

## Impact of Foreign Aid Cuts on LGBTIQ People's Freedom of Assembly and Association Worldwide

Submission to the Special Rapporteur on the rights to freedom of peaceful assembly and of association

Outright International works with partners around the globe to strengthen the lesbian, gay, bisexual, transgender, intersex, and queer (LGBTIQ) human rights movement, document and amplify human rights violations against LGBTIQ people, and advocate for inclusion and equality. Founded in 1990, Outright works with civil society organizations, the United Nations, regional human rights monitoring bodies, governments, humanitarian and development institutions, and philanthropic and corporate partners to create lasting change. With staff in twenty countries, Outright holds consultative status at the United Nations, where it serves as the secretariat of the UN LGBTI Core Group.

These responses are mainly grounded in Outright International's February 2025 report, *Defunding Freedom: Impacts of U.S. Foreign Aid Cuts on LGBTIQ People Worldwide*. The report is based on a rapid assessment conducted shortly after the suspension of U.S. foreign assistance, including a multilingual global survey that received 125 complete responses from LGBTIQ organizations and allied groups across 59 UN member states. The assessment was complemented by key informant interviews and desk research. This document offers a synthesis of the report's key findings, focused specifically on their relevance to the exercise and protection of the freedom of peaceful assembly and association.

### 1) Immediate impacts on freedom of assembly and association rights:

What have been the immediate impacts of the disruption of the global financial aid ecosystem on the enjoyment of the freedom of assembly and association

<sup>&</sup>lt;sup>1</sup> Outright International, *Defunding Freedom: Impacts of U.S. Foreign Aid Cuts on LGBTIQ People Worldwide*, February 2025,

https://outrightinternational.org/our-work/human-rights-research/defunding-freedom-impacts-us-foreign-aid-cuts-lgbtig-people.



rights in your country or the countries in which you are working (including civil society, informal associations, unions, rights/solidarity movements, etc.)?

In the course of a week in January 2025, the United States reversed a decade and a half of support for advancing LGBTIQ people's safety, equality, and inclusion. During this time, the U.S. had come to be one of the major funders of LGBTIQ civil society around the world, establishing the Global Equality Fund—a State Department-hosted public-private partnership of roughly thirty resource partners that distributed over US\$100 million in its first ten years to civil society movements working to achieve LGBTIQ equality in more than 100 countries—and the LGBTI Global Development Partnership, a USAID-hosted public-private partnership that provided US\$25 million to address the development needs of LGBTIQ communities in 2024 alone.<sup>2</sup> The overall freeze on nearly all international development funding, compounded by discriminatory executive orders that pledged to cease funding of "gender ideology" and terminate all federal "diversity, equity, inclusion, and accessibility" programming, left LGBTIQ groups abandoned and undefended.<sup>3</sup> Defunding of LGBTIQ groups was, in some cases, accompanied by high-level U.S. officials publicly denouncing the activities of former beneficiaries, further exposing them.<sup>4</sup>

Many of the LGBTIQ organizations that received support from USAID or the U.S. State Department are unable to fundraise locally, a result of criminalizing or discriminatory laws or entrenched societal stigma; unlike organizations in other sectors, few can expect their own governments or private donors in their countries to fill any portion of that gap. The U.S. aid freeze and subsequent termination of foreign assistance thus had a swift and widespread effect, particularly for LGBTIQ organizations that lacked alternative sources of funding. Many had to halt programming mid-cycle, lay off

<sup>&</sup>lt;sup>2</sup> Ibid, p. 16-17.

<sup>&</sup>lt;sup>3</sup> The White House, "Defending Women From Gender Ideology Extremism And Restoring Biological Truth To The Federal Government," January 20, 2025,

https://www.whitehouse.gov/presidential-actions/2025/01/defending-women-from-gender-ideology-extremism-and-restoring-biological-truth-to-the-federal-government; The White House, "Ending Radical And Wasteful Government DEI Programs And Preferencing," January 20, 2025,

https://www.whitehouse.gov/presidential-actions/2025/01/ending-radical-and-wasteful-government-dei-programs-and-preferencing.

