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RECENT ADVERSE DEVELOPMENTS FOR NON-GOVERNMENTAL ORGANISATIONS IN EUROPE

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EXECUTIVE SUMMARY

This Study aims to tackle new trends in the situation of non-governmental organisations (“NGOs”) in Europe in the course of 2024 and 2025, following up on the Study Stigmatisation of Non-governmental Organisations in Europe.

Its preparation was particularly prompted by the pressure on civic space arising out of the United States funding cuts and anti-NGO policies and the proliferation of restrictive legislation in Europe which copies, to varying degrees, the Russian “foreign agents” laws.

Based on the responses to a questionnaire from NGOs in 30 countries, of which 28 were Council of Europe member States, the Study highlights the practical effects of these policies on the daily operation of NGOs, whether they are sufficiently resilient and measures that individual States and international institutions need to take.

It deals first with the regulatory developments concerning NGOs and then provides an outline of related financial developments and their effect on the operation of the NGO sector. It concludes with the discussion of operation of the remedies that the NGOs have sought to combat the restrictions on civic space and their effectiveness.

The proliferation of “Russian-style” “foreign agents” laws and the tabling “foreign agents” bills in multiple countries across the Continent, even if shelved or defeated, has normalised the suspicions against NGOs, including at the EU level, however unfounded. References to AML/TF to justify restrictions on how the NGOs operate are now common, even if there is no risk of money laundering and terrorism financing from their activities. Criminalisation of human rights defenders has become a reality. Access to funding has become much more challenging, with many sources cut off and there are increasing restrictions on the operations of some groups of NGOs. Yet some States in Europe have become a safer harbour for human rights and media NGOs from restrictive and repressive countries.

Over the past two years NGOs across most fields have faced a deteriorating operating environment. While the EU and the Council of Europe continue to emphasise the importance of civil society and freedom of association in their rhetoric, this commitment is often not matched by sufficient political action or financial support. Moreover, while courts, domestically and internationally, have supported civil society in their challenges against the restrictive measures, either their judgments (with way too few exceptions) come late or they remain unenforced or result in new restrictions being proposed in place of those found unlawful.

The risks of further inaction are the continued erosion of civic space, the diminished capacity of NGOs to influence evidence-based policy and weakened protection for vulnerable groups such as victims whose rights depend on strong advocacy.

A. INTRODUCTION

1. This Study follows that of [Stigmatisation of Non-governmental Organisations in Europe in 2024](#)¹ and aims to tackle new trends in the situation of non-governmental organisations (“NGOs”) in Europe in the course of 2024 and 2025. The 2024 report found² the widespread and concerning pattern of stigmatisation of NGOs in Europe subject to ongoing development. The NGOs that were reported to have been particularly subject to stigmatisation included those active in the area of human and minority rights and environmental protection, as well as those acting as watchdogs (anti-corruption and investigative journalism). Amongst the forms of stigmatisation identified in the report were: legislative measures; the lack of effective legal protection; media smear campaigns; physical attack; limited access to public funds; and exclusion from the decision-making process.
2. The present Study’s preparation was particularly prompted by the pressure on civic space arising out of the United States funding cuts and anti-NGO policies and the proliferation of restrictive legislation in Europe which copies, to varying degrees, the Russian “foreign agents” laws. Only two years after the 2024 study, the changes brought by these two sets of policies were apparent and called for an update to the analysis in it.
3. What are the practical effects of these policies on the daily operation of NGOs in Europe? How do European NGOs affected by one or both of these restrictive waves navigate the rough seas? Is there enough resilience and what measures are required of individual States and international institutions, like the Council of Europe? These are among the questions the present study aims to address.
4. The Expert Council developed a questionnaire and circulated it to NGOs in all Council of Europe member States, as well as Belarus, Kosovo* and Russia. The resulting analysis is based on 76 responses to the questionnaire from 30 countries, of which 28 were Council of Europe member States.
5. Most responses came from Türkiye (8), followed by Greece (6), Belgium (6, but 5 of them are registered in Brussels for European Union (“EU”) advocacy purposes), Georgia (5), Germany (5, but 4 of them are registered in Germany to work on other countries), Hungary and the United Kingdom (4 each), Austria (4, but 3 of them are chapters of the same national network), Spain, Ukraine, Serbia, the Slovak Republic (3 each), France, Republic of Moldova, Armenia (2 each) etc. No replies came from Italy, even though its 2025 emergency legislation raised concerns as to the adverse developments for NGOs there.³
6. Although the responses may not fully reflect the pressures being felt by NGOs in Europe, they provide a good overview of the difficulties being faced by many of them.

¹ This was prepared at the same time as the European Union’s Agency for Fundamental Rights’ report, which was limited to the Member States of the European Union.

² Paras. 196-198.

³ Decreto-Legge 11 aprile 2025, n. 48. For criticism of it by civil society see: European Civic Forum, [Italy: Security Law enacted in June 2025, but its measures were already applied before approval](#); Civicus, [This security decree is the biggest attack on the right to protest in the history of the Italian Republic](#); and ASSEDEL, [Human rights at risk: an analysis of the Italian Security Bill \(Decreto Sicurezza\) and its impact on fundamental freedoms](#).

7. The preparation of this Study has also had regard to the trends seen in the recent case law of the European Court of Human Rights and domestic courts and tribunals, as well as in the opinions of the Venice Commission.
8. This Study deals first with the regulatory developments concerning NGOs and then provides an outline of related financial developments and their effect on the operation of the NGO sector. It concludes with the discussion of operation of the remedies that the NGOs have sought to combat the restrictions on civic space and their effectiveness.

B. EVOLUTION OF THE REGULATORY FRAMEWORK

9. In the period under review, a number of countries have considered the adoption of Russia-style “foreign agents” laws or indeed have adopted them. Thus, amongst Council of Europe member States, Bosnia and Herzegovina’s *Republika Srpska*, Georgia and the Slovak Republic enacted such legislation. While Bulgaria, the Republic of Moldova, Montenegro all considered doing so but their bills failed at different stages of the parliamentary procedure. Restrictive legislation was also tabled in Hungary but its consideration remains postponed.
10. Beyond the “foreign agents” laws, Council of Europe member States have considered - and in some cases adopted - legislation restricting substantive activities of NGOs. Thus, such restrictions have been connected with anti-money laundering and terrorist financing regulations, criteria for access to public funding and the outright criminalisation of some activities.
11. These two sets of developments will be dealt with in turn.

“Foreign agents” legislation

12. “Foreign agents” laws, even a narrower group of Russia-style “foreign agents” laws, can take many forms. Their authors would disguise them and pretend them to be copied from a presumably more respectable US template (Foreign Agents Registration Act, “FARA”) than from Vladimir Putin’s playbook.
13. Yet all of these laws or bills have one idea in common, that is creation of a specific group of NGOs, as loosely defined as possible, to subject it to targeted restrictions. The most common group selected for special treatment is NGOs receiving funding from abroad. This issue has resurfaced already a few times after the European Court of Human Rights (“the European Court”) found that selecting a group of organisations for special treatment would run contrary to the requirements of Article 11 of the Convention (freedom of association).⁴
14. The Russian Federation has been the torchbearer of the “foreign agents” laws for well over a decade. A detailed summary of its legislation can be found in the judgments of the European Court of Human Rights finding it contrary to the European Convention on Human Rights (“the European Convention”).⁵

⁴ *Ecodefence and Others v. Russia*, nos. [9988/13](#) et al., 14 June 2022.

⁵ *Ibid.*; see also *Kobaliya and Others v. Russia*, nos. [39446/16](#) et al., 24 October 2024.

