



21-09-2020

Request to refer FCRA bill, 2020 to a Select/Standing Committee of the Parliament

- Voluntary Action Network India (VANI), being an apex body/national association of Indian voluntary development organizations strongly feels that the FCRA bill, 2020 will be a death blow to the development relief, scientific research and community support work of the NGO community as it prohibits collaboration with other Indian organizations.
- At a time like this, when India is battling a deadly disease, with so much at stake and collaborations internationally that are to be encouraged, this would be a model of control, over and above the rules, regulations and certification processes, that stifles this important sector.

The new FCRA Bill throttles the spirit of cooperation that had been ushered in earlier this year by the positive role played by development organizations in mitigating the lockdown and COVID-19 pandemic by virtually making it impossible for NGOs to function.

- These amendments assume that all NGOs receiving foreign grants are guilty, unless proved otherwise.
- This makes NGOs open to possible harassment via queries which can be raised on almost any activity. This would impede collaborations and any other constructive activity they do.
- This restriction, when added to the existing restrictions which prohibit Indian organizations which win foreign research grants from sub-contracting a foreign institution (which, in essence, means that no Indian organization can be the lead institution in an international consortium), runs against the core mission of the government's desire to strengthen India's science/research performance.

- Collaborations even with national NGOs which are compliant with FCRA regulations, will be curtailed as the bill talks of no sub-granting, therefore killing the overall spirit of collaboration.
- The term Administrative Expenses in FCRA rules is defined to include all salaries (except for school teachers, doctors, and field researchers, trainers). This means all the salaries of outreach workers, field staff who support villagers and rural communities are also counted as administrative expenses. So **this amendment will be a major blow to organisations in terms of payment of salaries, professional fees, utility bills, travel and other such expenditure.**
- These rules may be intended to control the vast number of NGOs which engage in dubious charitable activities. **We stand with the government of India in its efforts to put down such activities. But by failing to recognize the diversity of NGOs which include world-class science organizations, they will crush their competitiveness and creativity.**
- Asking 20,000 charities to move their FCRA accounts to SBI Delhi will be hugely disruptive. Many will not be able to operate these accounts properly as the home branch will be in Delhi.
- **With limited domestic philanthropy, such guidelines that criminalise activities of even those certified as FCRA compliant, thousands of small NGOs which enable good work and are dependent on legal funds obtained internationally, will shut down, also endangering livelihoods of those dependent on them for a vocation.**

Voluntary Action Network India (VANI)
New Delhi, INDIA