

The Implementation of FATF Recommendation No. 8 in Tunisia: Impact on Freedom of Association

A Report by Tunisian Civil Society

April 2026



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About this Report

This shadow report has been prepared by Tunisian civil society to assess the Tunisian government's compliance with the Financial Action Task Force (FATF) Recommendations, especially Recommendation 8, which pertains to non-profit organizations (NPOs). The report was prepared in advance of Tunisia's 2026 FATF Mutual Evaluation Review with the aim of providing the FATF evaluators with a more accurate assessment of Tunisia's compliance with the FATF recommendations pertaining to NPOs. The report presents the perspective of Tunisian civil society and highlights how Tunisia's implementation of FATF recommendations have impacted Tunisian civil society and have led to the disruption of legitimate charitable activity in Tunisia.

This report was developed by a small working group of Tunisian civil society, academics, and experts and was supported by the International Center for Not-for-Profit Law (ICNL), which provided technical assistance, comparative expertise, and guidance on international standards. The names of the Tunisian working group members have not been included in the report due to the restrictive operating environment for Tunisian civil society. In recent years, civil society, particularly those working on human rights and public policy, have faced heightened scrutiny, financial restrictions, investigations, and in some cases judicial action linked to money laundering or terrorism financing. In this context, anonymity was essential to protect contributors and avoid potential reprisals.

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Executive Summary

The report assesses Tunisia's non-profit organization (NPO) sector from the perspective of civil society and selected experts, while strictly upholding the principles of neutrality and objectivity. It also draws attention to specific issues that the Middle East and North Africa Financial Action Task Force (MENAFATF) assessment team should examine and analyze during its visit to Tunisia, to ensure a comprehensive and accurate assessment of the not-for-profit sector and Tunisia's compliance with Recommendation No. 8.

This report was prepared by team of civil society representatives and experts through a collaborative process. Their work proceeded without the participation of the official authorities responsible for preventing terrorism financing and money laundering in Tunisia, who failed to respond to civil society's repeated requests to contribute to the official risk assessment of the NPO sector. This exclusion unfortunately means it is impossible to replicate the collaborative experience of 2019, which involved government bodies, civil society, and international experts, and was considered pioneering in the Arab region and beyond.

The working group for this report adopted a methodology combining an analysis of legal texts and available reports with an evaluation of responses to a questionnaire distributed to Tunisian associations. Additionally, interviews were conducted with individuals possessing subject-matter expertise, including experts, lawyers, chartered accountants, and journalists.

Objectives

The report assesses Tunisia's compliance with key aspects of Financial Action Task Force (FATF) Recommendation No. 8, which states that:

Countries should identify the organizations which fall within the FATF definition of non-profit organizations (NPOs) and assess their terrorist financing risks. Countries should have in place focused, proportionate and risk-based measures, without unduly disrupting or discouraging legitimate NPO activities, in line with the risk-based approach. The purpose of these measures is to protect such NPOs from terrorist financing abuse ...

The Interpretive Note to Recommendation 8 states that:

It is also important for such measures to be implemented in a manner which respects countries' obligations under the Charter of the United Nations and international law, in particular international human rights, international refugee law and international humanitarian law.

Paragraph 47 of the Best Practices Paper clarifies that:

Implementation of R.8. should respect and observe fundamental human rights and freedoms, such as freedom of opinion, expression, religion or belief, and freedom of peaceful assembly and of association.

Key Findings

This report finds Tunisia is currently non-compliant with key technical provisions and principles of the reformed Recommendation No. 8. Key thematic findings outlined in the report include:

■ Improper Definition of NPOs

Criterion 8.1(a) of the FATF Methodology requires countries to “*identify which subset of organizations fall within the FATF definition of NPO*”. The Best Practices Paper clarifies that “*Organizations working in the not-for-profit realm which are not within the scope of the FATF functional definition include ... organizations that primarily conduct research and/or advocate for changes in public policy but do not raise or disburse funds for NPO causes.*”¹

Following the revision of Recommendation No. 8 and its Interpretive Note, Tunisian legislation has not excluded “expressive” organizations – i.e., those engaged in advocacy, human rights promotion, and civil oversight. Consequently, these entities remain subject to various counter-terrorism financing legal requirements, contrary to the requirement outlined in paragraph 1 of the Interpretive Note that “*this Recommendation only applies to those organizations which fall within the FATF definition of an NPO.*” This inclusion has resulted in the inappropriate disruption of their activities, which contravenes Recommendation No. 8.

■ A ‘Low to Medium’ Terrorism Financing Risk?

In line with criterion 8.1(b), the authorities have conducted an analysis and assessment of terrorism financing risks associated with NPOs in Tunisia, as outlined in the Executive Summary of the Update to the National Assessment of Terrorism Financing Risks for the period 2022–2024. The assessment concludes that the risk of NPOs being abused for terrorism financing purposes has been rated as “low to medium,” though empirical evidence does not necessarily support such a high rating. According to the National List of Persons, Organizations, and Entities Associated with Terrorist Crimes, as published on the website of the National Counter-Terrorism Commission (Commission Nationale de Lutte contre le Terrorisme, CNLCT), only four associations were listed during this period, out of a total of 35 designations.

¹ <https://www.fatf-gafi.org/content/dam/fatf-gafi/guidance/BPP-Combating-TF-Abuse-NPO-R8.pdf> (para 18)

The Majority of NPOs Surveyed Report Compliance

The authors of this report distributed a questionnaire to Tunisian civil society organizations to assess their compliance with legal and regulatory obligations related to funding and to assist in assessing compliance with 8.1(c). The majority of organizations surveyed generally adhere to the legal and regulatory requirements governing funding and financial management. The organizational structures of these NPOs are relatively stable, and they demonstrate a clear preference for formal financial channels. In most instances, they implement applicable accounting standards, thereby reducing the risks of money laundering and terrorism financing. Nevertheless, the survey identified some shortcomings, predominantly attributable to limited financial and human resources, as well as only partial awareness of relevant regulatory obligations.

Failure to Apply a Risk-Based Approach

Tunisia applies anti-money laundering and countering the financing of terrorism (AML/CFT) mechanisms to all FATF NPOs, regardless of their exposure to risk. This is non-compliant with the requirement that measures must be focused, proportionate and risk-based, without unduly disrupting or discouraging legitimate NPO activities (see criterion 8.1(c), 8.3(a), 8.3(b), 8.4(a), and 8.4(b) of the FATF Methodology).

Misuse of FATF Standards to Silence NPOs and Pressure CTAF

A number of human rights associations have been accused of money laundering, with their managers being placed in pretrial detention for extended periods. In each of these cases, charges were ultimately dropped. There is no evidence of systemic money laundering abuse within the NPO sector, and the targeting of NPOs critical of the government strongly suggests a political motivation for these charges.

The authorities have also placed extraordinary pressure on the Tunisian Financial Analysis Commission (Commission Tunisienne des Analyses Financières, CTAF) to restrict NPOs funding, even imprisoning the CTAF president for his failure to crack-down on foreign funding of NPOs.



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Shrinking Civic Space is Political, with Funding Risks as a Pretext

An analysis of responses from various stakeholders – including lawyers, chartered accountants, experts, donors, and bank officials – confirms that shrinking civic space in Tunisia is not predicated on a proven increase in money laundering or terrorism financing risks. Rather, this trend is part of a political dynamic aimed at restricting civic space by marginalizing intermediary bodies in favor of strengthened state control.

Tunisia is witnessing a structural shift in the relationship between the State and civil society, wherein legal, financial, and security tools are deployed in a concerted manner to limit the sector’s independence and diminish its role in defending rights and freedoms. The ongoing wave of arrests and judicial proceedings against civil society in Tunisia only strengthens this conclusion. This development poses significant challenges to the future of rights and freedoms and the role of civil society in Tunisia.

