



Groupe d'Etats contre la corruption
Group of States against corruption

DIRECTORATE GENERAL I - HUMAN RIGHTS AND RULE OF LAW
INFORMATION SOCIETY AND ACTION AGAINST CRIME DIRECTORATE



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Third Evaluation Round

Evaluation Report on Switzerland Transparency of Political Party Funding

(Theme II)

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I. INTRODUCTION

1. Switzerland joined GRECO on 1 July 2006. GRECO adopted the report on the joint first and second evaluation rounds (Greco Eval I-II Rep (2007) 1E) at its 37th meeting (31 March- 4 April 2008). The aforementioned evaluation report, and the corresponding compliance report, are available on the GRECO web site (<http://www.coe.int/greco>).
2. The current Third Evaluation Round, which started on 1 January 2007, covers the following themes:
 - **Theme I – Incriminations:** articles 1a and 1b, 2-12, 15-17 and 19 paragraph 1 of the Criminal Law Convention on Corruption (ETS 173), articles 1-6 of its Additional Protocol (ETS 191) and Guiding Principle 2 (GPC 2) (incrimination of corruption).
 - **Theme II - Transparency of Political Party Funding:** articles 8, 11, 12, 13b, 14 and 16 of Recommendation Rec(2003)4 on common rules against corruption in the funding of political parties and election campaigns and – more generally – Guiding Principle 15 on financing of political parties and election campaigns.
3. The GRECO Evaluation Team (hereafter referred to as the “GET”), which carried out an on-site visit to Switzerland from 11 to 13 May 2011, comprised Mr Edmond DUNGA, Head of the Anti-Corruption Secretariat, Regional Anti-Corruption Initiative (Albania) and Professor Richard GHEVONTIAN, Vice-President of the Paul Cézanne University of Aix-Marseille III responsible for legal and statutory affairs, Director of research at the Louis Favoreu Institute, Study and Research group on constitutional justice (France). The GET was assisted by Ms Sophie MEUDAL-LEENDERS of the GRECO secretariat. Prior to the visit the GET received replies to the evaluation questionnaire (Greco Eval III (2011) 5F, Theme II) and copies of relevant legislation.
4. The GET met representatives of the Federal Justice Office, the Federal Chancellery, the Parliamentary political institutions committee and the cantons of Ticino and Geneva. It also met representatives of Swiss political parties: the FDP (Free Democratic party), the Swiss Evangelical Party, the Swiss Socialist Party and the Christian-Democratic Party. The GET also met representatives of academia, the press and Transparency International.
5. The current report on theme II of GRECO's 3rd evaluation round - Transparency of Political Party Funding – is based on answers to the questionnaire and information supplied during the on-site visit. The main purpose is to assess the effectiveness of measures adopted by the Swiss authorities to comply with the obligations arising from the provisions referred to in paragraph 2. The report presents a description of the situation, followed by a critical analysis. The conclusions include a list of recommendations adopted by GRECO and addressed to Switzerland on how to improve compliance with the provisions under consideration.
6. The report on Theme I – Incriminations – appears in document Greco Eval III Rep (2011) 4E, Theme I.

II. TRANSPARENCY OF PARTY FUNDING – GENERAL PART

7. Switzerland is a parliamentary democracy with a long tradition. It comprises 26 cantons that form the Swiss Confederation, whose political unity was enshrined in the 1848 constitution. When they formed the confederation, the cantons ceded part of their sovereignty to the central state while retaining the right to exercise their prerogatives. This arrangement has largely continued to the present day.
8. Legislative power is exercised by the Federal Assembly, a bicameral parliament composed of the National Council and the Council of States, elected for four years. It has four three-week plenary sessions each year. The members of parliament continue their normal occupations. The National Council comprises 200 members elected by proportional representation (20 cantons) or by majority representation (6 cantons). Cantons have between one and 34 seats, depending on their population. In the Council of States, 20 cantons are entitled to two seats each and six, which until 1999 were half cantons, have one seat.
9. The next elections will be on 23 October 2011. Following the four-yearly October elections, the Federal Assembly meets in joint session, in December, to elect the members of the federal government, or Federal Council. There are seven federal councillors with equal powers. They each head a department, or ministry, and are elected for a four-year term of office. Each year, the Federal Assembly elects the President of the Confederation and the Vice-President of the Federal Council (article 176 of the federal Constitution) for one year from among the seven federal councillors according to the seniority principle. The government has a collegial composition to reflect the country's various political, linguistic and regional sensibilities. The Swiss political system is based on the principle of concordance, which makes it impossible for any party to have a majority in either parliament or the government. The popular referendum is a guarantee of this.
10. Switzerland has a three-tier federal structure; federal, cantonal and communal. The cantons are free to determine their own organisational structure, subject to two conditions laid down in the Constitution, namely to have a democratic cantonal constitution and a parliament elected by direct universal suffrage. However, cantons can decide themselves whether their government should be elected directly by the people or by parliament, though in fact they have all opted for the former. They are also free to decide on how their authorities should function, their internal geographical breakdown and so on. Communal autonomy is also laid down in the Constitution, though only within the limits set by cantonal law. So the federal and cantonal tiers of government are usually accompanied by a local authority tier with its own laws, administration and executive and legislative bodies. However, the extent of communal autonomy is largely dependent on cantonal law.
11. One characteristic of the Swiss political system is its direct democracy. It takes various forms, including the popular initiative and referendum at federal level. Citizens can use an initiative to ask for an entire revision of the federal Constitution (article 138 of the federal Constitution). They can also use an initiative, drafted by an initiative committee, to ask for a popular vote on proposed changes to the federal Constitution. For such initiatives to succeed and a vote to be held, they must attract the signatures of 100 000 active citizens within 18 months. To be approved, initiatives must secure a double majority of voters and cantons. Popular initiatives may also be used to propose entirely new constitutional provisions, whose content cannot be modified by either parliament or the government. The authorities can then put forward a generally more moderate counter-proposal to the popular initiative, in the hope that the people and the cantons

will opt for the former. Since 1987 it has been possible to vote yes to both the popular initiative and the counter-proposal. In such cases the so-called subsidiary question is what decides the matter. Whichever version gets the larger number of votes and cantons answering yes to this question comes into force. Popular initiatives are considered to be the driving force of direct democracy because they emanate not from parliament or the government but directly from citizens¹. In addition, 50 000 citizens can ask for legislation voted by the federal parliament to be put to popular vote (optional referendum)². Article 140 of the federal Constitution provides for obligatory referendums in certain cases, such as constitutional revisions, membership of collective security organisations or supranational communities and emergency federal laws that are declared urgent and have no constitutional validity.