15. Within the timeframe of the present report Article 21 of the 2022 Protection from Foreign Influence Act, which lists 21 items of prohibitions for those listed by the Ministry of Justice as “foreign agents”, was amended to include, *inter alia*, prohibitions to teach at public institutions, to teach and anyhow disseminate knowledge outside educational institutions defined as a prohibition of “enlightenment activities” (*просветительская деятельность*), to produce any information aimed at minors, or to receive income from intellectual and real property; proceeds therefrom are sent to a special bank account which cannot be used by the “foreign agent” concerned as long as he or she is a “foreign agent”, that is for life. A bill is now being considered to increase income tax for foreign agents to 30% (compared to 13% for the rest of resident taxpayers).
16. Despite the unequivocal position of the European Court, in May 2024 the Georgian Parliament, overriding the Presidential veto, adopted a law on transparency from foreign influence (commonly referred to as the “Russian law”). It requires non-commercial entities (NGOs) and media outlets merely for receiving more than 20% of their funding from abroad to register publicly as “organisations pursuing the interests of a foreign power.” It further provides for annual disclosure of foreign income, introduces reporting obligations and gives the Ministry of Justice’s powers to monitor and identify organisations to which the law can apply. Penalties for non-registration or failure to comply are fines of several thousands of Georgian Lari (1 euro is approx. 3 lari). The law also prescribes the possibility of forced registration in case an organisation is considered as liable for registration. The law has not yet been enforced and the majority of leading human rights NGOs have not registered.⁶
17. In April 2025, the Georgian law on transparency from foreign influence was followed by the “Foreign Agents Registration Act (FARA)”. It came into force as of 1 June 2025. This new law is even stricter: it introduces criminal liability for individuals or entities that refuse to register under the foreign agents’ regime. The law expands the definition of “agent” to include those who engage in “political activity” in the interest of or under the control of or with funding from “foreign principals” (foreign governments, organisations, or individuals abroad). The Anti-Corruption Agency, in charge of the application of the law, has already sent letters to about 30 organisations, requesting very extensive information, including personal data of beneficiaries, and later sent an additional letter instructing them to register as an “agent” (under the law), asking for reasons for the failure to register, and reminding them of criminal liability.⁷
18. In a further act of crackdown on NGOs, also in April 2025, the Georgian Government adopted amendments to the Law on Grants that prohibits receiving foreign grants unless the donor organisation obtains prior government (or designated authority) approval. Donors must submit draft grant agreements to the government or a designated body for review/approval. If an organisation receives a grant without this approval, the NGO faces fines equal to twice the value of the received funds. When organisations refuse to provide information, the authorities apply to the court and, by court ruling, obtain disclosure (including indirectly requesting data about beneficiaries). Failure to comply with a court decision also results in criminal liability.
19. The Slovak Republic has adopted its version of the “foreign agents” legislation, though it was not applied. It imposed additional compliance requirements, including the mandatory

⁶ See further, the Expert Council’s [Opinion](#) on this law.

⁷ <https://idfi.ge/en/the-georgian-dream-has-started-a-new-stage-of-repressions-against-civil-society-targeting-up-to-30-georgian-non-governmental-organizations?fbclid=IwY2xjawM92zpleHRuA2FlbQlxMQABHoqnYslORP3eg29zoK8hmY0QT2CtRK0QGpCDkZdP001lz6jjypTvoPz81J>. See further, the Expert Council’s [Opinion](#) on this Act.

publication of all contracts and invoices financed from public sources, as well as the disclosure of donors. These obligations would create an additional layer of administrative and compliance costs. As the drafting of this report was being concluded the Constitutional Court of the Slovak Republic declared the law unconstitutional.⁸

20. In Bosnia and Herzegovina's *Republika Srpska* a law with contents comparable to the original versions of the Russian Foreign Agents law was also finally adopted after having been delayed and rescheduled a number of times. It has not yet been applied, but associations in the entity are concerned that the pressure may be exerted even without its formal enforcement. The law has been suspended by the Constitutional Court of Bosnia and Herzegovina⁹, but there is no certainty that that court's order may at all times prevent *de facto* enforcement.
21. Serbia considered a comparable bill, which is currently shelved. According to it, any organisation receiving more than half of its funding from abroad would be required to register as a "foreign influence agent" in a publicly accessible registry maintained by the Ministry of Justice. All public statements and materials issued by such organisations would need to carry this label, effectively branding them as acting on behalf of foreign interests. Non-compliance would trigger severe penalties, including high fines for organisations and individuals in leadership roles. Serbian organisations have expressed concern that even where their funding is formally approved, the law's labelling requirements and the suspicion it creates can impact public conceptions about the integrity of the organisations, slow down their activities, and significantly undermine their operational capacity.
22. A number of other draft laws have been considered but have so far failed to reach the parliamentary floor.
23. Thus, a "foreign agents" bill in Bulgaria was aimed at both CSOs and business and was defeated by the joint for-profits and non-profits' public campaign.
24. There is also a proposed European Commission directive under discussion which would impose requirements relating to interest representation on behalf of third countries. Its vague formulation risks encompassing wider NGO activities.¹⁰ As a result, it could still stigmatise them and the administrative burden could also hamper the operation of smaller NGOs. Germany and other EU Member States have expressed concerns about this law, fearing it might mirror repressive regimes.¹¹
25. Moreover, in March 2025 in the Republic of Moldova an opposition faction, the Bloc of Communists and Socialists, submitted a draft Foreign Agents Law to the Parliament.¹² The draft law poses a serious threat to freedom of association and access to funding, aiming to silence independent voices and shrink civic space. It would require "foreign

⁸ ÚS SR, PL. ÚS 11/2025-116, 17. decembra 2025. See also the [Opinion](#) of the Expert Council.

⁹ See further on legal remedies below.

¹⁰ See [EU Defence of Democracy Package: Proposal for Directive lacks clarity and legal certainty on key definitions | ECNL](#).

¹¹ See <https://www.ft.com/content/2a1e35b6-54b7-4601-a62d-78e16af88838>, <https://verfassungsblog.de/this-is-not-a-foreign-agents-law>, <https://corporateeurope.org/en/2025/01/european-right-wing-mission-silence-ngos> and <https://ecnl.org/publications/eu-defence-democracy-package-proposal-directive-lacks-clarity-and-legal-certainty-key>.

¹² See <https://www.parlament.md/material-details-md.nsp?param=21fa86ed-8c64-413e-b19a-a796e037c1fb>

agents” to register within 30 days of receiving foreign funds, submit quarterly activity and funding reports, and label public materials. NGO could face restrictions limiting election monitoring, participation in decision-making, and advocacy for human rights and democratic institutions. Non-compliance could lead to fines, suspension of activities for up to six months, or court-ordered dissolution.¹³

26. Furthermore, even if Türkiye has not adopted its own “foreign agents” law, following an amendment of 9 July 2020, to the Regulation on Associations, foreign foundations and associations must now also notify authorities upon receiving any donations, whether cash or in-kind, from abroad, including from their own headquarters. Previously, funds originating from headquarters were exempt from this requirement. More recently, however, according to a respondent organisation, NGOs receiving foreign funding have frequently been the target of smear campaigns by media outlets and politicians. In 2024, the government proposed the “agents of influence” bill, which would have criminalised activities deemed to be in line with foreign states’ or organisations’ interests that are perceived as detrimental to Türkiye’s security or political interests. The bill’s vague language could have exposed NGO receiving foreign funding to criminal investigations. The bill was shelved at the end of the year.¹⁴
27. The most recent development is the new Czech government’s programme declaration to “prevent public money from being used for political activism” and make NGOs receiving foreign funding label themselves.¹⁵ The proposal has been criticised as reminiscent of comparable Hungarian and Russian legislation and primarily aimed at investigative journalists’ associations in an act of political retaliation.¹⁶

Legislation restricting NGO substantive activities

28. Beyond legislation creating specific restrictive regimes for NGOs based on the sources of their funds, multiple Council of Europe member States and neighbouring countries introduced restrictions for NGOs based on the subject-matter of their activity. This has hit migrants’ and LGBTQI+ rights groups the most, but the trend is not limited to those and may also concern the very way CNGOs operate.
29. In 2025, Greece announced plans to further tighten the rules governing NGOs active in migration by removing groups from the official NGO Registry if they fail to meet new requirements.¹⁷ A respondent organisation reports that Migration and Asylum Minister Thanos Plevris is expected to introduce measures that would strike NGOs from the registry if they promote migration policies opposing those of the government, legally challenge decisions such as administrative detentions or asylum suspensions, or are

¹³ See <https://csometer.info/updates/moldova-opposition-introduces-draft-foreign-agents-law-parliament>.

