

# Compilation of materials and documents

Related to political party finances, financial control and gender budgeting, based on the Czech Republic model







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# I. Political Party Accounting in the Czech Republic: Legislative Framework Evaluation

## Financial Statements:

According to Act no. 424/ 1991 Sb., zákon o sdružování v politických stranách a v politických hnutích ("on Association in Political Parties and Movements"), Czech political parties must annually, by April 1st of the given year, submit financial statements to a regulatory body set up specifically to oversee political party financing (Úřad pro dohled nad hospodářením politických stran a hnutí, ÚDHPŠH, The Office for Economic Supervision of Political Parties and Political Movements) (hereafter "The Office"). The financial statements must undergo an audit by an auditor selected by the party. The same auditor cannot be selected by the party for a period longer than five consecutive calendar years. The statement must be filled out according to a template set by the Office. The statement must contain:

The statement must contain:

- a) a financial statement in accordance with the Law on Accounting;
- b) an auditor's report;
- c) a breakdown of income as per income sources listed below, including
  1. a list of legal entities the party holds a share in
  2. and an overview of any loans and other debts, indicating the amount and terms thereof, as well as identifying information of the lender;
- d) an overview of the salary expenditure on persons paid by the party, indicating the number of such persons and the type of work carried out;
- e) an overview of total expenditure on taxes, fees and other similar cash payments;
- f) expenditure on elections broken down by the different types of elections in which the party participated in the calendar year;
- g) an overview of donors and their donations, indicating the amount in the case of a financial contribution and the usual price in the case of an in-kind donation, the full name and date of birth if the donor is a natural person and the business name or name and identification number if the donor is a legal person;
- h) an overview of other in-kind donations provided, the usual price of which exceeds CZK 50 000, with the full name and date of birth/business name and identification number of the donor,
- i) an overview of the value of property acquired by inheritance or bequest; if the value of the property acquired exceeds CZK 50 000, the full name and date of birth and date of death and the municipality of the last place of residence of the deceased shall be indicated;





- j) a list of members whose membership contribution for the calendar year exceeds CZK 50 000, indicating their full name and date of birth, municipality of residence and the total amount of the membership contribution;
- k) the name and registered office of the political institute of which the party is a founder or member and the expenditure incurred in support of its activities at least in the amount of the contribution to the activities of the political institute.

The Office then publishes the financial statement on their website seven days after receipt of the statement.

### Income:

The law defines the possible sources of income of a political party as:

- a) a contribution from the state budget of the Czech Republic to cover election costs,
- b) a contribution from the state budget of the Czech Republic for the activities of the party and movement (hereinafter referred to as the "contribution for activities"),
- c) membership fees,
- d) donations, inheritances and in-kind donations,
- e) income from rent, lease and alienation of movable and immovable property,
- f) interest on deposits,
- g) income arising from participation in the business of other legal persons as referred to in paragraph 3,
- h) income from the organisation of raffles, cultural, social, sporting, recreational, educational and political events,
- i) loans and credits granted by a bank, a payment or electronic money institution or a branch of a foreign bank, payment institution or electronic money institution on the territory of the Czech Republic,
- j) a contribution from the state budget of the Czech Republic to support the activities of a political institute.

### Bank accounts:

All financial resources used for the party's activities must be held in accounts with a bank, payment institution or electronic money institution, unless the expenditure does not exceed CZK 5000, in which case the transaction can be made in cash. The party must have separate accounts for a) state contributions, monetary and in-kind donations, b) payments resulting from employment relationships with the party, c) the financing of political campaigns, d) other income and expenses. The account for transactions described in category a) must be a "transparent account", allowing free access to an overview of transactions by third parties. The account details of such an account must be reported to The Office without delay. The Office can request the account details for the account covering category b).

