When it comes to protecting rights and improving lives in the face of adversity, it is the action of people and their communities that makes a real difference. At the International Center for Not-for-Profit Law (ICNL), we work alongside our partners in over 100 countries to advance local reforms, push back against restrictions, and overcome challenges. Together, we safeguard and strengthen civic freedom. Our work is guided by five goals that are essential to protecting these freedoms:

1. Enhancing international norms
2. Strengthening local actors
3. Navigating restrictions
4. Creating knowledge
5. Raising awareness

The 2017-2018 annual report shows how ICNL’s goals come to life. Over the past year, we have made progress promoting the freedoms of association, expression, and assembly and advancing a legal enabling environment for civic space. From applying international standards to prevent restrictive legislation in Sri Lanka to using research to advance philanthropy in Morocco, each story in this report shares how our work makes an impact at the local and global level.

We have also launched new initiatives to address emerging trends that affect the rights of individuals across the globe, including the impact of artificial intelligence on civic freedom.

Each goal represents a central pillar to achieving our mission: strengthening civil society, civic participation, and philanthropy around the world. By promoting laws and policies that make this possible, we join our partners in strengthening the fabric of diverse communities.

Thank you. Our work could not have been possible without the tireless commitment of ICNL’s staff, partners, Board, Advisory Council, and donors. The impact described in this report is the result of your dedication, skill, and support. Thank you!
ENHANCING INTERNATIONAL NORMS

APPLYING GLOBAL STANDARDS TO SAFEGUARD CIVIC SPACE IN SRI LANKA

In March 2018, our partners in Sri Lanka learned that the government was planning to amend the Voluntary Social Service Organizations Act. If enacted, the bill would have placed Sri Lanka among the most restrictive legal environments in South Asia. The bill raised many concerns for civil society and philanthropy, including mandatory registration, limitations on funding sources, and extensive banking supervision.

The government cited outdated Financial Action Task Force (FATF) standards as one of the key justifications for the bill. They claimed the draft amendments would bring the country in line with international standards.

FATF promotes standards on measures to counter money laundering, terrorist financing, and other threats to international financial systems. ICNL provided a detailed analysis of the draft law and how the FATF standards recently changed. As a result, our partners were prepared to constructively engage with the government.

Not only did our partners convince the government to withdraw the bill, the government also agreed to the formation of a CSO committee, which will prepare alternative draft amendments. Consultations between the CSO committee and the government have been held and the drafting of new provisions is underway.

ICNL has extensive experience working with FATF. In 2013 ICNL and the European Center for Not-for-Profit Law (ECNL) formed a coalition to help reform the original standards. As our partners noted, “[ICNL’s] analysis on the proposed amendment had been widely read and shared [and the points on] FATF were used by at least three of us to rebut the argument put forward by the Government.”

UNSR Voule has hit the ground running. With ICNL’s assistance, he convened three civil society consultations within the first three months of his term. The consultations gave him the opportunity to hear from civil society in mapping his mandate’s priorities.

In July, UNSR Voule submitted his report to the UN Human Rights Council on his vision for the mandate. Recently, we worked together on his first report to the UN General Assembly, which focused on the Sustainable Development Goals and the rights to peaceful assembly and association. As with his predecessors, ICNL will provide research and other support throughout UNSR Voule’s term.

A NEW VOICE IN THE UN: CLÉMENT NYALETSOSSI VOULE

ICNL actively engages with the United Nations (UN) to enhance international norms, including the UN Special Rapporteur (UNSR) on the rights to freedom of peaceful assembly and of association.

In March 2018, ICNL and ECNL welcomed the appointment of Clément Nyaletsossi Voule as the new UN Special Rapporteur on these rights, and we reaffirmed our commitment to supporting the mandate.

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The government cited outdated international standards to justify the restrictive draft amendments. As our partners noted, “[ICNL’s] analysis on the proposed amendment had been widely read and shared [and the points on] FATF were used by at least three of us to rebut the argument put forward by the Government.”

(photo credit: Chathura Indika)
STRENGTHENING LOCAL ACTORS

In Brazil, LGBT activists have long faced legal barriers that limit their right to peaceful assembly. These include local regulations that prescribe complex, time-consuming, and costly application processes - deterring the community’s ability to demonstrate in public spaces.

In 2017, ICNL worked with Welton Trindade, one of Brazil’s leading LGBT activists and Pride March organizers, to conduct a study that gathered data on practices affecting over 100 Pride Marches in the country.

The study revealed a discrepancy: while some jurisdictions had model practices to promote assemblies, others saw significant violations of the Brazilian Constitution and international law. The takeaway: some of Brazil’s barriers to freedom of peaceful assembly could be removed by better implementing national laws and sharing local best practices.

