

How sustained technical dialogue removed NPOs from the list of obliged entities in Argentina

It was not a single meeting or a technical report that changed the rules of the game. It was the patient accumulation of many small actions—calls, meetings, exchanges of evidence, repeated explanations—sustained over time and articulated through a clear strategy. This story shows how well-conducted technical dialogue among civil society organisations, authorities, and banks made it possible to reverse a disproportionate regulatory approach and to open a path that can be replicated in other countries.

The “box-ticking” culture

In Latin America, there has long been a perception that the region is relatively insulated from international terrorism. Although Argentina suffered two devastating attacks (1992 and 1994), for many years efforts to counter the financing of terrorism were driven primarily by a logic of formal compliance with international standards—projecting adherence, ticking boxes, and prioritizing outward conformity—while domestic policy attention remained focused on other concerns.

Within this framework, and beyond sporadic attention to the Triple Frontier area, the State’s commitment to preventing terrorist financing tended to be expressed through one-size-fits-all regulations. In that context, non-profit organisations (NPOs) became trapped in an approach originally designed for for-profit actors.

Under pressure from the FATF grey list and at a time when the sector as a whole was considered “particularly vulnerable,” Argentina subjected NPOs to a regime designed for designated non-financial businesses and professions (DNFBPs). Organisations working in health, education, human rights, or community assistance began to face administrative requirements for which they were not prepared.

The situation worsened when local and international banks applied enhanced due diligence measures modelled on practices from other regions. Accounts were closed without clear explanations, information requests were issued that organizations could not fulfil, and prolonged exchanges failed to reach decision-makers. Donations, programmes, and ultimately the people these organisations served were put at risk. This accumulated strain became a turning point.

A steep path, built step by step

What followed was not a rapid campaign, but a long-term strategy of sustained technical advocacy. NPO representatives, together with specialists, began to gather concrete evidence: real cases, data, and international comparisons. Technical roundtables were convened, institutional visits were carried out, and channels of dialogue were opened with actors who initially seemed inaccessible.

Two elements proved key to unlocking dialogue. First, genuine back-and-forth engagement: listening to the concerns of regulators and banks—risks, responsibilities, international expectations—while at the same time demonstrating, through concrete examples, the unintended and disproportionate effects of indiscriminate measures. Second, understanding of the broader policy landscape: relying on experts and international organizations to help anticipate scenarios, read political timing, and propose viable alternatives.

The discussion moved away from a simple “this doesn’t work” and began to focus on solutions: proportionality criteria, a risk-based approach, and mechanisms to resolve frictions between banks and organizations. Support from the Global NPO Coalition on FATF was decisive in ensuring that these technical proposals were heard. Initial distrust gradually turned into technical trust.

Concrete results

Over time, institutional barriers began to ease. Key moments — such as the development of Argentina’s National Terrorist Financing Risk Assessment and preparations for the Fourth Round of Mutual Evaluations—opened windows of opportunity to formalise change.

The persistence of this advocacy strategy made it possible, when amending the AML/CFT Law (Law No. 25.246), to introduce two substantive adjustments in favour of NPOs, approved in March 2024:

Article 20: NPOs were removed from the list of obliged entities.

Article 34: Authorities assumed the obligation to:

- carry out a specific analysis of the risks of abuse of NPOs for terrorist financing;
- establish adequate and proportionate measures based on the risks identified, promoting transparency, integrity, and public trust;
- define mitigation actions jointly with the sectors involved.

These [changes](#) not only reduced the administrative burden on organizations but also confirmed the effectiveness of sustained effort.

In addition, at the end of 2023, Argentina approved [its first Sectoral Risk Assessment of the abuse of NPOs for terrorist financing](#). The process included technical training instances, dialogue, and joint work with organizations from the sector, relevant authorities, and banking associations, including dedicated [training sessions](#). Both the results and the next steps were shared with stakeholders, strengthening the legitimacy of the process and promoting feedback.

Lessons that matter for other contexts

This experience shows that the reforms needed to protect NPOs from misuse do not happen overnight. They require dialogue, technical translation, and the ability to build bridges between different languages. Persisting, listening as much as explaining, adding expertise, and building trust with regulators and banks were key throughout the process.

These lessons are especially relevant for countries currently facing mutual evaluations, international pressure, or regulatory frameworks designed without a risk-based approach, as also acknowledged by Argentine authorities in relation to the [challenges of implementing Recommendation 8](#). There are no shortcuts, but there are strategies that work when they are sustained over time.

Work remains ahead: determining which body is best prepared to carry out the functions defined in Article 34, ensuring that proportionality is applied in practice, strengthening NPO capacities, and keeping channels of dialogue open to prevent setbacks. The change already achieved demonstrates that patient and well-directed work can transform public policy and restore breathing space to a key sector.

The lessons learned from this process may be useful for other countries and actors currently facing similar tensions between regulatory compliance, access to financial services, and the sustainability of the non-profit sector. Informed dialogue and the exchange of experiences remain an essential starting point.