to individual parties (Art. 34). It has been customary for the National Electoral Commission to rotate the assignment of auditors to individual parties each year and to distribute the workload so that the auditors do not investigate more than three parties in one year (GRECO Evaluation Report on Poland 2008).

In Slovakia and in the Czech Republic, there are no audits of post-campaign financial reports: auditors give opinions only on annual financial reports submitted by parties. In Slovakia, auditors are assigned to individual political parties by lot from a list prepared by the Slovak Chamber of Auditors. The costs of the audit, which may not exceed the common market price, are paid by political parties (Act 540/2007 Coll., Art. 35, 21). In previous years, there have been reports of difficulties in cooperation between political parties and the auditors assigned to them—some parties were not contactable at their official addresses, or were unwilling to provide the auditors with the information needed. Such behavior may however leave a party with an incomplete final report. Submitting an incomplete report once may in turn lead to withdrawal or suspension of state subsidies for the offending party, and in the case where a report is unsubmitted or is submitted incompletely two years in a row, the State Commission must ask the Ministry of the Finance to start the liquidation process for that party (Act 181/2014 Coll., Art. 30).

In the Czech Republic, all political parties are before 1 April of each year obliged to submit an annual financial report. This report must also include an auditor's opinion about the party's financial statement (Act 424/1991 Coll., Art. 18). Since there is no further specific regulation on audits of political parties, parties are free to choose their auditor themselves. The common practice therefore is for political parties to keep their auditors for several years in a row and, often, to choose a relatively cheap option among all available audit companies.

Political parties' annual financial reports have had a relatively similar form in all three countries (for Poland, see Political Parties Act, Art. 38; for Slovakia, see Act 85/2005, Art. 20–30; for the Czech Republic, see Directive 273/2005 Coll.). They have distinguished between public and private income sources, more specifically between various state subsidies (per-vote subsidy, the permanent subsidy for political parties' activities) and donations, membership fees,

loans, and other revenues, such as business activities or bank interests. On the expenditures side, reports have distinguished between day-to-day activities—further divided into salaries and office operations—and educational activities and election campaign activities. However, in all three countries, this classification has largely been driven by an accounting view, with no relevance for an analysis of the real costs of advertisement in printed media, TV, outdoor promotion, etc.

For the purpose of a cross-national comparison, the various items found in the Czech, Polish, and Slovak contexts may roughly be collapsed into thirteen summarizing items: total revenues, loans and mortgages, membership fees, income from business, per-vote subsidies, permanent subsidies, other income, total expenses, election expenditures, salaries, day-to-day expenses, fines and charges, and other expenditures. This summary is based on the financial forms submitted in the Czech Republic, Poland, and Slovakia. Their examples are shown in the Appendix. Such items clearly do not reveal enough about the campaign tools or income sources for effective oversight. Moreover, with reference to the decision in Chapter 1 above to use a comparison of incomes rather than expenses, the division between election and non-election expenses in all three countries—partly because of the lack of supervision—is made by party treasurers and accountants quite arbitrarily. Events such as party raffles, exhibitions, and workshops are reported as either campaign-related or -unrelated expenditures at a party's sole whim; there are no rules covering this reporting subject.

The unsatisfying situation with the accountancy-driven form of reports should be at least partly ameliorated in Slovakia starting from 1 July 2015, when the new legislation will come into force. For elections to the National Council, a new post-campaign final report will distinguish among parties' expenses spent on various campaigning tools (printed media, outdoor, face-to-face campaign, private pre-election polls) (Act 85/2005, Art. 21). On a separate note, campaign financial reports are publicly accessible. In Poland, all post-election reports, annual financial reports, and reports on the use of state subsidies from 2000 onwards are available online on the website of the Commission.⁴ In Slovakia, annual financial reports since 2003 are available on the website of the National Council.⁵ In the Czech Republic, annual reports may be accessed via hard copies only, in the Office of the Chamber of Deputies of the Parliament (Act 424/1991 Coll., Art. 18).

All parties' reports in the Czech Republic, Poland, and Slovakia are submitted to the countries' respective highest bodies for political party oversight. In Poland, the National Electoral Commission (PKW) has been preparing and conducting elections since 1991, and in 1997, with the reform of the Political Parties Act, it also received the authority to oversee the financing of election committees and political parties. The PKW comprises nine members, all of them active or retired judges: three from the Constitutional Tribunal, three from the Supreme Court, and three from the Supreme Administrative Court. The nominations of PKW members are made by the presidents of three respective courts. The members are subsequently appointed by the President of Poland, for a mandate that ends only with retirement, resignation, dismissal by the original nominator, candidacy for a political office, or death. The Commission is supported in its tasks by the National Electoral Bureau (KBW), with a staff of roughly 400 persons; they carry out the daily tasks related to elections and party oversight. Parties' finances are usually monitored by a special team composed of seven persons specifically trained for that task. The team examines all parties' final reports submitted on 31 March of each year and concludes its investigation within at most six months. During that period, each report must be approved, approved with qualifications, or rejected due to irregularities discovered. In the last case, state subsidies will be withheld from the offending party for the duration of three years. If a report is not submitted on time, the PKW is to petition the Supreme Court to remove the party in question from the register of political parties (Political Parties Act, Art. 38). Apart from the monitoring of annual financial reports, the PKW is also the body responsible for making all reports accessible on its website, publishing the reports of parties and election committees in the official journal *Polish Monitor*, and assigning auditors to committees and parties. The PKW also deals with the requests for further information about annual financial reports that may be requested by political parties themselves or by non-governmental bodies or associations that have a standing in the field of analysis and research of political finances (Political Parties Act, Art. 34).

A new legal framework aimed at oversight of political parties and their finances is currently (spring 2015) being set up in Slovakia. A new "State Commission for Elections and the Oversight of Financing of Political Parties" was introduced by Act 180/2014 Coll., on Conditions for the Execution of the Electoral Right. The State Commission, after it is set up during 2015, is to be composed of 14 members, with 10 of them delegated by political parties

⁴ <http://pkw.gov.pl/finansowanie-partii-politycznych-i-kampanii-wyborczych/finansowanie-nawigacja.html>.

⁵ http://www.nrsr.sk/web/?sid=financne_spravy_stran.

in proportion to their shares of seats in the National Council. Five of these partisan members are to come from government parties, and five from opposition parties. The remaining four members are delegated by the Chair of the Constitutional Court, the Chair of the Supreme Court, the General Prosecutor, and the Chair of the Supreme Audit Office. The members are delegated and assembled no later than 75 days after each election to the National Council, which results in an unofficial mandate of 4 years. Members' mandates may be renewed at most once. Members of the State Commission must be at least 35 years of age and may not stand as candidates for any representative body. The Commission is responsible for examining and registering candidate lists, examining annual financial reports of political parties and election campaign reports, overseeing the fair conduct of all election campaigns, overseeing the work of local bodies responsible for elections, publishing election results, and performing several other major activities related to elections. They perform these activities in cooperation with the Statistical Office and the Ministry of the Interior. The Ministry of the Interior also administers the Bureau of the State Commission, which executes tasks assigned by the Commission (Act 180/2014 Coll., Art. 13–16). The State Commission may sanction offenses such as late submission of annual financial reports (which leads to withdrawal of state subsidies and, if repeated, compulsory liquidation of the party) or conducting of election campaign outside of the prescribed time period (for which may the Commission impose a fine of up to €300,000). Other offenses and infractions and their sanctioning are handled in cooperation with the Ministry of Interior or the Ministry of Finance.

