

# Mexico City Policy

## Background

The Mexico City Policy, also referred to as the Global Gag Rule, is a U.S. policy detailing certification requirement for recipients of foreign aid. Initially, it only prohibited recipients of U.S. global family planning assistance from providing or promoting abortion as a method of family planning. In 2026, the State Department significantly expanded the scope of the Mexico City Policy to encompass most non-military foreign aid programs and prohibit several activities beyond abortion. The policy was first [announced](#) in 1984 by President Ronald Reagan at the International Conference on Population in Mexico City and took effect in 1985. Since then, the policy has been in effect for 23 of the past 42 years, primarily through executive action, and has been rescinded and reinstated by varying presidential administrations.

## Expansion of the Policy

The Mexico City Policy has seen significant expansions during the first and second Trump administrations. Before 2017, the policy only applied to U.S. global family planning funding. In 2017, it was expanded to most U.S. bilateral global health funding under the label “Protecting Life in Global Health Assistance.” This expansion included funding for HIV under the U.S. President’s Emergency Plan for AIDS Relief, maternal and child health, malaria, nutrition, and other programs. The KFF [notes](#) that this increased the funding could be subject to restrictions to more than \$7 billion.

The Mexico City Policy was reinstated in January 2025, revoking a Biden administration [memorandum](#) and restoring the January 2017 framework. However, the 2025 reinstatement memorandum also directed the Secretary of State, in coordination with the Department of Health and Human Services (HHS), to develop a plan to extend the policy to global health assistance provided by all departments and agencies. On January 27, 2026, the administration released the latest expansion of the policy through three final rules under the broader “Promoting Human Flourishing in Foreign Assistance” (PHFFA) policy, which took effect on February 26, 2026:

- [Protecting Life in Foreign Assistance](#) (PLFA): prohibits recipients from providing or promoting abortion as a method of family planning.
- [Combating Discriminatory Equity Ideology in Foreign Assistance](#): prohibits recipients from promoting or engaging in diversity, equity, and inclusion-related (DEI-related) policies and activities.
- [Combating Gender Ideology in Foreign Assistance](#): prohibits recipients from providing or promoting gender-affirming care, legal protections based on gender identity, and other related activities; defines sex as “person’s immutable biological classification as either male or female.”

The Mexico City Policy now:

- Restricts most non-military foreign funding, including humanitarian, economic and development, migration and refugee assistance; civil society and democracy programming; and certain voluntary contributions to international organizations;
- Expands the organizations it applies to not just foreign NGOs but U.S. NGOs, international organizations, and in some cases foreign governments and parastatal organizations. Notably, foreign NGOs and international organizations must agree not to provide financial support to any other foreign NGO or international organization that engages in prohibited activities; and
- Extends beyond abortion to also bar support for “gender ideology” and “discriminatory equity ideology.”

### Waivers and Exemptions

The final rules permit limited waivers and exemptions in certain circumstances. The State Department may waive all or part of the policy for national security or foreign policy reasons, exercise discretion in applying the policy to foreign governments and parastatals, and consider exemptions where a specific award term conflicts with local law. Additional guidance on the waiver process is expected.

## Impact on Philanthropy

For philanthropy, the most important concern is that this expansion could create new barriers to cross-border giving and undermine philanthropy’s ability to operate independently and support partners effectively. The Council has long [emphasized](#) the need to reduce barriers to cross-broader giving and support responsible, effective international grantmaking. This expansion of the Mexico City Policy creates new restrictions across a much broader share of non-military foreign funding and impacts a wider range of recipients.

Although most foundations do not directly receive U.S. foreign funding, many support organizations that partner with, subgrant from, or operate alongside entities that do. As a result, the new restrictions may reshape the broader global grantmaking environment, even where foundation funding itself is private.

There are two provisions that are particularly relevant for funders. The first is that the definition of “financial support” is broad. The PLFA [final rule](#) defines it as providing funds “from any source and for any purpose” to a foreign NGO or international organization across varying funding arrangements, potentially impacting funding provided by foundations and other donors. The second is the expansion of “flow down” requirements, meaning recipients that subgrant foreign funding must pass down PHFFA policy terms to subrecipients, who may also need to pass them down further.

For funders, this may result in more due diligence, more complicated grant structures, slower funding, and fewer pathways to support local partners, especially in funding models that rely on intermediaries. The Council has [raised](#) that overregulation can impose undue burdens on grant makers and hinder their ability to move funds

across borders and support organizations in high-need areas. Prior experience with earlier versions of the policy suggests the changes could also disrupt services and weaken partnerships. A 2020 U.S. Government Accountability Office [report](#) found that there were 54 instances in which NGOs declined to accept the abortion-related restrictions, resulting in about \$153 million in declined funding.

The rules under the PHFFA policy are likely to lead some organizations to decline U.S. funding altogether, which will in turn put greater pressure on foundations to fill funding gaps or sustain affected partners.