



# NGO Law Monitor: Ethiopia

## Introduction

Ethiopia has a long tradition of informal community-based organizations like the “idir” and “iqub” – self-help associations that operate at the local level and offer mutual socio-economic support to their members. Formal civil society – that is, organizations with legal personality – is a recent development. Civil society was slow to take root under the Ethiopian Empire regime (1137-1974). It was also severely restricted under the rule of the Derg (a military junta) (1974-91). Modern civil society organizations were first established as faith-based organizations in the 1930s, and beginning in the 1950s, welfare organizations like the Red Cross started to operate in Ethiopia. As a result of the 1973-74 and 1984-1985 famines, many more non-governmental organizations (NGOs) emerged with a focus on relief and humanitarian services. It was after the downfall of the Derg regime in 1991 that saw NGO numbers substantially increase.

In February 2009, the Government adopted the [Proclamation to Provide for the Registration and Regulation of Charities and Societies](#) (CSP), Ethiopia’s first comprehensive law governing the registration and regulation of NGOs. The law is one of the most controversial NGO laws in the world. The Proclamation, among other things, restricts NGOs that receive more than 10% of their financing from foreign sources from engaging in essentially all human rights and advocacy activities.

Civil society organizations have become important contributors to Ethiopia’s political and economic revitalization. Major achievements of NGOs can be seen in the areas of health, food security, human rights, and poverty alleviation, just to name a few.

Most recently, during the 2005 elections, NGOs supported voter education, and monitored and observed the election process. The extent to which the CSP will affect civil society in Ethiopia has yet to be seen.

## At a Glance

<b>Organizational Forms</b>	<p><b>Charities</b> - Institutions established exclusively for charitable purposes and provides public benefit. (Article 14 of CSP) Ethiopian law recognizes four types of charitable organizations: a charitable endowment, charitable institution, charitable trust and charitable society.</p>	<p><b>Societies</b>- Associations or persons organized on non profit making and voluntary basis formation of the rights and interests of their members and to undertake other similar lawful purposes as well as to coordinate with institutions of similar objectives (Article 55 of CSP).</p>
<b>Registration Body</b>	<p>Ethiopian Charities and Societies Agency (Agency)</p>	
<b>Approximate Number</b>	<p>4000+</p>	
<b>Barriers to Entry</b>	<p>Excessive Agency discretion in the mandatory registration of Charities and Societies:</p> <p>CSP Article 68 requires all charities and societies to register. It further requires Foreign organizations to obtain a letter of recommendation from the Ethiopian Ministry of Foreign Affairs.</p> <p>CSP Article 69 allows the Agency to deny registration if, inter alia, (1) the proposed charity or society is “likely to be used for unlawful purposes or for purposes prejudicial to public peace, welfare or good order in Ethiopia”; or (2) the name of the charity or society is in the opinion of the Agency contrary to public morality or illegal.</p>	
<b>Barriers to Activities</b>	<p>CSP Article 14j-n restricts participation in activities that include the advancement of human and democratic rights, the promotion of equality of nations and nationalities and peoples and that of gender and religion, the promotion of the rights of disabled and children’s rights, the promotion of conflict resolution or reconciliation and the promotion of the efficiency of the justice and law enforcement services to Ethiopian Charities and Societies</p>	
<b>Barriers to Speech and/or Advocacy</b>	<p>The restriction on NGOs that receive more than 10% of funding from foreign sources from participating in essentially all human rights and advocacy activities may effectively silence civil society in Ethiopia by starving NGOs of resources, and thus essentially extinguishing their right to expression.</p>	
<b>Barriers to</b>	<p>The CSP does not directly restrict International Contact, but the restriction on</p>	

<b>International Contact</b>	foreign funding may have a negative effect on International Contact.
<b>Barriers to Resources</b>	The restrictions on NGO resources may force the closures of many organizations, especially Human Rights organizations. This is of particular concern in Ethiopia where local sources of financing are very limited and NGOs are thus dependent on foreign funding. Alternately, NGOs may abandon disfavored missions or activities if they cannot raise funds locally to sustain them.

