

Recommendations on Transparency of Political Financing

26 April 2026

This brief is intended to inform the Electoral Commission of the Daphne Caruana Galizia Foundation' recommendations aimed at strengthening political finance transparency in Malta.

These recommendations are supported by Malta's international obligations under the United Nations Convention Against Corruption (UNCAC)¹ (as expanded upon by Resolution 11/7 passed at the UNCAC COSP11 2025),² as well as by recommendations made to it by the Group of States against Corruption (GRECO),³ the Venice Commission of the Council of Europe,⁴ and the Organisation for Economic Co-operation and Development (OECD).⁵

Summary of recommendations

- A. The Electoral Commission should be provided with adequate powers and resources to carry out pro-active and efficient supervision, investigation and enforcement of political finance regulations, including through the imposition of effective punitive fines on political parties for default in the timely submission of financial statements.
- B. The obligation to submit annual audited financial accounts to the Electoral Commission should be extended to companies owned by political parties, and not just the parties themselves.
- C. The General Elections Act should be amended to require that election expenses be published online in a timely manner, and remain available for public inspection for a period of at least 2 months following an election.
- D. The Financing of Political Parties Act should be amended to require all donations exceeding 100 euros from a single source to be recorded and reported in a digitalised database which remains at all times freely accessible to the general public.
- E. The Electoral Commission should be given a wide mandate, and equipped with adequate powers and resources, to carry out pro-active and efficient election monitoring, investigate reported misconduct in the context of elections, and enforce effective sanctions where necessary.

¹ [UNITED NATIONS CONVENTION AGAINST CORRUPTION](#)

² [UNCAC Resolutions Doha Declaration 2025](#)

³ [Third Evaluation Round Addendum to the Second Compliance Report on Malta](#)

⁴ [MALTA URGENT OPINION ON THE REFORM OF FAIR TRIAL REQUIREMENTS RELATING TO SUBSTANTIAL ADMINISTRATIVE FINES](#)

⁵ [Public Integrity in Malta | OECD Public Governance Reviews](#)

- F. Legislative amendments should be introduced to provide for sufficient, equal access to vote counting by all political parties, and for adequate citizen and international observation of the activities of the Electoral Commission.

A. Late publication of annual audited accounts of political parties

Political parties are legally required to give account to the Electoral Commission in respect of their financial administration.⁶ They are obliged to submit their annual audited accounts to the Electoral Commission within four months of the end of the relevant financial year.⁷ In turn, the Electoral Commission must publish such accounts within one month of their receipt.⁸ In the event that a political party fails to deliver its accounts to the Commission within the stipulated period, the law provides that it shall be liable to an administrative fine of up to €10,000.

In 2018, the Constitutional Court ruled in a case commenced by the Nationalist Party against the Electoral Commission,⁹ that the Electoral Commission cannot act as investigator, prosecutor and judge at the same time. The court found that giving an administrative body (composed of party appointees) the power to impose heavy fines violated the right to a fair trial.

The most recent annual audited accounts published by the Electoral Commission for the Labour and Nationalist political parties were for the year 2024.¹⁰ The Nationalist Party (PN) had a multi-year backlog in the submission of its accounts, which was only cleared in late 2025.¹¹ There were no repercussions for the party in respect of this backlog.

There exists a significant legal deadlock following the 2018 Constitutional Court judgement. On this point the Venice Commission recommended an amendment of the Constitution itself (requiring a two-thirds majority in Parliament), to allow regulatory authorities to impose administrative fines which are “criminal” in nature, whilst ensuring that any such fines are subject to full judicial review by an independent court that can examine both facts and law.¹²

As things stand, the Electoral Commission consequently has no deterrents or penalties at its disposal with regard to the late submission of annual accounts by political parties, and nothing to prevent another multi-year absence of publicly accessible information on the financial transactions and position of political parties.

