

Civic Space and Anti-Corruption:

Toward a Virtuous Cycle

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Table of Contents

1. Executive Summary	2
2. The Nexus of Anti-Corruption and Civic Space	4
2.1. Key Concepts: Anti-Corruption Measures and Civic Space	4
2.1.1. Defining Corruption: From Transactional to Systemic Threats	4
2.1.2. Anti-Corruption Measures: Scope and Contemporary Application	5
2.1.3. Civic Space: the Foundation for Democratic Accountability	7
2.1.4. The Central Paradox: When Anti-Corruption Frameworks Restrict their Own Enablers	7
2.2. A Typology of Anti-Corruption Measures Affecting Civic Space	8
2.2.1. Abuse of Anti-Corruption Agencies' Authority	8
2.2.2. Excessive Administrative (Approval and Reporting) Requirements	10
2.2.3. Overbroad or Ambiguous Lobbying Restrictions	12
2.2.4. Beneficial Ownership Transparency Requirements	16
2.2.5. AML/CFT Regulations	21
2.2.6. Foreign Agent Laws and Restrictions on Foreign Funding	23
3. Exacerbating and Mitigating Factors	27
3.1. Exacerbating Factors	27
3.2. Mitigating Factors	28
4. Actionable Recommendations for Civic Space Advocates	31
4.1. Strengthening Legal Frameworks Through Precision and CSO-Specific Safeguards	31
4.2. Ensuring Transparency of Implementation Through Independent Oversight and Access to Information	32
4.3. Guaranteeing Civil Society Participation in the Design and Monitoring of Anti-Corruption Frameworks	33
4.4. Promoting Reforms to International Cooperation Mechanisms	33
4.5. Preventing Civil Society Fragmentation through Coordinated Advocacy Platforms	34
5. Conclusion	36

1. Executive Summary

This report examines how anti-corruption measures – while essential to good governance – have in some instances been designed or implemented in ways that restrict civic space. International frameworks such as the United Nations Convention against Corruption (UNCAC) recognize civil society organizations (CSOs) as key actors in combatting corruption. Restrictions on CSOs and the closing of civic space more broadly can therefore be counterproductive to anti-corruption efforts. This analysis identifies patterns across jurisdictions that reveal both the civic space risks of some anti-corruption measures and opportunities to mitigate those risks.

Typology of Restrictive Measures

This report examines six distinct categories of anti-corruption measures across diverse jurisdictions that can negatively affect civic space. While measures in each category advance legitimate policy objectives, their design or implementation can create significant constraints on civil society operations:

Measure	Legitimate Anti-Corruption Purpose	Primary Negative Impact on Civic Space
Abuse of anti-corruption agencies' authority	Investigate and prosecute corruption independently and impartially.	Political abuse, harassment, and intimidation of critical CSOs.
Excessive approval and reporting requirements	Ensure accountability and transparency in the use of (foreign) funds.	Administrative strangulation, loss of operational independence, vulnerability to sanctions.
Overbroad or ambiguous lobbying restrictions	Regulate direct lobbying to prevent undue influence and corruption.	Criminalization of legitimate advocacy, research, and public education.
Beneficial ownership transparency requirements	Increase transparency of corporate ownership to combat illicit finance.	De facto donor disclosure, chilling effect on philanthropy, administrative burdens.
Anti-money laundering/countering the financing of terrorism (AML/CFT) regulations	Prevent illicit financial flows (money laundering, terrorism financing).	Financial exclusion ("de-risking"), operational disruption, funding restrictions.
Foreign agent laws and restrictions on foreign funding	Enhance transparency of foreign influence in domestic policy.	Stigmatization, operational prohibitions, financial restrictions, chilling effect.

These measures typically share three common characteristics: First, they draw on the international legitimacy of anti-corruption frameworks to justify restrictions that sometimes far exceed what these instruments actually require. Second, they create legal uncertainty through vague definitions that enable arbitrary enforcement. Third, they impose asymmetrical burdens that disproportionately affect resource-constrained CSOs while leaving well-funded corporate actors largely unaffected.

Actionable Recommendations

Five strategic priorities emerge for advocates seeking to protect civic space while advancing anti-corruption objectives: (1) strengthen domestic legal frameworks to ensure they are clearly and precisely tailored and contain CSO-specific safeguards that prevent improper application; (2) ensure that anti-corruption measures are implemented transparently, with independent oversight and access to information to prevent selective enforcement; (3) guarantee civil society participation in the design and monitoring of anti-corruption frameworks, treating the sector as a collaborative governance partner rather than a target of restrictions; (4) promote international cooperation, including through United Nations Convention against Corruption (UNCAC) reform, that explicitly protects and aims to expand civic space; and (5) prevent fragmentation of civil society efforts through coordinated advocacy platforms that unite anti-corruption and human rights advocates against “divide and conquer” tactics.

Conclusion: Interdependence, Not Competition

Genuine anti-corruption efforts and vibrant civic space are mutually reinforcing. A society cannot effectively combat corruption without independent oversight, public mobilization, and informed advocacy. CSOs cannot thrive where corruption undermines the rule of law. For policymakers and advocates, the imperative is to design and implement anti-corruption measures that empower rather than constrain civil society, recognizing their interdependence as the foundation for democratic accountability.

2. The Nexus of Anti-Corruption and Civic Space

Corruption is among the most persistent threats to democratic governance. It is no longer confined to bribery or theft, but encompasses systemic risks that weaken state institutions, undermine the rule of law, and erode democratic accountability.¹ These dynamics spread across sectors, divert resources from public services, and ultimately contribute to human rights violations.² In response, states and international bodies have elevated anti-corruption to a top priority, creating a broad set of measures to improve transparency, accountability, and institutional integrity.³

Yet these frameworks are increasingly applied in ways that restrict civic space.⁴ This report examines this complex and often contradictory dynamic by setting out a typology of seven anti-corruption measures that affect civic space, analyzing their impact and key influencing factors as well as producing actionable recommendations.

2.1. Key Concepts: Anti-Corruption Measures and Civic Space

Understanding this dynamic requires clear definitions of its core elements. This section sets out the framework for the report's analysis, including definitions of corruption that move from individual acts to systemic threats; outlining the scope and application of anti-corruption measures; defining civic space as the basis for democratic accountability; and highlighting the paradox in which measures intended to fight corruption can also restrict the civil society organizations needed to counter it.

2.1.1. Defining Corruption: From Transactional to Systemic Threats

The conventional definition of corruption – “misuse of entrusted public power for private gain” – remains central to international instruments.⁵ Many modern anti-corruption frameworks, however, recognize broader threats to state integrity that extend beyond individual enrichment, incorporating the concepts of “political corruption” and “systemic corruption”. Political corruption involves the manipulation of policies,

1 Transparency International. (2024). What is Corruption? Accessed May 30, 2025, from <https://www.transparency.org/en/what-is-corruption>

2 Office of the High Commissioner for Human Rights. (n.d.). Corruption and human rights. Accessed July 17, 2025, from <https://www.ohchr.org/en/good-governance/corruption-and-human-rights>

3 United Nations Office on Drugs and Crime. (n.d.). Anti-Corruption. Accessed July 17, 2025, from <https://www.unodc.org/unodc/en/corruption/index.html>

4 International Center for Not-for-Profit Law. (2025, January). Foreign Influence Registration Laws and Civil Society, pp. 2-11. Accessed May 28, 2025, from https://www.icnl.org/wp-content/uploads/foreign-influence-report_Jan_2025_update.pdf

5 Ibid at pp. 2 and 12

institutions, and legal frameworks to consolidate power, extend influence, and maintain control - purposes that may transcend mere personal enrichment.⁶ Systemic corruption describes a condition where illicit and opaque practices become normalized, undermining the foundations of rule of law and eroding public trust in institutions.⁷ The preamble to the UNCAC itself acknowledges this broader threat, recognizing that corruption jeopardizes “the institutions and values of democracy, ethical values and justice”.⁸

The expanded frameworks shift analytical focus from the motive of corrupt acts (private gain) to their ultimate effect (erosion of state integrity). Rather than merely targeting individual enrichment, this functional approach suggests that anti-corruption measures must preserve legitimate state functions and safeguard rule of law from forces that seek to subvert it – whether traditional bribery, terrorist financing that destabilizes institutions, foreign manipulation that compromises sovereignty, or undue influence that undermines democratic governance.

2.1.2. Anti-Corruption Measures: Scope and Contemporary Application

The international anti-corruption framework has evolved to address broader integrity risks beyond traditional bribery and embezzlement, including:

- illicit financial flows that enable corruption networks (addressed through anti-money laundering/countering the financing of terrorism [AML/CFT] frameworks);
- corporate ownership opacity that facilitates anonymous shell companies (addressed through beneficial ownership transparency requirements);

6 Transparency International. (n.d.). Political corruption. Corruptionary A-Z. Accessed August 30, 2025, from <https://www.transparency.org/en/corruptionary/political-corruption>

7 United Nations Office on Drugs and Crime. (2017, July). Corruption, Human Rights, and Judicial Independence. Accessed August 30, 2025, from <https://www.unodc.org/dohadecclaration/en/news/2018/04/corruption--human-rights--and-judicial-independence.html>

8 United Nations Office on Drugs and Crime. (n.d.). United Nations Convention against Corruption. Accessed July 15, 2025, from <https://www.unodc.org/unodc/en/corruption/uncac.html>



Concerned about the seriousness of problems and threats posed by corruption to the stability and security of societies, undermining the institutions and values of democracy, ethical values and justice and jeopardizing sustainable development and the rule of law ...

- Preamble of the United Nations Convention Against Corruption

- foreign influence that may compromise domestic governance (addressed through foreign agent and transparency laws);
- opaque political influence that enables policy capture (addressed through lobbying regulations);
- and administrative opacity that facilitates rent-seeking behavior (addressed through reporting and oversight requirements).

In some jurisdictions, these frameworks and institutions can be abused when anti-corruption agencies are politically instrumentalized or when judicial reforms are designed to shield rather than expose corruption.

This evolution reflects how governments and international bodies conceptualize anti-corruption efforts in practice. The Organization for Economic Co-operation and Development’s (OECD) Anti-Bribery Convention, Financial Action Task Force (FATF) standards and regional instruments like the Council of Europe’s Group of States Against Corruption (GRECO) all adopt this broader “integrity framework” approach, recognizing that effective anti-corruption measures require addressing not just direct corruption but the enabling environment that allows it to flourish.⁹ This explains why measures targeting financial opacity, foreign influence, political lobbying, and administrative transparency are consistently packaged as anti-corruption reforms in national legislation and international assessments. Similarly, beneficial ownership disclosure requirements, anti-corruption agency investigations, and judicial reform initiatives gain legitimacy through their association with integrity frameworks.