Before the recent reform of the legal framework, the Slovak model for oversight over political finances closely resembled the Czech model. In the Czech Republic, the supreme body for oversight over the finances of political parties is the Oversight Committee of the Chamber of Deputies of the Parliament. The Committee comprises 15 members—selected by political parties represented in the Chamber—and three administrative workers. The chair of the Committee is elected by its members, and each member's mandate lasts for the duration of their mandate in parliament (usually four years). The supervision of political parties, as performed by the Committee, consists solely of examinations of annual financial reports; these reports are submitted by every registered political party to the Committee by 1 April each year. The Committee must examine each report for completeness, and if a report is complete and accompanied by a positive opinion from a private auditor, it approves the report. Alternatively, the report is approved with qualifications when there is a minor irregularity or incompleteness found; it is to be remedied by the submitting party. If a report mentions a donation that breaches the rules of donations to political parties set in Act 424/1991 Coll., that donation is to be returned to the original donor; if it is not returned, the Czech Financial Administration is to impose a fine on the offending party amounting to twice the sum of the donation. Since 2003—the start of the existing archival records for this procedure—no fine has ever been imposed (Klimešová et al. 2015, 19). If a political party does not submit an annual financial report or if the report is found incomplete, the Chamber of Deputies is to withdraw state subsidies from the party. If the party does not submit a report in the next year as well, or does not remedy the previous report's incompleteness, a procedure for disbanding the party is to be commenced, via a joint effort of the Committee, the Chamber of Deputies, the Government and the Supreme Administrative Court (424/1991 Coll., Art. 13–21).

CHAPTER 5:

Shared Weaknesses of the Regulatory Frameworks

After the above exploration of the legal frameworks, we can assess some of the shared weaknesses of the current regulations on elections and political parties in the three countries and make general observations about them.

First, **all three researched countries were criticized by GRECO at the start of the compliance procedure of the Third Evaluation Round, indicating that shortcomings were present in all three regulatory frameworks.** However, the respective levels of criticism were different. If ranked by the number and extent of procedures involved in the oversight of political parties, elections and their financing, the Polish legislation comes first, followed by the new Slovak model, with the Czech legislation bringing up the rear. All three countries would, however, benefit from strengthening, legally and materially, their main oversight bodies.

The Polish National Electoral Commission and the National Electoral Bureau have almost two decades' experience in supervising the financing of parties and election campaigns. The Polish main supervisory body has the advantages of being non-partisan, being headed by members of the judiciary, keeping its own permanent staff independent of any other governmental body, and having relatively significant investigative powers. Moreover, the Polish oversight model includes the early reporting of election campaign expenses in the form of post-campaign reports and the annual assignment of auditors to parties by the National Electoral Commission, eliminating the possibility of “house-training” of auditors by political parties.

The new Slovak model that is being implemented during 2015 is quite definitely a step forward towards better regulation of campaign finance. Slovakia is moving from a system with largely unchecked financial activities by political parties and independent candidates towards a comprehensive oversight model. Since the new election legislation has not yet been applied and the precise features of the oversight model are not completed at the time of this writing, it is far too early to fully assess its workings. That being said, some of its features already indicate where future problems may be expected. Most significantly, the leadership of the main oversight body comprises mainly members of political parties: out of the 14 members of the newly established State Commission, 10 are delegated by political parties represented in the National Council. In terms of voting power, the ten clearly outweigh the four remaining members, which are delegated by legally non-partisan persons, i.e., the Chair of the Constitutional Court, the Chair of the Supreme Court, the General Prosecutor, and the Chair of the Supreme Audit Office. The State Commission overall is therefore clearly a partisan body, specifically biased towards parties represented on the day of the election to Parliament. The Chair of the Commission is elected in a secret ballot by the National Council; the Chair subsequently has the deciding vote in cases of a draw when the Commission itself votes. Moreover, the staff of the executive branch of the State Commission—the Bureau—is a part of the Ministry of the Interior, and that Ministry also decides on the Commission's and the Bureau's budget. At least in material terms, therefore, the Commission is dependent upon the Ministry. Finally, the model reinforces the existing, undesirable difference between the level of oversight over elections to the National Council on the one hand, and elections to regional and local bodies and to the European Parliament on the other. While for the first, comprehensive post-election campaign reports must be submitted by all competing political parties within 30 days after the election date, there is no such requirement for other elections. This is in addition to the privileged position of the National Council in the matter of filling seats on the State Commission.

The most “free” campaign finance regulatory framework is currently in force in the Czech Republic. One major problem here is the absence of an independent, effective oversight body. Political parties and their financial activities are currently supervised only by the Oversight Committee of the Chamber of Deputies. This is an entirely partisan body, and given its lack of real powers, the oversight it exercises is more formal than real. The credibility of the private audits of Czech political parties is also questionable: parties select their own auditors, and they are never obliged to switch auditors if they do not wish to. There are no post-election campaign reports in the Czech system,

and thus political parties submit only one financial report per year; in this system, the finances of independent candidates running for seats in local or regional councils or in the Senate are therefore not monitored by anyone. Furthermore, the existing Czech oversight system, based on the work of 15 MPs and three administrative assistants, cannot absorb the ongoing increase in the size of the party system, and the control it exercises over political parties is anything but real. The new parties typically aim only to influence the local level of state administration and to contest seats in local and regional councils; it might therefore be advisable to shift the supervisory model from its strict focus on national elections towards a more multi-level focus. In this respect, the Polish and Slovak examples suggest that the new Czech system ought to rely on a supervisory body with sufficient material resources and personnel that supervises all levels of elections, from local to national, equally.

Second, the regulatory models in the three countries have not remained stable since their initial establishment after the 1989 regime change. In fact, the models have been significantly volatile, and more stability might result in a better practical experience in the future with the application of regulations. The Czech, Polish, and Slovak regulatory frameworks have undergone substantial changes over the years, both before and after GRECO's Third Evaluation Round. **The general trend has been from a freer system—with rules minimal in number and scope—towards more stringent, detailed regulations.** The three cases therefore do not deviate from the pan-European trend shown in Table 1 and Chart 1 above. On the other hand, the pace of changes differs in the individual cases: while Poland had already adopted a significant portion of its strict regulatory framework before the first visit by GRECO in 2008, Slovakia waited for GRECO to give it yet one more incentive to finally reform its regulations in 2014, and in the Czech Republic, the reform is still, in 2015, being discussed in the government, with the Czechs still far from fulfilling all the recommendations that GRECO placed before them.