### Transparent accounts:

All transactions made to and from the transparent account must include a description of the purpose of the transaction. The account provider (bank, etc.) must provide free access to third parties to an overview of these transactions going back at least three preceding years. Parties must report the web address where this overview is available to The Office without delay. The Office publishes the web address on their website.

### Donations:

A political party cannot accept a monetary or in-kind donation from:

- a) the State, unless otherwise provided by the law,
- b) a state-funded institution,
- c) a municipality, municipal district, urban district and region,
- d) a voluntary association of municipalities,
- e) from a state enterprise or a legal person with state or state enterprise participation, as well as from a person with State participation in its management or control;





this shall not apply if the State's or State enterprise's share is less than 10%,

- f) a legal entity with the participation of a region, municipality, municipal district or urban district; this shall not apply if it does not exceed 10 %,
- g) a public benefit corporation, a political institute and an institute,
- h) the assets of a trust fund,
- i) another legal person, if another legal regulation forbids it,
- j) a foreign legal person, except for a political party or a foundation established for public benefit,
- k) a natural person who is not a citizen of the Czech Republic; this shall not apply if the person has the right to vote in European Parliament elections on the territory of the Czech Republic.

Parties may not accept monetary or in-kind donations from one and the same natural or legal person totalling over 3000000 CZK over the period of one calendar year. This includes donations made by entities controlling or controlled by said person. If the person in question is a member of the political party, a contribution over 50000 CZK is considered a donation.

Parties are obliged to return any such donation, with any interest it accrued, at the latest by April 1st of the following year. If this is not possible, the amount should be redirected to the State budget.

The identity of every donor must be ascertained by full name and date of birth. If a legal or natural person does not include a description of the purpose of a transaction to or from the party, they can be fined up to 2 000 000 CZK. All donations above 1000 CZK can only be accepted on the basis of a written contract.

## The Office:

The Office is responsible for oversight of political party financial management; processing, examining and publishing annual financial statements of political parties and findings ensuing from them; reporting to the Ministry of the Interior of the Czech Republic whether they have received parties' complete annual financial statements by May 31st of the relevant calendar year; trying offences and imposing administrative penalties. A party can be fined up to 2 000 000 CZK for not submitting their financial statement to the Office or not fulfilling another responsibility laid out in the law.







# II. Xhirollogaritë bankare transparente në Republikën e Çekisë

A transparent account is a special type of account which is opened in order to provide detailed information about transactions to the public. Movements and the balance of funds on such account can be easily checked at any time.<sup>1</sup> The aim of the account is to help strengthen the trustworthiness of the handling of funds and to allow anyone to review a history of financial transactions. Therefore it is frequently used by non-profit organisations, foundations or political parties. Transparent account is not separate banking product but only a supplement to regular account, usually without extra charges.<sup>2</sup> The transparent account is mostly created by an amendment to the current account contract. The terms of transparent account maintenance depend on the terms of current account. The history of transactions is visible from the moment of change to the transparent form.<sup>3</sup>

On a transparent account, the public can usually look up for following information:<sup>4</sup>

- the account number and the account name
- the incoming payments (including the amount of money, currency, payment reference number (variable symbol), and the date of realization)
- the outgoing payments (including the amount of money, currency, the payment reference number (variable symbol), and the date of realization)
- the information about the payer
- the description of incoming transactions (commonly note from the payer)
- the present account balance

## History

In the Czech Republic, the first bank that enabled the clients to open a transparent bank account was Expandia Banka in 1998 (later renamed to eBanka and, at the end, bought by Raiffeisenbank), followed by Fio in 2008 and GE Money Bank (nowdays Moneta Money Bank) in 2009.<sup>5</sup> There is no publicly available information why the banks started to offer the transparent accounts and why these have become such commonly used tool. Banks probably started to offer the transparent accounts because of their foreign parent companies that have offered similar products in other countries or due to the demand of foundations and non-profit organisation that use transparent accounts very often in order to improve their trustworthiness.

