

Oversight of election campaign funding in the 2024 presidential election - Report of the National Audit Office



NATIONAL AUDIT OFFICE'S
REPORTS TO PARLIAMENT

R 21/2024 VP



Report to Parliament

Oversight of election campaign funding
in the 2024 presidential election

R 21/2024 vp

To Parliament



In the 2024 presidential election, the National Audit Office has overseen compliance with the obligation to disclose election campaign funding and election campaign costs as laid down in the Act on a Candidate's Election Funding (273/2009). Under section 10, subsection 3 of the Act, the National Audit Office shall submit to Parliament an election-specific report on the election funding disclosures it has received and on its work as the body overseeing compliance with the disclosure obligation (report on the oversight of election campaign funding).

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Key findings of the oversight

All the ten actors subject to the disclosure obligation in the 2024 presidential election have filed the election funding disclosure referred to in the Act on a Candidate's Election Funding, i.e. a disclosure of the funding and costs of their election campaign. In the presidential election, the disclosure obligation applied to the political parties nominating a candidate and the polling representatives of constituency associations nominating a candidate, or the representative's alternate. The actor subject to the disclosure obligation, i.e. the discloser, is responsible for the accuracy of the information provided in the election funding disclosure.

In the 2024 presidential election, advance disclosures were to be filed no later than the day before the election day. An advance disclosure is a plan for the funding and costs of the election campaign, and it is based on an estimate made at the time of filing the disclosure.

Of the ten candidates, seven filed an advance disclosure by the deadline.

The National Audit Office examined the information provided in the election funding disclosures on receipt of the disclosures and later on the basis of additional information received from the disclosers. The National Audit Office requested all the disclosers to submit their campaign bank statements and accounting information to help it to verify that the information provided in the election funding disclosures was accurate. All disclosers submitted the requested additional information on their election campaign funding to the National Audit Office. The additional information received from the disclosers is to be kept secret under the Act on the Openness of Government Activities¹.

After receiving the additional information, the National Audit Office compared the information received with the discloser's election funding disclosure. As part of the verification of the accuracy of the information in the election funding disclosures, the National Audit Office also arranged a separate meeting with each discloser to discuss the election funding disclosure.

Nine disclosers supplemented or modified the information in their disclosure after it had been filed. The additions or modifications were mainly related to specifying the funding information provided in the election funding disclosures. One of the most typical errors (repeated from one election to another) is the lack of information on individual donors. The disclosures were amended in this respect in the 2024 presidential election as well. The donor should be specified if the contribution provided is at least EUR 1,500.

After examining the disclosures, the additional information provided by the disclosers and the additions made by them, the National Audit Office is not aware of any matters on the basis of which it would have any reason to doubt the accuracy of the disclosures.

The funding of political activities is regulated by the Act on a Candidate's Election Funding. The Act lays the foundation for the openness and transparency of elections and

election campaign funding. It is essential to the openness of elections that voters can find out the sources from which political parties or other political actors nominating candidates have received funding for their campaigns. The Act on a Candidate's Election Funding applies to parliamentary elections, presidential elections, county elections, municipal elections and European Parliament elections.

The election campaign funding disclosed should include the candidates' own funds and the loans they have taken out to finance their election campaign, as well as any outside contributions that they, their support groups and other support entities have received for the campaign. Outside contributions should be disclosed both in total and itemised by donors. The disclosure should also specify the donors of significant contributions and the contributions received from them.

Election funding disclosures are public. They are available in the vaalirahoitusvalvonta.fi web service.



1 What does election campaign funding mean and why is it overseen?

The purpose of the Act on a Candidate's Election Funding² is to regulate the funding of political activities. The Act on a Candidate's Election Funding lays the foundation for transparent election campaign funding. The Act on a Candidate's Election Funding applies to parliamentary elections, presidential elections, county elections, municipal elections and European Parliament elections.

The purpose of the Act on a Candidate's Election Funding is to improve the transparency of election campaign funding and provide more information on the candidates' possible ties to third parties. The Act also aims to limit the increase in candidates' election campaign costs.

Under the Act on a Candidate's Election Funding, those subject to the disclosure obligation shall disclose their election campaign funding and costs to the National Audit Office. The Act also defines the type of campaign funding that may not be accepted and provides for an obligation to name the donors of campaign contributions if the value of the contribution is at least EUR 1,500 in presidential elections.

In presidential elections, the disclosure obligation applies to the political parties nominating a candidate and the polling representatives of constituency associations nominating a candidate, or the representative's alternate. Under the Act on a Candidate's Election Funding, the discloser is responsible for the content of their election funding disclosure.

1.1 What does election campaign funding mean?

Election campaign funding refers to all funding raised to cover the costs of a candidate's election campaign incurred no earlier than six months before the election day and no later than two weeks after the election day, irrespective of when such costs are paid. The campaign period begins six months before the election day and ends two weeks after the election day.

The recipient of *a candidate's election funding* may be the candidate, their support group or other entity operating exclusively for the purpose of promoting the candidate, and they are interpreted as a single entity. From the perspective of election campaign

The Act on a Candidate's Election Funding lays the foundation for transparent election campaign funding. It is part of the transparency that voters can find out from where political actors receive funding.



funding, they form a single entity, and the actor subject to the disclosure obligation must disclose the election funding received by all of them.

A candidate's election funding may consist of

1. the candidate's own funds and any loans taken out by the candidate
2. campaign contributions received by the candidate, the candidate's support group or other entity operating exclusively for the purpose of promoting the candidate
3. other campaign contributions.

The election funding should be disclosed both in total and itemised into the candidate's own funds, the loans taken out by the candidate and any contributions received by the candidate, the candidate's support group or any other entity operating exclusively to promote the candidate.

The loans taken out by the candidate also include the invoices that are outstanding at the time of filing the disclosure.

Any contributions received by the candidate, the candidate's support group or any other entity operating exclusively to promote the candidate should be grouped in the disclosure according to the donor as contributions received from private individuals, companies, the political party, party associations and other actors.

Election campaign costs are considered to refer to all such costs incurred during the campaign period that have the functional purpose of promoting the election of the candidate and that the candidate can influence. Election campaign costs are considered to include costs incurred during the campaign period even if they were paid outside the campaign period.

1.2 Why is election campaign funding overseen?

Open and honest elections are the cornerstone of a well-functioning democracy. A principal objective of the Act on a Candidate's Election Funding is to prevent corruption and to ensure that the political system can rely on adequate resources. The limitations on political party and election campaign funding and the objectives related to transparency have generally been found not to be fully effective if the system does not include active oversight and the threat of sanctions in practice.

It is essential to the openness of elections that voters can find out the sources from which political parties or other political actors nominating candidates have received funding for their campaigns. The Act on a Candidate's Election Funding therefore includes a provision according to which the names of donors that have funded the campaign significantly and the amounts of the contributions must be specified in the election funding disclosure. The National Audit Office publishes the disclosures it has received without delay in the vaalirahoitusvalvonta.fi web service, where anybody can view the information disclosed.

