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# Why was FCRA registration for several NGOs cancelled? | Explained PREMIUM

Who oversees the Foreign Contribution Regulation Act? How many NGOs have been affected?

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## Who monitors the process?

The Union Ministry of Home Affairs (MHA) monitors the implementation of the FCRA. The registration of thousands of NGOs was due for renewal in 2020-2021. Due to the COVID-19 pandemic and the amendments to the FCRA Act in 2020, many NGOs could not complete the process. The MHA had given a relief up to September 30, 2021 to NGOs whose registration was expiring between September 29, 2020 and September 30, 2021 to apply for a renewal. The MHA has extended the deadline multiple times; the latest date being March 31, 2024.

Through the FCRA, the ministry regulates foreign donations to ensure that such funds do not adversely affect the country's internal security. It is compulsory to register under the Act, first enacted in 1976, if an association, group or NGO intends to receive foreign donations. The 1976 Act was repealed and replaced with a new legislation in 2010. It was further amended in 2020. The registration is valid for five years, after which the NGO has to apply for a renewal. It is mandatory for all such NGOs to register under the FCRA, initially valid for five years that can be renewed if it complies with all norms. Registered groups can receive foreign contribution for social, educational, religious, economic and cultural programmes.

### How many have lost registration?

Since 2015, the FCRA registration of more than 16,000 NGOs have been cancelled on account of "violation." As on January 22, there were 16,989 FCRA-registered NGOs active in the country. The FCRA registration of nearly 6,000 NGOs had ceased to operate from January 1, 2022 as the MHA either refused to renew their application or the NGOs did not apply.





India is vulnerable to the risks of money laundering and terrorist financing. Therefore, necessary steps for rigorous enforcement as well as coordination with foreign countries for law enforcement will continue," the report said. In 2023, a record number of 1,111 associations were granted fresh registration. Analysis of the data showed that nearly half of fresh FCRA registrations under the religious category are for Christian NGOs. The MHA informed the Lok Sabha on December 19, 2023 that out of the total 1,615 applications received for registration under FCRA in 2021 and 2022, as many as 722 applications were granted clearance while 225 applications were rejected.

The ministry said that a total of 13,520 associations received ₹55,741.51 crore foreign contribution in the financial years 2019-2020, 2020-21 and 2021-22.

# Why were CPR and WVI's registrations cancelled?

The MHA alleged that CPR diverted foreign donations to fund "protests and legal battles against developmental projects" and misused funds to "affect India's economic interests." It alleged that the think tank engaged in production of current affairs programmes which violated FCRA norms. CPR had furnished a report on air pollution — "Overview on the Commission for Air Quality Management Act 2021, policy challenges for the new government etc." The MHA said publishing of current affairs programme using foreign funds is prohibited under Section 3 of the FCRA.

CPR said that the ministry's decision is incomprehensible and disproportionate, and some of the reasons given challenge the very basis of the functioning of a research institution. "This includes the publication on our website of policy reports emanating from our research being equated with current affairs programming," CPR said. The registration of WVI was cancelled for alleged FCRA violations from 2012-13 to 2020-21. WVI is the recipient of the highest amount of foreign donations among all NGOs registered under the Act in 1986.

The Foreign Contribution Regulation Act, 2010 (FCRA) registration of two prominent non-governmental organisations (NGOs) — Centre for Policy Research (CPR) and World Vision India (WVI) have been cancelled this month.





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