Testimony

before the
Tom Lantos Human Rights Commission
on
"Laws Regulating Foreign NGOs: Human Rights
Implications"

Tuesday, September 9, 2025

Dániel Hegedűs Regional Director, Central Europe The German Marshall Fund of the United States

 $G \mid M \mid F$

Co-Chair McGovern, Co-Chair Smith, Distinguished Members of the Tom Lantos Human Rights Commission: thank you for convening this important hearing on the threats that anti-NGO laws pose to civil society and to the very foundations of our democracies.

Thank you also for inviting me to testify on this important matter. Personally, and as a Hungarian citizen, I feel deeply honored. First, to appear before this Commission, which has long served as a bipartisan guardian of human rights and has built vital consensus on the most pressing human rights issues across the aisle. Second, to testify before a body that bears the name of a great American statesman who was born Hungarian and who, as a brave young man, fought Nazism and Communism with equal resolve. And third, I feel honored to shed light on certain authoritarian developments that first emerged in my own country within the West and that now threaten democracies across Europe and beyond, democracies once united in NATO and the European Union to safeguard their values and their form of government.

In the first part of my testimony, I will provide a brief overview of the anti-NGO legislation currently in place in Slovakia, Bulgaria, and Hungary. In the second part, I will offer a short explanation of the emergence of anti-NGO laws within the Western alliance system. Finally, I will conclude with several policy recommendations on how the United States Congress could—and should—address these challenges.

The briefing is particularly timely, as 2025 witnessed considerable deterioration in the freedom of civic space and a rising number of attacks on the freedom of association and civil liberties across multiple European NATO member states.

On April 16, <u>Slovakia adopted its anti-NGO legislation</u>, which had been in the legislative pipeline since autumn 2023. With this move, <u>Slovakia became the second EU Member State</u> to enact such a law, the main aim of which is to create a chilling effect on civic activism and civil society.

The law imposes stricter transparency requirements on civil society organizations (CSOs)—particularly in responding to freedom of information requests—than those applied to state authorities, public bodies, or any other legal entities.

The Office for Democratic Institutions and Human Rights of the Organization for Security and Cooperation in Europe (OSCE-ODIHR), the OSCE's main human rights watchdog, stated in its detailed legal opinion on the law: "The level of details and types of information required by the new reporting obligations appear burdensome and costly, especially for smaller not-for-profit NGOs, which could in turn severely deplete their capacity to engage in their core activities. Moreover, far-reaching reporting and disclosure requirements may interfere both with the right to privacy of members, founders, donors, beneficiaries and staff, as well as of the association, and more generally with the right to freedom of association of the above persons and entities and cannot be justified as being "necessary in a democratic society."

Since 2020, **Bulgaria** has held seven parliamentary elections, underscoring the country's political instability. In most of these short-lived parliamentary cycles, Bulgarian radical-right parties—first the United Patriots, later members of the Revival Party—have introduced five draft laws seeking to restrict freedom of association, particularly targeting CSOs receiving funding from abroad. The latest draft law, submitted in November 2024 on the **Registration of Foreign Agents**, follows the blueprint of Russia's 2012 Foreign Agent Law, but in a NATO Member State goes even further

than the standards established in Russia. If passed, it would not only impose registration and labeling requirements on civil society and media organizations, as well as citizens and other natural persons, solely because they receive funding or income from abroad and influence public opinion, but it would also ban them from engaging in political activities and from carrying out activities in education and state institutions. Extending the scope of the draft law to natural persons is not only extreme—it represents a serious infringement on their political rights and fundamental freedoms, including freedom of expression.

In fact, the Bulgarian parliament rejected the draft law in February 2025, but the far-right Revival party continues to keep its reintroduction on the political agenda. Furthermore, the Bulgarian Ministry of Justice has begun working on a draft <u>transparency law</u> that would equate civic activism with lobbying and impose transparency requirements on CSOs as burdensome and unjustified as those in the Slovak law.

If you think that, due to weak parliamentary majorities, the anti-NGO draft legislation proposed either by the Bulgarian far right or the government does not pose any real political threat, you are unfortunately mistaken. They have already successfully imposed other limitations on personal freedoms through legislation.