Strong economic dependence on one donor may give rise to suspicions that the donor is attempting to inappropriately influence the candidates or the policy pursued by the party nominating the candidates.³ Therefore, the Act on a Candidate's Election Funding includes a maximum for contributions a candidate may accept from a single donor in municipal elections, parliamentary elections, county elections and European Parliament

elections. An exception to this is presidential elections. The Act on a Candidate's Election Funding does not specify a maximum for contributions a candidate may accept from a single donor in a presidential election. In the preparatory documents of the Act, it is stated that a ceiling should not be specified for presidential elections, where campaigns are usually political-party-driven and larger than in other elections.⁴

The obligation to disclose election campaign funding increases public information on candidates' possible ties to third parties. Contributions should be grouped in the election funding disclosure on the basis of the donor into contributions received from private individuals, companies, the political party, party associations and other actors.

The National Audit Office oversees compliance with the disclosure obligation. International organisations also play an important role in defining good practices related to transparency and in overseeing that different countries comply with the commitments and standards related to election campaign funding.

The Act on a Candidate's Election Funding entered into force in 2010. The Act took into account the recommendations made to Finland by the Group of States against Corruption (GRECO) of the Council of Europe. One of them concerned the assignment of the task of overseeing election campaign funding to the independent National Audit Office.

The Organization for Security and Cooperation in Europe (OSCE) regularly monitors presidential elections, European Parliament elections and parliamentary elections. The OSCE draws up a separate report on each election observation mission, and the reports are available on the OSCE's website.



2 Election campaign funding must be disclosed

The Act on a Candidate’s Election Funding requires that the candidates elected to a position of trust and other actors subject to the disclosure obligation should file an election funding disclosure. The disclosure is sent to the National Audit Office, which oversees that all those subject to the disclosure obligation file a disclosure and that the disclosure contains the information required by the Act.

The Act also includes limitations on election campaign funding. The Act lists the donors from which election funding may not be accepted. Unlike in the case of other elections, the Act does not specify a maximum for contributions that a candidate, the candidate’s support group or other entity operating exclusively for the purpose of promoting the candidate may accept from one and the same donor in a presidential election. Under the Act on a Candidate’s Election Funding, the oversight of the limitations on election funding is not part of the National Audit Office’s oversight task. However, one of the tasks of the National Audit Office is to ensure the accuracy and completeness of the information contained in the election funding disclosures and thus, as part of its oversight tasks, it in practice also oversees compliance with the limitations.

Election funding disclosures are public, and anyone has the right to view them. The National Audit Office publishes the disclosures it has received immediately in the vaalirahoitusvalvonta.fi web service, where they are publicly available for a period specified in the Act on a Candidate’s Election Funding, i.e. seven years from the confirmation of the results of the presidential election.

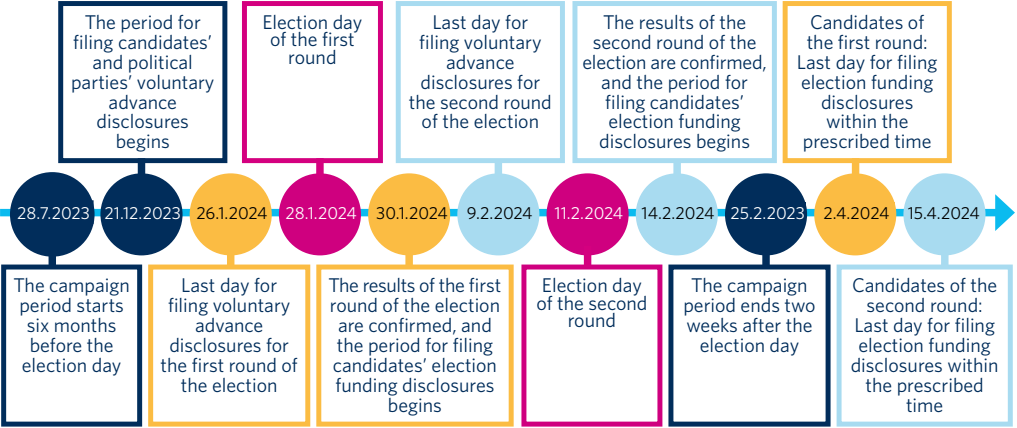


Figure 1: Timeline of the 2024 presidential election



The discloser is responsible for the content of their election funding disclosure.

2.1 Who has to file an election funding disclosure?

The Act on a Candidate's Election Funding specifies the actors that are subject to the disclosure obligation, i.e. the actors that should file an election funding disclosure with the National Audit Office.⁵

In presidential elections, the disclosure obligation applies to the political parties nominating a candidate and the polling representatives of constituency associations nominating a candidate, or the representative's alternate. Under the Act on a Candidate's Election Funding, the discloser is responsible for the content of their election funding disclosure.

The law does not provide for specific sanctions for individual minor errors in the election funding disclosures. However, essential errors and omissions should be remedied, as the National Audit Office may impose a penalty payment if the disclosure is found to be inaccurate or incomplete in essential parts. The National Audit Office may also impose a penalty payment if the discloser fails to file an election funding disclosure.

2.2 How and when should an election funding disclosure be filed?

The election funding disclosure should be filed with the National Audit Office within two months of the confirmation of the election results. The National Audit Office sends guidelines for filing election funding disclosures to the actors subject to the disclosure obligation.

The disclosure is preferably filed using a form approved by the National Audit Office. The information required by the law can also be provided by other means⁶.

2.3 Advance disclosure of election funding

When making a voting decision, the voters should already have information on the candidates' election funding. Therefore, the Act on a Candidate's Election Funding provides for a voluntary advance disclosure, by which the political nominating a candidate or the polling representative of a constituency association nominating a candidate, or the representative's alternate, can disclose their plans for the costs and funding of the election campaign.

The advance disclosure can be filed before the election day but only after the list of candidates has been prepared. The advance disclosures are filed with the National Audit Office, which publishes them without delay in the web service of the oversight of election campaign funding.

The National Audit Office's guidelines for filing advance disclosures are available, for example, in the web service of the oversight of election campaign funding. The National Audit Office also provides information about the filing of advance disclosures on its website and social media accounts to encourage as many candidates as possible to file an advance disclosure.⁷

2.4 What information should be provided in the election funding disclosure?

In the election funding disclosure, the discloser should itemise the funding and costs of their election campaign. Election campaign funding refers to all funding raised to cover the costs of a candidate's election campaign incurred no earlier than six months before the election day and no later than two weeks after the election day, irrespective of when such costs are paid.⁸

Election campaign funding

Election campaign funding can consist of a candidate's own funds and loans or contributions received from a third party. Outside contributions may have been provided in the form of money, goods, service or a similar form. Contributions may also be provided for consideration, i.e. the candidate or their support group has collected them by selling specific goods or services.

Ordinary voluntary work and ordinary free services do not constitute election funding within the meaning of the law and do not need to be disclosed in the election funding disclosure.

Each discloser must provide a disclosure of their election campaign funding itemised as follows:

- the candidate's own funds and the loans that they have taken out
- all outside contributions received by the candidate, their support group or other entity operating exclusively for the purpose of promoting the candidate.

In the election funding disclosure, the loans taken out by the candidate should also include the invoices that remain outstanding at the time of filing the disclosure.

Outside contributions should be itemised according to the donor into contributions provided by private individuals, companies, the political party, party associations and other actors.

For each contribution of at least EUR 1,500 in the presidential election, the election funding disclosure should disclose the value of the contribution and the name of the donor.

All contributions received from a single donor for the candidate's campaign costs are to be added up and disclosed as a single contribution.



Disclosers should itemise the costs and funding of their election campaigns.

