

# Human Security Collective Annual Report 2019



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# 1 Introduction by Lia van Broekhoven, Executive Director, Human Security Collective

Dear Reader,

2019 was a special year for Human Security Collective. We can look back at seven years of human security work, years where we have been able to consolidate our organization and expand people-centered security activities with support from our donors and partners. Their trust and belief in our foundation have been vital to pursuing our mission.

We started our foundation seven years ago with the idea of engaging people, communities and civil society with policymakers, organizations, and governments on security issues: especially on issues stemming from policy and political choices that were made by governments and international organizations after September 11, 2001. For us, the 9/11 attacks and what transpired soon after in the name of security marked a watershed for the work of civil society organizations across the world and their missions and mandates to provide humanitarian relief, contribute to development goals, take part in peacebuilding efforts and protect human rights.

Incremental changes in the way counterterrorism rules and regulations were interpreted and applied by governments, international organizations, and private institutions like banks affected the operational space of colleagues across the world, especially of those working in and on violent conflicts. These measures also gradually affected our own operational space in relatively peaceful and democratic countries.

Peacebuilders and human rights organizations were labelled terrorist organizations by their governments, sometimes erroneously due to the fact that they were operating in the vicinity of organizations put on terrorist lists (by the government, the UN, the EU, or the US) or, oftentimes deliberately, because they spoke truth to power. Additionally, governments and international organizations perceived youth living in high risk areas where terrorist groups are active as potential recruits instead of as valuable partners to address the root causes of violence and build peaceful societies.

Transferring funds from the Netherlands and other donor countries to civil society



organizations with the aim of helping achieve the Sustainable Development Goals became more burdensome as banks were obliged to ask numerous and repetitive questions about the nature and recipients of the transfers.

Amidst these harmful developments to civil society and civic space in general, we have experienced several positive developments since we began working on these issues. Governments, international organizations, and banks have become more cognizant of the negative consequences for civil society of policy choices made in the name of security and fighting terrorism. They are becoming increasingly aware that becoming part of the solution instead of remaining part of the problem is the best way forward to ensure development, humanitarian relief, peacebuilding, and human rights. HSC was able to develop ways of engagement with these stakeholders that transformed them from unaware, distanced and sometimes even adverse actors into stakeholders that now acknowledge their responsibility to the cause of a fully-enabled civil society. Concurrently we were able to partner with civil society organizations from different backgrounds to team up on these engagements.

Our human security work in the past year along the lines of youth and resilient communities, connecting development and security to address root causes of conflict, and ensuring that measures to prevent terrorism financing via nonprofit organizations are proportional to the risk this would happen, is presented in the report. The report gives you a mix of ongoing work and new initiatives, of successes and continual challenges. After seven years, the idea of a people-centred security which marked the start of Human Security Collective has taken root in the initiatives we have been able to develop with our partners and with support from our public and private donors. HSC would like to thank our donors the Dutch Ministry of Foreign Affairs, UNDP, WOTRO NOW, the Australian Government, Norwegian Church Aid, CORDAID, ICCO, ECNL, OAK Foundation, Open Society Foundations, Sigrid Rausing Trust, ZonMW, Mensen met een Missie and CSID. Our team and board members are indispensable for our work. We develop and learn together from our achievements and mistakes. Much more needs to be done and for the near future we need to look into scaling our human security approach.

Lia van Broekhoven,  
Executive Director  
Human Security Collective

## 2 An overview of our programmes: Inclusive Leadership



### 2.1 Youth Leadership in Tunisia

The programme "Building Youth Resilience in Tunisia and the Netherlands" which is supported by the Dutch government, seeks to strengthen the capacities of youth (leaders) aged 18–26, to contribute to resilience and human security in their community. The programme is focused on neighbourhoods affected by marginalization, polarization, crime, drugs and other issues which affect the lives of youth growing up in these areas. The programme recognizes the capacity and expertise of youth living in these areas, who have a unique outlook on their neighbourhood, the capacity to develop innovative initiatives and be role models and mentors for their younger peers.

