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Legal Foreign Funding Restrictions on Civil Society Organizations (CSOs) Worldwide

Jana Baldus¹

Note: Only countries with a population of one million or more are covered. The focus is on legal restrictions on foreign funding, not on political practice. Restrictions on foreign funding of political parties are not covered. 58 countries in total have been identified and listed. Date: April 2019.

1. Updated Table (April 2019)

Country	Foreign Funding Restrictions	Applicable legislation
Afghanistan	Government notification of foreign funding social organisations prohibited from receiving foreign funding	2005: Cabinet Decision on Foreign Funding 2013: Law on Associations (Art. 16.2)
Algeria	Foreign funding must be channelled through officially approved cooperation agreements; expulsion of international groups that provide civil society support (e.g. 2013 Friedrich-Ebert-Stiftung)	Law 12-06 of 2012 (Art. 29, 30, 43)
Angola	Mandatory approval of foreign funding; bilateral agreement for foreign funding needed by foreign governments; burdensome reporting requirements (regarding source of foreign funding)	2015: Presidential Decree No. 74 Regulation of Non-Governmental Organisations (Art. 15, 23) <i>Presidential Decree No. 74 was overturned by Angola's Constitutional Tribunal in July 2017</i>
Austria	Muslim religious organisations prohibited from receiving foreign funding	2015: Islamgesetz (Art. 6.2)
Azerbaijan	Grants exceeding approx. 180\$ (200 Manat) must be registered; burdensome and mandatory registration for foreign based donors and CSOs; foreign funding from registered donors only; mandatory approval of foreign funding of foreign NGOs	2000: Law on NGOs (2013 Amendments Art. 24-2.1) 2014: Amendment to Law on Grants (Art. 2.5)
Bahrain	Mandatory approval of foreign funding; burdensome reporting requirements	1989: Law on Associations (Art. 20)

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	(purpose of foreign funding)	
Bangladesh	Special and mandatory registration for foreign funded Bangladeshi CSOs; mandatory approval of foreign funded activities; burdensome reporting requirements (regarding source, amount and purpose of foreign funding); banks must report on receipt of foreign contributions by CSOs	2012: Circular on Working Procedure for Foreign and Foreign-Assisted Bangladeshi Non-Governmental Organisations (NGOs) Working in Bangladesh 2016: Foreign Donations (Voluntary Activities) Regulation Act
Belarus	Mandatory approval of foreign funding; foreign funding must be channelled through designated banks; restrictions on purpose of foreign funding (e.g. political activities)	2001: Presidential Decree 8/2001 on Certain Measures of Regulation of Procedure of Receipt and Use of Foreign Gratuitous Aid 2015: Presidential Decree 5/2015 on Foreign Donations
Bhutan	Foreign funding must be channelled through designated banks; burdensome reporting requirements	2007: The Civil Society Organizations Act of Bhutan (Chapter 9)
Bolivia	Mandatory approval of foreign funding; burdensome reporting requirements (regarding source of foreign funding); expulsion of international groups that provide civil society support (e.g. 2013 expulsion of USAID)	2007: Decreto Supremo No. 29308 Normas Para La Gestión y Ejecución de Recursos Externos de Donación (Art. 9) 2013: Law 351; Decreto Supremo No. 1597
Burundi	Foreign funding must be channelled through a designated bank; activities of foreign NGOs are harmonized with government priorities; mandatory approval for activities of foreign NGOs (programme implementation agreements)	2017: Loi Régit les Activités des Organisations Non-Gouvernementales Étrangères Œuvrant au Burundi & Loi Régit les Activités des Associations Sans But Lucratif
Cameroon	Mandatory approval of foreign funding	1999: Law No. 99/014 (Art. 17)
Canada	Burdensome reporting requirements related to political activities of charities (regarding amount of foreign funding)	2012: Budget 2012
China	Mandatory approval of foreign funding; foreign CSOs must be registered or operate through Chinese partners; only registered foreign CSOs may provide funding to local CSOs; foreign CSOs are prohibited from fundraising; burdensome registration process; funding must be channelled through designated banks; foreign CSOs may not carry out or finance political activities; burdensome reporting requirements (source of funding; bank account details)	CSO sector governed by plethora of laws, among others: 2008: Regulations on Foreign Exchange 2010: Notice of the State Administration of Foreign Exchange on Issues Concerning the Administration of Foreign Exchange Donated to or by Domestic Institutions 2017: Overseas NGO Management Law
Ecuador	Restrictions on funding possibilities through strict control of non-Ecuadorian CSOs; burdensome reporting requirements (regarding source of foreign funding)	2018: Decree No. 193 (Art. 24-30)
Egypt	Mandatory approval of foreign funding; high penalties for receiving foreign funding for activities intended to “harm the national interest”; mandatory approval for foreign CSOs to operate in Egypt; mandatory	2014: Presidential Decree No. 128amending Article 78 of the Penal Code 2017: Law 70

