

# CAMPAIGN FINANCE IN SRI LANKA RECOMMENDATIONS FOR EFFECTIVE IMPLEMENTATION

## 1. INTRODUCTION

Sri Lankan electoral system is lacking of campaign finance regulations since the introduction of the new electoral system in 1977. The Ceylon (Parliament Elections) Order in Council in 1946 which was the main election law from 1948 to 1970, included adequate provisions to regulate election expenses, excluding contributions. However, with the 1977 electoral reform, campaign finance regulations were completely removed. Unsurprisingly, in the last Presidential election on 16 November of 2019, the common denominator of the national and international election observation reports was the censure on the campaign finance absence. As a consequence, the election was labelled uneven in regards to the campaign' playing field, tarnishing the peaceful and technically well-managed elections<sup>1</sup>.

This report provides **recommendations** towards the strengthening of the Draft Law<sup>2</sup> on campaign finance in Sri Lanka put together by the Election Commission and aims to offer a basis for its effective implementation while supporting Sri Lanka's democratic transition.

Campaign finance constitutes one element of the political finance broader field. While many stages of an electoral process involve money, it is beyond the **scope**

of this paper to cover all of them. Nevertheless, it is worth mentioning that to ensure a transparent and fair campaign finance system, both routine political party financing and campaign financing must be considered in the legislation with clearly defined separate timeframe obligations.

The report followed a five phase **methodology**: literature review, interviews, draft law analysis, writing and review. The assignment was conducted by an independent international and national campaign finance experts. Each expert conducted interviews to international and national stakeholders respectively in order to ensure the contextualisation and inclusiveness of their contributions on campaign finance in Sri Lanka for this paper. The review process was ensured firstly by DRI Sri Lanka team and finally by DRI headquarters in Germany.

---

<sup>1</sup> European Union Election Observation Mission, Preliminary Statement 2019.

<sup>2</sup> Version from August 02 of 2019.

## 2. CAMPAIGN FINANCE CONSIDERATIONS AND IMPACT

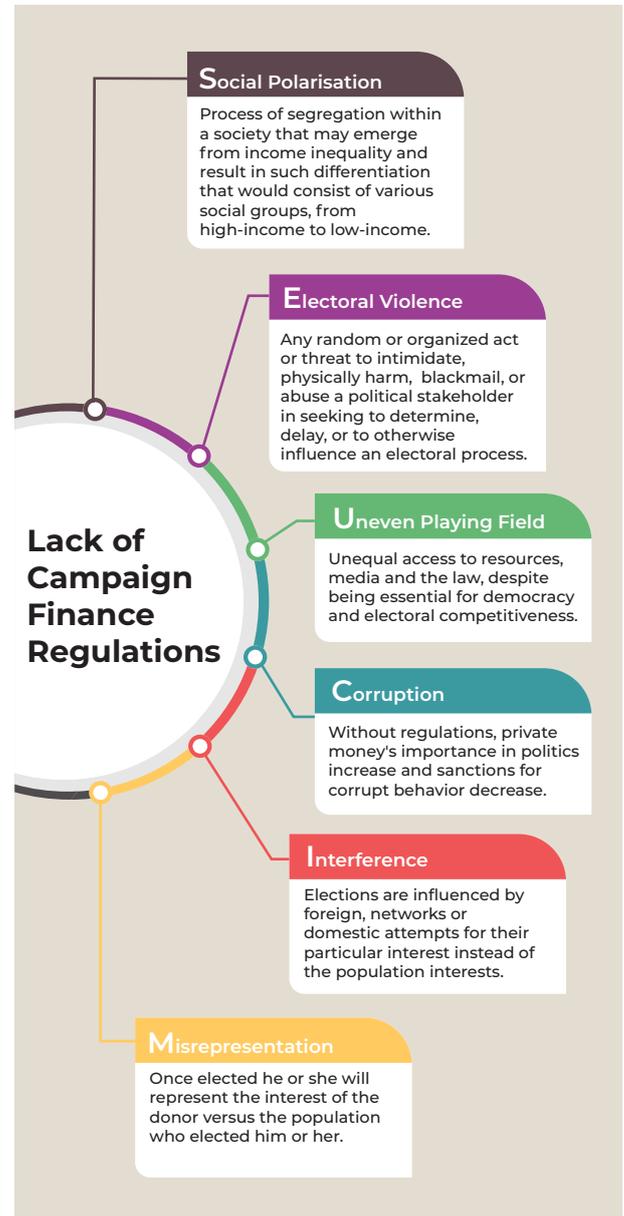
**Campaign finance** refers to all contributions and expenses, monetary and in-kind, made to and incurred by political parties and candidates for electoral purposes. Such activities could include, for example, renting temporary offices and hiring staff, paying for campaign-related communications and transport, holding electoral rallies, conducting door-to-door campaigning, production of campaign materials and campaign advertising in mass media.<sup>3</sup>