12. Political parties are not therefore the only players on the Swiss political scene. Initiatives and referendums can be requested by *ad hoc* initiative or referendum committees that are quite independent of one or more political parties. Moreover, the fact that referendums can always be requested in opposition to federal legislation obliges the political class to seek a consensus likely to have popular approval.

Definition of a political party

13. Swiss law does not define political parties. The notion does appear in the new Article 137 of the federal Constitution of 18 April 1999, according to which the political parties shall “*contribute to shaping public opinion and the public will*”. It also appears in article 2 of the Federal Assembly order of 13 December 2002 on the register of political parties, according to which any association whose purpose, according to its statutes, is mainly political is a political party for the purposes of section 76a of the Federal Political Rights Act.

Formation and registration

14. Political parties in Switzerland usually take the form of associations, under articles 52 and 60 to 79 of the Swiss civil code (CC), in order to acquire legal personality. They can also use the legal form of simple company (articles 530 to 552 of the obligations code), in which case they do not have legal personality.
15. Political parties are not required to register. They may, however, request inclusion on a register kept by the federal Chancellery if they so wish and they satisfy certain conditions, which are to adopt the legal form of an association and have at least one member of parliament in the National Council or be represented in at least three cantonal parliaments by at least three members per parliament. They must then submit the following documentation to the federal Chancellery: a copy of their statutes and any subsequent changes, their official name and the address of their headquarters, and the names and addresses of the party president and secretary. Registration dispenses parties from certain administrative formalities at federal elections³.

¹ Of 175 initiatives since 1874 on which there has been a popular vote, 18 have been accepted.

² Cantons are also able to request a referendum. If eight do so, a popular vote must be organised on draft legislation approved by the federal parliament.

³ All political parties registered with the federal Chancellery are exempt from the quorum requirement if they put forward a single list of candidates in the electoral district (section 24.3.b, of the Federal Political Rights Act of 17 December 1976 and if, in the outgoing legislature, they had a member in the National Council from this same district or obtained at least 3% of the votes when the National Council was last fully renewed (art 24. 3.c, LDP).

Parties that meet these three conditions only have to submit the valid signatures of all the candidates, the president and the secretary (art. 24. 4, LDP).

16. The federal Chancellery keeps the register of data supplied by the political parties, which is open to the public⁴. Twelve political parties currently appear in this register⁵: Swiss Evangelical Party (PEV); Free Democratic Party (FDP); Federal Democratic Union (UDF); Swiss Labour Party (PST/POP); Christian-Democratic Party (PDC); Swiss Socialist Party (PS); the Greens – Swiss Ecological Party; Democratic Union of the Centre (UDC); Social-Christian Party (PCS); Green-Liberal Party; Conservative Democratic Party of Switzerland (PBD); Ticino League (LdT).

Turn-out at national elections, representation of parties in Parliament

17. All Swiss nationals aged 18 and over are entitled to vote and to stand for election, whether they live in Switzerland or abroad. Swiss nationals residing abroad however need to be registered. For federal elections, candidate lists must be lodged in the cantons, which form the electoral constituencies. The political parties do not always have the same name in every canton. At the last federal elections, in 2007, 311 lists were lodged in the 20 cantons using the proportional representation system⁶.

National Council

18. Out of the 200 members of the National Council, 6 are elected by majority representation and 194 by proportional representation, with each canton forming an electoral constituency. The number of seats to which each canton is entitled depends on its population. This varies from 34, in Zurich, to 1 in each of the six smallest cantons. In the six constituencies that are only entitled to one seat, election to the National Council is by majority vote. In the cantons that use proportional representation, the voters receive a pre-printed list for each party, showing the party name and the candidates' names and their order on the list, and a blank list. Voters have various options, namely to vote *en bloc* for a party list, cross out the names of candidates on the list, add the names of candidates from other lists, enter the name of same candidate twice on a voting slip or use the blank list to enter the candidates of their choice. They can also enter on this list the name of a party and a list order number.
19. Each vote for an individual candidate also counts as a vote for his or her party. If a list carries the name of a party but an elector has voted for fewer candidates than the number of seats in the constituency the lines left blank still count as votes for the party in question. It is this that differentiates votes for parties and votes for individual candidates, which are counted separately. Under sections 40 and 41 of the federal Political Rights Act, the first count determines the number of seats each party has won, based on the number of votes it has received, using the Hagenbach-Bischoff method. Under section 43 of the Act, the second stage is to establish which candidates of each party are elected, namely those that obtained the highest number of individual votes. The options available to voters are not always easy to understand, even though the latter can confine themselves to voting for a single party list. Nevertheless, overall it is thought that the current system has the benefit of allowing voters to exercise a wide measure of choice.
20. Two lists may combine, in which case at the first stage, which determines the number of seats obtained by each party based on votes cast, the allied lists are treated as one and the same list

⁴ The register can be consulted on http://www.admin.ch/ch/f/pore/pa/par_2_2_2_3.html

⁵ Certain parties have been removed from the register on the grounds that they no longer meet the registration conditions.

⁶ For the 2011 elections, the following links provide information on the candidatures in the various cantons:

- National Council: <http://parlamentswahlen-2011.ch/les-candidats.html>
- Council of States: <http://parlamentswahlen-2011.ch/les-candidats-384.html>
- Federal Chancellery: <http://www.bk.admin.ch>

(section 42 of the federal Political Rights Act). At the second stage, the total number of seats won is divided between the two lists. Most parties make frequent use of such combinations, though this does not mean that they campaign together. Under section 31.2 of the Political Rights Act such combinations must be recorded on the pre-printed voting lists and are published in the cantons' official journals.

Council of States

21. The Council of States has 46 members. Under Article 150.3 of the federal Constitution, each canton decides on the rules and procedure for electing its own members. All of the cantons, other than Jura and, shortly, Neuchâtel, use an absolute majority system, which means that a second round is often required because no candidate has obtained more than 50% of the votes in the first round.
22. The following table shows the results of the 2003 and 2007 federal elections and the number of seats held by each party in the 2007-2011 (48th) parliament.