A Growing Body of Regulations, but Limited Efforts to Aid NPO Compliance

Tunisia’s legislative framework contains a proliferation of legislative texts, government decrees, ministerial decisions, decisions issued by CTAF, and circulars from the Central Bank of Tunisia. The government and various supervisory authorities have also, in recent years (2025–2026), issued several legislative texts in an attempt to improve compliance with the recommendations of international bodies. However, these measures have not been accompanied by initiatives to strengthen the capacities of the entities concerned with such legislative texts – namely associations, supervisory bodies, and bank officials.

Efforts to Amend the Associations Law Continue, Despite No Objective Justification

Tunisia’s Associations Law, Decree-Law No. 88 of 2011, has received consistently positive evaluations from FATF, the United Nations and other international organizations. Notably, FATF’s 2019 evaluation confirmed the low risk of terrorism financing within the NPO sector and acknowledged the lack of justification for amending Decree-Law No. 88.

Despite this, and despite the absence of any conclusive evidence that associations are involved in terrorism financing, the government continues its efforts to amend Decree-Law No. 88. The government justifies this by continually increasing the number of money laundering investigations against NPOs (despite a lack of convictions), and by the stated need to implement the recommendations of the Financial Action Task Force.

A Precipitous Decline in New Association Registrations

The impact of the foregoing has led to a significant decline in the rate of new association formations, which dropped from an average of 1,200–2,000 annually to 300 annually during 2024–2025. This coincides with a significant increase in the number of associations closing down by decision of their executive boards. The primary reasons for these developments include: official rhetoric accusing civil society of treason; fear of charges or investigations; difficulties in field operations due to poor cooperation from official authorities; scarcity of resources; and banking procedure obstructions that threaten the sustainability of NPOs' work. This is strong evidence that the government's measures are disrupting legitimate NPO activity and freedom of association.

De-Risking is Pushing NPOs out of the Banking System

The relationship between NPOs and banks has been characterized by tension and crisis since late 2023. There is clear evidence that this crisis is a direct consequence of policy decisions and rhetoric from the executive branch. In 2024, the Chair of CTAF was detained, solely on the basis of the President accusing him of failing to curb foreign funding of NPOs. Subsequently, banks have adopted excessive precautionary measures.

Such banking practices, aimed at de-risking, are likely to push NPOs toward solutions outside the banking system, which actually increases the risk of money laundering and terrorism financing within the sector. This is a blatant and egregious violation of FATF's guidance on financial access, as set out in its recent guidance on ensuring access to financial services for legitimate NPOs and others (in line with Recommendation No. 1)². It also violates Tunisia's obligation to not disrupt legitimate NPO activity under Recommendation No. 8.

Conclusion

The use of AML/CFT measures to impose restrictions on human rights organizations is in direct contradiction to FATF standards. As noted by Dr. Marcus Pleyer, former President of the FATF at the time:

“The FATF Standards are designed to protect NPOs from terrorist financing, while also ensuring that their legitimate charitable activities are not disrupted or discouraged. The Standards were drafted to ensure that they are in line with international principles on human rights and fundamental freedoms. It is in direct contradiction to the FATF Standards and categorically unacceptable if its measures are exploited and used to oppress human rights under the pretext of counter-terrorism. Should this be identified

² <https://www.fatf-gafi.org/en/publications/Financialinclusionandnpoissues/guidance-financial-inclusion-aml-tf-measures.html>

during a mutual evaluation, a country would be assessed negatively for not implementing the risk-based approach outlined in the FATF's Standards.”³

According to FATF's own guidance, Tunisia has significant technical shortcomings in its AML/CFT measures for NPOs which render it non-compliant with Recommendation No. 8 and will negatively impact its compliance with Immediate Outcome 10. Furthermore, its use of AML/CFT measures to restrict civic freedoms are in direct contradiction of FATF standards and, using the FATF President's language, “categorically unacceptable”.

The report makes a number of recommendations to address these shortcomings (see Section VI of the report).

³ Correspondence from Dr Marcus Pleyer, President of FATF to Professor Ni Aolain, Mr. Voule, and Professor Lawlor, Special Rapporteur on the promotion and protection of human rights and fundamental freedoms while countering terrorism; Special Rapporteur on the rights to freedom of peaceful assembly and of association; and Special Rapporteur on the situation of human rights defenders; 20th December, 2020, regarding measures taken by the government of Serbia.

Objectives and Methodology

A team comprising civil society representatives and experts prepared this report, titled “Implementing Recommendation No. 8 in Tunisia and Its Impact on Freedom of Association,” through a participatory process. This work proceeded without the participation of the official authorities responsible for the prevention of terrorism financing and money laundering risks. This exclusion unfortunately means it is impossible to replicate the participatory experience of 2019, which involved government bodies, civil society, and international expertise, and was considered pioneering in the Arab region and beyond. Civil society has made several attempts to renew the collaboration with authorities but received no response.

This report aims to assess the sector from the perspective of civil society and selected experts, while strictly adhering to the principles of neutrality and objectivity. Furthermore, the report seeks to highlight specific issues that the Middle East and North Africa Financial Action Task Force (MENAFATF) assessment team should examine and analyze during its visit to Tunisia. This is intended to facilitate a comprehensive and accurate assessment of the associations sector.

Given the scarcity of information and the limited publication of recent reports by the Tunisian Financial Analysis Commission (CTAF), the working group adopted several mechanisms for its methodology, most notably the following:

- Collecting legal and regulatory texts related to the prevention of money laundering and terrorism financing and analyzing them in light of the international standards established by FATF.
- Analyzing responses to:
 - a questionnaire distributed to 12 associations,⁴ selected to ensure diversity in terms of size, field of activity, geographic location, and date of establishment. This is the same questionnaire adopted during the 2019 initiative, which was distributed to hundreds of associations at that time; and
 - interviews, utilizing guiding questions, conducted with individuals possessing subject-matter expertise (experts, lawyers, accountants, journalists, etc.).

⁴ This figure is low compared to the previous survey, due to time constraints and the sensitivity of the subject matter given the circumstances facing the associations sector at present.

- Analysis of select national and international reports (e.g., ICNL, NPO Coalition on FATF) concerning Tunisia, specifically regarding the measures for and impact of preventing money laundering and terrorism financing.
- Compiling and summarizing news relevant to the report's subject matter, sourced from national and international newspapers, as well as statements and reports from human rights organizations.

It should be noted that this methodology is employed by civil society organizations in various countries to draft similar reports when coordination with official authorities is lacking. Furthermore, beyond the efforts of the working group, this report represents the culmination of contributions from numerous associations and organizations concerned with this issue, both within Tunisia and abroad.

I. Identification of Organizations Falling under FATF's Definition of NPOs

In October 2023, Recommendation No. 8 and its Interpretive Note were revised. Clarifying amendments were inserted into both texts to enhance focused, targeted implementation and risk-based measures regarding NPOs.

Recommendation No. 8 states that countries should identify organizations that fall within the FATF definition of non-profit organizations and assess their related terrorism financing risks. Countries must establish focused, proportionate, and risk-based measures without unduly disrupting or discouraging legitimate activities by non-profit organizations. In line with the risk-based approach, the objective of these measures is to protect these organizations from terrorism financing abuse.