	approval for relations between local and foreign CSOs; funding must be channelled through designated banks; burdensome reporting requirements (source of funding; bank accounts are inspected); prohibition of affiliation of foreign CSOs with foreign governments or political parties; restriction on purpose of foreign funding (e.g. work of political nature); prosecution of foreign funded national and international groups (2011)	
Eritrea	Outright prohibition of foreign funding	2005: Proclamation No. 145/2005
Ethiopia	Limitation of foreign funding on 10% of total funding if CSO wants to carry out certain activities (e.g. promotion of human rights); expulsion of international groups that provide civil society support (e.g. 2005 National Democratic Institute)	2009: Charities and Societies Proclamation (Art. 2, 102)
Equatorial Guinea	Government notification of foreign funding	1999: Ley No 1/1999 de régimen de las Organizaciones no gubernamentales
Gabon	Foreign CSOs prohibited from receiving foreign funding and carrying out political activities	1962: Association Law (Art. 22)
Hungary	Registration of foreign-funded organizations as “organisations supported from abroad”; burdensome reporting requirements (source of foreign funding); requirement to label all publications produced with foreign funding as funded by foreign sources	2017: Law on the Transparency of Organisations Supported from Abroad
India	Restriction on purpose of foreign funding (e.g. political or human rights activities); mandatory approval of foreign funding; burdensome reporting requirements (regarding source, amount and purpose of foreign funding); foreign funding must be channelled through designated banks; banks must report on receipt of foreign contributions by CSOs	2010: Foreign Contribution (Regulation) Act 2015: Foreign Contribution (Regulation) Amendment Rules
Indonesia	Mandatory approval of foreign funding; mandatory approval of foreign funded activities; burdensome reporting requirements (regarding source, amount and purpose of foreign funding)	2008: Regulation 38 Regarding the Acceptance and Granting of Social/Charity Organisation’s Assistance from and to a Foreign Party (Art. 6, 7, 10, 11) 2013: Law on Mass Organisations
Iran	Mandatory approval of foreign funding	2005: Executive Regulations Concerning the Formation and Activities of Non-Governmental Organizations
Ireland	Restrictions on purpose of foreign funding (political purposes); intensive debate about Electoral Act in the light of foreign funding for the campaign to legalise abortion in 2018	2001: Electoral (Amendment) Act

Israel	burdensome reporting requirements (regarding source, amount and purpose of foreign funding); CSOs that receive more than half of their funding from foreign governments have to indicate so in all official publications	2011: Law on Disclosure Requirements for Recipients of Support from a Foreign State Entity 2016: NGO law (“transparency bill”)
Ivory Coast	Foreign CSOs prohibited from receiving foreign funding and carrying out political activities	1960: Association Law (Art. 25)
Jordan	Government notification of foreign funding; burdensome reporting requirements (source, amount and purpose of foreign funding); funding must be held with designated banks	2008: Law on Societies (2009 Amendments Art. 17)
Kazakhstan	Government notification of foreign funding; burdensome reporting requirements (purpose of funding), requirement to label all publications produced with foreign funding as funded by foreign sources	2016: Law on Payments
Mauritania	Outright prohibition of foreign funding	1973: Law 73.007 Modifying Certain Articles of Law 64.098 of 1964 on Associations
Nepal	Mandatory approval of foreign funding; mandatory approval of foreign funded activities	1992: The Social Welfare Act 2049 (Art. 16)
Nicaragua	Government notification of foreign funding	1992: Law No. 147 Ley General Sobre Personas Jurídicas sin Fines de Lucro (Art. 13)
Oman	Outright prohibition of foreign funding	2000: Sultani Decree No. 14, Civil Associations Law (Art. 42)
Pakistan	Foreign and foreign funded CSOs required to sign Memorandum of Understanding in order to use foreign funds	2013: Policy for Regulation of Organizations Receiving Foreign Contributions
Peru	Recipient of foreign funding must register with the Peruvian Agency for International Cooperation; registration of foreign funded activities	2006: Law 28925 (Art. 2-3)
Qatar	Mandatory approval of foreign funding; burdensome reporting requirements (regarding amount and source of foreign funding)	2004: Law No. 12 On Private Associations and Foundations (Art. 31-32) 2011: Resolution No. 4 Regulating Fundraising and Foreign Transfers by Private Associations and Foundations
Russia	Registration of foreign-funded organizations involved in political activities as foreign agents; requirement to label all publications produced with foreign funding as funded by foreign sources; restrictions on funding from US sources; burdensome reporting requirements (regarding source of foreign funding); targeting of international groups that provide civil society support by declaring them “undesirable”	2012: Law on Introducing Amendments to Certain Legislative Acts of the Russian Federation Regarding the Regulation of Activities of Non-Commercial Organizations (Foreign Agents Law, 2014 Amendments) 2012: Law No. 272-FZ (Dima Yakovlev Law) 2015: Law No. 662902-6

