



Organization for Security and
Co-operation in Europe
Presence in Albania

Remarks by Chief Political Officer Carolina Ramos Da Costa on shortcomings in the political party and election campaign financing in Albania – OSCE perspective

28 October 2016

Distinguished Members of Parliament,
Dear Madam Chair Luzi,
Dear colleagues,
Ladies and gentlemen,

I am glad to be here today to share the OSCE's perspective on political party and election campaign financing in Albania. But before I do so, let me share our greatest concern: elections are coming, there is only one month and a half until the official start of preparations, the mandate of the Ad Hoc Committee on Electoral Reform, expires on the 9th December and, the Electoral Reform process has not started yet. There is, simply, no more time to lose!

The OSCE Presence in Albania **is committed to assist** the Assembly in carrying out the electoral reform, but, if we want the changes to the law to be properly implemented, we must allow the necessary time ahead of elections. Ambassador Borchardt himself has asked me, to urge the Ad Hoc Committee to convene and resume its activity, in full force, as soon as possible.

It is essential that the reform is concluded in due time, prior to elections, for this to become a reality, the Committee must prioritize their areas of work so that it can carry out an electoral reform, that **addresses all** OSCE/ODIHR recommendations but also, that **includes all** actors in a transparent process.

After having shared, our deepest concern, I can now continue with party and election financing. Political parties need appropriate funding to fulfil their core functions, both during and between election periods. The regulation of political party funding, is essential to guarantee parties independence from undue influence created by donors, to ensure parties the opportunity to compete in accordance with the principle of equal opportunity, and to provide for transparency in political financing. Funding political parties through private contributions is also a form of political participation. Thus, legislation should attempt to achieve a balance between encouraging moderate contributions and limiting unduly large contributions.

Despite attempts to improve the legislative framework on political party financing, proper implementation of legislation is lagging as well as sanctions and preventive measures. The **CEC needs to be legally empowered** to properly monitor party finances and electoral campaigns and the financial and human capacities to carry out further verification.

The OSCE/ODIHR recommended in 2013 that in order to enhance transparency of campaign financing, **political parties should regularly report to the Central Election Commission all income and expenditures for campaign purposes** and in 2015 the OSCE/ODIHR expedited **deadlines for the submission of financial reports** to Central Election Commission auditors and their timely publication.

The CEC should consider establishing **clear internal responsibilities for overseeing party finances** and go beyond purely formal checks on the statements made by political parties. This together with occasional delays in publishing financial reports of political parties, limit significantly the ability of prosecution and investigation offices to cooperate with the CEC during anti-corruption cases, and despite legal provision allowing for such co-operation no inter-agency coordination mechanism is currently in place.

At the same time, civil society organizations also report a lack of co-operation and responsiveness from the CEC in obtaining financial information and data on political parties. **Reporting platforms to report expenses** by political parties and suspected episodes of corruption should be considered, together with processes of **consultation** with civil society organizations.

Another suggestion is that political parties should be equipped with well-structured and easy-to-use **financial software** dedicated specifically to the political party financing. Such software would simplify the process of recording and reporting financial information. Moreover, such systems would also allow for an easier inter-institutional co-operation and share of information among relevant agencies active in the prevention of corruption. The ongoing process of introducing such system in Albania should be further evaluated in light of a broader cooperation with other anti-corruption bodies.

A last suggestion, we consider of fundamental importance the publication of reference prices by the CEC for election related activities – what is the price for an event of 300 or 3000 people? What is the price for a small or a big billboard? What's the cost of an election office in Tirana or Leskovik?

Given the importance and the urgency of these matters, I would invite everyone in this event to contribute with ideas and proposals on how to properly and comprehensively address these challenges.

Thank you!