Election campaign costs

All such costs arising during the campaign that have the operational aim of promoting the election of the candidate in the election and that the candidate can influence are considered election campaign costs. The costs must have been incurred during the campaign period, but they may have been paid outside the campaign period.

In the election funding disclosure, campaign costs should be itemised into the costs of election campaign advertising and the planning of advertising, the costs of rallies, the costs for obtaining contributions for consideration and other costs.

The disclosed costs of election campaign advertising should include all outdoor advertising paid by the candidate, their support group or an entity operating for the purpose of promoting the candidate as well as advertising in newspapers, periodicals and free newspapers, in the radio and on television, in data networks, social media and other means of communication. The costs of purchasing printed election newsletters, leaflets and other materials and the costs of campaign planning should also be disclosed.⁹ The breakdown is based on the Act on a Candidate's Election Funding.

2.5 What kinds of contributions can be accepted in an election campaign?

The Act on a Candidate's Election Funding lays down certain limitations on election campaign funding. The Act does not provide for sanctions for non-compliance with the limitations. Sanctions have not been provided for because, according to the legislator, the negative publicity resulting from violation of the limitations has been considered a punishment in itself. Non-compliance with the limitations falls under so-called political responsibility. The National Audit Office may impose a penalty payment only if it finds essential errors or omissions in the contents of the election funding disclosure.

Through its own activities, the National Audit Office aims to ensure that as many candidates and disclosers as possible are aware of the limitations on election campaign funding and that it is possible for the public to view whether the elected candidates and other actors subject to the disclosure obligation have complied with the limitations laid down in the Act on a Candidate's Election Funding. The National Audit Office publishes the election funding disclosures it receives immediately in the vaalirahoitusvalvonta.fi web service. The published disclosures are stored in the web service for a period of seven years from the confirmation of the results of the presidential election.

It must be possible to find out the donor of a campaign contribution

According to the Act on a Candidate's Election Funding, it must be possible to find out the donor of a campaign contribution. Contributions may not be accepted from donors that cannot be identified. However, this does not apply to support resulting from ordinary fundraising, such as the sale of lottery tickets or cash collections on the street, in which an individual person typically participates with a very small amount.¹⁰

Contributions may not be accepted from public-sector organisations - acceptance of contributions from foreign donors is also limited

Contributions for an election campaign may not be accepted from the central government, a wellbeing services county, a wellbeing consortium, a municipality or a joint municipal authority. Nor may contributions be accepted from an unincorporated state, county or municipal enterprise, an association, institution or foundation governed by public law, or a company controlled by the state or a municipality. However, ordinary hospitality is permitted.

Foreign contributions may be accepted for the election campaign only from private individuals and from organisations and foundations that represent the candidate's ideology.¹¹

The donor's name must be published in the case of contributions of at least EUR 1,500

If a candidate has received contributions of at least EUR 1,500 from a single donor for their presidential election campaign, the donor's details should be disclosed in the election funding disclosure. The limit for disclosing the donor's details is laid down in the Act on a Candidate's Election Funding, and it is election-specific.¹²

The name of a private individual may not be published without their express consent if the value of their contribution is less than EUR 1,500

The payer of an election advertisement should be displayed on the advertisement

It should be ensured in an election campaign that an advertisement that is part of an election campaign or intended to support it displays the name of the payer of the advertisement.

If the value of an advertisement paid by a private individual is less than EUR 1,500 in a presidential election, the name of the payer may not be published without their express consent. The name of a private individual must always be published if the value of the advertisement paid by them is at least EUR 1,500.¹³

The Act on a Candidate's Election Funding lays down certain limitations on election campaign funding. The Act does not provide for sanctions for non-compliance with the limitations.



2.6 The Act on a Candidate's Election Funding encourages comprehensive transparency

The legislation enables candidates to be highly transparent about their election campaign funding. Only in the case of funding received from private individuals, the donor's express consent is required to publish the donor's name if the contribution is below the specified limit, i.e. under EUR 1,500.

In the case of other categories of financial support, the candidates have the possibility of disclosing the name of the donor of each individual contribution, even if the contribution is below EUR 1,500. So far, few actors have voluntarily disclosed the names of the donors of contributions of less than EUR 1,500.



If the value of a contribution received for the presidential election campaign is at least EUR 1,500, the name of the donor and the value of the contribution must be disclosed in the election funding disclosure.



3 Oversight of election campaign funding by the National Audit Office



Under the Act on a Candidate's Election Funding, it is the task of the National Audit Office to oversee that the elected candidates and other actors subject to the disclosure obligation file an election funding disclosure according to the Act. The National Audit Office also oversees that the disclosures contain the information on election funding required by the Act and that the information is accurate.¹⁴

The National Audit Office also advises those subject to the disclosure obligation on the filing of election funding disclosures and reminds them of filing the disclosure. If a discloser fails to file the statutory disclosure despite being reminded by the National Audit Office to do so or if the disclosure is found to be inaccurate or incomplete in essential parts, the National Audit Office may require the discloser to file the disclosure or correct the error or provide the missing information on pain of a penalty payment.

In other words, the National Audit Office oversees compliance with the disclosure obligation under the Act on a Candidate's Election Funding. The National Audit Office is not responsible for overseeing compliance with other provisions of the Act.

For example, the limitations on a candidate's election campaign funding¹⁵ are outside the scope of the National Audit Office's oversight obligation and fall under political responsibility. In practice, however, the National Audit Office often oversees compliance with the limitations by overseeing the accuracy and completeness of the information in the disclosure.

Filing an election funding disclosure and disclosing the information requested in the disclosure is a statutory obligation. If necessary, the National Audit Office may require an actor subject to the disclosure obligation to file the disclosure or to supplement the information in it on pain of a penalty payment. The discloser is always responsible for the content of the disclosure.

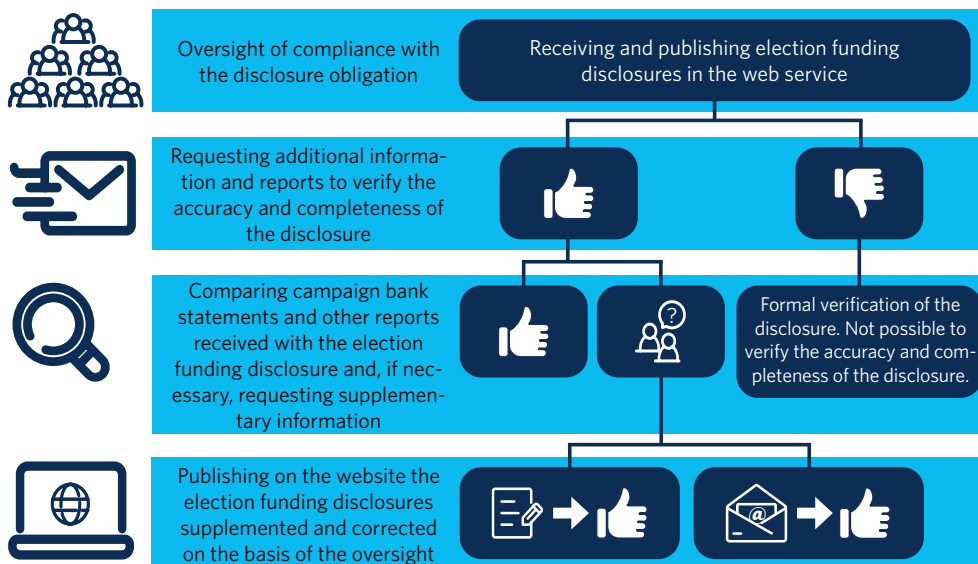


Figure 2: Process of the oversight of election campaign funding

Election funding disclosures are public, and anyone has the right to view them. The National Audit Office maintains the vaalirahoitusvalvonta.fi web service, where it publishes the election funding disclosures it receives without delay. In the service, it is also possible to view disclosures related to previous elections. The service includes ready-made reports to facilitate information retrieval.