The fairness of elections rely in part on the campaign finance framework. It enables voters to have access to information in order to make a free choice in the polls. For political parties and candidates to convey their programmes, adequate funding is essential to reach voters across the country. At the same time, it should be so in a way that is equitable for all contestants while transparent in order to limit the potential corruption of the electoral process.

Still, it is important for campaign finance regulations to respect the balance between freedom of expression and fair elections. Indeed, the effect of any prohibitions and limitations shall not undermine whether political parties and candidates are able to convey their messages to voters and whether voters have adequate access to political information. Those prohibitions and limitations are therefore required to be appropriate, neither too low nor too high, to ensure the respect of fundamental freedoms while acknowledging the state's legitimate purpose in restricting campaign finance<sup>4</sup>.

### CONSEQUENCES OF LACK OF REGULATION OF CAMPAIGN FINANCE

The absence, lack, inadequate or just inefficient campaign finance regulations lead to a number of considerable consequences into the legitimacy of elected officials and of the country democracy as a whole.



In Sri Lanka, as elsewhere, unregulated campaign finances have led to an uneven playing field and bear the risk of unregulated foreign and domestic interference in the elections by regional powers and networks of religious-political extremist groups in the country.

<sup>3</sup> OSCE Office for Democratic Institutions and Human Rights, Handbook for the Observation of Campaign Finance.

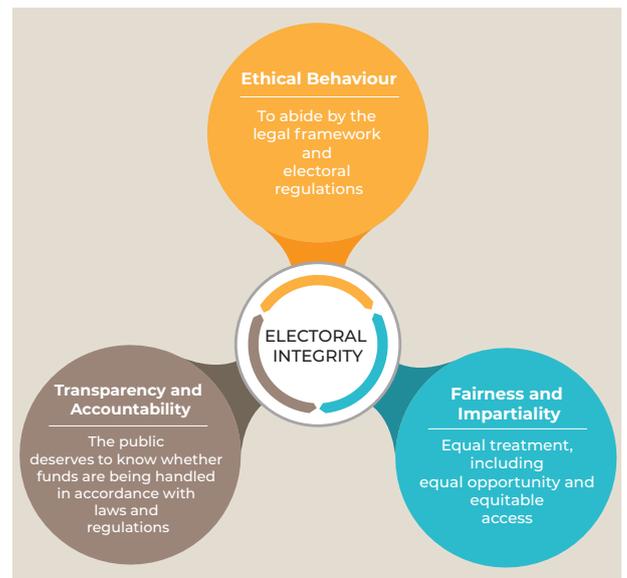
<sup>4</sup> See *Bowman v. United Kingdom*, judgment, ECtHR, (1998).

Sri Lankan media and election observer groups have been constantly underlining the challenges of ensuring genuine elections without campaign finance regulations in the many recent electoral events. In the most recent presidential election of 2019, the Centre for Monitoring Election Violence (CMEV) reported that all 35 candidates had spent a combined total of 3796 million LKR (more than 20 million USD) for their election campaigns. The main two candidates had spent 93.86% (3563 million LKR /19 million USD) out of that total estimated expenditure.<sup>5</sup> However, there was no means for either the public or the Election Commission to demand disclosure of sources and information related to such expenditure that require accountability and transparency.