## Legislation

The transparent bank account is only a supplement to current bank accounts and not regulated by any special law. The regulation proceeds from Act No. 370/2017 Sb. "On Payments"<sup>6</sup> and other national legislation and EU Regulations.<sup>7</sup> Having a transparent account is mostly voluntary and, in 2023, obligatory only for political parties and movements.

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1 <https://www.fio.cz/bank-services/bank-accounts/transparent-account>

2 <https://www.finance.cz/516907-transparentni-ucet/>

3 <https://www.mesec.cz/clanky/transparentni-ucet-kdo-jej-nabizi-a-za-jakych-podminek/>

4 <https://www.duofinance.cz/transparentni-ucet>

5 <https://zpravy.aktualne.cz/finance/fischer-ma-nejdrazsi-ucet-v-bance-nemusel-platit-nic/r~:article:761772/>

6 <https://www.zakonyprolidi.cz/cs/2017-370>

7 <https://www.cnb.cz/cs/platebni-styk/pravni-predpisy/>



It is often thought that transparent bank account is obligatory for public collections but Act No. 117/ 2001 Sb. "On Public Collection" does not demand transparent bank account for public collections. On the other hand, the transparent account can be very useful when it comes to organising public collections, because it increases trustworthiness and therefore attracts more donors.<sup>8</sup>

## Obligatory Transparent Accounts for Political Parties

Under Section 17a of Act no. 424/ 1991 Sb. "On Political Parties" ("zákon o sdružování v politických stranách a politických hnutích")<sup>9</sup> political parties are obligated to have 4 separate accounts:

- 1 Transparent account for monetary donations and contributions from the state budget
- 2 Transparent account for the election campaign (can be used only for campaign purposes)
- 3 Current account for labour obligations (not transparent)
- 4 Current account for other incomes and outcomes (not transparent)

In 2016, as a part of the significant reform of oversight over financing of Czech political parties, the transparent accounts have become obligatory for monetary donation and contributions from the state budget. Under Section 17b of Act no. 424/ 1991 Sb. "On Political Parties" the payment service provider is obligated to enable the public to inspect the history of payment transactions from the last three years. The Act do not specify any other details or exact conditions. The explanatory memorandum (2016) only states that transparent accounts have been already widely used in the Czech Republic by other subjects, including po-

litical parties and movements, but do not specify any details about the reasons or the origin. The political parties and movements have to state the purpose of every accounting operation and to whose profit was the operation made. The payers have to state their name, firm and the purpose of the grant or funding (for example "a gift"). The act does not prohibit having multiple transparent accounts or accepting cash payment to the amount of 5000 CZK.

The political parties and movements are obliged to notify the link to website with transparent account to The Office for Oversight of Funding of Parties that publishes the list of transparent accounts on its website.<sup>10</sup>

Transparent bank accounts are also widely used by municipalities, also on voluntary basis.<sup>11</sup>

## Data protection

The transparent account opens the personal data about anyone who settles payment to the public. Therefore, the owner of the account must always inform third parties that the conditions are different to current bank account and the incoming and outgoing payments are visible and proceed in accordance with EU GDPR Regulation. The information about the transparency has to be always stated with the account number so that the potential donor will be informed about the visibility of his personal data and the amount of payment.<sup>12</sup> Because of that, the Office for Personal Data Protection informs that the birth number could not be used as the payment reference number.<sup>13</sup> The Office for Personal Data Protection also recommends not using transparent bank accounts for the payments which are directly associated with the exercising public authority against natural persons and therefore should not be used for fines, welfare benefits, salaries etc.

