

**I Annex - Democracy and the rule of law**

**4. LAW ON FINANCING THE ELECTION CAMPAIGN FOR  
THE PRESIDENT OF MONTENEGRO, MAYOR AND  
PRESIDENT OF MUNICIPALITY**

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4. LAW ON FINANCING THE ELECTION CAMPAIGN FOR THE PRESIDENT OF  
MONTENEGRO, MAYOR AND PRESIDENT OF MUNICIPALITY

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Pursuant to Article 95 item 3 of the Constitution of Montenegro, I hereby issue the

**Decree Promulgating the Law on Financing the Election Campaign for the President of  
Montenegro, Mayor and President of Municipality**

**(Official Gazette of Montenegro 08/09 of 4 February 2009)**

I hereby promulgate the Law on Financing the Election Campaign for the President of Montenegro, Mayor and President of Municipality passed by the 23<sup>rd</sup> Parliament of Montenegro at the sitting of the first ordinary session in 2009 on 26 January 2009.

No 01-216/2

Podgorica, 29 January 2009

President of Montenegro

Filip Vujanović

**LAW ON FINANCING THE ELECTION CAMPAIGN FOR THE PRESIDENT OF MONTENEGRO,  
MAYOR AND PRESIDENT OF MUNICIPALITY**

**I BASIC PROVISIONS**

**Subject matter**

**Article 1**

This Law regulates the manner of acquisition and provision of financial resources for election campaign and manner of controlling the financing of candidates for election of the President of Montenegro, mayor and president of municipality (hereinafter referred to as the „candidates“) with a view of realising the legality and transparency of their financing.

Provisions of the Law on Financing the Political Parties shall be applied to financing the election campaign for the President of Montenegro, mayor and president of municipality unless otherwise provided by this Law.

**Sources of financing**

**Article 2**

Election campaign shall be financed through public and private sources.

**Public and private sources**

**Article 3**

Public sources, within the meaning of this Law, shall be the means allocated from the Budget of Montenegro that is local self-government authorities (hereinafter referred to as the „budgetary resources“). Private sources, within the meaning of this Law, shall be: contributions of physical and legal persons and gifts.

### **Supervision**

#### **Article 4**

Supervision over the implementation of this Law shall be performed by the public administration body competent for financial affairs (hereinafter referred to as the „Ministry“).

## **II FINANCING OF THE ELECTION CAMPAIGN**

### **Amount of budgetary resources**

#### **Article 5**

For covering the part of election campaign expenses, the funds amounting from 0.05% to 0.1% of total budgetary resources shall be provided, decreased by capital budget resources and state funds budget (hereinafter referred to as the „current budget“) in the year of regular elections. In the event of extraordinary elections, funds necessary for covering the election campaign expenses shall be provided from current budgetary reserve.

### **Allocation of budgetary resources**

#### **Article 6**

Funds referred to in Article 5 paragraph 1 hereof shall be allocated as follows:

- 1) 10% to all candidates who have been nominated the candidature, in equal amounts, within 10 days following that of nominating the candidate list;
- 2) 40% to all candidates who have won more than 10% of votes, in equal amounts, within 10 days following that of determining the election results;
- 3) 50% to the candidate who has won the greatest number of votes in elections, within 10 days following that of determining the election results.

### **Private sources funds**

#### **Article 7**

Candidate may collect funds from private sources in the amount of 100% of total funds referred to in Article 5 paragraph 1 hereof.

Physical person may make payments for financing the candidate campaign to the maximum of € 2.000 and legal person to the maximum of € 10.000.

### **The obligation of opening the special giro account**

#### **Article 8**

For the purpose of collecting the funds for financing the election campaign, candidate shall open a special giro-account in the body authorised for payment operations and this account shall not be used for other purposes.

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All funds allocated for financing the election campaign shall be paid to the account referred to in paragraph 1 of this Article and all payments for the election campaign expenses shall be performed from this account.

If the funds for financing the election campaign collected from private sources should exceed the amount referred to in Article 7 paragraph 1 hereof, the funds shall be returned to the Budget of Montenegro that is local self-government.

#### **Responsible person**

##### **Article 9**

Candidate shall appoint the person responsible for usage of funds for designated purposes and for the submission of reports.

Signature of the responsible person referred to in paragraph 1 of this Article shall be deposited with the body authorised for payment operations.

