

Crinis – A Tool for Transparency in Political Financing

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Tool summary

Open and transparent political financing is as important to democratic governance as a free and fair vote. The transparency of resources linked to political financing is recognized as a universal principle in the [United Nations Convention against Corruption \(Article 7: UNCAC\)](#). Crinis, a Latin word meaning “ray of light” is a tool to enhance the transparency of election campaign financing, as well as political party activities in non-election years. Jointly pioneered by [Transparency International](#) and the [Carter Center](#) in eight Latin American countries, Crinis is born of the conviction that transparency is the cornerstone for monitoring money in politics and ensuring informed voting. The purpose of Crinis is to throw light on political financing practices and finding the strengths and detecting the weaknesses in the political system of any given country. It is also an important vehicle for increasing the public's trust in democracy and politics.

What is it?

Crinis is a tool to measure the level of disclosure by quantifying the transparency of political financing activity. The purpose of Crinis is two-fold. Firstly it assesses the legal framework and the practices with regards to transparency of political finance in a given country. Secondly, based on these results, it allows the civil society to develop actions to advocate for reforms to improve the law and the practice.

Three types of political financing

Crinis focuses on three different types of political financing:

- Non-electoral party financial resources that are used to support the party structure and its activities in non-election periods;
- Political party finances during election campaigns: and
- Candidates’ own sources of finances during the run-up to elections, taking into account that individual candidates receive services and often raise and manage substantial sums of money.

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The ten dimensions of transparency in political financing

Crinis uses ten dimensions in assessing the levels of transparency in political financing:

- Internal bookkeeping deals with how political parties internally manage their finances, a task which depends upon government regulations, internal party rules, the party's managerial capacity, and its will to implement the regulations.
- Reporting to the electoral management body evaluates the extent to which parties or candidates report to a government oversight body. The focus is on the extent to which political actors provide reports detailing their financial activity in accordance with legal provisions, and the extent to which government oversight bodies have the opportunity to request additional information from them and/or conduct an audit.
- Disclosure of information to the citizens looks at the access to information on political financing to the press, citizens and academic /research institutions by taking into account the country's legal framework and actual practices.
- Comprehensiveness of reporting, depth of reporting and reliability of reporting are three dimensions that deal with the nature of data furnished in the financial reports and help to determine the quality of the data submitted to the electoral bodies. They evaluate all relevant finance activities including cash, in-kind and other transactions, as well as other crucial areas such as identity of the donor, credibility of submitted data, and the perceived credibility the reports among key actors.
- Prevention, sanctions and state oversight are three dimensions that address monitoring compliance with established rules and regulations. This includes preventive measures to facilitate effective oversight, the existence of sanctions that can be imposed, and the institutions and actors in charge of performing oversight functions.
- Public oversight, the tenth dimension of Crinis, analyses the role played by civil society organizations, in addition to the other public oversight mechanisms

Experience has demonstrated that the Crinis tool is most suitable when:

- Financing of politics is an issue in the country and the civil society organization wants to promote advocacy on the issue;
- The civil society organization focuses on accountability and disclosure pertaining to political financing as an important goal; and
- A civil society organization wants to examine the country's performance and conduct quantitative assessments and comparisons with other countries.

How is it done?

The Crinis tool was developed and operationalized in 2006 by the Transparency International and the Carter Center in eight Latin American countries viz. Argentina, Colombia, Costa Rica, Guatemala, Nicaragua, Panama, Paraguay and Peru. This section is based on the report of the said study, [The Crinis Project: Money in Politics – Everybody's Concern](#), published in 2007.

For measuring the ten dimensions of transparency across the three types of political financing viz. party financing during non-electoral periods, financing of political party campaigns and financing of candidates' campaigns, the Crinis tool generates two types of empirical data for each question under each dimension. The first type of data is related to the existence of legal, institutional and regulatory framework and the second type is concerned with its application in practice. The quantitative index is computed by averaging scores on each of the ten dimensions by assigning same weight to each dimension. Then a weighted average based on three types of financing is computed to arrive at the total score.

The research draws on the experience of teams of national experts, judges and auditors of government oversight bodies, party accountants, elected representatives, donors and civil society organizations. The Crinis research also encompasses field tests to measure the accessibility of data for researchers, students, journalists and citizens. The information that is gathered from the wide range of sources and research methods makes it possible to produce more than 140 evaluation indicators. For e.g. some of the indicators for Book –keeping, the first dimension of transparency are: is Book-keeping mandatory? Are party accountants certified by law? What is the regularity of book keeping? And so on.