While this evolution represents a legitimate development of anti-corruption frameworks, UNCAC’s definitional breadth creates vulnerability for further exploitation. Some governments have stretched the “anti-corruption” label to cover activities far beyond what these frameworks actually require – such as criminalizing legitimate advocacy or imposing blanket restrictions on foreign funding – by framing them as threats to national integrity.

Therefore, for the purposes of this report, “anti-corruption measures” encompass the broad spectrum of policies, laws, and practices that governments label as anti-corruption tools, even when their design or implementation may exceed traditional anti-corruption objectives. This framework guides the report’s scope and methodology through the analysis of six such categories. The approach examines not whether these measures could theoretically serve anti-corruption purposes, but how governments actually deploy them under anti-corruption pretexts to restrict civic space.

⁹ OECD. (2024). OECD Anti-Bribery Convention: Combating Bribery of Foreign Public Officials in International Business Transactions. Paris: OECD Publishing. Accessed September 3, 2025, from <https://www.oecd.org/corruption/oecdantibriberyconvention.htm>; Financial Action Task Force. (2023). International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation. Paris: FATF. Accessed September 3, 2025, from <https://www.fatf-gafi.org/publications/fatfrecommendations/documents/fatf-recommendations.html>

2.1.3. Civic Space: the Foundation for Democratic Accountability

Civic space – defined by the OECD as “the set of legal, policy, institutional and practical conditions necessary for non-governmental actors to access information, express themselves, associate, organize and participate in public life”¹⁰ – relies inherently on conditions shaped, regulated, and enforced by the state. This creates a structural vulnerability for civil society organizations (CSOs). While CSOs contribute to government accountability, they operate within legal frameworks established by those same governments and can be targeted when governments instrumentalize anti-corruption frameworks.

2.1.4. The Central Paradox: When Anti-Corruption Frameworks Restrict their Own Enablers

CSOs are internationally recognized as indispensable partners in fighting corruption, performing critical functions as independent watchdogs and advocates for systemic reform.¹¹ Article 13 of UNCAC explicitly mandates that states “promote the active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations and community-based organizations, in the prevention of and the fight against corruption.”¹²

Yet these same CSOs can sometimes find their operational space constrained by the anti-corruption frameworks they are meant to support. This dynamic is particularly acute in contexts of state capture, where political elites systematically instrumentalize laws and institutions for private gain and political control.¹³

Anti-corruption frameworks thus offer a convenient and internationally palatable pretext for suppressing independent oversight, creating a vicious cycle: the weakening of watchdog CSOs enables corruption to become more entrenched, which further solidifies elite power to suppress the remaining civic space. This dynamic helps explain why some governments strategically invoke international anti-corruption standards to justify restrictions that far exceed what these instruments require or intend.

10 OECD. (2022). *The Protection and Promotion of Civic Space: Strengthening Alignment with International Standards and Guidance*. OECD Publishing, Paris., pp. 63 and 75. <https://doi.org/10.1787/d234e975-en>

11 United Nations Office on Drugs and Crime. (n.d.). *Anti-Corruption Module 10 Key Issues: The role, risks and challenges of CSOs fighting corruption*, pp. 8, 10 and 14. Accessed May 28, 2025, from <https://www.unodc.org/e4j/en/anti-corruption/module-10/key-issues/the-role--risks-and-challenges-of-csos-fighting-corruption.html>

12 *Supra* note 8

13 International Center for Not-for-Profit Law. (2025, January), *supra* note 4 at pp. 2, 10 and 12

2.2. A Typology of Anti-Corruption Measures Affecting Civic Space

Anti-corruption measures are adopted to serve legitimate policy objectives such as preventing bribery, illicit financial flows, or undue influence. The challenge is that their design or implementation can also restrict civic space. This section presents a typology of six such measures, examining their stated purposes, the mechanisms through which they affect civil society and how they are applied in different jurisdictions. Governments consistently justify these measures as necessary to advance their anti-corruption agendas and attempt to legitimize them through international instruments and standards, even when the actual impact is to narrow civic freedoms. As noted above, this paper does not assess the effectiveness or legitimacy of including the following measures in anti-corruption frameworks. For purposes of this analysis, it suffices that these measures are sometimes or often labeled by states as legitimate efforts to combat corruption broadly defined (see 2.1.1 above).

2.2.1. Abuse of Anti-Corruption Agencies' Authority

Anti-corruption bodies are established under UNCAC Article 6 (mandating independent anti-corruption institutions) and Article 36 (calling for specialized authorities to combat corruption through law enforcement). These agencies wield sweeping powers – including the ability to seize documents, subpoena individuals, and freeze assets – explicitly intended to uphold the rule of law and combat corruption. However, these authorities can be abused for political ends. Recent case studies show anti-graft agencies being re-purposed as tools to intimidate critics, curb dissent, and cause profound chilling effects on civil society. The irony is stark: institutions created to fight corruption could become instruments of the very governance failures they were meant to prevent.

■ GEORGIA'S ANTI-CORRUPTION BUREAU

In **Georgia**, for example, the Anti-Corruption Bureau (under the Prime Minister's office) has launched politically charged investigations into civil society. In June 2025 a Tbilisi court granted the bureau a sweeping order to demand that five in-

Anti-corruption measures examined in this report



Abuse of anti-corruption agencies' authority

Designed to investigate corruption, but can be abused for political purposes.

Excessive administrative requirements

Meant to ensure accountability and transparency, but can lead to loss of operational independence for CSOs.

Overbroad or ambiguous lobbying restrictions

Aimed at preventing undue influence, but can criminalize legitimate CSO work.

Beneficial ownership transparency requirements

Increases transparency of corporate ownership, but can chill philanthropy and put vulnerable beneficiaries at risk.

AML/CFT regulations

Aimed at preventing illicit financial flows, but can lead to financial exclusion, operational disruption, and funding restrictions.

Foreign agent laws and restrictions on foreign funding

Designed to enhance transparency of foreign influence, but can stigmatize or even shut down CSOs.

dependent NGOs – including Transparency International Georgia and Sapari – hand over detailed records of their finances, activities, and beneficiaries. Human rights observers immediately condemned this as the “weaponization ... of the Anti-Corruption Bureau to target and crackdown on ... independent civil society organizations”.¹⁴ In the same period, the Bureau had sent similar inspection letters to six prominent NGOs under a new foreign-agent law, warning them of criminal penalties for failing to register.¹⁵ Such actions illustrate how broad anti-corruption mandates – when driven by partisan motive – can be turned against civic actors rather than genuinely corrupt officials.

INDIA'S ENFORCEMENT DIRECTORATE

In **India**, the Enforcement Directorate (ED) – a financial crimes unit tied to the anti-corruption institutional framework – has been misused to freeze NGOs’ assets under money-laundering laws in contexts of political controversy. In particular, in 2020–2021 the ED froze the bank accounts of Amnesty International’s India branch after the organization released reports critical of the government’s human rights record. This “incessant witch-hunt,” as Amnesty called it, forced the NGO to halt activities in India.¹⁶ Civil society advocates argue that abusing financial-crimes powers in this way (or threatening hefty fines) serves to intimidate donors and organizations, effectively silencing dissent without due process.

GUATEMALA'S PROSECUTORIAL AUTHORITY

In **Guatemala**, the state’s prosecutorial authority was systematically abused following the 2019 expulsion of the UN-backed International Commission Against Impunity in Guatemala (CICIG). Under Attorney General María Consuelo Porras, the Public Ministry’s elite anti-graft unit (FECCI) was used to target former accountability officials and their civil society allies.¹⁷ The ministry launched prosecutions against prominent figures including journalist José Rubén Zamora, founder of *el Periódico* newspaper, who was arrested on money laundering charges in July 2022. These charges were widely condemned as a pretext and ultimately forced his newspaper to close.¹⁸ Human rights lawyers defending persecuted officials were similarly targeted.

14 Amnesty International. (2025, June). Georgia: Court order on five independent NGOs a blow to freedom of association. Accessed August 16, 2025, from <https://www.amnesty.org/en/latest/news/2025/06/georgia-court-order-on-five-independent-ngos-a-blow-to-freedom-of-association/>. By late September 2025, up to 30 Georgian civil society organizations reported receiving inspection requests from the country’s Anti-Corruption Bureau under the Law on Grants. Civil.ge. (2025, September 22). Dozens of CSOs Report New Inspections Under Amended Law on Grants. Accessed October 30, 2025, from <https://civil.ge/archives/701772>

15 OC Media. (2025, August 15). Georgian authorities launch first FARA probe, targeting prominent NGOs. Accessed August 16, 2025, from <https://oc-media.org/georgian-authorities-launch-first-fara-probe-targeting-prominent-ngos/>

16 The Guardian. (2020, September 29). Amnesty to halt work in India due to government ‘witch-hunt’. Accessed August 16, 2025, from <https://www.theguardian.com/world/2020/sep/29/amnesty-to-halt-work-in-india-due-to-government-witch-hunt>

17 Organized Crime and Corruption Reporting Project. (2023). 2023 Person of the Year in Organized Crime and Corruption: María Consuelo Porras. Accessed August 16, 2025, from <https://www.occrp.org/en/person-of-the-year/maria-consuelo-porras>

18 Tom Lantos Human Rights Commission. (2025). José Rubén Zamora. Defending Freedoms Project. Accessed August 16, 2025, from <https://humanrightscmission.house.gov/DFP/Countries/Guatemala/Jose-Ruben-Zamora>

The cumulative impact of these practices is a corrosive inversion of purpose. In short, using anti-corruption mandates to punish dissent undermines the rule of law and erodes public trust, discouraging the very civic engagement needed for accountability.

2.2.2. Excessive Administrative (Approval and Reporting) Requirements

Beyond direct prohibitions, some states seek to control and hinder the work of CSOs – particularly those receiving international funding – by imposing excessive and burdensome administrative requirements explicitly justified as anti-corruption measures. These requirements are consistently framed within anti-corruption discourse, invoking UNCAC Article 9 (on public procurement and management of public finances) and Article 10 (on public reporting) as justification for enhanced oversight.¹⁹ Governments present these measures using specific anti-corruption language, such as “ensuring transparency of foreign funding”, “preventing misuse of donor resources” or “combating illicit financial flows”. While these measures are ostensibly aimed at enhancing financial transparency and preventing corruption in the nonprofit sector, they frequently create prohibitive hurdles that divert scarce resources and undermine operational effectiveness.²⁰ These requirements can take several forms:

■ PRIOR PERMISSION FOR FUNDING

Countries like **Jordan** require prior approval before a CSO may receive international funding — including gifts, grants, or donations. CSOs must complete a detailed application form disclosing the source of the funds and the project to be funded and obtain approval from the Council of Ministers.²¹ These systems are often presented as necessary to prevent “corruption through foreign manipulation” and ensure “integrity in civil society funding”.²² Even when laws stipulate automatic approval after a certain period, the process introduces significant delays and uncertainty, hindering timely project implementation. This can also lead to a loss of independence, as CSOs may self-censor and design programs based on what is likely to be approved by the government rather than their own mission.²³

■ FOREIGN FUNDING LICENSING

In **India**, the government has systematically used the Foreign Contribution (Regulation) Act (FCRA) to restrict civic space. Amendments to the law have been used to cancel the foreign funding licenses of over 6,000 charities and NGOs, including prominent

19 United Nations Convention against Corruption, *supra* note 8, Articles 9 and 10.

20 European Center for Not-for-Profit Law. (n.d.). Enabling the flow of donations, pp. 11-13. Accessed May 28, 2025, from <https://ecnl.org/sites/default/files/files/Enabling-the-flow-of-donations.pdf>.