Candidate shall inform the competent election commission within three days following that of determining the person referred to in paragraph 1 of this Article on every change relating to the status of this person.

#### **Election campaign expenses**

##### **Article 10**

Within the meaning of this Law, the election campaign expenses shall be the costs relating to pre-election gatherings, posters, advertising, commercial videos and advertising material, advertisements, publications, emissions in the media, public opinion polling, operating expenses and general administration, transport in the period between the day of calling the elections and that of their holding.

### **III PROHIBITIONS**

#### **Prohibition of using the funds of Montenegro or that of local self-government**

##### **Article 11**

During the election campaign, the candidates may not use state funds or local self-government funds unless otherwise provided by special regulation.

#### **Prohibited sources of financing**

##### **Article 12**

Reception of material and financial assistance in cash shall be prohibited.

Reception of material and financial assistance from: foreign countries, physical and legal persons outside the territory of Montenegro; anonymous donors, public institutions and companies, public institutions and companies with the share of state capital, trade unions, religious organisations, non-governmental organisations, casinos, betting shops and other organisers of games of chance shall be prohibited.

**Prohibition of applying pressure**

**Article 13**

It shall be prohibited to apply any form of pressure on physical and legal persons during the collection of contributions for candidate.

It shall be prohibited to make a promise or hold out a prospect of any privilege or personal interest to the donor.

**IV SUBMISSION AND PUBLISMENT OF REPORTS**

**Early report**

**Article 14**

Candidates shall submit to the election commission the early report on the amount and sources of collected funds for election campaign expenses 10 days before the elections and not later than 7 before the elections.

Municipality election commission shall, within 3 days following that of the reception of the report referred to in paragraph 1 of this Article, forward the report to the State Election Commission.

**Submission of report on spent budgetary resources**

**Article 15**

Candidate shall submit to the competent election commission the report on spent budgetary resources for election campaign as well as the complete documentation relating to that report within 45 days following the day of elections.

Municipality election commission shall forward the report referred to in paragraph 1 of this Article to the State Election Commission within three days following that of the reception of the report.

Candidate shall submit the report and documentation referred to in paragraph 2 of this Article to the Ministry auditor for audit performance.

The Ministry auditor shall submit the audit report to the candidate within 30 days following that of the reception of the report and documentation referred to in paragraph 3 of this Article.

Candidate shall enclose the report on performed audit to the report referred to in paragraph 1 of this Article.

**Submission of report on spent private sources funds**

**Article 16**

Candidate shall submit to the competent election commission the report on origin, amount and structure of collected and spent resources for election campaign from private sources as well as the complete documentation relating to the report within 45 days following the day of elections.

Municipality election commission shall forward the report referred to in paragraph 1 of this Article to the State Election Commission within three days following that of the reception of the report.

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If total amount of collected and spent resources for election campaign exceeds € 50.000, the candidate shall within 15 days following the day of the elections engage the authorised auditor and sign contract with him and inform the competent election commission thereof.

The candidate shall enclose the report of the authorised auditor on performed audit to the report and documentation referred in paragraph 1 of this Article.

##### **Submission of final report**

###### **Article 17**

Candidate shall submit to competent election commission, within 45 days from the day of completion of elections, the complete report in electronic form, on origin, amount and structure of collected and spent funds for election campaign.

Municipality election commission shall forward the report referred to in paragraph 1 of this Article to the State Election Commission within three days following that of the reception of the report.

Content that is the form of the report referred to in paragraph 2 of this Article, Articles 15, 16, 17 and 18 hereof shall be defined by the Ministry.

##### **Submission of the report on property**

###### **Article 18**

Candidate shall deliver to the competent commission the report on income and property, for himself/herself, marital or extramarital spouse and children if they live in same household, within 15 days following that of submission of the candidature.

Municipality election commission shall forward the report referred to in paragraph 1 of this Article to the State Election Commission within three days following that of the reception of the report.

##### **Publishing of data on persons who made contributions and gifts for the campaign**

###### **Article 19**

Election commission shall publish on the web site the names of physical and legal persons who donated the funds to candidates.

##### **Publishing of reports**

###### **Article 20**

State Election Commission shall, within 10 days following that of the reception, publish the reports referred to in Articles 15, 16, 17 and 18 hereof in the Official Gazette of Montenegro and on the State Election Commission web site.