The scale for each indicator ranges from 0 to 10. A score of '10' indicates fulfilment of all expected criteria by a country in terms of transparency and accountability and '0' indicates fulfilment of none of the criteria. Scores are grouped into three evaluation categories: insufficient (0-3.3); regular (3.4 to 6.7); and satisfactory (6.8 to 10).

The research is led by a country research team comprised of three professionals: an experienced specialist in political finance in each country who is the designated team leader, and two junior researchers. The data is fed into an online tool that computes a quantitative index on the level of transparency in political financing of a given country. The data to feed the Crinis index comes from documents about the legal framework, research on practices as verified by the research team, tests of accessibility of information on political finance, and information gathered from the professionals and experts on political finance. The

index offers a detailed picture of the achievement and deficiencies of the political finance system of a country under transparency criteria.

The research team collects data through 11 questionnaires comprising of a total of more than 350 questions, partly filled directly by the team and partly by different professionals and observers. Data collection generally requires about six months. Local implementation of the project includes six steps:

- *Step 1* – provision of general data about the political finance system of the country with information to adapt the questionnaires to the local context
- *Step 2* - provision of information about the legal framework of the political finance system
- *Step 3* – execution of different tests on access to information in practice,
- *Step 4* – polling different groups such as party accountants, legislators, auditors, directors of state control agencies, donors to parties and candidates and non-donors of the private sector, representatives of monitoring organizations, and experts on political finance,
- *Step 5* – validating the data by subjecting it to three different types of quality control
- *Step 6* – connecting different components of the Crinis project through liaison between the research team and the advocacy team to develop action plans for advocacy.

Benefits

- The major strengths of the tool can be summed up as follows: time-tested concept and methodology; comparative results across countries and detailed picture of strengths and shortcomings; agreement on standards of transparency; modular use of parts of the methodology; and fostering of idea that “citizens have a right to know”.
- Crinis helps civil society organizations to identify strengths and weaknesses of a political financing system in a given country.
- Crinis methodology allows for an examination of the regulatory framework and a comparison with internationally recognized principles on political financing.
- It also makes comparisons with what happens in practice by testing access to information, party by party, and candidate by candidate.
- By conducting a thorough diagnosis of the legal framework and practice, Crinis generates a strong empirical evidence that enables civil society organizations and other stakeholders to get an objective and clear picture of areas where reforms are most needed.
- It also identifies best practices and generates recommendations for reform, thus constituting the advocacy agenda of civil society organizations to press for increased transparency and accountability in political financing.
- Crinis fosters informed choices in elections thus enabling citizens to have a

- greater say on the quality of candidature nominated by political parties
- Crinis promotes a culture of internal democracy amongst political parties

Challenges and lessons

- One of the challenges is to perceive the tool as more than just a research tool. The concept of Crinis goes beyond benchmarking, and focuses on identifying strengths and shortcomings in the system in order to design targeted strategies to bring out change.
- In order to enhance the advocacy component and acceptance by all parties involved, it has proven useful to start stakeholder engagement and awareness-raising activities at the very outset even before undertaking the research.
- Since data gathering for Crinis draws largely on information obtained from regulatory agencies of the state, political parties, elected officials and other political financing stakeholders, the reliability of the data is subject to the existence of at least minimum regulations guaranteeing access to information.
- It is important to keep in mind that Crinis focuses exclusively on transparency, i.e. measuring the extent of accessibility of information on political finance. While the methodology examines transparency of information on raising funds and their usage for political purposes, it only partially addresses the issue of abuse of state resources and organized crime in politics.

Key resources

Bryan, S & Baer, D. eds. *Money in Politics A Study of Party Financing Practices in 22 countries* National Democratic Institute for International Affairs (2005)
http://www.ndi.org/files/1848_polpart_moneyinpolitics_010105_full_text.pdf

☞ National Democratic Institute for International Affairs is a non-profit organization working to strengthen and expand democracy worldwide. The report is part of the African Political Party Finance Initiative (APFFI) whose purpose is to assist political parties and democratic activists in Africa to confront the debilitating and corrupt party finance practices in their countries. The APFFI report gathers information about the characteristics of party financing not only in African countries, but in other regions of the world viz. from Latin America, Central and Eastern Europe, and Asia, to determine if there are common themes about the sources, use, and management of funds related to securing elected office.