## Key Indicators

<b>Population</b>	80,710,000 (July 2008 est.)
<b>Capital</b>	Addis Ababa
<b>Type of Government</b>	Federal Republic
<b>Life Expectancy at Birth</b>	55 years
<b>Literacy Rate</b>	36%
<b>Religious Groups</b>	Ethiopian Orthodox Christian 40%, Sunni Muslim 45-50%, Protestant 5%, remainder indigenous beliefs.
<b>Ethnic Groups</b>	Oromo 40%, Amhara 25%, Tigre 7%, Somali 6%, Sidama 9%, Gurage 2%, Wolaita 4%, Afar 4%, other nationalities 3%.
<b>GDP per capita</b>	\$800 (2008 est.)

Source: [The World Factbook 2009](#). Washington, DC: Central Intelligence Agency, 2009.

## International Rankings

Ranking Body	Rank	Ranking Scale (best – worst possible)
<a href="#">UN Human Development Index</a>	171	1 – 179
<a href="#">World Bank Rule of Law Index</a>	33.5 (2008)	100 – 0
<a href="#">World Bank Voice &amp; Accountability Index</a>	11 (2008)	100 – 0
<a href="#">Transparency International</a>	126 (2008)	1 – 180
<a href="#">Freedom House: Freedom in the World</a>	Status: Partly Free Political Rights: <b>5</b> Civil Liberties: <b>5</b>	Free/Partly Free/Not Free 1 – 7 1 – 7
<a href="#">Foreign Policy: Failed States Index</a>	16 (2009) Human Rights: <b>8.5</b>	60 – 1 0 – 10

## Legal Snapshot

### International and Regional Human Rights Agreements

Key International Agreements	Ratification*	Year
International Covenant on Civil and Political Rights (ICCPR)	Yes	1993
Optional Protocol to ICCPR (ICCPR-OP1)	No	
International Covenant on Economic, Social, and Cultural Rights (ICESCR)	No	
Optional Protocol to ICESCR (OP-ICESCR)	No	
International Convention on the Elimination of All Forms of Racial	Yes	1976

## Discrimination (ICERD)

Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)	Yes	1981
Optional Protocol to the Convention on the Elimination of Discrimination Against Women	No	
Convention on the Rights of the Child (CRC)	Yes	1991
International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (ICRMW)	No	
Convention on the Rights of Persons with Disabilities (CRPD)	No	

### Regional Treaties

African Charter on Human and People's Rights (ACHPR)	Yes	1998
African Charter on the Rights and Welfare of the Child	Yes	2002
Treaty Establishing the African Economic Community	Yes	1992

\* Category includes ratification, accession, or succession to the treaty

## Constitutional Framework

The [Constitution of the Federal Democratic Republic of Ethiopia](#) was adopted in 1994. Ethiopia is divided into nine Regional States and two chartered cities run by the federal government. Regional States have legislative, executive and judicial powers. The Constitution provides the Regional States with residual power. Thus, all powers not expressly given to the Federal Government alone or concurrently with the States are reserved for the States. (Article 52)

Relevant constitutional provisions include:

- **Article 29 Right to Hold Opinions, Thoughts and Free Expression**

- (1) Everyone shall have the right to hold opinions without any interference.
- (2) Everyone shall have the right to freedom of expression without interference. This right shall include freedom to seek, receive and impart

information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any media of his choice.

- **Article 30 Freedom of Assembly, Public demonstration and the Right to Petition**

Everyone shall have the freedom, in association with others, to peaceably assemble without arms, engage in public demonstration and the right to petition. Appropriate procedure may be enacted to ensure that public meetings and demonstrations do not disrupt public activities, or that such meetings and demonstrations do not violate public morals, peace and democratic rights.

