

Press release
5 February 2015

Council of Europe renews criticism of absence of Czech party funding controls

Council of Europe's Anti-corruption group today released another negative assessment of the Czech Republic in the field of financing political parties. Similarly as Reconstruction of the State, it is critical of foot-dragging and a lack of progress on adopting changes and calls for setting up independent controls.

The criticism from the Council of Europe's Group of States on Corruption (GRECO) arrives at a time when an advertised meeting of the Coalition Council on proposed changes again failed to materialize, with this council postponing a debate on the Ministry of the Interior's amendment for a seventh consecutive month. GRECO has been long concerned over the government's unpreparedness to set up an independent inspection body.

The proposal drawn up by the interior ministry meets the requirements set by GRECO. It envisages the introduction of transparent bank accounts, online access to financial reports, more detailed reporting on economic performance and compulsory rotation of auditors; significantly, it also envisages setting up a new, independent audit office. Independent supervision is a key parameter without which all additional changes remain toothless. In today's evaluative report GRECO emphasizes that such an audit body must command sufficient powers, mandate, authority, financial resources, take a proactive approach, and be able to investigate violations of the law and mete out appropriate sanctions.

But its future is still uncertain. ANO supports the ministry's proposal, ČSSD is against establishing independent controls, while KDU's position is unclear. Prime Minister Sobotka told us such an office smacks of "totalitarian practices" to him—truly a strange view of an institution functioning in 84 countries all over the world. Independent audit is part and parcel of democratic societies in Europe and the world at large. Of the EU's 28 members, only five states do not have such an institution (apart from the Czech Republic they are Belgium, Denmark, the Netherlands and Germany), for which omission they have long been sternly criticized.

According to most recent information, another meeting of the Coalition Council is tentatively scheduled to take place on Monday 9 February and is to deal with the issue of financing political parties.

The latest GRECO report can be downloaded [here](#).

About Reconstruction of the State

The anti-corruption project Reconstruction of the State was launched in March 2013 with the aim to promote nine key legislations, which would dramatically reduce room for corruption and prevent the ongoing state capture. Commitment to promote the legislation was confirmed in writing before the elections by more than 160 current members of parliament, including the leaders of the main political parties. **Members of the NGO coalition:** Oživení, Transparency International, Frank Bold,

Otakar Motejl Fund, Center of Applied Economics (zIndex], Open Society, Brnění, Pražské fórum, Zaostřeno, Zelený kruh, Anticorruption Endowment (NFKP), Inventura demokracie, Glopolis, Good Governance, Naši politici, Iuridicum Remedium, ProAlt, Kohovolit.eu, and PragueWatch. The coalition receives financial support from scores of small donors, companies and foundations, the list of whom can be found on the project website.

Reconstruction of the State has long-term support from the Otakar Motejl Fund. www.motejl.cz

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