In this programme, which HSC has developed together with local partner organizations in Tunisia and the Netherlands, youth are supported to set up their own initiatives on issues they are passionate about, strengthen their skills to listen to and empathize with their younger peers and empowered to engage with the wider community, policymakers and security stakeholders on their ambitions for human security in their neighbourhoods. Exchange visits between the youth leaders from Tunisia and the Netherlands, in which they learn from each other's way of working and gain insight in how other governments deal with security issues such as violent extremism, are an important part of the programme. A video of such an exchange visit is [here](#).

The practices in this programme contribute to changes which the youth themselves wish to see in their communities, and can go a long way in preventing polarization, feelings of exclusion or marginalization, and attraction to violent extremist thought.

Based on the experiences of the programme in Tunisia, Human Security Collective, in partnership with the Arab Institute for Human Rights, developed a handbook: [Time to Engage with Youth at Center Stage: The HSC approach to youth leadership on Preventing Violent Extremism](#). This handbook was launched in Tunis in February 2019 and is now available in

[English](#) and [Arabic](#). It offers readers a practical approach to ensure youth living in marginalized communities are willing to engage in the Prevention of Violent Extremism (PVE) on their terms and in their time. It also offers practical advice on implementing our Human Security approach to Youth Leadership in PVE.

## 2.2 Cooperation with the Centre for Study of Islam (CSID)

In the fall of 2019, HSC was approached to offer its expertise in a project led by the Center of the Study of Islam and Democracy. CSID developed the project Tunisians United against Extremism and Corruption with the following two objectives:

1. Combat violent extremist discourse and its ideological mobilization, through a programme composed of training courses, study days and public awareness campaigns.
2. Strengthen Tunisia's democratic transition by building a culture of democracy, civic engagement and citizenship among Tunisia's future leaders.

The main strategy of the project is to train 400 young Tunisian leaders from ten regions throughout Tunisia on moderate, inclusive, peaceful interpretations of Islam, as well as training them to become active citizens and role models who participate in building a new democratic, multicultural, tolerant, and pluralistic Tunisia. The idea is that in each region there are about 40 young leaders participating in the project, among whom five are coaches, supporting the other young leaders in their work. These coaches are being trained by Human Security Collective.

HSC uses its curriculum to ensure that the coaches are well equipped to mentor the youth in their governorates on implementing their initiatives and communicating alternative narratives.

## 2.3 Youth Leadership in The Netherlands

The project Time 4 Your Future (T4YF), a partnership between HSC, Delft voor Elkaar and ROC Mondriaan, was kicked-off in January in the city of Delft. The project offers time and space for young people (15–23 years) to contribute to society, while learning about their talents and developing themselves further. The project is a chance for young people in the city of Delft to gain experience through volunteer work and gain a better idea about their future prospects. This project is part of a Dutch government programme, 'Maatschappelijke Diensttijd' (Social Service Period), and is powered by ZonMw.



The second phase of Time 4 Your Future (T4YF) is going full speed ahead. A new group of young people (15–23 years) have enrolled in voluntary work to contribute to social welfare organizations in Delft, whilst at the same time discovering their talents and developing themselves further. In January, a renovated workshop room for the differently abled will be opened by six participants of the programme at Stichting Ipse de Bruggen, where they will present their overview of workshop activities for the coming months.



*Time 4 Your Future NL*

## **2.4 Women, Peace and Security in Libya (NAP 1325)**

Human Security Collective is working with Cordaid and eight Libyan partners to enable women's leadership and political participation in Libya. This three-year project (2016–2019, with an extension into 2020) is funded by the Dutch Ministry of Foreign Affairs as part of the Dutch National Action Plan on UN Security Council Resolution 1325 (Women, Peace and Security). The long-term goal of this project is to contribute to an enabling environment for women's participation and empowerment in Libya, allowing women to play a role as bridge builders to increase human security and contribute to a culture of peace.



Cordaid, Human Security Collective and, at the time, Women Peacemakers Program chose to work on all three specific goals within the framework of the approved NAP 1325 III. Together with our local partners we guarantee contextualized methodologies to ensure a safe way to achieve these goals.

The three specific goals are:

- Ensuring better protection for women and girls in conflict and post-conflict situations from violence and violations of their rights;
- Subverting harmful underlying gender norms, which are obstacles to sustainable peace
- Ensuring that women have equal leverage in conflict prevention and resolution, peacebuilding, relief and recovery at all levels and that their efforts are acknowledged and supported.

