



**PRIME MINISTER'S OFFICE  
REPUBLIC OF MAURITIUS**

**Financing of Political Parties**

**Proposals of Government**

**1. Accountability and Transparency**

- Accountability and transparency should be the underlying principles with regard to the financing of political parties.
- The aim is to prevent undue influence and corruption.
- The objective is also to prevent monies donated to a political party being appropriated by unauthorised persons, including office bearers.

**2. Registration of Parties**

All political parties would be required to register with the Electoral Supervisory Commission for the purpose of the Financing of Political Parties Act.

**3. Private Funding**

- Political parties will be allowed to receive donations from private individuals and corporate bodies subject to appropriate transparency and disclosure rules.

- The treasurer of each political party should:
  - (a) ensure that accounting records of the party's transactions are kept;
  - (b) prepare a statement of accounts in respect of each financial year, which should be duly audited. Where a party's gross income or total expenditure in any financial year exceeds Rs 1 million, the accounts should be audited by a qualified auditor;
  - (c) submit the auditor's report and his audited statement of accounts to the ESC within 2 months after the end of every financial year, or from the date of the poll in an election year – the statement would not indicate the names of donors; and
  - (d) keep a register showing the amounts received from private individuals and corporate bodies, the names and addresses of the donors and the date of the donations in the form and manner that may be prescribed.
- Strict guidelines will be imposed on companies making donations. As such, the approval of shareholders or the fixing by shareholders of a permissible amount of political donation should be made a prerequisite to political donations by companies. Companies would further be required to disclose in their annual reports to shareholders the amount of donations in cash or in kind made to parties and candidates.
- Donations in kind will not be regulated.

4. **State Funding – Quantum and Mode of Allocation of Funding to Political Parties and Candidates**

- Provision will be made for state funding to political parties and candidates taking part in National Assembly elections.
- A "Political Activities Public Financing Fund", managed and administered by the Electoral Commissioner, under the supervision of the ESC, will be established.
- This fund will be credited with monies appropriated by Parliament and the ESC will be responsible for the funding of qualified political parties and candidates.
- Registered political parties in Mauritius which obtain at least 10% of the total number of votes cast nationwide (excluding Rodrigues) will be eligible to share the funds allocated on a pro-rata basis.
- A separate and similar calculation will be effected for the registered political parties in the constituency of Rodrigues.
- Candidates standing in National Assembly elections will be eligible for state funding provided they obtain at least 10% of the total number of votes polled in their respective constituencies.
- Funding will be allocated on a post-election basis, *pro-rata* according to the percentage of votes obtained by any political party or party alliance nationally. For individual candidates, the funding will be *pro-rata* according to the percentage obtained by each candidate in each constituency.

- Regarding parties forming part of an alliance, state funding will be allocated to the alliance itself and not to the parties constituting the alliance.
- Funding will be effected by the ESC to eligible parties/party alliances and candidates within a period of six months from the proclamation of the election results.
- Political parties which do not wish to benefit from state funding will also be brought within the ambit of the Law, in terms of registration, accounting and reporting, etc.

## **5. Prohibited Donations**

- Donations from religious groups, parastatal bodies and any state-owned-enterprises will be prohibited.
- Anonymous donations will also be prohibited.

## **6. Overseas Funding**

- Donations from non-citizens and overseas corporate bodies will be prohibited.
- Donations from Mauritian citizens will however be allowed, irrespective of their country of residence. Moreover, there will be no limit on such donations.

## 7. Expenditure Limits

- The present expenditure limits are unrealistic and they are, in the words of the Sachs Commission “observed only in their breach”.
- These limits are being revised as follows:

SN	Elections	Existing ceilings	Proposed ceilings
1.	National Assembly Election (general or by-election)	<ul style="list-style-type: none"> <li>• Rs 250,000 per candidate (where the candidate does not belong to any party, or where there is no other candidate belonging to the same party at the election in a constituency).</li> <li>• Rs 150,000 per candidate (where the candidate is not the only candidate belonging to a party at the election in the constituency)</li> </ul>	<p>Rs 1.5 million per candidate</p> <p>Rs 1 million per candidate</p> <p>Rs 1 million per party/party alliance per constituency</p>
2.	Municipal City Council/Municipal Town Council Election	<ul style="list-style-type: none"> <li>• Rs 50,000 per candidate</li> </ul>	Rs 300,000 per candidate.
3.	Village Council Election	<ul style="list-style-type: none"> <li>• Rs 50,000 per candidate</li> </ul>	Rs 200,000 per candidate
4.	Rodrigues Regional Assembly Election	<ul style="list-style-type: none"> <li>• Rs 100,000 per candidate</li> </ul>	Rs 200,000 per candidate

SN	Elections	Existing ceilings	Proposed ceilings

**8. Powers and Functions of the Electoral Supervisory Commission**

- The Electoral Supervisory Commission will be endowed with the necessary powers and resources to inspect, verify, review and investigate the financial affairs of political parties and to recommend legal proceedings in case of violations.
- Registered political parties will be required to submit their annual audited accounts to the ESC within a period of two months after the end of each financial year or from the date of poll in an election year.
- Such accounts will indicate, inter-alia, the total amount received as donations from private companies and the total amount received from individuals. *However, these accounts would not include the names of individual donors and will be made available for consultation to the public by the ESC.*
- The ESC will be empowered to investigate, where it deems necessary, the financial affairs of the parties to ensure compliance with the rules.
- The ESC will submit its report on the financial accounts of the parties to the National Assembly within a period of four months after the end of each financial year or from the date of poll in an election year.

**9. Sanctions**

The sanctions for the breach of the legislation will be sanctioned by:

- Fines
- Loss/suspension/reduction of public funding

#### **10. Regulations of Political 'Baz'**

Each candidate/political party would be allowed to set up one temporary and *ad-hoc* political quarter, commonly known as 'Baz', per Polling Station plus one headquarters per Constituency.

***Any suggestions/comments may be sent by 14 January 2019 on the following email address: [privateoffice@govmu.org](mailto:privateoffice@govmu.org) .***

***Prime Minister's Office***

***30 November 2018***