<sup>&</sup>lt;sup>4</sup> House Committee on Foreign Affairs, "ICYMI: U.S. Taxpayer-funded Drag Show Exposed," February 6, 2025, <a href="https://foreignaffairs.house.gov/press-release/icymi-u-s-taxpayer-funded-drag-show-exposed">https://foreignaffairs.house.gov/press-release/icymi-u-s-taxpayer-funded-drag-show-exposed</a>.



staff, suspend advocacy, health, and shelter services, and in some cases close altogether. For instance, one organization in South Asia had to lay off 100 staff members and suspend services for 20,000 beneficiaries,<sup>5</sup> another in Malawi was forced to shut down a shelter, leaving 15 lesbian, bisexual, trans, and intersex women homeless,<sup>6</sup> and in Uganda, an organization reported being at risk of eviction after losing the funds that covered medical services and staff salaries.<sup>7</sup>

The interruption of funding disrupted entire ecosystems of solidarity, not only formal NGOs but also informal networks and community collectives. This sudden loss of support compromised the ability of these groups to convene, mobilize, and provide urgent services, affecting both their operational capacity and political agency.

Uncertainty related to the initial aid freeze and its likely longer-term consequences created "anxiety and despair" among LGBTIQ communities that had received US-funded services. The impacts were felt most acutely in countries where LGBTIQ populations already operated without legal recognition or under hostile legal frameworks. Given the marginalization of LGBTIQ communities, the loss of this support infrastructure had a cascading effect on the realization of broader human rights.

What has been the wider impact, including adoption/expanded application of restrictive legislation (such as related to transparency, anti-money laundering, etc.), criminalisation of activists associated with receiving foreign funding, stigmatisation, and any other forms of reprisals (including raids, excessive requirement of information, among others)?

Although our report does not identify new restrictive laws adopted in response to the aid freeze, LGBTIQ advocates underscore how the vacuum left by international withdrawal alongside new anti-LGBTIQ federal policies contributed to intensified fear of increased stigma and discrimination, along with heightened scrutiny from state

<sup>&</sup>lt;sup>5</sup> Defunding Freedom, p. 24.

<sup>&</sup>lt;sup>6</sup> Ibid, p. 29

<sup>&</sup>lt;sup>7</sup> Ibid, p. 24.

<sup>&</sup>lt;sup>8</sup> Ibid, p. 38.



authorities. For example, in Hungary, the ruling Fidesz party immediately celebrated the funding freeze and utilized the moment to advance its harshest crackdowns on the LGBTIQ movement including a ban on Budapest Pride and the introduction of a draft "foreign agents law" enabling the government to monitor, penalize and potentially ban organizations that receive any sort of foreign funding, including donations or EU grants. The legislation targets LGBTIQ, watchdog, democracy-building organizations and could severely limit the remaining independent media in the country.9

The U.S. withholding of Congressionally appropriated funding comes at the precise moment that freedom of association and assembly for LGBTIQ people are increasingly under attack. Uganda's Anti-Homosexuality Act, 2023, is among the most notorious in a series of legislative initiatives, primarily in Africa and Europe, that seek to prohibit public advocacy in support of the human rights of LGBTIQ people or codify rigid and exclusionary understandings of gender.<sup>10</sup> Additional laws have been proposed in other countries, such as Ghana, whose pending Human Sexual Rights and Family Values Bill would make it illegal even to present oneself as an "ally." One Ugandan respondent told Outright:

We are bound to see more harmful laws passed by African states because now the U.S. is clear, and (as if) it encourages countries to handle their affairs without interference. More trouble ahead. The U.S. has been a strong ally in challenging the Anti-Homosexuality Act of 2023 and in highlighting its dangers through these high-level dialogues and trainings. With the support gone, it will be difficult for the LGBTIQ+ community to breathe.

The erosion of protections formerly provided by global leadership and the escalation of scrutiny by decision-makers passing extreme anti-LGBTIQ laws weakened civic

https://outrightinternational.org/insights/rights-retrograde-legal-codification-gender-panic.

<sup>9</sup> Committee to Protect Journalists, "Hungary's Russian-style 'foreign agent' bill threatens remaining independent media," May 15, 2025,

https://cpi.org/2025/05/hungarys-russian-style-foreign-agent-bill-threatens-remaining-independent-media.