¹⁴ See the “Criminalisation” subsection for more details on the latter.

¹⁵ See, e.g., <https://ct24.ceskatelevize.cz/clanek/domaci/vznikajici-vladni-koalice-poslala-na-hrad-programove-prohlaseni-366698>.

¹⁶ See <https://rsf.org/en/czechia-new-ruling-majority-s-programme-threatens-press-freedom>.

¹⁷ See <https://ecre.org/mediterranean-another-tragedy-in-the-central-mediterranean-%25E2%2580%2595-ngo-evacuates-people-from-ship-after-eu-member-state-authorities-refuse-to-intervene-%25E2%2580%2595-9000-people-have-reportedly-left-c/>

found to have misused funds. While removal from the registry does not necessarily end up with the dissolution of an NGO, it cuts off access to state-controlled migrant facilities. Since the Registry's creation in 2020, only officially registered NGOs have been allowed access to those facilities. Losing registry status therefore severely limits contact with people on the move and significantly curtails organisational influence. There is also no explicit provision in the new law for free legal services for those in detention seeking judicial review of the rejection decisions, and NGO lawyers will need to obtain additional approval from the respective Police department to gain access to detention facilities, regardless of their registration in the Ministry's Registry.

30. In the Republic of Moldova in May 2025 the Chişinău Municipal Council voted to ban public meetings on "sensitive topics related to sexual orientation and gender identity" and so-called "LGBTQI+ propaganda," directly restricting activities of NGOs assisting LGBTQI+ people, even though Pride events continued to challenge the ban. Separately, a government-initiated Draft Law on Public Events advanced in 2025 had been criticised for vague definitions that could curb freedom of assembly and be used to constrain NGO outreach,¹⁸ but was eventually adopted. The Law has the potential for allowing the authorities to circumvent the robust safeguards for freedom of assembly.¹⁹ If an "LGBTQI+ propaganda" law were to be adopted, as the respondent organisation suggests, Pride marches could automatically be categorised as illegal and thus prohibited.
31. In Türkiye, the year 2025, declared by the state as the "Year of the Family," has also set the political framework for administrative harassment against LGBTQI+ persons' organisations. According to a respondent organisation, the number of closure lawsuits filed against associations for immoral conduct has increased. The narrative that LGBTQI+ persons' organisations are against the sacred family and that they are immoral is presented as justification for restrictions on the activities of these organisations.²⁰ Further, as a respondent reports, according to a leaked draft law, which is based on the 4th Judicial Reform Strategy Document prepared by the Ministry of Justice and aims to amend the Criminal Code and Civil Code, any person who publicly encourages, praises, or promotes attitudes and behaviours contrary to "innate biological sex" and "public morality" will be sentenced to imprisonment for one to three years. If the draft is adopted, NGOs and human rights defenders advocating for LGBTQI+ rights or gender equality could face legal proceedings. Following the leak, numerous NGOs called for the draft not to be submitted to the parliament. Despite this, another draft law was submitted to the Parliament by HÜDA PAR (an Islamist-oriented political party), which broadens the scope of criminalisation. As of September 2025, the bill has not yet been placed on the agenda of the parliamentary committee.

¹⁸ See <https://csometer.info/updates/moldova-new-draft-law-public-events-could-curb-freedom-peaceful-assembly>

¹⁹ See <https://csometer.info/updates/moldova-law-public-events-creates-legal-uncertainty-peaceful-assemblies>

²⁰ See <https://www.aa.com.tr/en/turkiye/lgbt-issue-used-as-battering-ram-against-family-says-turkish-president-erdogan/3448985>

32. In Bosnia and Herzegovina's *Republika Srpska*, there are regulations that prohibit both direct work and even contact with migrants within its territory, as well as initiatives that are anti-gender and have removed the term "gender identity" from legal texts.
33. Beyond migrants' and LGBTQI+ groups, according to a respondent organisation, the British government has used counter terrorism legislation to ban a civil society direct action group, Palestine Action. The group is not an armed group and has been involved in direct action against arms companies leading to private sector losses and has damaged military equipment. The ban could be a pre-cursor to banning other direct action groups involved in non-violent disruptive activities and labelling them as terrorists, for example in the environmental sector. The ban, which also criminalises any expressions of support for the banned organisation, has had specific impacts in Northern Ireland where there are actual armed groups and a post-conflict process relating to transition.²¹
34. In 2024, the Ukrainian Parliament adopted the Law on Lobbying. While its stated purpose is to regulate business and professional lobbying activities, concerns have emerged within the civil society sector that advocacy work of NGOs could also fall under its scope. If advocacy is equated with lobbying, this may introduce new requirements for registration, reporting, and additional restrictions for NGOs, particularly those engaged in human rights protection and supporting vulnerable groups.
35. In Hungary, the Sovereignty Protection Law, adopted just before the 2024 Stigmatisation report, ordered the establishment of the Sovereignty Protection Office ("the SPO"), and the SPO's legal framework and activities reflect the broader trend of the weaponisation of legal and administrative frameworks against dissent. The SPO, set up as of 1 February 2024, with its "*investigations*" and "*reports*" has repeatedly framed EU activities, EU funding and engagement with the EU's rule of law toolbox as threats to the sovereignty of Hungary. Moreover, in February 2025 a special commissioner was appointed who is "responsible for uncovering political corruption funds paid by the United States Agency for International Development to Hungarian entities".²² A survey conducted by the national coalition of independent NGOs among organisations from across the country demonstrated that the chilling effect is real: the SPO's activities have generated reputational harm, financial strain, and heightened reluctance among public institutions to cooperate with NGOs that are publicly named by the SPO while entities not (yet) targeted devoted significant resources to prepare themselves in case of the Office singles them out in a future report. Respondents identified self-censorship, with some organisations reconsidering public advocacy or visibility due to fear of being singled out.²³
36. Also in Hungary, in spring 2025, a government MP filed the Bill T/11923 on Transparency of Public Life. This Act centres on creating a list of organisations that "use foreign support to influence public life" in ways considered to "threaten the sovereignty of

²¹ See <https://www.rte.ie/news/analysis-and-comment/2025/0824/1529876-psni-palestine-ulster/>

²² Government Resolution 1033/2025. (II. 27.).

²³ See <https://helsinki.hu/wp-content/uploads/2024/06/Consequences-of-the-Sovereignty-Protection-Act.pdf>.

Hungary.” The term “foreign support” covers any receipt of funds from abroad, including private donations from individuals or entities in other EU Member States and EU grants. The Act would entitle the existing SPO to decide whether to compile a list of organisations that “use foreign funding to influence public life.” Listed organisations would only be able to accept foreign funding with prior approval from the anti-money laundering authority, lose access to the domestic “one percent” personal income tax designation system (also retroactively), and be required to obtain donor declarations that fully verify the funds are not of foreign origin. The Anti Money-Laundering “AML”) authority would have extensive inspection powers, including on-site searches. Credit institutions would have to examine every incoming foreign transfer, hold flagged transactions and report them to the AML authority. Managers (such as executive officers, founders, and board members) of listed organisations would automatically be treated as politically exposed persons and be subject to the full range of AML/terrorist financing (“TF”) controls. The Bill does not allow for judicial review of the list of organisations. The Parliament postponed its vote on this new “transparency law” until the autumn session and has not yet listed the bill for a hearing.²⁴

37. Outside the Council of Europe area, In Belarus, the past two years have brought further legislative tightening against NGOs. Over a thousand NGOs have been forcibly liquidated since 2021, many, including youth organisations, were later designated as “extremist formations” or even linked to “terrorism.” Cooperation with exiled organisations has been explicitly criminalised, making any contact or funding inside Belarus a criminal offence. Independent student unions, human rights groups, and women’s organisations have been banned, leaving entire social groups without safe support structures.

