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PROJECT AGAINST ECONOMIC CRIME (PECK)

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Members of Parliament/ Financing of political parties and electoral campaigns

- "There are two things that are important in politics. The first is money and I can't remember what the second one is."

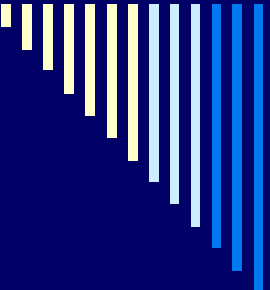
US Senator Mark Hanna, 1895

- Very sensible issue for the GRECO
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Members of Parliament

- ❑ Kosovo Assembly considered to be one of the most transparent institutions in Kosovo
 - ❑ Code of conducts for MPS to be revised and complemented with practical measures for its implementation (enforcements mechanisms, dedicated training)
 - ❑ Lack of a specialized body in charge with the control of declaration of assets; Not only formal control of declaration of assets; to give to the KAA or to another specialized body the competence to make an adequate assessment of declared assets.
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Promemoria, three recommendations regarding MPs (xxviii-xxx):

- *The Assessment Team recommended that the Code of Conduct for members of parliament be revised and complemented with practical measures for its implementation, such as dedicated training, counselling and advice regarding ethical and corruption related issues (paragraph 351);*
 - *To give to the KAA – or to another official body, in collaboration with the tax administration - the competence to make an adequate assessment of declared assets (paragraph 367); and*
 - *That measures be taken to ensure supervision and enforcement of the existing rules on conflicts of interest and disclosure of outside ties by members of parliament (paragraph 379).*
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Recommendation xxviii

- ***“That the Code of Conduct for members of parliament to be revised and complemented with practical measures for its implementation, such as dedicated training, counseling and advice regarding ethical and corruption related issues.”***

 - Standard requirement from GRECO
 - Implementation of the Code of Conduct for MPs
 - No further information provided

 - *« I inform you that the Regulation of the Kosovo Assembly in the annex 3 has foreseen the Code of Conduct for the members of the Parliament, a draft law has been drafted for the Assembly and a draft regulation which are awaiting the constitution of the Assembly for the approval. Whereas, as far as the training of the members of parliament is concerned, trainings are organized before every legislature for the members especially new members of the parliament».*
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Recommendation xxix

- ❑ ***“To give to the KAA – or to another official body, in collaboration with the tax administration – the competence to make an adequate assessment of declared assets.”***
- ❑ Adequate assessment of the value of declared assets (real estate, car, for example)
- ❑ Establish the system of cross-checking of data.
- ❑ Automatic exchange of data between Tax administrations, KAA, Cadaster (Land) Registry etc.
- ❑ “The impunity in Kosovo, inexplicable wealth”, Policy paper 5/13, November 2013, KIPRED



Recommendation xxx

- *That measures be taken to ensure supervision and enforcement of the existing rules on conflicts of interest and disclosure of outside ties by members of parliament (paragraph 379).*
 - Further guidance should be provided (Kosovo Institute of Public Administration, KIPA for example), dedicated training
 - To increase MPs awareness about integrity issues
 - Effective channels / dedicated body for MPs
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Financing of political parties and election campaigns

- Legislation rather complete, covers a range of core issues and fulfils (on paper) most of the requirements contained in Recommendation (2003)4 of the Committee of ministers of the Council of Europe
 - Three main areas to improve:
 1. Aspects of formal and methodological nature
 2. Aspects of material nature (choice of measures, transparency, ...)
 3. Application of legislation
 - Amendments to the Law on Financing of Political Entities (Law No. 04/L-212 of 31 July 2013).
 - “Success story”: 11 recommendations, 4 fully implemented (32, 34, 38, 41), 5 partly implemented (31, 33, 35, 37, 39), 2 not implemented (36, 40).
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Recommendation xxxi

- ☐ *The Assessment Team recommended to harmonize the legal provisions on political entities and campaigns financing in line with the legislation applicable to other candidates for election (local and national level, presidential election) (paragraph 403).*
 - ☐ Problems of coherence
 - ☐ Presidential election ?
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Recommendation xxxiii.

- *The Assessment Team recommended to ensure that the definition of a ‘contribution’ to a political party as foreseen in Rule 01/2008 on registration and operation of political parties is consistently used in the legislative and regulatory framework concerning funding of political entities and electoral campaigns in order to include indirect resources (like for example services or in-kind donations) (paragraph 420);*
 - Reworded Article 2, paragraph 1.5 of the amended FPE Law: “1.5. Contributions - gifts (donations) or any kind of assistance that implies a conscious act of donating economic or similar economic goods to political entity, whether in cash, services, sale of items below the market price, delivery of services below market price or other material goods”.
 - New wording is in line with the AR recommendation. Nevertheless, it is not quite clear if it covers the whole legislative and regulatory framework concerning the funding of political entities and **electoral campaigns, local elections**, and, for example, if it is also mandatory for the presidential election (if any in the future).
 - Partly implemented.
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Recommendations xxxv and xxxvii

- *The Assessment Team recommended setting more precise conditions for requirements of the financial reports and the deadline(s) of the publication (paragraph 436).*
 - *The Assessment Team recommended (i) to unify parties' reporting forms, in particular regarding content, periodicity of their submission and publication; and (ii) to determine the procedure for monitoring of established standards (paragraph 443).*
 - The CEC must define a standardised format for reporting to be used by political parties to disclose all required information that would allow the public to compare reports.
 - further precise conditions have to be introduced for the requirements of the financial reports themselves.
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Recommendation xxxvi.

- *The Assessment Team recommended to give to the Central Electoral Commission/the Office or the Anti-corruption Agency the mandate and the appropriate authority as well as the financial resources and specialized staff to effectively and proactively supervise the funding of political parties and election campaigns, to investigate alleged infringements of political financing regulations and, as appropriate, to impose sanctions (paragraph 442).*
 - No information on this important issue.
 - Same kind of problem than for the control of assets declaration.
 - Key issue
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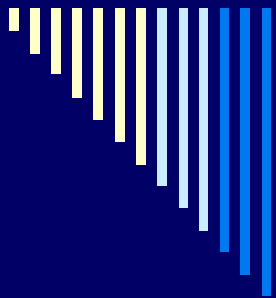
Recommendation xxxix

- *The Assessment Team recommended to introduce more dissuasive, effective and proportionate sanctions in respect of violations of political financing rules and to provide the Central Electoral Commission with the necessary powers to investigate such cases and to apply the appropriate sanctions (paragraph 454).*
 - Reviewed Article 21 (Punitive provisions) of the amended FPE Law introduces a more coherent system of sanctions in line with recommendation xxxix.
 - Dissuasive sanctions, amounts sometimes too low in our opinion
 - No reaction, no further information
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Recommendation xl

- *The Assessment Team recommended to provide the Office with appropriate authority to carry out, as needed, a material verification (in addition to the existing formal review) of the information provided by election candidates and other political entities (paragraph 455).*
 - Cf. recommendation xxxvi
 - Office of the CEC with KAA ?
 - Implementation
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QUESTIONS/COMMENTS?