Such concerns are not limited to the national level elections in Sri Lanka. The integrity of Provincial Councils and Local Government elections too have been compromised with lack of campaign finance regulations. In the 2013 provincial councils' election, Transparency International had observed a large number of activities which involved high expenditure by the key candidates of the main political parties.<sup>6</sup> Unregulated campaign finance has been one major cause to create an uneven playing field not only among interparty candidates, but also among intraparty. On the other hand, it has led to increased concerns over the misuse of public funds and of development programmes in Sri Lanka elections.

## CAMPAIGN FINANCE REGULATION FOR ELECTORAL INTEGRITY PRINCIPLES

There must be a set of standards of good conduct to maintain election integrity. The electoral process itself should be conducted based on the principles and values that ensure genuine elections<sup>7</sup>, including in regards to campaign finance. The figure below illustrates the electoral principles specific to campaign finance.



*Campaign finance provisions should be in line with international standards and principles for democratic elections to ensure the integrity of elections as stated in the article 7.3 of the 2003 United Nations Convention Against Corruption (UNCAC)<sup>8</sup> and in the number 19 of the 1996 United Nations Human Rights Committee General Comment No.25 to Article 25 of the International Covenant on Civil and Political Rights (ICCPR)<sup>9</sup>.*

## CAMPAIGN FINANCE REGULATIONS FOR UNDER-REPRESENTED GROUPS

Campaign finance regulations may be used as a means to promote under-represented groups, for example, by encouraging a more balanced participation of men and women as candidates, or by introducing provisions to help defray the additional financial costs arising from their disability when participating as candidates.

Equitable access to public campaign financing shall be ensured to women, youth, minorities and persons with disabilities, while making sure that eligibility require-

<sup>5</sup> Centre for Monitoring Election Violence: <https://cmev.org/2019/12/20/ravaya-leading-news-20th-december-2019/>

<sup>6</sup> Electoral Integrity, A Review of the Abuse of State Resources and Selected Integrity Issues during 2013 Provincial Council Elections in Sri Lanka, Transparency International Sri Lanka, page 29.

<sup>7</sup> ACE project: <http://aceproject.org/ace-en/topics/ei/introduction/eia/eia03>

<sup>8</sup> "Each State Party shall also consider taking appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to enhance transparency in the funding of candidatures for elected public office and, where applicable, the funding of political parties".

<sup>9</sup> "(... ) Reasonable limitations on campaign expenditure may be justified where this is necessary to ensure that the free choice of voters is not undermined or the democratic process distorted by the disproportionate expenditure on behalf of any candidate or party (...)".

ment(s) for receiving public funding should not be more difficult for under-represented groups to meet.

*Such an approach would be in line with Article 4 of the 1979 Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), Article 1 of the Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities, and Article 4 of the 2006 Convention on the Rights of Persons with Disabilities (CRPD), which provides for measures to accelerate de facto equality and equity.*

## CAMPAIGN FINANCE REGULATIONS COUNTER ABUSE OF STATE RESOURCES

The abuse of state resources can be defined as *undue advantage obtained by political parties or candidates, through the use of their official positions or connections to governmental institutions, in order to influence the outcome of elections*<sup>10</sup>. As an example, it can take the form of the use of state personnel, resources, funds and/or of favourable official government communications to the public. Any permissible use of state resources should therefore be treated as a type of campaign finance contribution and be reported accordingly.

*To ensure an equal playing field among electoral contestants in accordance with Article 25 of the ICCPR and Article 17 of UNCAC<sup>11</sup>, States should regulate access to state resources (state media, buildings, property and other resources). Preventing, prohibiting and penalizing the abuse of state resources is key to deterring such abuse that unduly advantage contestant against the others.*

<sup>10</sup> OSCE/ODIHR Handbook for the Observation of Campaign Finance.

<sup>11</sup> “Each State Party shall adopt such legislative and other measures as may be necessary to establish as criminal offences, when committed intentionally, the embezzlement, misappropriation or other diversion by a public official for his or her benefit or for the benefit of another person or entity, of any property, public or private funds or securities or any other thing of value entrusted to the public official by virtue of his or her position”.