AML/terrorist financing and related financial regulations

38. In Serbia, according to a respondent organisation, the introduction of anti-corruption and anti-money laundering laws that appear to be selectively applied against critical NGOs by the government led to investigations against 20 individuals and 37 NGOs without justification by the Administration for Prevention of Money Laundering and Financing of Terrorism in 2022. The following year, the same governmental agency investigated 57 NGOs.
39. The Bulgarian Financial Department of National Security has launched investigations into NGO activities, which, although not criminal, have severely restricted some NGOs’ operations and damaged their reputations. These investigations last for several months and require extensive financial documentation not only from the organisations themselves but also from the individuals they support. By the end of 2024, four separate financial inspections have been launched against staff, volunteers, and even family members of an anonymous member organisation of the respondent which is a sub-regional network.

²⁴ See <https://helsinki.hu/en/wp-content/uploads/sites/2/2025/05/Operation-Starve-and-Strangle-2025.pdf>

40. In Türkiye, Law No. 7262 On The Prevention Of The Financing Of Proliferation Of Weapons Of Mass Destruction (*sic!*), published in the Official Gazette dated December 31, 2020, introduced numerous amendments to the law on associations and the law on fundraising. Under the new association regime established after this law, associations working particularly in the field of human rights have been placed in a high-risk category, and routine inspections without justification or reasonable suspicion have been introduced. Associations are being forced to comply with new procedures and are becoming unable to function.²⁵
41. Also, in Türkiye asset freezing has been used as a tool to restrict²⁶ and deter civil society organisations, even in cases where courts have found them innocent. In August 2024, the Minister of Finance and Treasury issued a decision to freeze the assets of the migration monitoring organisation Göç İzleme Derneği (GÖÇİZDER) and several of its former staff and executives. The measure led to the blocking of bank accounts, pensions, credit cards, and even public transport passes, effectively cutting off the financial and social mobility of those affected.

Criteria to receive public funds

42. Decisions by the United States to exclude any public funding for any initiatives in any way promoting diversity, equality and inclusion (“DEI”) triggered reassessment of access by NGOs to public funding by several European governments, whereas others had been engaged prior and independently of the US developments. In most cases, access to public funding has been restricted, even though political developments in Poland and the Republic of Moldova have led to improvements.
43. Thus, in Poland, as the respondents report, LGBTQI+ organisations are no longer excluded from public funding. Moreover, in respect of the Republic of Moldova, it is reported that transparency in distribution of public funds has increased. Grant programs should follow a public tender and should be guided by the principles of transparency, free competition, equal treatment, proportionality and simplicity, dialogue, non-retroactivity, annual public tenders, multi-annual financing and efficient use of public financial resources. The Regulation requires the funding authority to consult funding priorities with non-commercial organisations and to publish them on the authority's official website at the beginning of the financial year. Commissions consisting of at least five members, including at least one NGO representative, evaluate and select grant recipients. Tax-related regulations also have the potential of increasing the number of people who may donate to NGOs. This, however, is yet to produce lasting effect, especially for LGBTQI+ organisations, which are currently unable to access public funding other than for HIV testing and treatment services provision.

²⁵ See <https://masak.hmb.gov.tr/law-no-7262-on-the-prevention-of-the-financing-of-proliferation-of-weapons-of-mass-destruction/> and

https://www.fidh.org/IMG/pdf/obs_turkey_report_administrative_harassment_june_2022.pdf

²⁶ See https://borderviolence.eu/uploads/document/file/475/Annual_Crim_Report_2024.pdf

44. Also, respondents from the Czech Republic (before the 2025 parliamentary elections) and Ukraine were satisfied with the distribution of public funds for NGOs, even despite the aggression against Ukraine.
45. At the EU level, the EU Financial Regulation recast (in force since 29 September 2024) added an EU-wide definition of NGO and strengthened transparency obligations around recipients of EU funds. This tightens NGO classification and disclosure and might feed into stricter grant terms across programmes, especially as of 2028.²⁷ There have also been proposals coming from members of the European Parliament for audit and investigation despite EU Court of Auditors findings that both the European Commission and NGOs act duly in, respectively, allocating and spending public funds. Less EU funding, though, is being allocated to LGBTQI+ projects according to a respondent from Croatia.
46. Again, as with the regulatory framework in general, the most significant deterioration over the past two years was observed in Georgia. The Georgian Dream government adopted amendments to create a public law legal entity (agency) that would issue public grants to NGOs. The state budget has allocated roughly GEL 20 million²⁸ () for these grants in 2025, aimed at supporting public associations. However, this mechanism is viewed by many NGOs as also being designed to shift control over which organisations receive funding, and to what extent, particularly penalising NGOs dependent on foreign funding or working in sensitive areas. Independent and rights-focused NGOs remain excluded in practice. Under the new framework, priority is given to projects framed as “socially useful,” “cultural,” or “community-oriented”. Since late 2024, Georgia has witnessed the introduction of explicit anti-gender and anti- LGBTQI+ policies, including restrictive legislative measures. Law on Family Values & Protection of Minors (2024) outlaws LGBTQI+ visibility, bans gender-affirming care, and criminalises providers. Authorities have justified these changes on several grounds: to “balance” reliance on foreign donors and ensure more sustainable domestic funding for NGOs; to “depoliticise” civil society by avoiding funding for activities described as “political” or “influenced by foreign actors’”; to support “national priorities” in line with government policy (framed as cultural, educational, or social development). None of those grounds can be regarded as consistent with the European Convention.
47. Similarly, in Türkiye LGBTQI+ groups and advocates for gender equality are explicitly excluded from the calls for public funding.
48. Moreover, in the Slovak Republic, the Ministry of Culture, under Minister Martina Šimkovičová, has openly declared that no financial support would be allocated to LGBTQI+ projects. This stance has been reinforced by her political party SNS, which carried out a public campaign with the slogan “we have stopped the financing of LGBT projects.” In practice, nearly all LGBTQI+ projects have been systematically excluded from cultural funding schemes under her mandate. The Ministry of Justice operates a support scheme for human rights projects. However, in recent years it has not approved

²⁷ See https://commission.europa.eu/publications/eu-financial-regulation_en

²⁸ Approximately 6,200,000 euros.

any project focusing on LGBTQI+ people. Moreover, for the first time in history, it discontinued funding for an accredited victim support provider for LGBTQI+ victims of crime.