- **Article 31 Right to Association**

Everyone shall have the right to form associations for whatever purpose. Associations formed in violation of the appropriate laws or associations formed with the objective of overthrowing the constitutional order or associations carrying out these activities shall be prohibited.

## **National Laws and Regulations Affecting Sector**

Relevant national-level laws and regulations affecting civil society include:

- [Proclamation to Provide for the Registration and Regulation of Charities and Societies](#) (CSP)
- Commercial Code of Ethiopia
- [Income Tax proclamation No 286/2002](#)
- [Value -Added Tax \(VAT\) proclamation No 285/2002](#)
- Anti-Terrorism Proclamation

## **Pending NGO Legislative / Regulatory Initiatives**

We are unaware of any other pending legislative/regulatory initiatives affecting NGOs. Please help keep us informed; if you are aware of pending initiatives, write to ICNL at [ngomonitor@icnl.org](mailto:ngomonitor@icnl.org)

## **Legal Analysis**

### **Organizational Forms**

There are two types of registered, not-for-profit organizations in Ethiopia: Charities and Societies.

There are four types of Charities recognized by Ethiopian law: charitable endowments, charitable institutions, charitable trusts, and charitable societies. A charitable endowment is an organization through which certain property is

perpetually and irrevocably designated by donation or will or the order of the agency for a purpose that is solely charitable. (Article 16 of the CSP) A charitable institution is a charity formed by at least three persons exclusively for charitable purposes. (Article 27 of the CSP) A charitable trust is an organization by virtue of which specific property is constituted solely for a charitable purpose to be administered by persons, the trustees, in accordance with the instructions given by the instrument constituting the charitable trust. (Article 30 of the CSP) A charitable society is a society which is established for charitable purposes. (Article 46 of the CSP)

Societies are associations or persons organized on a non-profit making and voluntary basis formation of the rights and interests of their members and to undertake other similar lawful purposes as well as to coordinate with institutions of similar objectives. (Article 55 of CSP)

Charities and Societies are given one of three legal designations, *Ethiopian Charities or Societies*, *Ethiopian Resident Charities or Societies* or *Foreign Charities*, based on where the organization was established, its source of income, composition of membership, and membership residential status:

Ethiopian Charities or Societies - Charities or Societies formed under the laws of Ethiopia, whose members are all Ethiopians, generate income from Ethiopia and are wholly controlled by Ethiopians. These organizations may not receive more than 10% of their resources from foreign sources. (Article 2 of CSP)

Ethiopian Resident Charities or Societies – Ethiopian Charities or Societies that receive more than 10% of their resources from foreign sources. (Article 2 of CSP)

Foreign Charities - Charities formed under the laws of foreign countries, or whose membership includes foreigners, or foreigners control the organization, or the organization receives funds from foreign sources. (Article 2 of CSP)

## **Public Benefit Status**

Both Charities and Societies are able to pursue public benefit activities. However, only Societies are permitted to pursue mutual benefit activities as well.

While income from grants, donations and membership fees are not subject to tax, Charities and Societies must pay tax on other items. Organizations carrying out humanitarian activities are exempt from paying custom duties on imported items, and organizations that work with international organizations that have agreements with the Ethiopian government are exempt from paying the VAT in some circumstances.

Charities and Societies that engage in income generating activities must pay taxes on earned revenue in accordance with laws governing organizations involved in activities related to trade, investment or any profit making activities. In addition,

the Income Tax Proclamation considers donations to Charities and Societies by business organizations or individuals as non-deductible-expenditures.

## **Barriers to Entry**

Ethiopian law creates barriers to the establishment of charities and societies through mandatory registration and excessive Agency discretion in the registration process:

CSP Article 68 requires all charities and societies to register. It further requires foreign organizations to obtain a letter of recommendation from the Ethiopian Ministry of Foreign Affairs.

CSP Article 69 allows the Agency to deny registration if, inter alia, (1) the proposed charity or society is "likely to be used for unlawful purposes or for purposes prejudicial to public peace, welfare or good order in Ethiopia"; or (2) the name of the charity or society is, in the opinion of the Agency, contrary to public morality or illegal.