## CAMPAIGN FINANCE REGULATIONS COUNTER VOTE BUYING

Vote buying can be defined as *a form of electoral malpractice that is intended to increase the number of votes that a particular candidate or political party receives in an election by providing money or other benefits to constituents in exchange for their vote*. A broader definition of vote buying may also include clientelism, patronage and high-value gifts to voters or groups of voters to persuade them to vote for a particular candidate or party<sup>12</sup>.

There is an increased understanding that any form of gifts to voters, beyond low-value campaign materials, can be considered vote buying. Yet, any low-value campaign materials that are given to voters and allowed by law (for example, pens or key rings) should be treated as campaign expenditures and be reported on accordingly.

*To ensure respect for the free expression of the will of the electorate stated in Article 25 of the ICCPR, States should include provisions in their legal frameworks to criminalize any attempts to manipulate or interfere with the electoral process, such as vote buying, in accordance with the United Nations Convention against Corruption provisions.*



<sup>12</sup> OSCE/ODIHR Handbook for the Observation of Campaign Finance.

### 3. INTERNATIONAL FRAMEWORK AND INTERNATIONAL GOOD PRACTICES

Key to an effective campaign finance framework is the coherence between the established regulations among the different areas of interventions relevant to campaign finance. One will not disagree, for example, that limitations on expenditure limits will have no impact if no sanction is attributed. Reporting requirements will also serve no purpose if no oversight is made possible to verify the information provided by candidate(s) or political parties. Consequently, it is of paramount importance that all areas<sup>13</sup> are interdependent and complement each other as portrayed in the following illustration:



<sup>13</sup> Based on these areas, the standards and good practices described in this paper are in line with the points of inquiry laid out in the OSCE/ODIHR Handbook for the Observation of Campaign Finance.

#### Legal Framework Standards

As ground basis, the campaign finance legislation should be well aligned with national electoral provisions, leave no room for interpretation and avoid overlapping jurisdiction between stakeholders. Equality of opportunity for parties and candidates alike shall also be secured.

The campaign finance regulations offers an opportunity for special measures to be incorporated in order to encourage a more balanced participation of underrepresented groups, such as women, national minorities or persons with disabilities.

#### GOOD PRACTICES

- Establish clear timeframes into the campaign finance regulations.
- To be considered appropriate and fair, the provisions should be adopted in an inclusive and timely manner, while being publicly accessible.

#### CONSIDERATIONS FOR THE DRAFT LAW ON CAMPAIGN FINANCE IN SRI LANKA

<p><b>THIRD PARTY LEGAL VACUUM</b></p>	<p>Actors that are neither political parties nor candidates may want to spend funds in order to influence political discourse in general or the outcome of an election. Such political spending by [third-parties] poses serious problems in terms of the amount of corporate and interested money that can be channelled in to the political process.<sup>14</sup> This domain remains problematic and <b>third-parties are often used as vehicles to circumvent campaign finance regulations, such as spending and contribution limits or disclosure requirements</b> in countries where this issue is disregarded.</p>
<p><b>INTERNATIONAL &amp; REGIONAL DATA</b></p>	<p>Only 25 countries out of 179 countries <u>banned third parties</u> from campaign spending. Six of those are in Asia and none in South Asia.</p> <p>Still, in Afghanistan, Bhutan, India and Pakistan there are spending limits for third parties or the spending limit for party/candidate includes spending by others on their behalf.</p>

<sup>14</sup> IDEA Handbook on Political Finance.

### Contribution & Expenditure Limits Standards

*Restricted, available sources of funding to political parties and candidates must be explicit. As per the expenditure ceilings, they are to be established based on appropriate and reasonable limitations while ensuring that the freedom of choice of voters is not undermined or the democratic process distorted by the disproportionate expenditure on behalf of any candidate or party.*<sup>15</sup> Usually, limits are determined either as a fixed sum of money or as a multiple of the national minimum salary. Other alternatives include tying the limit to an average salary amount or as a percentage of the total amount that parties can receive or spend.<sup>16</sup> It is through a combination of political consensus and the country social and economic specificities that the standards on what denotes reasonable and appropriate can be reached.

Campaign contributions and campaign expenditures shall be clearly defined to ensure certainty of what counts towards the contribution and the expenditure ceilings. Campaign finance limitations shall not omit to regulate on the use of candidates' and parties' own resources nor the use of loans and debts.

