

The Romanian government fights terrorism with red tape, forcing NGOs to send thousands of TINs to ministries

The draft law approved by the Romanian Government for the transposition of Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing goes far beyond its provisions in order to drown the critical voices of civil society in reports full of TINs (taxpayer identification number) and ID series. For example, the Government adds associations, foundations and federations, on its own initiative, in a seemingly excess of European zeal, as reporting entities bound to communicate the personal data of the beneficiaries. Thus, the personal data of journalists or children participating in any kind of NGO activity should be reported.

Without any reasonable argument, civil society is placed in the same category of financial risk as providers of gambling services and banking institutions. Without the publication of any risk analysis, as recommended by international standards in the field, NGOs are required to report sets of data that even profitable banks and gambling firms can hardly cope with.

Transparency of the internal structure of any NGO - status, address, membership of the Board, etc. - is already provided in Romania through the National NGO Register, which is managed by the Ministry of Justice and is publicly available at <http://www.just.ro/registrul-national-ong/>.

On May 31, 2018, the Romanian Government approved the [Draft Law on the Prevention and Control of Money Laundering and Terrorist Financing, as well as on amending and completing some normative acts](#). In trying to transpose [the Fourth EU Money Laundering Directive](#), the government project has already prompted strong criticism from the NGO sector. This will seriously affect the activity of civil society by introducing the obligation to communicate to the Government the identification data of the beneficial owners of non-governmental organizations under the extreme sanction of dissolution in case of non-compliance. More specifically, the project will lead to:

- the complete closure of organisations working for the most vulnerable groups: abused people, people whose human rights are not respected, people affected by extreme poverty, or
- the drastic reduction of the number of citizens who use the services of non-governmental organizations;
- in addition, the status of obliged entity, imposed on NGOs by an exaggerated interpretation of the Directive, also has damaging effects on NGOs' activity. Thus, only one of the effects is that NGOs will no longer be able to sign partnerships without informing each other about the complete lists of their beneficial owners, including persons, with names, surnames and all civil status data from the identity documents (Article 15 (1) and Article 19 (8, 10)).

The criticisms were exposed and explained to law initiators, the Ministry of Justice and the National Office for the Prevention and Combating of Money Laundering, in a public debate held on May 7 at the request of the Civil Society Development Foundation (FDSC). The explanations, however, had no impact. The conclusions of NGOs participating in the debate, [available in an open letter](#), have remained bleak:

We conclude with the hope that you will stop these serious changes to the freedom of operation of civil society in Romania: reporting the identification data of the NGO service beneficiaries and the possibility of dissolution as a sanction for the refusal to disclose this data

We also believe that the current form of the draft law will not ensure the achievement of the final objective of the Directive, as civil society cannot even report, nor will the authorities be able to process the huge amount of information.

For example, only the social services and related services sector (socio-educational or socio-medical, housing, labour market mediation, etc.) provided by non-governmental organizations in Romania have about 350,000 beneficiaries annually.

The situation is all the more serious because the law clearly contradicts one of the key sources by which the Government bases its draft law

: FATF (Financial Action Task Force) recommendations, the intergovernmental organization working to reduce money laundering and terrorism financing. [FATF Recommendation 8](#) directly addresses non-profit organizations and imposes exactly what the Government of Romania has not done: for non-profit entities, any approach to the problem is done through risk analysis and measures proportionate to the identified risk. As no assessment of the terrorist risk in the NGO sector has been published in Romania, it is incomprehensible that the above-mentioned measures are proportionate to the alleged risk.

The current form of the draft law is therefore unacceptable for a functioning civil society in a European state. Excessive and harmful provisions on associations, foundations and federations must be blocked in Parliament.

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9. Asociația Mame pentru Mame
10. Asociația pentru Libertate și Egalitate de Gen – A.L.E.G.
11. Asociația Pro Democrația
12. Asociația pentru Relații Comunitare
13. Asociația SAMAS
14. Asociația Transcena
15. Centras
16. Centrul Cultural Clujean
17. Centrul de Resurse pentru Comunitățile de Romi
18. Centrul pentru Inovare Publică
19. Centrul pentru Jurnalism Independent
20. Centrul pentru Politici Durabile Ecopolis

21. Centrul pentru Legislație Nonprofit
22. CeRe Centrul de Resurse pentru participare publică
23. Colectiv A
24. CPE – Centrul Parteneriat pentru Egalitate
25. CRJ – Centrul de Resurse Juridice
26. CRPE Centrul Român de Politici Europene
27. ECPI Euroregional Center for Public Initiatives
28. Expert Forum
29. Federația Dizabnet – Rețeaua prestatorilor de servicii pentru persoane cu dizabilități
30. Federația Fundațiilor Comunitare din România
31. FOND Federația Organizațiilor Neguvernamentale pentru Dezvoltare
32. FONPC Federația Organizațiilor Neguvernamentale pentru Copil
33. FONSS Federația Organizațiilor Neguvernamentale pentru Servicii Sociale
34. Fundatia pentru Dezvoltarea Societății Civile (FDSC)
35. Fundația Agenția Împreună
36. Fundația AltArt pentru Artă Alternativă
37. Fundația Civitas
38. Fundația Comunitară București
39. Fundația Comunitară Oradea
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41. Fundația Comunitară Iași
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43. Fundația Comunitară Timișoara
44. Fundația Crucea Albă
45. Fundatia HEKS/EPER Romania
46. Fundația Estuar
47. Fundația Gabriela Tudor
48. Fundația Inimă de Copil
49. Fundația Inovații Sociale Regina Maria
50. Fundația Little John's (Cisnădioara)
51. Fundația Noi Orizonturi
52. Fundația PACT
53. Fundația pentru Parteneriat
54. Fundația Sensiblu
55. Fundația Regen
56. Greenpeace România
57. Grupul PONT
58. Hope and Homes for Children
59. HOSPICE Casa Speranței
60. Institutul pentru Politici Publice
61. Institutul Presentului
62. Let's Do It, Romania!
63. MagiCAMP
64. Mediawise Society
65. MetruCub – resurse pentru cultură
66. Miliția Spirituală
67. Opportunity Associates România
68. Organizația Suedeză pentru Ajutor Umanitar Individual

69. Rețeaua Națională a Muzeelor din România
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71. Salvați Copiii România
72. Societatea Academică din România
73. Societatea de binefacere Diakonia Făgăraș
74. Techsoup Romania
75. TERRA Mileniul III
76. Terre des hommes Elveția
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