The Interpretive Note to Recommendation No. 8 added that, given the variety of legal forms non-profit organizations can take depending on the country, FATF adopted a functional definition of Non-Profit Organizations. This definition relies on the activities and characteristics that expose an organization to the risk of terrorism financing abuse, rather than merely the fact that it operates on a non-profit basis.⁵

For the purposes of this Recommendation, an NPO is defined as a legal person or arrangement or organization that primarily engages in raising or disbursing funds for purposes such as charitable, religious, cultural, educational, social, or fraternal purposes, or for the carrying out of other types of “good works.” Without prejudice to Recommendation No. 1,⁶ this Recommendation only applies to those non-profit organizations that fall within the FATF definition of a non-profit organization.

Countries should be mindful of the potential impact of measures on legitimate activities of non-profit organizations. These measures should be applied where necessary to mitigate identified terrorism financing risks, without inappropriately disrupting or discouraging legitimate activities of non-profit organizations. Applying measures to organizations in the non-profit sector to protect them from terrorism financing abuse when they do not fall within the FATF definition of a non-profit organization is not

⁵ Recommendations of the Financial Action Task Force, June 2025, p. 58

⁶ Ibid.

consistent with Recommendation No. 8. Furthermore, implementing any measures that are not proportionate to the identified terrorism financing risks, and are consequently overly burdensome or restrictive, is inconsistent with Recommendation No. 8. Examples of such measures include the automatic and systematic obstruction of funding acceptance, requesting documents already submitted to financial institutions, or demanding documents from associations that they are not legally required to maintain.

It should be noted that the FATF definition of non-profit organizations is based on the organization's function rather than its structure. As a general rule, this definition includes non-profit organizations that provide services, particularly those offering direct financial assistance such as humanitarian aid, poverty alleviation, educational services, or similar activities.

Paragraph 5e of the Interpretive Note to Recommendation 8 explicitly states that **“It is not in line with Recommendation 8 to apply measures to organizations working in the not-for-profit realm to protect them from TF abuse when they do not fall within the FATF’s functional definition of NPOs”** FATF goes on to clarify in paragraph 18 of the *Best Practices Paper* that NPOs primarily engaged in advocacy, including for human rights purposes, are not within the scope of the definition of NPOs. Therefore, it is non-compliant with Recommendation No. 8 to apply AML/CFT measures to advocacy NPOs.

Tunisian legislation has not excluded these organizations from the scope of various counter-terrorism financing texts. Decree-Law No. 88 of 2011 defined associations as an agreement between two or more persons who work on a permanent basis to achieve objectives other than making profits, without regard to the organization's function.

This inclusion has led to the inappropriate disruption or discouragement of these organizations' activities, a situation that is inconsistent with Recommendation No. 8.

II. Analysis and Assessment of Terrorism Financing Risks Related to NPOs in Tunisia

In an effort to analyze and assess the terrorism financing risks related to NPOs in Tunisia, the working group undertook the following: (1) an analysis of reports and information published specifically by the National Counter-Terrorism Commission (CNLCT); (2) an analysis of the responses of 12 NPOs to a subject-specific questionnaire; and (3) an analysis of the responses and feedback from key stakeholders regarding the reality of the NPO sector (lawyers, chartered accountants, experts, donors, bank officials).

There is no credible evidence that NPOs in Tunisia have been abused for money laundering or terrorist financing. There have been zero (0) convictions for AML/CFT offences. Whilst multiple accusations and arrests have been made, zero (0) have resulted in a conviction, as in all cases charges have been dropped.

No information is provided to those NPOs under investigation on AML/CFT charges. The evidence suggests that these charges are used to intimidate or silence NPOs for as long as the judicial process allows, and to create a rhetoric regarding the sector designed to undermine its credibility.

1. Analysis and Assessment Based on Reports and Published Information

This section relies on recently updated and published reports and information to identify and assess the terrorism financing risks related to NPOs.

According to the Executive Summary of the Update to the National Assessment of Terrorism Financing Risks (for the period of 2022–2024),⁷ terrorism financing in the Republic of Tunisia has stabilized at a “relatively low” level, given that the level of threats and vulnerabilities is considered “relatively low.” The same document indicated that the risk of non-profit organization abuse for terrorism financing purposes was assigned a

⁷ Prepared under the supervision of the National Counter-Terrorism Commission within the framework of updating the National Assessment for the period of 2018–2021.

“low to medium” rating. A foundational level of effectiveness was attributed to the measures taken by Tunisian authorities, as they have largely succeeded in limiting the risks of non-profit organization abuse for terrorism financing.

According to the same source, the following risks nevertheless remain:

- Public fundraising was conducted in violation of applicable legislation.
- The exploitation of online crowdfunding campaigns.

Additionally, the 2024 Annual Report of the Tunisian Financial Analysis Commission (CTAF) confirmed that, despite the general increase in the number of Suspicious Transaction Reports (STRs), this increase primarily concerns natural persons. In contrast, the number of reports related to legal persons decreased from 216 in 2022 to 191 in 2024, whereas reports concerning natural persons rose significantly from 857 in 2022 to 14,315 in 2024.

It is also worth noting that the percentage of the reports received in connection with terrorism financing risks did not exceed 1% of the total STRs in 2024, compared to 4% in 2022. The remaining 99% relate to reports concerning money laundering risks. These figures imply a very low number of STRs relating to terrorism financing in all legal entities, a category of which NPOs form a small part. This evidence does not support the official “low to medium” terrorism financing rating quoted above. It is not clear what additional data may have led the authorities to this conclusion. Moreover, a review of the various designation decisions on the National List of Persons, Organizations, and Entities Associated with Terrorist Crimes, as well as the list published on the CNLCT website, reveals that out of 35 designations made between 2022 and 2026, the number of associations listed during this period did not exceed four.

2. Questionnaire Results

This analysis addresses the extent to which Tunisian civil society organizations (CSOs) comply with legal and regulatory obligations related to financing, as well as their exposure to risks of money laundering and terrorism financing. Twelve CSOs were examined through a structured questionnaire covering several key aspects: field of activity and organizational structure, funding sources and management, bookkeeping and internal controls, and knowledge and implementation of national regulations regarding AML/CFT.

The NPOs responding to the questionnaires represent diverse fields of expertise (law, environment, culture, development, women’s rights, etc.) and are distributed across various regions of the country (Sidi Bouzid, Gabès, Bizerte, Tunis, Sfax, Sousse, etc.). An analysis of the responses highlights recurring trends, identifies good practices and

potential gaps, and assesses the vulnerability level of CSOs to financial and regulatory risks.

The majority of the NPOs are medium-sized, comprising between 10 and 30 active members (including staff and general membership). Some have more than 50 active members, while others have fewer than 10 members.

It was observed that the majority of NPOs operate with a budget ranging between 100,000 TND and 1 million TND. While some associations have budgets between 1 million TND and 5 million TND, others do not exceed 100,000 TND. This sample indicates that the majority of NPOs receive international funding from governmental and non-governmental organizations. A number of NPOs also receive donations from Tunisian individuals.

Regarding financial compliance, it was noted that most associations maintain their accounting records in accordance with Accounting Standard No. 45.⁸ These records are maintained either by an in-house accountant or an independent chartered accountant. However, some NPOs do not maintain their accounting records properly due to a lack of financial resources, often because donors refuse to fund the recruitment of an accountant.

According to this sample, most NPOs maintain partnerships with foreign partners. These partnerships vary between funding agreements and cooperative partnerships, with durations ranging from three months to two years.

Similarly, most NPOs comply with the provisions of Articles No. 41 and 44 of Decree-Law No. 88. However, a small number of associations said they do not notify the Central Bank of Tunisia regarding their international funding (pursuant to Article No. 100 of the Law on Counter-Terrorism and the Prevention of Money Laundering), primarily due to a lack of awareness of this obligation. Nevertheless, this minority is working towards compliance with this provision, following recommendations from chartered accountants and peer associations.