Bulgaria's <u>anti-LGBTQ legislation</u> was passed in August 2024 with an overwhelming majority, following a deal between the far right and the two mainstream parties, GERB and the Bulgarian Socialists. Bulgaria is always just one parliamentary deal away from adopting one of the most authoritarian anti-NGO laws in Europe.

However, the main assailant on freedom of association and civic activism in NATO and the EU is Prime Minister Orbán's regime in **Hungary**.

Hungary was the first EU country to introduce anti-civil society legislation—actually not one, but four anti-NGO laws since 2017. Two of them were struck down by the Court of Justice of the European Union, while infringement procedures in the other two cases are still ongoing. The latest Hungarian law, passed in December 2023 and titled "On the Protection of National Sovereignty," established a government agency under the control of the ruling party Fidesz—the Sovereignty Protection Office—to gather information on all critical voices in the free media and independent civil society, also permitting the use of surveillance measures carried out by Hungary's intelligence services.

Since its establishment, the office has published dozens of reports portraying the work of CSOs—particularly human rights and anti-corruption watchdogs—as threats to Hungarian national sovereignty. In doing so, the office has not only actively attacked and sought to intimidate representatives of independent civil society, but has also contributed to creating a social atmosphere hostile to civic activism, which may result in further threats to civil society representatives.

In May this year, however, the Hungarian regime submitted a fifth piece of anti-NGO legislation, with its passage postponed to September.

If the draft law titled <u>On Transparency in the Public Sphere</u> enters into force, <u>it will make it outright impossible for civil society organizations (CSOs) critical of the government to receive any form of support from abroad</u> — including U.S. federal assistance and dedicated EU funding under the Citizens, Equality, Rights and Values (CERV) program.

According to the draft legislation, the country's Sovereignty Protection Office will be empowered to propose that the government place organizations it deems as allegedly threatening Hungary's sovereignty on a special list, on the grounds that the entity is able to influence public discourse and has sources of income from abroad.

Once listed, these organizations will lose their tax-benefit status, including the right to receive one percent of Hungarian citizens' income tax donations, and will be prohibited from receiving any form of financial support from foreign sources.

If they accept income or donations from abroad, they will be fined up to 25 times the original grant amount, which must be paid within 15 days of the decision by the relevant authority.

What is the logic behind the emergence of anti-NGO legislation in these countries?

As you can see, while some legislation follows the Russian blueprint and at least formally targets funding from abroad, the Slovak and, in part, the latest Hungarian cases demonstrate that **the real target of anti-NGO laws is simply public dissent**. They attack the most prominent and most independent watchdogs of human rights and transparency, fighters against corruption, and independent private media, because their criticism is uncomfortable for those in power. These actors—and often journalists and private citizens as well—are placed under surveillance, threatened, and intimidated, frequently without any access to effective legal remedy.

Even when these laws focus on foreign funding, it is not to safeguard national sovereignty from foreign influence. They do it because illiberal regimes often exercise political control over the distribution of public funds for civil society and discourage private donations to critical NGOs. Foreign funding remains the last crucial lifeline that can freely help sustain an independent and critical civil society under the shrinking space created by these governments.

The anti-NGO laws under discussion are not crafted by democratic governments intent on protecting national sovereignty. They are devised by illiberal, often authoritarian or wannabe-authoritarian actors. Their purpose is clear: to repress civil society, to weaken a vital check on the abuse of political power, and to tilt the political playing field to their own advantage. These measures are not incidental. They are a deliberate step toward creeping, elected authoritarianism that strikes at the very core of our democracies, denying individuals freedom of association while also restricting their freedom of expression.

Combating foreign interference and protecting national sovereignty is a frequent argument used by the promoters of these laws to justify them. Yet the countries advancing such measures—Hungary, Slovakia, and Bulgaria—also pursue some of the EU and NATO's most China- and Russia-friendly foreign and security policies. They appear interested only in constraining funding and influence from the West. Combating Chinese influence—including funding for CSOs and academic institutions—is not among their concerns.