<sup>&</sup>lt;sup>10</sup> Michelle Yesudas, Alberto de Belaunde and Neela Ghoshal, "Rights in Retrograde? The Legal Codification of Gender Panic," Outright International, April 7, 2025,

<sup>&</sup>lt;sup>11</sup> Outright International, *Defunding Freedom*, p. 37.



infrastructure and signaled to hostile actors that there would be limited international accountability. In this environment, visibility became a liability, particularly for informal associations and mutual aid networks unable to access legal or diplomatic protection.

Please provide concrete examples and any statistics if a preliminary impact assessment has been conducted (including on the types of associations and projects affected).

Among the 125 respondents to the rapid assessment survey, 72 reported having to implement layoffs or close down operations entirely, indicating a severe and direct impact on institutional continuity and service provision. Not only does this greatly impact the ability of organizations to sustain life-saving work and institutional knowledge, but it also leaves former employees extremely vulnerable without the proper safety nets. Additionally, 55 organizations reported scaling back or suspending critical anti-violence interventions, including shelters and psychosocial support programs, while 30 had to curtail or eliminate legal aid services.<sup>12</sup>

Concrete examples include a Latin American shelter for gender-based violence survivors that was forced to evict its residents after losing its primary source of funding.<sup>13</sup> In Ukraine, an organization that used U.S. government funds for safe housing, protection from violence, and support groups for LGBTIQ people lost 90 percent of its funding.<sup>14</sup> In West Africa, an intersex-led organization that had relied on modest international support to provide health care navigation and safe housing lost all operational capacity, leaving its community exposed to increased medical and social risk.<sup>15</sup>

Smaller, community-based organizations and those operating in environments with criminalization or severe legal barriers were disproportionately affected. The growth of dedicated funding for LGBTIQ groups of all sizes had resulted in first-time grants,

<sup>13</sup> Ibid, p. 29.

<sup>&</sup>lt;sup>12</sup> Ibid, p. 20.

<sup>&</sup>lt;sup>14</sup> Ibid, p. 27.

<sup>&</sup>lt;sup>15</sup> Ibid, p. 23.



particularly for intersex, LBQ, and transgender-led organizations.<sup>16</sup> Losing funding not only strips away the recognition of these groups but also diminishes their ability to develop the capacity necessary for future donor engagement.

What conditions within the development aid/international cooperation system and the civil society sector in general contributed to the more devastating impacts; and what conditions protected/are protecting the sector and could ensure its survival?

Organizations most affected were those without diversified funding sources, especially grassroots groups operating in contexts of criminalization, legal invisibility, or severe repression. These groups were often informal or unregistered and depended heavily on a single donor, making them particularly vulnerable to abrupt funding cuts.

The foreign funding cuts had a particularly severe impact on LGBTIQ organizations due to a confluence of long-standing systemic issues within international development and cooperation structures. One key factor is the tokenistic or extractive nature of engagement by development actors, where LGBTIQ groups are often included superficially—either through checkbox–style mainstreaming or short-term targeted projects—rather than being meaningfully supported or integrated as equal partners in development processes. This undermines organizational sustainability and limits long-term impact.

Compounding this is the persistent fear and bias among international actors that engaging LGBTIQ groups can be perceived as too risky or politically sensitive. This reluctance leads to further marginalization and deprioritization of these communities, leaving them especially vulnerable when funding channels are disrupted.

These dynamics are exacerbated by the already limited pool of resources available to LGBTIQ movements globally. According to a Global Philanthropy Project (GPP)

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<sup>&</sup>lt;sup>16</sup> LBQ refers to lesbian, bisexual, and queer people.



report documenting government and philanthropic giving to LGBTI communities in 2022, less than one percent of all international development funding goes to LGBTIQ issues, and of that, the vast majority goes to organizations based in the Global North.<sup>17</sup> This chronic underfunding means that even minor disruptions—such as a funding freeze—can have disproportionate and devastating effects on the already precarious operations of both grassroots and more formalized LGBTIQ organizations.

Have you changed or modified your behaviour relating to the exercise of freedom of assembly and association rights, and other related rights such as freedom of expression, due to a fear of restrictions and/or reprisals? Have you seen a change or modification of behaviour of supporters, employees, contractors, volunteers, service providers, or the general public towards the work of civil society, human right defenders, activists and/or journalists?

