# Call for input for the UNGA-80th thematic report on "Freedom of assembly and association rights, collective action and human solidarity facing existential threat: preserving the fundamental principles"

The European Center for Not-for-Profit Law (ECNL) is pleased to share this submission to contribute to the consultative process for the UNGA-80th thematic report on "Freedom of assembly and association rights, collective action and human solidarity facing existential threat: preserving the fundamental principles." Below, we are responding to several questions for civil society, social movements, activists, human right defenders, and the general public.

## Immediate impacts on freedom of assembly and association rights

The US funding freeze and subsequent dismantling of the U.S. Agency for International Development (USAID) have <u>profoundly affected</u> civil society.

As a ripple effect, <u>many other governments</u> have followed suit and cut funding to civil society, <u>shifting their priorities</u> towards state defence and security over protection of human rights. To mention just a few examples, the <u>Netherlands</u>, France, Germany and the <u>UK</u> have made cuts to development aid to focus on projects that benefit their national security interests. In addition, within the EU, some right-wings MEPs have been <u>leading</u> a damaging campaign against civil society organisations ("CSOs") that could lead to further budget cuts.

This overall shift of priorities and withdrawal of funding for humanitarian and democracy efforts has also had an <u>impact on global development systems</u>: the United Nations Development Programme (UNDP), e.g., and other multilateral organisations have experienced severe financial strains in their projects.

As an immediate result, we have identified the following impacts on the protection of freedom of assembly and association rights:

#### 1. Impact on CSOs sustainability and operations:

The evidence available unequivocally shows that budgetary cuts and changes of states' priorities have already translated into severe operational disruptions and a deteriorating enabling environment for CSOs. According to the <u>Global Aid Freeze Tracker</u>, 93.8% of CSOs reported direct operational impacts, with severe cash flow and liquidity issues that have forced them to reallocate funds.

CSOs are not able to carry out their work anymore: for example, <u>environmental organisations</u> have reported not being able to monitor attacks on environmental human rights defenders, which is an important instrument to increase accountability. In the <u>Western Balkans and Türkiye</u>, 73 percent of organisations that work on LGBTIQ+ rights have also reported a

reduction in programme activities. Of these CSOs, 60 percent experienced the closure of specific projects.

The European <u>Eastern Partnership</u> region (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine) is facing many worrying developments. The situation is particularly alarming in <u>Belarus</u>, where restrictions on both domestic and international funding come on top of government scrutiny and the risk of legal repercussions for their activities. This has led to the closure or exiled work of numerous CSOs. <u>Azerbaijan</u> faces similar challenges, with rigorous registration requirements for foreign funding that create substantial barriers to financial support.

In <u>Armenia</u>, many independent CSOs, including media organisations, have been substantially dependent on international and US funding. Given the underdeveloped government support and insufficient incentives for domestic donors, the shrinking financial aid poses serious risks to the promotion of democracy, human rights, good governance, and socio-economic development in the country. In <u>Moldova</u>, several CSOs had to close programmes or projects or lay off staff. In <u>Georgia</u>, civil society is heavily dependent on foreign funding (predominantly project-based and short term), with few alternative sources of domestic philanthropy or public support.

#### 2. Negative rhetoric and stigmatisation:

Another significant side effect of the funding cuts is that the populist and anti-rights rhetoric has <u>gained momentum</u> in many countries. <u>Reports</u> show shows that criticism and stigmatisation of international funding of CSOs have increased as well as scrutiny from politicians, government officials, and media outlets.

- Within the EU, far-right lawmakers are promoting a <u>damaging narrative</u> against the
  work of civil society, e.g. by claiming that environmental and climate organisations
  are being funded by the European Commission to lobby the European Parliament and
  EU institutions. This creates a misleading argument against the legitimate advocacy
  work of these organisations.
- In Hungary, the newly established Hungarian Sovereignty Protection Office (SPO) has released several reports targeting civil society. These include allegations against EUfunded programmes, such as CERV and international funders, including USAID.
- The <u>Prime Minister in Slovakia</u> claimed that foreign funding coming from USAID was used to distort the political system.
- In <u>Moldova</u>, immediately after the freeze, USAID and CSO cooperating with USAID were stigmatised in smear campaigns, labelled as criminals.
- In Serbia, <u>police raided the offices</u> of three of the most vocal and active CSOs, such as Civic Initiatives, Trag Foundation, and CRTA, accusing them of money laundering.
- In <u>Georgia</u>, the wider impact of these developments has been a sweeping increase in state control and repression through legislative, administrative, and informal means. New and expanded legislation related to foreign influence, grant approval, and protest regulation has been instrumentalised to criminalise activists, discredit independent CSOs, and stigmatise those who engage in rights-based work. Some CSOs have distanced themselves from participating in international coalitions since the beginning of 1 June 2025, as they are not willing to register and be labelled as foreign agents. CSO staff have lost their jobs or left where possible to work in the private sector, which is also increasingly unwilling to engage with activists (for e.g., CSOs are refused to host a meeting in a hotel). The general public has become more

