

This document presents ten insistent questions regarding the proposed laws of Knesset members Ophir Akunis (Likud) and Fania Kirschenbaum (Israel Beitenu) to limit funding to NGOs in Israel.

### 1. What are the two new proposed laws to limit funding for NGOs?

The proposal of Fania Kirschenbaum would revoke the income tax exemption on all contributions to NGOs, and instead impose a 45% tax on donations from any foreign state entity, including foundations, UN agencies, the EU and others. It is important to note that this tax will be imposed only on NGOs that are not supported by the State of Israel. Thus, the proposed law means to make it effectively impossible for NGOs that criticize the government to receive funding from a foreign government.

The proposed law of Ophir Akunis would bar NGOs defined as “political” (one that promotes foreign affairs/defense initiatives – a vague criterion) from receiving donations totaling more than NIS 20,000 (about \$5,400) from foreign governments or international bodies such as the UN or EU. The activities of these “political” NGOs will thereby be shut down. This marks the first time a piece of Israeli legislation seeks to differentiate between “political” and other NGOs.

### 2. Who receives donations from foreign countries?

There is hardly a public body in Israel that does not receive support from foreign sources. Israeli governments over the generations have received support from Europe and the U.S.; so have academic and research institutes, hospitals, cultural and educational institutions, right-wing and left-wing NGOs, anti-occupation and settler NGOs and so on.

The proposed law would impose a ban only on contributions from foreign governments, and only on “political” NGOs. The selectivity of this bill makes its intent toward political persecution clear, seeing as how support from foreign sources goes to the widest possible range of organizations and purposes, as noted in the above paragraph, while the current bills would limit support only to a particular group of organizations, whose activities the current government seeks to undermine.

### 3. What are the goals of the proposed laws?

The goal of the legislators behind these bills is to damage human rights organizations in Israel, which are financially supported in part by foreign governments, and thereby curtail the criticism and extra-parliamentary activity against the policies of this government. Furthermore,

because the definition of a “political” NGO is vague, the government or any agency with an agenda would be free to decide to cut off contributions from a wide variety of sources, depending on the political mood. This means that cultural, academic, research and health institutions, along with social organizations in all walks of life will become hostages in the hands of the government, which will be able to cut off their foreign funding, or threaten to do so, as soon as these organizations’ activities do not suit the government’s taste.

Allegedly, the intent of the bills’ supporters is to prevent influence being brought to bear on the government by means of foreign funding, but in fact the law’s selectivity exposes their true purpose. The bill does not deal with foreign private donations, which “coincidentally” support the activities of dozens of NGOs whose ideologies are to the liking of the present government. In other words, the intent of the bills’ legislators is not to cut off foreign funding, only to cut off foreign funding that is not to the liking of the current government. The use of the foreign state criterion is simply a convenient means to reach this end.

#### 4. Is it possible to define a “political” NGO?

The proposed law gives a two-part definition: 1) an NGO that seeks to influence Israeli foreign affairs/defense policy; 2) an NGO that engages in issues affecting Israel’s sovereignty. Yet this definition is open to interpretation depending on the interpreter’s worldview. At the same time, dozens of right-wing NGOs that benefit from millions of dollars in donations, made at the U.S. taxpayer’s expense, that go toward activities of the purest political nature, activities that influence foreign affairs and defense policy no less than the activities of left-wing and peace organizations – are not touched by these proposed laws.

#### 5. Why are these bills damaging to Israel?

These proposals, if passed into law, are a gateway to the silencing of civil society NGOs. This is a slippery slope that begins with human rights organizations, continues to social protest movements, and moves on to the Israeli news media until democracy becomes hollowed out. There is a direct line between the silencing of human rights and protest organizations and the silencing of the media. All these contribute to the delegitimization of Israel and its isolation among the democracies of the world.

#### 6. What other laws has the Knesset passed to limit the activities of NGOs?

These two bills are part of a comprehensive legislative campaign being led by the government, and which are in direct line with the anti-boycott law, the initiative to convene investigative committees against human rights organizations, the law against the use of

“slander,” and various other means to silence what this government and certain Knesset members don’t want to hear.

7. Are there such laws on the books in other countries?

Legislation such as that being proposed puts Israel in line with Sudan and Afghanistan, according to an international survey that examined countries that limit foreign funding to NGOs. In research carried out by the International Center for Legislation, it was found that foreign funding to social or political NGOs is banned only in Afghanistan, Saudi Arabia, Iraq, Moldova and Eritrea. Russian leader Vladimir Putin pushed through a similar law in 2008; Knesset member Fania Kirschenbaum “adapted” the law by doubling the tax rate on foreign donations. These countries that limit foreign donations to NGOs are far being models of democracy; is this the direction in which Israel is being led?

8. What is the Foreign Ministry’s professional opinion of this legislation?

A document distributed by the Foreign Ministry on May 6 directly addressed the law proposed by Knesset member Ophir Akunis, declaring that “adoption of this bill is expected to do severe damage to Israel’s international interests...” According to the document, the law is liable to have a range of damaging effects on the State of Israel:

- a. damage to its image as a democracy;
- b. the possibility that the legislation could be interpreted to allow the denial of the rights of NGOs and their constituencies (for instance, denial of the right of free expression, property rights, right to a free press, right to free assembly, and right to equality before the law);
- c. damage to Israel’s “third sector”: “The legislation effectively restrains the activities of Israel’s third sector, which in itself carries extremely negative overtones”;
- d. damage to relations with the EU, which “is likely to see itself as the primary target of this legislations. This is liable to lead to political and economic reactions against what would be seen as restraint of its legitimate activities”;
- e. damage to relations with the U.S. – the legislation is liable to lead to public criticism from the U.S., as seen from past reactions to the “Duty of Disclosure Law,” which was not as comprehensive or invasive as the current bill.

In conclusion, writes the Foreign Ministry, the proposed law is liable to become a double-edged sword that would exacerbate the phenomenon of delegitimization of Israel. Such

a law would wreak severe damage to Israel's image and essence; thus, the Foreign Ministry opposes it.

9. What does international law say about restrictions on the funding of NGOs?

International law holds that these proposed laws, if they pass into law, will effectively enable the repression of human rights organizations' freedom of assembly and ability to advance and defend human rights and other constitutional rights. Thus, such laws would be considered grave violations of international law that would weaken the ability to protect human rights in Israel. (Source: Position paper of the Concord Institute for Research of International Law, addressing the international legal principles affecting the proposed laws to restrict funding to Israeli NGOs – academic track, College of Management, by Prof. Frances Raday, Nov. 8, 2011.)

10. What is the U.S. position on funding for NGOs?

The U.S. is opposed to restrictions on foreign funding to NGOs. In an official document published by the U.S. administration in 2006, the position was taken that NGOs must be allowed to request, receive and administer funds for non-violent activities whether the donations come from within the country or without. (U.S. State Department's "Guiding Principles on Non-Governmental Organizations.")