Last but not least, as in many other areas of law, here too the devil is in the details. Especially when the Czech, Polish, and Slovak laws are considered together with the respective GRECO recommendations, it becomes clear that **much of GRECO's criticism is not aimed at the simple absence of a certain rule but rather at its wording or real-world effect.** In Poland, three out of eight GRECO recommendations were connected to a major problem burdening the National Electoral Commission, i.e., insufficient resources provided to carry out their work. The budget and the personnel of the PKW (or more specifically the team inside the National Electoral Bureau that supervises political finances) are insufficient for proper execution of all their duties and for being truly active. Apart from this problem of resources, the PKW also lacks the legal power to investigate possible infringements of the law; instead, it is obliged to refer all potential transgressions to law enforcement authorities, which may seriously hinder the application of the law and the effectivity of the PKW's work. In Slovakia, the newly established main oversight body is subject to strong partisan bias, and its entire budget and the resources provided to the staff are dependent on the Ministry of the Interior, which is also an important part of the sanctioning mechanism, specifically when a candidate or a party during an election campaign exceeds spending limits set by law or when they breach the transparency laws set for election campaigns. Partisan bias is all the stronger for the involvement of the Ministry in the oversight process. Concerning election campaigns, with the exception of elections to the National Council, subjects running for offices or for seats in representative bodies do not have to submit post-election campaign reports. That weakens supervision over independent candidates in comparison to political parties. In short, even though GRECO terminated the compliance procedure of the Third Evaluation Round with Slovakia in October 2014, satisfied by the passing of Acts 180/2014 and 181/2014 Coll., the success of the reform process in the country is somewhat questionable.

As regards the Czech Republic, as has been stated above, the shortcomings of the current Czech model of oversight for election campaigns and party financing are numerous. Formally, supervision over political finances does exist, but formally is the key word. The system places very few requirements on political parties and candidates to help keep their financial activities transparent. Oversight over election campaigns is virtually non-existent and has so far been established for the presidential race exclusively. The six laws that directly regulate party existence and elections in the Czech Republic have been amended seven times in total; this has not, however, led to an effective regulatory model in compliance with GRECO standards. The Third Evaluation Round compliance procedure has not yet been terminated in the Czech Republic, and there is still the need for a comprehensive reform. In their current efforts to overhaul their regulatory framework, the Czechs may learn from the practices of their neighbors—this is the focus of the upcoming chapters, the last two chapters of the present text.

CHAPTER 6:

Possible Improvements of Regulations in Poland and Slovakia

In order to increase the informational value of the present text and supplement the data gathered from financial reports, the research conducted for this work also included interviews with representatives of the Polish National Electoral Bureau (KBW) and the Slovak Ministry of the Interior.⁶ These interviews cast light upon some of the more practical aspects of election oversight and political finances in Poland and Slovakia. Based on this and on practical experience, the present text focuses on four areas where the existing regulatory frameworks specific to the two countries can be improved. No precise recommendations are formulated in this chapter, since in Poland and Slovakia, no further changes to the regulatory frameworks are to be expected in the near future. With an eye to the different current stage of the reform process in the Czech Republic, recommendations are reserved for that case, which is tackled separately in the last chapter.

First, in Poland and Slovakia, **the effectiveness of campaign spending limits ought to see new discussion, since there is a history of circumventing the limits in both countries.** In Poland, limits on expenses were first introduced as early as 1991, but given the unrealistically low campaign spending limit, that limit was ignored both in practice and in oversight (Walecki 2005, 131). In 2011 the current formula for calculating the cap was codified (Act 112/2011, Art. 199) and the reported income of political parties in 2012 and 2013 fell significantly (see above Chart 2). However, a similar drop was experienced in 2006 and 2008—both post-election years—suggesting that the variable of the electoral cycle has a strong impact on the sum of revenues. The evidence for the impact of spending caps on Polish political finances is thus inconclusive. Judging from the information provided in interviews, the limits in Poland are customarily circumvented by applying major discounts on promotional materials, especially for outdoor campaigns. While the law states that all broadcast promotion (TV and radio) is to use standard market prices and prohibits discounts, no similar rule on billboards, big-boards, and other expensive campaign tools is included in the regulations. Moreover, election campaigns often start before the official date, with spending occurring even before an election committee is formally set up.

In Slovakia, campaigns expenses limits likewise were first introduced for national elections very early, in 1994 (Act 234/1994 Coll.), but, similarly to Poland, unofficially disregarded. The effect of the new spending limits set by Act 181/2014 Coll. cannot yet be evaluated. Evidence from other countries suggest that limits may actually decrease the transparency of the system, as certain donors or sums of money shift into a grey zone of financing (see, e.g., Sikk and Kangur 2008; Simonaytite and Jankauskaite 2014).

Second, **the actual auditing of political parties ought to be strengthened in both material and legal terms.** In Slovakia, supervision over the private auditors monitoring political parties was previously insufficient, as was the rest of the oversight process. Here too the information obtained for Poland is more reliable. The Polish PKW has trouble finding auditors willing to audit political parties, since their remuneration—especially if auditing large parties—is disproportionately small. Cooperation with other bodies such as the police, public prosecutors, or the judiciary, is hindered by these bodies' inexperience and low level of training in matters related to campaign finance; cooperation with expert NGOs that have the legal power to request information regarding political parties' reports and post-election campaign reports tends to be more beneficial here. Furthermore, the interpretation of the law by the PKW, other state authorities, and political parties is a point of contention, especially where state subsidies and the right for their withdrawal are concerned. All these matters need to be resolved, lest the auditing stage of oversight make the entire control framework irrelevant.

⁶ The interview with the PKW representative, Mr Krzysztof Lorentz, was conducted on 16 April 2015 by Bartosz Kwiatkowski, a lawyer for Frank Bold Poland. The interview with the representative of the Slovak Ministry of the Interior, Ms. Eva Chmelova, was conducted in April 2015 by Ctibor Kostal, the director of the Slovak Governance Institute.

Third, **both countries ought not to forget about the importance of subsidiary legislation. The internal rules on oversight bodies and the auditing process have a significant impact on the actual application of the law.** In Slovakia, the reform laws will only come into force over the course of 2015. Thus the only experience the Slovak authorities have is with the process of drafting and passing the reform; this, however, is important knowledge in itself. The reform was passed under a non-coalition government with a majority both in the National Council (83 seats out of 150) and in other, formally non-partisan bodies of the state administration. It thus was not the result of a compromise between several parliamentary parties, but simply a text drafted by the ruling party, Smer-SD (“Direction-Social Democracy”). Every detail of the establishment and the form of the new oversight body, as well as the re-introduction of spending caps, precisely followed the policies of Smer-SD—including such details as the rejection of an independent budget and executive personnel for the State Commission and the selection of the four particular non-partisan nominators chosen (Chair of the Constitutional Court, the Chair of the Supreme Court, the General Prosecutor, and the Chair of the Supreme Audit Office) and the exclusion of other possibilities (e.g., the President, the Ombudsman, or the Special Court). Before the Slovak parliamentary election in March 2016, internal rules for the State Commission and the Bureau need yet to be adopted; the Slovak state authorities must realize that these rules will directly reduce or increase the actual effectiveness of the new regulatory model and the ultimate success of the reform as such.