⁸ This refers to the accounting standard specific to not-for-profit entities (associations, political parties, trade unions, etc.), which was issued by the Ministry of Finance in 2019, as also stipulated in Decree-Law No. 88 of 2011.



Most associations maintain their accounting records in accordance with Accounting Standard No. 45. These records are maintained either by an in-house accountant or an independent chartered accountant.

For the majority of NPOs, financial transactions are conducted via bank transfers or checks, with cash transactions being minimal (for preventive purposes). A minority of associations, however, receive cash donations from individuals. These associations report that they maintain the necessary records and submit them to banks when required (upon request). This practice varies and is applied differently from one bank to another. Associations report that banks are exerting pressure on them.

Most associations surveyed possess medium to strong knowledge of money laundering and terrorism financing, its implications, the provisions of the Law on Countering Money Laundering and Terrorism Financing, and the National Counter-Terrorism Commission (CNLCT). However, in practice, the majority do not consult United Nations sanctions lists or the CNLCT lists.

This analysis highlights that the majority of surveyed Tunisian CSOs generally adhere to legal and regulatory obligations regarding financing and financial management, whether spontaneously or in response to the pressure currently facing the NPO sector. NPOs possess relatively stable organizational structures, prioritize formal financial channels, and, in most cases, apply applicable accounting standards, thereby contributing to the mitigation of money laundering and terrorism financing risks. Nonetheless, the study also reveals persistent gaps, primarily linked to a lack of financial and human resources and only partial knowledge of regulatory obligations.

3. Responses from Key Actors

The team that prepared this report also interviewed key actors, including lawyers, chartered accountants, experts, donors, bank officials, financial judges, and journalists. Their objective was not merely to assess technical control or compliance mechanisms, but rather to analyze the political and institutional logic that currently governs associative activity. The questions posed to these stakeholders aimed to understand whether the observed tightening of the associative environment responds to real and objective risks related to terrorism financing and money laundering, or whether it falls within the framework of a broader political trend to restrict civic space.

These interviews revealed a general climate of restriction and increasing caution in the exercise of fundamental rights in Tunisia. Although the legal texts guaranteeing fundamental freedoms have not been systematically altered, their implementation is increasingly subject to administrative and institutional practices that limit their effective scope. This trend directly impacts associations, whose vital role in oversight and participation in public debate has become more fragile.

One of the main axes of this report concerns the evolution of legal and financial compliance among associations. Responses from experts indicate that associations have generally improved their practices regarding transparent management, financial transparency, and compliance with legal obligations, particularly given the administration's use of non-compliance as a means to arbitrarily sanction associations. Several examples attest to the strengthening of internal procedures, the traceability of funds, and increased recourse to professional expertise (accountants, chartered accountants) out of fear and anticipation of administrative (and judicial) arbitrariness in prosecuting and sanctioning associations. These positive developments make it difficult to accept the hypothesis of an increased and generalized risk of money laundering or terrorism financing within the associative fabric, given the evolution of their operations through recourse to such experts, who themselves bear the duty to report suspicions of money laundering and terrorism financing.

However, despite this relative improvement in compliance, the openness of the Tunisian administration toward NPOs has significantly diminished. Questions regarding this closure highlight an administration that is less open, less transparent, and more inclined to adopt a logic of control rather than facilitation. This development does not appear to stem from objective observations of serious violations or financial charges but rather fits within a broader political orientation.

The recurrent recourse to the argument of money laundering and terrorism financing is a fundamental element of this dynamic. Queries regarding the existence of concrete information on associations involved in these practices reveal an absence of final judicial decisions or public evidence supporting these accusations in recent years. When suspicions are raised, they often concern NPOs active in sensitive areas, notably assistance to migrants, defense of human rights, and elections, raising the issue of the political exploitation of these accusations.

Analyses of responses regarding the evolution of money laundering and terrorism financing risks over the past five years points to a similar conclusion. There is no evidence confirming a significant increase in these risks that would justify a general tightening of measures against NPOs. This lack of correlation between the level of real risks and the severity of restrictions reinforces the notion that administrative, security, and judicial oversight is being used as a pretext rather than a proportionate response.

The role of financial oversight mechanisms, particularly CTAF and banks, also falls within this context. Although these entities perform a legitimate task of preventing illicit flows, observed practices reflect a trend toward excessive control "for the sake of compliance" and systematic suspicion toward associations. Difficulties in accessing banking services, excessive requests for information, and unilateral decisions without effective avenues for appeal contribute to the gradual stifling of associative activity.

This situation is closely linked to the stance of state apparatuses, which appears increasingly aligned with the official rhetoric of the President of the Republic, who publicly criticizes intermediary bodies, particularly civil society organizations. This alignment is reflected in a decrease in administrative openness, a restrictive interpretation of the existing legal framework, and the normalization of mistrust toward associative activity. This is not a temporary deviation, but a structural dynamic redefining the position of civil society in the public sphere. Beyond its immediate effects, this tightening of civic space has profound consequences for democratic activity. It encourages self-censorship, hinders civic participation, and weakens the capacities of counter-powers and social mediation. By limiting the independence and legitimacy of associations, the State contributes to weakening public debate and restricting accountability mechanisms.

Comprehensive analyses of the questions and contributions gathered within the framework of this report confirm that the shrinking of civic space in Tunisia is not based on a proven increase in money laundering or terrorism financing risks. Rather, it falls within the framework of a political dynamic aimed at restricting and reshaping civic space by marginalizing intermediary bodies in favor of strengthened government control. This development poses significant challenges to the future of rights and freedoms and the role of civil society in Tunisia.

4. Press Review

The wave of arrests and prosecutions targeting activists and human rights defenders in recent years cannot be understood in isolation from the financial investigations and the obstruction of bank transfers that have targeted civil society organizations in Tunisia. This dynamic became clearly manifested starting in May 2024, when the authorities initiated a targeted wave of prosecutions and administrative measures against civil society associations, specifically those active in the fields of migration, asylum, and anti-discrimination. These measures encompassed organizations such as Mne-



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mtly, Terre d'Asile Tunisie, and the Tunisian Council for Refugees, which were subjected to criminal investigations, interrogations of their officials and staff, as well as searches and administrative restrictions. These actions were accompanied by financial investigations, the blocking or delaying of bank transfers, and in some cases, the freezing of accounts for a number of associations, which effectively led to the paralysis of these organizations' activities.

The authorities justified these measures with allegations of illicit funding or non-compliance with laws governing associations and anti-money laundering regulations. Conversely, the affected organizations and several international bodies considered these actions to represent a discretionary use of judicial and financial frameworks aimed at restricting civic space and criminalizing humanitarian work and human rights defense.

Amnesty International has documented in more than one report that Tunisian authorities opened financial investigations against at least 12 non-governmental organizations. This coincided with the arrest of civil society workers and their referral to the judiciary for legally protected activities, particularly in the fields of migration and asylum.⁹

Amnesty International reports indicate that these investigations were not limited to administrative reviews of funding but escalated in several cases into criminal prosecutions employing broad charges such as “receiving suspicious foreign funding” or “undermining state security.”¹⁰

Human Rights Watch confirmed that the authorities used the judiciary to target specific activists and organizations within a context characterized by selectivity, undermining the independence of civil society.¹¹

In parallel, banking institutions played a central role in deepening these restrictions. Amnesty International¹² reported that several civil society organizations faced unjustified banking obstacles, including delays or refusals in processing lawful financial transfers and increased scrutiny over foreign funding. In some cases, banks imposed burdensome administrative requirements without a clear legal basis, significantly hindering access to essential resources. These practices effectively disrupted and, in certain instances, paralyzed the activities of entire organizations.