To obtain our objective of meaningful participation we initiate parallel processes for effectiveness, including capacity building of key actors, lobby and advocacy to engage key actors and policies, and information and knowledge sharing.

In February, HSC conducted the third workshop in the NAP 1325 project “Women and Youth as Bridgebuilders: Strengthening Resilience in Libya”. The overall objective of this workshop was to enhance the skills of Libyan civil society leaders to apply non-violent communication techniques to engage diverse stakeholders in their work on enhancing resilience, social cohesion and human security in their communities. This workshop took place during the start of the implementation phase of the HSC initiatives, which provided for a fantastic learning and exchange opportunity with the trainers as well as with the Libyan CSO peers.

The Inclusive Coalition Building workshop in August was organized by both HSC and Cordaid. The aim of this workshop was to bring together all eight Libyan partners and have an open dialogue in order to strengthen the collective vision and the relationships with one other, and find common ground on the long-term changes the network would like to contribute to in Libya. This coalition building was much-needed in light of the escalation in the conflict which had a deep divisive impact on our partners. The workshop was highly successful: participants were able to make concrete plans as how they want to continue working together and strengthening each other’s work. They also had an opportunity to engage with [Dutch Parliamentarians from D66](#), who were on a visit to Tunisia, and were able to share their experiences and vision for Libya. In November 2019, an Outcome Harvesting workshop took place in Hammamet, Tunisia as part of the project.





## 2.5 Outreach

We have been able to present the HSC approach and methodology on several occasions throughout 2019. One highlight was at the UN African Regional High-level Conference on Counterterrorism (CT) and Preventing Violent Extremism (PVE) in Nairobi, Kenya, in July. During the event HSC shared an [intervention](#) related to a question posed in Session II: How can youth be engaged to prevent violent extremism in Africa? On the 2<sup>nd</sup> day of the conference, HSC organized a side-event where we shared our approach of working with young people, mentors, to build resilience in communities and among teenagers. Enriching the experiences with mentorship approaches, our partner Robert Ochola shared his insights based on many years of experience working as a community developer and youth mentor on peer-to-peer C/PVE and violent crime initiatives in Nairobi neighbourhoods.

The handbook [Time to Engage with Youth at Center Stage: The HSC approach to youth leadership on Preventing Violent Extremism](#) was also showcased in the Netherlands in April at the Erasmus University in Rotterdam. This event on Positive Youth Development was co-organized with International Child Development Initiatives (ICDI), Erasmus University Rotterdam and the International Sport Alliance (ISA).

In October, the NATO Centre of Excellence – Defence Against Terrorism (COE-DAT) hosted an event, the “Terrorism Expert Conference” (TEC), in Turkey. During this meeting, our Tunisian coordinator presented our youth leadership approach to PVE.

In November, in Venice, Italy, HSC participated in a first of three conferences on the role of arts and culture in the prevention and mitigation of violent extremism across the globe. This trajectory is supported by the UAE Ministry of Culture and Knowledge Development. The 2nd and 3rd conferences will take place in 2020 in Brussels, Belgium in January and Washington DC in March. 40 stakeholders with diverse but relevant expertise to engage in collaborative working groups are brought together to generate a robust, credible, data-driven Action Research study. This approach evokes the richness of multiple perspectives by bringing together experts in diverse fields (ranging from P-CVE strategists to ex-radicals, religious leaders, social innovators and artists) who may not otherwise have the opportunity to engage in such an intellectual, collaborative and relational inquiry.

# 3 An overview of our programmes: The Development/PVE nexus

## 3.1 ARC (Addressing Root Causes of Violence) Programme in Mali

The Addressing Root Causes (ARC) Mali programme is being implemented under a consortium partnership with Norwegian Church Aid (NCA, the project lead) and ICCO, the Dutch inter-church development organization, and is funded by the Dutch Ministry of Foreign Affairs. Together with local partners, who will ensure the sustainability of the programme, HSC is addressing systemic problems underlying conflict and violence in Timbuktu, Gao, Mopti and the district of Bamako.

Along with women, youth, community and religious leaders, we are developing and applying a Human Security approach to address security-related problems faced by communities. HSC is mainly responsible for the third outcome of the programme, which entails that 'the interests of the involved communities related to conflict, peace and local security are represented and scaled up towards the national government and international security and development actors through a networking approach, to effectively address the root causes of conflict'. In line with this, we help these groups engage with relevant local and national government and international entities.