21 ICNL, Civic Freedom Monitor, Jordan, <https://www.icnl.org/resources/civic-freedom-monitor/jordan>.

22 European Center for Not-for-Profit Law. (n.d.). Enabling the flow of donations, pp. 11-13. Accessed May 28, 2025, from <https://ecnl.org/sites/default/files/files/Enabling-the-flow-of-donations.pdf>.

23 *Ibid*

groups like Oxfam India and the Centre for Policy Research.²⁴ A major 2020 amendment prohibited all sub-granting of foreign funds, which caused a devastating blow to the ecosystem of smaller (grassroots) organizations that rely on larger intermediaries for support.²⁵

■ CHANNELING FUNDS THROUGH GOVERNMENT BODIES

Some states, such as **Burundi** and **Nepal**, prohibit CSOs from receiving international funding directly, instead requiring that all funds be routed through a centralized state fund or designated bank. This arrangement often results in significant disbursement delays and effectively grants government control over the allocation of resources.²⁶

■ BURDENSOME AND DISCRIMINATORY REPORTING

CSOs, especially those with foreign funding, are often subjected to more frequent and detailed reporting obligations than other entities under the rationale of preventing money laundering and ensuring anti-corruption compliance. In **Azerbaijan**, for example, CSOs face excessive requirements for registering foreign income and must record the passport details of every donor, which imposes a substantial administrative burden that is nearly impossible for smaller organizations to meet.²⁷ In **Belarus**, CSOs face extremely restrictive foreign funding regulations, including complex state approval procedures with broad government discretion for denial, limitations restricting foreign aid to social support and social services for specific disadvantaged groups, and expanded criminal liability for both receiving and using foreign aid in violation of restrictive legal requirements.²⁸

■ INTRUSIVE SUPERVISION

Internationally funded CSOs may also be subjected to heightened state supervision, including unannounced inspections that can disrupt operations and intimidate staff without any formal charges being brought.²⁹

24 International Center for Not-for-Profit Law. (n.d.). India: Civic Freedom Monitor. Accessed August 12, 2025, from <https://www.icnl.org/resources/civic-freedom-monitor/india>

25 Ibid

26 Financial Action Task Force. (2023). Best Practices - Combating the Terrorist Financing Abuse of Non-Profit Organisations (Recommendation 8). FATF, Paris. Accessed September 7, 2025, from <https://www.fatf-gafi.org/en/publications/Financialinclusionandnpoissues/Bpp-combating-abuse-npo.html>

27 European Center for Not-for-Profit Law. (2022, August). CSO Meter Regional Report 2021. Accessed December 4, 2025, from <https://csometer.info/sites/default/files/2023-09/2022%20CSO%20Meter%20Regional%20Report.pdf>

28 International Center for Not-for-Profit Law. (2024, November 5). Belarus. Civic Freedom Monitor. Accessed July 27, 2025 from <https://www.icnl.org/resources/civic-freedom-monitor/belarus>

29 European Center for Not-for-Profit Law. (n.d.). Enabling the flow of donations, pp. 11-13. Accessed May 28, 2025, from <https://ecnl.org/sites/default/files/files/Enabling-the-flow-of-donations.pdf>

VULNERABILITY TO SEVERE SANCTIONS

Vague legal language around anti-corruption compliance makes adherence difficult and leaves CSOs vulnerable to arbitrary enforcement under the pretext of preventing misuse of funds or ensuring transparency.³⁰ Failure to comply with these complex and often unclear rules can result in severe penalties, including heavy fines, suspension of activities or complete dissolution of the organization.³¹ In **Uganda**, the NGO Act of 2016 created a multi-layered bureaucracy designed to prevent corruption in the NGO sector, with monitoring committees from the national to the sub-county level imposing numerous obligations on NGOs regarding registration, permits, and reporting. Non-compliance with any of these obligations can lead to sanctions or closure.³²

The imposition of such excessive requirements – consistently justified under anti-corruption rhetoric about ensuring transparency, preventing misuse of foreign funds, and combating illicit financial flows – reveals how governments strategically invoke international standards (particularly UNCAC’s transparency provisions and FATF’s oversight recommendations) to justify restrictions that far exceed what these instruments require or intend. These restrictions demonstrate how administrative barriers can become a systematic tool for controlling civil society under internationally palatable anti-corruption pretexts.

2.2.3. Overbroad or Ambiguous Lobbying Restrictions

Lobbying regulations are a standard component of modern anti-corruption frameworks, explicitly recognized in international anti-corruption instruments as essential transparency tools. UNCAC Article 7(4) calls for measures to enhance transparency in the funding of political parties and electoral campaigns, while Article 13 emphasizes public participation and access to information – objectives that lobbying regu-

³⁰ Ibid

³¹ Ibid

³² Chapter Four Uganda. (n.d.). A Simplified Guide to the NGO Act, 2016. Accessed December 4, 2025, from <https://chapterfouruganda.org/publications/simplified-guide-to-the-ngo-act-2016/>



The imposition of such excessive requirements – justified under anti-corruption rhetoric – reveals how governments strategically invoke international standards to justify restrictions that far exceed what these instruments require or intend.

lations ostensibly serve.³³ These measures are specifically designed to promote transparency and prevent the integrity of policymaking from being undermined by undue influence or “policy capture”.³⁴ States justify such measures as essential tools to combat quid pro quo corruption and ensure that powerful special interests do not secretly distort the legislative process. International bodies such as the OECD and GRECO have established clear standards that frame lobbying transparency as a cornerstone of a holistic “integrity framework” intended to safeguard against corruption risks and build public trust.³⁵

The anti-corruption rationale for lobbying restrictions is well-established in both academic literature and policy frameworks. The OECD’s “Recommendation of the Council on Transparency and Integrity in Lobbying and Influence”, updated in May 2024, explicitly positions lobbying regulation within the anti-corruption agenda, recognizing that “lobbying and influence practices conducted without transparency and integrity ... can result in situations of inequity in influence, undue influence or foreign interference.” It also emphasizes that “the increasing risks connected with lobbying and influence ... make it crucial for governments to set up a strong, effective, resilient and proportionate framework for lobbying and influence activities that is consistent with the broader public integrity framework”.³⁶ GRECO similarly treats lobbying transparency as a direct anti-corruption measure in its evaluation rounds, consistently recommending stronger lobbying frameworks to prevent corruption in the political process.³⁷

However, these legitimate anti-corruption goals can be subverted when states employ overly broad or ambiguous definitions of “lobbying” and “political activity”. Unlike foreign agent laws that primarily target organizations based on their funding sources or alleged foreign influence, these measures focus on regulating advocacy activities themselves.³⁸ Yet if core terms are defined too expansively or vaguely, they can inadvertently – or deliberately – capture legitimate research, public education and non-partisan civic engagement. Expansive definitions of key terms in particular allow governments to expand the anti-corruption rationale beyond its original scope, giving states the power

33 United Nations Convention against Corruption, *Supra* note 8, Articles 7(4) and 13.

34 OECD. (2021). *Lobbying in the 21st Century: Transparency, Integrity and Access*. OECD Publishing, Paris., pp. 11, 17-19. Accessed September 2, 2025, from <https://doi.org/10.1787/c6d8eff8-en>. The report notes that lobbying regulation is a key part of a holistic “integrity framework” designed to safeguard against corruption risks.

35 Group of States against Corruption (GRECO). (2022, June 2). GRECO urges European governments to increase transparency and accountability of lobbying. Council of Europe. Accessed September 2, 2025, from <https://www.coe.int/en/web/greco/-/greco-urges-european-governments-to-increase-transparency-and-accountability-of-lobbying>. GRECO standards frequently emphasize lobbying transparency as a measure to prevent corruption risks and enhance public confidence.

36 OECD. (2024). *Recommendation of the Council on Transparency and Integrity in Lobbying and Influence*. OECD/LEGAL/0379. Accessed September 8, 2025, from <https://legalinstruments.oecd.org/public/doc/256/256.en.pdf>, p. 6.

37 Group of States against Corruption (2023). *Fourth Evaluation Round: Corruption Prevention in Respect of Members of Parliament, Judges and Prosecutors*. Strasbourg: Council of Europe. Accessed September 5, 2025, from <https://www.coe.int/en/web/greco/evaluations>

38 U.S. House of Representatives. (n.d.). “Lobbying Disclosure Act.” Accessed August 11, 2025, from <https://lobbyingdisclosure.house.gov/>. Lobbying disclosure is typically triggered by activity and compensation thresholds, distinguishing it from foreign agent laws, which are triggered by funding sources.

to control diverse civic activities under the banner of “political integrity”. Such broad definitions force CSOs into complex registration systems designed for professional corporate lobbyists or expose them to severe sanctions, effectively stifling their ability to participate in public life.

The impact of these measures is demonstrated through several mechanisms that cause detrimental effects for CSOs. While facially neutral, these laws impose an asymmetrical burden, where the complexity and cost of compliance function as a de facto barrier to participation for resource-strapped CSOs.

■ VAGUE DEFINITIONS CREATING LEGAL UNCERTAINTY

In **Paraguay**, a 2024 law “that establishes the control, transparency and accountability of non-profit organizations” was explicitly justified by lawmakers as a necessary measure to regulate entities that receive funds and seek to “influence public policies”.³⁹ However, international observers, including the Inter-American Commission on Human Rights, warned that such use of vague and undefined terms could cover nearly all forms of CSO advocacy.⁴⁰ By failing to clearly delineate permissible engagement from prohibited “influence”, the law creates a climate of legal uncertainty, leaving CSOs vulnerable to arbitrary enforcement and politically motivated sanctions for undertaking core functions like policy analysis and community outreach.⁴¹

■ DISPROPORTIONATE ADMINISTRATIVE BURDENS CHILLING ENGAGEMENT

Even in established democracies, broad definitions can create disproportionate hurdles. In **Ireland**, the Regulation of Lobbying Act of 2015, updated in 2023, was justified as a key transparency reform. It requires the registration of communications with designated public officials concerning policy or legislation.⁴² While intended to create a public record of influence, civil society groups have highlighted that the expansive definition of «lobbying» captures routine and even informal consultations essential for their work. This imposes a significant compliance burden on smaller CSOs, which often

39 New York City Bar Association. (2024, October 14). Statement Expressing Concern About the New Legislation to Regulate Non-Profit Organizations in Paraguay. Accessed September 2, 2025, from <https://www.nycbar.org/reports/statement-expressing-concern-about-the-new-legislation-to-regulate-non-profit-organizations-in-paraguay/>. The bill's stated purpose is to provide “controls, transparency, and accountability for Non-Profit Organizations that receive or manage public or private funds”.