Before the presidential election campaign period began, the National Audit Office adopted guidelines for filing election funding disclosures. After the guidelines had been adopted, they were sent to all actors subject to the disclosure obligation and published in the Finlex database and in the vaalirahoitusvalvonta.fi web service.

3.1 The National Audit Office oversees that those subject to the disclosure obligation file an election funding disclosure

The National Audit Office is responsible for overseeing compliance with the disclosure obligation.

The National Audit Office issued guidelines for filing election funding disclosures in the 2024 presidential election. The guidelines are available in the Finlex database and in the vaalirahoitusvalvonta.fi web service. The guidelines were also sent to all actors subject to the disclosure obligation before the election.



The National Audit Office oversees compliance with the disclosure obligation under the Act on a Candidate's Election Funding.

CRITERIA IN THE OVERSIGHT OF ELECTION CAMPAIGN FUNDING: Compliance with the disclosure obligation¹⁶

The National Audit Office oversees compliance with the disclosure obligation on the basis of the following criteria:

1. All actors subject to the disclosure obligation file an election funding disclosure.
2. The election funding disclosure is filed within the time prescribed, i.e. within two months of the confirmation of the results of the election.
3. The election funding disclosure is filed by the actor that is subject to the disclosure obligation under the law. The disclosure may not be filed on behalf of another actor.

If an actor subject to the disclosure obligation fails to file the election funding disclosure despite a reminder to do so or if the disclosure is inaccurate or incomplete in essential parts, the National Audit Office may require the actor to file the disclosure or to correct the error or provide the missing information on pain of a penalty payment. The penalty payment is imposed by the Sanction and Penalty Board referred to in the Act on the National Audit Office of Finland.

3.2 The National Audit Office oversees that the election funding disclosures provide accurate and complete information

As part of its oversight task, the National Audit Office can, at its discretion, request disclosers to provide additional information and reports so that it can verify the accuracy and completeness of the disclosures.

However, the obligation to provide information only applies to the actor subject to the disclosure obligation, and the National Audit Office does not have the right to request reports or additional information from third parties. Thus, the National Audit Office has no right to demand or collect comparative information to verify the accuracy of the disclosures. This is an essential restriction from the perspective of the oversight.

CRITERIA IN THE OVERSIGHT OF ELECTION CAMPAIGN FUNDING: What information in the election funding disclosure is verified?¹⁷

When receiving election funding disclosures, the National Audit Office ensures that the disclosures contain the information required by the Act on a Candidate's Election Funding. The National Audit Office has the right to request the disclosers to provide their campaign bank statements or similar additional information and reports supplementing the election funding disclosures so that it can verify the accuracy of the disclosures.

1. Candidate's details

The disclosure includes the candidate's full name, title, occupation or position. The disclosure also includes the name of the political party that nominated the candidate or an indication that the candidate was nominated by a constituency association.

2. Election campaign costs

The disclosure indicates the total election campaign costs. The costs are itemised into costs for election campaign advertisements in newspapers, periodicals and free newspapers, in the radio and on television and in data networks and other communications media, outdoor advertising, purchasing of campaign newsletters, leaflets and other printed materials, advertising campaign planning, organisation of rallies and other costs.

3. Election campaign funding

The disclosure indicates all election campaign funding. The funding is itemised into the candidate's own funds and all contributions received by the candidate, the candidate's support group or other entity operating exclusively for the purpose of promoting the candidate. Outside contributions are grouped into contributions received from private individuals, companies, the political party, party associations and other sources.

4. Details of donors that have donated at least EUR 1,500

The discloser has stated in the disclosure whether the campaign funding included contributions of at least EUR 1,500. If the discloser received contributions of at least EUR 1,500, the name and other details of the donor must be indicated in the disclosure.

5. The election funding covers the campaign costs

In the law, election campaign funding refers to the funding raised to cover the costs of a candidate's election campaign incurred over a period starting no earlier than six months before the election day and ending no later than two weeks after the election day, irrespective of when such costs are paid.

6. The disclosures do not contain any essential calculation errors or other technical errors

After examining the funding disclosures, the National Audit Office may request a discloser to file a new disclosure, to provide additional information to supplement the disclosure, or to provide information corroborating the accuracy and completeness of the disclosure.

If a actor subject to the disclosure obligation fails to file the election funding disclosure despite a reminder to do so or if the disclosure is inaccurate or incomplete in essential parts, the National Audit Office may require the actor to file the disclosure or to correct the error or provide the missing information on pain of a penalty payment. The penalty payment is imposed by the Sanction and Penalty Board referred to in the Act on the National Audit Office of Finland.

3.3 The National Audit Office guides and advises disclosers in filing election funding disclosures and reminds them of filing the disclosure

The National Audit Office guides and advises those subject to the disclosure obligation in filing the election funding disclosure and provides information actively on the important deadlines on its website and on social media.

The National Audit Office provides information on the possibility of filing a voluntary advance disclosure of election campaign funding and on the last date of filing it. Once the election results have been confirmed, the National Audit Office sends guidelines for filing the actual election funding disclosure to all actors subject to the disclosure obligation.

The National Audit Office maintains a telephone service from which candidates and those subject to the disclosure obligation can receive instructions Mon–Fri 10–14. The oversight of election campaign funding can also be contacted by email.

3.4 The National Audit Office publishes the election funding disclosures in the vaalirahoitusvalvonta.fi web service

Election funding disclosures are public, and anyone has the right to view them. The disclosure obligation increases the amount of publicly available information on the candidates' possible ties to third parties.

The National Audit Office ensures the openness and transparency of election campaign funding by maintaining the vaalirahoitusvalvonta.fi web service and publishing the advance disclosures and election funding disclosures it receives in the service as soon as they are received.

The disclosures remain available to the public in the web service for a period of seven years from the confirmation of the results of the presidential election.



4 Observations in the oversight of the 2024 presidential election

There were ten actors subject to the disclosure obligation in the 2024 presidential election. In the presidential election, the obligation to file an election funding disclosure applied to the political parties nominating a candidate and the polling representatives of constituency associations nominating a candidate, or the representative's alternate. All actors subject to the disclosure obligation in the 2024 presidential election filed the election funding disclosure referred to in the Act on a Candidate's Election Funding by the statutory deadline.

As part of the verification of the accuracy of the information in the election funding disclosures, the National Audit Office arranged a separate meeting with each discloser to discuss the observations made in the oversight and any corrections needed.

A total of nine disclosers supplemented or modified the information in their disclosure after it had been filed.

After examining the disclosures, the campaign bank statements or corresponding reports provided by the disclosers and the supplementary information provided, the National Audit Office is not aware of any matters on the basis of which it would have any reason to doubt the accuracy of the disclosures.