National Council - years	2003	2007	+/-
Number of candidates	2836	3089	253
Number of male candidates	1843	2001	158
As a percentage of total candidates	64.99	64.78	-0.21
Number of female candidates	993	1088	95
As a percentage of total candidates	35.01	35.22	0.21
Number of candidatures from Swiss living abroad	17	44	27
Total number of lists	262	311	49
Number of list combinations	67	70	3
Number of list sub-combinations	39	67	28

National Council statistics*	2003	%	2007	%
Registered electors	4,781,887		4,913,442	
Votes cast	2,161,921	45.2%	2,400,373	48.9%
New members of parliament elected	59	29.50%	53	26.5%
Members of parliament not elected	23	11.50%	22	11.50%
Women	50	25.00%	57	29.50%
Average age	51.6		51.3	
Age of youngest member	25.5		25.1	
Age of oldest member	69.2		76.2	

* This does not include the Nidwalden half canton, in which the single candidate for the National Council was elected unopposed

National Council: Results by party	Initials	2003		2007			
		% of votes	Number of seats	% of votes	+/-	Number of seats	+/-
Democratic Union of the Centre	SVP/UDC	26.6	55	29	2.4	62	7
Swiss Socialist Party	SPS/PSS	23.3	52	19.5	-3.8	43	-9
Free Democratic Party	FDP/PRD	17.3	36	15.6	-1.7	31	-5
Christian Democratic Party	CVP/PDC	14.4	28	14.6	0.2	31	3
Swiss Ecological Party	CVP/PDC	7.4	13	9.6	2.2	20	7
Swiss Liberal Party	LPS/PLS	2.2	4	1.8	-0.4	4	0
Evangelical People's Party	EVP/PEV	2.3	3	2.4	0.1	2	-1
Green Liberal Party	GLP/PVL	0	0	1.4	1.4	3	3
Christian Social Party	CSP/PCS	0.4	1	0.4	0	1	0
Swiss Labour Party	PST-POP	0.7	2	0.7	0	1	-1
Federal Democratic Union	EDU/UDF	1.3	2	1.3	0	1	-1
Ticino League	LdT	0.4	1	0.6	0.2	1	0
Alternative List	AL	0.5	1	0.2	-0.3	0	-1
Swiss Democrats	SD/DS	1	1	0.5	-0.5	0	-1
solidaritéS	Sol	0.5	1	0.4	-0.1	0	-1
Freedom Party of Switzerland	FPS/PSL	0.2	0	0.1	-0.1	0	0
Others		1.6	0	1.8	0.2	0	0
			200	200			

Council of States – results by party	Initials	2003	2007	
		Number of seats	Number of seats	+/-
Christian Democratic Party	CVP/PDC	15	15	
Free Democratic Party	FDP/PRD	14	12	-2
Democratic Union of the Centre	SVP/UDC	8	7	-1
Swiss Socialist Party	SPS/PSS	9	9	
Swiss Ecological Party	CVP/PDC		2	+2
Green Liberal Party of Zurich	GLP/PVL	0	1	+1
Total		46	46	

Group ⁷	abbr.	Breakdown	Total	NC	CoS
Democratic Union of the Centre Group	V	64 UDC, 1 Lega, 1 UDF	66	60	6
Socialist Group	S	49 PS	49	41	8
Free Democratic Group	RL	47 PLR	47	35	12
PDC/PEV/PVL	CEg	44 PDC, 1 PCS, 2 PEV, 5 PVL	52	36	16
Green Group	G	22 PES, 1 PCS, 1 PdT	24	22	2
BDP Group	BD	6 BDP	6	5	1
Non-attached	1		1	1	-

Political financing system

23. It first needs to be borne in mind that one of the consequences of Swiss federalism is that parties often take the form of small, or even very small, associations at cantonal and local level. The result is that party machinery at federal level tends to have very limited resources⁸. At cantonal and local level, political party activity is largely based on a system of unpaid volunteers (in French *milices*⁹). Only 45% of parties have any paid employees at cantonal level, and these mainly perform administrative tasks.
24. Switzerland has no specific rules at federal level on the financing of political parties and election campaigns. However; political party financing is the subject of regular debate in parliament, though so far without any resulting federal legislation. In 1996, when the Constitution was being reformed, the Federal Council proposed a new Article 127A.2, which would have provided for

⁷ The following are the links to the federal assembly parliament groups:

- A. SVP/UDC: <http://www.parlament.ch/f/organe-mitglieder/bundesversammlung/fraktionen/fraktionen-48-legislativ/fraktion-v/Pages/default.aspx>
- B. SPS/PSS: <http://www.parlament.ch/F/ORGANE-MITGLIEDER/BUNDESVERSAMMLUNG/FRAKTIONEN/FRAKTIONEN-48-LEGISLATIV/FRAKTION-S/Pages/default.aspx>
- C. PR-PL: <http://www.parlament.ch/F/ORGANE-MITGLIEDER/BUNDESVERSAMMLUNG/FRAKTIONEN/FRAKTIONEN-48-LEGISLATIV/FRAKTION-RL/Pages/default.aspx>
- D. CEg: <http://www.parlament.ch/f/organe-mitglieder/bundesversammlung/fraktionen/fraktionen-48-legislativ/fraktion-v/Pages/default.aspx>
- E. Greens: <http://www.parlament.ch/F/ORGANE-MITGLIEDER/BUNDESVERSAMMLUNG/FRAKTIONEN/FRAKTIONEN-48-LEGISLATIV/FRAKTION-G/Pages/default.aspx>
- F. PBD: <http://www.parlament.ch/f/organe-mitglieder/bundesversammlung/fraktionen/fraktionen-48-legislativ/fraktion-bdp/Pages/default.aspx>
- G. Non-attached: <http://www.parlament.ch/f/organe-mitglieder/bundesversammlung/fraktionen/fraktionen-48-legislativ/fraktionslos/Pages/default.aspx>

⁸ According to 2007 data, the secretariats of the main parties were staffed as follows:

PLR: 21 persons, 18 full-time equivalent
PSS: 18 persons full-time
CVP/PRD: 18 persons, 12 full-time equivalent
SVP/UDC: 10.9 posts
Greens: 3.25 posts
Evangelical People's Party 3.10 posts

⁹ The *milice* system is a form of organisation in which ordinary citizens take on public duties for a fixed period, while continuing with their principal occupation. These duties are sometimes carried out unpaid, or more usually for just a very modest level of remuneration.