40 Office of the Special Rapporteur for Freedom of Expression of the Inter-American Commission on Human Rights. (2024, October 24). The Office of the Special Rapporteur for Freedom of Expression expresses concern over a bill that restricts civic space in Paraguay. Organization of American States. Accessed September 2, 2025, from https://www.oas.org/en/iachr/jsForm/?File=/en/iachr/expression/media_center/preleases/2024/255.asp. The Rapporteur noted concern over “the use of vague and ambiguous terms in the bill” and that the law would cover entities that seek to influence “public policies, plans and programs”.

41 Amnesty International. (2024, July 9). Paraguay: Senate passes bill that jeopardises defence of human rights. Accessed September 2, 2025, from <https://www.amnesty.org/en/latest/news/2024/07/paraguay-senado-aprueba-proyecto-de-ley-que-pone-en-riesgo-la-defensa-de-los-derechos-humanos/>. The organization stated that the bill subjects CSOs to “arbitrary and unreasonable oversight by the State, without giving them any possibility of defending themselves”.

42 Regulation of Lobbying Act 2015, No. 5 of 2015 (Ireland). Accessed September 2, 2025, from <https://www.irishstatutebook.ie/eli/2015/act/5/enacted/en/html> (see, e.g., Section 5, defining the scope of regulated activities; Part 2, ss. 8, 10 & 12, establishing the mandatory public register and the requirement to file periodic returns on lobbying activities; and Part 4, ss. 19 & 20, granting enforcement powers to investigate and prosecute non-compliance).

lack the capacity to track and report every interaction. These administrative requirements indirectly chill engagement, forcing organizations to weigh the risk and cost of compliance against the need to communicate with policymakers.

SUPPRESSING CAMPAIGNING UNDER AN ELECTORAL INTEGRITY GUISE

Some laws, framed as efforts to curb the influence of “big money” in politics, impose sweeping restrictions on advocacy during election periods. The **United Kingdom’s** Transparency of Lobbying, Non-party Campaigning and Trade Union Administration Act 2014, widely criticized as a “gagging law”, was justified as a measure to protect electoral integrity by preventing wealthy interests from bypassing political party spending limits.⁴³ However, its broad definition of regulated “campaigning” and low spending thresholds in the year preceding an election had a documented “chilling effect” on legitimate, non-partisan charity advocacy. Lord Hodgson’s independent review of the Act, published in March 2016, confirmed that charities campaigning on policy issues were forced to self-censor and halt advocacy to avoid prohibitive compliance costs and legal risks.⁴⁴ This ultimately silenced the voices of CSOs while doing little to regulate professional corporate lobbying.⁴⁵

The cumulative effect of these and other overbroad lobbying restrictions can create a chilling effect on legitimate civic advocacy that extends well beyond the organizations directly targeted. When CSOs observe peers facing sanctions for routine public education activities or policy analysis, they



The cumulative effect of these and other overbroad lobbying restrictions can create a chilling effect on legitimate civic advocacy that extends well beyond the organizations directly targeted.

43 House of Commons Library. (2015, March 17). A ‘chilling effect’? The Transparency of Lobbying etc. Act 2014 and charity campaigns. Accessed September 2, 2025, from <https://commonslibrary.parliament.uk/a-chilling-effect-the-transparency-of-lobbying-etc-act-2014-and-charity-campaigns/>. The paper notes the Act’s stated intention is to “ensure outside influences do not have a disproportionate impact on politics and elections”

44 UK Government, Cabinet Office. (2016, March). Third Party Election Campaigning - Getting the Balance Right: Review of the operation of the third party campaigning rules at the 2015 General Election. (Cm 9205). Accessed September 2, 2025 from <https://www.gov.uk/government/publications/third-party-election-campaigning-review>. The review found that the ambiguity of the 2014 Act had a perceived “chilling effect” on third parties (para 1.9), particularly within the “charity sector and wider civil society” (para 3.4) and contributed to restricting joint campaigning (para 6.53).

45 Sheila McKechnie Foundation. (2018). The Chilling Reality: How the Lobbying Act is affecting charity & voluntary sector campaigning in the UK. The research found that the Act diverted significant resources toward compliance and caused organizations to alter the tone and assertiveness of their campaigns.

engage in anticipatory self-censorship, withdrawing from policy discussions, avoiding research on controversial topics, and limiting their public education efforts. This creates an environment where the essential oversight and advocacy functions that CSOs provide to democratic governance are systematically weakened. This happens not necessarily through direct prohibition, but through the creation of legal uncertainty and the threat of severe penalties for crossing ill-defined lines between permissible civic engagement and prohibited “political” activity.

2.2.4. Beneficial Ownership Transparency Requirements

Beneficial ownership transparency is a core anti-corruption tool explicitly mandated by multiple international instruments, including UNCAC Article 12 (requiring states to prevent misuse of legal entities) and FATF Recommendation 24 (on transparency of legal persons).⁴⁶ But challenges can arise when the legitimate goal of financial transparency is balanced against fundamental rights to freedom of association and privacy. The global implementation of these requirements reveals a spectrum of approaches, from tailored frameworks that recognize the unique nature of civil society organizations to rigid applications that fundamentally misunderstand nonprofit structures. The varied approaches across jurisdictions provide critical lessons about which disclosure requirements may be reasonable – such as identification of organizational officers/executive leadership – versus those that create disproportionate burdens or risks, particularly when applied to board members, donors or program beneficiaries.

Beneficial ownership requirements establish a legal regime obliging disclosure of the natural persons who ultimately own or control legal entities. These measures are designed to enhance financial transparency and combat the use of anonymous shell companies for money laundering, tax evasion and corruption, and constitute a key pillar of the global anti-corruption framework.

The application of these measures to the nonprofit sector requires careful calibration. Not all disclosure requirements are inherently problematic – transparency about organizational leadership can serve legitimate accountability purposes. Requiring disclosure of executive directors or CEOs, for instance, aligns with basic transparency principles that many CSOs themselves advocate. However, challenges emerge when beneficial ownership frameworks, designed for corporate structures with clear profit-driven ownership models, are mechanically applied to nonprofits that lack “owners” in the commercial sense. The challenge becomes particularly acute when regulations require disclosure of volunteer board members who may face retaliation for their civic engagement, major donors whose privacy enables their philanthropy, or – most problematically – the vulnerable beneficiaries whom CSOs serve.

46 Financial Action Task Force. (2023). Recommendation 24: Transparency and Beneficial Ownership of Legal Persons. Paris: FATF. Accessed September 3, 2025, from <https://www.fatf-gafi.org/publications/fatfrecommendations/documents/r24-statement-march-2022.html>

CANADA'S APPROACH DEMONSTRATES HOW EVEN EXEMPTION-BASED MODELS CAN CREATE INDIRECT CHILLING EFFECTS

Canada's federal beneficial ownership requirements that took effect in January 2024 ostensibly protect the nonprofit sector by exempting registered charities from the business corporation filing requirements for “individuals with significant control.”⁴⁷ However, this exemption provides incomplete protection, as beneficial ownership requirements continue to apply to CSO donors and board members who serve on corporate boards or use corporate vehicles for philanthropic giving.⁴⁸ When CSO board members serve as directors of business corporations or when donors channel contributions through Limited Liability Companies or corporate foundations, they become subject to public disclosure requirements that reveal their identities, addresses and control relationships.⁴⁹ Despite Canada's beneficial ownership law generally being an example of good practice, this particular provision could create a chilling effect, leading potential CSO leaders and donors to withdraw from civic engagement to avoid public exposure. This could particularly affect organizations working on controversial issues where supporters face potential retaliation or harassment for their involvement.⁵⁰

MEXICO'S IMPLEMENTATION ILLUSTRATES THE DANGERS OF APPLYING CORPORATE-CENTRIC MODELS WITHOUT ADAPTATION

The 2022 amendments to Mexico's Federal Tax Code (CFF), adopted to align with FATF and OECD Global Forum standards, exemplify this risk through their rigid, one-size-fits-all beneficial ownership regime that applies to all legal entities without exception. For CSOs, which lack “owners” in the commercial sense, this mechanical application of a corporate-centric model creates not only an administrative burden but systematic dysfunction. The law's ambiguity functions as a source of discretionary power for the tax authority (SAT), creating a chilling effect rooted in the fear of arbitrary enforcement.

The core of the problem lies in the CFF's cascaded, two-pronged test for identifying a “controlling beneficiary” (beneficiario controlador).⁵¹

47 Industry, Science and Economic Development Canada. (2024). “How to find information about individuals with significant control.” Accessed August 10, 2025, from <https://ised-isde.canada.ca/site/corporations-canada/en/how-find-information-about-individuals-significant-control>

48 Financial Transactions and Reports Analysis Centre of Canada. (n.d.). “Beneficial ownership requirements.” Accessed August 10, 2025, from <https://fntrac-canafe.canada.ca/guidance-directives/client-clientele/bor-eng>. The guidance notes that “a charity registered with the Canada Revenue Agency under the Income Tax Act” is specifically excluded from certain beneficial ownership information collection requirements.

49 Canada Business Corporations Act, R.S.C. 1985, c. C-44, s. 21.1 defines “individual with significant control” as a person who “directly or indirectly, holds or controls ... shares that carry 25% or more of the voting rights” or “has any direct or indirect influence that, if exercised, would result in control in fact of the corporation.”

50 Council on Foundations. (2013, November 24). “Nonprofit Law in Canada.” Accessed August 10, 2025, from <https://cof.org/content/nonprofit-law-canada>

51 Mexico Federal Tax Code (Código Fiscal de la Federación), Article 32-B Quáter. The law establishes a successive, or cascaded, set of criteria. The “control” test is only applied if no individual can be identified under the “benefit” test. See also: BDO Mexico. (n.d.). “Controlling Beneficiary (English).” Accessed August 31, 2025, from https://www.bdomexico.com/getmedia/428c1615-dc8c-45c9-b3bf-4bba08070f03/Beneficiario-Controlador-Ingles_3.pdf.aspx

First, the “benefit test” captures any individual who “ultimately exercises the rights of use, enjoyment... of a good or service”. While disclosure of paid executive staff under this provision might be reasonable, the overbroad language creates profound interpretive risk regarding program beneficiaries. Such broad wording forces organizations into an extremely difficult dilemma: either risk non-compliance by not reporting service recipients or collect and maintain extensive, sensitive personal data on the vulnerable populations they serve, thereby violating privacy, eroding trust and deterring individuals from seeking help. The result effectively transforms CSOs from safe intermediaries into potential instruments of state surveillance against their own communities.