This financial suffocation was directly reflected in judicial proceedings, as organizations and individuals found themselves facing long investigations and trials without the ability to secure the necessary resources for legal defense. The Office of the United Nations High Commissioner for Human Rights warned in 2025 that the situation raised

⁹ <https://www.amnesty.org/en/latest/news/2025/11/tunisia-escalating-crackdown-on-human-rights-organizations-reaches-critical-levels/>

¹⁰ <https://www.amnesty.org/en/latest/news/2025/12/tunisia-drop-charges-against-ngo-workers-facing-bogus-criminal-trial/>

¹¹ <https://www.hrw.org/news/2024/05/17/tunisia-deepening-civil-society-crackdown>

¹² <https://www.amnesty.org/en/latest/news/2025/11/tunisia-escalating-crackdown-on-human-rights-organizations-reaches-critical-levels/>

“concerns with respect to violations of the right to freedom of expression, as well as fair trial and due process rights.”¹³

Concurrently, official rhetoric linking foreign funding to alleged “foreign agendas” has contributed to the delegitimization of civil society actors in the public sphere. Reporting by Le Monde highlights how Tunisian authorities have increasingly framed foreign-funded organizations as potential threats to national sovereignty, thereby justifying restrictive and exceptional measures against them despite the legality of such funding. This narrative has played a significant role in shaping public perception and undermining trust in independent associations.¹⁴

Such an approach raises concerns in light of international standards on freedom of association, which recognize the right of civil society organizations to access resources, including foreign funding, without undue interference.¹⁵

When these elements are combined (financial investigations, obstruction of bank transfers, arrests, and the instrumentalization of the judiciary), the existence of an integrated process aimed at reshaping civic space in Tunisia becomes evident. This is achieved by creating a climate of fear and legal uncertainty that compels associations to curtail their activities or practice self-censorship. Human Rights Watch and UN experts have concluded that this process represents a dangerous regression from post-revolution gains and undermines the role of civil society as an independent watchdog.¹⁶

The ongoing wave of arrests and judicial proceedings against civil society in Tunisia reveal that financial restrictions on the sector are not merely technical or administrative measures designed to prevent money laundering and terrorism financing. Instead, they reflect a structural shift in the relationship between the State and civil society, wherein legal, financial, and security tools are deployed in a concerted

¹³ <https://www.ohchr.org/en/press-briefing-notes/2025/02/tunisia-end-all-forms-persecution-opponents-and-activists>

¹⁴ https://www.lemonde.fr/en/le-monde-africa/article/2025/10/30/tunisia-s-government-clamps-down-on-civil-society_6746928_124.html

¹⁵ <https://docs.un.org/A/HRC/23/39>

¹⁶ <https://www.hrw.org/world-report/2025/country-chapters/tunisia>



Official rhetoric linking foreign funding to alleged “foreign agendas” has contributed to the delegitimization of civil society actors in the public sphere.

manner to limit the sector's independence and diminish its role in defending rights and freedoms.

Recent developments in Tunisia illustrate how financial crime investigations, particularly allegations of money laundering under Law No. 2015-26, have been used in cases involving civil society organizations and activists.

In May 2024, authorities arrested Saadia Mosbah, president of the anti-discrimination organization Mnemty, on allegations of money laundering. Her home and the organization's offices were searched, and she was later placed in pretrial detention by an investigating judge at the Tunis Court of First Instance¹⁷. Around the same time, prosecutors opened a similar investigation against Sherifa Riahi, former director of Terre d'asile Tunisie, who was also placed in pretrial detention following questioning on allegations of money laundering and financial corruption¹⁸. Financial investigations have also affected other civil society actors. Saloua Ghrissa, executive director of the Association for the Promotion of the Right to Difference, was summoned in December 2024 by the Sub-Directorate of Economic and Financial Investigations in El Gorjani and placed in police custody for 48 hours¹⁹. In addition, during the 2024 presidential election period, the Independent High Authority for Elections cited alleged "suspicious foreign funding" when reviewing accreditation applications from election-monitoring organizations such as I Watch and Mourakiboun²⁰.

Taken together, these cases illustrate how financial scrutiny mechanisms, including money-laundering investigations and allegations of suspicious foreign funding, have been increasingly applied to civil society organizations and activists in politically sensitive contexts.

17 https://www.icj.org/wp-content/uploads/2024/12/TUN-The-Price-of-Complicity-FINAL_compressed-1.pdf

18 Ibid.

19 <https://nawaat.org/2025/06/04/saloua-ghrissa-militante-des-droits-humains-derriere-les-barreaux/>

20 <https://www.espacemanager.com/des-associations-dobservation-des-elections-soupconnees-de-financement-etranger-suspect.html>

III. The Legislative Framework and Its Evolution

1. Texts Related to Counter-Terrorism

Tunisia's legislative framework regarding counter-terrorism financing has recently been reviewed and strengthened through several legal texts, primarily concerning NPOs.

The most significant concern relates to Organic Law No. 26 of 2015 dated 7 August 2015 on Counter-Terrorism and Prevention of Money Laundering, as amended and supplemented by Organic Law No. 9 of 2019 dated 23 January 2019. The original law introduced several measures concerning associations and non-profit organizations, and added more following its revision in 2019. The law states that legal entities formed in the form of an association or non-profit organization must adopt the following rules of due diligence:

- Associations must refrain from accepting cash amounts equal to or exceeding 500 Dinars, a significant reduction from the 5,000 Dinar threshold established in 2015.
- Associations must refrain from accepting any donations or aid of unknown origin, or derived from illicit activities, or from persons or organizations proven to be involved in activities related to terrorist crimes.
- Associations must refrain from accepting any funds originating from abroad except through an authorized intermediary established in Tunisia.
- Associations are obliged to maintain a list of all receipts, transfers, and cash deposits related to foreign sources. This record must include details of the amounts, the justification, the date, and the identification of the natural or legal person involved. A copy of this record must be forwarded to the services of the Central Bank of Tunisia.

These measures technically fall within the FATF definition of “supervision,” insofar as it applies to NPOs. Paragraph 7 of the Interpretive Note states that “NPOs *should be subject to ‘oversight’ or ‘monitoring’*, to make a distinction between these terms and ‘supervision’, which is

generally used in the context of financial institutions and designated non-financial businesses and professions (“DNFBPs”).

However, Tunisia’s law requires all associations to adopt rules of due diligence, which is a non-compliant supervision measure under with Paragraph 5e of the Interpretive Note, which states that “*FATF Recommendations do not require NPOs to conduct customer due diligence (“CDD”).*”

Further specific measures imposed on all NPOs are also non-compliant with Recommendation No. 8. FATF defines some specific measures which constitute “supervision” in Box 4 of the Best Practices Paper, clarifying in paragraph 46 that these must **not** be applied to NPOs. These include:

- The imposition of requirements to detect or report suspicious activity;
- the imposition of low monetary thresholds on individual donations;
- obtaining identification or information on all donors; and
- other punitive measures.

These measures are non-compliant when applied to any NPO – even if it is demonstrated that they are “at risk” of terrorist financing.

Compounding this, these AML/CFT measures are applied to all NPOs, regardless of risk. This is not consistent with the risk-based approach. FATF explicitly states that countries must not take a “one-size fits all approach” (paragraph 7(a) of the Interpretive Note), in line with the principle that all measures must be risk based and targeted. Further, for NPOs at low risk of abuse, no additional mitigating measures may be necessary (see paragraphs 5(e) and 7 of the Interpretive Note).