legislation on the exercise of political rights and, in particular, how the exercise of these rights was financed. However it was primarily concerned with obliging referendum and initiative committees to publish information on their economic and financial ties to third parties with a view to regulating the exercise of direct democracy in the form of initiatives and referendums. Parliament rejected this proposal, which had been heavily criticised during the consultation procedure. Generally speaking, according to those spoken to, successive parliamentary attempts to regulate political party financing and increase the transparency of political life have been motivated not by a desire to combat corruption but rather by concern to ensure that popular initiatives and referendums are contested on a level playing field. However, the authorities state that the Federal Council has often pointed out in response to parliamentary initiatives that it is impossible to establish any link between the financial resources of parties that supported any particular initiative or referendum and the outcome of the vote. In fact several initiative votes – such as those on preventive detention for life and the non-application of statutory limitations for paedophile crimes – have been won even though the authors had very few financial resources. In 1987, for example, the committee for a constitutional amendment to permit a double "yes" vote for a popular initiative and the Federal Council's counter-proposal won the day with a budget of only CHF 26 000 (about € 21 400)¹⁰. The funding came from the Swiss Socialist Party, the Christian-Democratic Party, the Independents' Alliance (now defunct), the Swiss trade union federation and the confederation of Christian trade unions. The opponents, in contrast, had over CHF 1 million (about € 823 500) at their disposal.

25. The federal state does not finance political parties or election campaigns directly. However, federal members of parliament and parliamentary groups do receive public funding under the federal Act of 18 March 1988 on the allocation of public funds to members of the Federal Assembly and contributions to groups (LMAP), (Recueil systématique (RS) 171.21). This annual grant to parliamentary groups, which is intended to cover their secretarial and administrative expenses, comprises a basic sum of CHF 94 500 (about € 77 800) per group, plus CHF 17 500 (about € 14 400) per individual member (section 12 LMAP). The total cost to the federal budget is currently about CHF 4.8 million (about € 4 million). Since 1 January 2010, section 10.2 of the Federal Assembly's order on the allocation of public funds to members of the Federal Assembly provides that parliamentary groups must submit each year, at the latest by the end of March, a report on the use of funds received in the previous exercise, to the Assembly's administration committee. For the first time, the committee published on 13 May 2011 a report on the use of these funds in 2010.
26. There are no specific rules or limits on the private funding of political parties and election campaigns. Nor does the Civil Code lay down any rules on the financing of associations. Article 60.2 asks them to deal with this issue themselves in their statutes.
27. By way of examples, the GET has consulted the statutes of several parties, which highlight the varied range of sources of finance provided for. The following list is a compilation of the various approaches adopted. Certain statutes provide for all of them, others only some: a) annual members' subscriptions; b) gifts and donations; c) proceeds of the sale of goods and services; d) subscriptions of the parliamentary group; e) contributions from members of parliament, judges and magistrates affiliated to the party.

¹⁰ With reference to the exchange rate by 04.10.2011: CHF 1 = € 0.82

28. The replies to the questionnaire show that the Federal Court¹¹, Switzerland's highest judicial body, has ruled that a provision of Ticino law setting a maximum of CHF 50 000 for contributions by third parties to election campaigns of candidates for cantonal elections was incompatible with the federal Constitution. "The provision of the law on the exercise of political rights in the canton of Ticino that sets a limit of CHF 50 000 for contributions by third parties to election campaigns of candidates for cantonal elections breaches both the equal opportunities and the proportionality principles." During the visit, however, the GET was told that it was not the principle of a ceiling on contributions that the Court had judged unconstitutional but the figure set, which it considered too low.

Other aspects

29. Tax deductions have recently been introduced for donations to political parties, under the federal Act of 12 June 2009 on the deductibility of payments to political parties, which amended the existing law on the subject at federal and cantonal levels. In the case of federal income tax, for example, subscriptions and other payments to political parties of up to CHF 10 000 (about € 8 200) may be deducted from taxable income subject to one of the following conditions: a) the party is registered on the register of parties (see paragraphs 15 and 16); b) it is represented in a cantonal parliament, or c) it obtained at least 3% of the vote at the most recent elections to a cantonal parliament (section 33.1.i of the Federal Direct Tax Act of 14 December 1990 as amended by the aforementioned federal law of 19 June 2009). In the case of cantonal taxes, subscriptions and other payments to political parties up to a level specified in cantonal law that meet one of the three aforementioned representativeness conditions may be deducted from taxable income. The relevant provision is section 9.2.I of the federal Act of 14 December 1990 on the harmonisation of cantonal and communal direct taxes, as amended by the Act of 12 June 2009. The cantons are required to amend their legislation within two years of the entry into force of this modification. When this deadline expires, section 9.2.I will be directly applicable if the relevant cantonal tax legislation fails to meet these requirements and the sums referred to in section 33.1.i will then be applicable.

III. TRANSPARENCY OF PARTY FUNDING – SPECIFIC PART

30. As a corollary to the lack of rules on political party and election campaign funding, Swiss legislation has almost no specific provisions on transparency and the supervision of this funding, or as a result specific sanctions.

i) Transparency (articles 11, 12 and 13b of Recommendation Rec(2003) 4)

Accounts

Federal rules

31. Since political parties normally take the form of associations, Article 69a of the Civil Code requires them to maintain records of income and expenditure, and of the association's financial situation. There are no particular rules governing the required form and level of detail of these documents. The replies to the questionnaire however stated that loans had to be included in associations' financial situation, or balance sheet, and that all expenditure had to be recorded in the accounts. The recording of specific donations is left to the association's discretion.

¹¹ Federal Court judgment of 10 July 1999, ATF 125 I 441, consid. 3a-b).

32. If an association is required to register on the register of commerce, the provisions of the code of obligations relating to commercial accounting apply. This is the case with associations that run a commercial enterprise and those that have to have their accounts audited, under Article 61 CC. Accounts have to be audited if, in two successive financial years, two of the following figures are exceeded: the total balance sheet is more than CHF 10 million (about € 8.2 million), turnover is more than CHF 20 million (about € 16.4 million) or there is an annual average of more than 50 full-time equivalent employees. According to the replies to the questionnaire, parties do not generally run commercial enterprises and the thresholds referred to are not reached in practice. The budgets of cantonal parties are between a few tens and a few hundreds of thousands of francs. They add that the Swiss Ecologist Party – the Greens – is the only one on the register of commerce, probably on a voluntary basis as the conditions in Article 61 CC are not met.
33. Entities linked to political parties are also generally constituted in the form of associations and are therefore subject to the same rules as those just described. Certain bodies – or parties – take the form of simple companies (articles 530 ff of the obligations code, which impose no specific accounting requirements).
34. Nor is there any specific legislation on the financial records of political parties' election campaigns.