Second, the “control test” is similarly expansive, capturing anyone who can “direct, directly or indirectly, the administration, strategy or main policies” of the organization. While this can be reasonably interpreted to include a President or Executive Director, the law’s most damaging feature is its default provision. For many CSOs with diffuse governance structures where no single individual meets the primary tests, the law mandates that the sole administrator or, more alarmingly, every member of the board of directors is automatically deemed a controlling beneficiary.⁵² This imposes significant reporting burdens and potential liability on often-unpaid, volunteer board members, creating a powerful disincentive for civic participation in leadership roles and setting a structural trap that weakens the governance of the entire sector.

The cumulative impact of these provisions is significant: CSOs must implement complex internal control procedures and collect, maintain, and perpetually update over thirty data points for each identified beneficiary.⁵³ Non-compliance carries severe penalties, including fines ranging from MXN 500,000 to MXN 2,000,000 (approximately USD 25,000 to USD 100,000) per beneficiary and the issuance of a negative tax-compliance opinion, which can block access to public contracts.

Critically, in 2023 Mexico’s Supreme Court upheld the law’s constitutionality, rejecting challenges based on privacy and legal certainty and framing it as a necessary tool to combat illicit finance.⁵⁴ Such judicial validation forces CSOs into a permanent state of defensive compliance that diverts critical resources from their core missions.

52 Rule 2.8.1.20 of the Miscellaneous Tax Resolution specifies that if no individual is identified under the primary criteria, the sole administrator or each member of the board of directors will be considered the controlling beneficiary. See: BDO Mexico. (n.d.) Ibid; and International Bar Association. (2023, March 27). “New Mexican tax obligation: identification of beneficial owners”. Accessed September 1, 2025, from <https://www.ibanet.org/New-Mexican-tax-obligation-identification-of-beneficial-owners>

53 Fredrikson & Byron. P.A. (2022, April 14). “Controlling Beneficiaries: Complying With New Obligations Under Mexican Law”. Accessed July 17, 2025, from <https://www.fredlaw.com/alert-controlling-beneficiaries-complying-with-new-obligations-under-mexican-law>. The required information includes full name, aliases, date and country of birth, nationality, tax ID number, marital status with spouse’s details and full contact information.

54 Chambers and Partners. (2023, July 10). “Supreme Court declares Mexico’s controlling beneficiary reform constitutional”. Accessed September 1, 2025, from <https://chambers.com/articles/supreme-court-declares-mexicos-controlling-beneficiary-reform-constitutional>. The Court ruled that the amendments do not violate taxpayer rights and serve to strengthen the tax system against tax evasion, terrorism financing, and money laundering, establishing a mandatory precedent for all Mexican courts.

ARMENIA'S PUBLIC REGISTER APPROACH HIGHLIGHTS THE TRADE-OFFS BETWEEN TRANSPARENCY BENEFITS AND DONOR PRIVACY CONCERNS

Armenia's transparency-first approach is implemented through a public beneficial ownership register – i.e., an online tool that has proven instrumental for CSOs and journalists in exposing conflicts of interest and uncovering hidden political links among public officials. Yet this same transparency creates new vulnerabilities. Under the system, major donors to CSOs (those contributing 20% or more, or 10% for extractive sector organizations) become publicly identifiable along with board members and trustees who exercise control over the organization.⁵⁵

Although disclosure of board members and trustees represents a more moderate approach than Mexico's sweeping requirements, the donor disclosure thresholds still create direct trade-offs. The requirements have generated documented cases where prominent individuals have reduced their charitable giving or channeled support through multiple smaller contributions to avoid the public disclosure thresholds, ultimately reducing available funding for CSOs.^{56 57}

SOUTH AFRICA'S TRUST-FOCUSED REQUIREMENTS DEMONSTRATE PARTICULAR CHALLENGES FOR CHARITABLE ORGANIZATIONS

South Africa's Trust Property Control Act, which was implemented in 2023, requires trustees to register detailed information about founders, trustees, beneficiaries named in trust instruments, and any natural person exercising “effective control” over the trust.⁵⁸ While disclosure of trustees and founders may serve legitimate transparency purposes, the inclusion of “beneficiaries named in trust instruments” creates significant concerns when applied to charitable programs. Such a broad scope captures not only formal trustees of charitable trusts but also prominent board members of charitable foundations as well as beneficiaries of charitable programs who are specifically named. It may also include major donors who retain influence over grant-making decisions⁵⁹. Non-compliance with the Trust Property Control Act carries severe penalties of up to R10 million (approximately USD 500,000) in fines or five years imprisonment, creating existential risks for charitable trusts that fail to navigate the complex identification

55 Republic of Armenia Law on Combating Money Laundering and Terrorism Financing, Article 3 defines beneficial ownership to include natural persons who “own directly or indirectly more than 20% of shares or voting rights” or “exercise control through other means including board appointments or management rights.”

56 Open Ownership. (2021). “Beneficial ownership transparency in Armenia: the current regime and next steps.” Accessed August 10, 2025, from <https://www.openownership.org/en/publications/beneficial-ownership-transparency-in-armenia-the-current-regime-and-next-steps/>

57 Extractive Industries Transparency Initiative. (n.d.). Armenia as a model for economy-wide beneficial ownership transparency. Accessed July 17, 2025, from <https://eiti.org/impact-story/armenia-model-economy-wide-beneficial-ownership-transparency>

58 South Africa Trust Property Control Act 57 of 1988, Section 1 defines “beneficial owner” of a trust as “the founder, trustees, a natural person who directly or indirectly ultimately owns the relevant trust property or who exercises effective control of the trust, and each beneficiary referred to by name in the trust instrument.”

59 Bowmans. (2024, February 28). “South Africa: Beneficial owner register and accountable institutions.” Accessed August 10, 2025, from <https://bowmanslaw.com/insights/south-africa-beneficial-owner-register-and-accountable-institutions/>

and reporting requirements⁶⁰. Nonprofit companies must similarly disclose persons who exercise “effective control”, potentially including key staff members, major funders, or advisory board members with decision-making authority.⁶¹

■ SUMMARY

The range of implementation models underscores a critical principle: the reasonableness of disclosure requirements depends fundamentally on whom they target and how they are implemented. Requiring transparency related to paid executives and formal organizational leadership generally aligns with legitimate accountability goals and poses minimal burden. Meanwhile, requirements for volunteer board members introduce greater complexity and potentially deter civic participation, especially in sensitive contexts. Most problematically, any framework that risks capturing program beneficiaries – whether through Mexico’s overbroad “benefit test” or South Africa’s inclusion of named beneficiaries – fundamentally violates the trust relationships essential to civil society’s work with vulnerable populations.

Tailoring beneficial ownership regimes to the nonprofit sector is not only possible but is actively being explored in several jurisdictions. This spectrum of implementation provides a rich evidence base for advocates to move beyond simply opposing these measures and to instead propose concrete, evidence-based alternatives. Models that incorporate tailored exemptions and safeguards, such as Canada’s charitable exemptions or graduated threshold approaches, combined with clear distinctions between reasonable officer disclosure and problematic beneficiary identification, can help reconcile the legitimate goal of financial transparency with the fundamental right to freedom of association. This will help prevent the unintended but predictable chilling effect that these measures can have on civic participation and philanthropy.

60 South Africa Trust Property Control Act 57 of 1988, Section 19(2) provides that non-compliance “could attract a fine of up to R10 million or imprisonment for a period not exceeding five years or both.”

61 EY. (2025, April 9). “South Africa | New ‘beneficial ownership’ reporting requirements for companies.” Accessed August 11, 2025, from https://www.ey.com/en_gl/technical/tax-alerts/south-africa--new-beneficial-ownership--reporting-requirements



Tailoring beneficial ownership regimes to the nonprofit sector is not only possible but is actively being explored in several jurisdictions, providing an evidence base for advocates to move beyond simply opposing these measures and to instead propose concrete alternatives.

2.2.5. AML/CFT Regulations

National AML regulations are a cornerstone of the global anti-corruption architecture, explicitly recognized by UNCAC Article 14, and shaped largely by FATF standards to prevent illicit financial flows linked to corruption, organized crime, and terrorism.

While terrorism financing is conceptually distinct from corruption as traditionally defined, its inclusion in this typology is essential for three reasons. First, the international regulatory framework, led by FATF, treats AML and CFT as a single, integrated regime. National laws reflect this unified approach.⁶² Second, systemic corruption is a primary enabler of terrorism financing because it compromises the very institutional frameworks designed to detect and disrupt illicit financial flows, making the two issues inextricably linked at the level of state integrity. As FATF itself recognizes, systemic corruption is “impeding the effective implementation of the FATF Standards”.⁶³ Finally, and most critically for this report, states are increasingly abusing national security justifications inherent in CFT measures to impose disproportionate restrictions on civil society, making it a key mechanism through which anti-corruption measures are instrumentalized to shrink civic space.⁶⁴

Despite their primary goal of enhancing financial integrity, the design and implementation of AML/CFT measures have had profound and often debilitating impacts on CSOs – a dynamic extensively documented by organizations like the International Center for Not-for-Profit Law (ICNL)⁶⁵, European Center for Not-for-Profit Law⁶⁶, Human Security Collective⁶⁷ and the OECD⁶⁸. Their research has found that over-zealous implementation of FATF standards has led to significant challenges that the FATF increasingly recognizes and is trying to address.