Activists interviewed for our reports expressed concern that there is a "cascade effect" that could lead other funding sources to reconsider their support. One example of this was given by a Colombian advocate who told us in an interview that his organization's funding sources were asking him not to explicitly mention LGBTIQ people in their projects on human migration.<sup>18</sup>

There is growing fear among advocates that the aid freeze and the closure of the United States Agency for International Development (USAID) may encourage other governments to take restrictive measures against civil society. In fact, since the funding freeze, two Latin American countries—Peru and El Salvador—have enacted laws that severely limit the use of foreign funding by NGOs and significantly expand government oversight and control over these resources.<sup>19</sup>

<sup>&</sup>lt;sup>17</sup> Global Philanthropy Project, *Global Resources Report: Government & Philanthropic Support for LGBTI Communities 2021–2022*, June 21, 2024,

https://globalresourcesreport.org/wp-content/uploads/2025/04/GRR\_2021-2022\_WEB-Spread-Colour\_EN\_.pdf, p. 27.

<sup>&</sup>lt;sup>18</sup> Outright International, *Defunding Freedom*, p. 37.

<sup>&</sup>lt;sup>19</sup> Diana Cariboni, "New anti-NGO law pushes Peru's democracy deeper into 'invisible crisis'", *Open Democracy*, May 15, 2025,

https://www.opendemocracy.net/en/peru-anti-ngo-law-32-301-democracy-crisis-journalism-foreign-funding; WOLA, "New Foreign Agents Law Threatens Rights and Freedoms of Civil Society Organizations and the Media," joint statement, June 13, 2025,



In publishing Defunding Freedom, while many activists and organizations who had experienced the impact of U.S. funding cuts were willing to be publicly named, Outright made the difficult decision not to name most sources, including their name, organization, and even country, out of concern that political forces in the United States would use this information against them. Already, several LGBTIQ organizations had been subjected to insults, mockery, and belittlement from people linked to the U.S. government, including the House Foreign Affairs Committee."

### 2) Local enabling environment (opportunities and gaps):

## What other factors have contributed to/exacerbated the mentioned impacts (including issues related to the securitisation of State policy/narratives)?

It is important to highlight the broad consensus around the fact that anti-LGBTIQ rhetoric and actions are on the rise globally. Across regions, governments and political actors have increasingly adopted narratives and measures that target LGBTIQ communities, fueling stigma, discrimination, and in some cases, the rollback of hard-won rights.<sup>21</sup>

There is a direct link between attacks on LGBTIQ people and threats to democratic values.<sup>22</sup> In countries like Myanmar, the military dictatorship has been intensifying the crackdown on LGBTIQ and pro-democracy activists. The absence counterbalancing international support magnified the risks.<sup>23</sup>

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https://www.wola.org/2025/06/el-salvador-new-foreign-agents-law-threatens-rights-and-freedoms-of-civil-s ociety-organizations-and-the-media.

<sup>&</sup>lt;sup>20</sup> House Committee on Foreign Affairs (@HouseForeignGOP), "Here's a list of ways USAID wasted YOUR tax dollars," X, February 13, 2025, https://x.com/HouseForeignGOP/status/1889835185279021257.

<sup>&</sup>lt;sup>21</sup> See, for example: Michelle Yesudas, Alberto de Belaunde and Neela Ghoshal, "Rights in Retrograde? The Legal Codification of Gender Panic," Outright International, April 7, 2025, https://outrightinternational.org/insights/rights-retrograde-legal-codification-gender-panic. For more information, see the rest of our Rights in Retrograde? series: https://outrightinternational.org/search?kevwords=%22Rights+in+Retrograde.

<sup>&</sup>lt;sup>22</sup> Ari Shaw, "Where LGBT rights are under fresh attack, so is democracy," Chatham House, June 9, 2025, https://www.chathamhouse.org/publications/the-world-today/2025-06/where-lgbt-rights-are-under-fresh-att ack-so-democracy.

23 Outright International, *Defunding Freedom*, p. 29.



Other factors contributing to an exacerbated impact include ongoing conflict in places such as Sudan, Ukraine, and the Democratic Republic of Congo, as well as the uptick in draconian "anti-homosexuality" and "family values" laws in places such as Uganda, Kenya, and Ghana.