<sup>8</sup> <https://www.avpo.cz/mytyonezisku3/>

<sup>9</sup> <https://www.zakonyprolidi.cz/cs/1991-424>

<sup>10</sup> <https://www.epravo.cz/top/clanky/k-povinnosti-zridit-transparentni-ucet-po-novele-zakona-o-sdruzovani-v-politickych-stranach-av-politickych-hnutich-112320.html>

<sup>11</sup> <https://ct24.ceskatelevize.cz/archiv/1054080-obce-zpruhlednuji-ucetnictvi-zavadeji-transparentni-ucty>

<sup>12</sup> <https://www.uoou.cz/ke-transparentnim-uctum/ds-6120>

<sup>13</sup> <https://www.finance.cz/516907-transparentni-ucet/>

## Current Bank Offer in the Czech Republic

Nowadays, the transparent accounts are common service and are offered at least by 7 banks<sup>14</sup>. The conditions are a bit different and derive from the offer of current accounts. Some of the banks do not offer the transparent accounts to natural persons but transparent accounts are mostly available to every client. The greatest difference is in the length of the period for which are the transactions visible. Although the information about the opportunity to open transparent account banks declare on their websites, it is difficult to find out the detailed information about exact terms and conditions and it is mostly necessary to arrange a personal appointment in the branch.<sup>15</sup> Because of that, it can be difficult for the potential clients to compare the conditions of different banks and to choose the one that suits them the most. All of those banks publish the list of transparent accounts maintained by them on their websites.

### Česká spořitelna

On the website, bank only declares the offer of this type of service without any detailed conditions.

[List](#) of transparent accounts maintained by Česká spořitelna.

### ČSOB

ČSOB offers transparent accounts for non-profit organisations, municipalities, cities and counties, housing associations/ co-ops, free of charge with a current account. Having multiple transparent account is also free of charge. On the website, the bank offers detailed transaction history, filtered by counterparty name and overview of how funds are used. Bank publishes complete history of transaction since the account became visible. Bank also declares that all transparent accounts are GDPR compliant.

[List](#) of Transparent accounts maintained by ČSOB.

### FIO banka

Fio bank offers transparent accounts not only for non-profit organisation or political parties, but also for natural persons. Fio Bank currently maintains around 7 000 transparent accounts which is the highest number in the Czech Republic. The history of transaction is visible one year retroactively from the date of viewing. Opening and maintaining an account is free of charge.

*TI-CZ note: The structure of the transparent account provided by this bank offers the best solution for further work with the published data.*

[List](#) of Transparent Accounts maintained by Fio Banka

### Komerční banka

Komerční banka offers the service free of charge and declares GDPR compliance. The transaction is visible till 15 minutes after it was made. Bank also offers to choose how long is the transaction history visible (the only exception is for political parties and movements – for them is the visibility abides by the law). It is also possible to fill in the purpose of the account.

[List](#) of transparent Accounts maintained by Komerční banka.

### Moneta Money Bank

Moneta Money Bank offers the transparent account to both, natural and legal persons – the only condition is having a current account maintained by this bank.<sup>16</sup>

[List](#) of transparent bank accounts maintained by Moneta Money Bank.

### Raiffeisenbank

Raiffeisenbank offers transparent account only for legal entities and enterprising individuals.<sup>17</sup> The history of transaction is visible 3 year retroactively from the date of viewing. The service is free of charge.

[List](#) of transparent bank accounts maintained by Raiffeisen bank.

### UniCredit Bank

UniCredit Bank offers transparent account for natural and legal person, free of charge.

[List](#) of transparent bank accounts maintained by UniCredit Bank.

<sup>14</sup> <https://www.duofinance.cz/transparentni-ucet>

<sup>15</sup> <https://zpravy.aktualne.cz/finance/cim-vice-daru-prijde-tim-vice-plati-bance-transparentni-ucet/r-9fe3fee6230f11eab259ac1f6b220ee8/>

<sup>16</sup> <https://www.moneta.cz/documents/20143/11901351/mmb-spp-transparentni-ucet-01122016.pdf/0ee7f8a0-7c35-9c24-7f12-dddc22a9a6e5?t=8003>

<sup>17</sup> <https://finex.cz/banka/raiffeisenbank/transparentni-ucet-raiffeisenbank/>



