

Final Report
Workshops on the Jordanian By-law on
State Subsidies to Political Parties
October 2017
Amman, Jordan

INTRODUCTION

Under the patronage of the Ministry of Political and Parliamentary Affairs (MoPPA), and in partnership with the 'EU Support to Jordanian Democratic Institutions & Development: EUJDID' project, three workshops took place on 11, 16, and 30 October at the Holiday Inn Hotel in Amman. The workshops brought together representatives of Jordanian political parties, MoPPA staff members, and distinguished local and regional academics and political experts in order to engage in open dialogue on state subsidies to political parties. The workshops aimed at providing political parties with the opportunity to share their views regarding the current By-Law regulating state subsidies to political parties (No.53) and propose modifications in that regard.

The workshops were attended by 39, 35, and 31 parties, who provided their suggestions and comments on the By-law. The workshop allowed for open and free dialogue between the participants, and provided an open space for the expression of different opinions.



It should be noted that state financial support to political parties has been introduced in 2008 as a mechanism to aid parties in carrying out their activities. A new By-law (No. 53) was promulgated in 2016 and amended in July (No.111) of the same year, whereby new conditions and incentives were outlined in the acts in order to encourage political party participation in elections and the establishment of party coalitions. Currently, the Ministry is revising the aforementioned By-law, whose objective is to support

parties and enhance their performance. Consequently, the workshops were organised in order to exchange ideas with parties, hoping to reach general conclusions and recommendations that would feed into the potential amendment of the By-law.

THE MINISTRY OF POLITICAL AND PARLIAMENTARY AFFAIRS

The Minister of MoPPA, His Excellency Musa Al Maaytah, delivered a keynote speech in which he underlined the necessity of political parties for a true pluralistic political system, noting that elections without parties are void of democratic principles. He explained that the workshops would allow participants to benefit from experts' views on best practices and to engage in open debate regarding the By-law's revision. The Minister stressed that the workshops will allow the participants to discuss financing models that could encourage parties to become effective in the political scene and have a key role in parliament.



Meanwhile, **MoPPA's Secretary General**, His Excellency Bakr Al Abadi, highlighted the Ministry's mandate of supporting the development of political life in Jordan, empowering political parties, and modernising the political party system. Meeting with parties in the context of the By-law's revision confirms the Ministry's will to engage with parties and incorporate their views. These views were shared by the **Director of the Political Parties Directorate** at MoPPA, Mr Abdel Aziz Al Zaben, who underlined that that all the recommendations raised by parties will be collated and considered by the Ministry in the revision of the By-law. The By-law will likely be linked to parties' participation in elections: parties which announce their affiliation will be given support, as well as those parties that win seats, while taking into account the number of votes won. However, he added that it is imperative that parties depend on their resources and financial capacities, noting that the Political Parties Law allowed parties to receive funds from donors – both legal and natural persons and to invest their resources. It is hoped that parties not depend on subsidies solely.

EXPERTS' OPINION

National and regional experts provided their views and exchanged experiences with the floor regarding international systems to subsidising political parties. **Dr Taleb Awad**, who enjoys vast years of experience in political party activity and organisation and electoral systems, gave an overview of international and regional models of state subsidies during the first workshop. Dr Awad shared the experiences of Tunisia, Egypt, Morocco, Libya, Germany, Sweden, Spain, Macedonia, Peru, and Mexico, with regard to state subsidies and the different models and mechanisms followed to channel aid. One of the models to consider is to provide a fixed amount of a total subsidy to all parties, and to distribute the remaining



amount proportionally depending on agreed upon criteria. The criterion depending on the number of votes received has proven successful, which is calculated on the basis of a minimum threshold and the average per capita. With regard to expenditure, it is also necessary consider the areas of spending allowed, and to determine a percentage for each type of expenditure. Dr Awad concluded his intervention by stressing that it is important to consider party activities, campaigning, election results, and financial transparency when awarding subsidies. Meanwhile, **Dr Khaled Al Shakran**, Director of Al Rai Centre for Studies, commented on Dr Awad's intervention by underlining the importance of considering the extension of a party's popular base, its size of representation in parliament, structure and internal organisation, and contact with society in the context of financial aid to parties.