The intervention strategies of the programme at this level have consisted mainly of reinforcing different approaches and themes (networking, Human Security, violent extremism, etc.), setting up of networks (women, young people, religious leaders, leaders at local and national levels), and the linking up of these networks at different levels through the development and implementation of concerted action plans. This has taken the form of awareness campaigns and advocacy activities to engage youth and local leaders/authorities as well as government officials and parliamentarians in preventing and countering violent extremism in Mali. In addition, HSC facilitates collaboration between civil society organizations umbrella groups, private actors, and Financial Intelligence Units in the West Africa & Sahel region to raise awareness on issues around money laundering and the financing of terrorism, and how this



impacts NPO operations. Because the G-5 Sahel context is becoming increasingly important in terms of the security and development nexus, HSC is reaching out to the G5, together with our Malian partners, on our approach to mitigate violent extremism through addressing the root causes of violence and conflict. A partnership is developing between HSC, the Dutch Ministry of Foreign Affairs, and UNDP to disseminate and operationalize the [ODA \(Official Development Assistance\) and PVE toolkit](#). For an overview video of the ARC programme, [click here](#). For an at-a-glance outline of the programme, see [this leaflet](#). And click on [this magazine](#) for more details.

In 2019, the focus is much more on (i) the continuation of the execution of the beneficiaries' concerted action plans, and (ii) synergy as well as network development from the local to the international level.

Implementation of the beneficiaries' concerted action plans:

- Alignment of action plans with national policies to prevent and counter violent extremism;
- Increase in female leadership and in the knowledge of young women of and youth networks in the Bamako District, in order to encourage their active involvement in conflict prevention;
- Increase in knowledge of young men/women on prevalent cultural practices regarding the place and role of women in religion, viewed from the PVE and development lens;
- Capacity building of implementing partners and beneficiaries for increased awareness through campaigns (debates, social media, videos), including on interfaith awareness, through sports organizations and other activities of community interest, to prevent violent extremism and facilitate living together.

Synergy and network development:

- Facilitating consultation between implementing partners for knowledge development and practice-sharing for a better, results-oriented strategy;
- Strengthening the linkage (through a network) between local practice and national/global policy in terms of human security, as well as between sectors (security sectors and civil society) which do not generally interact with each other;
- Supporting the collaboration between the G-5 youth networks in Niger, Mali and Burkina Faso, religious leaders, and representatives of CELLRAD (Cellule Régionale de Prévention de la Radicalisation et de l'Extrémisme Violent) from Niger, Burkina Faso and

Mali, including government officials, to better address sub regional dynamics with regard to the prevention and countering of violent extremism. This also includes discussions around the mapping and regulation of the places of worship, and of religious discourse, in particular;

- Facilitating the participation of civil society and government officials in the [Common Effort](#) event, 2019, towards an effective contribution to the efforts in the G-5 Sahel countries for the next three years.

In addition to the implementation of the HSC ARC stream, HSC has taken on the role of ARC Programme Coordinator, with positive results for the programme, and in terms of the internal relationships between the programme partners and the external relations, including those with the Dutch Embassy in Bamako and the relevant Ministries in The Hague.

### 3.2 The Development–PVE Toolkit

In 2019, the [Development–PVE \(Prevention of Violent Extremism\) Toolkit](#) was finalized and three training workshops conducted on the Toolkit for Embassy staff and members of the international community. The Toolkit was commissioned by the Dutch Ministry of Foreign Affairs and developed by HSC in close collaboration with the Ministry. The trainings took place in Tunis (for 12 Dutch Embassies in North Africa, Middle East, Sahel, Pakistan and Afghanistan), Nairobi (for Somalia, Ethiopia, Kenya, Tanzania and Mozambique) and in Kampala for Uganda (country level). In 2020 the Toolkit will be incorporated into the Ministry of Foreign Affairs Internal Policy Memo procedure, and training conducted at country level.

The Toolkit has been explained and promoted at the UNDP regional Prevention of Violent Extremism conference in Amman (June), at the Annual Conference of the Security and Rule of Law Knowledge Platform (October) and the Spark Ignite Conference (November).