		(Undesirable Organisations, 2017 Amendments Law No. 35-FZ)
Rwanda	Burdensome reporting requirements (regarding source of foreign funding); foreign funding must be channelled through designated banks	2012: Law No. 5 Governing the Organisation and Functioning of International Non Governmental Organisations (Art. 7, 18)
Saudi Arabia	Mandatory approval of foreign funding	2016: Law on Associations and Foundations
Sierra Leone	Foreign funding must be channelled through state agency; burdensome reporting requirements (regarding source of funding)	2009: NGO Policy Regulations (Art. 2.7)
Singapore	Political associations (objects or activities related to politics in Singapore) prohibited from receiving foreign funding	2000: Bill No. 15 Political Donations Bill
Sri Lanka	Mandatory approval of foreign funding; taxation of foreign funding	1998: Amendments to Voluntary Social Service Organisations (Registration and Supervision) Act 2006: Inland Revenue Act
Sudan	Mandatory approval of foreign funding; mandatory approval of foreign funded activities; restrictions on purpose of foreign funding (advocacy activities)	2006: The Voluntary and Humanitarian Work (Organizations) Act (Art. 7)
Syria	Mandatory approval of foreign funding	1958: Law 93 on Associations (Art. 21)
Taiwan	Political associations (with view to help form political volition and promote political participation) prohibited from receiving foreign funding	2011: Law on Associations
Tajikistan	Government notification of foreign funding	2015: Amendments to 2007 Law on Public Associations
Thailand	Restriction on funding possibilities (mandatory approval)	1998: Rule of the Ministry of Labour and Social Welfare on the Entry of Foreign Private Organisations to Operate in Thailand (Art. 9)
Tunisia	Foreign funding restrictions for grants coming from countries that do not have diplomatic relations with Tunisia	2011: Decree 88 (Art. 35)
Turkey	Government notification of foreign funding	2004: Associations Law No. 5253 (Art. 21)
Turkmenistan	Mandatory approval of foreign funding; mandatory approval of foreign funded activities; restrictions on purpose of foreign funding (e.g. political and educational activities)	2013: Presidential Decree No. 12792 on State Registration of Foreign Projects and Gratuitous Technical and Financial Assistance, Humanitarian Aid and Grants
UAE	Mandatory approval of foreign funding (Dubai); funding must be held with designated banks; expulsion of international groups that provide civil society support (e.g. 2012 National Democratic Institute)	2008: Federal Law No. 2 2017: Law No. 12 Regulating NGOs in the Emirate of Dubai
Uganda	Foreign funding must be channelled through designated bank; reporting requirements (regarding source of funding)	2009: NGO Registration Regulations (Art. 15)
USA	Registration of foreign-funded organizations involved in political activities	1938: Foreign Agents Registration Act

	as foreign agents; burdensome reporting requirements [1938 Law only seldom and selectively applied]; freezing of assets of at least seven US-based, Muslim charities [prosecution based on Anti-Terrorism legislation 2002/2010]	2001: USA PATRIOT Act 2001: Executive Order 13224 2002: Anti-Terrorist Financing Guidelines: Voluntary Best Practices for US-Based Charities (Revised 2010)
Uzbekistan	Mandatory approval of foreign funding; mandatory approval of foreign funded activities; foreign funding must be channelled through state agencies ; expulsion of international groups that provide civil society support (e.g. 2005 Open Society Institute)	1999: Law No. 763-1 On Nongovernmental Nonprofit Organizations (NNOs) 2004: Decree No. 56 2016: Regulation on the Procedure of Coordination of Receipt of Monetary and Other Assets by Non-Governmental Non-commercial Organizations (NNOs) 2016: Law on Introduction of Amendments to Some Legislative Acts (Law on NNOs, Law on Public Foundations, the Law on Bank Secrecy, the Law on Charity, Code of Administrative Liability) <i>Easing of regulations in 2018 with the adoption of the decree “On Measures to Fundamentally Enhance the Role of Civil Society Institutions in the Process of Democratic Renewal of the Country”</i>
Venezuela	Political associations and organizations in defence of political rights prohibited from receiving foreign funding	2010: Law for the Defence of Political Sovereignty and National Self-Determination (Art. 5-10)
Vietnam	Mandatory approval of foreign funding; mandatory approval of foreign funded activities	2009: Decree 93 On the Issuance of the Regulation on Management and Utilization of Aid from International Non-Governmental Organizations (Art. 6, 9, 15, 17-19)
Yemen	Government notification of foreign funding, prior approval for implementation of activities with INGOs	2001: Law 1 Concerning Associations and Foundations (Art. 23)
Zimbabwe	Restrictions on purpose of foreign funding (e.g. voter education)	2004: NGO Bill (enacted, but not approved) 2012: Electoral Act (Art. 40)