German Technical Cooperation (August 2007): *Implementing the UN Convention against Corruption (UNCAC) Making Technical Assistance work*
<http://www.u4.no/document/showdoc.cfm?id=141>

☞ This fact sheet describes the GTZ framework for supporting anti corruption initiatives and identifies Crinis as one of its areas of multi lateral aid

Global Integrity Report 2008

<http://report.globalintegrity.org/globalindex/findings.cfm#poorregulation>

☞ Global Integrity is a non-profit, non partisan organization that generates, synthesizes, and disseminates credible, comprehensive and timely information on governance and corruption trends around the world. The Global Integrity Report is a tool for understanding governance and anti-corruption mechanisms at the national level. The 2008 report notes that how for the third year running, poor regulation over political financing remains the number one governance challenge around the world.

Global Integrity Report 2008: *Nicaragua- Integrity Indicators Scorecard*

<http://report.globalintegrity.org/Nicaragua/2008/scorecard/26>

☞ A part of the Global Integrity Report 2008, the Nicaragua Integrity Score Card is an illustration of how data generated from the Crinis report has been adapted to generate a score card on integrity.

Gomez, Edmund.T. *De-monetising politics – disclosing party fund*, an article published in Star Online on January 24, 2009

<http://biz.thestar.com.my/news/story.asp?file=/2009/1/24/business/3081906&sec=business>

- ☞ The article sheds light on the money-politics nexus in Malaysia while describing the Crinis-Malaysia project whose objectives were to identify problems associated with political party and electoral campaign funding and to advocate reforms to increase transparency in this process.

Information Portal on Corruption (IPOC), South Africa

http://www.ipocafrika.org/index.php?option=com_content&view=article&id=63&Itemid=77

- ☞ Launched in July 2003, IPOC acts as an online resource centre and a primary online reference points for those in Southern Africa interested in combating corruption. IPOC contains useful information on political finance transparency initiatives in South Africa and other African countries

Moneyandpolitics.net: International Foundation for Electoral Systems (IFES)

<http://www.moneyandpolitics.net/add/index.php>

- ☞ MoneyandPolitics.net, an initiative of IFES, provides information on political finance and public ethics initiatives around the world and offers opportunities for experts to contribute their knowledge and share best practices in IFES' efforts to set global standards in transparency and accountability. It also contains several links other key resources.

Money in South African Politics: a web portal initiative by IDASA and ISS, Netherlands

<http://www.whofundsworld.org.za/about/index.htm>

- ☞ Triggered by the glaring absence of a provision for the regulation of private funding of political parties in South African law, the [Institute for Security Studies \(ISS\)](#) and the [Institute for Democracy in South Africa \(Idasa\)](#) initiated this web-based resource, the first of its kind on the African continent which is envisaged to inform the policy debate into the private funding of political parties in South Africa.

Open Society Justice Initiative: Monitoring Election Campaign Finance - A Handbook for NGOs

<http://www.whofundsworld.org.za/pubs/intl/monitorelec.pdf>

- ☞ The hand book provides practical guidelines and tips for CSOs on monitoring election finance

Transparency International & the Carter Centre (2007): *The CRINIS Project: Money in Politics – Everyone's Concern*

http://www.transparency.org/regional_pages/americas/crinis (full report - English)

http://www.cartercenter.org/documents/folleto_ingles_final.pdf (English- flier)

http://www.cartercenter.org/documents/crinis_fullrpt_spanish.pdf (report-Spanish)

☞ This 111 page report provides a comprehensive description of the objectives, methodology and country specific findings of The Crinis Project that was jointly pioneered by the Transparency International and the Carter Center in eight Latin American countries viz. Argentina, Colombia, Costa Rica, Guatemala, Nicaragua, Panama, Paraguay and Peru.

The [Carter Center](#) is a non-governmental, non-profit organization that helps alleviate human suffering in over 65 countries by working in the areas of conflict resolution, human rights, economic opportunity and disease prevention. [Transparency International \(TI\)](#) is the global civil society organisation leading the fight against corruption. Through approximately 90 national chapters and its international secretariat in Berlin, Germany, TI raises awareness about the harmful effects of corruption.

Transparency International: *Political Finance Regulations - Bridging the Enforcement Gap*, a policy position Paper, No 2/2009
<http://partner.u4.no/document/literature/2009%20TI%20Bridging%20the%20Enforcement%20Gap.pdf>

☞ The paper advocates ten principles for effective enforcement of political finance regulations and provides several useful references

Transparency International: *Accountability and Transparency in Political Finance- Why, How and What For?* A TI Working Paper No. 1 2008
http://www.moneyandpolitics.net/researchpubs/pdf/TI_PF_working_paper_2008.pdf

☞ The working paper provides a checklist of requirements to ensure transparency and accountability in political financing while also explaining the rationale for accountability and transparency in political finance and the role of various stakeholders with special reference to CSOs in achieving this endeavour.