## **Barriers to Operational Activity**

The CSP includes barriers to NGOs' operational activity, in the form of a direct prohibition, and through invasive supervisory oversight.

First, CSP Article 14j-n restricts participation in activities that include the advancement of human and democratic rights, the promotion of equality of nations and nationalities and peoples and that of gender and religion, the promotion of the rights of disabled and children's rights, the promotion of conflict resolution or reconciliation, and the promotion of the efficiency of the justice and law enforcement services to Ethiopian Charities and Societies. In other words, charities and societies seeking to pursue these purposes cannot receive foreign funding that amounts to more than 10% of their overall income.

Second, the CSP grants almost unlimited authority to the Agency to supervise charities and societies. For example, Section 7 (Articles 84 – 94) gives the Agency virtually unlimited authority to exercise control over the operations of a charity or society. No procedural protections for the charity or society or its personnel are provided. Among other powers, the Agency may:

- Institute inquiries about a charity or society without limitation or notice, and for purposes of an inquiry, require a charity or society, or its officers or employees, to produce accounts and statements in writing on any matter at issue in the inquiry, produce documents, and to attend at a specified time or place to give evidence or produce documents (Article 84);
- Call for a charity or society or its officers or employees to provide orally or in writing "any information" relating to any charity or society, or to produce documents (Article 85);



- Upon being satisfied that misconduct or mismanagement has occurred and that it is necessary to protect the property of the charity or society, suspend officers, restrict the organization's transactions or the nature or amounts of payments made, or order the retention of property.

### **Barriers to Speech / Advocacy**

By prohibiting charities and societies that receive more than 10% of their funding from foreign sources from participating in essentially all human rights and advocacy activities, Ethiopian law may effectively silence civil society in Ethiopia by starving NGOs of resources, and thus essentially extinguish their right to expression.

### **Barriers to International Contact**

The CSP does not directly restrict international communication or contact, but the restriction on foreign funding may have negative implications for international contact.

### **Barriers to Resources**

#### *Foreign Funding*

To be considered an Ethiopian Charity or Society, an organization may not receive more than 10% of its overall resources from foreign sources. (Article 2 of CSP)  
Only Ethiopian Charities and Societies may engage in activities that advance human and democratic rights; promote the equality of nations and nationalities and peoples and that of gender and religion; promote the rights of disabled and children's rights; promote conflict resolution or reconciliation, and promote the efficiency of the justice and law enforcement services. The foreign funding restrictions may force the closure of many organizations, especially human rights organizations. This is of particular concern in Ethiopia where local sources of financing are limited and NGOs are often dependent on foreign funding. Alternately, NGOs may abandon disfavored missions or activities if they cannot raise funds locally to sustain them.

#### *Domestic Funding*

There are several restrictions relating to domestic funding:

- Charities and societies are restricted from soliciting money and property that exceeds 50,000 Ethiopian birr (4000 USD) before registration.
- Public collection is not allowed unless permitted by the Agency
- Charities or societies can only engage in income generating activities that are incidental to the achievement of their purposes.