### 3.3 Mapping possibilities for PVE in Burkina Faso

A mapping exercise has been carried out in Burkina Faso to understand the current outbreak of violent extremism and to identify programming possibilities for the Netherlands Embassy (to be opened in the 2021). The report of this study has been discussed with the Ministry of Foreign Affairs, Defense and Police at a joint security meeting organized by the Department of Humanitarian Aid and Stability.

### 3.4 Cameroon

In Cameroon three tracks of a human security approach to address violent extremism were developed. The first is track with Mensen met een Missie and with the Bosch Stiftung to understand the impact of Boko Haram in the Far North of Cameroon and to bring civil society and law enforcement together in a joint workshop. Two workshops have been conducted in Maroua, the first for CSOs and the security sector separately, the second, bringing them together in a joint setting. The workshops have resulted in an action agenda on human security and a joint civil society–security sector platform that will develop and implement PVE approaches.

The second track is with the UNDP regional Office in Addis Ababa and the UNDP Cameroon country team. The purpose is to facilitate the Cameroon government’s development of a national PVE strategy, focussed on the extreme North, on the basis of the voice and input of CSOs and communities from the North. For this track, HSC conducted a workshop with CSOs, academics and the local government in Maroua, as well as a workshop for the national government and the international community in Yaoundé. This part of the programme was developed in cooperation with USAID. Next year, HSC will continue to seek connections with Cameroonian national strategies such as the National Development Programme and the Regional Lake Chad Stability Programme.

The third track in the country is part of the larger Freedom of Religion and Belief programme (FoRB) that HSC is part of, supported by the Human Rights department of the Ministry of Foreign Affairs. Apart from Cameroon, HSC is working on this in the Philippines, both with partner Mensen met een Missie, for a programme that is to run until 2024. A key element of the programme is to facilitate connections between grassroots communities and the human security sector to ensure that FoRB is central to their policies and practices. During a joint visit undertaken by HSC and Mensen met een Missie in October, the first preparatory meeting for FoRB took place with the four local partners in Cameroon: the Higher Islamic Council of Cameroon (CSIC), the Catholic Justice and Peace Commission of Maroua-Mokolo Diocese (CDJPM), the Council of Protestant Churches in Cameroon (CEPCA) and the World Dynamics of Young People (DMJ).

### 3.5 NOW–WOTRO (Dutch Scientific Research fund) Research on the Prevention of Violent Extremism and Human Security

This year, the three-year research for NWO-WOTRO on PVE and Human Security, ‘Testing the Feasibility of a Human Security Approach to Combat Violent Extremism in Palestine, Egypt, and Iraq’ was finalized. The final conference took place in The Hague in November, with the research partners facilitated by Clingendael. The final report is [here](#). The outcome of the study will help HSC and our partners, especially in the MENA region, improve our human-security-related work in contexts where the space for civil society is reduced by security-related measures.

### 3.6 Common Effort

As in previous years, HSC participated in the [Common Effort](#) programme, this time in Berlin (October), and facilitated the participation of our Malian partners in the event. Common Effort brings together civil society organizations, government donors and military representatives actively involved in peacekeeping missions in order to develop common ground concerning rules of engagement with the aim of ensuring the protection of civilians and enhancing conflict resolution. The [MINUSMA mission](#) in Mali was the central topic of the 2019 Common Effort programme. The ARC activities undertaken by our partners and by HSC, and which intersect with the MINUSMA mission, were presented by the Malian delegation in the event.



*Workshop ARC Mali*

# 4 An overview of our programmes: Impact of Countering Financing of Terrorism (CFT) Measures on Civil Society

## 4.1 Global NPO Coalition on the FATF

In recent years, nonprofit organizations (NPOs) around the world have faced operational and legal restrictions due to countering the financing of terrorism (CFT) and anti-money laundering (AML) rules and regulations. For example, banks have blocked or closed accounts of organizations working in and on conflict zones; laws have been enacted to restrict foreign funding or to introduce burdensome governance and audit requirements; and the right to associate and speak out in public has been limited. This has had a negative effect on NPOs' abilities to implement activities and protect the needs of beneficiaries, especially in crisis or conflict areas.