In addition to the above, the existing legislative framework comprises the following arsenal of texts:

- Law No. 52 of 2018 dated 29 October 2018 on the National Registry of Enterprises. This law obliges associations and Non-Profit Organizations to



A number of Tunisia's anti-money laundering and countering the financing of terrorism measures are applied to all NPOs, regardless of risk. This is not consistent with the risk-based approach.

register with the National Registry of Enterprises and to update all data held in the registry whenever changes occur.

- Government Decree No. 457 of 2019 dated 31 May 2019, amending and supplementing Government Decree No. 419 of 2019 dated 17 May 2019, concerning the procedures for implementing decisions issued by competent UN bodies related to the prevention of terrorism financing and the proliferation of weapons of mass destruction.
- Government Decree No. 54 of 2019 dated 21 January 2019, concerning the mechanisms and criteria for identifying the beneficial owner.
- Government Decree No. 1098 of 2016 dated 15 August 2016, concerning the organization and functioning of the Tunisian Financial Analysis Commission (CTAF).
- Decision of the Minister of Communication Technologies and Digital Economy dated 24 September 2019, concerning the practical procedures and implementation measures for the National Post Office in the field of counter-terrorism and the prevention of money laundering.
- Decision of the Minister of Finance dated 24 July 2019, amending the decision dated 1 March 2016 concerning the determination of amounts provided for in Articles No. 100, 107, 108, 114, and 140 of Organic Law No. 26 of 2015 dated 7 August 2015.
- Decision of the Minister of Finance dated 6 March 2018, endorsing the amendments to the Financial Market Council (CMF) regulation concerning the implementation measures for the prevention of money laundering and combating terrorism financing and proliferation.
- Decision of the Minister of Finance dated 19 January 2017, endorsing the CMF regulation concerning the implementation measures for the prevention of money laundering and combating terrorism financing.
- CTAF Decision No. 12 of 2018 dated 30 May 2018, concerning the guidelines for combating money laundering and terrorism financing in relation to Non-Profit Organizations, particularly associations.
- Central Bank of Tunisia Circular No. 05 of 2021 dated 19 August 2021, concerning the governance framework for banks and financial institutions.
- Central Bank of Tunisia Circular No. 07 of 2019 dated 14 October 2019, concerning the regulation of manual exchange activity by natural persons through the opening of exchange offices.
- Central Bank of Tunisia Circular to Banks and Financial Institutions No. 8 of 2017 dated 19 September 2017, as amended by Circular No. 9 of 2018 dated 18

October 2018, concerning the rules of internal control for the management of money laundering and terrorism financing risks.

- Financial Market Council (CMF) Regulation concerning the implementation measures for the prevention of money laundering and combating terrorism financing and proliferation.
- General Professional Standard concerning due diligence measures incumbent upon Chartered Accountants for combating money laundering and terrorism financing and establishing systems for monitoring suspicious operations and transactions pursuant to Organic Law No. 26 of 2015 dated 7 August 2015.

This framework has been reinforced by several texts to align it with the evolution of counter-terrorism legislation and to improve compliance with the recommendations of international bodies. In this context, the Tunisian government and various involved supervisory authorities have recently issued and published several legislative texts without working to enhance the capacities of those affected by these texts (associations, supervisory bodies, bank officials). These include the following:

- Decision of the Head of Government dated 13 January 2026 concerning the procedures for accessing information regarding the beneficial owner of legal persons and legal arrangements. This decision authorized competent authorities (Central Bank of Tunisia, CTAF, National Counter-Terrorism Commission, State Litigation Agency, the administration responsible for associations at the Presidency of the Government, the administration responsible for taxation at the Ministry of Finance, Ministry of Interior, the judiciary) to access information regarding the beneficial owner through interconnection. It also enabled natural and legal persons legally required to undertake customer due diligence measures to access information regarding the beneficial owner of legal persons and legal arrangements in cases provided for in Article No. 108 of Organic Law No. 26 of 2015.
- Central Bank of Tunisia Circular to Banks and Financial Institutions No. 17 of 2025 dated 22 December 2025. This circular aims to strengthen the internal control system and rules in the field of combating money laundering, terrorism financing, and the financing of proliferation of weapons of mass destruction. This circular falls within the framework of updating the rules applicable to the financial sector to ensure compliance with international standards, including the adoption of an electronic platform for reporting suspicious operations, transactions, and activities.
- Central Bank of Tunisia Memorandum No. 30 of 2025 dated 14 July 2025, aimed at strengthening cooperation between the Central Bank of Tunisia

(BCT) and the CTAF in the exchange of information and expertise, and coordination in areas of common interest, particularly in combating money laundering, terrorism financing, and proliferation. This memorandum sets the methods and mechanisms for cooperation between BCT services, including the CTAF, to facilitate coordination on issues of common interest and national cooperation in AML/CFT/CPF. This is within the framework of the missions assigned to the BCT as the supervisory authority for banks, financial institutions, payment institutions, exchange offices, and crowdfunding companies, and to the CTAF established within it as the center for receiving, processing, and referring suspicious transaction reports. The areas of cooperation concern:

- Application of international standards and cooperation regarding work methodologies and the exchange of technical assistance and expertise.
- Exchange of information necessary for the performance of their missions.
- Coordination of positions on common issues related to their prerogatives.
- Organization of joint training programs.
- Central Bank of Tunisia Circulars to Authorized Intermediaries No. 13 of 2024 dated 29 October 2024 and No. 07 of 2024 dated 11 March 2024. These two circulars oblige authorized intermediaries (i.e., banks and the National Post Office) to report financial transfers received from abroad for the benefit of associations and NPOs through the specific information exchange system²¹ of the Central Bank of Tunisia.
- CTAF Decision No. 01 of 2024, dated 27 June 2024 concerning guidelines for reporting suspicious operations and transactions. This decision obliged persons concerned and identified in Article No. 107 of Organic Law No. 26 of 2015 to report suspicious operations, transactions, and activities via the “goAML” online platform.

²¹ The amendment of Circular No. 7 of 2024, which took place in October 2024 through Circular No. 13 of the same year, imposed several obligations on banks and the Tunisian Post. Under this amendment, the declaration must now be completed through the electronic information exchange system with the Central Bank of Tunisia. It also increased the amount of information that banks are required to obtain from associations receiving foreign funding. The implementation of this circular has resulted in significant delays in accepting incoming transfers from abroad, given the complexity of the procedure and the volume of information required for each transaction.

2. Analysis of Decree-Law No. 88 of 2011

Decree-Law No. 88 of 2011 (or the Law on Associations) is considered one of the most critical pieces of legislation contributing to the flourishing of civil society and associative work in Tunisia. It was described by the UN Special Rapporteur on the rights to freedom of peaceful assembly and of association, Mr. Clément Voule, as the “legacy of democratic transition in Tunisia.”

This piece of legislation was drafted by legal experts based on international standards and an analysis of the Tunisian context. In several subsequent scientific evaluations of this law,²² the primary conclusion was that the law is sound, but deficiencies lie in its implementation, particularly by the administration and the executive branch.

Despite this, various governments have sought to amend it since 2016, citing shortcomings in its application that shifted according to the government in power and the priorities of official rhetoric:

- **2016–2018:** The initial arguments for change were technical (replacing paper registration with digital registration, the law’s lack of provisions for “public utility” associations).
- **2019–2020:** The justification shifted to responding to international pressure during Tunisia’s inclusion on the FATF “Grey List” (citing a lack of controls that might allow terrorism financing and money laundering).
- **Since 2022:** The reasons have become purely political (arguing that the law enables associations to accept foreign funding, thereby infringing on national sovereignty, and citing increasing suspicions of money laundering).



The shifting rationale driving various governments to amend Decree-Law No. 88 serves as significant evidence that this effort is aimed at limiting the influence of associations in the public sphere rather than being based on a technical evaluation.

