

# “Unreported expenses amounting to about 4 million lei and increased financial dependence on state budget subsidies” are the main findings of Promo-LEX regarding party funding in 2021

## Finanțarea partidelor politice în Republica Moldova

Retrospectiva anului 2021

### Cheltuieli estimate drept neraportate de către partidele politice



### Raport de monitorizare

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Promovarea democrației și a drepturilor omului

Promo-LEX estimated that in 2021, 18 political parties in the Republic of Moldova failed to report expenses of approximately 4 million lei. Of these, most account for the Party of Socialists of the Republic of Moldova (PSRM) – 42%, the Political Party of Sor (PPS) – 31%, the PACE (We Build Europe at Home) – 9% and the Alliance for the Union of Romanians (AUR) – 6%.

The data have been presented in the Promo-LEX Monitoring Report on “Financing of political parties in the Republic of Moldova. 2021 Retrospective” recently presented by the Association.

According to the [REPORT](#), the expenses estimated as unreported were used for remuneration (50%), lease of headquarters (18%), organization of public events (17%), promotional and press materials (10%) and travels in the country and abroad (4%). Compared to 2020, there is a decrease in unreported expenses, which were estimated at 8.5 million lei.

Another finding of Promo-LEX refers to the revenues of political parties. Compared to the previous periods, there is an alarming increase in the financial dependence of political parties on state subsidies and a significant decrease in their direct support by the citizens. Thus, in 2021, financing of political parties was distributed in the following way: state budget subsidies (70%), financial donations (23%), party membership fees (3%) and other revenues (4%). In total, the revenues accumulated by 33 political parties amounted to approximately 47 million lei, of which 90% were reported by 8 parties and only 10% – by the other 25 parties. Most revenues were reported by the PAS – 25%, the PSRM – 19% and the PN – 12%.

According to Promo-LEX, political parties must make greater efforts to collect membership fees and donations, which would hold party members accountable and motivate citizens to be financially involved in party activities, by making conscious and voluntary donations.

This is even more important given that, in the last two years, the number of party members has doubled: from 152,640 in 2019 to 304,713 in 2021 (due to the increase in the number of registered parties from 46 in 2019 – to 55 in 2021), while the share of membership fees and donations, on the contrary, decreased. Moreover, considering that party statutory

provisions make the payment of membership fees mandatory, it seems that in some cases, the party leaders themselves do not honor their obligation to pay membership fees. In 2021, the party that declared the biggest number of party members was the PPS (74,777 members), followed by the PACE (20,000 members), the PSRM (15,399 members), the PPPDA (14,000 members) and the PAS (12,648 members).

The report contains several recommendations for authorities, including the Parliament, Government and the CEC on the amendment of the national legislation. Thus, Promo-LEX recommends consolidating the capacities of the CEC to exercise the oversight and control of political party funding, by allocating the necessary resources (financial, material, human, etc.). Political parties are advised to develop the process of collecting membership fees and to encourage donors and contributors to make payments to party accounts by bank transfer.

*We remind you that the Promo-LEX Association started monitoring the financing process of political parties in 2015.*

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