All advance disclosures filed by the deadline have been published in the vaalirahoitusvalvonta.fi web service. The advance disclosures filed by those subject to the disclosure obligation remain available to the public for a period of seven years, until 14 February 2031.

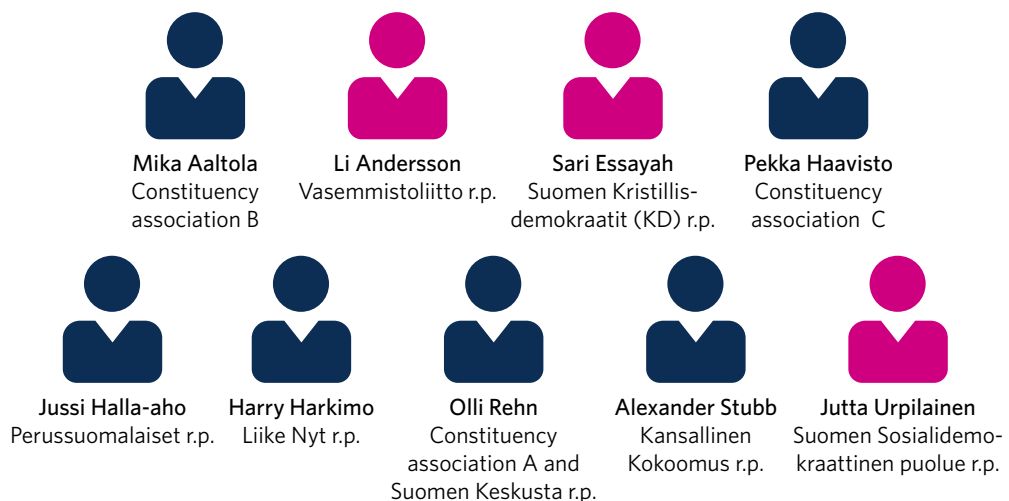


Figure 3: Candidates and actors nominating candidates in the 2024 presidential election

4.1 Advance disclosures of election campaign funding

In the 2024 presidential election, advance disclosures were to be filed no later than the day before the election day. An advance disclosure is a plan for election campaign funding and costs, and it is based on an estimate made at the time of filing the disclosure.

Of the ten candidates, seven filed an advance disclosure by the deadline. Olli Rehn was a candidate nominated by both a constituency association and Suomen Keskusta r.p. Both the constituency association and the political party were under the obligation to file an election funding disclosure.

By filing an advance disclosure, a candidate can inform their voters transparently before the election day of the sources of their funding. The popularity of advance disclosures has decreased in presidential elections. In 2012, all candidates filed an advance disclosure. In 2018, one candidate did not file it, and in 2024, three candidates did not file it (Liike Nyt r.p., Perussuomalaiset r.p. and Suomen Keskusta r.p.).

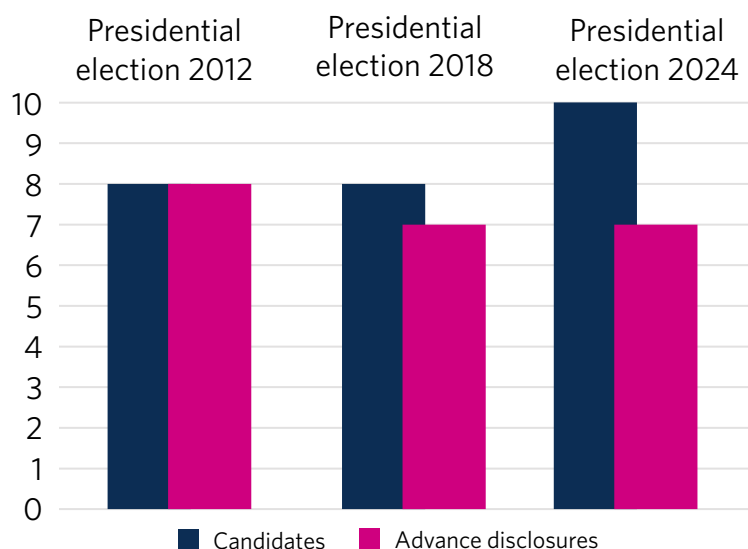


Figure 4: Advance disclosures filed by all candidates in the 2012, 2018 and 2024 presidential elections

4.2 Election funding disclosures

In the presidential election, the oversight was divided into two main tasks. In the first phase, the National Audit Office checked that all actors subject to the disclosure obligation had filed an election funding disclosure. On receipt of the disclosures, the National Audit Office also examined whether the disclosures contained the information required under the Act on a Candidate's Election Funding and whether the information had been disclosed at the accuracy referred to in the Act.

All ten actors subject to the disclosure obligation in the 2024 presidential election filed the election funding disclosure by the deadline.



In the second phase of the oversight, the National Audit Office oversaw that the election funding disclosures contained accurate information. The National Audit Office requested all ten disclosers to provide campaign bank statements and accounting information that were necessary to verify the accuracy and completeness of the disclosure.

The accuracy of the election funding disclosures was overseen by comparing the information in the disclosures with the additional information, accounting information and campaign bank statements submitted to the National Audit Office. The aim was to verify that the transactions, etc., shown in the additional information had been duly disclosed in the election funding disclosures. By means of the additional information, the overseers strived to verify particularly that the contributions from outside donors had been entered correctly in the election funding disclosures.

If a discloser fails to provide the National Audit Office with additional information or reports despite being requested to do so, the National Audit Office is not allowed to oblige them to do so under the Act on a Candidate's Election Funding.

All disclosers submitted the requested additional information on their election campaign funding to the National Audit Office. After the election funding disclosures had been processed and verifications had been made, eight disclosers supplemented or corrected their disclosure at the request of the National Audit Office. A total of nine election funding disclosures were supplemented or modified after they had been filed.

The additions or modifications were mainly related to specifying the funding information provided in the election funding disclosures. One of the most typical errors (repeated from one election to another) is the lack of information on individual donors. The disclosures were amended in this respect in the 2024 presidential election as well. The donor must be specified if the contribution provided by the donor is at least EUR 1,500.

Table 1: Summary of the actors subject to the disclosure obligation and of the disclosures

Discloser	Discloser's candidate	Advance disclosure filed	Election funding disclosure filed	Election funding disclosure modified
Kansallinen Kokoomus r.p.	Alexander Stubb	Yes	Yes	Yes
Liike Nyt r.p.	Harry Harkimo	No	Yes	Yes
Perussuomalaiset r.p.	Jussi Halla-aho	No	Yes	Yes
Suomen Keskusta r.p.	Olli Rehn	No	Yes	Yes
Suomen Kristillisdemokraatit (KD) r.p.	Sari Essayah	Yes	Yes	Yes
Suomen Sosialidemokraattien puolue r.p.	Jutta Urpilainen	Yes	Yes	Yes
Constituency Association A	Olli Rehn	Yes	Yes	Yes
Constituency Association B	Mika Aaltola	Yes	Yes	Yes
Constituency Association C	Pekka Haavisto	Yes	Yes	Yes
Vasemmistoliitto r.p.	Li Andersson	Yes	Yes	No



5 Election campaign funding for the 2024 presidential election in euros



The aim of the Act on a Candidate's Election Funding is to increase the transparency of election funding and the amount of information on the candidates' possible ties to third parties. In addition, the Act aims to curb the increase in the candidates' campaign costs.