Cantonal rules

35. Ticino and Geneva are the only two cantons to lay down certain transparency obligations.
36. In Ticino, political parties must inform the cantonal chancellery of donations in excess of CHF 10 000 (about € 8 200). Candidates for election and initiative and referendum committees must inform the cantonal chancellery of donations in excess of CHF 5 000 (about € 4 100).
37. In the canton of Geneva, section 29A of the cantonal law of 15 October 1982 on the exercise of political rights (RSG A 5 05¹²) requires all political parties, associations or groups that present, in towns of more than 10,000 inhabitants, lists of candidates for cantonal or local elections to submit annual accounts to the competent authority (the cantonal financial inspectorate), with a list of their donors. Anonymous or pseudonymous donations are prohibited. Similarly, any group that lodges a statement setting out its position in connection with a federal, cantonal or local initiative or referendum must, within 60 days, submit the accounts relating to the vote concerned, including a list of donors, to the cantonal financial inspectorate.

Requirement to communicate and publish accounts

38. Political parties and election candidates are under no obligation to communicate or publish either their regular or their campaign accounts. According to the replies to the questionnaire, publication requirements under the obligations code only apply to the annual accounts of certain companies, particularly public limited companies quoted on the stock exchange. Accounting documents of political parties are therefore never subject to publication in Switzerland.

¹²Geneva cantonal law reports, <http://www.ge.ch/legislation>. This law was amended by the law of 27 January 2011 amending the law on the exercise of political rights (Transparency and financing of political parties, LEDP).

39. In the canton of Geneva, the accounts and donor lists of parties, associations and groupings taking part in elections may be consulted by anyone residing or exercising his or her political rights in the canton.
40. Under article 160.1.b of the civil procedure code, like any other individual or legal person, political parties are required to co-operate in the bringing of evidence and produce any documents required. Similar provisions exist in criminal and tax law, but none of them are specifically concerned with political parties.

Retention of documents

41. Under Article 962 of the obligations code, which applies to associations required to register with the register of commerce, accounts, accounting documents and correspondence must be retained for ten years. This period starts at the end of the financial year in which the last entries were made, accounting documents were drawn up and correspondence was received or sent.

ii) Supervision (Article 14 of Recommendation Rec(2003)4)

42. According to the replies to the questionnaire, in the case of associations it is normal for auditors – who may be members of the association and do not necessarily require particular skills – to carry out an internal audit of the accounts and report back to the members.
43. The only external audits provided for in federal law are those applicable to associations required to register in the register of commerce that fulfil the conditions described in paragraph 32. This does not therefore appear to apply to political parties. Under section 3 of the federal Act of 16 December 2005 on authorisation to practice and the supervision of auditors, individuals and firms providing accounting services must be duly authorised to do so.
44. Of the cantons that do impose certain transparency obligations, Ticino's legislation makes no provision for the monitoring of financial information submitted by political parties and candidates. In Geneva, the lists of donors submitted by parties require a certificate of conformity issued by an independent supervisory body chosen by each party, generally a financial trust.

iii) Sanctions (Article 16 of Recommendation Rec(2003)4)

45. One of the consequences of the lack of rules on transparency and the supervision of political parties and election campaigns is the absence of sanctions at federal level.
46. Geneva and Ticino do impose certain legal transparency obligations, which are accompanied by sanctions. In Geneva, for example, failure to comply with the transparency requirements (see paragraph 39) entails the non-payment by the cantonal authorities of their contribution to a party's, group's or candidate's election expenses, under section 29A of the cantonal law of 15 October 1982 on the exercise of political rights. In Ticino, failure to supply information on donations received may lead, in the case of parties, to a reduction in or the withdrawal of the allocated contribution to the parliamentary group, and for candidates for election or initiative or referendum committees to a fine of CHF 7 000 (about € 5 700).

Immunities, statute of limitations, other aspects

47. The replies to the questionnaire state that there are no specific rules on immunities or limitation periods, and no statistics on sanctions.

IV. ANALYSIS

General considerations

48. Switzerland has a long tradition of parliamentary and direct democracy, with certain distinctive features. It comprises 26 cantons that form the Swiss Confederation, whose political unity was enshrined in the 1848 constitution, in which the cantons ceded part of their sovereignty to the central state while retaining the right to exercise their prerogatives. This arrangement has largely continued to the present day and federalism – with its three tier structure of federation, cantons and communes – is one of the key characteristics of the political system. The cantons and communes are free to organise their government, administration and electoral systems as they see fit, subject to the limits set by the Constitution and, in the case of communes, by cantonal law. The Swiss electoral system of proportional representation generally favours diversity and political pluralism. Electors are offered a range of voting options, particularly the possibilities of crossing out candidates on lists and adding candidate names from other lists. This political system enjoys a high degree of acceptance in the Swiss population and at international level.
49. Another feature of the political system at federal level is that it is based on the concordance principle, which makes it impossible for any party to have a majority in either parliament or the government. The result is a constant seeking after consensus between the parties represented in the legislative and executive powers, which is necessary to pass any new legislation. The optional referendum, which is the lynchpin of this system, is one form of direct democracy specific to Switzerland and allows 50 000 citizens, or 8 cantons, to submit legislation passed by parliament to popular vote. Other forms of direct democracy include the obligatory referendum, which the Constitution provides for in certain cases, and the popular initiative, which enables citizens or interest groups to ask for a constitutional amendment to be put to popular vote. These popular votes, which take place at federal, cantonal and communal levels, form just as much a part of Swiss political life as federal and local elections. This means that political parties are not the only players on the Swiss political scene. Initiative and referendum committees and interest groups can also have a major influence on the legislative and political landscape.
50. Switzerland is one of the rare European countries to have no specific regulations on political parties and their financing, or on the federal funding of election campaigns. There is no legal definition of political parties, even though they are referred to in Article 137 of the 1999 federal constitution, which states that "the political parties shall contribute to shaping public opinion and the public will". Parties generally take the form of private law associations in order to acquire legal personality. However, they may also constitute simple companies, which do not have legal personality. They are not required to register, even though the federal Chancellery does keep a register of parties and allows parties that so choose to be recorded in it, thus dispensing them from certain administrative formalities at federal elections. This lack of regulation is linked to the traditional notion, still widely shared among the political class and the public opinion, that parties emanate from the private sphere and must be free to play their role without state interference or oversight. In practice and as a consequence of the federal system, Swiss parties often take the form of small, or even very small, associations at cantonal and local level and their activities are

largely based on a system of unpaid volunteers (in French *milice*¹³). They make little or no use of paid employees or political professionals. Party organisation, decision making and accounts are also very decentralised, with the result that the party apparatus at federal level generally has very limited resources at its disposal and its influence on party policy is also fairly limited.

