Transparency in Political Finance: Private Donations

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International IDEA’s work on Political Finance

- Political Finance Database
  - Most recent update in 2018
  - 180 countries
    - Previous database; Expert consultation; Holistic
    - 60 researchers; 74 Qs.; 13,000+ answers
    - Verified by extensive expert group
    - Sources: 1,000 laws, reports and related documents

https://www.idea.int/data-tools/data/political-finance-database
Key measures to deal with private donations

- Banning donations from certain sources such as foreign donations and corporate donations
- Placing donations caps
- Disclosure of private donations
Banning donations

Source: https://www.idea.int/data-tools/data/political-finance-database
Placing donation caps

Exs. of Caps

- **Candidates**
  - **Italy**: €100,000
  - **Israel**: 11,380 NIS (€ 2,779) for an MP; 45,470 NIS (€ 11,102) for chairman, Prime Minister, head of local authority.
  - **Japan**: 1.5 m. JPY (€ 11,947) per year

- **Parties (Not elec. spec)**
  - **Iceland**: ISK 400,000 (€ 2,948)
  - **Republic of Korea**: 20% of total annual revenue or 10% of election expenses
  - **Mexico**: 0.5% of the spending limit from the previous immediate presidential election

- **Parties (elec. spec)**
  - **Czech Republic**: CZK 3000000 (€ 116,875) per year
  - **France**: € 7,500
  - **Poland**: total of 15 x minimum monthly wages
Disclosure of private donations

% of Countries Worldwide that Require Parties and/or Candidates to Make Financial Records Public

- Yes: 60.10%
- No: 21.30%
- Sometimes: 3.90%
- No Data: 14.60%
- No: 0.00%

Yes
No
Sometimes
No Data

100.00%
90.00%
80.00%
70.00%
60.00%
50.00%
40.00%
30.00%
20.00%
10.00%
0.00%
Reporting & Disclosure of Political Finance by Continent

% of Countries per Continent that Require Parties and/or Candidates to Make Financial Records Public

<table>
<thead>
<tr>
<th>Continent</th>
<th>Yes</th>
<th>No</th>
<th>Sometimes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>21</td>
<td>17</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>(42.9%)</td>
<td>(34.7%)</td>
<td>(4.1%)</td>
</tr>
<tr>
<td>Americas</td>
<td>19</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>(55.9%)</td>
<td>(23.5%)</td>
<td>(5.0%)</td>
</tr>
<tr>
<td>Asia</td>
<td>22</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>(59.5%)</td>
<td>(24.3%)</td>
<td>(5.4%)</td>
</tr>
<tr>
<td>Europe</td>
<td>41</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>(93.2%)</td>
<td>(2.5%)</td>
<td>(2.3%)</td>
</tr>
<tr>
<td>Oceania</td>
<td>4</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(28.6%)</td>
<td>(21.4%)</td>
<td>(0.0%)</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>38</td>
<td>7</td>
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</tbody>
</table>

Source: [https://www.idea.int/data-tools/question-view/567](https://www.idea.int/data-tools/question-view/567)
DISCLOSURE PRINCIPLES

• ACCESSIBILITY
• DOWNLOADABILITY
• DETAIL
• COMPARABILITY
• USER-FRIENDLINESS
• TIMELINESS
• SEARCHABILITY
# BENEFITS & RISKS OF ONLINE REPORTING & DISCLOSURE

<table>
<thead>
<tr>
<th>BENEFITS</th>
<th>RISKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Time Saving</td>
<td>✓ Sensitive Information</td>
</tr>
<tr>
<td>✓ Efficiency</td>
<td>✓ Capacity</td>
</tr>
<tr>
<td>✓ Data Integrity</td>
<td>✓ Online Security</td>
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<tr>
<td>✓ Comprehensive records</td>
<td>✓ Impartiality</td>
</tr>
<tr>
<td>✓ Flexibility</td>
<td>✓ Availability</td>
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<tr>
<td>✓ Accuracy</td>
<td>✓ Inaccurate Information</td>
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<tr>
<td>✓ Transparency</td>
<td>✓ Adaptation</td>
</tr>
<tr>
<td></td>
<td>✓ Maintenance</td>
</tr>
<tr>
<td></td>
<td>✓ Costs</td>
</tr>
</tbody>
</table>
Remaining challenges and emerging risks

- Third party campaigning →
- Spending on social media
- Cryptocurrencies

Do Third Parties have to Submit Financial Reports on Election Campaigning?

- No: 60%
- No Data: 30%
- Third parties are banned from participating in campaigns: 10%
- Yes: 0%
- Sometimes: 0%
THANK YOU
FOR YOUR ATTENTION

QUESTIONS?
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For more information visit International IDEA website:
https://www.idea.int/

Political Finance Database:
https://www.idea.int/data-tools/data/political-finance-database