49. Problematic situations also exist beyond Central and Eastern Europe.
50. Thus, in Scotland (a separate jurisdiction of the United Kingdom) no new charities or other groups have been able to apply for core funding. As such, smaller groups or groups which wish to cover more specific issues (e.g. the cost of living) are currently not able to be funded in the same way as existing charities. Existing charities are stretching their limited budgets to try and cover emergent issues alongside pre-existing work along with the rise in overheads. Additionally there has been increasing pressure from some parliamentarians to police the policy positions of charities and NGOs who advocate for LGBTQI+ issues and rights, with most being branded 'activist' and 'ideological', or in breach of political neutrality.²⁹ For example, the leader of the Scottish Conservative party gave a speech claiming that "state funded activists, state funded charities" are stifling dissent and free speech, and doing the business of the Government.³⁰
51. Moreover, such issues are not limited to LGBTQI+ groups.
52. In Belgium's Wallon Region projects catering to migrants/asylum seekers will have more trouble finding subsidies, this being a clear choice of some of the governing parties. Such funding is also out of the question in Greece. Under the regulations on the NGO Registry, described above, NGOs cannot receive state subsidies exceeding 40% of their operational budget, nor can they obtain state-backed loans if they do not meet the Registry's criteria (e.g., acting in agreement with the government's migration policies). While the Registry rules do not preclude funding for specific activities outright, NGOs can be de-registered and thus lose public support if they challenge migration or asylum-related state policies.
53. Furthermore, ethnic minorities' organisations in Sweden can no longer obtain any state funding for their activities, which is the effect of a governmental decision taken on 7 September 2023. This decision had been preceded by a media campaign from the Liberal Party and the Swedish Democrats, claiming that ethnic organisations were against integration and a breeding ground for extremism and "non loyal" behaviour. It is reported that most of this argument can be traced to rumours that foreign states use organisations to infiltrate both the Swedish state, and/or to keep an eye on the diaspora living in Sweden. The extremism argument has been widely used by the government to justify a more restrictive approach to NGOs in different fields from environmental rights organisations to the Palestine-movement, to minority religious groups and rights groups of different kinds.
54. Requirements not related to a specific subject matter have also been introduced. Thus, in France access to public funding has been subject to the *contrat d'engagement*

²⁹ See <https://www.parliament.scot/chamber-and-committees/questions-and-answers/question?ref=S6W-37039>

³⁰ See <https://archive.is/ePTJU>

républicain (contract of republican engagement).³¹ While it proclaims the basic values of the Republic, some of its provisions are vague enough (e.g. not to commit reprehensible acts), that the concern is that it may result in reducing the number of projects and introduce self-censorship. Also, in Portugal the criteria of access to public funds have increasingly shifted towards a performance-based funding model emphasising economic impact indicators of social interventions over human, relational, or community development outcomes. This evolution has reoriented funding priorities towards quantifiable outputs, aligning more closely with private-sector logic than with the traditional missions of many NGOs.

55. Multiple respondents from different Council of Europe member States have all noted that public funding in them largely goes to GONGOs (government-organised non-governmental organisations).
56. In terms of projects, the Hungarian Bill on the Transparency of Public Life contains proposals to alter the distribution of 1% tax donations, but it has not yet been passed. According to the law on personal income tax as in force in 2025, every taxpayer can freely decide on 1% of their income tax to be transferred to the NGO of their preference. In 2025, over 20 billion HUF³² was distributed this way. Despite the anti-NGO campaign of the government, the number of those designating 1% of their income tax for a civil society organisation increased by 3.5% as compared to 2024.³³ However, organisations listed pursuant to the Bill's proposals would be barred from accessing the 1% tax designation scheme.

Criminalisation

57. Several proposals and pieces of adopted legislation in European States may result in human rights defenders being criminalised. Indeed, criminal convictions against some of them have already been issued not only in the Russian Federation and Belarus but also in Latvia. Thus, Leva Raubiško, a human rights activist from the organisation 'I Want to Help Refugees' (Gribu palīdzēt bēgļiem), was convicted of facilitating "illegal migration" and sentenced to 200 hours of community service³⁴, for having provided humanitarian assistance to undocumented refugees from the Middle East.³⁵ Another activist was charged with providing information and damaging property (e.g. cutting barbed wire on the border fence) and was fined 460 euros.
58. In Türkiye, the draft "foreign agents law"³⁶ tabled in 2024 was framed as a national security measure but, like the Balkan examples, relied on deliberately vague concepts

³¹ See <https://www.immigration.interieur.gouv.fr/Immigration/Contrat-d-engagement-a-respecter-les-principes-de-la-Republique>

³² Approximately 51 million euros.

³³ See https://nav.gov.hu/ado/szja1_1/kimutatasok_elszamosok/civil-szervezetek/egyszaz_kiut_index.

³⁴ Although the prosecutor had requested a one and a half year prison sentence.

³⁵ See <https://novayagazeta.ee/articles/2025/08/22/v-latvii-pravozashchitnitsu-ievu-raubishko-prigovorili-k-200-chasam-obshchestvennykh-rabot-za-pomoshch-bezhentsam-na-granitse-news> and <https://www.bbc.com/russian/features-65154463>.

³⁶ A proposed Article 339/A of the Penal Code.

of “foreign interests” and “influence” that could be used to criminalise cooperation with international partners, independent reporting, the receipt of international funding and core civil society activities. Many civil society groups depend on international support to sustain their work, but under the new law, such funding could be used as evidence of foreign influence, exposing organisations to surveillance, prosecution, or closure. Other routine activities which could be framed as “foreign influence,” include collaborations between national and international media outlets, citing international reports, receiving foreign funding, engaging in knowledge exchange or partnerships with international actors, conducting advocacy, or documenting human rights violations committed by state or non-state actors.

59. Greek Law 4855/2021 amended the Criminal Code to criminalise the dissemination of so-called “fake news” that might cause public concern or undermine confidence in the economy, public health, or national security, with penalties of up to five years’ imprisonment.³⁷ The vague definition of “fake news” allows authorities to target critical reporting on border practices, pushbacks, and governmental performance. These national measures when read in light of developments such as the offence of “public instigation”, proposed in the draft Article 3(2) of EU Facilitation Directive without a clear definition raise serious concerns. Humanitarian actors, NGOs, and journalists could be criminalised for sharing information online or providing support to people on the move. Articles 6 to 8 of the proposal establish broad liability provisions for natural and legal persons, exposing NGOs to severe fines and even exclusion from public funding in cases of criminalisation under the draft Directive, which would have a chilling effect on their ability to operate.³⁸
60. Regulatory requirements may also be followed by criminal prosecutions. According to a respondent organisation, in Azerbaijan a proposal was made for a new fine of 1,500 to 2,500 AZN³⁹ for NGO officials and 5,000 to 7,000 AZN⁴⁰ for legal entities, in case an NGO fails to submit contracts funded by foreign sources for registration within the legal deadline. A further proposal was made for fines of 2,500 to 5,000 AZN⁴¹ for NGO officials and 8,000 to 15,000 AZN⁴² for legal entities for providing services, carrying out work, or receiving funds without a registered contract. Banks or payment service providers facilitating transactions for such unregistered contracts face similar fines.
61. Criminal prosecution of human rights defenders persists in Azerbaijan. Anar Mammadli, Chair of the Election Monitoring and Democracy Studies Centre (“EMDS”), was arrested on 29 April 2024, officially on suspicion of smuggling and money laundering. His arrest came shortly after EMDS had reported irregularities during the February 2024 presidential elections, and after he had participated in events at the United Nations

³⁷ See <https://borderviolence.eu/uploads/document/file/430/Criminalisation-report-2022-2023.pdf>

³⁸ Draft Directive: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023PC0755>; for analysis see https://picum.org/wp-content/uploads/2024/06/How-the-New-EU-Facilitation-Directive-Further-the-Criminalisation-of-Migrants-and-Human-Rights-Defenders_EN.pdf.

³⁹ Approximately 770 to 1280 euros.

⁴⁰ Approximately 2,565 to 3,590 euros.

⁴¹ Approximately 1,280 to 2,565 euros.

⁴² Approximately 4,100 to 7,692 euros.

Human Rights Council. His previous arrest and conviction was found by the European Court to have violated multiple provisions of the European Convention and to have been politically motivated.⁴³ There are further serious concerns about Mammadli's alleged arbitrary detention, warrantless searches, restricted access to legal counsel, deteriorating health conditions in detention and a smear campaign reportedly targeting him in retaliation for his legitimate human rights work.⁴⁴

C. FINANCIAL AND MANAGERIAL CHALLENGES OF EUROPEAN NGOS

62. The decisions of the United States Government to shut down United States Agency for International Development (“USAID”) and foreign development aid more generally have led to the reassessment of funding policies in Europe. While the European Commission stepped in to cover the immediate needs of those NGOs instantly deprived of money, it will not be able to permanently replace the funds that are no longer available⁴⁵ and individual governments started cutting their budgets destined for the civic sector, even if for domestic budgeting considerations. This has affected fundraising, expenses and staffing of European NGOs and will be analysed below.