These restrictions are often been justified by citing the requirements of the Financial Action Task Force (FATF) regime and, specifically, its 40 Recommendations. The FATF standards do not always provide clear and illustrative guidance for implementation, thus creating space for misinterpretation and, most worryingly, for misuse by national regulators. FATF regulations single out the NPO sector as being vulnerable to terrorism financing abuse despite the lack of evidence, with the result that a growing number of countries are enacting laws that restrict the legitimate activities of NPOs.

HSC is co-chair of the [Global NPO Coalition on FATF](#), a loose network of diverse nonprofits that has been set up to ensure that civil society is effectively engaged in the countering financing of terrorism/anti-money laundering (CFT/AML) debate. The vision of the Coalition is to have a free and fully-enabled operating space for civil society. Its achievements so far include:

- Revision of Recommendation 8 and its Interpretive Note: the 2016 revision retracted the claim that the NPO sector is 'particularly vulnerable' to terrorism financing abuse.





- In-depth revision of the Best Practices Paper (2015), a policy guidance document that countries use to help them implement the standards.
- Formalization of the risk-based approach, which means a more proportionate and context-specific implementation of the FATF standards.
- Establishment of regular engagement between the FATF Secretariat and NPOs, which allows for more effective NPO participation.
- Awareness-raising, coalition-building and advocacy at the global, regional and national levels.

HSC is currently involved in a number of projects at the national (e.g., Tunisia, Pakistan, Indonesia, Kosovo, Nigeria, Uganda, Mexico, Argentina) level on various parts of the FATF process, including awareness-raising, facilitated dialogue and risk assessments. It also works at the regional level with the FATF-Style Regional Bodies (e.g., GAFILAT, GIABA), again on raising awareness and building capacity.

An important stream of work for HSC is the one around financial access for NPOs. NPOs around the world today are being impacted on an unprecedented scale by issues of financial access – inordinate delays in cash transfers, onerous due-diligence requirements, inability to open bank accounts and arbitrary closure of bank accounts – collectively classed as ‘de-risking’ activities by financial institutions. HSC works on determining the drivers of this and on then addressing the causes, positing and working on solutions at both the technical/practical and the systemic/policy levels.

The impact of the Global NPO Coalition the FATF (co-chaired by HSC) and the [Expert Hub](#) on the way FATF is affecting civil society, is growing across the world. A few highlights of the work we conducted as HSC or with members of the Coalition and the Hub:

## 4.2 Global and regional work

*Using the G20 mechanism to address de-risking of NPOs (C20 Tokyo/G20 Osaka):* financial access restrictions of non-profits stemming from the FATF anti-money laundering and countering financing of terrorism standards were incorporated in the policy recommendations of the Civil Society 20 group and presented to the G20 Japanese leadership. HSC produced a [widely-read article](#) for the Japanese Human Rights Regional Office newsletter on bank de-risking of NPOs.



CSO Summit at the C20, Tokyo

*Support from the Coalition to the FATF Terrorism Financing Risk Assessment Guidance:* HSC supported the FATF in hosting a round table at the FATF Private Sector Consultative Forum at the UNODC (UN Office on Drugs and Crime) in Vienna on ways civil society could address potential terrorism financing abuse of NPOs. Members of the Coalition and the Expert Hub on the FATF provided input that was incorporated in the [FATF Terrorism Financing Risk Assessment Guidance](#). Prior to the round table, HSC, in collaboration with the European and International Centers for Nonprofit Law (E/ICNL), organized a training workshop for civil society from 32 countries on the FATF framework, on de-risking, and on ways our colleagues could engage on the issue at the national, regional and global levels.

*Finance panel, WHAF:* HSC co-chaired, hosted and organized panels, together with the Overseas Development Institute (ODI), on finance and civil society at the third World Humanitarian Action Forum (WHAF) in Istanbul. Addressed were the impact of AML/CFT standards on civil society and the role Islamic finance could play to support especially humanitarian relief in high-risk and sanctioned countries.

*Input provided on 'soft law' report and on UNSCR 2462:* HSC provided input to the UN Special Rapporteur on Countering Terrorism and Human Rights' report, highlighting the [pitfalls of soft-](#)

[law bodies](#) like the FATF and the Global Counter Terrorism Forum and providing constructive criticism. The soft law mandates of these bodies are potentially more influential on ways civil society organizations are affected by counter terrorism measures than UN treaties or resolutions.