# III. Template form for the annual financial statement

Annual financial statement of a political party / political movement for the year \_\_\_\_\_

The name of the **political** party / **political movement**:

**Identification number of the political** party/political movement:

Headquarters of a political party/political movement:

**Telephone, fax, electronic mail (to pé. e-mail):**

**The political party / political movement is in the mode of\*:**

normal operations suspension of operations cancellation as of the date of

entering into liquidation on the date of

insolvency proceedings have been opened on her/his property as of

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Statutory **body of the** political party / political group:

Stamp of political party / political  
movement

name, surname, title, function, signature:

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## Part I.

Auditor's report on the audit of the financial statement.

This auditor's report is presented as an annex to the annual financial statement of the political party/political movement.

Number of pages....

Financial statements (balance sheet, profit and loss account and annexes to the financial statement) in accordance with Act No. 563/1991 Coll, on accounting, as amended.

The financial statements shall be presented as an appendix only if it is not annexed to the Auditor's Report.

Number of pages .....



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## Part II. Overview of the total income of the political party / political movement

Number	Name of indicator	in CZK
1	Total revenue	
	of which:	
2	Contribution from the State Budget of the Czech Republic towards election costs	
3	Contribution from the state budget of the Czech Republic for party or movement activities ("contribution towards activities")	
4	Member contributions	
5	Gifts, inheritance and in-kind donations	
6	Revenue from rent, lease and disposal of movable and immovable property	
7	Interest on deposits	
8	Income arising from participation in the business of other legal persons pursuant to Section 17 paragraph 3 of the Act. 424/1991 Coll., as amended by later regulations	
9	Revenues from entertainment, cultural, social, sporting, recreational, educational and political events	
10	Loans and credits granted by a bank, payment institution or electronic money or a branch of a foreign bank, payment institution or electronic money institution on the territory of the Czech Republic	
11	Contribution from the State Budget of the Czech Republic to support the activities of the of a political institute	

### Political party/political movement expenditure

0 * Number	Name of indicator	in CZK
1	Payroll expenditure.	
2	Expenditure on taxes, fees and other similar monetary payments	
3	Expenditure on elections broken down by type of election	

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**Number of employees according to the work performed**

Work performed	Number of employees

**Political institute politike**

Name and headquarters	Expenditure incurred on support for its activities in CZK

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### Part III. Overview of the companies or cooperatives in which the political party/ political movement has a stake

Commercial company or cooperative (business name)	ID	Size of share

### Part IV. Overview of loans and other debts

Name, surname, or business name of lender	Date of birth or identification number of lender	Amount of debt in CZK	Due date	Other conditions

### Part V. Donations

Name, surname or business name of donor	Date of birth or identification number of donor	Amount of financial contribution or the usual value of in-kind donation in CZK







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### Part VI. Other in-kind donations the usual price of which exceeds CZK 50 000

Part VI. Other in-kind donations the usual price of which exceeds CZK 50 000	Date of birth or identification number of donor	Usual price in CZK
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**Part VII. Overview of the value of property acquired by inheritance or bequest**

Description of assets	Name, surname, date of birth, date of death and municipality of the last place of residence of the testator (if the value of the acquired property exceeds CZK 50 000)	Value of assets in CZK
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### **Pjesa VIII. Overview of the members of a political party/movement whose total membership contribution for the calendar year exceteded 50 000 CZK**

<b>Name and surname of the member of the party/movement</b>	<b>Date of birth of member of the political party/political movement</b>	<b>Municipality of residence of the member of the political party/political movement</b>	<b>Total annual membership contribution in CZK</b>
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Date:  
Prepared by:  
(name, surname, function, signature)  
Checked by:  
(name, surname, function, signature)