²² The State of Civil Society in Tunisia, 2016 – Kawakibi Center for Democratic Transitions

The shifting rationale driving various governments to amend Decree-Law No. 88 serves as significant evidence that this effort is political, aimed at limiting the influence of associations in the public sphere, rather than being grounded in objective reasons based on a technical evaluation.

Civil society has successfully repelled these attempts each time by combining technical efforts (studies, analyses), advocacy (in the media, with politicians), and international pressure (via UN bodies and Tunisia’s international partners). Perhaps one of the most significant efforts led by civil society occurred during 2020. This involved successful cooperation between civil society and the Tunisian administration, led by the Tunisian Financial Analysis Commission, to conduct a proper assessment of Recommendation No. 8 during the 2019 National Risk Assessment. Adopting a participatory approach and drawing upon international expertise provided by ICNL and Green Acre, this collaboration resulted in Tunisia receiving the top rating of “Compliant” regarding Recommendation No. 8²³ (one of only five countries globally to achieve this rating).

Despite this evaluation acknowledging the low risk of terrorism financing in the associations sector; despite FATF’s 2020 evaluation stating that amending Decree-Law No. 88 is unnecessary; despite the absence of conclusive evidence or convictions for terrorism financing (the National Counter-Terrorism Commission list contains only three suspicious associations); and despite civil society’s efforts to improve compliance, the government continues its efforts to amend Decree-Law No. 88. It justifies this by citing multiple investigations against associations for money laundering – none of which have led to convictions – and the purported necessity of implementing FATF recommendations.

23 <https://www.facebook.com/reel/427318468347961>

IV. Implications and Impacts

1. The Impact on NPOs

Data on the number of new, active and dissolved NPOs in Tunisia evidences a significant chilling effect on the sector since 2021. Expert analysis suggests that rhetoric and policies linked to the AML/CFT agenda are a significant component of this inhibition of the sector.

During the years of democratic transition in Tunisia, Decree-Law No. 88 contributed to the growth in the number of associations from approximately 9,990 at the time of the revolution to nearly 22,000²⁴ by 2020, the time of the last FATF evaluation. This represents an average of approximately 1,200 new associations annually (a rate that reached nearly 2,000 associations during the initial years of the democratic transition).

However, during recent years (2021-2023), this rate has declined to 600 newly established associations annually, dropping to 350 new associations during 2024 and 2025. The total number of associations reached 25,354 by the end of 2025. This significant decline in the number of new associations constitutes a serious indicator that necessitates an examination of its underlying causes. It should also be noted that the figure of 25,000 is far removed from the reality of active associations, whose number does not exceed 8,000 based on cross-referencing with various other sources, including the National Registry of Enterprises, the tax administration, and civil society databases.

Furthermore, attention must be drawn to the absence of statistics regarding associations that have effectively ceased activity during 2024 and 2025. There is no official source documenting such decisions, as associations rarely implement the provisions of Decree-Law No. 88 regarding dissolution

²⁴ Statistics of the IFEDA Center www.ifeda.org.tn

A Precipitous Decline in New Association Registrations



1,200

Average number of new associations registered annually in Tunisia (2011-2020)

600

Average number of new associations registered annually in Tunisia (2021-2023)

350

Average number of new associations registered annually in Tunisia (2024-2025)

or the temporary or permanent cessation of activity, making it difficult for public authorities to compile such statistics.

Nevertheless, by consulting a number of associations with a field presence (particularly Jamaity, which maintains an updated database), a significant increase is observed in the number of associations that have closed their doors by decision of their executive boards. NPOs have reported several reasons for closing, most notably: official rhetoric accusing them of treason; fear of charges and investigations; difficulties in field operations due to poor cooperation from official authorities; scarcity of resources, including declining international funding opportunities and difficulty accessing public funding; and obstructions arising from banking procedures, which have come to threaten the sustainability of associative work.

2. Transactions with Banks

There is significant evidence that NPOs in Tunisia have increasingly been excluded from access to routine financial services in recent years, forcing individual associations to use riskier financing services, and denying regulators access to financial information on NPO activities.

Since late 2023, the relationship between associations and banks has been characterized by tension and crisis,²⁵ manifested in the following aspects:

- Low confidence of banks in their association clients, despite contractual relationships that have sometimes lasted for several years.
- Disparity in the treatment of associations by banks, varying between different branches and sometimes between different supervisors and staff within the same branch.
- Limited banking services offered to associations compared to other individual and corporate clients. This includes difficulties in obtaining checkbooks, the non-provision of bank cards to associations, the unavailability of digital banking services, and difficulties in executing foreign currency transfers abroad and/or providing business travel allowances for association employees or members, similar to provisions existing for companies within the framework of professional missions abroad.
- Requests for numerous documents and illogical, complex information upon the receipt of every international transfer to the association (whether for installments of the same project or from an internationally recognized insti-

²⁵ Preliminary Study on Civil Society's Perspective regarding the Practices of Banking Institutions, Youssef Obeid, included in the publication "On the Relationship between Associations and the Economy"

tution). The list of required documents frequently changes with the addition of new documents and requests for data not previously available.

- Difficulties in communication between associations and banks to expedite transfer processes, with bank branches citing Central Bank of Tunisia procedures or procedures from the bank's headquarters, particularly from the compliance department.
- Delays that may last for months in associations receiving bank transfers from donors and partners abroad, or sometimes from within Tunisia, without any notification to the association.
- The return of incoming transfers to the sender without prior notification to the association, under the pretext of failure to provide required information and documents. Furthermore, banks interfere in the objectives and activities of associations related to the project before approving transfers.
- Failure by banks to respect procedures and deadlines for processing requests and complaints from their association clients, despite the existence of a Central Bank circular on the matter.
- Closure of association accounts without cause (in the case of three banks).
- Refusal (or extreme difficulty) to open a new account for an association applying as a new client.

There is strong reason to believe this financial exclusion is a direct result of government policy. Analysis suggests that the issue of financial exclusion has escalated since 2024. That coincides directly with the rise of anti-NPO rhetoric, and pressure on CTAF.

CTAF was accused of leniency regarding money laundering in the associations sector, particularly regarding human rights associations working on migration during the campaign against migrants (2023–2024) and those working on elections during the 2024 presidential election period. It is important to note that these accusations have escalated since 2024 and are directly linked to the shrinking of freedoms in Tunisia. The hostility towards CTAF reached the point where its Executive Secretary was detained for several days for investigation²⁶. A Presidential statement accusing CTAF of failing to curb foreign funding of NPOs was cited as the sole justification for this action.

The detention reinforced a sense of confusion within CTAF regarding its dealings with NPOs and the necessity of intensifying oversight, control measures, and even investigations against NPOs in line with political rhetoric. Some unofficial figures mention that 200 files were transferred from CTAF to the judiciary, and from the judiciary to security investigation units, regarding suspicions of money laundering in the associations sector. These files focused particularly on those working in the human rights and

²⁶ <https://radioexpressfm.com/fr/actualites/la-secretaire-generale-de-la-ctaf-en-garde-a-vue/?swcfpc=1>

civic fields, for whom international data indicates no relationship to terrorism financing or money laundering. In contrast, reports from previous years mention only a few cases in the associations sector. Moreover, the 2019²⁷ National Risk Assessment states that the highest risk may lie in a completely different category of associations – those located on the border with Libya and collecting donations. Subsequent updates indicate that the risk of terrorism financing in Tunisia has remained stable at a “relatively low” level.

The managers of several human rights associations referenced above were imprisoned for more than a year while authorities investigated their cases. Ultimately, charges were dropped against most of them, but some remain in detention – including the director of the association Mnemty and the president of Terre d’Asile Tunisie – despite not being convicted of a crime²⁸.