Four, **the Polish and Slovak models of oversight over political parties and, in particular, election campaigning might benefit from a further shift in focus towards sub-national politics.** Even though Poland and Slovakia are not as Parliament-centered in their regulations as the Czech Republic, local elections still largely escape any oversight worthy of the name. Going back to the argument found in Chapter 1, especially the expenditure side in party and candidate reports for local elections is truly “garbage.” Many expenses in local elections in Poland and Slovakia (and the Czech Republic as well) are paid directly out of private pockets, never entering the cashboxes of parties or election committees. This blurs the picture of how much money is actually used in local and regional council elections, invalidating all reporting on this level.

CHAPTER 7:

Recommendations for a Reform in the Czech Republic

After focusing on the most problematic areas in the Polish and Slovak regulatory frameworks, the present work now turns to the Czech Republic. What the text has primarily shown so far is that setting up a model of effective oversight for election campaigns and their finances is a complex process, and any regulatory reform needs to be thought out carefully, with consideration given to both foreign examples and the domestic environment in which it is to be applied. The Czech government has in 2015 the great advantage that it can learn from its neighbors and their mistakes. From the Polish and the Slovak examples, there are several recommendations for a Czech reform that may be drawn.

First, **the general principle should be: transparency before limits.** While a transparent system of political finances enables voters to learn who financed whose election campaign and what the financial links between various interest groups are, limits on election campaign spending or duration do not conclusively lead to a decrease in the amount of money used in national political competition. Even though a reform of the Czech regulatory framework ought to promote a decrease in the amount of finances circulating in the party system, spending caps may not be the most effective way to achieve it, and the Czechs might be better off looking for a different model to follow. If they still decide on introducing limits in their reform laws, these limits need to be set relatively high. The Polish and Slovak examples show that unreasonably low limits only push political parties to mask their financing—limiting disclosure of funds rather than the funds themselves.

On the other hand, **the Czech Republic may follow the Polish and Slovak examples when introducing more transparency in election campaigns,** specifically through measures with wordings like the below:

- All campaign materials shall visibly show the logo, brand, or name of the beneficiary of the material.
- All campaign income and spending shall be channelled through separate transparent bank accounts.
- All candidates, including those running on non-partisan candidate lists or running independently for the Senate or the presidential office, shall submit a post-election campaign report.
- In addition to all financial and non-financial donations, all loans and discounts shall be specifically reported and their providers and creditors made identifiable.

The amount of transparency and of information provided to voters in crucial elections might be increased even more if political parties were also required to send in a pre-election day report summarizing all their campaign incomes and expenses as they appear on the transparent bank account. This is not currently a requirement in either Poland or Slovakia, but it ought to be up for debate in the Czech reform process.

Meanwhile, **the transparency of financial conduct in election campaigns must be accompanied by transparency for the general environment of political party competition,** which may be achieved by measures found in one form or another in Poland and Slovakia in wordings such as:

- The majority of political parties' financial operations shall be executed via transparent bank accounts and their sources and purposes shall be identifiable; the only exceptions may be very small cash sums, such as revenues from raffles etc., paid in to bank accounts in a lump sum.
- Political parties shall be audited by one and the same company only for a limited number of consecutive years, e.g., three. The selection of an auditing company shall be supervised, or performed, by a body different than the audited political party.

- Each political party shall submit a comprehensive annual report; it shall include all financial and non-financial donations, loans, and discounts, and provide enough information for the identification of all donors, service providers, suppliers, and creditors. These annual reports shall be accessible on the websites of political parties of the main oversight body.
- A new supervisory body shall oversee parties' financial dealings and the conducting of election campaigns and shall have the tools to do so—the legal tools and material resources needed to guarantee proactive monitoring of all candidates and year-round oversight of all political parties. Its budgets and personnel shall be independent of any other state authority, and its management shall be decentralized and in its majority non-partisan.
- The new supervisory body shall have access to an effective sanctioning mechanism, based primarily on fines, but also including the option to suspend, in cooperation with the judiciary, the activities of any political party that seriously breaches the legal regulations surrounding campaign finance and campaigning. An appellate procedure against the decisions of this supervisory body shall also be established.
- Adequate training regarding campaigning, campaign finance, and their oversight shall be provided to all oversight bodies.

However, the experiences of the Polish and the Slovak authorities are not the only ones on which a new Czech oversight model ought to be based. There are other countries in Europe with a similar political history and administrative makeup; there is also, of course, the existing Czech experience. The current Czech model has its own logic—its own strengths and weaknesses—and its particularities must be considered before it is reformed. The country's burgeoning political constellation, as well as the increasing sums of money involved in party politics, were pointed out in the previous chapter. The model also features the weaknesses listed in Chapters 3, 4, and 5, and in the GRECO recommendations found in Table 5. These weaknesses ought to be targeted by these specific measures:

- All election laws shall be assembled into one comprehensive electoral codex, equally reflective of all levels of elections and all types of candidates.
- Political parties' annual reports and post-election campaign reports shall include a classification of expenses that enables identification of the service, campaign tool, or specific item paid for by a specific sum.
- Political parties' annual reports and post-election campaign reports shall include the amount of unpaid voluntary work they received, and the number of personnel involved.
- Private companies and other legal entities owned partly or in full by political parties shall submit annual financial reports to the main supervisory body. This body will have legal tools enabling it to ascertain all financial assets of these entities and the financial operations they perform. These entities' economic activities shall all be subject to the same auditing rules for political parties.
- The sanctioning mechanism shall provide the possibility of charges under both civil and criminal law, to ensure the liability of individuals for infractions of the financing rules for election campaigns and political parties.
- The statute of limitations for offenses related to elections, party financing, and finance reporting shall be set to a period in which the punishment may be reasonably expected to affect, in particular, the individuals that actually caused the offense—e.g. between three and six years.
- The main supervisory body shall accept information requests and motions for investigation from the public (e.g. whistleblowers) and expert groups from civil society.
- All information related to a possible breach of rules on elections or party financing uncovered during an investigation of any civil or criminal offense shall mandatorily be shared with the main supervisory body overseeing political parties as well as with other authorities involved in the sanctioning mechanism (public prosecutors, Offices of Financial Administration).

These eighteen measures, taken together, ought to guarantee that the prospective reform of the Czech political finance regulations is a success. Even then, as the Polish and the Slovak examples show, further weaknesses in the legal framework may later reveal themselves. But this will nevertheless be a step in the right direction—towards more transparency in the area of campaign finance, and thus towards better governance in the Czech Republic.

