

# Explainer: ECA Special Report 11/2025: Transparency of EU Funding Granted to NGOs

*These summaries highlight key points from sector reports, focusing on funding and core issues facing NGOs. They aim to help EU-CORD members stay informed and improve their practices. For full context and detail, we encourage reading the original reports.*

## Purpose of the Report

[This report](#) by the European Court of Auditors (ECA) evaluates how transparently EU funds are granted to NGOs working on *internal EU policies*. The audit aims to assess whether the Commission and national authorities collect and publish complete, consistent, and usable information about funding, and whether they verify recipients' compliance with EU values.

## Relevance Beyond Internal EU Funding

While the report focuses on internal EU funding, its observations have broader significance. In particular, the EU's approach to data tracking and NGO transparency is highly relevant in the context of increasing political scrutiny. Civic space for NGOs is under pressure across Europe, with growing attacks on civil society by populist governments, disinformation campaigns, and regulatory constraints that question the legitimacy and independence of non-profit actors. Strengthened and visible transparency practices are increasingly necessary to safeguard operational legitimacy and access to funding.

You can read more reflections on that dynamic here: [Don't Blame the Watchdogs: Reclaiming Civil Society's Role in EU Governance - ACT Alliance EU](#)

## Key Findings Relevant to Members

1. Inconsistent Definition and Classification of NGOs
  - o Despite the Commission's updated definition in 2022, departments and agencies apply inconsistent criteria, leading to differing eligibility outcomes across funding programmes (e.g. Erasmus+, ESF+, LIFE). This affects the ability to systematically track NGO funding and undermines trust in the classification process.
2. Data Quality and Visibility Remain Weak
  - o EU-wide systems do not consistently collect accurate and complete data on NGO funding. Information is often not available in machine-readable formats and lacks detail, particularly regarding advocacy activities funded through operating grants.
3. Transparency and Compliance with EU Values

- While calls for proposals are generally transparent, checks on compliance with EU values are reactive rather than proactive. This means risks related to political independence, donor influence, or mission alignment are not systematically assessed.
  - There is no EU-wide mechanism requiring funders to assess "who stands behind an NGO" or to disclose funding sources in detail.
4. Voluntary Transparency Performance Varies Widely
- The ECA developed a transparency assessment grid and found significant disparities among NGOs. Larger NGOs scored higher, particularly in areas like governance and mission clarity. Small NGOs tend to lack transparency in disclosing donors, financial statements, and governance links.

## Secretariat Recommendations to Members

- Members should enhance their voluntary transparency using, at a minimum, the ECA's assessment grid. This includes criteria on governing body, mission and values, social base, and planning and reporting. (See following page.)
- Check and improve the organisation's online visibility of funding sources, governance structures, and stated values.
- Prepare for forthcoming compliance checks on adherence to EU values. Funders may soon require more detailed documentation—NGOs should begin assessing what this means in the EU context.
- Members engaging in any form of advocacy, including with EU Delegations on funding issues, should ensure they are registered in the EU Transparency Register to support visibility and credibility.
- If there is a move toward a harmonised definition of NGOs, ensure that faith-based organisations or groups are not excluded from eligibility.

## Why does this matter for EU-CORD Members?

- The ECA explicitly highlights transparency as essential for democratic accountability.
- As funders increase scrutiny, NGOs with strong transparency practices will be better positioned for future funding.

## Conclusion

The report underscores a dual challenge for NGOs: ensuring accountability while navigating increasingly complex funding systems. For EU-CORD and its members, responding proactively to these recommendations can both strengthen internal governance and enhance future funding eligibility. As funders increase scrutiny, NGOs with strong transparency practices will be better positioned for future funding.

## ECA Voluntary Transparency Assessment Checklist

Use this form to assess your organisation. Based on : [Conference of INGOs - Homepage - Conference of INGOs](#) and [Transparencia y Buen Gobierno - Comprometidas con la Transparencia y Buen Gobierno](#)

### 1. Governing Body

Criteria	Max Points	Score
Composition of governing body is accessible/public	30	
Links/ties with other institutions are known	30	
Organisation chart is accessible/public	10	
Statutes and regulations are accessible/public	30	

Subtotal: \_\_\_\_\_ / 100

### 2. Mission, Vision and Values

Criteria	Max Points	Score
Mission/vision/values accessible, public, aligned with EU values	75	
Historical changes available	10	
Codes of conduct accessible, public, managing conflicts of interest	15	

Subtotal: \_\_\_\_\_ / 100

### 3. Social Base and Support

Criteria	Max Points	Score
Supporter groups/entities publicly listed	25	
Staff data publicly available	15	
Membership in networks/federations listed	15	
List of funders available	10	
Complaint/information channels available	15	

Information on geographic implementation available	10	
Public aid/subsidy list available	10	

Subtotal: \_\_\_\_\_ / 100

#### 4. Planning and Reporting

Criteria	Max Points	Score
Strategic plan is public	20	
Annual accounts are public	25	
Annual activity report is public	15	
Origin and application of funds are reported	15	
Activity reports cover all programmes/projects	15	
Investment policy is public	10	

Subtotal: \_\_\_\_\_ / 100

Overall Transparency Score: Average of the four section subtotals: \_\_\_\_\_ / 100