#### **V PENALTY PROVISIONS**

##### **Violations**

###### **Article 21**

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Candidate shall pay fine amounting between fifteen-fold and twenty-fold lowest labour price in Montenegro for following violations:

- 1) if he/she provides funds contrary to the Article 7 paragraphs 1 and 2 hereof;
- 2) if he/she does not open a special giro-account and does not pay all the funds for financing the election campaign to this account and does not make all the payment from this account (Article 8);
- 3) if he/she does not appoint a person responsible for usage of means for designated purposes and for the submission of reports (Article 9 paragraph 1);
- 4) if he/she does not inform the competent election commission on appointing the person in manner and within time limits referred to in Article 9 paragraph 3 hereof;
- 5) if he/she applies any form of pressure to legal and physical persons during the collection of contributions for candidates (Article 13 paragraph 1);
- 6) if he/she makes a promise or hold out a prospect of any privilege or personal interest to the donor (Article 13 paragraph 2);
- 7) if he/she does not submit the reports on origin, amount and structure of collected funds in manner and within time limits referred to in Articles 14,15, 16, 17 and 18 hereof;
- 8) if he/she does not engage the suitable auditor as provided in Article 16 paragraph 3 hereof;
- 9) if he/she does not inform the State Election Commission in accordance with Article 16 paragraph 3 hereof.

#### **Article 22**

Any physical person appointed by candidate for usage of funds for designated purposes and for the submission of reports shall be liable to pay penalty amounting from fifteen-fold and twenty-fold lowest labour price in Montenegro if he/she spends them inappropriately and does not submit the report on origin, amount and structure of spent funds in manner and within time limits referred to in Articles 14, 15, 16, 17 and 18 hereof.

#### **Article 23**

Any physical person shall be liable to pay penalty amounting from fifteen-fold to twenty-fold lowest labour price in Montenegro if for the expenses of financing the election campaign, he/she makes payment that exceeds the amount defined in Article 7 paragraph 2 hereof.

#### **Article 24**

Legal person shall be liable to pay penalty amounting from hundred-fold to two hundred-fold lowest labour price in Montenegro if, for the expenses of financing the election campaign, it makes payment that exceeds the amount defined in Article 7 paragraph 2 hereof.

#### **Article 25**

State body or local self-government authority shall be liable to pay penalty amounting from hundred-fold to two hundred-fold lowest labour price in Montenegro if it provides for the usage of state or local self-government funds by a candidate contrary to Article 11 hereof.

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Responsible person in the body shall be liable to pay penalty amounting from fifteen-fold to twenty-fold lowest labour price in Montenegro for violation referred to in paragraph 1 of this Article.

##### **Article 26**

Municipality election commission shall be liable to pay penalty amounting from hundred-fold to two hundred-fold lowest labour price in Montenegro if it does not forward the reports to the State Election Commission in accordance with Article 16 paragraph 2, 17 paragraph 2 and 18 paragraph 2 hereof.

Responsible person in the municipality election commission shall be liable to pay penalty amounting from ten-fold to twenty-fold lowest labour price in Montenegro for violation referred to in paragraph 1 of this Article.

##### **Article 27**

State Election Commission shall be liable to pay penalty amounting from hundred-fold to two hundred-fold lowest labour price in Montenegro if it does not publish the reports in accordance with Article 20 hereof.

Responsible person in State Election Commission shall be liable to pay penalty amounting from ten-fold to twenty-fold lowest labour price in Montenegro for violation referred to in paragraph 1 of this Article.

#### **VI TRANSITIONAL AND FINAL PROVISIONS**

##### **Article 28**

Contents that is form of reports referred to in Article 17 hereof shall be adopted within 15 days following that of the entry into force of this Law.

##### **Article 29**

Paragraphs 2 and 3 of the Article 21 of the Law on Election of the President of Montenegro (Official Gazette of Montenegro 17/07) and paragraphs 2 and 3 of the Article 36 of the Law on Election of the President of the Municipality (Official Gazette of Montenegro 42/03) shall be repealed on the day of entry into force of this Law.

##### **Article 30**

This Law shall enter into force on the day following that of its publication in the Official Gazette of Montenegro.

SU-SK No 01-851/10-07

Podgorica, 26 January 2009

The Parliament of Montenegro

The Speaker,



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Ranko Krivokapić