51. Political parties and election, referendum and initiative campaigns do not receive any public funding at federal level or in almost any of the cantons¹⁴. This lack of public funding also reflects the traditional notion that the state should not become involved in the functioning of parties, which are private law entities, between whom competition should be unimpeded. This is still a sensitive subject and most of the political parties the GET met seemed to be opposed to or hesitant about the introduction of such funding, which lacks popular support. Various parliamentary initiatives on the subject, in 2003, 2006, 2009, have all been rejected.
52. Private financing therefore remains the only source of funding for parties and election, initiative and referendum campaigns. As in other countries, members' subscriptions have formed a diminishing proportion of party budgets for several years. It is customary for elected representatives of parties to the Federal Council, to parliament or sometimes to posts of judge or magistrate to hand over part of their allowances or salaries to the party, and for candidates for election and popular initiative committees to help fund their campaigns. Other sources of income include contributions from the various party sections and, to a lesser extent, the proceeds of the sale of publicity material and other goods and services. However, a major part of the budget of political parties and campaigns comes from donations from individuals, companies, banks, trade unions, groupings of companies or associations¹⁵, support associations and other interest groups.
53. As a corollary to the lack of rules on political party and election campaign funding, Swiss federal legislation has almost no specific provisions on transparency and the supervision of this funding, or as a result specific sanctions. The GET notes that it is impossible to ignore the way that Swiss society views the phenomenon of money. In the case of political financing, it is shocked by the use of the term "corruption", rather reluctantly accepts that of "transparency" but at heart seems to favour the term "discretion". The discretion surrounding money issues is one of the elements of the Swiss social consensus and this underlying spirit is clearly an obstacle to any attempt to regulate campaign and party financing. Transparency has equally been the subject of a long-running debate that – with the notable exceptions of the cantons of Geneva and Ticino – has never culminated in the adoption of binding rules, in the absence of the necessary agreement between the parties. Certain parties that are more favourably inclined towards such rules have proposed several parliamentary initiatives to the National Council or the Council of States¹⁶, but have run up against the traditional opposition of parties of other political tendencies. However, it is worth noting that these issues have never been the subject of a popular initiative, which certain

¹³ See footnote 9.

¹⁴ The cantons of Geneva and Fribourg are exceptions, with public aid paid directly to political parties, associations or groupings of candidates, as a contribution to election campaign expenses. The Confederation also funds members of the federal Assembly and parliamentary groups indirectly, for a total amount of about CHF 4.8 million (about € 3.7 million).

¹⁵ In French *associations faitières*.

¹⁶ Apart from a number of initiatives on specific issues relating to referendum and initiative campaigns, such as the publication of important sources of funding (99.430/Gross Andreas) or public financing (03.434/Rechsteiner-Basel, 06.407/Fehr Hans-Jürg, 09.416/Gross Andreas), a good number of the parliamentary initiatives have concerned the introduction of rules on the funding of political parties and election campaigns, which would cover parties, election candidates, campaign committees and similar groupings and associations. These initiatives include 02.3714/Maillard Pierre-Yves (introduction of rules on political party and election campaign financing), 06.406/Roger Nordmann (transparency in the funding of political parties, lobbies, and election, initiative and referendum campaigns), 07.471/Bonhôte (setting a maximum on expenditure), 09.415/Socialist Group (finally establishing transparency in Swiss politics), 09.442/Hodgers Antonio (transparency of political party accounts).

of those whom the GET met attributed to a lack of interest on the part of the public and parties' preference for maintaining the status quo.

54. However the situation does seem to have changed over the last ten years or so following the increasing presence on the political scene of a party that, according to all observers and those the GET met, enjoys significant financial support. This support has enabled it to spend large sums at recent election campaigns, associated with a level of personalisation hitherto unknown in Switzerland, and to sponsor or support certain popular initiatives. Quite apart from the controversy engendered by this party's campaign themes and methods, many observers all agree that the scale of its financial support has upset the previous balance, particularly to the detriment of certain other parties. This development, which is accompanied by a general increase in campaign expenditure¹⁷, has raised questions among both politicians and the public about the lack of regulation and transparency of political financing. According to recent surveys, a large majority of Swiss citizens would like more information about party and campaign finances¹⁸. One symptom of this change, at the very moment of the GET visit, was the adoption, by a small majority, of a new parliamentary initiative by the political institutions committee of the Council of States, the parliamentary upper house. This motion instructs the Federal Council to present draft legislation to parliament that would make it obligatory to publish the sources of financing of campaigns preceding federal initiatives or referendums¹⁹. The sources of political party and election campaign financing are not covered by this initiative. According to some of the GET's interlocutors, it is easier to secure agreement on the transparency of initiative and referendum campaigns, some of which are characterised by considerable and unequally distributed investments. Discussions are also under way in one of the political parties on the possibility of a future initiative on the subject. Moreover, the federal office of justice has just published a comparative law report in anticipation of this evaluation report²⁰. The GET welcomes these discussions and initiatives, which can only help to raise awareness of the negative effects of the current legal vacuum with regard to the transparency and financing of political life. It hopes that this report, and the conclusions that may be drawn from the campaign for the forthcoming federal elections, on 23 October 2011, will help to foster recognition of the need to settle this question, drawing on Council of Europe Recommendation Rec(2003)4 on common rules against corruption in the funding of political parties and election campaigns.
55. As the above-mentioned text does not deal with referendum and initiative campaigns as such, the recommendations given in this report do not extend to them. However, some of the problems identified below concern not only political parties and election campaigns, but also such votation campaigns. The GET considers that the central role they play in Swiss political life, the links some referendum campaigns and committees have with political parties and the significant financial flows that they appear to generate in a certain number of cases would justify applying similar rules to them. The Swiss authorities are therefore encouraged to adopt an overall approach and to take votation campaigns into account when considering the follow-up to be given to this report.

¹⁷ According to the OSCE/ODIHR assessment mission report on the 2007 federal elections, political parties' election expenditure was significantly higher than in previous elections. Nevertheless, there is general agreement that election expenditure per inhabitant in Switzerland is comparable to that of other western democracies.

¹⁸ The polls show that 64% of Swiss would welcome measures to enforce the publication of campaign financing data and 87% would like more transparency of political life (see, in particular, *Neue Zürcher Zeitung*, 22.10.2007 and *l'Hebdo*, 9.02.2011).