HSC also submitted input, with members of the Global NPO Coalition, to the new UN Security Council Resolution 2462, which aligns counter terrorism financing resolutions with the FATF framework and International Humanitarian and Human Rights Law.

*Participation in multilateral events:* HSC participated in meetings (organized by the Global Center on Cooperative Security and the Belgian government and UNOCHA/coordination of Humanitarian Affairs) on the sidelines of the opening session of the UN General Assembly where counter-terrorism delegations convened. We stressed the importance of the alignment of development, financial and prevention of violent extremism policies to prevent pushback on civil society and the financial exclusion of civil society organizations.

*European advocacy:* With our European partners, HSC is engaging the relevant EU bodies on their Anti-Money Laundering and Countering the Financing of Terrorism directives and Supra National Risk Assessments, both of which will have to be transposed into national laws and regulations, such as the Dutch Wwft (Wet witwassen en terrorisme financiering). HSC led a Dutch coalition that submitted input to the online consultation round of the Ministry of Justice and Security on the “Concept wet transparantie maatschappelijke organisaties”. The Dutch peak organization SBF (Samenwerkende Branch Organisaties Filantropie) used our input for their submission.

### 4.3 Regional and national levels

*The engagement between civil society and the Financial Intelligence Unit in Tunisia on a risk-based approach for nonprofit organizations is noteworthy.* HSC, together with partners KADEM, ECNL, ICNL and Greenacre Group, designed a Risk Assessment for nonprofits in the country. The assessment is being implemented under a Memorandum of Understanding with the Tunisian FIU (Financial Intelligence Unit), CTAF. This MoU between civil society and an FIU is the first of its kind at country level. Tunisia showcased the initiative at a MENAFATF (Middle East and North Africa FATF regional body) meeting in Egypt. Support from the Tunisian FIU allows for a careful opening for further engagement with MENAFATF. This regional FATF body has so far not been too forthcoming on dialogue with civil society.



*Capacity building for civil society, government, FIUs and Central Banks in Kosovo, Pakistan, Kyrgyzstan, Nigeria and Brussels, and presentations at international fora on the impact of FATF Standards and their unintended consequences on civil society, and the work of the Global NPO Coalition to mitigate this. At the request of civil society organizations (working on development, humanitarian relief, human rights, inter-faith engagement, peacebuilding and transparency), we provide, together with our partners, tailor-made capacity building, and follow-up support for the protection of civil society space affected by the interpretation of the FATF Standards by governments, Financial Intelligence Units and Central Banks. Engagement strategies with government and other stakeholders are an integral part of our trainings.*

HSC presented our FATF and de-risking related work and that of the Coalition in international events in Tunisia and Ethiopia, amongst others, where civil society, donors and philanthropists convened to discuss and strategize on initiatives to protect further pushback on civil society.

#### **4.4 Stakeholder round tables that address de-risking of nonprofits**

*The Netherlands:* from 2017 onwards, HSC, together with the Ministry of Finance, has co-convened a Round Table for civil society, the Ministry of Foreign Affairs, the Dutch Banking Association and banks to address de-risking of NPOs and other counter terrorism (financing) developments that restrict the financial and operational space of civil society. The Round Table is a safe space to discuss (political and reputational) sensitive issues and to work towards joint solutions for de-risking.

As one of the outcomes of the Round Table, HSC, together with the Wo=Men network, conducted [a study](#) on the de-risking of their members in the Netherlands. The study shows that smaller members, from diaspora organizations amongst others, are disproportionately affected by more stringent customer due diligence decisions by banks. It also showed that bigger intermediate NGOs transfer terrorism financing risks to smaller subcontractors. These subcontractors carry the ultimate burden of the risks for non-compliance with AML/CFT and sanctions rules. For ABN AMRO, one of the larger banks in the Netherlands, these Round Table discussion triggered further research on the way decisions taken internally by banks lead to the de-risking of civil society. Together with HSC, they commissioned a study to the New York University Law School to investigate de-risking within the bank, coupled with a study on the effectiveness of the Financial Ombudsperson as a mechanism for recourse for small organizations that are de-risked. The study is expected to be finalized in 2020.

# 5 Financial Overview