62 Financial Action Task Force. (n.d.). History of the FATF. Accessed August 30, 2025, from <https://www.fatf-gafi.org/en/the-fatf/history-of-the-fatf.html>

63 Financial Action Task Force. (n.d.). Corruption. Accessed August 30, 2025, from <https://www.fatf-gafi.org/en/topics/corruption.html>

64 U4 Anti-Corruption Resource Centre. (2021). The impacts of AML/CFT regulation on civic space and human rights, pp. 1, 3 and 5. Accessed December 4, 2025, from <https://www.u4.no/publications/the-impact-of-anti-money-laundering-and-counter-terrorist-financing-regulations-on-civic-space-and-human-rights>

65 Supra note 4

66 Human Security Collective and European Center for Not-for-Profit Law. (2018). “Understanding the Drivers of De-Risking and the Impact on Civil Society Organizations”, pp. 7-8, 20 and 63. Accessed August 9, 2025, from <https://ecn.org/publications/understanding-drivers-de-risking-and-impact-civil-society-organizations>

67 van Broekhoven, Lia, Sangeeta Goswami, and Thalia Malmberg. (2024). “The Future of FATF Recommendation 8: A Foresight Piece.” Human Security Collective. Accessed August 9, 2025, from https://fatfplatform.org/assets/Final_R8-Foresight_.pdf

68 OECD (2022), supra note 10

The primary impact of AML/CFT measures on civic space manifests itself through severe restrictions on the ability of CSOs to register, operate, and access financial resources.⁶⁹ An additional consequence of this is the so-called “de-risking” scenario, when financial institutions, fearing severe regulatory penalties for non-compliance, adopt an overly cautious approach by terminating services or refusing to open accounts for CSOs perceived as “high-risk” clients.⁷⁰ This practice disproportionately affects organizations working in conflict-affected regions or on sensitive human rights issues, as their operational contexts are often categorized in blanket fashion as “high-risk”.⁷¹

Examples of misapplied AML/CFT measures impacting civic space include:

TURKEY'S, 2020 LAW NO. 7262 ON THE PREVENTION OF FINANCING OF THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION

This law in **Turkey** included new measures that significantly increased administrative fines on CSOs collecting donations through online platforms without obtaining prior approval by the authorities. It also allowed authorities to restrict the activities of CSOs, allowed the President of the Republic to freeze the CSO assets and increased the number and frequency of audits of CSOs and their partners.⁷² FATF's 2023 follow-up review of Turkey's anti-money laundering and counter-terrorist financing measures found that some of the measures and sanctions in the law were “disproportionate” and may impose “burdensome measures given that they would be applied to the whole sector.”⁷³

SERBIA'S "LIST" CASE

In **Serbia**, the July 2020 “List” case saw 57 CSOs and media outlets subjected to enhanced monitoring by the Administration for Prevention of Money Laundering, with organizations like CEPRIS experiencing lengthy financial police inspections following their criticism of judicial reforms.⁷⁴ More recently, February 2025 raids on USAID-funded organizations demonstrated escalating targeting.⁷⁵

69 Supra note 1

70 Supra note 2

71 Human Security Collective and European Center for Not-for-Profit Law. (2018). "Understanding the Drivers of De-Risking and the Impact on Civil Society Organizations", pp. 9-10, 17, 23, 31, 47 and 59. Accessed August 9, 2025, from <https://ecnl.org/publications/understanding-drivers-de-risking-and-impact-civil-society-organizations>

72 Global NPO Coalition on FATF. (2021, May 3). Letter to FATF regarding Turkey's implementation of Recommendation 8. Accessed August 9, 2025, from https://fatfplatform.org/assets/Global-NPO-Coalition-on-FATF_Turkey-letter.pdf

73 FATF July 2023 Follow-up Report & Technical Compliance Re-Rating of Turkey, Accessed October 27, 2025, from <https://www.fatf-gafi.org/content/dam/fatf-gafi/fur/T%C3%BCrkiye-Follow-Up-Report-2023.pdf.coredownload.pdf>

74 Balkan Insight. (2021, August 6). Serbia 'Misused' Money Laundering Laws to Target Critics, Reuters Reports. Accessed August 9, 2025, from <https://balkaninsight.com/2021/08/06/serbia-misused-money-laundering-laws-to-target-critics-reuters-reports/>

75 Balkan Insight. (2025, February 25). Serbian NGOs Accuse Govt of Pressure Over Police Raids. Accessed August 9, 2025, from <https://balkaninsight.com/2025/02/25/serbian-police-raids-reputable-ngos-over-usaid-money/>

UGANDA ELECTORAL PERIOD

Uganda provides evidence of the misuse of AML/CFT regulations during electoral periods, with the Financial Intelligence Authority freezing the accounts of the National NGO Forum and Uganda Women’s Network one month before the January 2021 elections. Officials cited unsubstantiated “terrorism financing” allegations and effectively crippled the groups’ election observation activities.⁷⁶

2.2.6. Foreign Agent Laws and Restrictions on Foreign Funding

Foreign agent laws and similar legislative instruments represent one of the most potent and rapidly proliferating tools for restricting civic space. While ostensibly distinct from traditional anti-corruption measures, governments increasingly justify these laws through anti-corruption rhetoric, arguing that foreign funding creates corruption risks, undermines sovereignty, and enables “policy capture” by external actors. They also frame such laws as necessary to ensure “transparency” and prevent the “corruption” of domestic political processes by foreign interests.⁷⁷

These justifications often mask governments’ true motivations, which are not necessarily confined to anti-corruption efforts. As Amnesty International has stated, such laws are often “designed to shackle, stigmatize, and ultimately silence critical NGOs”.⁷⁸ Indeed, international human rights bodies have found that the purpose of these laws is not to promote transparency but to stifle dissent. Human Rights Watch, for example, noted that El Salvador’s foreign agent law is un-



While ostensibly distinct from traditional anti-corruption measures, governments increasingly justify “foreign agent” laws through anti-corruption rhetoric.

76 The Independent Uganda. (2020, December 15). UWONET denies claims of terror financing. Accessed August 9, 2025, from <https://www.independent.co.ug/uwonet-denies-claims-of-terror-financing/>. The High Court in Kampala ultimately ruled that The Financial Intelligence Authority (FIA) has no power under the Anti-Terrorism Act, 2015 (as amended), to order the freeze of bank accounts of organisations in the absence of evidence that organisations are financing terrorism activities. Chapter Four. (2022, September 14). Court Clarifies on the Financial Intelligence Authority’s Powers to Order for the Freeze of Bank Accounts of NGOs. Accessed October 30, 2025, from <https://chapterfouruganda.org/wp-content/uploads/2025/05/Court-clarifies-on-the-powers-of-the-FIA-to-freeze-bank-accounts-of-NGOs.pdf>

77 Kiai, Maina. (2013). Report of the Special Rapporteur on the rights to freedom of peaceful assembly and of association. UN Doc. A/HRC/23/39. Para. 20. Accessed September 5, 2025, from https://www.ohchr.org/Documents/HRBodies/HRCouncil/RegularSession/Session23/A.HRC.23.39_EN.pdf

78 Amnesty International. (2016, November 17). ‘Agents of the people’: Four years of “foreign agents” law in Russia. Accessed August 29, 2025, from <https://www.amnestyusa.org/reports/agents-of-the-people-four-years-of-foreign-agents-law-in-russia/>

questionably “about silencing those who expose corruption, human rights violations, and secretive negotiations with gang leaders”.⁷⁹

The anti-corruption framing of foreign agent laws reflects a deliberate expansion of corruption definitions to encompass “sovereignty corruption” – the phenomenon comprising alleged subversion of national interests through foreign influence. Russia’s 2012 law explicitly invoked anti-corruption objectives in its legislative justification, claiming foreign-funded organizations posed risks of corruption of the political process.⁸⁰ Similarly, Georgia’s 2024 law was presented to parliament with extensive references to preventing “corruption of Georgian values” and political independence through foreign manipulation.⁸¹ This rhetorical strategy allows governments to tap into legitimate public concerns about corruption while targeting organizations that often work to expose it.

The United Nations Special Rapporteur on the rights to freedom of peaceful assembly and of association has formally expressed growing concern over “foreign agent” and “foreign influence” laws, which “impose undue restrictions and stigmatize associations globally”.⁸²

These laws typically require organizations that receive foreign funding or engage in legitimate work that falls within vaguely defined categories of “political” activities – including anti-corruption work, advocacy, human rights monitoring, civic education or other traditional civil society functions – to register as “foreign agents” or a similar pejorative designation.⁸³ While framed as transparency measures, their primary function is actually control and stigmatization.

The impact on CSOs is multifaceted and deeply damaging: the “foreign agent” label is inherently stigmatizing, eroding public credibility and isolating organizations from their communities, while severe operational and financial constraints compound the harm.⁸⁴ Many such laws impose discriminatory taxes on foreign donations and/or vest executive authorities with broad discretion to cancel legal status, levy heavy fines, or subject CSOs to intrusive supervision under vague definitions that enable arbitrary enforcement. Onerous reporting obligations create substantial administrative burdens and deter pro-

79 Human Rights Watch. (2025, May 23). El Salvador: Foreign Agents Law Targets Civil Society, Media. Accessed August 29, 2025, from <https://www.hrw.org/news/2025/05/23/el-salvador-foreign-agents-law-targets-civil-society-media>

80 Norwegian Helsinki Committee. (2014). Russia’s Foreign Agent law: Violating human rights and attacking civil society (Policy Paper No. 6-2014). Accessed September 6, 2025, from https://nhc.no/content/uploads/2018/08/NHC_PolicyPaper_6_2014_Russiasforeignagentlaw.pdf

81 Avdaliani, Emil. (2024, May 17). Georgia’s Protests and the Geopolitics of a ‘Foreign Agents’ Bill. Carnegie Endowment for International Peace. Accessed September 6, 2025, from <https://carnegieendowment.org/russia-eurasia/politika/2024/05/georgia-protests-geopolitics?lang=en>

82 United Nations Special Rapporteur on the Rights to Freedom of Peaceful Assembly and of Association, et al. (2024, September 13). 2024 Joint Declaration on Protecting the Right to Freedom of Peaceful Assembly in light of “Foreign Agents”/ “Foreign Influence” Laws. Accessed December 5, 2025, from <https://www.ohchr.org/sites/default/files/documents/issues/association/statements/2024-09-13-statement-sr-foaa.pdf>

83 International Center for Not-for-Profit Law. (2025, January), supra note 4 at pp. 2-4, 6, 9, 11-12

84 Ibid., pp. 2, 11, 15-16

spective funders who fear exposure or retaliation. Some laws go even further by outright banning vaguely defined “political activities” or actions said to “disturb public order.”⁸⁵ The cumulative effect is a pronounced chilling of civic life – self-censorship, reduced public participation, and in many cases the forced closure of organizations.