## Reports

UN Universal Periodic Review Reports	<ul style="list-style-type: none"> <li>• <a href="#">National Report</a></li> <li>• <a href="#">Compilation of UN information</a></li> <li>• <a href="#">Summary of Stakeholders' Information</a></li> <li>• <a href="#">CIVICUS Submission to the UN Universal Periodic Review: 2009</a></li> </ul>
Reports of UN Special Rapporteurs	<a href="#">SR on the adverse effects of toxic waste and dangerous products and human rights. Report E/CN.4/1998/10/Add.2</a>
USIG (United States International Grantmaking) Country Notes	Not available
U.S. State Department	<ul style="list-style-type: none"> <li>• <a href="#">Advancing Freedom and Democracy Report 2008: Ethiopia</a></li> <li>• <a href="#">2008 Human Rights Reports: Ethiopia</a></li> </ul>
Failed States Index Reports	<ul style="list-style-type: none"> <li>• <a href="#">Foreign Policy 2008 Failed States Index</a></li> <li>• <a href="#">Fund for Peace Country Profile: Ethiopia 2008</a></li> </ul>
IMF Country Reports	<ul style="list-style-type: none"> <li>• <a href="#">The Federal Democratic Republic of Ethiopia: Selected Issues: Country Report No. 08/259</a></li> <li>• <a href="#">The Federal Democratic Republic of Ethiopia: Ex Post Assessment of Long-Term Fund Engagement, Country Report No. 05/26</a></li> </ul>
Asia Pacific Philanthropy Forum Reports	Not available
NGO Regulation Network Reports	Not available
CIVICUS Civil Society Index (CSI) Country Reports	Not available
International Commission of Jurists	<a href="#">Ethiopia - ICJ calls for immediate and unconditional release of lawyer Behane</a>
International Center for Not-for-Profit Law Online Library	<a href="#">Ethiopia</a>
International Federation for Human Rights (FIDH)	<a href="#">Human Rights Situation in the Federal Democratic Republic of Ethiopia: 46th Session of the African Commission on Human and</a>

## News and Additional Resources

While we aim to maintain information that is as current as possible, we realize that situations can rapidly change. If you are aware of any additional information or inaccuracies on this page, please keep us informed; write to ICNL at [ngomonitor@icnl.org](mailto:ngomonitor@icnl.org).

### General News

#### **Human Rights Defenders Under Siege in Ethiopia** (November 2009)

Soon to be implemented, Ethiopia's Civil Society Law is the most restrictive of its kind in sub-Saharan Africa; Law draws inspiration from similarly repressive laws in Zimbabwe, Russia and Singapore.

The Northwestern University School of Law's Center for International Human Rights, in a report released today and available at [northwestern.edu](http://northwestern.edu), has found that Ethiopia's new Civil Society Law violates Ethiopia's human rights obligations by effectively silencing independent civil society organizations, particularly human rights defenders and advocates of democratic governance that provide critical services to Ethiopia's most vulnerable citizens. The report, entitled *Sounding the Horn: Ethiopia's Civil Society Law Threatens Human Rights Defenders*, concludes that the new CSO law violates Ethiopia's human rights obligations as well as the Ethiopian Constitution and thus should be rescinded immediately. ([read more](#))

#### **NGOs urged to bolster development participation** (November 2009)

Mayor of the Addis Ababa City Administration, Kuma Demeksa, called on non-governmental organizations (NGOs) to bolster their participation in the efforts being made to attain the millennium development goals (MDGs). Speaking at the 38th founding anniversary of Hope Enterprise recently, Kuma said through his representative that NGOs need to join hands and work in collaboration with the government so as to fulfill the development and socio-economic demand of the community. ([read more](#))

#### **New Law Cripples NGOs** (November 2009)

Under a controversial new law, Ethiopia's beleaguered civil-society groups are facing an awful choice: Surrender almost all of their funding, or surrender their work on human rights and democracy. "You are doomed either way," says Kumlachew Dagne, a lawyer and executive member of the Ethiopian Bar Association. ([read more](#))

#### **Meles Zenawi appoints party loyalists to oversee NGOs in Ethiopia** (June 2009)

An agency to implement the hugely controversial Charities and Societies Proclamation was established last week. The Office of the Prime Minister appointed Sirage Ali as director of the Charities and Societies Agency (CSA). He is one of the

top members of the ruling party. He is also credited for his contribution in selecting the former caretaker administration of Addis Ababa. The PM office also appointed Atkhelti Gedaye as deputy director. Re-registering the existing civil society organizations and categorizing them as Ethiopian and foreign will be the first task of the agency as per the proclamation.

