

# DECLARATION ON POLITICAL FINANCE OPENNESS

## Executive Summary

### Purpose

Money in politics poses challenges for regulators, reformers, and political actors worldwide. Reforming political finance regulations and practices is an ongoing process, in which there is always more work to be done. Having a strong, diverse and global community dedicated to navigating the challenges posed by this issue is essential to generating change. To date, there have been few efforts to unite such a community under common principles of transparency and accountability in the funding of political actors.

The Declaration on Political Finance Openness is intended to unite these stakeholders behind an affirmative vision for what the broad features of an open and accountable political finance system may look like. We hope that the Declaration will serve as a platform for dialogue regarding the challenges of regulating political finance between reformers and various political actors, including government officials, political parties and candidates.

### Background

This initiative was spearheaded by the partners of the Money, Politics and Transparency project, including the Sunlight Foundation, Global Integrity and the Electoral Integrity Project. It was created in consultation with existing research on political finance practices as well as leading international political monitoring organizations. The draft was made available for public comment from November 1st - December 4th 2015. After incorporating the feedback from this public comment period, the Money, Politics and Transparency project launched the final Declaration in early 2016 with initial endorsing organizations.

The Declaration builds upon existing regional and international standards for combating corruption and promoting integrity in parliaments and political parties, including the United Nations Convention against Corruption and the Council of Europe's recommendations. Guidelines on the technical disclosure of information were also key in shaping this document, including the 8 Principles of Open Government Data. Accompanying commentary on the Declaration references these documents as well as draws upon specific country-level examples.



## Preamble

While recognizing that equitable, inclusive, accountable political systems and electoral processes are essential to a flourishing democracy;

While recognizing the fundamental role that political parties and electoral candidates play in a democracy as representatives of the public interest;

While recognizing the fundamental role that access to financial resources plays in modern democracies and the execution of political activities;

While recognizing the risks that money can pose in reinforcing unjust power structures, introducing *quid pro quo* corruption, undue influence, and otherwise compromising the ability of political actors to serve their citizens;

While recognizing that transparency of money's influence in the political process can mitigate risks of corruption, help address actual or potential conflicts of interest and inform voters about the political process;

While recognizing that mechanisms to promote equality within political finance can increase competition in the political process as well as advance the public interest;

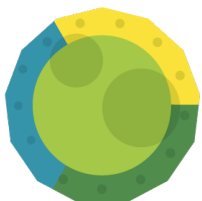
While recognizing the role of oversight and enforcement in mitigating the risk of money in politics and enhancing accountability of political actors and institutions;

While recognizing the growing role that access to information and data, technology and the Internet can have in enhancing transparency of the political finance system;

While recognizing that 'openness' encompasses more than disclosure, but also refers to inclusiveness, accountability, and responsiveness within political systems;

While recognizing that the political financing contexts, circumstances and traditions across democratic countries may vary, the spirit of this document shall apply, and any exceptions to its principles should be limited and narrowly defined in scope;

THEREFORE, we, the undersigned, as representatives of a global community, have agreed to advance the following principles and call upon political actors granted with the powers of influencing the political process to endorse and advance this declaration.



### **1. Foster equal representation and inclusivity.**

Citizens have an equal right to participate in the political process. Therefore, political actors have a duty to support and uphold policies that encourage equal representation of all citizens, with a special attention to groups traditionally left out of the political process due to lack of financial assets. Furthermore, unequal access and wrongful use of public resources can impede political competition and weaken ties between political actors and their constituencies. Political actors also have a duty to support policies and practices that encourage fair access to private and public resources for new and small political factions.

### **2. Strive to mitigate the influencing role of private funding in politics.**

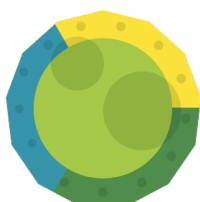
Excessive private funding of campaigns and political parties can influence the outcome of elections, the policy-making process, and balance within the political playing field. Political actors should support and uphold political finance practices that strive to represent the interests of all citizens within the political process, and maintain a balance between the influence of different sectors and industries to reduce the risk of political capture.

### **3. Strive to prevent corruption and the potential risks of money in politics.**

Given the potential risks that money in a political system pose, be it *quid pro quo* corruption, clientelism, or vote buying, all actors within a political finance systems should strive to be agents of integrity. Political parties, candidates, and elected officials should support a legal framework aimed at addressing these risks, and should also pursue funding and execute operations through practices that align with their duty to serve the public interest.

### **4. Uphold the right to access political finance information.**

Access to the financial details of political parties and candidates should be clearly acknowledged as a right of all citizens. Political parties have a significant impact and influence on government institutions, policies, and democratic processes, while information on the income and expenditures of election campaigns can inform the future of political processes. Political actors have a duty to support this right through traditional right to information laws and proactive disclosure policies.



## **5. Ensure the regular reporting of standardized, detailed political finance information.**

Reporting is essential to monitoring compliance with political finance laws and regulations as well as to evaluate the system's overall ethics. Political actors should have a duty to regularly report on all sources of income, expenditures, assets, and liabilities in an itemized and standardized fashion.

## **6. Ensure that political finance information is accurate, complete, and disclosed in a timely fashion.**

Political finance information should be disclosed such that the public can use it to understand, monitor, and participate in the political system. Political actors have a duty to ensure that their complete sources of income, expenditures, assets, and liabilities are published regularly. During campaign periods, the finances of all relevant political actors should be made available to the public with enough time to enable citizen monitoring before elections and the ultimate aspiration of real-time disclosure. Government bodies have a corresponding duty to disclose any grants, loans or subsidies provided to political actors toward these same aims. Furthermore, it is imperative this information is accurate, complete and historical data is maintained.

## **7. Ensure maximum accessibility to political finance information.**

Political finance information should be disclosed such that anyone has the ability to use, reuse, and combine with relevant datasets to better inform the public of the political landscape. All political actors have a duty to ensure that information is made available free of charge, in accordance with existing open data standards, and in all national or working languages to ensure optimal understanding of the political finance system. To ensure access is not limited by geographical location or Internet connection, multiple channels of dissemination should be employed both online and offline when relevant.

## **8. Grant and uphold the legal powers of enforcement.**

To ensure these principles hold sufficient weight, political actors should support the oversight of political and election funding. Appropriate, impartial, and context-driven sanctions should be enacted to deter actors from exercising unethical fundraising practices, circumventing reporting



requirements, or otherwise threatening the accountability or equity of the political finance system.

### **9. Establish and support independent oversight agencies.**

To ensure compliance by political actors, a politically independent enforcement agency should be tasked with the role of oversight of political finance. As appropriate, all political actors should support the establishment of oversight agencies with adequate legal powers and financial resources to perform audits, investigations, and enforce sanctions for political finance violations. Oversight agencies should also adhere to these principles of openness by proactively disclosing information online about their activities.

### **10. Guarantee the rights of independent oversight by civil society and free press.**

As public oversight can be instrumental in monitoring the political process and civil society, the media should be able to operate freely and without restrictions. Political actors should enact and uphold legislation that supports a culture of external oversight, including but not limited to freedom of information laws or legal protections from persecution.

### **11. Adapt to changing political and technological environments.**

As circumstances within political, economic, and legislative frameworks are subject to frequent changes, subsequent adjustments to relevant laws and practices are essential. Open data standards may change as well as the mechanisms that ensure widespread dissemination of political finance information. As technology advances, the methods by which political actors spend and raise funds may even change. Periodic evaluations of current legal systems, implementation practices, and corresponding reform should be enabled and encouraged when appropriate.