Bibliography

- Biezen, Ingrid van (2008): "State Intervention in Party Politics: The Public Funding and Regulation of Political Parties," *European Review* 16(3): 337–353.
- Grzymala-Busse, Anna (2007): *Rebuilding Leviathan: Party Competition and State Exploitation in Post-Communist Democracies*. Cambridge: Cambridge University Press.
- Grzymala-Busse, Anna (2008): "Beyond Clientelism: Incumbent State Capture and State Formation", *Comparative Political Studies* 41(4/5): 638–673.
- Katz, Richard and Peter Mair (1995): "Changing Models of Party Organization and Party Democracy: The Emergence of the Cartel Party," *Party Politics* 1(1): 5–28.
- Klimešová, Magdaléna (ed.) (2015): *Kontrola financování stran. Porovnání dohledových institucí ve vybraných evropských státech*. Prague: Frank Bold.
- Lewis, Paul G. (2000): *Political Parties in Post-Communist Eastern Europe*. New York, NY: Routledge.
- Mair, Peter (1994): "Party Organizations: From Civil Society to the State," in Richard S. Katz and Peter Mair (eds.): *How Parties Organize: Change and Adaptation in Party Organizations in Western Democracies*. London: Sage.
- Nassmacher, Karl-Heinz (2009): *The Funding of Party Competition: Political Finance in 25 Democracies*. Baden-Baden: Nomos.
- O'Dwyer, Conor (2006): *Runaway State Building: Patronage Politics and Democratic Development*. Baltimore, MD: The Johns Hopkins University Press.
- Sikk, Allan & Riho Kangur (2008): "Estonia: The Increasing Costs and Weak Oversight of Party Finance," in Roper, Steven D. and Janis Ikstens (eds.): *Public Finance and Post-Communist Party Development*. Aldershot: Ashgate.
- Simonaytite, Vitalija and Vaida Jankauskaite (2014): *When The State Takes Over The Interest Groups: A Case of Lithuanian Political Party Funding*. Paper presented at the ECPR Graduate Conference. Innsbruck, July 2014.
- Simral, Vit (2014): *The Cost of Partitocracy: Party Funding in East Central Europe*. PhD Thesis defended at IMT Institute for Advanced Studies, Lucca. December 2014.
- Simral, Vit (2015): "Why They Act: A Multi-Method Approach Towards Party Regulations Reforms", in Kissane, Dylan and Alexandru Volacu (eds.): *Modern Dilemmas: Understanding Collective Action in the 21st Century*. Stuttgart: Ibidem Verlag.
- Szczerbiak, Aleks (2001): "Cartelisation in Post-Communist Politics: State Party Funding in Post-1989 Poland", *Perspective on European Politics and Society* 2(3): 431–451.
- Walecki, Marcin (2005): *Money and Politics in Poland*. Warsaw: Institute of Public Affairs.

Legal and Official Documents

Czech Republic

Act 424/1991 Coll., on Assembly in Political Parties and Movements

Act 361/1992 Coll., on Selected Employment Terms of Soldiers

Act 247/1995 Coll., on Elections to the Parliament of the Czech Republic

Act 111/1998 Coll., on Colleges and Universities.

Act 130/2000 Coll., on Elections to Regional Councils

Act 491/2001 Coll., on Elections to Local Councils

Act 62/2003, Coll., on Elections to the European Parliament

Act 561/2004 Coll., School Code.

Act 275/2012 Coll., on the Election of the President of the Republic

Poland

Act 1997 No. 98 Poz. 604, on Political Parties

Act 2009 No. 202 Poz. 1547, amending the Act on the Election of the President of Poland

Act 2009 No. 213 Poz. 1652, amending the Act on the Election of the President of Poland

Act 2011 No. 21 Poz. 112, Electoral Code

Slovakia

Act 346/1990 Coll., on Elections to Bodies of Self-Governing Municipalities

Act 46/1999 Coll., on the Method of Election of the President

Act 303/2001 Coll., on Elections to Bodies of Self-Governing Regions

Act 331/2003 Coll., on Elections to the European Parliament

Act 333/2004 Coll., on Elections to the National Council of the Slovak Republic

Act 85/2005 Coll., on Political Parties and Movements

Act 346/2005 Coll., on National Service of Professional Personnel of the Armed Forces of Slovakia

Act 245/2008 Coll., School Code.

Act 180/2014 Coll., on Conditions for the Execution of the Electoral Right

Act 181/2014 Coll., on Election Campaign

GRECO

GRECO (2011): Evaluation Report on the Czech Republic on Transparency of party funding.

GRECO (2008a): Evaluation Report on the Slovak Republic on Transparency of party funding.

GRECO (2008b): Evaluation Report on Poland on Transparency of party funding.

GRECO (2014): Addendum to the Second Compliance Report on the Slovak Republic.

Appendix: Tables and Figures

Table 2: Income of Party Systems in the Czech Republic, Poland, and Slovakia (in mil €)

Year / Country	Total Income	Total Donations	Total Subsidy	No. of subsidized Parties	Share of Donations	Share of Subsidies
2003	40.3	10.2	14.6	14	25.4	36.3
2004	24.5	2.5	13.2	18	10.3	54.2
2005	26.8	2.2	15.8	16	8.3	58.9
2006	58.6	7.6	35.9	16	13.0	61.3
2007	30.2	2.3	17.6	15	7.9	58.4
2008	41.6	6.6	20.4	19	16.0	49.2
2009	53.8	7.3	20.5	23	13.7	38.1
2010	85.6	18.5	40.3	23	21.6	47.1
2011	50.6	8.5	20.7	21	16.9	41.1
2012	67.6	13.7	19.6	29	20.3	29.0
2013	66.7	8.5	36.0	30	12.7	54.1
CZE	546.8	88.4	255.3	20.4	15.1	48.0
2003	22.2	2.5	13.2	10	11.4	59.7
2004	22.4	4.1	14.7	7	18.7	65.8
2005	90.7	45.1	21.9	9	49.7	24.2
2006	79.7	17.8	52.8	9	22.3	66.2
2007	77.8	19.4	26.0	7	24.9	33.5
2008	60.6	2.8	51.3	9	4.7	84.6
2009	34.6	4.0	25.3	7	11.7	73.2
2010	57.4	11.5	40.8	7	20.0	71.1
2011	59.2	14.5	27.4	7	24.5	46.4
2012	36.9	1.9	30.0	7	5.2	81.1
2013	17.8	1.2	12.9	5	6.8	72.8
POL	559.9	125.2	316.8	7.6	18.2	61.7
2003	4.7	0.1	2.7	10	2.7	57.2
2004	3.6	0.3	2.0	7	8.9	55.8
2005	7.6	0.5	2.9	8	6.6	38.0
2006	16.1	1.0	12.4	9	6.7	76.9
2007	6.9	0.4	4.8	8	5.8	70.2
2008	7.5	0.5	5.1	8	6.2	69.0
2009	7.5	1.0	5.5	8	13.0	72.8