Based on the election funding disclosures, the oversight of election campaign funding compiled summary data in euros on the election funding in the 2024 presidential election. The figures are based on the election funding disclosures of the actors subject to the disclosure obligation.

Compared with the 2018 presidential election, the total funding of election campaigns has increased, as have also outside contributions for election campaigns. The average campaign costs have also increased from the 2018 presidential election.

5.1 Total funding, own funds and outside contributions

Based on the election funding disclosures, the total election funding of the actors subject to the disclosure obligation in the 2024 presidential election amounted to EUR 7.8 million. Outside contributions received by the disclosers for their election campaigns amounted to EUR 4.9 million, i.e. 63% of the total funding. Of the total funding, EUR 2.9 million, or 37%, consisted of the political party's, constituency association's or candidate's own funds.

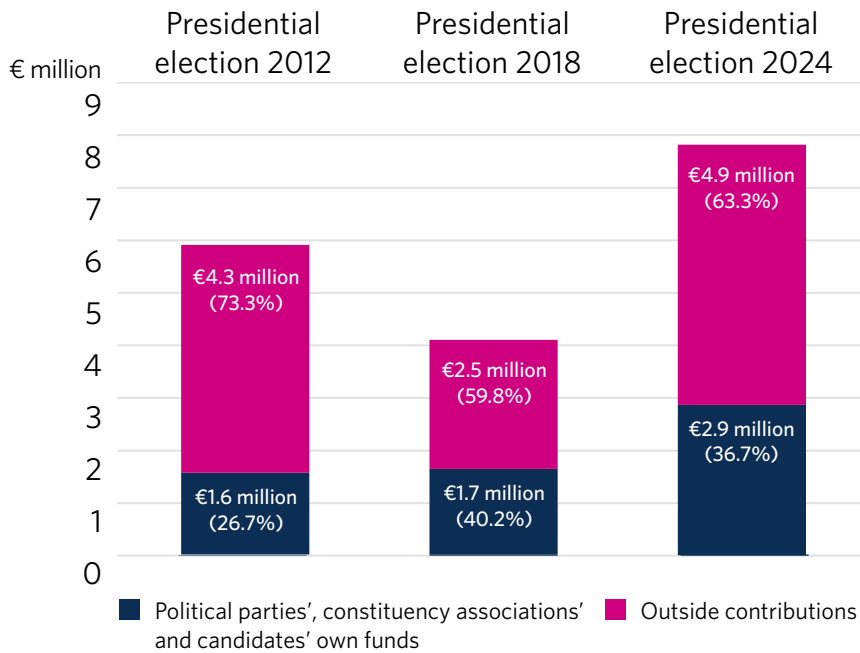


Figure 5: Election campaign funding in the 2012, 2018 and 2024 presidential elections: own funds and outside contributions.

5.2 Donors of outside contributions must be named in the election funding disclosure

One of the purposes of the Act on a Candidate's Election Funding is to increase the transparency of election funding and the amount of information on the candidates' possible ties to third parties. In presidential elections, the election funding disclosure must indicate an individual contribution and the name of the donor if the value of the contribution is at least EUR 1,500.

Based on the election funding disclosures, the actors subject to the disclosure obligation in the 2024 presidential election received a total of approximately EUR 4.9 million in contributions from donors outside the campaign. The donors named in the election funding disclosures accounted for approximately EUR 3.1 million (63%) of these outside contributions.

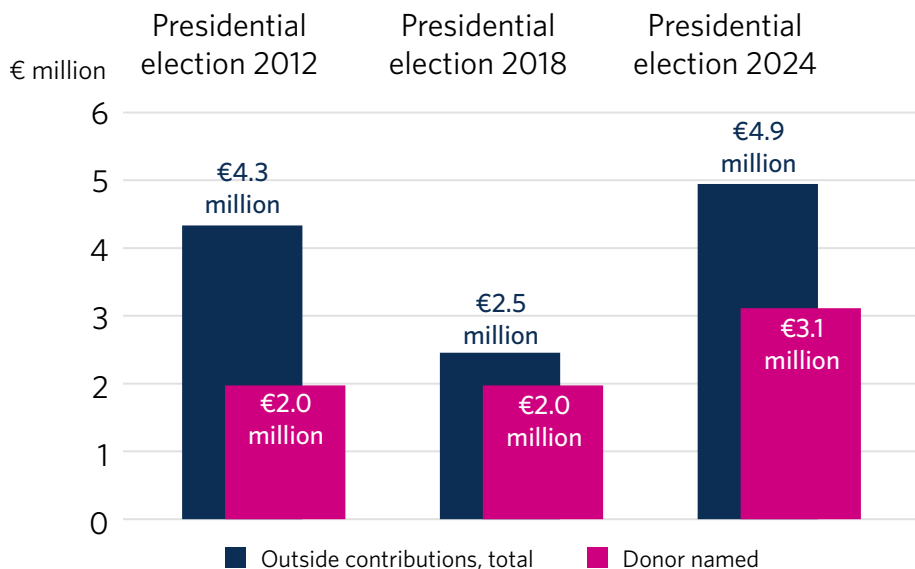


Figure 6: Election campaign funding in the 2012, 2018 and 2024 presidential elections: total of outside contributions and the proportion of donors named in the election funding disclosures

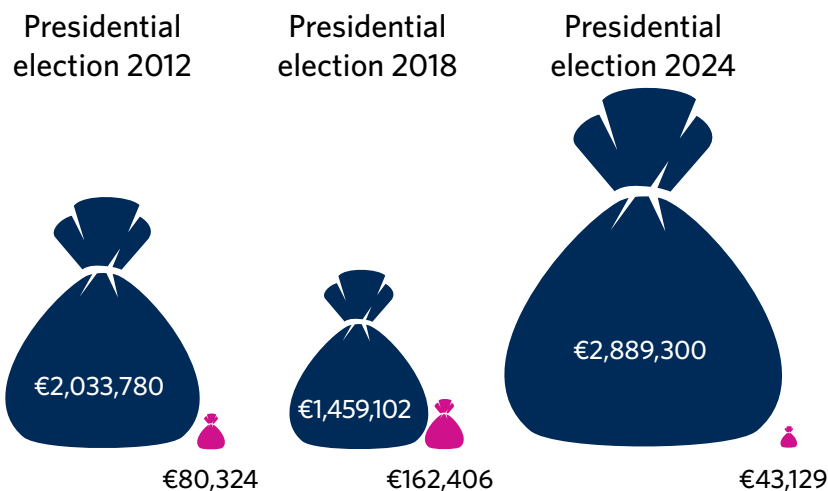


Figure 7: Election campaign funding in the 2012, 2018 and 2024 presidential elections: smallest and largest election campaigns

Based on the election funding disclosures, the amount of election campaign funding in the 2024 presidential election varied considerably between those subject to the disclosure obligation: the largest campaign was EUR 2,889,300 while the smallest one was EUR 43,129. The different sources of contributions received are presented in Figure 8.

The breakdown of campaign costs between different cost types is presented in Figure 10.