Fundraising

63. Unlike the section on the government-regulated criteria to receive public funds, this section deals with the managerial challenges of NGOs in their fundraising activities both from public and private sources. Few respondent organisations feel financially stable at the moment, but such organisations exist. In Austria, Czechia, France, and the Slovak Republic, LGBTQI+ groups and EU-wide and Turkish youth organisations maintain access to public funds, both national and European, and also rely on private business funding. In the Slovak Republic, the shift from public funding (no longer available at all, see above) to private funding has actually allowed the respondent organisation to expand its activities.
64. This situation is not universal across the continent. EU grants are not being renewed for the first time in years and even decades for some youth organisations. Many major U.S. corporations have withdrawn or reduced support for LGBTQI+ Pride events and related diversity initiatives in 2025, scaling back on DEI activities, respondents report. Further private sector funding concerns relate to corporate nervousness around Gaza/Israel, automatically conflating positions on LGBTQI+ rights and on the Palestine conflict. Comparably, a similar conflation hit a respondent organisation from Bosnia and Herzegovina's *Republika Srpska*: United States sanctions against its President Milorad Dodik (in place until his stepping down in late November 2025) were seen as preventing the funding of civil society opposing Mr Dodik.

⁴³ ECHR, *Mammadli v. Azerbaijan*, no. [47145/14](#), 19 April 2018.

⁴⁴ See <https://www.ohchr.org/en/press-releases/2025/05/azerbaijan-un-experts-alarmed-year-long-arbitrary-detention-azerbaijani>.

⁴⁵ See [https://www.europarl.europa.eu/thinktank/en/document/EPRS_ATA\(2025\)769540](https://www.europarl.europa.eu/thinktank/en/document/EPRS_ATA(2025)769540).

65. Even if the budget is stable, the demands may have risen and therefore can no longer be met, this has been reported from different countries in the Mediterranean. This was not by choice, but rather a consequence of the restrictive environment. Many international organisations have reduced or ceased their local operations, placing increased pressure on the remaining organisation, barely maintaining the existing activities. Even with extensive fundraising activities, dedicating 1.5 staff members (full-time equivalent) to funders' outreach and application writing, the respondents have not achieved the desired results. Only one new funder started supporting them in 2024 and none in 2025.
66. An environmental group in Western Europe reported a 10% drop in funding and anticipated a decrease in institutional funding, because of some bid rejections that would impact income from late 2025 onwards, mainly due to increased competition for the same funding sources as a result of the dismantling of USAID. Though institutional funding only amounted to 8% of its budget, it is important given that much fewer strings are attached to such core support.
67. In the same field, in November 2024 the EU Commission informed environmental NGOs that funding under the LIFE programme (EU Programme for the Environment and Climate Action) can no longer be used for certain advocacy and lobbying activities.⁴⁶ Examples of prohibited activity include meeting EU institutions or officials with the intention to influence policy or providing advocacy material targeting specific institutions. This limits the capacity of NGOs for policy influence, which is often part of their mission, and it will need to be seen whether this practice is extended to other programmes/NGOs.
68. In competition for EU funds a Turkish respondent observed that the relations between the EU and Türkiye due to the Syrian Civil War have negatively affected the funds to independent Turkish NGOs in Türkiye from the EU and individual Member States. It has even been alleged that government-supported NGOs receive EU funding. These NGOs are also opposed to the rights of LGBTQI+ persons.⁴⁷
69. Furthermore, the access of Turkish NGOs access to domestic crowdfunding is highly restricted. The overly bureaucratic Turkish Law on Collection of Aid (Law No 1983 of 23 June 1983) requires NGOs to obtain prior government approval for each fundraising activity it undertakes. To obtain approval, an NGO's application must include detailed information on the amounts to be raised, its intended use, the timeframe, and location. The local state authority decides whether to grant or deny permission. Associations and foundations must obtain such approval to collect donations in open public spaces and via the internet. In May 2022, the accounts of a foundation were blocked for breaching the Law of Aid Collection by conducting a fundraising campaign without a permit. This situation is characteristic of regulations beyond Türkiye, as respondents from multiple

⁴⁶ See <https://www.clientearth.org/latest/press-office/eu-budget-sacrifices-nature-undermining-long-term-european-security-and-competitiveness/>

⁴⁷ See https://www.europarl.europa.eu/doceo/document/E-10-2024-002366_EN.html

countries noted that nothing in the domestic legislation encourages individual donations.

70. Southern and Eastern European NGOs have been hit the worst by the United States, international, European and domestic funding cuts. Thus, a Ukrainian group saw a 70% drop in its budget and a Moldovan one an 85% drop after the USAID closure (this was urgently covered by European governments for 2025, but not further). A Greek migrant rights NGO saw a drop in its funding from 1 million to 200,000 euros. Another Greek organisation's overall budget has been reduced by 12%; more specifically, in 2025, the main funding for legal aid projects from UNHCR was reduced by approximately 40%, affecting an already approved and active contract. For a Hungarian NGO, an important United States grant was approved but was never paid. In Serbia, the suspension of USAID funding also triggered restrictions from other donors whose contributions were tied to it.
71. A Georgian organisation's annual budget has decreased, particularly since mid-2024, due to stigmatising legal changes that created uncertainty towards NGOs. This raised questions not only about securing new grants but also about how long NGOs would be able to continue operating. Several international donors either suspended programmes or slowed disbursements in response to the uncertainty surrounding the "foreign influence" legislation or due to changes in their policies. Although some grants were renewed, delays and reductions created cash-flow problems and forced the organisation to scale back activities, especially in a country with no culture of crowdfunding due to disposable income for citizens. The adoption of new foreign-funding regulations in April 2025, described above, introduced additional barriers: grants from abroad now require state registration and government approval, a process that is time-consuming and carries risks of rejection or sanction for independent NGOs vocal about human rights violations. This has discouraged some donors from channelling funds directly to Georgian NGOs. Domestic corporate sponsorships remain limited and often avoided due to fear of political association. Reliance on intermediary organisations (regional networks, international NGOs) to channel funds, mostly through short-term projects, provided a temporary lifeline, but this could not ensure organisational sustainability, added extra layers of bureaucracy, reduced flexibility, and in some cases required redesigning project activities to fit alternative channels rather than original priorities.

Expenses and taxation

72. While inflation, increasing rents and bank fees spare no one, they do not hit equally across the board. In Türkiye, the inflation reached around 100% in nominal terms. In Armenia the tax burden has grown but, as respondents say, it affects NGOs disproportionately. Also, not all costs or expenses are elastic and proportionate to the loss of income, so when income drops by almost 80%, expenses may only drop by 50%.
73. In Georgia, the freezing of the Human Rights House Tbilisi ("HRHT") accounts and the subsequent closure of the House had negative effects on a number of NGOs, as HRHT had previously covered administrative costs and utilities, which member organisations

now have to cover themselves. This created additional burdens, increasing operational costs that had not been included in project budgets. Compared with 2023, the respondent Georgian NGO's operating expenses have increased by roughly 20–25% overall.