Year / Country	Total Income	Total Donations	Total Subsidy	No. of subsidized Parties	Share of Donations	Share of Subsidies
2010	25.1	2.2	18.9	9	9.0	75.5
2011	10.9	0.3	7.3	8	3.3	67.2
2012	24.4	1.4	20.7	8	5.8	84.6
2013	8.5	0.5	7.5	8	5.3	88.1
SVK	123.3	8.4	90.2	8.3	6.6	68.6
2003	67.4	12.9	30.6	34	19.2	45.5
2004	50.5	7.0	30.0	32	13.9	59.5
2005	125.2	47.8	40.6	33	38.2	32.5
2006	154.6	26.5	101.2	34	17.2	65.5
2007	115.0	22.1	48.5	30	19.3	42.2
2008	109.7	10.0	76.9	36	9.1	70.1
2009	96.0	12.4	51.3	38	12.9	53.5
2010	168.2	32.3	100.1	39	19.2	59.5
2011	120.7	23.3	55.5	36	19.4	46.0
2012	129.0	17.0	70.3	44	13.2	54.5
2013	93.1	10.1	56.5	43	10.9	60.8
AGG	1,230	222	662.3	36.3	17.5	53.6

Source: Simral (2014).

Table 3: Income of Political Parties and Active Political Parties in CZE, POL, SVK

Year / Country	Total income of political parties	Citizens (mil.)	Revenues per one citizen	Active political parties
2003	40,387,513	10,5	3.84	67
2004	24,522,682	10,5	2.33	66
2005	26,828,189	10,5	2.55	68
2006	58,697,467	10,5	5.58	70
2007	30,266,783	10,5	2.88	68
2008	41,602,438	10,5	3.95	73
2009	53,830,802	10,5	5.12	72
2010	85,657,528	10,5	8.14	88
2011	50,590,419	10,5	4.81	116
2012	67,616,740	10,5	6.43	124
2013	66,750,365	10,5	6.35	125
CZE	49,704,630	10,5	4.72	85

Year / Country	Total income of political parties	Citizens (mil.)	Revenues per one citizen	Active political parties
2003	22,260,565	38,5	0.58	59
2004	22,426,499	38,5	0.58	76
2005	90,742,231	38,5	2.36	75
2006	79,755,103	38,5	2.07	74
2007	77,874,946	38,5	2.02	75
2008	60,663,089	38,5	1.57	76
2009	34,655,069	38,5	0.90	75
2010	57,454,451	38,5	1.49	74
2011	59,251,101	38,5	1.54	74
2012	36,981,919	38,5	0.96	74
2013	17,816,011	38,5	0.46	73
POL	50,898,271	38,5	1.32	73
2003	4,777,465	5,4	0.88	69
2004	3,618,150	5,4	0.67	75
2005	7,676,664	5,4	1.42	77
2006	16,163,639	5,4	2.99	40
2007	6,946,302	5,4	1.28	41
2008	7,505,830	5,4	1.39	35
2009	7,560,843	5,4	1.40	47
2010	25,139,467	5,4	4.64	48
2011	10,919,449	5,4	2.02	49
2012	24,467,876	5,4	4.52	52
2013	8,554,607	5,4	1.58	56
SVK	11,211,845	5,4	2.07	54

Source: Author.

Table 5: GRECO Recommendations for CZE, POL, SVK

Czech Republic	
i.	to take measures to ensure that donations by party members are adequately reflected in the financial reports of political parties and movements;
ii.	to establish precise rules for the valuation and reporting of in-kind donations, including loans (whenever their terms or conditions deviate from customary market conditions or they are cancelled) and other goods and services (other than voluntary work by non-professionals) provided below market value;
iii.	to seek ways to consolidate the books and accounts of political parties and movements to include the accounts of entities related, directly or indirectly, to a political party or movement or otherwise under its control;
iv.	to ensure that the financial reports of political parties and movements are published in a way that provides for easy access by the public;
v.	to require (i) more detailed disclosure of campaign expenditure in the annual financial reports and (ii) more frequent reporting on and disclosure of donations above a certain value received by political parties and movements, in connection with election campaigns;
vi.	to subject, to the greatest extent possible, election candidates campaigning separately from political parties/movements to transparency standards, which are comparable to those applying to the political parties/movements themselves;
vii.	to consider taking further measures to strengthen the independence of auditors who are to certify the accounts of parties and movements;
viii.	to (i) ensure that an independent mechanism is in place for the monitoring of the funding of political parties/movements and election campaigns (including those of candidates), in line with Article 14 of Recommendation Rec(2003)4 on common rules against corruption in the funding of political parties and election campaigns; (ii) provide this mechanism with the mandate, the authority, as well as adequate resources to effectively and pro-actively supervise the funding of political parties/movements and election campaigns, to investigate alleged infringements of political financing regulations and, as appropriate, to impose sanctions, and (iii) establish a clear process for the submission (and subsequent) investigation of citizens' and media complaints as regards the funding of political parties/movements and election campaigns;
ix.	to (i) introduce appropriate (flexible) sanctions for all infractions of the Political Parties Act, in addition to the current range of sanctions and (ii) provide for the possibility to impose sanctions for violations of Act No. 424/1991 Coll. on the Association in Political Parties and Movements on candidates on an electoral list.
Poland	
i.	to harmonise the provisions on political financing contained in the Political Parties Act, in the election Acts and in the relevant ordinances of the Minister of Finance and, in particular, to align the relevant provisions of the Statute on the Election of the President of the Republic of Poland with the standards set by the other election Acts;
ii.	to entrust the National Electoral Commission with the responsibility to assist political parties and election committees to observe the political financing regulations, inter alia, by providing advice upon request of parties and election committees;
iii.	to take appropriate measures to ensure that loans granted to political parties for statutory purposes and to election committees of voters are not used to circumvent political financing regulations, by ascertaining in particular whether loans are reimbursed in conformity with the terms under which they were granted;
iv.	to require that the financial reports of political parties which are subject to supervision by an independent monitoring body also cover those expenses for statutory activities which are not charged to subventions received from the State budget;
v.	to take appropriate measures to ensure that the financial reports of political parties and election committees are made public in a coherent and comprehensible manner and thus make the data on political financing more accessible;
vi.	to require more frequent declarations on donations received by political parties and election committees as well as their publication, at regular intervals to be defined by Act;
vii.	to increase the financial and personnel resources dedicated to the National Electoral Commission's unit responsible for the control of political financing;
viii.	(i) to ensure more substantial and pro-active auditing and monitoring of political parties' and election committees' financial reports, including a material verification of the information submitted as well as investigation of financing irregularities and (ii) to take adequate measures to enhance the cooperation between the authorities responsible for the enforcement of political financing legislation.