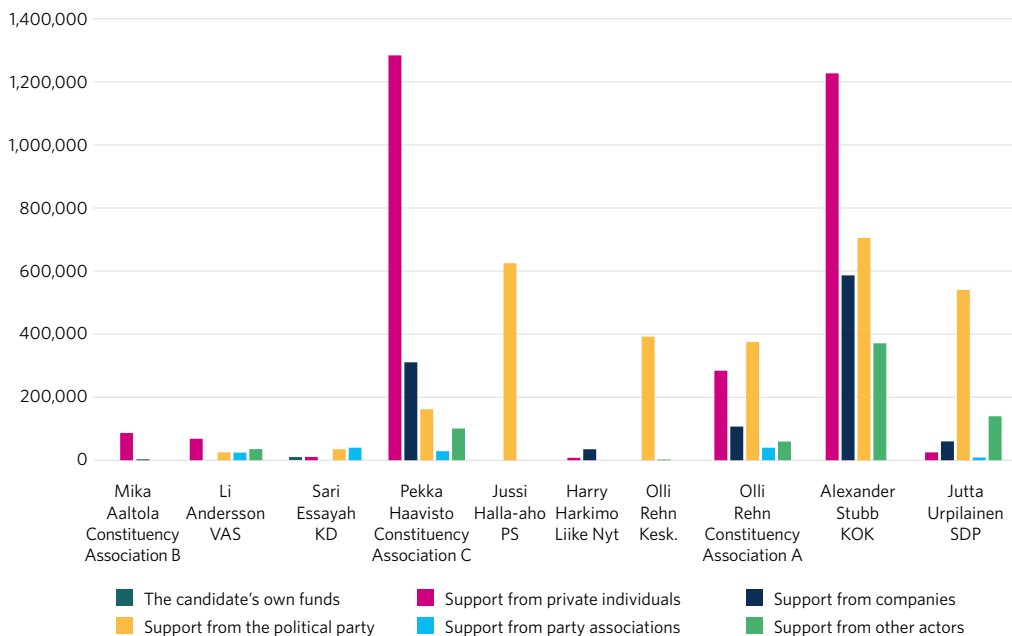


Figure 8: Sources of funding of the actors subject to the disclosure obligation in the 2024 presidential election

5.3 Campaign costs

Based on the election funding disclosures, the campaign costs in the 2024 presidential election totalled EUR 7.6 million. The average campaign costs of all disclosers were thus approximately EUR 765,256.

The purpose of the Act on a Candidate's Election Funding is also to curb the increase in candidates' election campaign costs. In the preparatory documents of the Act, it is stated that a continuous increase in campaign costs is not without problems in terms of the functioning of democracy. In practice, it limits the possibility of standing as a candidate without significant own funds or outside contributions.¹⁸

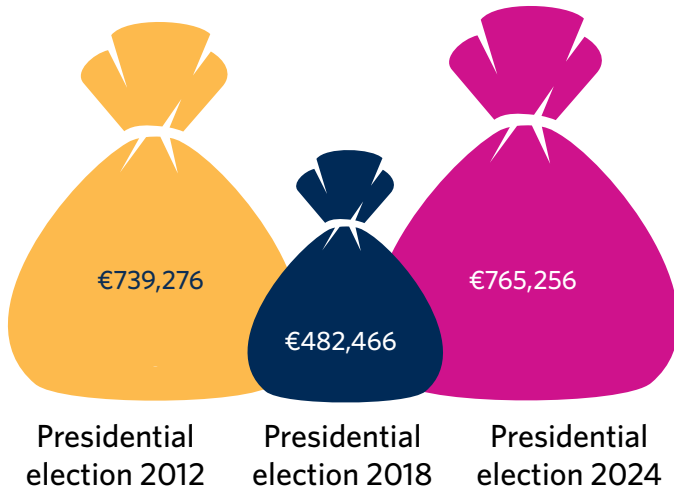


Figure 9: Election campaign funding of those subject to the disclosure obligation in the 2012, 2018 and 2024 presidential elections: average election campaign costs per discloser.

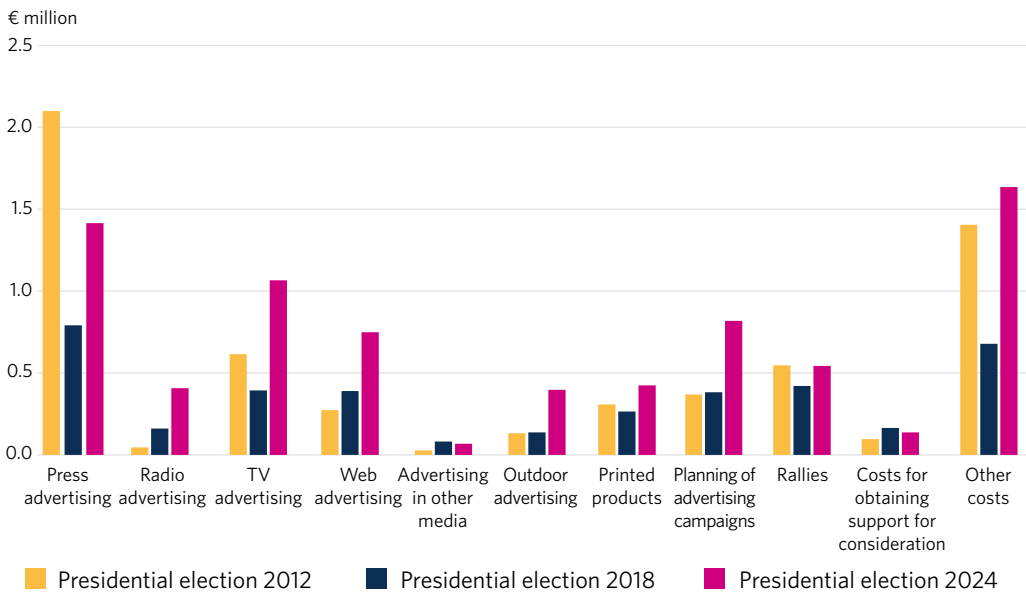


Figure 10: Breakdown of campaign costs per cost type in the 2012, 2018 and 2024 presidential elections



6 Restrictions on the oversight mandate and the need to amend the Act on a Candidate's Election Funding

6.1 Shortcomings in the oversight mandate

The National Audit Office oversees election campaign and political party funding within the limits of the mandate granted to it. However, the practical oversight work has revealed such shortcomings in the current oversight mandate of the National Audit Office that make it difficult to carry out the oversight tasks appropriately and can therefore significantly limit the implementation of transparency of election campaign and political party funding within the meaning of the law.

During the parliamentary term 2019–2023, a reform of the legislation on political parties and election campaign funding was prepared. The work resulted in government proposal 254/2022 on the amendment of the Act on a Candidate's Election Funding and the Act on Political Parties. The legislative proposal lapsed because it had not been processed before the parliamentary elections of spring 2023. Therefore, the legislative amendments that would have been essential for the oversight of political party and election campaign funding were not made.

In the spring of 2024, the Ministry of Justice submitted a draft government proposal to Parliament on the amendment of the Act on a Candidate's Election Funding, the Act on Political Parties, the Election Act and the Act on Citizens' Initiatives. The proposal is based on the Government Programme of Prime Minister Petteri Orpo's Government and partly on the lapsed government proposal 254/2022.

6.2 Comparative information would enhance the oversight

As part of its oversight task in the 2024 presidential election, the National Audit Office requested the disclosers to provide additional information and reports so that it could verify the accuracy and completeness of the election campaign disclosures. However, the obligation to provide information applies only to the actor subject to the disclosure obligation, and the National Audit Office does not have the right to request reports or additional information from third parties. Thus, in practice, the National Audit Office has no right to demand or collect comparative information to verify the accuracy of the disclosures.