### **Ethiopian regime bans dozens of humanitarian aid groups** (July 2009)

Despite calls for extra food aid to the Horn of Africa's nation by UN's top humanitarian affairs official, southern Ethiopian authorities have suspended a relief operation conducted by 42 aid groups in the southern regional state saying they acted against state policies. ([read more](#))

## **CIVICUS Civil Society Watch**

### **Perceived civil society involvement in terrorism and extremism** (March 2009)

Draft anti-terror legislation in circulation defines terrorism in vague and general terms with the potential to restrict civil liberties and democratic rights, although some Members of Parliament have expressed ignorance about the draft which has seven sections and 39 articles. ([read more](#))

### **Curtailed freedom of expression** (March 2009)

An article warns that according to a new press law, those journalists and magazines that have not registered will be removed from the database within five days. From 57 newspapers and magazines, only 22 have filled the form and have re-registered. According to the law, any press outlet that was functioning before the law was adopted should register and get a certificate within 90 days after the law is passed. ([read more](#))

### **Controversial "Anti-Terror Proclamation" adopted** (July 2009)

Despite criticism from international human rights organizations and opposition party members within the Ethiopian government, Ethiopia's controversial "Anti-Terror Proclamation" was adopted on 7 July 2009 after the Ethiopian House of People's Representatives voted in favor of the legislation. The bill passed unchanged since it was introduced in draft form in early June after approval from the Ethiopian Council of Ministers. Critics claim the law will endanger freedom of expression by granting law enforcement agencies far reaching and unnecessary powers to conduct electronic surveillance, intercept post, and monitor other forms of communications. In addition to extending the reach of police surveillance, the law broadens the definition and scope of terrorism to include restrictions over freedom of expression. ([read more](#))

### **CIVICUS condemns suspension of NGOs in Ethiopia** (July 2009)

World Alliance for Citizen Participation condemns a move designed to further restrict civil society activities by the Ethiopian Government -- which has suspended the operations of 42 NGOs for "acting out of their mandate". Authorities in the Southern region of Ethiopia have accused NGOs reporting on human rights abuses as seeking to interrupt peace and development of the region. ([read more](#))

## National Endowment for Democracy: Democracy Digest

### **Ethiopia's NGO law - disabling by design** (January 2009)

As if on cue to confirm the validity and urgency of this intervention, Ethiopia's parliament this week passed the Charities and Societies Proclamation in an effort to stifle civil society activities and restrict international partners' ability to support Ethiopia's non-governmental sector. "This law goes far beyond any normal effort to regulate civil society," said Leslie. ([read more](#))

## World Movement for Democracy: Democracy Alerts

### **East and Horn of Africa Human Rights Defenders Network Urges Action against Ethiopian Proclamation** (March 2009)

On March 11, the East and Horn of Africa Human Rights Defenders Network (EHAHRD-Net) issued a press release urging international action against the Ethiopian Charities and Societies Proclamation passed in January 2009. The Proclamation contains several controversial articles restricting civil society in Ethiopia, including allowing the Charities and Societies Agency to deny registration to any potential NGO or civil society organization. These restrictions reflect the repressive character of government and the harsh political environment civil society faces in Ethiopia. The press release was issued following a meeting at the UN Human Rights Council in Geneva, where EHAHRD-Net and its founding member, Yared Hailemariam, pushed for the repeal or immediate amendment of the Proclamation. ([read more](#))

## International Commission of Jurists

### **Ethiopia: Draft counter-terrorism law published** (May 2009)

A new draft law on counter-terrorism has drawn expressions of serious concern from opposition parties and human rights advocates. The Bill contains, *inter alia*, broadly defined definitions of terrorist acts and offenses the commission of which may lead to the imposition of the death penalty, the granting to the police of search powers and authority to intercept or conduct surveillance of communications without judicial warrant, and the imposition of a duty to denounce terrorist suspects under a risk of criminal punishment. ([read more](#))

*The foregoing information was collected by the ICNL NGO Law Monitor partner organization in Ethiopia.*