This legislative model has been deployed across jurisdictions, listed here in chronological order of adoption/initiation:

■ RUSSIA (2012)

In **Russia**, a 2012 law (since further revised) pioneered the modern “foreign agent” model, forcing organizations to register with the authorities, affix stigmatizing labels to all publications, and comply with onerous reporting requirements and limitations on their activities. By 2020, over 30 organizations shut down as a result of these restrictions.⁸⁶

■ NICARAGUA (2020)

Nicaragua’s 2020 law requires individuals and organizations receiving foreign funds to register as foreign agents, report monthly on finances and refrain from “intervening in internal political issues”, effectively criminalizing advocacy and forcing many groups to suspend operations.⁸⁷

■ GEORGIA (2025)

Georgia passed a “foreign agents” law in April 2025, which requires individuals and entities to register as foreign agents if they act “at the authority, request, order, or control of a foreign principal” and engage in a broad set of activities, including “political activities” deemed to be “in the interests” of the foreign principal – a broad prohibition that might include sharing posts critical of the government or attending a protest, even when these activities are undertaken independent of the relationship to the “foreign principal”. Such persons must submit detailed activity and financial reports and mark public statements as produced by a “foreign agent” or face severe penalties, including imprisonment.⁸⁸

85 Ibid., pp. 9, 12 and 26

86 Ibid., pp. 11 and 32. The first foreign agent law, the Foreign Agents Registration Act (FARA), was enacted in the United States in 1938. International Center for Not-for-Profit Law. (2023 October). FARA’s Double Life Abroad. Accessed October 30, 2025, from https://www.icnl.org/wp-content/uploads/FARA-Abroad-10_11_23.pdf

87 CIVICUS Monitor. (n.d.). Recently approved laws on Foreign Agents and Cybercrimes restrict civic space further in Nicaragua. Accessed July 14, 2025, from <https://monitor.civicus.org/explore/recently-approved-laws-foreign-agents-and-cybercrimes-restrict-civic-space-further-nicaragua/>

88 International Center for Not-for-Profit Law (2025, April). Georgia: The Foreign Agents Registration Act. Accessed October 30, 2025, from <https://www.icnl.org/post/news/georgia-the-foreign-agents-registration-act>. See also Nini Gabritchidze (2025, May 31). Georgian Dream’s FARA Takes Effect. Accessed October 30, 2025, from <https://civil.ge/archives/684669>

■ REPUBLIKA SRPSKA (2025)

In **Republika Srpska (Bosnia and Herzegovina)**, a 2025 law automatically labels foreign-funded organizations as “foreign agents”, imposes stringent reporting obligations and prohibits them from proposing laws or “influencing public opinion”, thus directly punishing CSOs for engaging in public discourse.⁸⁹

■ EL SALVADOR (2025)

El Salvador's 2025 Foreign Agents Law imposes a 30% tax on foreign funds and vests executive authorities with broad discretionary powers to fine or dissolve organizations – a move widely regarded as direct retaliation against dissent.⁹⁰

■ HUNGARY (2025, PROPOSED)

Hungary presents a concerning case where sovereignty protection laws could create risks for transparency. In May 2025, a member of Hungary's ruling party submitted the “Transparency of Public Life” bill, which would empower authorities to create a register of foreign-funded organizations that “influence public life”⁹¹. Under the proposal, organizations included in this register would face severe restrictions including requiring government approval for foreign funding, exclusion from domestic funding sources, and subjecting their leaders to enhanced financial scrutiny as “politically exposed persons”⁹². As of late 2025, the bill had not yet been adopted.

89 Global Investigative Journalism Network. (n.d.). ‘Foreign Agent’ Law in Bosnia Threatens Independent Media. Accessed July 14, 2025, from <https://gjin.org/stories/foreign-agent-law-in-bosnia-threatens-independent-media/>

90 Supra note 4, at p. 26

91 Philea. (2025, May). Draft Hungary bill seeks to restrict foreign funding that “influences public life”. Accessed July 18, 2025, from <https://philea.eu/draft-hungary-bill-seeks-to-restrict-foreign-funding-that-influences-public-life/>

92 Verfassungsblog. (2025, May 21). Why the New Hungarian Transparency Bill is an Attack on the Foundations of the European Union. Accessed July 18, 2025, from <https://verfassungsblog.de/hungary-transparency-law-foreign-funding/>

3. Exacerbating and Mitigating Factors

The impact of anti-corruption measures on civic space is not predetermined. It is shaped by a complex interplay of contextual factors that can either amplify negative effects – turning well-intentioned reforms into tools of repression - or mitigate them, fostering an environment where anti-corruption and civic freedoms are mutually reinforcing. Understanding these factors is essential for advocates seeking to navigate the tension between necessary anti-corruption efforts and civic space protection.

3.1. Exacerbating Factors

Six interconnected factors can transform anti-corruption measures from tools of accountability into instruments of repression, with each factor reinforcing the others in a vicious cycle that rapidly erodes civic space.

Political instrumentalization and state capture represent the most fundamental threat. When corrupt elites systematically co-opt anti-corruption frameworks, they create an internationally palatable pretext for political repression under the guise of good governance. This dynamic enables the replication of restrictive models across jurisdictions through what scholars term “authoritarian learning” and norm diffusion.⁹³ The Georgian case exemplifies this pattern, where the Anti-Corruption Bureau – ostensibly created to uphold integrity – has been misused to demand detailed records from independent NGOs like Transparency International Georgia, illustrating how anti-corruption mandates become tools of intimidation rather than accountability.

Vague legal drafting and discretionary powers create the operational space for such abuse. Ambiguous definitions of key terms such as “political activity”, “foreign influence” or “public order” generate legal uncertainty that enables arbitrary

93 International Foundation for Electoral Systems. (2024, Spring). Understanding and Interrupting Authoritarian Collaboration: Domestic Opponents. Accessed August 2, 2025, from <https://www.ifes.org/understanding-and-interrupting-authoritarian-collaboration/domestic-opponents>

Summary of exacerbating factors



Political instrumentalization and state capture

Systematic co-opting of anti-corruption frameworks

Vague legal drafting and discretionary powers

Ambiguous definitions of key terms such as "political activity" or "foreign influence", generating legal uncertainty and arbitrary enforcement

The absence of independent oversight and accountability mechanisms

Compromised or politically influenced oversight institutions

Systematic exclusion from policymaking processes

Closed policy development that excludes CSOs and overlooks their unique needs

Erosion of international donor support

Removal of critical lifelines when they are most needed, creating funding crises and eliminating defense mechanisms

trary enforcement. This transforms accountability mechanisms into tools for control through unpredictable application. Paraguay's 2024 law exemplifies this vulnerability, using undefined concepts of "influence" on public policies that could encompass virtually all CSO advocacy, leaving organizations perpetually vulnerable to selective enforcement.

The absence of independent oversight and accountability mechanisms compounds these vulnerabilities. When oversight institutions are compromised or politically influenced, they cannot function as effective checks on power. The lack of robust legal remedies leaves CSOs vulnerable to arbitrary enforcement without recourse.

Systematic exclusion from policymaking processes ensures these flaws become embedded in legal frameworks. Closed policy development that excludes CSOs overlooks unique sectoral needs, creating frameworks that are structurally inappropriate. Turkey's rushed passage of Law No. 7262 – which triggered widespread account closures and operational disruption for nonprofits – shows how the exclusion of civil society during consultations produces regulations that are disproportionate and burdensome.

Finally, the **erosion of international donor support** removes critical lifelines precisely when they are most needed. The rollback in development aid creates funding crises for civil society-led anti-corruption initiatives, while the cessation of international support eliminates defense mechanisms for civic space in repressive environments. This reduces CSO capacity for sustained operations and reform advocacy at the very moment when independent oversight becomes most critical for combating entrenched corruption.

3.2. Mitigating Factors

While exacerbating factors can be rapidly deployed through executive action, mitigating factors require patient, sustained cultivation across multiple domains. Yet when properly developed and integrated, these protective elements create resilient ecosystems where anti-corruption efforts and civic freedoms reinforce rather than undermine each other. The asymmetry between the speed of restriction and the pace of protection underscores why proactive investment in these mitigating factors is essential before crises emerge.

Robust legal frameworks with built-in safeguards provide the foundational architecture for protection. Clear, precise definitions and explicit human rights protections prevent the exploitation of anti-corruption measures for political purposes. Proportionality requirements and non-discrimination standards align restrictions with international human rights law,⁹⁴ while CSO-specific safeguards acknowledge operational realities and prevent blanket application of regulations designed for oth-

94 OECD (2022), supra note 10, at. pp. 39, 58, 60-61 and 246

er sectors. Canada's exemption of registered charities from certain beneficial ownership requirements, though imperfect, demonstrates how tailored approaches can reduce unintended impacts on civic space.

Meaningful civil society participation in policymaking and implementation transforms anti-corruption frameworks from imposed restrictions into collaborative governance tools. Active CSO involvement in design, review, and implementation ensures balanced policymaking that accommodates sectoral needs. Formal participation mechanisms in international frameworks strengthen transparency and accountability,⁹⁵ while early consultation prevents structural mismatches between anti-corruption objectives and civic space protection. The contrast between Turkey's Law No. of 7262 2020, which was adopted without stakeholder consultations 11 days after it was introduced,⁹⁶ and jurisdictions with mandatory CSO engagement illustrates how participation shapes outcomes.

Strong, independent, and resourced accountability mechanisms serve as critical safeguards against abuse. Genuine institutional independence prevents political instrumentalization of anti-corruption agencies and judicial bodies. Effective whistleblower protection laws with proper enforcement create safe channels for reporting wrongdoing, while transparent auditing procedures with standardized criteria and clear appeals processes protect against selective enforcement. The difference between Georgia's Anti-Corruption Bureau, which has been abused for political purposes, and genuinely independent oversight bodies demonstrates how institutional design determines whether anti-corruption tools serve or subvert accountability.

Diversified and sustainable funding for CSOs creates resilience against tactics designed to squeeze the sector's finances. Multiple funding streams – including domestic

95 UNCAC Coalition. (2025, June). Key Recommendations to make the IRM more effective in strengthening UNCAC implementation. Accessed on July 31, 2025 from <https://uncaccoalition.org/key-recommendations-to-make-the-irm-more-effective-in-strengthening-uncac-implementation/>

96 Global NPO Coalition on FATF. (2021, May 3). Letter to FATF regarding Turkey's implementation of Recommendation 8. Accessed August 9, 2025, from https://fatfplatform.org/assets/Global-NPO-Coalition-on-FATF_Turkey-letter.pdf

Summary of mitigating factors



Robust legal frameworks with built-in safeguards

Clear laws with human rights safeguards

Meaningful civil society participation in policymaking and implementation

CSOs actively co-design and monitor policy

Strong, independent, and resourced accountability mechanisms

Independent agencies and courts with resources

Diversified and sustainable funding for CSOs

Multiple funding streams and domestic philanthropy

International cooperation and advocacy

Diplomatic pressure, UNCAC reform, cross-border networks

Civil society coordination and strategic alignment

Coalitions, rapid-response networks, unified messaging

philanthropy, social enterprises, and community support – reduce vulnerability to foreign funding restrictions. Tax incentives and transparent state funding mechanisms create enabling domestic financial environments, while strategic international donor coordination helps circumvent administrative barriers and reduces dependency risks. Organizations with diverse funding portfolios have proven more resilient in the face of de-risking and foreign agent laws than those dependent on single sources.

International cooperation and advocacy provide external pressure and support when domestic channels are blocked. Collaborative frameworks that address corruption while protecting civic space create mutually reinforcing objectives. Diplomatic pressure and peer review mechanisms encourage adherence to international human rights standards,⁹⁷ while cross-border civil society networks strengthen collective capacity for advocacy and resistance. The role of international mechanisms in spotlighting restrictions in countries like Russia and Nicaragua demonstrates how global solidarity can help to push back against domestic repression.