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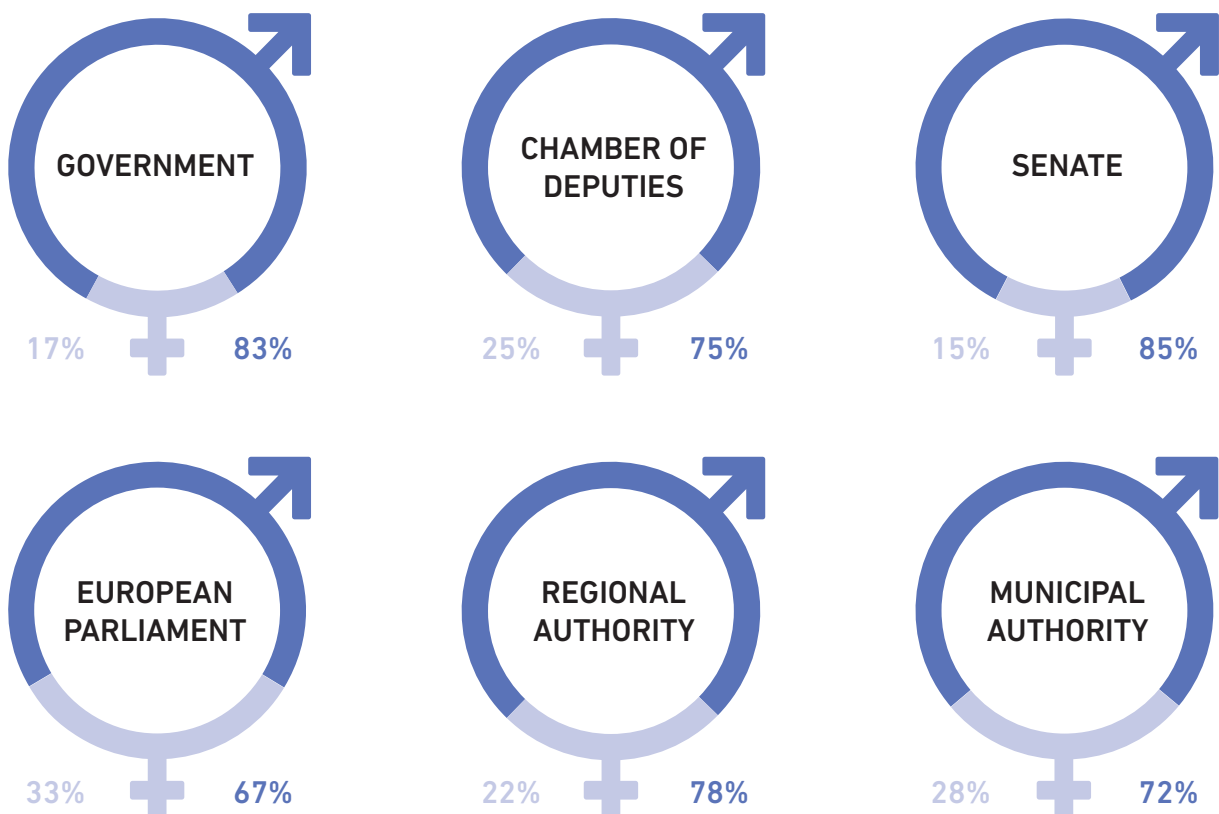