Transparency International (2007): *Workshop report on Crinis*
[www.ti-taiwan.org/ch.../Report Crinis meetings Berlin final.doc](http://www.ti-taiwan.org/ch.../Report_Crinis_meetings_Berlin_final.doc)

☞ This document is a detailed report of the training workshop on Crinis and related tools for the TI national chapters, held in July 2007 and contains modules and information briefs on Crinis

The Crinis Project in Malaysia: Business FM 89.9
<http://www.bfm.my/329.html>

☞ This is an audio resource containing a nine minutes interview with the President of TI Malaysia Chapter on the Crinis Initiative in Malaysia aired on Business FM 89.9.

Transparency International: NURU initiative in Africa

http://www.transparency.org/regional_pages/africa_middle_east/planned_projects
http://www.transparency.org/news_room/in_focus/2008/transparency_in_political_finance

- ☞ This link contains information on NURU, which means a ray of light in 'Swahili'. NURU is TI's latest initiative based on the experiences gained from the Crinis project in Latin America. TI has developed 'NURU', as a political finance transparency tool in African nations.

United Nations Convention Against Corruption-UNCAC (2004)

http://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf

- ☞ Comprising of more than 60 articles related to various facets of corruption, this UN Treaty is emerging as a global weapon to fight corruption. Article 7 and 10 of the Convention are directly concerned with transparency in political financing

United Nations Development Programme: *Governance Assessment Portal*

<http://gap.itsyn.com/tools/crinis-index>

- ☞ Governance Assessment Portal is a UNDP initiative that aims to be a hub of information and a valuable entry-point on democratic governance assessments. The Portal provides a short and crisp introduction to the methodology of Crinis Index

U4 Anti Corruption Centre: *A case- based brief on Crinis*

<http://www.cmi.no/publications/file/?2743=money-in-politics-transparency-in-action>
<http://www.u4.no/themes/political-corruption/>

- ☞ The U4 Anti-Corruption Resource Centre assists donor practitioners in more effectively addressing corruption challenges through their development support. This case-based brief, based on the experience of the Crinis Project, discusses the issue of transparency in political finance as an attempt to curb money's disruptive role in politics and reflects on how aid donors are still reluctant to engage in what they see as a country's 'internal politics'.

Case studies

The Crinis Project in the Americas

Transparency International and the Carter Center pioneered the implementation of the Crinis project in eight Latin American countries during 2006 that includes: Argentina, Colombia, Costa Rica, Guatemala, Nicaragua, Panama, Paraguay and Peru. The findings indicate that several of the countries studied already have proper legislation in place; others are in the process of developing legislation and practices on political financing. The study shows deep flaws in the standards and practices governing transparency and accountability. The main problems are a lack of oversight for private donations, scarce accountability by candidates, unreliable data delivered by parties, along with the fact that information about political financing is not made public in most of the countries studied. The detailed country specific reports and further information can be accessed at:

http://www.transparency.org/regional_pages/americas/crinis

Transparency in Political Finance in Bangladesh

In the last two years, Bangladesh has seen a significant opening for change with respect to transparency in political and electoral financing. Bangladesh. Efforts were made by the Election Commission and the then caretaker government to bring the financing of political parties and their election expenses under state scrutiny and monitoring through a set of new laws and rules under the amended RPO and other relevant rules. It is in this backdrop, Transparency International Bangladesh (TIB) took part in the *Crinis Pilot Project in Asia Pacific-2008*, an international effort initiated by the Transparency International (TI).

Based on the Crinis methodology, Bangladesh's mean score is 4.5 (termed as 'regular'). Amongst the various dimensions only the scope of reporting with a mean score 9.2 of the parties as well as candidates in terms of law and practice is satisfactory. On the other hand, with regard to dimensions such as bookkeeping reporting, reliability of reporting, public disclosure and sanctions the scores indicate 'insufficient' in terms of performance. For more information visit:

http://www.ti-bangladesh.org/research/Crinis_Report_251009_full%5Be%5D2.pdf

Crinis Nepal Project

'Crinis Nepal' was initiated in October 2008 with an objective to strengthen legitimacy and credibility of Nepali political parties. The research focused on examining levels of transparency and accountability in financing of eight major parliamentary parties. The study assessed legal frameworks, financing of political parties, presidential and legislative campaigns, mechanisms of prevention and sanctions, extent of disclosure by parties, role of controlling agencies and social



control over financing. Altogether 139 questionnaires were used to collect information on the various dimensions of Crinis Index, from different political parties, citizens, experts, corporate houses, media and other stakeholders. The final report is currently under preparation

Source: http://www.tinepal.org/Annual_Progress_Report_2009.pdf