

## **Financing Presidential Elections and Campaign from 2017 Budget**

The amount for financing the campaign is properly calculated in the budget on the basis of set criteria. Total tax revenues which served as the basis amount to RSD 916.8 billion, of which 0.07% amounts to 641.76 million. Both total amount and the funds that candidates can individually expect are significantly lower than in 2012. If the number of candidates remains the same as five years ago, then nominators of candidates will receive about one-third less money, as a result of the reduction in budget allocations. Similarly, the nominators of candidates who enter the second round of elections can count on about 1.5 million euros from the budget, while in 2012 DS and SNS each received 2.2 million euros for the campaigns of their presidential candidates. However, it must be noted that the candidates of large parliamentary parties will now have considerable advantage over others. Namely, at the end of 2014, a possibility was introduced for election campaigns to be funded using the money intended for financing regular work of political entities. According to the financial statements of the parties, these regular budget grants allowed some parties (primarily SNS I PUPS who were on the same list) to use this money to finance a large part of the election campaign in 2016, which, according to the regulations that were in place until two years ago, was not allowed.

In any case, the nominators of candidates will receive much larger amounts than the submitters of electoral lists in parliamentary elections 2016. This serves as an evidence of great inconsistency and lack of clear criteria in the Law on Financing Political Activities in regards to the general objective of budget financing, which we already indicated five years ago when the Law was drafted, and again two years ago when the Law was amended. Thus, in 2016, all electoral lists shared 5.8 million RSD each before the elections. If the number of candidates in current presidential elections is 20, their nominators will share 16 million RSD each (three times more), and if number of candidates is 12 (as in spring 2012), they will receive even five times more money than in the parliamentary elections (around 26.7 million RSD), although costs for the parties in parliamentary and presidential campaigns are nearly identical.

When it comes to other expenses, it was observed that budgets of certain bodies did not further specify the spending structure for presidential elections. Also, there was a change between final and proposed versions of the budget - 100 million RSD less was allocated for organizing electoral process - an item used for the compensation issued to members of electoral boards. In reality, these costs will depend on the number of candidates and board members. TS will certainly urge the parties that are already represented in the parliament and have their members in permanent composition of electoral boards not to increase budget costs by appointment of additional observers. In any case, the fact that this budget item from the

Assembly section was so easily applied can indicate poor planning or conscious risk to make costs even higher in reality, in order to ensure financing of certain other purposes that might sound more popular to citizens.

In any case, the arguments for both formulation and amendment of this part of the budget should be reviewed. The budget does not thoroughly specify the costs of many other organs in connection to presidential elections (which were indeed significantly lower than the costs of Assembly/Republic Electoral Commission sections).

To control the costs of the election campaign, the Agency for fight against corruption will receive the amount which should be sufficient for field control and which complies with legal parameters (twice higher than the minimum 1% of the allocations for campaign financing).

	<b>RSD</b>	<b>EUR (123.5)</b>
Total amount from the budget	641,760,000.00	5,196,437.25
Allocated in advance	320,880,000.00	2,598,218.62
Budget for 12 candidates (as in the presidential elections 2016)	26,740,000.00	216,518.22
Budget for 20 candidates (as the list in the parliamentary elections 2016)	16,044,000.00	129,910.93
For the nominators of candidates in the second round	160,440,000.00	1,299,109.31
<b>Comparison</b>	<b>Budget 2012</b>	<b>EUR (112)</b>
Allocated in advance to the nominators in 2012	38,328,554.00	342,219.23
Allocated to the participants in the second round in 2012	249,135,600.00	2,224,425.00