74. It was noted by respondents that in the Balkans mandatory compliance and governance-related expenses have also grown, with higher costs for safeguarding data, digital security, and legal defence against criminalisation. Court fees and cost awards against losing parties in litigation is also a factor that NGOs need to take into account when engaging in their activities.
75. In Greece, the specific type of expenses for fulfilling registration requirements may become a considerable part of the budget. In absolute figures the expenses to enrol or remain on the Register of NGOs that are allowed to interact with migrants in detention is over 10,000 euros per year. Just obtaining the necessary ISO certification would cost around 6,000 euros (excluding VAT), with an uncertain outcome as the administration reserves the right to refuse or revoke accreditation even if all prerequisites are met.
76. In a somewhat comparable development in Sweden, on 1 January 2025, the government's new extensive rules on "democratic terms" (*Demokrativillkor*) for civil society went into force and there is a heavy administrative burden that comes with proving that the extensive democratic conditions are met.⁴⁸ There is also a concern that the new democratic-terms may be used to target parts of civil society that the political power disagrees with.
77. Operating without a legal entity significantly increases compliance costs. Fiscal sponsorship costs have grown by about 10–15% in the past two years. The costs of digital infrastructure (secure platforms, website hosting, software subscriptions, encrypted communication tools) have increased by roughly 15–20% over the past two years for an exiled NGO to also operate remotely. Relocation itself, even within the Council of Europe, to avoid risk of arbitrary sanctions against those working for them, may double the costs, as the taxes are higher, accommodation, health insurance and administrative expenses (obtaining the relevant immigration papers, to name one) in the new location may be considerably higher. This also may include travel costs for those still able - and required by the nature of the organisation's activities - to travel to the home country.
78. In Ukraine, despite the armed aggression faced by the country, no growth in taxation and compliance related expenses have been reported by the questionnaire respondents. However, there are delays in getting international funds: international transfers are increasingly subject to enhanced banking checks, which leads to delays of several days or even weeks. This complicates work in the situation where access to domestic funding remains very limited, as state and municipal grant competitions are usually aimed at social or humanitarian services rather than human rights activities.

⁴⁸ Swedish Government Proposition 2023/24:119.

79. Where grants are safely received, though, their administration has become more expensive. In the absence of larger grants many programmes, even smaller ones, need to be co-financed from multiple sources, which increases significantly the administrative workload due to the need to apply for the same programme to several tenders and to submit resulting activity reports to multiple donors.
80. Taxes have been raised in many countries, yet there are developments specific to NGOs. Impressively, in Croatia despite a 30% rise in costs related to inflation, the amounts of non-taxable benefits and personal deductions have increased, which ensures a slightly higher net income for workers.
81. More worryingly, in Türkiye, amendments to the Communiqué on Granting Tax Exemption to Foundations (Serial No: 1) have made it more difficult for foundations to both qualify for and maintain tax-exempt status. This exemption was granted if foundations spent at least two-thirds of their annual income for the foundation's purpose within the same fiscal year. Now transfers from a foundation to its economic enterprises are no longer considered expenses related to the foundation's purpose, even if these enterprises operate in line with the foundation's mission. Furthermore, what was previously a one-time condition for obtaining tax exemption, meeting a specific threshold of income, generating assets and annual income, has now become an ongoing requirement to maintain this status.
82. Somewhat similarly, in Latvia from 1 January 2025, associations and foundations without public benefit status would have had to pay corporate income tax on their economic activities. However, due to the high participation of associations and foundations during the public consultation, the Ministry of Finance announced that implementation of the relevant amendments to the Law on Corporate Income Tax would be suspended, promising to organise discussions and exchange of views with associations and foundations and to examine alternative solutions. In 2025 this question remains on the table and research is currently underway to determine how this could affect organisations.
83. European NGOs also risk being affected by the developments in the United States. Some of them, including those working on climate change issues, receive some of their funds from philanthropic organisations registered in the USA.⁴⁹ Proposals are now being made to make it more difficult or less fiscally advantageous for the United States-based philanthropies to donate abroad, including to Europe, or to support climate-related causes.⁵⁰ This entails the risk of yet further shrinking of the available funding that originates from the United States.

⁴⁹ So-called 501(c)3s.

⁵⁰ See <https://www.reuters.com/sustainability/cop/climate-non-profits-anticipate-fight-with-trump-over-tax-status-2025-04-21/>,

Staffing

84. An immediate consequence of funding cuts, especially when unexpected as those of the United States in 2025, is that NGOs are no longer able to pay their staff. Yet some organisations which relied exclusively on the EU public funds (like the LGBTQI+ groups described above) were able to maintain stable staffing levels and even to hire more. Similarly, in the Russian Federation's regions of Siberia and Far East an LGBTQI+ organisation not only has not closed any areas of activity, but it has also managed to expand activities by opening a consulting service for other LGBTQI+ organisations in the country on various topics, from digital security to service development.
85. However, a respondent environmental group also with EU public funding was compelled to undertake, as it euphemistically put it, a "small number of targeted redundancies". Moreover, a faith-based labour rights group acknowledged that, on donations only, it could maintain only 1 paid employee, its secretary-general, and meet online rather than in person. The same was reported by respondents from Bosnia and Herzegovina and Ukraine.
86. Other adverse staffing decisions across the continent have included cutting working hours or laying off staff dealing with Ukrainian refugees (the flow of refugees decreased, the funding stopped). Also, positions were terminated in Türkiye and in Greece where an 80% budget cut resulted in the number of its staff being reduced from 25 to 1. In addition, the closure of regional offices by national networks following funding cuts has also resulted in massive layoffs (a Georgian NGO reported only 21 positions filled for 50 departures). Moreover, smaller NGOs that could grow in previous years shrank to their previous size. This situation, as a respondent from Serbia - forced to concentrate on retaining a reduced number of experienced professionals - underscored, has a direct impact on service delivery: fewer outreach hours, longer waiting lists, and a reduced ability to respond to urgent cases.
87. Recruitment in the current environment has become complicated, as funding instability leads, for example, to only short-term contracts being offered to staff within specific projects rather than expanding core teams. Furthermore, recruitment for skilled positions has also become more difficult because candidates perceive NGO jobs as insecure.

D. LEGAL REMEDIES AND OPPOSITION TO THE TIGHTENING OF SITUATION

88. NGOs across the continent have pursued multiple remedies and stood in opposition to the shrinking space in which they have found themselves. International remedies have yielded little relief for them, and successful domestic ones have tended to remain exceptional. They will be discussed in turn.

International remedies

89. While the Expert Council was able to act promptly, its findings could not prevent repressive legislation being passed. On a brighter side, the most recent Hungarian draft was shelved thanks to joint national and international effort, and the Expert Council analysis is quoted in court judgments assessing legislation restrictive of NGO activities. The Venice Commission, when reviewing draft legislation, has generally produced its opinions on bills only after they had become laws. Moreover, while the European Court assessed in severe terms the extension of the Russian “foreign agents” legislation to individuals,⁵¹ it was able to do so only after the country had ceased all communications with it and over 9 years after the introduction of the first of over a hundred applications. Furthermore, Belarus has withdrawn from the Optional Protocol to the International Covenant on Civil and Political Rights, making it impossible for complaints to be made to the Human Rights Committee in Geneva. Submissions concerning the crackdown in Georgia have been sent to the Council of Europe Commissioner for Human Rights, United Nations Special Rapporteurs (on freedom of association and assembly and on human rights defenders), who have issued statements condemning the legislation. Strong political condemnation of the Georgian government’s action has also come from the EU, the Council of Europe, the United Nations and the OSCE, but without any binding legal outcome.
90. Proceedings with respect to the Hungarian Sovereignty Protection Office Act have been instituted by the European Commission and are pending before the European Court of Justice,⁵² while that against the earlier “Stop Soros” Act has been communicated by the European Court to the Hungarian Government⁵³, as has a case brought against the Georgian Law on Transparency from Foreign Influence by 120 non-governmental organisations, 16 media organisations, and 4 individuals.⁵⁴

Domestic remedies

⁵¹ *Kobaliya and Others v. Russia*, nos. [39446/16](#) et al., 24 October 2024.

⁵² Case no. C-829/24.

⁵³ *Amnesty International Hungary v. Hungary*, no. 42086/19, communicated on 5 March 2024.

⁵⁴ *Georgian Young Lawyers Association and others v. Georgia*, no. 31069/24, communicated on 25 March 2025.