#### GOOD PRACTICES

- *Establish reasonable limitations on the amount of contributions (individual or aggregate amounts).*
- *Establish reasonable limitations on the sources of contributions (e.g., anonymous donations, donations from foreign sources or state-owned entities).*
- *Establish appropriate limitations on the type of expenditure (for example paid political advertising).*

<sup>15</sup> United Nations Human Rights Committee, General Comment n°25 (1996).

<sup>16</sup> In Kenya, a party cannot receive an amount from any donor exceeding 5 per cent of its total expenditure in the preceding year.

### CONSIDERATIONS FOR THE DRAFT LAW ON CAMPAIGN FINANCE IN SRI LANKA

#### COMPREHENSIVE LIMITS

To avoid circumvention of the campaign finance rules, **clear provisions should be considered on the specifics around digital campaigning, debts and expenses incurred on Election Day.** If such considerations are omitted, the campaign finance framework can become ineffective.

#### INTERNATIONAL & REGIONAL DATA

108 countries out of 179 countries have **restrictions on online media advertisement** (beyond limits). Eight of those are in Asia and only one in South Asia. Indeed, Bhutan provides a positive list of election advertising<sup>17</sup> that a political party, candidate or election representatives may, during the election period, use the Internet or Social Media for.

### Reporting & Disclosure Standards

Reporting obligations require contestants to reveal on one side the source and financial amount of contributions and on the other side the purpose and financial amount of expenses. The disclosure of such information shall cover all the elements necessary with sufficient details to allow effective public oversight and enhance transparency. Considerations are nevertheless necessary to avoid overly onerous obligations and/or undue administrative hurdles that could limit or distort electoral competition and result in the opposite effect.

#### GOOD PRACTICES

- *Establish a digital standardized format and guidelines for campaign finance reports.*
- *Require to make all campaign finance transactions through a single bank account.*
- *Require the appointment of a financial agent by political party/candidate who will be responsible for all campaign finance transactions.*
- *Require the financial reports to be publicly available on the Internet in a user-friendly format (cross-check with standardized reporting format).*
- *Require reporting and disclosure on all loans, debts and in-kind donations, including from third parties.*

<sup>17</sup> Chapter 3 (6), Election Advertising Regulations of the Kingdom of Bhutan, 2018.

CONSIDERATIONS FOR THE DRAFT LAW ON CAMPAIGN FINANCE IN SRI LANKA	
ADEQUATE DISCLOSURE & REPORTING	Reporting requirements can be established at different junctures or even continuously as in the case of Brazil <sup>18</sup> . Still, requiring a <b>pre-election campaign finance report</b> providing preliminary details of income and expenditures of campaigning parties <b>would enhance transparency and enable voters to make more fully informed choices.</b>
INTERNATIONAL & REGIONAL DATA	107 countries out of 179 countries have to report on their finances in relation to election campaign. 21 of those are in Asia and 5 in South Asia but the timing of such report is not specified.  In South Asia, only Bhutan requires <u>pre-election reporting</u> via expenditure statement on a weekly basis till the last day of campaign <sup>19</sup> .

### Oversight & Monitoring Standards

The oversight body – the Election Commission for Sri Lanka – is expected to be structurally and operationally independent from political influence. Its adequate appointment process and composition also should ensure the independence and impartiality of the respective members while enforcing campaign finance rules.

It is foreseen that campaign finance officials are adequately trained so they understand their roles. The objective is for the electoral contestants to have confidence in the integrity and effectiveness of the oversight body while it may be held accountable if case may be.

### GOOD PRACTICES

- *Require mandatory receipt for every contribution and expense related to campaign finance to allow for traceability and conformity check with the campaign finance provisions.*
- *Ensure sufficient human and financial resources for the campaign finance oversight.*
- *Ensure sufficient time to provide thorough oversight of campaign financing.*

<sup>18</sup> <http://divulgacandcontas.tse.jus.br/divulga/#/>

<sup>19</sup> Sections 13, Monitoring of Campaign Expenditures, Public Election Fund Rules and Regulations of the Kingdom of Bhutan, 2012.