Civil society coordination and strategic alignment multiply defensive capacity and transform fragmented responses into unified action. Unified responses across different CSO types prevent governmental “divide and conquer” strategies. Coordinated messaging and joint advocacy platforms amplify sectoral voice and enhance legitimacy, while strategic alignment transforms fragmented defensive reactions into coherent agenda-setting capacity. The success of civil society coalitions in resisting restrictive legislation in some jurisdictions, contrasted with the vulnerability of fragmented sectors elsewhere, underscores how unity determines outcomes.⁹⁸

The interplay between these factors reveals a critical insight: while individual mitigating factors provide some protection, their true power emerges through integration. Legal safeguards without independent enforcement remain hollow promises; participation without diverse funding leaves CSOs vulnerable to coercion; international support without domestic coordination fails to build sustainable protection. The jurisdictions that successfully balance anti-corruption efforts with civic space protection demonstrate all six factors working in concert, creating resilient ecosystems where accountability and freedom are mutually reinforcing rather than competing priorities.

⁹⁷ OECD (2022), *supra* note 10, at pp. 207-208 and 249-259

⁹⁸ *Ibid.*, at pp. 11, 141, 251-252, 262

4. Actionable Recommendations for Civic Space Advocates

The preceding analysis reveals a critical contradiction: anti-corruption measures, while essential for good governance, are frequently instrumentalized to restrict civic space – undermining the very civil society organizations that enable effective anti-corruption efforts. The following recommendations present five strategic priorities organized to help advocates advance anti-corruption objectives while safeguarding civic space, drawing on the evidence and lessons identified in Sections 2 and 3. These recommendations are intended for use by civic space advocates in both civil society and government.

4.1. Strengthening Legal Frameworks Through Precision and CSO-Specific Safeguards

Legal frameworks form the foundation of civic space protection. When anti-corruption laws lack precision or fail to account for CSO operational realities, they create vulnerabilities that enable arbitrary enforcement and political instrumentalization. This priority focuses on embedding clear definitions, proportionate obligations, and explicit safeguards that prevent the exploitation of anti-corruption rhetoric to restrict legitimate civic activities.

- **Advocates should push for legislative reforms that embed clear definitions, proportionate obligations and explicit civic space safeguards in all laws comprising anti-corruption frameworks.** This includes ensuring that AML/CFT regulations, foreign funding rules, beneficial ownership requirements, lobbying regulations, and administrative oversight mechanisms are **tailored to the operational realities of CSOs** and avoid creating unnecessary compliance burdens. Model provisions from rights-respecting jurisdictions can serve as templates for reform.⁹⁹
- **Promote legislative review mechanisms** that require regular, participatory evaluations of anti-corruption laws' impact on civic space, with findings made public. Where harmful provisions are identified – such as those enabling stigmatization of civil society as “foreign agents” – advocates should coordinate campaigns for their amendment or repeal.¹⁰⁰

99 International Center for Not-for-Profit Law. (n.d.). Checklist for CSO Laws. Accessed July 31, 2025, from https://www.icnl.org/research/library/transnational_checklisten/

100 International Center for Not-for-Profit Law. (2025, January), supra note 4 at pp. 12, 18 and 19

4.2. Ensuring Transparency of Implementation Through Independent Oversight and Access to Information

Even well-designed laws can become tools of repression when implemented without transparency or accountability. This priority addresses the critical gap between legislative intent and enforcement practice by establishing mechanisms that ensure anti-corruption measures are applied fairly, consistently, and in accordance with human rights standards. Transparency in implementation prevents selective enforcement and creates documentary evidence essential for advocacy and legal challenges.

- **Advocates should promote independent oversight mechanisms** – such as ombuds institutions, audit bodies, and parliamentary committees (ad hoc commissions) – with mandates to review enforcement of anti-corruption legislation for compliance with human rights standards. These bodies should be accessible to CSOs and required to publish annual reports in full.¹⁰¹
- **Strengthen access to official information** by advocating for robust freedom of information (FOI) regimes that override confidentiality clauses often used to shield procurement or enforcement data from scrutiny. Linking FOI reform to anti-corruption objectives broadens its appeal to policymakers and the public.¹⁰²
- **Monitor selective enforcement risks** by tracking whether anti-corruption laws are applied disproportionately to certain CSOs, journalists or political opponents. Findings should be documented and shared with international mechanisms, such as the UN Special Rapporteur on the rights to freedom of peaceful assembly and of association.¹⁰³
- **Encourage donor conditionalities** that tie funding to measurable improvements in transparency and accountability frameworks, creating leverage for reforms in restrictive environments.¹⁰⁴

101 OECD (2022), supra note 10, at pp. 171-178

102 OECD (2022), supra note 10, at pp. 107 and 130

103 Commonwealth Forum of National Human Rights Institutions. "Freedom of Expression, Association and Peaceful Assembly." Accessed July 25, 2025. <https://cfnhri.org/human-rights-topics/freedom-of-expression-association-and-peaceful-assembly/>

104 OECD (2022), supra note 10, at p. 255

4.3. Guaranteeing Civil Society Participation in the Design and Monitoring of Anti-Corruption Frameworks

Meaningful participation transforms anti-corruption frameworks from imposed restrictions into collaborative governance tools. When CSOs are systematically excluded from policymaking processes, the resulting frameworks fail to account for legitimate civic activities and create structural mismatches between anti-corruption objectives and civic space protection. This priority ensures that those most affected by anti-corruption measures have genuine influence over their design, implementation, and evaluation.

- **Embed mandatory consultation processes** in lawmaking so that CSOs are involved from drafting stages onward, not merely during public comment periods. This is particularly important for jurisdictions with histories of passing restrictive measures without prior notice or civil society engagement.¹⁰⁵
- **Advocate for formalized civil society seats on anti-corruption bodies, review mechanisms, and oversight committees**, ensuring these positions have genuine decision-making authority rather than being merely advisory roles.¹⁰⁶
- **Develop and promote minimum standards for meaningful participation** that include adequate notice periods, accessible consultation formats, public documentation of input received, and formal responses explaining how civil society recommendations were addressed.¹⁰⁷

4.4. Promoting Reforms to International Cooperation Mechanisms

International frameworks provide both legitimacy for restrictive measures and potential protection against them. This priority focuses on reforming global anti-corruption instruments to explicitly protect civic space while strengthening international solidarity mechanisms that can push back against domestic repression. When domestic channels are blocked, international pressure and support become essential lifelines for embattled civil society.

¹⁰⁵ OECD (2022), supra note 10, at pp. 20, 72-73 and 256

¹⁰⁶ United Nations Office on Drugs and Crime. (n.d.), supra note 11 at pp. 11 and 20

¹⁰⁷ OECD (2022), supra note 10, whose Section 5.6.6 “Participation in policy and decision making” (pp. 266-267) identify the precise procedural failings that this recommendation seeks to correct

- **Leverage multilateral frameworks** – including the UNCAC – to advocate for binding requirements that states involve CSOs in anti-corruption review processes and publish all related documentation. Reform of the UNCAC Implementation Review Mechanism should be a priority, building on proposals already advanced by civil society coalitions.¹⁰⁸
- **Promote peer learning** by facilitating structured exchanges between CSOs in restrictive and enabling environments, focusing on advocacy strategies, legal reform approaches, and coalition-building. Where governments are resistant to domestic reform, regional human rights mechanisms and international pressure can be effective in securing concessions.¹⁰⁹
- **Engage diplomatic missions and intergovernmental bodies** to raise concerns about restrictive enforcement of anti-corruption measures, ensuring that human rights and anti-corruption agendas are addressed jointly in foreign policy dialogues and donor programs.¹¹⁰ Additionally, raise awareness amongst diplomatic missions and intergovernmental bodies about restrictive enforcement and unintended consequences of anti-corruption measures. These actors should be encouraged to raise concerns about restrictive enforcement and ensure that human rights and anti-corruption agendas are addressed jointly in foreign policy dialogues and donor programs.
- **Support the development of international guidelines** that explicitly recognize the interdependence of anti-corruption efforts and civic space, creating normative frameworks that delegitimize the instrumentalization of anti-corruption frameworks for repressive purposes.¹¹¹

4.5. Preventing Civil Society Fragmentation through Coordinated Advocacy Platforms

Repressive governments frequently exploit divisions within civil society, targeting specific sectors while maintaining support from others. This divide and conquer strategy becomes particularly effective when anti-corruption and human rights advocates operate in silos, failing to recognize their shared vulnerability to restrictive measures. This

108 UNCAC Coalition. (2025, June). 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”; unpublished document, provided to the author by the UNCAC Coalition; on file with the author. See also UNCAC Coalition. (2025, June). Statement submitted by UNCAC Coalition, a non-governmental organization in consultative status with the Economic and Social Council. CAC/COSP/IRG/2025/NGO/12. Accessed on July 31, 2025 from <https://uncaccoalition.org/strengthening-the-irm/>

109 OECD (2022), supra note 10, at pp. 17-19, 95, and 161

110 OECD (2022), supra note 10, at pp. 207-208 and 249-259

111 OECD (2022), supra note 10, at pp. 13-14, 21 (Table 1.1. Links between the OECD’s open government principles and civic space) and 249

priority transforms fragmented defensive reactions into unified strategic action that multiplies advocacy impact and creates resilience against targeted attacks.

- **Anti-corruption and human rights advocates should establish structured channels for regular communication, joint planning, and coordinated public messaging.** These can take the form of joint working groups, cross-sector coalitions, or shared advocacy campaigns targeting reforms with both anti-corruption and civic space dimensions.¹¹²
- **Identify and leverage complementary strengths** to present unified and credible reform proposals – for example, anti-corruption groups’ investigative and financial analysis skills with human rights organizations’ litigation and international advocacy expertise.¹¹³
- **Where feasible, develop joint crisis-response protocols** so that attacks on one part of the sector (e.g., selective AML/CFT enforcement) trigger coordinated solidarity actions from the other. Such measures make it more costly for governments to target one constituency without facing broad-based pushback.¹¹⁴

While the specific forms of cooperation will depend on national context, the guiding principle is clear: **sustained, visible unity between anti-corruption and human rights advocates strengthens resilience, enhances legitimacy and makes “divide and conquer” tactics harder to execute.**

114 CIVICUS. (2024). State of Civil Society Report 2024, pp. 8-9 and 85. Accessed August 18, 2025, from https://www.civicus.org/documents/reports-and-publications/SOCS/2024/state-of-civil-society-report-2024_en.pdf

5. Conclusion

Anti-corruption efforts and civic space protection are not competing priorities but interdependent necessities that strengthen each other. A society cannot effectively combat corruption without the independent oversight, critical analysis, and public mobilization that civil society provides, while CSOs cannot flourish where corruption erodes rule of law and institutional integrity.

This report's analysis reveals systematic patterns across more than 25 jurisdictions where anti-corruption rhetoric has been used as a pretext for neutralizing oversight. The instrumentalization of anti-corruption frameworks creates a vicious cycle: the weakening of watchdog CSOs enables corruption to become more entrenched, which makes further restriction of civic space more likely. The positive reforms identified in this paper, from strengthening legal frameworks to preventing fragmentation of civil society responses, can mitigate this risk and in doing so, protect civic space and bolster efforts to combat corruption.

For policymakers, donors and advocates, the path forward is clear: anti-corruption measures should empower civil society, not restrict it.



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