Slovakia

- i. to require candidates for elections to the National Council to disclose all donations they have received in relation to their political activities—including their source (at least above a certain threshold), nature and value—and details of the expenditure incurred;
- ii. to take measures to enhance the transparency of income and expenditure of parties and candidates at local and regional level (in particular in connection with mayoral elections);
- iii. to introduce proportionate disclosure rules for expenditure incurred by entities outside the party structure, related directly or indirectly to the party, in connection with election campaigns;
- iv. (i) to ensure that the annual reports of political parties are easily accessible to the public and (ii) to establish a standardised format (accompanied by appropriate instructions, if necessary) for the campaign and annual reports to be submitted by political parties;
- v. to provide a single body with a mandate and adequate resources to supervise and investigate party funding (both from private and public sources) and election campaign finances, including those of election candidates, and to ensure that this body is in a position to exercise its functions in an independent and impartial manner;
- vi. to review the sanctions available for violations of the rules on political funding, to ensure that these are proportionate and dissuasive;
- vii. to ensure that the mechanism by which sanctions are imposed for violations of the rules on political funding is independent, impartial and effective in practice;
- viii. to provide advice and training to political parties and election candidates on the applicable political funding regulations;
- ix. to establish liability of election candidates for infringements of political funding rules, in line with the rules applying to political parties;
- x. to assess whether there is a need to amend the provisions of Act No. 46/1999 on the Method of Election of the President with a view to enhancing the transparency of the funding of presidential candidates (to ensure that the amended provisions, if any, are in line with the requirements of Act No. 85/2005 Coll. on Political Parties and Political Movements).

Source: GRECO (2008a,b; 2011).

Table 6: Signatures Required for Independent Candidatures

	Citizens' Signatures	List of Independent Candidates	Law
CZE			
President	50,000		275/2012
Senate	1,000		247/1995
Municipalities			491/2001
up to 500 inhabitants	5% inhabitants	7%	
500–3,000 inhabitants	4%, 25 min.	7%	
3,000–10,000	3%, 120 min.	7%	
10–50,000	2%, 600 min.	7%	
50–150,000	1%, 1,000 min.	7%	
over 150,000	0.5%, 1,500 min.	7%	

	Citizens' Signatures	List of Independent Candidates	Law
POL			
President	100,000		Electoral Code
Sejm	1,000	5,000	
Senate	2,000		
European Parliament		10,000	
Municipalities		1,000	
city district	150		
country district	25		
counties		200	
regions		300	
mayors			
up to 5,000 inhabitants	150		
up to 10,000	300		
up to 20,000	600		
up to 50,000	1,500		
up to 100,000	2,000		
over 100,000	3,000		
SVK			
President	15,000		Constitution of Slovakia
Region Chairs and regional councilors			180/2014
Councilor	400		
Chair	1,000		
Mayors and local councilors			
up to 50 inhabitants	10		
51-100	20		
101-500	40		
501-2,000	100		
2,001-20,000	200		
20,001-100,000	500		
over 100,000	1,000		

Source: Compiled by author.

**Czech Annual Financial Report
(Annex to the Annual Balance and Annual Financial Statement
prescribed by Act 424/1991, Art. 17)**

Část III.

Přehled o celkových příjmech a o výdajích politické strany / politického hnutí.

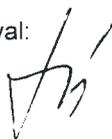
**a) Přehled o celkových příjmech politické strany / politického hnutí
v členění podle § 17 odst. 4 zákona č. 424/1991 Sb., ve znění pozdějších předpisů**

Poř. čís.	Název ukazatele	v Kč
a	b	c
1	Příjmy celkem	39 995 417,00 Kč
	z toho:	
2	Příspěvek ze státního rozpočtu České republiky na úhradu volebních nákladů	34 233 900,00 Kč
3	Příspěvek ze státního rozpočtu České republiky na činnost strany a hnutí (příspěvek na činnost)	5 492 500,00 Kč
4	Členské příspěvky	
5	Příjmy z pronájmu a prodeje movitého a nemovitého majetku	
6	Úroky z vkladů	
7	Příjmy vznikající z účasti na podnikání jiných právnických osob podle § 17 odst. 3 zák. č. 424/1991 Sb., ve znění pozdějších předpisů	
8	Příjmy z pořádání tombol, kulturních, společenských, sportovních, rekreačních, vzdělávacích a politických akcí	
9	Dary a dědictví	269 017,00 Kč
10	Půjčky a úvěry	

Datum:

31.3.2014

Vypracoval:



Kontroloval:

b) Přehled o výdajích politické strany / politického hnutí

Poř. čís.	Název ukazatele	v Kč
a	b	c
1	Výdaje celkem	13 202 822,00 Kč
	z toho:	
2	Provozní výdaje	1 373 072,00 Kč
3	Mzdové výdaje	37 640,00 Kč
4	Výdaje na daně a poplatky	1 700,00 Kč
5	Výdaje na volby	11 790 410,00 Kč

Datum: 9.3.2014

Vypracoval:



Kontroloval:

Polish Report on the Use of State Subsidies

Wyszczególnienie	Kwota w zł
I. Kwota otrzymanej subwencji	7.066,73
PKO B.P. Oddz .w Warszawie Nr 04 1020 1013 0000 0802 0140 5935	6.519.528,39
Bilans otwarcia	7.066,73
Odsetki bankowe	6.789,43
Razem środki z subwencji	6.533.384,55
II. Wydatki poniesione z otrzymanej subwencji	5.463.106,45
1) wysokość kwoty przekazanej na Fundusz Ekspercki	515.810,00
2) wysokość kwoty przekazanej na Fundusz Wyborczy	39.200,00
3) wydatki na cele statutowe (niezwiązane bezpośrednio z wyborami lub referendum), w tym w szczególności na:	4.908.096,45
- wynagrodzenia oraz ubezpieczenia społeczne i inne świadczenia	2.323.051,77
- zużycie materiałów i energii	169.335,36
- usługi obce, w tym korzystanie ze środków masowego przekazu	1.994.846,67
- podatki i opłaty	31.507,50
- pozostałe cele	389.355,15
4) suma spłaconych kredytów bankowych wraz z odsetkami	-
5) wydatki poniesione niezgodnie z przeznaczeniem, określonym w art. 28 ust. 1 ustawy z dnia 27 czerwca 1997 r. o partiach politycznych	-
III Niewykorzystana kwota subwencji	1.070.278,10
IV Kwota subwencji przekazana na Fundusz Ekspercki w 2012r.	515.810,00
- Kwota z bilansu otwarcia	1.913.679,09
- Odsetki bankowe	47.244,93
Razem kwota Fund.Eksp.do dyspozycji w roku 2012 na rachunku nr 51 1240 6250 1111 0000 4590 4819 PKO S.A. w Warszawie	2.476.734,02
V. Wydatki z części subwencji, która została przekazana na Fundusz Ekspercki	1.476.531,55
1) ekspertyzy prawne, polityczne, socjologiczne i społeczno-ekonomiczne	1.291.117,17
2) działalność wydawniczo-edukacyjna	184.595,80
3) Koszty finansowe	818,58
3) cele niezgodne z przeznaczeniem określonym w art. 30 ust. 4 ustawy z dnia 27 czerwca 1997 r o partiach politycznych	-
4) niewykorzystana kwota subwencji przekazanej na Fundusz Ekspercki	1.000.202,47

Opracowała: Ewa Popowska

Skarbnik SLD

Warszawa, dnia 12. 03. 2013r.