hesitant to participate in protests or sign petitions, and we are yet to see the consequences and chilling attempt to criminalised any criticism via posts on social media. Civil society leaders report declining civic engagement, and increased violence from the police. Protesters have faced excessive use of force, arbitrary detention, and the freezing of funds provided to support injured or imprisoned demonstrators.

#### 3. Restrictive legislative initiatives/measures:

In addition, many governments or members of Parliaments are using the turbulent moment to accelerate a series of measures with the aim to prevent 'foreign interference' or 'influence by civil society lobbyists. While this is not a new phenomenon, the recent developments in the US have provided renewed momentum and greater political backing for similar moves elsewhere. Here as some significant examples:

- In March 2025 <u>Republika Srpska</u> rushed to adopt the Law on the Special Registry and Transparency of the Work of Non-Profit Organisations, a discriminative law <u>labelling</u> CSOs as foreign agents if they receive foreign funding a legislative move that many view as a <u>retaliation against critical organisations</u>. While the Constitutional Court temporarily <u>suspended</u> its application, the risk to civil society remains.
- The Slovak Government <u>proposed amendments to CSO framework laws</u> introducing a 'foreign agent' style obligations for organisations receiving funding from abroad. The amendments were later on revised to include CSO <u>lobbying regulation</u>, excluding forprofit and business lobbyists. <u>Regional human rights bodies</u> have raised concerns about its <u>restrictions</u> to freedom of association. The amendments did not pass in that form, but the draft legislation has already been substantially modified three times without strong justification or rationale and without any public debate, indicating that the goal was never to improve transparency in decision-making, but rather to target and undermine CSOs critical of the government.
- In Georgia, the situation escalated with the adoption of new laws restricting foreign funding: <a href="mailto:the FARA style law">the FARA style law</a> applies also to individuals and provide criminal liability for non-compliance and the <a href="law on foreign grants">law on foreign grants</a> that mandates the organisations to receive a government approval to obtain foreign grants. The forced registration in relation to receiving foreign funds, combined with the threat of harsh criminal sanctions (prison sentences and extremely high fines), has created an atmosphere of fear and uncertainty. As a result, many organisations and donors have scaled back, and cancelled their activities, and grassroots movements face growing obstacles to forming or sustaining themselves. This disruption has significantly curtailed civil society's capacity to organise, protest, and advocate for democratic reforms, especially in the context of contested elections and turn to authoritarianism. Amendments to the <a href="Law on Assemblies and Demonstrations">Law on Assemblies and Demonstrations</a> have also dramatically raised fines and expanded legal grounds for detention, while new offences target peaceful protest tactics.
- Last but not least, so called "transparency audits" of CSOs' funding have been launched in several countries, including <u>Slovakia</u> and <u>Germany</u>.

No matter how these restrictions are framed in legislation or what terminology they use, they have one clear purpose — to restrict resources for causes that people care about, to make it more difficult for people to form informal or formal groupings, influence policies that matter to them and ultimately restrict their access to decision making and insights which are important to hold governments to account for their actions.