# IV. Gender Budgeting in Political Participation in the Czech Republic

## Gender and politics in the Czech Republic

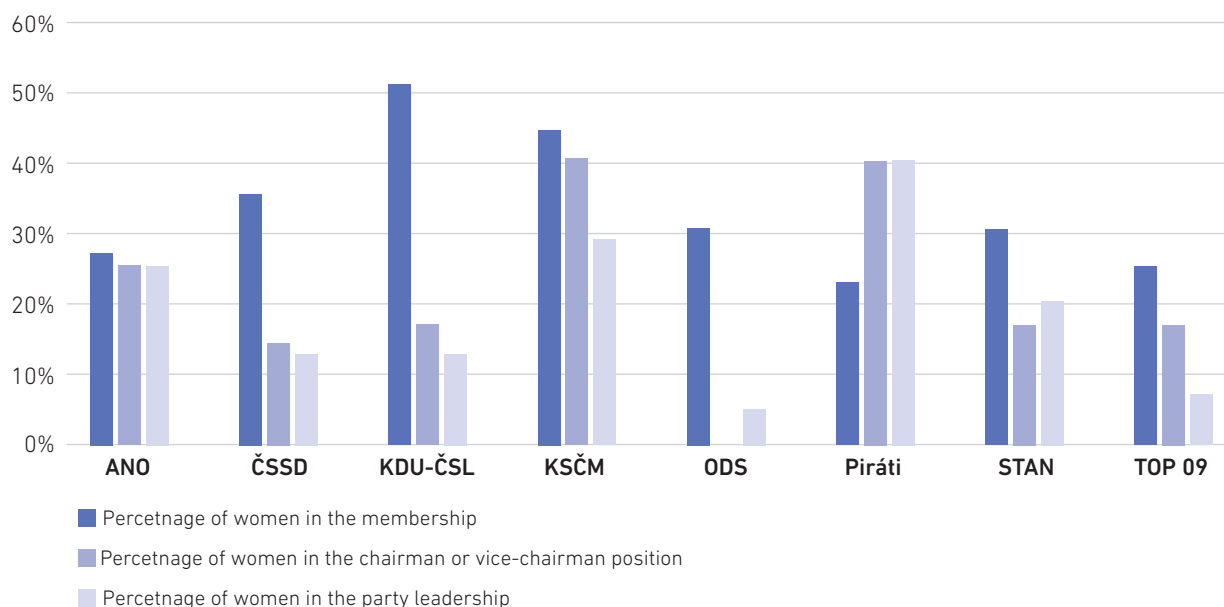
According to the Gender Equality Index of the European Gender Institute equality the Czech Republic has the largest differences in the area of power and decision-making and among other EU states Czech Republic has long been ranked among the last crossbars. The term gender budgeting has been present in the Czech debate for many years, even in connection to gender budgeting in political partic-

ipation. The earliest media mention of this policy comes from year 2006 and was brought by Forum 50%, which is a non-profit organization that supports balanced representation of women and men in politics and decision-making positions. On average, 33% of the membership bases of Czech political parties and movements are women. The average representation of women in the leadership of Czech political parties and movements is 19%.





## Political Parties and movements



Unfortunately, there has been very minimal or no progress at all since the early appearances.

## Women's structures in Czech political parties and movements

Some of the political parties and movements has developed some women structures over the years, which have usually equal distribution through candidate lists one of the main goals. Specifically social democrats<sup>18</sup>, communist party<sup>19</sup> and Christian democrats<sup>20</sup>. All three parties are currently around 5 % or under in pre-election surveys.

## Statutes

The Green party's Statutes do include article on Support for women's representation<sup>21</sup>, although the article only sets quotas for number of women in the leadership of the party and on the lists of candidates and does not cover any budgeting measures.

## Annual Reports

Annual reports of any political party do not include any mention of a gender issue or gender budgeting.

18 <https://socdem.cz/strana/partneri-a-podporovatele/partneri/socialnedemokratice-zeny/>