- *Establish clear policies and procedures to be followed by the Election Commission so that decisions are based on clear and objective criteria.*
- *Provide clear, consistent and open guidance to political parties and candidates.*
- *Make sure the oversight activities are transparent and open to scrutiny by civil society and international organizations as well as the general public.*

CONSIDERATIONS FOR THE DRAFT LAW ON CAMPAIGN FINANCE IN SRI LANKA	
EFFECTIVE OVERSIGHT	Effective oversight is based on the undertaking of <b>thorough verification of campaign finance reports founded on investigative powers.</b> The body should not only be allow to request information from electoral contestants but also to conduct <b>arbitrary on-site verifications.</b> In other words, there is no effective oversight if the body is mandated to make certifications solely on the basis of information submitted to it, without examining whether that information is realistic and accurate.
INTERNATIONAL & REGIONAL DATA	75 countries out of 172 countries have <u>granted investigative powers</u> to the institution responsible for examining financial reports and/or investigating breaches of political finance regulations. 18 of those are in Asia and only 2 in South Asia (India and Maldives).

### Sanctions & Appeals Standards

States should require the infringement of campaign finance rules to be subject not only to effective, proportionate and dissuasive sanctions but also to effective remedy. Effective sanctions can be interpreted to mean enforceable, which demands clarity on what is legally required so that violations of campaign finance rules can be pursued.

When sanctions are issued against candidates or political parties, it is important that all decisions be recorded in writing and justified, and that the subject be informed in a timely manner.

Where sanctions are imposed, it is essential that the sanctioned parties or candidate(s) have the right to appeal and have recourse to a fair hearing by an impartial tribunal that can provide an effective remedy. Legis-

lation should define legal ways to appeal the oversight body’s decisions and the deadlines by which appeals should be filed and decisions granted.

#### GOOD PRACTICES

- *Make sure sanctions apply not only to candidates and political parties but also to contributors and third parties.*
- *Make sure that statutes of limitations be aligned with the final reporting on campaign finance.*
- *Establish that the statute of limitations for administrative violations remain in force until one year after the final campaign finance report becomes public.*

#### CONSIDERATIONS FOR THE DRAFT LAW ON CAMPAIGN FINANCE IN SRI LANKA

<p><b>ENFORCING SANCTIONS</b></p>	<p>It is important to put in place <b>guidelines</b> on applying sanctions in order to specify clearly who is responsible for breaches, what sanctions are available, and <b>establish clear deadlines and procedures</b> for how they are to be applied.</p>
<p><b>INTERNATIONAL &amp; REGIONAL DATA</b></p>	<p>Out of 47 countries researched, <u>no data</u> was available on how many sanctions have been issued in relation to political finance regulations in the last 24 months. It reiterates clearly the need for establishing clear deadlines and procedures for sanctions on campaign finance.</p>

## 4. NATIONAL LEGAL AND ADMINISTRATIVE FRAMEWORK

The national legal and administrative framework of Sri Lankan Elections is based on the Constitution of Sri Lanka, the Registration of Electors Act, No. 44 of 1980, the Parliament Elections Act, No. 01 of 1981, the Presidential Election Act, No.15 of 1981, the Referendum Act, No.7 of 1981, the Provincial Council Elections Act No. 02 of 1988, the Election Special Provisions Act No.35 of 1988, the Local Authorities Election Ordinance, and respective amendments.

The **Constitution of Sri Lanka** specifically obliges citizens to “preserve public property and combat misuse of public resources”.<sup>20</sup> In addition, the Election Commission is empowered to prohibit the use of any movable or immovable property belonging to the State or any public corporation for the election campaigning of any political party, group or candidate.<sup>21</sup>

The **Parliament Elections Act, No 1 of 1981** prohibits vote buying both directly and indirectly, by himself or by another person on his behalf to give, lend, agree to give or lend or offer, promise any money or valuable consideration to or for any elector or to or for any person on behalf of any other person in order to induce any voter to vote or refrain from voting. Similar provisions are included in the Presidential Election Act, the Provincial Council Elections Act and the Local Authorities Elections Ordinance.

Since 1981, neither the present Constitution of Sri Lanka nor any other election laws provide a framework to regulate campaign finance as such with the exception of the requirement of candidates to submit their assets declaration to the EC. However, those declarations which can be submitted even after elections to the EC will not be verified or investigated and are not public.