Are there available State funding or other local philanthropy funding opportunities to support rights promotion and protection work; if so, what are the barriers/challenges for accessing/using this funding for exercising/promoting and protecting freedom of assembly and association rights?

In many jurisdictions, there are no viable domestic funding streams for LGBTIQ people's human rights. In some countries, LGBTIQ people are prohibited by law from appealing to the state or the public for any assistance at all.<sup>24</sup> In other cases, organizations operate in countries where philanthropic giving is not a norm or is not possible. In Hungary, the draft foreign agents law would prohibit organizations from being eligible for the one percent income tax donation, in which Hungarians can request that one percent of their previous year's paid Hungarian personal income taxes be given to non-profit organizations without any loss to their income.<sup>25</sup>

3) Avenues to counter/ mitigate severe impacts undermining freedom of assembly and association rights:

Please provide examples of any actions taken by States, regional bodies or other actors (including philanthropy organisations) to fill the funding gap and/or to mitigate the existential threats to freedom of assembly and association rights?

Our report highlights urgent calls for action but does not identify any comprehensive state-level mitigation efforts to date. It recommends that bilateral donors and multilateral actors mobilize resources and coordinate through platforms like the Equal Rights Coalition.

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<sup>&</sup>lt;sup>24</sup> Ibid, p. 19.

<sup>&</sup>lt;sup>25</sup> "Foreign-funded NGOs in Hungary that 'threaten sovereignty' targeted in draft law," *Euronews*, May 14, 2025.

https://www.euronews.com/my-europe/2025/05/14/foreign-funded-ngos-in-hungary-that-threaten-sovereignty-targeted-in-draft-law.



# Please provide any examples of effective strategies taken by civil society/movements to mitigate the threat?

Some organizations are able to secure limited emergency support from other donors, while others rely on unpaid volunteer labor to sustain core services. These strategies work in the short term but do not guarantee the sustainability of their operations.

#### 4) Securitisation of State and global agendas:

How has the global, regional, national security narratives and policies affected the exercise of freedom of assembly and association rights in your country, including the freedom to participate in collective actions and movements?

In September 2023, Outright International published the report, <u>The Global State of LGBTIQ Organizing</u>: <u>The Right to Register and the Freedom to Operate</u>. In this report, we affirm that in countries where civic space is under attack, LGBTIQ groups often face compounded challenges: their activism may fail to galvanize the public support that can amass around other victims of state repression; LGBTIQ activists may face increased challenges in temporarily or permanently relocating in a safe place outside their city or country if they are targeted; if arrested, they are more likely to experience gender-based violence during arrests and in custody.

Because domestic funding sources may be unavailable for LGBTIQ organizations operating in spaces that are generally hostile to LGBTIQ people's human rights, LGBTIQ organizations are among the sectors of civil society most impacted by "foreign agent" laws.

# 5) Strengthening the global protection of freedom of assembly and association rights:

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<sup>&</sup>lt;sup>26</sup> Outright International, *The Global State of LGBTIQ Organizing: The Right to Register and the Freedom to Operate*, September 2023, <a href="https://outrightinternational.org/right-to-register2023">https://outrightinternational.org/right-to-register2023</a>.



From your perspective, what would a more fair and sustainable architecture of aid ensuring the protection and promotion of freedom of assembly and association rights look like? What are good practices (by donors, international community, other actors) which should be kept and strengthened?

A just and sustainable aid architecture must prioritize marginalized communities, including those most at risk of exclusion due to criminalization, legal invisibility, or systemic discrimination. This includes funding that covers operational costs, not just project delivery, ideally in the form of long-term, core, and flexible funding. Aid must be accessible to unregistered and grassroots associations, especially in environments where legal registration may not be possible. Funders should recognize that LGBTIQ organizations face specific challenges in obtaining legal registration.<sup>27</sup> They should also recognize that the rights to freedom of association and assembly for LGBTIQ people are the subject of targeted anti-rights attacks and require urgent attention, including financial support.<sup>28</sup>

Good practices include funding through intermediaries that are trusted by the groups, flexible grant mechanisms responsive to political volatility, mandated integration of LGBTIQ issues across thematic funding (e.g. health, education, gender justice), emergency funding for both advocacy and protection in contexts in which LGBTIQ people's rights to freedom of association and assembly are under threat, and mandated dedicated funding to LGBTIQ movements across thematic areas such as education, democracy, and livelihoods to enhance sustainability and impact.<sup>29</sup>

What key safeguards should be put in place to ensure a more fair and sustainable architecture of aid ensuring the protection and promotion of freedom of assembly

<sup>&</sup>lt;sup>27</sup> Ibid.