Is it really national sovereignty that that these governments protect from engaged, active citizens, from watchdogs, and from independent media—while they align whenever possible with Beijing and the Kremlin? Or is it, rather, the corrupt and authoritarian interests of these regimes and their strongmen, like Prime Minister Viktor Orbán and Prime Minister Robert Fico, and, indirectly, the interests of the United States' challengers?

International human rights standards governing restrictions on the freedom of association

International human rights law precisely regulates the conditions under which transparency and other legislation imposing limits on the freedom of association are admissible.

Under international human rights law (Article 22 ICCPR and Article 11(2) ECHR), any restriction on the right to freedom of association must satisfy a strict five-part test: (1) it must be prescribed by law; (2) it must pursue one of the legitimate aims exhaustively recognized under international law, such as public order, public security, or public health; (3) it must be necessary in a democratic society; (4) it must be proportionate to the aim pursued; and (5) it must be applied in a non-discriminatory manner.

All of the anti-NGO laws mentioned in my testimony fail the last three stages of the above test. They are discriminatory, as they regulate the activities of CSOs in a restrictive manner while leaving other lobbying organizations that influence policymaking and public discourse unaffected. They are disproportionate, as they impose stricter conditions on CSOs than on state and public institutions, which—in any democratic society—should themselves be the primary subjects of transparency measures. Consequently, these laws are unnecessary in a democratic society. If such legislation is nevertheless introduced despite these counterarguments, it clearly does not serve democratic objectives.

In conclusion, let me quote the **Vice President of the United States, J.D. Vance**. In his well-known speech at the Munich Security Conference this year, he said: "If your democracy can be destroyed with a few hundred thousand dollars of digital advertising from a foreign country, then it wasn't very strong to begin with."

This point applies directly to anti-NGO laws—and I hope the administration will not tolerate their existence in Hungary and Slovakia, nor their potential adoption in Bulgaria. Ultimately, these laws represent a clear infringement on fundamental freedoms central to the American spirit and its founding promises: freedom of association and freedom of speech.

What can the United States Congress do to address these challenges to our shared values?

First, I urge Congress to issue a bipartisan condemnation of the existing anti-NGO legislation in Hungary and Slovakia, and to warn the Bulgarian and Hungarian governments and parliaments not to adopt the draft laws currently under consideration—the "foreign agents registration law" in Bulgaria and the so-called "transparency law" in Hungary. This issue should also be raised at international summits and during relevant congressional delegations.

Second, I encourage Members of Congress to visit Bulgaria, Hungary, and Slovakia and meet with local representatives of independent, critical civil society organizations to gather first-hand information on the shrinking civic space and the impact of anti-NGO laws in these countries.

Third, Congress should use the State Department Reauthorization Act to push the Department toward reinstating U.S. financial support for independent civil society and free media in Hungary, Slovakia, and Bulgaria—as well as in any future NATO member state that adopts dedicated anti-NGO legislation. Civil society and free media are bulwarks of democracy against malign Chinese and Russian interference. Strengthening them is a fundamental national security interest of the United States.

Fourth, Congress should establish the appropriate funding base for such a foreign assistance program through the Department of State, Foreign Operations, and Related Programs (SFOPS) Appropriations Act.

Last but not least, Congress should request Global Magnitsky Sanctions and Section 7031(c) provisions against the Hungarian, Slovak, and—if the law is passed—Bulgarian parliamentarians who have officially sponsored these legislative acts resulting in gross human rights violations and targeting the main anti-corruption watchdogs in the respective countries.

Co-Chair McGovern, Co-Chair Smith, Distinguished Members of the Tom Lantos Human Rights Commission, thank you for the opportunity to share my perspective today. In closing, I would underscore that anti-NGO laws have been and remain undeniable signs of creeping autocratization, from Russia to Hungary. Your leadership on this issue is critical, and I stand ready to provide any additional information or support that may assist you in your deliberations. I urge you to use the authority of this Commission and of the United States Congress to address these concerns in allied countries and beyond.

Thank you, and I look forward to your questions.