¹⁹ Motion 11.3467 : http://www.parlament.ch/f/suche/pages/geschaefte.aspx?gesch_id=20113467

²⁰ http://www.bj.admin.ch/content/bj/fr/home/dokumentation/medieninformationen/2011/ref_2011-07-14.html

Transparency

56. Political parties are not subject to any particular accounting rules. As associations, most parties and the bodies linked to them are only bound by the very simple provisions of article 69a of the Civil Code, namely to maintain records of income and expenditure, and of the financial situation, or balance sheet. There are no rules as to what form they should take, the types of income and expenditure that should be recorded or the level of detail required. For associations registered on the register of commerce – which is the case with one political party – the rules relating to commercial accounting apply. Meanwhile parties and other bodies in the form of simple companies, with no legal personality, are not subject to any accounting rules. Nor are there any rules about maintaining accounts in connection with election, initiative or referendum campaigns. The GET has been told that in certain cases parties have internal financial rules, but these do not appear to be such as to rectify the current heterogeneity of parties' accounting practices.
57. During its visit the GET was struck by the marked opacity of the great majority of party accounts and campaign budgets - whether these be for elections, initiatives or referendums. This opacity even applies within parties, since the governing bodies only give their members an aggregated version of the accounts. Moreover, because the federal, cantonal and local party structures and accounts are separated, the federal parties do not know the details of their cantonal and local branches. Since the size of donations and the identity of donors are confidential information even within parties (see below) the GET was unable to establish whether donations in cash or kind even have to be recorded in the accounts. It also appears that parties are not required to record in their accounting documents information on bodies that would be linked to them or that in one way or another would be under their control. Parties and campaign organisers are not required to submit their accounts to any public authority or publish them. A few parties publish certain information, such as their annual balance sheet, on their internet sites on their own initiative but these documents contain very little information. This total lack of rules at both federal level and in nearly all the cantons is clearly incompatible with articles 11 and 13 of Recommendation Rec(2003)4, which call on political parties and their election campaign organisers to keep proper books and accounts and to present regular information on these accounts. In the interests of transparency, it is particularly important for the public to have sufficiently detailed and comprehensible information on party and campaign income and expenditure. However, these obligations should be fairly flexible, so as not to impose excessive constraints on the numerous small and largely non-professional parties. In the light of the foregoing, the GET recommends **(i) to introduce accounting rules for political parties and election campaigns that provide for full and appropriate accounts to be kept; (ii) to ensure that income, expenditure and the various elements of assets and liabilities are accounted for in detail and in full and presented in a coherent format; (iii) to explore ways of consolidating accounts to include parties' cantonal and local branches and bodies directly or indirectly linked to them or otherwise under their control; (iv) to ensure that adequate financial information is readily available to the public in good time; (v) where appropriate, to invite the cantons to adapt their own regulations in line with this recommendation.**
58. There are no restrictions on contributions – in cash or kind – to political parties or election campaigns, or to initiative or referendum campaigns. Individuals and legal persons can make unlimited contributions, anonymously if they so wish. However, the GET has learned that certain parties have internal rules that limit the size of donations accepted and ban anonymous ones. The size of donations and donors' identity remain highly confidential information, even within parties, and there is no obligation to communicate or publish such information at federal level or

in practically any of the cantons²¹. Many of the parties that were seen on the visit said that the detailed information was only available to a few party leaders. Even the parties that are most favourably disposed to establishing transparency rules and have taken certain steps in this direction are reluctant to extend this transparency to donations, which are one of their essential sources of income. An argument deployed by party representatives to justify this lack of transparency is that it safeguards the independence of elected representatives *vis-à-vis* large donors. A no doubt more critical factor is that certain political figures fear that publishing donors' identity and the size of their donations would lead to a fall in this source of income. They maintain, as justification for opposing any progress on this front, that greater transparency would have to be accompanied by public financing of parties and/or campaigns and that it would be difficult to introduce such a system in Switzerland.

59. The GET is not convinced of the merits of these arguments. Firstly, and while it is not its job to argue in favour of any particular form of party or campaign financing, it notes that transparency and public funding do not necessarily go together. Moreover, the example of other countries where there is greater openness about political financing, and even the experience of Geneva and Ticino, which have introduced certain rules on the subject, shows that the fear that it will lead to a decline in donations seems, in the GET's view, to be unfounded. The representatives of these cantons who were met on the visit said that the rules on transparency that had been introduced had not fundamentally changed the previous system. The reasons why individuals and legal persons might wish to give financial backing to political parties and campaigns – support for their ideas and programmes, commitment to supporting the exercise of democracy, economic or tax interests – do not disappear with the development of transparency. Above all, numerous observers of Swiss political life and some of the persons whom the GET met have drawn attention to the harmful effects of the current opacity. These include inadequate information for citizens, which has an impact on their freedom of decision, even though Article 34 of the federal Constitution states that the guarantee of political rights protects the free formation of opinion by citizens and the unaltered expression of their will in ballots; speculation and rumours about the supposed resources available to particular parties or candidates. The GET therefore recommends **(i) to introduce a general obligation for political parties and candidates to elections to provide information on all donations received, including donations in kind, above a certain size; (ii) to introduce a general ban on donations from persons or bodies that fail to reveal their identity to the political party or candidate concerned; (iii) to invite cantons that do not yet have such measures to adopt them.**
60. Transparency rules such as those proposed above would not, however, be sufficient if they failed to take account of the involvement in the financing of parties and campaigns of persons and bodies from outside their ranks. There is nothing to prevent – and the GET learnt during the visit that this is indeed the case in practice – third parties from directly bearing the cost of a candidate's or committee's campaign expenses, with the corresponding sums not appearing in the campaign accounts. Some of those whom the GET met also drew attention to the important role played by some foundations, umbrella associations and interest groups, which gave sizeable support to the campaigns of certain parties or candidates, and also to certain initiative or referendum campaigns, without their support always being apparent. Once again, opacity encourages speculation and rumour and the GET was aware of a strong demand for greater transparency in this area. It therefore recommends **(i) to seek ways of increasing the transparency of the financing of political parties and election campaigns by third parties; (ii) to invite also the cantonal authorities to consider these matters.**

²¹ Communication obligations came into force in the cantons of Geneva and Ticino in 1998 and 1999 respectively (see paragraphs 36-37 and 39).