In this climate, it is perhaps not surprising that banks have adopted excessive precautionary measures in dealing with associations, as noted above. Yet this approach contradicts the reality on the ground, as established by previous objective assessments: that the NPO sector is broadly compliant in mitigating terrorism financing and money laundering risks. As FATF notes in the Best Practices Paper, these so called de-risking practices, which attempt to lower the risk to the banks themselves²⁹, are likely to push NPOs toward solutions outside the banking system. Consequently, the banks themselves may have inadvertently caused an increase in money laundering and terrorism financing risks within the NPO sector.

The growing suspicions of money laundering and terrorism financing in the NPO sector over the past two years are not supported by any actual evidence. Rather, they stem from a political climate that is hostile to NPOs, using FATF Recommendation No. 8 as a pretext.

27 This report was not published by CTAF on its official website, unlike previous reports and contrary to the role it is expected to play in promoting awareness of the risks of terrorist financing and money laundering.

28 <https://nawaat.org/2025/08/08/unusual-suspects-case-studies-in-tunisias-crackdown-on-civil-society>

29 “Financial Access Challenges Facing Civil Society Organizations in Tunisia”, Sanketa Ksawami, in *On the Relationship between Associations and the Economy*

V. Best Practices

Since the executive authority's initial attempts to amend Decree-Law No. 88 of 2011, using the pretext of the NPO sector's terrorism financing risks, certain associations have worked to counter these accusations, defend their space, and mitigate the risks of terrorism financing and money laundering. In this spirit, a number of Tunisian NPOs (supported by international organizations and in exemplary partnership with several state institutions, led by CTAF), worked on a joint assessment of terrorism financing and money laundering risks. This collaboration contributed to Tunisia achieving a "Compliant" rating for Recommendation No. 8 in 2019–2020, making the Tunisian experience a model to be emulated at the international level.³⁰

Since then, however, the level of cooperation and partnership between civil society and CTAF has declined, beginning with the COVID-19 pandemic and followed by the exceptional measures of 25 July 2021. In the interim, CTAF has not published the National Risk Assessment report nor the MENAFATF recommendations that Tunisia must follow, in violation of the duty of transparency and its previous *modus operandi*³¹. As a result, civil society organizations have been unable to work on implementing the recommendations included therein, particularly regarding the dissemination of a culture of prevention against terrorism financing and money laundering risks within the sector. Despite this, some associations have worked since 2022 to publish manuals³² and organize training sessions and seminars on the subject without the participation or coordination of the official authorities concerned.

In parallel with the rise of anti-NPO rhetoric in 2024 and the proliferation of charges and arrests based on accusations of



In parallel with the rise of anti-NPO rhetoric in 2024 and the proliferation of charges and arrests based on accusations of money laundering, civil society has intensified its efforts to support associations regarding sound financial, administrative, and tax management.

³⁰ Video from <https://www.facebook.com/reel/427318468347961>

³¹ The website of the Financial Analysis Commission, www.ctaf.gov.tn, does not include the 2019-2020 report.

³² Manual on Recommendation No. 8 of the Financial Action Task Force in Relation to the Tunisian Context, Kawakibi Center for Democratic Transitions, 2022

money laundering (see the “Press Review” section of this report), civil society has intensified its efforts to support the capacities of associations regarding sound financial, administrative, and tax management. Projects and initiatives have multiplied, taking various forms, including training sessions, reference manuals, interactive platforms, and the provision of chartered accountants. These efforts have contributed to improving the compliance of a large number of NPOs with the laws governing their work. These laws include Decree-Law No. 88, the Law on Counter-Terrorism and Prevention of Money Laundering, the Law on the National Registry of Enterprises, tax laws, and labor and social security laws. This compliance has helped reduce the grounds for money laundering suspicions propagated by political rhetoric. Among these initiatives, we note the ROSE Project, which works to enhance civil society capacities in legal compliance, as well as initiatives by Lawyers Without Borders, the World Organisation Against Torture’s Tunisia Country Office, COSPE, Jamaity, and others.

It should be noted that in late 2025, the Center for Information, Training, Studies and Documentation on Associations “IFEDA” (a government institution) began organizing training sessions on “Preventing Money Laundering and Combating Terrorism.” This may be a belated implementation of a recommendation from the 2020 FATF evaluation report, following more than five years of inaction.

VI. Recommendations

To the Executive Authority

- Implement Financial Action Task Force (FATF) recommendations regarding the concentration of supervision on high-risk NPOs while reducing the burden on others.
- Refrain from deeming the NPOs sector as high-risk in its entirety, particularly given that prior assessments yielded the top rating of “Compliant.”
- Work toward aligning Tunisian legislation with Recommendation No. 8 and its Interpretive Note regarding the identification of organizations falling under the FATF definition of Non-Profit Organizations, in order to avoid current disruptions.
- Renew cooperation and openness with civil society in assessing terrorism financing and money laundering risks within the NPO sector, following the model of the 2019–2020 experience.
- Implement the recommendations of previous reports, specifically regarding the dissemination of a culture of prevention of terrorism financing and money laundering risks through partnerships between state institutions and civil society, and refrain from amending Decree-Law No. 88.
- Monitor banks’ compliance with counter-terrorism legislation and review Central Bank circulars. This should ensure the enforcement of sound, smooth procedures by banks for the benefit of NPOs regarding all permitted banking operations and prevent all practices that disrupt associative work and lead to financial exclusion.
- Direct the Public Prosecution to refrain from adopting a blanket approach in prosecuting civil society associations on charges of money laundering, a practice that became generalized during 2024–2025.
- Open a channel for dialogue with civil society regarding challenges faced by each party in relation to preventing terrorism financing and money laundering and work on disseminating a culture of prevention against this risk.

To the Parliament

- Review the Law on Counter-Terrorism and Prevention of Money Laundering to ensure respect for human rights, particularly the right to freedom of association and the presumption of innocence.

To the Judiciary

- Enhance the capacities of judges regarding the specificities of the risks of terrorism financing and money laundering within the NPO sector.
- Refrain from leveling charges of terrorism financing and money laundering against all associations under investigation that may merely face financial charges (or that may have made management errors) and avoid the use of preventive detention against the staff of these associations.

To Civil Society

- Continue efforts to ensure proper legal compliance regarding financial and administrative affairs to avoid management errors. Exercise due diligence, verify information and publications regarding terrorism provided by the government and the United Nations, and enhance the capacities of staff.
- Continue coordination to open channels of dialogue with all relevant stakeholders, including the Presidency of the Government, the Central Bank, the Tunisian Financial Analysis Commission (CTAF), banks, and Parliament, to bridge gaps in understanding regarding the specificities of each party's work.

To International Partners

- Conduct a specific assessment regarding the proper application of FATF requirements without infringing upon the freedom of association, particularly Recommendation No. 8.
- Encourage NPOs to improve their administrative and accounting systems to prevent the risk of terrorism financing and money laundering. This should be achieved by providing objective training, supplying resources for institutional capacity building, and allocating specific budgets to support associations in improving their governance.

To Reporting Persons (Banks)

- Refrain from classifying all NPOs as a high-risk client group for terrorism financing and money laundering. Work on assessing risks on an individual basis to avoid the resulting blanket and extra-legal measures.
- Uphold the right of NPOs to obtain bank accounts to support their compliance with applicable legislation.
- Rationalize the documentation required from associations for banking operations, particularly regarding the acceptance of transfers.
- Open a channel for dialogue between various bank departments, especially compliance departments, and civil society. This will help foster mutual understanding of the specificities of each party's work and enhance the capacities of bank staff regarding the nature of civil society work.



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