Unclear/special cases that have not been included in the table but that potentially warrant consideration are listed in the following:

- Benin and Somalia – named as affected by increasing restrictions in Dupuy/Ron/Prakash (2014). No information found to confirm their findings.
- Libya – due to the delicate situation in Libya it is difficult to provide well-founded information on the legal environment for CSOs.
- Palestine – due to Palestine’s unclear status and competing claims to power it is difficult to provide well-founded information on the legal environment for CSOs.

2. Country updates (April 2019)

Since the report has been published in 2015, a number of new laws concerning foreign funding has been enacted or at least been considered. While there is some positive advancement – for example **Kyrgyzstan**, where a draft Foreign Agents Law has been turned down after the third reading in 2015 and in **Angola** the Constitutional Tribunal overturned a restrictive presidential decree on NGOs in 2017 – the vast number of the new (draft) laws is more restrictive.

Bangladesh enacted a new law for the regulation of foreign contributions to CSOs (the 2016 Foreign Donations (Voluntary Activities) Regulation Act) that introduces amendments to the 1978 Foreign Donations (Voluntary Activities) Regulation Rules and the 1982 Foreign Contributions Act. The new law further increases the oversight over foreign funded CSOs by directing banks to report on the receipt of foreign contributions to CSOs. **Belarus** President Lukashenko signed Presidential Decree 5 on Foreign Donations in 2015. While it generally eases the possibility to receive anonymous grants and allows for more foreign funded activities, it still uses vague wording with regard to activities that are prohibited when receiving foreign funding (e.g. “political propaganda work with the population”). **Burundi** updated its 1999 NGO law in 2017. According to the new law, foreign funding no longer has to be approved per se. However, the activities of foreign NGOs now have to be approved in advance and their programs must be harmonized with governmental priorities.

China's Overseas NGO Management Law had been subject to discussion for a long time and finally entered into force in January of 2017. It regulates activities of foreign and international CSOs and, among others, requires that foreign CSOs (and Chinese CSOs financed by them) report on funding sources. Foreign CSOs have to register to carry out activities in China or to support Chinese CSOs and may not carry out or finance any political activities. **Egypt** prepared a new and more restrictive NGO law in 2016 – the law was eventually published in May 2017. While old restrictive regulations are still in force, the law provides for new administrative hurdles: for instance, foreign CSOs need mandatory permissions to operate in Egypt, foreign funding must be channelled through designated banks, and relations between foreign and local CSOs have to be approved. **Hungary** has joined the ranks with its Law on the Transparency of Organisation from Abroad in 2017 after intensive debates about (and defamation of) international civil society support since 2014. Comparable to the Russian Foreign Agents Law, foreign funded organizations have to register as ‘organizations supported from abroad’ and indicate so on websites, publications, and press materials.

In late 2015, **India** implemented new amendments to its Foreign Contribution (Regulation) Act that require banks to report on the receipt of foreign contributions to CSOs. **Israel** adopted a NGO law (also known as the “transparency bill”) in 2016 that requires CSOs receiving more than half of their funding from foreign governments to indicate so in all official publications. **Kazakhstan** enacted a similar law (Law on Payments) in 2016 that is based on the Russian Foreign Agents Law: CSOs must be report whether they receive foreign funding, and, if so, have to indicate the purpose of the funding and have to label all publications that were produced with foreign donations. **Saudi Arabia** finally adopted a law to govern CSOs after years of not having a valid Association Law. Even though the law is restrictive, the enactment is a huge advancement since it puts an end to the uncertainty regarding civil society that persisted in Saudi Arabia for years. Most importantly, the law requires mandatory governmental approval for any kind of foreign funding. **Russia** introduced amendments to its Law on Undesirable Organizations including more activities that may be deemed undesirable. **Uzbekistan** tightened its grip on civil society in 2016 by toughening the laws on NGOs and on the receipt of funding. In 2018 however, restrictions have been eased and foreign funding does not have to be channelled through state agencies any longer.

*The International Center for Not-for-Profit-Law reports on more laws that are currently in consideration, for example in **Jordan** (Amendments to 2008 Law No. 51 on Societies), **Nepal** (Draft Social Welfare and Development Act), **Nigeria** (NGOs Regulatory Commission (Establishment) Bill), **Myanmar** (Draft Law on International NGOs) and **Pakistan** (Foreign Contributions Act).*

Sources include:

Applicable legislation (as available and as noted above).

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