Supervision and sanctions

61. There is no obligation in Switzerland to audit the accounts of political parties or organisations affiliated to them, other than the possible commercial undertakings that would be owned by a party, as those feature in the register of commerce. Since most political parties are associations it is nevertheless normal for auditors – who may be members of the association and do not necessarily require particular skills – to carry out an internal audit of the accounts and report back to the members. The GET considers that even though the current system of party financing is mainly based on private sources, improvements are needed. Proper verification of political accounts by an independent professional auditor would offer a significant means of oversight, particularly in the absence of any other means of supervision. In principle, such a procedure would apply to all political parties, but a certain flexibility would be necessary to avoid excessive constraints, particularly for small political parties with limited resources. The GET recommends **(i) to ensure that, as far as possible, independent audits are carried out on political parties subject to the obligation to maintain accounts and on election campaigns accounts; and (ii) to invite cantons to do the same.**
62. In the absence of specific rules on the transparency of political financing in Switzerland, including ones on accounting, there is no mechanism or body at federal level to monitor this financing. Many of those who were met on the visit were reluctant to see such a system established, particularly on the grounds of its cost to the community. The GET wishes to stress that the introduction of transparency rules can only be credible if accompanied by an effective system for monitoring their application, otherwise it will be easy to circumvent them. While it does not consider it desirable to express a preference for the level at which this function should be performed, the GET wishes to point out that, according to the well-established position of GRECO, any supervisory or monitoring arrangement must have an adequate level of autonomy and be given sufficient resources to undertake substantial proactive oversight, including checks on the information it receives, and powers of inquiry. The GET therefore recommends **(i) to ensure the effective and independent supervision of the financing of political parties, and election campaigns, in accordance with Article 14 of Council of Europe Recommendation Rec(2003)4 on common rules against corruption in the funding of political parties and election campaigns; and (ii) to invite cantons to do the same.**
63. It is also crucial for the supervisory body to be authorised to use effective means, including sanctions, to ensure that the future legislation on political financing is fully implemented. If Switzerland does introduce a coherent system for ensuring greater transparency of political financing in the future, it will be necessary to supplement the relevant rules with effective, proportionate and dissuasive sanctions, in accordance with Article 16 of Council of Europe Recommendation Rec(2003)4. GRECO has on several occasions stressed the need for an extended range of sanctions, including flexible ones for less serious infringements but not excluding criminal penalties for the most serious cases. The GET therefore recommends **that the future rules on the financing of political parties and election campaigns be accompanied by effective, proportionate and dissuasive sanctions.**

V. CONCLUSIONS

64. Swiss parliamentary democracy is characterised by a long tradition and stability. The political system enjoys a high degree of acceptance in the Swiss population and at international level. As a consequence of certain distinctive features of this political system, in particular federalism, a political system based on the principle of concordance and direct democracy, political parties are by no means the only protagonists of political life. According to the traditional view held in Switzerland, political parties are deemed to belong to the private sphere and they must be able to compete with each other without hindrance, particularly from the state. Reflecting this viewpoint, and almost alone in Europe, the Swiss legal system at both federal level and in nearly all the cantons imposes no rules on the transparency of political party and election campaign financing, which is clearly incompatible with Council of Europe Recommendation Rec(2003)4 on common rules against corruption in the funding of political parties and election campaigns. Political parties are not subject to any binding rules on transparency or to any supervisory arrangements concerning their income and expenditure. The same applies to campaigns for elections, initiatives and referendums. What makes the transparency of political life even more important in Switzerland is the fact that, in the absence of direct public funding, political parties and election, initiative and referendum campaigns are heavily, or even totally, dependent on private financing. This is the subject of a long-running debate that has never been resolved, in the absence of the necessary consensus between the political parties represented in the government and parliament. In response to this legal vacuum with its negative effects, of which the Swiss public appears to be becoming increasingly aware, the current situation would call for the introduction of regulations on transparency and reasonable oversight of political party and election campaign financing, whether or not it is decided to introduce some form of public funding. For example, it is necessary for political parties and candidates for election to maintain full and complete accounts and for these accounts, together with information on donations received above a certain size, to be presented to an independent authority with powers to monitor compliance with the rules on financial transparency and take the necessary measures, including the possible imposition of penalties, in the event of non-compliance. Given the central role in Swiss political life played by initiative and referendum campaigns, it could also be advisable to introduce similar rules applicable to them. Nevertheless, the introduction of new rules and standards must be carefully thought through, to maintain a fair balance between the legitimate concern to respect the independence of those involved in the political process and citizen participation in political life, and the equally legitimate need for citizens to have the necessary information for the free expression of their political will.

65. In the light of the foregoing, GRECO addresses the following recommendations to Switzerland:

- i. **(i) to introduce accounting rules for political parties and election campaigns that provide for full and appropriate accounts to be kept; (ii) to ensure that income, expenditure and the various elements of assets and liabilities are accounted for in detail and in full and presented in a coherent format; (iii) to explore ways of consolidating accounts to include parties' cantonal and local branches and bodies directly or indirectly linked to them or otherwise under their control; (iv) to ensure that adequate financial information is readily available to the public in good time; (v) where appropriate, to invite the cantons to adapt their own regulations in line with this recommendation (paragraph 57);**
- ii. **(i) to introduce a general obligation for political parties and candidates to elections to provide information on all donations received, including donations in kind, above**

a certain size; (ii) to introduce a general ban on donations from persons or bodies that fail to reveal their identity to the political party or candidate concerned; (iii) to invite cantons that do not yet have such measures to adopt them (paragraph 59);

- iii. **(i) to seek ways of increasing the transparency of the financing of political parties and election campaigns by third parties; (ii) to invite also the cantonal authorities to consider these matters (paragraph 60);**
- iv. **(i) to ensure that, as far as possible, independent audits are carried out on political parties subject to the obligation to maintain accounts and on election campaigns accounts; and (ii) to invite cantons to do the same (paragraph 61);**
- v. **(i) to ensure the effective and independent supervision of the financing of political parties, and election campaigns, in accordance with Article 14 of Council of Europe Recommendation Rec(2003)4 on common rules against corruption in the funding of political parties and election campaigns; and (ii) to invite cantons to do the same (paragraph 62);**
- vi. **that the future rules on the financing of political parties and election campaigns be accompanied by effective, proportionate and dissuasive sanctions (paragraph 63).**

66. Pursuant to Rule 30.2 of the Rules of Procedure, GRECO invites the Swiss authorities to present a report on the implementation of the above-mentioned recommendations by 30 April 2013.

67. Finally, GRECO invites the Swiss authorities to authorise publication of this report as soon as possible, translate it into the other official languages and publish these translations.