91. Bulgaria's "foreign agents" bill, extending to both non-commercial and commercial entities, was defeated, never reaching a vote in Parliament, after a joint effort of businesses and civil society.⁵⁵ Bosnia and Herzegovina's *Republika Srpska* adopted a Russia-inspired law on "foreign agents" in March 2025. Two days after its publication, the country's Constitutional Court suspended the law pending a final judgment on the challenge brought by the deputy Chairman of the House of Peoples and a member of the Presidency.⁵⁶ On 29 May 2025 the Court declared the law unconstitutional, having extensively referred to the case law of the European Court and having found that the law did not meet the "pressing social need" required to restrict the freedom of association.⁵⁷
92. The Constitutional Court of the Slovak Republic, in striking down the country's "foreign agents" law, relied heavily on the case law of the European Court of Justice and, to a lesser extent, on that of the European Court. It dismissed the Government's reliance on Financial Action Task Force Recommendations and domestic AMF/FT framework. Despite these Recommendations having been invoked to restrict the fundamental freedom of association, MONEYVAL – the Council of Europe's monitoring body in the field of AML-TF - assessing the Slovak Republic's compliance before the law was struck down, failed to even note this attempt at abuse.⁵⁸
93. In Türkiye, a lawsuit has been filed with the Council of State challenging the amendments made to the Associations Law (Law No. 7262) in 2020, particularly the provisions stipulating that inspections of associations will be conducted based on risk analysis. The Council of State ruled to annul the article that provided for the classification of associations into 'high, medium, and low' risk groups, the conduct of inspections accordingly, and the establishment of classification criteria, which could be changed annually, by the General Directorate. It remains unclear how this decision will affect implementation.
94. In Hungary, the application of the Sovereignty Protection Office (SPO) Act to a number of NGOs led to a constitutional complaint by Transparency International, which was rejected by the Constitutional Court.⁵⁹ The Constitutional Court ruled that the Act was fully compliant with Hungary's Fundamental Law. According to the Constitutional Court, the SPO was an "independent, autonomous state administrative body", which did not qualify as a public authority and which did not exercise any administrative control in an administrative law sense, and could not impose any sanctions. Since the SPO was not directly entitled to apply legal consequences, the Constitutional Court held that its

⁵⁵ <https://obedineni.bg/conference-november-2024/>; <https://zaistinata.com/петата-колона-е-тук-тоталитарният-пр/>.

⁵⁶ Constitutional Court of BiH, Decision on interim measure, case no. U-6/25, 7 March 2025.

⁵⁷ Constitutional Court of BiH, Decision on admissibility and merits, case no. U-6/25, 29 May 2025.

⁵⁸ See <https://rm.coe.int/moneyval-2025-20-sk-5th-round-4th-enhanced-fur/48802a38e8>. Compare *Anti-Corruption Foundation (FBK) and Others v. Russia*, nos. [13505/20](https://rm.coe.int/13505/20) et al., 16 January 2026, para. 147, where the European Court found a violation of Article 18 of the Convention (prohibition to restrict rights for purposes other than listed in the Convention) on account of Russia's abusive use of anti-money laundering legislation to silence political opposition.

⁵⁹ Decision no. 20/2024. (XI. 28.).

actions are not covered by the protection of the right to a fair hearing. Moreover, since the reports of the SPO do not constitute either a public authority decision or any other administrative decision, there was no need to provide for a right to appeal against them.⁶⁰

95. In Georgia, the case concerning anti-NGO legislation have been brought before the Constitutional Court by the former President and 121 NGOs and lawyers. Having declined to suspend the law for the duration of the proceedings, the court is yet to make its judgment. In Greece, the case before the Council of State against the regulatory framework of the NGO Registry, is also still pending at the time of writing, more than two years after the hearing and four years after the case was lodged with the court.
96. European NGOs have even participated in domestic proceedings in the United States challenging or supporting the challenges to the administration's decisions. Thus, a Greek refugee rights organisation took part in the proceedings against decisions dismantling the refugee system in the country and obtained an injunction suspending the President's orders.⁶¹ Securing enforcement, though, remains another matter.

E. CONCLUSION

97. Good research can have predictive qualities. The 2024 Stigmatisation report highlighted a number of trends which were becoming probable two years ago and are a reality now for many.
98. These concerns, particularly, the proliferation of "Russian-style" "foreign agents" laws. The most spectacular downfall has been in Georgia, where a bill was defeated, but then adopted, followed by a number of other restrictive pieces of legislation, the enforcement of which impedes the operation of civil society organisations in the country. Georgia is not alone, as such laws have been adopted in a few other Council of Europe member States.
99. What is more, this trend of tabling "foreign agents" bills in multiple countries across the Continent, even if shelved or defeated, normalises the suspicions against NGOs, including at the EU level, however unfounded. References to AMF/TF to justify restrictions on how the NGOs operate are now common, even if there is no risk of money laundering and terrorism financing from NGO activities. Criminalisation of human rights defenders not only did not disappear, but expanded and is not limited to Azerbaijan, Belarus, Russia and Türkiye, but is becoming a reality in Georgia and also in the EU (most critically for those assisting asylum seekers).
100. What the 2024 Stigmatisation report of the Expert Council could not predict was the crackdown on civil society and its financing in the United States having effects in Europe. Where United States funding has been cut, the effects on the European NGOs have

⁶⁰ See <https://hunconcourt.hu/datasheet/?id=57838AD2B57B9BF0C1258B5500449DB1>

⁶¹ *Pacito v. Trump*, Case 2:25-cv-00255, pending before the US District Court for the Western District of Washington at Seattle.

been tremendous. Some European countries have stepped in for certain working areas, but not all and then only to cover the immediate cuts; this funding is not to be renewed. Looking for other sources of funding has led to the finding that private businesses also cut contributions to non-profits which were engaged in DEI activities in order not to enter conflict with the authorities in the United States. For the organisations whose funding was ensured, however, the tasks became more challenging as those which were previously funded from the United States ceased to operate and someone had to cover what they previously did.

101. These difficulties have been exacerbated by the increasing restrictions on the operations of some groups of NGOs in Europe. In the first place, this has hurt NGOs working with LGBTQI+ people, migrants, ethnic minorities, indigenous peoples, climate and environment: they are now excluded from United States funding and private funding from those trying not to come into conflict with the administration there, and while they may rely on EU funding, their activities or funding in their home countries may be prohibited or local legislation may make them ineligible for public funding.
102. Worse, the shortage of funding made NGOs compete not only with each other, but with other areas for which funding is being sought. As a German respondent observed, in the current discourse, some political and media voices are increasingly questioning the legitimacy and relevance of NGO work, arguing that other priorities, such as defence spending, are more important. This narrative contributes to growing external pressure and a greater need for NGOs to justify their activities and funding.
103. Some states in Europe have become a safe harbour for human rights and media NGOs from restrictive and repressive countries, such as Azerbaijan, Belarus, Egypt, Iran and the Russian Federation. Leaders of these organisations do not risk imprisonment for their activities in support of human rights, as they would in their home countries. However, the organisations themselves face drastically higher operating costs and migration hurdles in those hosting countries and they are also not protected from transnational repression, especially coming from private actors, with European States not always acting against it.
104. Over the past two years NGOs across most fields have faced a deteriorating operating environment. While the EU and the Council of Europe continue to emphasise the importance of civil society and freedom of association in their rhetoric, this commitment is often not matched by sufficient political action or financial. Moreover, while courts, domestically and internationally, have supported civil society in their challenges against the restrictive measures, either their judgments (with way too few exceptions) come late or they remain unenforced or result in new restrictions being proposed in place of those found unlawful.
105. The risks of further inaction are the continued erosion of civic space, the diminished capacity of NGOs to influence evidence-based policies and weakened protection for vulnerable groups and victims whose rights depend on strong advocacy.