⁶ Article 22 of the Financing of Political Parties Act (Cap 544 Laws of Malta)

⁷ Article 28 of the Financing of Political Parties Act (Cap 544 Laws of Malta)

⁸ Article 29 of the Financing of Political Parties Act (Cap 544 Laws of Malta)

⁹ [THAKE ROSETTE NOE ET vs KUMMISSJONI ELETTORALI ET - 25/2017/1 - CONSTITUTIONAL, MALTA](#)

¹⁰ [PARTIT LABURISTA - Annual Report and - Financial Statements | partit nazzjonalista - eo/22/16/e - annual report](#)

¹¹ [PN files four years of audited accounts with Electoral Commission - The Malta Independent](#)

¹² [MALTA URGENT OPINION ON THE REFORM OF FAIR TRIAL REQUIREMENTS RELATING TO SUBSTANTIAL ADMINISTRATIVE FINES | Venice Commission insists fines reform should come through constitutional amendment](#)

On this point, ODHIR recommended that “[t]he legal framework should be reviewed to enhance the oversight system, including by providing the Electoral Commission with adequate powers and resources to carry out pro-active and efficient supervision, investigation and enforcement of political finance regulations” and that the Commission “maintain transparency in campaign financing and expenditure” by publishing “all financial reports within legal deadlines and address the existing delays”.¹³

Recommendation

We recommend that a new legislative framework that satisfies the requirements of the Venice Commission’s 2021 Opinion be introduced, so that the Electoral Commission is empowered to enforce punitive fines in the case of late submission of financial statements by political parties.

Furthermore, the Electoral Commission should be provided with adequate powers and resources to carry out pro-active and efficient supervision, investigation and enforcement of political finance regulations.

B. Obligation to publish financial statements of political parties does not extend to companies owned by such parties

The legal obligation to submit annual audited accounts to be published by the Electoral Commission does not extend to companies owned by such political parties. While the Companies Act (Cap 386 Laws of Malta) requires the publication of the annual audited financial statements of all companies,¹⁴ companies wholly or partly owned by political parties have repeatedly failed to publish their annual accounts within the period stipulated by law.

For instance, Media.Link Communications Company Limited, a company almost wholly owned by the Nationalist Party, last published its annual audited financial statements in 2005. One Productions Limited, majority-owned by the Labour Party, last published its accounts in 2012, and MLP Holdings - majority shareholder in One Productions - last published them in 1999.

As things stand, companies wholly or partly owned by political parties, and through which such parties may effectively be funded, are being permitted to avoid publication of their annual audited financial statements for as long as 27 years. The fines contemplated by the Companies Act for default in filing accounts are clearly too low to prevent the present state of persistent default.

¹³ [ODHIR Report Malta](#)

¹⁴ Article 183 of the Companies Act (Cap 386 Laws of Malta)

Recommendation

In the interests of transparency and accountability, the obligation to submit annual audited financial accounts to the Electoral Commission should be extended to companies owned by political parties, and not just the parties themselves.

C. Campaign expenses

The General Elections Act requires that candidates in general elections provide an overview of their election campaign expenses to the Electoral Commissioners within 31 days of the publication of an election result, and 10 days in the case of candidates who have been elected.¹⁵ The law further requires that the commissioners must then, as soon possible, “cause a notice of the date on which the return and the declarations have been lodged, and of the time and place at which they can be inspected to be affixed in some conspicuous place in the commissioners’ office and to be published in the Government Gazette” and any person shall be entitled, on payment of a fee, to inspect any such return or declarations and obtain a copies thereof.

In practice, election expenses are only made available for inspection for a two-week period post-election. The Electoral Commission is not subject to the provisions of the Freedom of Information Act, resulting in a continuing absence of transparency of election expenses following the expiration of the aforementioned two-week period.

Recommendation

In order to safeguard the public’s right to transparency in political finance, the General Elections Act should be amended to require that election expenses be published online in a timely manner, and remain available for a period of at least 2 months following a general election for public inspection.

D. Donations

The Financing of Political Parties Act provides that donations of up to 500 euros can be kept confidential (that is, the source shall not be revealed to third parties although it is known to the political party).¹⁶ Furthermore, whilst a *record* of donations exceeding 500 euros is required to be kept, there is no obligation to *report* donations which do not exceed 7,000 euros in the donation report prepared by the political party and submitted annually to the Electoral Commission.¹⁷ Donations above 7,000 euros must be reported with reference to the individual donor.