<sup>20</sup> Article 28(d) of the Constitution of 1978 states “The exercise and enjoyment of rights and freedoms is inseparable from the performance of duties and obligations, and accordingly it is the duty of every person in Sri Lanka to...(d) to preserve and protect public property, and to combat misuse and waste of public property”.

<sup>21</sup> Article 104 B(4) of the Constitution of 1978.

## 5. NATIONAL PROGRESS

The discourse around the need for regulating campaign finance has been present in Sri Lankan society throughout the last two decades and became more prominent as a topic with the start in 2015 of electoral reform discussions. Local and International election observers and other likeminded civil society groups have consistently advocated the importance of introducing campaign finance regulations towards ensuring genuine elections.<sup>22</sup>

Following the increased interest of regulating campaign finance, election observer groups, Peoples' Action for Free and Fair Elections (PAFFREL) and Centre for Monitoring Election Violence (CMEV), with support of other civil society organisations, launched a series of public consultations island-wide for drafting a campaign finance law. Their draft law was finalised with the support of political parties and government officers. It was handed over to the minister of Local Government and Provincial Councils in 2017 with the expectation of referring it to consideration of the Cabinet and the Parliament.<sup>23</sup>

The Election Commission has also given their priority for the introduction of campaign finance regulations. Their four years' strategic plan prepared in 2017 includes the introduction of campaign finance regulations as one of the major legal reform to create a conducive environment for genuine elections. As a result, the Election Commission took an active role in drafting a set of campaign finance regulations with the support of legal experts and other stakeholders. By the end of 2019, the finalised draft has been referred to the Cabinet of Ministers for approval and to the Parliament.

While the civil society draft law was drafted as a separate law, the Election Commission's proposal is drafted as an amendment to existing election laws which

includes the Parliamentary Election Act, Presidential Election Act, Provincial Council Elections Act and Local Authorities Election Ordinance. A separate law, applicable to all types of elections, would assure clarity versus incorporating campaign finance regulations into existing Elections Acts.

The campaign finance Draft Law has not yet been taken into the public domain which would guarantee inclusion and pertinent discussions with relevant stakeholders while assuring public pressure for its adoption by the Parliament without unnecessary delays.

## 6. STAKEHOLDER CONSULTATIONS

With the purpose of enhancing this paper, eight individual interviews were conducted with political party representatives who are engaged in different levels in the political sphere to gather their personal and parties' opinion on the current Draft Law. All representatives were extremely positive about the adoption of regulations for campaign finance, nevertheless, none of them had seen the Draft Law put together by the Election Commission. The majority highlighted the long delay in bringing such regulations due to poor political commitment. Main political parties would not fully support the adoption of campaign finance regulations without a strong public pressure. This point was further confirmed by responses given by representatives of the main two political parties that regulating campaign finance has not been internally discussed within their political parties. Most of the political party representatives pointed out the risk of false statements in the absence of a clear and robust mechanism of verification and investigation from the Election Commission.

Two (2) women representatives pointed out that unavailability of campaign finance regulations has become a major disablement for women to enter politics while representatives from smaller parties highlighted the numerous issues in campaigning against wealthy political parties and candidates in elections. Both groups have become increasingly vulnerable amidst the absence of campaign finance regulations in Sri Lanka.

<sup>22</sup> Electoral Integrity, A Review of the Abuse of State Resources and Selected Integrity Issues during 2010 Elections in Sri Lanka, Transparency International Sri Lanka, page 39; Ibid 7, page 30; Final Report on Election Related Violence, Parliament Election 2010, Centre for Monitoring Election Violence, page 05;

<sup>23</sup> <http://www.dailynews.lk/2017/08/04/local/124213/limit-election-campaign-financing-paffrel-cmev-hand-over-draft-bill-minister>

All interviewees confirmed that the Election Commission, as an independent organisation, should be the first authority (regulatory body) of campaign finance regulations while receiving support from other relevant stakeholders such as the Inland Revenue Department, the Commission to Investigate Against Bribery and Corruptions and the Auditor General Department.