Kazimierz Karolczak

SPRAWOZDANIE

o źródłach pozyskania środków finansowych, w tym kredytach bankowych i warunkach ich uzyskania oraz o wydatkach poniesionych ze środków Funduszu Wyborczego w poprzednim roku kalendarzowym

CHRZEŚCJAŃSKA DEMOKRACJA III RZECZYPOSPOLITEJ POLSKIEJ

Warszawa, Al. Jerozolimskie 11/19

Piotr DWORNICKI, zam. Pła,
Katarzyna PIĘTKA, zam. Morąg,
Gniewomir ROKOSZ-KUCZYŃSKI, zam. Kraków,

PAŃSTWOWA KOMISJA WYBORCZA

W wykonaniu obowiązku nałożonego przepisem art. 38 ust. 1 i 3 ustawy z dnia 27 czerwca 1997 r. o partiach politycznych (Dz.U. z 2001 r. Nr 79, poz. 857, z późn. zm.)

KOMITET REJESTRACYJNY CHDRP

przedstawia sprawozdanie za 2013 rok o źródłach pozyskania środków finansowych oraz o wydatkach poniesionych ze środków Funduszu Wyborczego, wraz z opinią i raportem biegłego rewidenta w zakresie wpływów na Fundusz Wyborczy partii politycznej.

Źródła pozyskania środków przez partię polityczną (z wyłączeniem Funduszu Wyborczego)

WYSZCZEGÓLNIENIE	KWOTA (wartość) w zł
1	2
Przychody / wpływy – suma z pozycji I+II+III+IV (z wyłączeniem pkt 9 w części I)	0
I. Środki pieniężne wpłacone na rachunki bankowe partii – PARTIA NIE POSIADA RACHUNKU	0
1) pochodzące od osób fizycznych - ogółem – BRAK	0
a) składki członkowskie:	0
- w kwocie przekraczającej w jednym roku wysokość najniższego miesięcznego wynagrodzenia za pracę pracowników – BRAK	0
- w kwocie nieprzekraczającej w jednym roku wysokości najniższego miesięcznego wynagrodzenia za pracę pracowników – BRAK	0
b) darowizny (pieniężne) – BRAK	0
c) spadki i zapisy (pieniężne) – BRAK	0
2) odsetki od środków na rachunkach i lokatach bankowych	0
3) pochodzące z posiadania i obrotu obligacjami Skarbu Państwa i bonami skarbowymi Skarbu Państwa – BRAK	0
4) pochodzące ze sprzedaży należących do partii składników majątkowych – BRAK	0
5) pochodzące z działalności własnej, o której mowa w art. 27 ustawy z dnia 27 czerwca 1997 roku o partiach politycznych – BRAK	0

1	2
6) kredyty	0
a) wykaz podmiotów udzielających kredytu – BRAK	0
b) wykaz podmiotów udzielających gwarancji – BRAK	0
7) kwota otrzymanej dotacji podmiotowej	0
8) kwota otrzymanej subwencji	0
9) pochodzące z kasy partii nadwyżki środków pieniężnych wykazane w części II pkt 1 oraz środki pieniężne wykazane w części II pkt 2 i 3, odprowadzone na rachunki bankowe partii	0
II. Środki pieniężne wpłacone do kasy partii – ogółem	0
1) składki członkowskie w kwocie nieprzekraczającej w jednym roku najniższego miesięcznego wynagrodzenia za pracę pracowników (art. 26a ustawy z dnia 27 czerwca 1997 r. o partiach politycznych)	0
2) inne wpłaty/darowizny w kwocie nieprzekraczającej w jednym roku najniższego miesięcznego wynagrodzenia za pracę pracowników	0
3) pochodzące z działalności własnej, określonej w art. 27 ustawy z dnia 27 czerwca 1997 roku o partiach politycznych (kwoty nieprzekraczające 10 PLN – pochodzące ze sprzedaży jednostkowych egzemplarzy programu partii, statutu partii lub wykonanych kserokopii)	0
III. Wartości niepieniężne	0
1) darowizny rzeczowe	0
2) spadki	0
3) zapisy	0
4) usługi świadczone nieodpłatnie na rzecz partii	0
IV. Pozostałe źródła (niewymienione w cz. I, II, III) – BRAK	0
V. Wpłaty dokonane z naruszeniem przepisów ustawy z dnia 27 czerwca 1997 r. o partiach politycznych	0
1) ponad limit określony w art. 25 ust. 4 – BRAK	0
2) w innej formie, niż określona w art. 25 ust. 5 – BRAK	0
VI. Korzyści majątkowe przekazane partii z naruszeniem przepisów ustawy, które zostały przyjęte, zużyte lub utracone – BRAK	0

Wpływy i wydatki Funduszu Wyborczego

WYSZCZEGÓLNIENIE	KWOTA (wartość) w zł
1	2
A. Przychody/wpływy	0
Środki pieniężne zgromadzone na rachunku bankowym Funduszu Wyborczego - BRAK	0
1) pochodzące od osób fizycznych	0
a) wpłaty z zachowaniem limitu określonego w art. 36a ust. 1 i 2 ustawy z dnia 27 czerwca 1997 roku o partiach politycznych - BRAK	0
b) wpłaty ponad limit określony w art. 36a ust. 1 i 2 ustawy z dnia 27 czerwca 1997 roku o partiach politycznych - BRAK	0
c) wartość darowizn, spadków lub zapisów - BRAK	0
2) pochodzące z wpłat własnych (z rachunku bieżącego partii politycznej)	0
3) kwota przekazana z subwencji	0
4) odsetki od środków na rachunku bankowym	0
5) inne	0
B. Wydatki/koszty	0
Wydatki związane z udziałem w wyborach i szczegółowo rozliczone w sprawozdaniach finansowych:	0
1) z wyborów do Sejmu i Senatu	0
2) z wyborów uzupełniających do Senatu	0
3) z wyborów Prezydenta Rzeczypospolitej Polskiej	0
4) z wyborów organów samorządu terytorialnego	0
5) z udziału w kampaniach referendalnych	0
C. Korzyści majątkowe przekazane na Fundusz Wyborczy, z naruszeniem przepisów ustawy z dnia 27 czerwca 1997 roku o partiach politycznych, które zostały przyjęte, zużyte lub utracone - BRAK	0

Warszawa, 27 marca 2014 roku



 Piotr DWORNICKI, członek Komitetu Rejestracyjnego ChDRP

www.frankbold.org

www.governance.sk