It should further be noted that reports on political donations are submitted and published in handwritten form, contrary to Malta's commitment to digitalise the public sector under Malta Vision 2050,¹⁸ and further obstructing meaningful public scrutiny.

¹⁵ Article 50(1) of the General Elections Act (Cap 354 Laws of Malta)

¹⁶ Article 34(d) of the Financing of Political Parties Act (Cap 544 Laws of Malta)

¹⁷ Article 37(1) of the Financing of Political Parties Act (Cap 544 Laws of Malta)

¹⁸ [Malta Vision 2050](#)

It is significant that for the year 2024, the Nationalist Party reported having received an aggregate amount of 331,831 euros in donations. Of this amount: 52,618 euros represented the total donations not exceeding 500 euros from one source, for which there is no obligation to report on the identity of the source; 128,931 euros represented donations not exceeding 7,000 euros, again for which there is no obligation to report on the identity of the source. Incredibly, there was not one single donation which exceeded the 7,000 euro threshold, which triggers the obligation to report by reference to the identity of the source.¹⁹

Amphora Media's research has identified that disclosed donations to political parties from a number of prominent private companies are often followed by, or are contemporaneous with, the awarding of millions of euros in direct orders to corporate structures owned by these companies' shareholders. Thanks to high thresholds applied to donation disclosure, many donations to political parties remain undisclosed to the public and hence this analysis covers only the largest single donations.

The present legal situation creates a concerning lack of transparency and precludes appropriate public scrutiny of political party donations. GRECO has stated that “for meaningful publication of political finances, the current disclosure threshold, which stands at EUR 7 000, should be lowered in accordance with the practice of most other GRECO member states.”²⁰

Recommendation

We recommend that the Financing of Political Parties Act be amended to require all donations exceeding 100 euros from a single source to be recorded and reported in a digitalised database which remains at all times freely accessible to the general public.

E. Supervision

The Electoral Commission is constitutionally charged with safeguarding the legality of general elections and reviewing the boundaries of the electoral divisions.²¹

Nevertheless, recent controversies relating to suspected gerrymandering have been dealt with not by the Commission, but by the political parties themselves. The Nationalist Party took legal action against the Labour government with respect to allegations of electoral fraud orchestrated by the Ministry for Social and Affordable Accommodation. This resulted in a reversion of the illegal voting situation, and in the eventual resignation of former minister Rodrick Galdes.²²

While legal action in respect of the individuals who gave false addresses appears to have been initiated by representatives of the Nationalist Party,²³ no action appears to have been initiated by the Electoral Commission itself.

¹⁹ [Donation Reports](#)

²⁰ [Third Evaluation Round Addendum to the Second Compliance Report on Malta](#)

²¹ Constitution of Malta, articles 56 and 61

²² [Siġġiewi gerrymandering: court orders reversal of addresses for government tenants | Court strikes off all 99 'ghost voters' in Siġġiewi electoral fraud case](#)

²³ [Man charged over false address declaration in Siġġiewi 'ghost voters' case](#)

Recommendation

The Electoral Commission should be given a wide mandate, and equipped with adequate powers and resources, to carry out pro-active and efficient election monitoring, investigate reported misconduct in the context of elections, and enforce effective sanctions where necessary.

F. Vote counting

According to Amphora Media's research, representatives of smaller political parties have reported serious challenges in accessing real-time vote counts, which are not faced by the larger parties.

This is acknowledged in the ODIHR report on the 2022 elections in Malta, which states that “[t]he limited access to the activities of the [Electoral Commission] for the public and some contestants, as well as the lack of regulations allowing for citizen and international observation, diminished the transparency of the process”. ODIHR also noted in that report that previously issued recommendations on election observation were not adopted.²⁴

Recommendation

We recommend that legislative amendments be introduced to provide for sufficient, equal access to vote counting by all political parties, and for adequate citizen and international observation of the activities of the Electoral Commission.

²⁴ [ODHIR Report Malta](#)