In its reports, the National Audit Office has highlighted its limited rights to obtain information. In the current situation, the National Audit Office has no right to obtain additional information from the actors that supported the campaign financially or that provided

services or products for the campaign. The OSCE and the Parliamentary Audit Committee have also years ago paid attention to the National Audit Office's limited rights to obtain information.

The National Audit Office is almost entirely dependent on the information provided by the candidate in cases where there is reason to suspect that the candidate's election funding disclosure is inaccurate or incomplete in essential parts. This is a major obstacle to effective implementation of the oversight. It has also led to a situation where, for example, an individual media company may have more information about the size of a candidate's election campaign than the public authority responsible for the oversight.

6.3 Only minor sanctions for breaches of the Act on a Candidate's Election Funding

As regards enhancing the implementation of the law, the only way comparable to a sanction under the current legislation is to impose a penalty payment, but its use is strictly limited. If a discloser fails to file the election funding disclosure despite being reminded to do so by the National Audit Office or if the disclosure is found to be inaccurate or incomplete in essential parts, the National Audit Office may require the discloser to file the disclosure or to correct the error or provide the missing information on pain of a penalty payment.

If a discloser fails to provide the requested additional information on the campaign funding or costs to the National Audit Office despite being requested to do so, the National Audit Office is not allowed to oblige them to do so under the Act on a Candidate's Election Funding. This also puts candidates in an unequal position. There is a risk that more and more candidates will invoke their right not to provide additional information, in which case the National Audit Office will be unable to oversee the contents of the disclosures in any way.

Nor is the National Audit Office, under the Act on a Candidate's Election Funding, allowed to oblige those subject to the disclosure obligation to file a post-election report on the loans taken out for the election campaign. In parliamentary elections, county elections and European Parliament elections, the post-election report should disclose the amount of the loan taken out by the candidate or their support group and such contributions received from outside donors for the payment of the loan the value of which is at least EUR 1,500.

Section 4 of the Act on a Candidate's Election Funding describes restrictions on election funding that can be accepted by a candidate and lists donors from which it is forbidden to accept campaign contributions. However, there are no sanctions for breaching these restrictions, and the oversight of the restrictions is outside the scope of the National Audit Office's oversight tasks but falls under political responsibility. Under the current legislation, candidates do not, for example, have to repay a contribution from a donor expressly forbidden by law.

During the parliamentary term 2019–2023, a reform of the legislation on political parties and election campaign funding was prepared. The government proposal¹⁹ related to it proposed extended opportunities of using the penalty payment in accordance with the wishes the National Audit Office had expressed in the parliamentary working group. The legislative proposal lapsed because it had not been processed before the parliamentary elections of spring 2023.

6.4 Publication of lenders' names

The current legislation does not oblige the overseen entity to disclose the lender's name even if the loan is substantial. Nor does it limit the loan amount. Granting a loan makes it possible to hide political funding from the public and circumvent the current provisions.

Publication of the names of providers of large campaign loans would increase the transparency of election campaign funding. It would make public the lenders with which ties could be considered to rise.

The National Audit Office therefore considers that the lenders' names should be published if the loan to a candidate's campaign amounts to at least EUR 1,500 (EUR 800 in municipal elections).

In the draft proposal submitted by the Ministry of Justice to Parliament in spring 2024 on the amendment of the Act on a Candidate's Election Funding, the Act on Political Parties, the Election Act and the Act on Citizens' Initiatives, it is proposed that the lenders' names should be published if the loan to an election campaign amounts to at least EUR 1,500 (EUR 800 in municipal elections). It is also proposed that an up-to-date disclosure should also be filed of the loans taken. If the loan is granted by a credit institution, it would be sufficient to disclose that the lender is a credit institution.

The National Audit Office considers this to be one of the most significant amendments to legislation in the draft proposal. Updating the legislation as proposed in the draft proposal will eliminate the most prominent possibility of circumventing the law and bring loans as a means of funding political activities more in line with other restrictions in euro set for election campaign funding.

The National Audit Office believes that, above all, the amendment will increase the transparency of election campaign funding.

6.5 Lowering or removing the lower limit for contributions to be separately disclosed in the case of legal persons

During the previous parliamentary term, the National Audit Office proposed in connection with the reform of the Act on Political Parties and the Act on a Candidate's Election Funding that the lower limit for contributions required for publishing the name of the donor should be lowered in the case of legal persons. This proposal was dropped during the legislative drafting, but the National Audit Office still regards it as a significant amendment.

It would still be justified to consider the proposal. There would be no problems with the protection of privacy because the publication obligation would apply only to legal persons. In any case, lowering the lower limit would significantly increase transparency as regards both the sources of political funding and the irregularities in it.

6.6 A maximum for contributions a candidate may accept from a single donor

Strong economic dependence on one donor may give rise to suspicions that the donor is attempting to inappropriately influence the candidates or the policy pursued by the party nominating the candidates. Therefore, the Act on a Candidate's Election Funding includes a maximum for contributions a candidate may accept from a single donor. However, it should be noted that the Act on a Candidate's Election Funding does not specify a maximum for contributions a candidate may accept from a single donor in a presidential election. In the preparatory documents of the Act, it is stated that a ceiling for contributions should not be specified for presidential elections, where campaigns are usually political-party-driven and larger than in other elections.

According to the National Audit Office, it would be recommendable for the Act on a Candidate's Election Funding to specify a maximum for contributions a candidate may accept from a single donor in a presidential election. The lack of a ceiling for contributions in presidential elections makes it possible for a political party nominating a candidate to accept substantial contributions from private donors. However, according to the Act on Political Parties, an individual political party may accept contributions of up to EUR 30,000 from an individual donor in a calendar year. The National Audit Office is of the opinion that the same amount, i.e. EUR 30,000, would be a logical maximum for contributions a candidate may accept from a single donor in a presidential election.

References



- 1 Act on the Openness of Government Activities 621/1999, section 24, subsection 1, paragraph 15.
- 2 Act on a Candidate's Election Funding 273/2009.
- 3 Report PeVM 2/2009 vp of the Constitutional Law Committee.
- 4 Government proposal HE 13/2009 vp.
- 5 Act on a Candidate's Election Funding 273/2009, sections 5 and 10.
- 6 Act on a Candidate's Election Funding 273/2009, section 8.
- 7 Act on a Candidate's Election Funding 273/2009, section 11.
- 8 Act on a Candidate's Election Funding 273/2009, section 2.
- 9 Act on a Candidate's Election Funding 273/2009, section 6.
- 10 Act on a Candidate's Election Funding 273/2009, section 4.
- 11 Act on a Candidate's Election Funding 273/2009, section 4.
- 12 Act on a Candidate's Election Funding 273/2009, section 6.
- 13 Act on a Candidate's Election Funding 273/2009, section 4.
- 14 Act on a Candidate's Election Funding, sections 5 to 8.
- 15 Act on a Candidate's Election Funding, section 4.
- 16 Act on a Candidate's Election Funding 273/2009, sections 8 and 10.
- 17 Act on a Candidate's Election Funding 273/2009, sections 6, 8 and 10.
- 18 Government proposal HE 13/2009 vp.
- 19 Government proposal HE 254/2022 vp.



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