# Local enabling environment (opportunities and gaps)

In some cases, access to resources has been weaponised against civil society in the form of punishment or retaliation for activities/associations:

- In the <u>Netherlands</u>, e.g., in November 2024, the Minister of Development Aid and Trade announced that effective 2026, state funding for international solidarity can no longer be used for policy influencing / lobbying and advocacy in the Netherlands or at the international level. This is a major deviation from the past decade as the Dutch government has been a frontrunner in funding political work of CSOs, and the Ministry of Foreign Affairs for long has been open to fund dissent against its own policies.
- CSOs in <u>Belarus and Azerbaijan</u> face severe and further restrictions on both foreign and domestic funding, requiring pre-approval from state authorities for receiving foreign aid. CSOs in Azerbaijan face restrictive regulations on receiving and registering foreign financial aid and it is extremely difficult for CSOs to obtain government approval for grants. In July 2024, the Cabinet of Ministers introduced new burdensome financial reporting and grant registration requirements for CSOs comprising additional forms in addition to annual financial reports that must be filed to the Ministry of Justice by 1 April with fines for non-compliance. Strict limitations on accessing domestic funding persist in Belarus as well. The country is engaging in systematic repression (encompassing the mass dissolutions of aid recipients, pressure on domestic donors, and the misuse of criminal charges for financing extremism) and closed civic space.
- In <u>Moldova</u>, a recently adopted package of amendments aimed at combating electoral corruption introduced provisions with a high risk of abuse concerning the freedom of peaceful assembly. For example, a new contravention article titled 'Corruption for organised assemblies' was introduced, imposing fines on both organisers and participants for offering or receiving any form of remuneration for participation in assemblies.
- In 2024, the state funding in <u>Azerbaijan</u> is focused on exclusively-selected government-aligned organisations, leaving independent CSOs at a disadvantage.
- In Georgia, the government announced the establishment of a separate state fund for CSOs in 2024. The fund will be used as a way to exert control over civil society and to provide support to CSOs that are aligned with the ruling Georgian Dream party.
   In 2024, the tax authorities and the financial police in <u>Belarus</u> conducted checks on individuals who donated money to foreign funds to help victims of political repression (especially through crowdfunding platforms).

On the other hand, technological developments, such as online donations, virtual currencies, and crowdfunding platforms, provide new opportunities for resource mobilisation and civil society is already exploring them. In Slovakia, where the government has taken several measures to silence critical voices and to exercise control over institutions, several successful crowdfunding campaigns were launched in the past year on the <u>Donio</u> platform as acts of resistance. These appeals supported the creation of a new, independent media outlet and provided income to critics of the government who lost their jobs. There are also emerging initiatives of fiscal hosts (such as <u>Open Collective</u>) and patronage platforms (such as <u>Herocircle.app</u>), which make it easier for unregistered groups and activists to generate and access resources.

## Securitisation of State and global agendas

The UN Security Council published recommendations for Member States to prevent the use of new financial technologies for terrorist purposes in January 2025. The document claims that donation-based crowdfunding is at risk of being misused, and recommendations include raising awareness among crowdfunding platforms about potential risks and tools to mitigate them. While no specific regulatory actions are recommended, it can be expected that this will lead to stricter regulations at the regional and national level for crowdfunding platforms. This is already happening in Europe, where the EU adopted a new anti-money laundering/countering the financing of terrorism (AML/CFT) package in May 2024. The aim of the package is to harmonise AML/CFT approaches within the Union and address emerging risks. For the first time, crowdfunding platforms, including donation-based crowdfunding platforms, will be considered "obliged entities". This means that, like banks and credit institutions, they must comply with numerous requirements to prevent and signal misuse of their services. This is happening despite the fact that there is no significant or consistent evidence that donation-based crowdfunding platforms are misused for money laundering or terrorism financing: Research examining the risk of terrorism financing in European crowdfunding concluded that many current assessments focus more on hypothetical risks of terrorist abuse of crowdfunding platforms than on actual evidence of such misuse. A more detailed analysis of the impact of the new EU AML/CFT package on CSOs can be found here.

In Hungary, on 13 May 2025, the representative of the governing party, Fidesz, submitted a draft law on the transparency of public life to the Hungarian Parliament. Disguised as a defence of national sovereignty, the draft law is a sweeping assault on civil society, independent media and democratic freedoms. It weaponises the vague notions of "sovereignty" to justify arbitrary blacklisting any entity receiving foreign funding – including from the EU – if deemed to be influencing the public life. Far from safeguarding democracy, the law seeks to silence critics, crush independent voices and limit people's freedoms. Its incompatibility with global and EU freedoms and anti–money laundering frameworks makes it legally indefensible and a dangerous precedent in the erosion of democratic norms. Draft law on transparency of public life. Further debate about the draft law in the Parliament was postponed to autumn. (According to the leader of the Fidesz parliamentary group, the fraction is united that there is a need to apply legal measures to protect sovereignty but there are debates about the concrete forms.)