Following the verification of campaign finance reports by the Election Commission, those reports being made available online for the public, was identified as one progressive step towards increasing the commitment of political parties and candidates in campaign finance.

For the three international stakeholders interviewed for the purpose of this paper - Transparency International, International Foundation for Electoral Systems and Asian Network for Free Elections - the need for the enactment of an effective campaign finance law in Sri Lanka is absolute. Concerns over foreign interference and women representation were also expressed by all those stakeholders consulted. One interesting outcome discussed was that the enactment would lead towards a progressive democratic shift in Sri Lanka's political culture by bringing advantage to those political parties and candidates complying with campaign finance provisions.

## 7. RECOMMENDATIONS

**A comprehensive campaign finance framework shall combine strengths of all five (5) required areas of campaign finance intervention**, that is to say, strong provisions, comprehensive limits, adequate disclosure and reporting, investigative oversight authority and effective sanctions and remedy.

The Draft Law analysis provides a clear positive overview in regards to Sri Lanka's compliance with international standards. It includes strong sanctions and comprehensive disclosure requirements. To support its implementation, this Paper provides a set of good practices and considerations for the legislator and the Election Commission.

As per the lacunas identified in the Draft Law, key recommendations were identified for the immediate attention of the legislator in the hope they will be considered among stakeholders and incorporated in time for its public discussion and/or adoption.

<b>LEGAL FRAME WORK</b>	<p><b>ENACT CAMPAIGN FINANCE LAW SUFFICIENTLY IN ADVANCE OF ELECTIONS</b></p> <p>This will allow voters and all electoral stakeholders adequate time to become informed of the rules and adopt measures and campaign activities in accordance.</p>
<b>CONTRIBUTION &amp; EXPENDITURE LIMITS</b>	<p><b>ESTABLISH EXPLICIT PROVISIONS TO AVOID CIRCUMVENTION</b></p> <p>To ensure a comprehensive campaign finance framework, it is recommended to establish explicit provisions on third parties, digital campaigning, debts and expenses incurred on Election Day.</p>
<b>REPORTING &amp; DISCLOSURE</b>	<p><b>REQUIRE PRE-ELECTION CAMPAIGN FINANCE REPORT</b></p> <p>It is relevant to provide a preliminary report before election day, so that voters can take that information into account when deciding for whom to cast their vote.</p>
<b>OVERSIGHT &amp; MONITORING</b>	<p><b>PROVIDE INVESTIGATIVE POWERS TO THE ELECTION COMMISSION</b></p> <p>To strengthen the process, several countries grant an oversight body investigative powers to assess the accuracy of campaign finance reports and their compliance with the rules.</p>
<b>SANCTIONS &amp; APPEALS</b>	<p><b>DEVELOP GUIDELINES ON ENFORCING SANCTIONS</b></p> <p>Effective sanctions requires clarity on what is legally determined so that violations of campaign finance rules can be pursued on who is responsible for breaches, what sanctions are available, and establish clear deadlines and procedures for how they are to be applied.</p>

## AKNOWLEDGEMENT

This paper was written by Eliane Torres, Electoral Expert and D. M. Dissanayake Attorney at Law and both researchers. Special thanks to all the interviewees in and out of Sri Lanka for their contributions, opinions and suggestions to enrich the paper.

## ABOUT DEMOCRACY REPORTING INTERNATIONAL

*Democracy Reporting International (DRI) is a non-partisan, independent, not-for-profit organisation registered in Berlin, Germany. DRI promotes political participation of citizens, accountability of state bodies and the development of democratic institutions world-wide. DRI helps find local ways of promoting the universal right of citizens to participate in the political life of their country, as enshrined in the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights.*

<http://www.democracy-reporting.org>



*This publication was produced with the assistance of the German Federal Foreign Office. The contents of this publication are the sole responsibility of Democracy Reporting International and can in no way be taken to reflect the views of the German Federal Foreign Office.*



*DRI collaborated with Center for Monitoring Election Violence (CMEV) and People's Alliance for Free and Fair Elections (PAFFREL) on this briefing paper. CMEV and PAFFREL provided contextual information, coordinated interviews with relevant stakeholders, and reviewed draft report versions.*