The second workshop saw the participation **Former Minister of Political Development**, His Excellency Sabri Rbeihat, who encouraged the participating parties to replicate this workshop in order to discuss solutions and come up with initiatives to develop the political parties' scene in Jordan. The participants were briefed on non-monetary aid to parties and the issue of financial accountability by **Mr Hussein Abu Rumman** from Al Quds Center for Political Studies. Mr Abu Rumman explained that with regard to non-monetary aid, this concept englobes waiving or reducing taxes, encouraging donations, and promulgating legislation that supports financial management. Non-financial support in Jordan is regulated by the Political Parties Law (No. 39 of 2015), which allows parties to own moveable and immoveable assets (Article 17), permits that use of public cultural and social facilities (Article 24), and waives taxes for parties' headquarters (Article 27). Furthermore, Article 25 of the same law allows parties to receive limitless funds and donations from both natural and legal persons. Article 26(a) addresses the permissible areas of investment for parties, which are rather areas intrinsically related to party activity. With regard to the issue of transparency and accountability, the 2015 Political Parties Law clearly stipulates that parties must



outline in their internal rules of procedure the financial resources, budgetary procedures, funding sources, and all other financial aspects. Parties are obliged - according to Article 29 – to appoint an accountant to audit a party’s accounts and annual financial data, and to send the Political Parties Committee a copy of its annual budget and financial data for the previous budgetary year, in addition to a signed, detailed declaration of the party’s financial resources. Abu Rumman suggested that parties prepare a summary of such reports and post them on their website/social media accounts in order to share them with the public. This would enhance their level of transparency and contribute to building trust with the public.



Political expert **Mr Faisal Malkwai**, Deputy Editor at Al Rai Newspaper, commented on the previous presentation, and indicated that it is first necessary to build parties’ institutional capacities that would support a party’s financial management. Parties must ensure that they have the relevant organs/committees to manage their finances. Mr Malkawi advised that more attention be paid to building parties’ internal structures and strengthening their internal management systems.

The last workshop saw the participation of **Former Minister of Political Development**, His Excellency Bassam Haddadin. His Excellency indicated that the current By-law is detrimental to party life in Jordan because it does not distinguish between active and non-active parties. Indeed, it has led to the establishment of parties for the sake of receiving the subsidy. Moreover, the subsidy had little to no effect in some cases, other than burdening the State Treasury. Therefore, it is necessary to reconsider the By-law in a manner that bestows more responsibility towards party life and encourages the merging of parties from the same current/with similar programmes.

Furthermore, subsidies must be linked with parties’ internal democracy, which would encourage parties to become more active, and would render the party and its members more alert and vigilant of the expenditure process. His Excellency suggested that parties that are unable to financially sustain their

activities should consider merging into other parties from the same ideological/programmatic current in order to enhance their capacities.

With regard to other sources of finance, the prime source is membership subscriptions, noting that if adhered to, they actually match the subsidy. Another example is the renovation of the annual subscription card, which allows parties to receive donations and subscriptions. The benefit is not only financial, but allows members to enhance their sense of belonging to party and vigilance over expenditures. Another source is donations from supporters; Jordanian parties are inactive in that regard because they are not able to convince the public with their policies and programmes. An important source as well is economic activities and projects.

PARTIES' RECOMMENDATIONS

During the three workshops, the participating parties exchanged views and expressed their opinion regarding the By-law and the necessary modifications. The following suggestions summarise the main and common recommendations raised:

- There was a general agreement that state subsidies is a right for parties, and one of the means to support political life in Jordan. It was advised to maintain this financial support and to raise the subsidy's amount.
- Parties also indicated that subsidies are necessary for parties' survival, considering that parties which appeal to poor classes are unable to collect donations or subscriptions.
- A common observation was the importance of receiving the subsidy upon the establishment of a party, considering that it would support a party in its first months of work.
- Linking the subsidy with a minimum number of members and presence in a determined number of governorates was considered counterproductive.
- The parties also agreed in general terms that the areas of expenditure must not be confined to operational aspects, but rather include other activities related to a party's activities. Such activities include party programme development, investment projects, activities with the public, and public relations.
- With respect to the distribution key, it was suggested that a fixed amount be awarded to parties, and that a remaining amount be allocated to parties according to clear criteria. Such criteria could include the number of party candidates taking part in elections, and the



number of seats won in elections. Other participants also suggested that parties that are active in the public scene, which have communication means, organise activities, and are internally democratic be provided with additional incentives.

- It was also suggested to award parties a fixed amount of money for each vote received by a party during elections.
- A proportional subsidy based on the number of parties in a coalition should be considered, instead of pre-determining the size of the coalition. This would encourage parties to enter into meaningful coalitions.
- Supporting electoral campaigns is also very important. Therefore, subsidies must be channelled to parties prior to elections in order to enable them to design effective campaigns.
- State subsidies should also cover other campaigning activities, including for decentralised and local elections.
- With regard to non-financial support, nearly all the parties that took part in the workshops confirmed the importance of opening state media to parties, whether in elections periods or not. This would facilitate parties' outreach to a wider public.
- Parties must be exempted from taxes, particularly sales and income taxes. Other incentives could englobe social security considerations for party members.
- With regard to ensuring transparency, parties suggested that they publish their annual budgets and financial data on their websites and in local newspapers. Such an act would bestow further transparency and credibility before the public. Parties also agreed that they should ensure that financial statements be accessed by the different members in a party.