19 <https://komisezenkscm.cz/>

20 <https://zeny.kdu.cz/domu>

21 <https://wiki.zeleneforum.cz/cs/predpisy/stanovy>

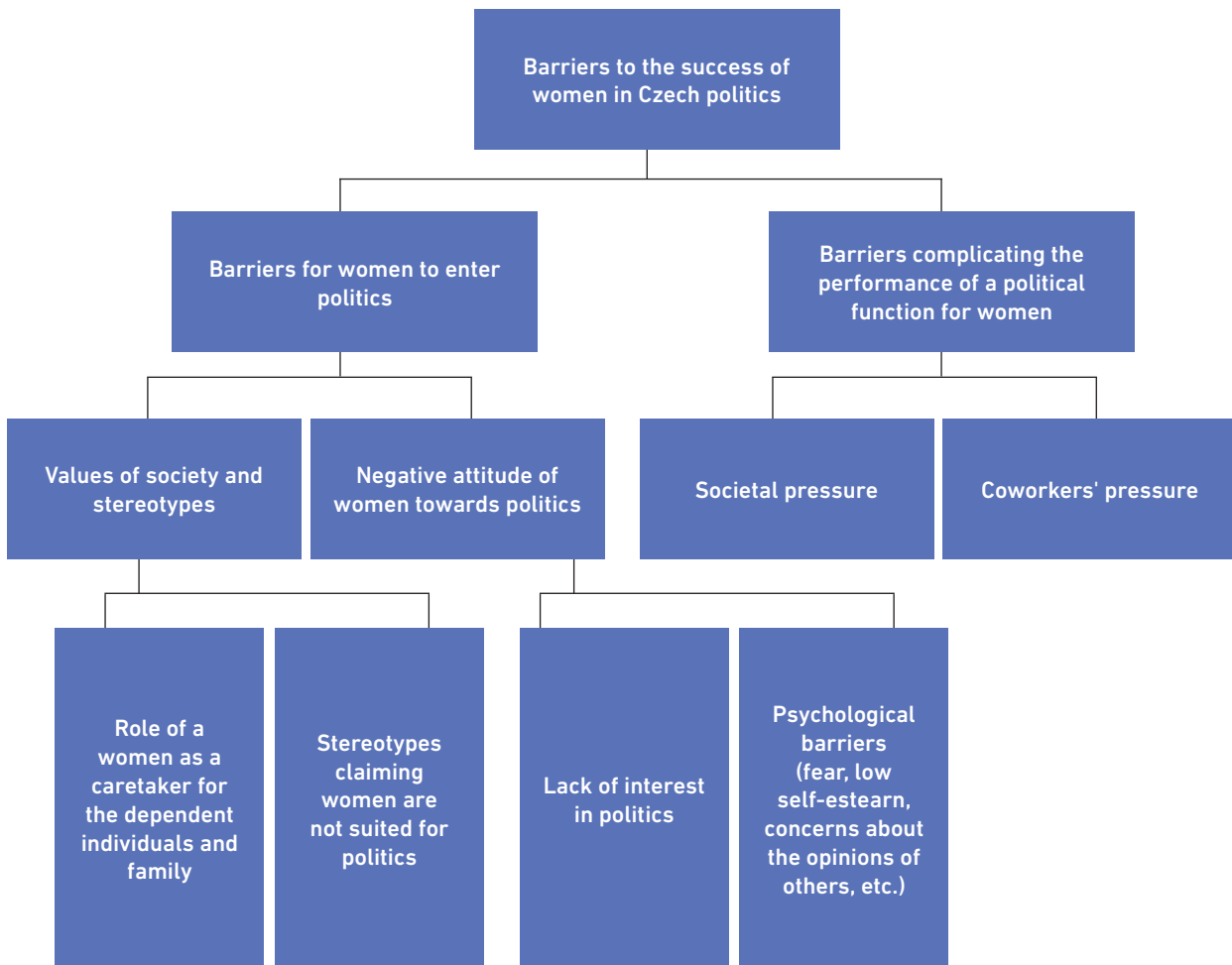




## Analyses and Handbooks

Czech government together with Forum 50 % has issued a handbook "15 tips how to support women in political parties and movements" in 2022. Unfortunately, not even this handbook mentions gender budgeting in relation to political parties' budgets.

"Women in shadows" , which also does not mention any gender budgeting issues. It presents a schema of barriers for women entering politics in general:



Zdroj: Černá 2007:31.

Institute for politics and society (think-tank connected to ANO, the major political movement) published a publication





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