<sup>&</sup>lt;sup>28</sup> Ibid: Outright International, *Beyond the Rainbows and Glitter: Pride Around the World in 2023*, June 10, 2024,

https://outrightinternational.org/our-work/human-rights-research/beyond-rainbows-and-glitter-pride-around-world-2023.

<sup>&</sup>lt;sup>29</sup> Outright International, *Guide to Inclusion of LGBTI People in Development and Foreign Policy*, November 23, 2021.

https://outrightinternational.org/our-work/human-rights-research/guide-inclusion-lgbti-people-development-and-foreign-policy.



# and association and to protect against financial support being used to control, co-opt or punish associations and movements?

Safeguards must include transparent criteria for funding eligibility, multi-year commitments, and clear protocols to prevent politically motivated interruptions. Aid flows should be protected from manipulation by diplomatic or ideological agendas through legal and administrative firewalls. Monitoring and evaluation processes must include indicators related to civic space, autonomy of movements, and inclusive participation. Emergency stabilization funds and early-warning systems, including the recognition of attacks on LGBTIQ people's human rights and funding as a critical component of early-warning systems, should also be institutionalized to respond to disruptions.

# How can grassroots movements and associations be more meaningfully included in multilateral global and regional forums to foster better participation and bring locally led solutions?

Inclusion must be operationalized through direct financial support for participation (e.g., travel grants, translation, childcare), dedicated slots in agenda-setting bodies, and capacity-building that recognizes local knowledge and lived experience as expertise. Multilateral forums should build structures for co-creation with grassroots groups, not just consultation. This also requires reshaping funding eligibility to support informal or non-registered entities and collaborating with regional intermediaries that can facilitate access.

# What should be the role of the international community, including the United Nations, other multilateral bodies, and new groupings of countries, in ensuring civic space and protecting the rights of assembly and association?

The international community must act as both a financial and political guarantor of civic space. This includes diplomatic pressure on states violating freedom of assembly and association rights, consistent engagement with civil society in UN processes, and the prioritization of human rights-based funding in development and



humanitarian frameworks. International actors should also coordinate responses to threats (e.g., donor compacts), provide rapid-response funding mechanisms, and support the inclusion of LGBTIQ-led and grassroots groups at all levels of decision-making. The international community must also take a stronger stance against countries seeking to implement foreign agent-type laws that seek to monitor, and in some cases, severely limit the operational capacity of civil society organizations, particularly LGBTIQ organizations. These laws are in direct conflict with freedom of association and assembly, and without strong international condemnation, will continue to be utilized to infringe on these rights. The international community must also take a stronger position on the protection and promotion of journalists, independent media, and safe online spaces.

### 6) Recommendations:

What action could be taken by states, international and regional organisations, INGOs, the private sector, civil society or other actors to ensure global financial support that fosters, enables and protects the independence and sustainability of civil society?

Recommended actions by actors:

#### To bilateral donors:

- Develop and institutionalize emergency stabilization funds that can rapidly support organizations in crisis;
- Increase multi-year, flexible core funding and invest in transition planning to help movements navigate funding disruptions;
- Collaborate with each other to reduce redundancy, align strategies through shared platforms like the Equal Rights Coalition; and
- Support capacity development for LGBTIQ civil society groups and grassroots implementers.



#### To private funders:

- Expand unrestricted operational support for LGBTIQ organizations, especially those in hostile or underfunded regions;
- Prioritize funding models that center intersectionality and foster community leadership and long-term sustainability over short-term project cycles; and
- Engage in collaborative philanthropy to enhance reach and reduce administrative burdens.

#### To civil society:

- Build and maintain cross-border solidarity infrastructures, share resources and strategies for resilience, and amplify local evidence of impact to influence global narratives;
- Strengthen accountability within movements through participatory governance; and
- Invest in leadership development of historically excluded groups, including trans, intersex, and rural activists.