In April 2025, the Italian Parliament adopted a <u>Security Law</u> that introduces disproportionate penalties for protest-related offences, including disruptive sit-ins and human roadblocks. Protesters who block traffic could face years in prison, while acts such as defacing property, already subject to strict penalties under the "<u>Eco-vandalism law</u>", would face even harsher punishment. In addition, the law expands the scope of punitive measures against migrants and detainees exercising their right to protest in detention centres and prisons. The law also enables indiscriminate collection of biometric data of people during protests. <u>Civil society organisations</u>, trade unions, several <u>UN special rapporteurs</u>, the <u>OSCE Office for Democratic Institutions and Human Rights</u> as well as the Council of Europe <u>Commissioner for Human Rights</u> criticised the Security Law's provisions finding that they violate international human rights law by disproportionately affecting specific groups, including racial minorities, migrants and refugees.

In <u>Armenia</u>, the lack of transparent foreign funding will affect the independent outlets and give rise to politicised and yellow press, allowing other external actors (e.g. pro-Russian groups) to have more influence on country's information environment and consequently political landscape. This gains extreme importance in the view of upcoming parliamentary elections in 2026. In addition, there has been a widespread narrative in Armenian society that democratic values undermine national security, and this narrative is used by antidemocratic forces to spread public distrust particularly towards the current government and the CSOs working in human rights protection.

# Strengthening the global protection of freedom of assembly and association rights – Recommendations

To promote a fairer and more sustainable architecture of aid ensuring the protection and promotion of freedom of assembly and association, we submit the following recommendations to the relevant stakeholders:

International and national donors (including international organisations, states and private actors):

- States and international legislative bodies should provide an enabling environment for resource mobilisation and guarantee CSOs' right to solicit, receive and use resources both domestically and from abroad, including through the use of crowdfunding and other technologies.
- Donors should provide flexible, multi-year funding mechanisms to organisations so
  that they can invest in their institutional capacities and sustainability, set their own
  priorities and quickly respond to changing circumstances, ideally in partnership with
  diverse champions, actors and institutions. Donors should move away from projectbased funding with a focus on short-term results but invest in long-term,
  transformative change.
- Donors should also provide sustainable resources to ensure that civil society groups are equipped with foresight capacities to anticipate, test different proactive strategies while advocating for better responses from national and multilateral institutions to act before is too late.
- Financial institutions can also play an important role, e.g. by setting clear indicators on civic space requirements and recognise that when civic freedoms are blocked, the success and sustainability of financial investments are at risk. It is important that they speak up against any laws and policies that misuses the anti-money laundering and countering terrorism framework to suppress civil society and dissent. They also have an important role in ensuring civil society's access to financial services, especially traditional banking services that are reportedly difficult to use by CSOs in exile or relocation.
- Governments and international bodies should ensure that the design and implementation of Anti-Money-Laundering/Combating Finance of Terrorism frameworks adhere to the Financial Action Task Force ("FATF") Recommendation 8, which states that measures should not unduly disrupt or discourage legitimate activities of non-profit organisations. In addition, the European Commission and the new EU AML Authority (AMLA) should provide flexibility in the delegated acts and guidelines which are currently being developed to allow for a risk-based, targeted

- approach in applying due diligence measures and proportionate compliance requirements for donation-based crowdfunding platforms.
- The European Union should uphold its commitment to support, empower and protect civil society by focusing its Multi-Annual Framework Financial Framework ("MFF") discussions on addressing "the funding needs for democracy resilience-building and human rights protection."
- Lastly, we recommend donors to support CSO efforts to engage with governments and international bodies on these topics and jointly push back against restrictions.

International community, including the United Nations, other multilateral bodies, and new groupings of countries:

• These actors should move towards a more preventive rather than reactive model for human rights restrictions to actively protect civic space rather than respond only after it has been damaged. For example, some CSOs in the EU are working on an Early Warning and Alert System to provide systematic evidence on civic space developments within the EU. They report on early signs of deterioration, and urge EU institutions to act before the situation worsens. A preventive approach also requires fostering democratic and civil society resilience as part of a broader framework towards a vibrant civic space.