ICNL helped Trindade and other LGBT activists use the data to promote dialogue between Pride March organizers and government representatives. For example, in Brazil’s Federal District – one of the worst performing jurisdictions – Trindade’s study findings and the personal stories of Pride March organizers opened the door for a discussion with authorities on how to better manage assemblies. As a result, the Federal District authorities are now open to considering improved laws.

In light of a shifting political landscape, this trailblazing work highlights how peaceful protesters in Brazil can successfully work with local governments. Thanks to Trindade’s research, Brazilian activists now have more powerful voices in advocating for freedom of peaceful assembly.

FINDING ANSWERS AT HOME IN BRAZIL

In June 2018, ICNL convened a group of organizations to address the growing trend of anti-protest laws being introduced at the state and federal level in the United States. ICNL brought together groups focused on civil liberties, the environment, racial justice, campus speech, and labor to discuss this concerning trend. The group recognized that a more coordinated approach would strengthen the movement.

Since the meeting, the coalition’s activities and membership have grown. It has organized sub-groups to address specific types of anti-protest bills, such as those targeting campus speech or environmental protests. Some partners have focused on mobilizing local responses through their connection to grassroots groups. Others have focused on legal and policy analysis.

The meeting was critical to cementing relationships between diverse partner organizations. The coalition will continue to draw on the strengths of different members to protect the freedom of peaceful assembly in the United States.

PROTECTING PROTEST THROUGH COALITION BUILDING IN THE UNITED STATES

After gathering data on regulations affecting over 100 pride marches across Brazil, Trindade (pictured above) concluded that “the study supported by ICNL shows that the solutions to barriers to freedom of peaceful assembly are right here in Brazil.”

(photo credit: ICNL)
NAVIGATING RESTRICTIONS

BUILDING COOPERATION AFTER CONFLICT IN IRAQI KURDISTAN

After the war with ISIS in 2014, Kurdistan’s regional government began to increase restrictions on civil society organizations (CSOs) – ostensibly for security purposes. Registration became burdensome and costly. Rural organizations had to travel to the capital several times to be registered and pre-approval for CSO activities became required. Additionally, the government was difficult to engage with in dialogue. The restricted space hampered civil society’s ability to do meaningful work.

A turning point came in 2017, when the government agreed to create several joint committees with CSOs to explore ways to work through these problems.

ICNL capitalized on this opportunity by partnering with a local group, Humanitarian Help Hands (3H), to shape civil society’s contributions. With funding and technical support from ICNL, 3H led three civil society consultations and participated in a dozen meetings between regional authorities and joint CSO committees.

The initial results have been positive. Kurdistan’s NGO Department, for example, has agreed to develop an e-registration system to make registration quick, easy, and inexpensive. The government has also agreed to examine the need for CSO activity pre-approvals.

With a boost from ICNL, 3H has expanded civic space in Kurdistan and is poised to advocate for further improvements.

“Having a regular forum to sit down with government officials and talk through the issues has made all of the difference. Thanks to these working groups and meetings, we’ve made real progress in protecting the right to freedom of association in Kurdistan.”

ICNL’s Kurdistan partner, 3H

After the 2014 war with ISIS, Iraqi Kurdistan’s government increased restrictions on civic space, hampering civil society’s ability to do meaningful work. A turning point came in 2017, when Kurdish CSOs were able to successfully engage with the government to rebuild trust.

(Photos: credit: funky-data)

Antique Kurdish woven grain bag
CREATING KNOWLEDGE

Over the past two years, ICNL has worked with partners to conduct a landmark study of civic freedoms in Morocco, Tunisia, Lebanon, Jordan, and Kuwait. The report crunched data from nearly 4,000 surveys of the public and civil society. The information revealed insights on how people experience civic freedoms in their daily lives.

Moving beyond research, ICNL used these findings to take action. Together with our partners, we took what we learned and developed pilot projects to address some of the challenges that came up in our research.

In Morocco, for example, civil society organizations (CSOs) struggle to secure sustainable funding. The data identified a gap between those who said they were willing to donate to CSOs (54%) and those who do (21%). One reason for this is the country’s legal barriers to local philanthropy. This includes the prohibition of crowdfunding, which is otherwise common in the region. Crowdfunding involves raising small amounts of money from a large number of people, typically over the internet, allowing organizations to easily fundraise online.

Recently, Morocco’s government issued a draft law to legalize crowdfunding. In response, we worked with local partner, the Moroccan Center for Innovation and Social Entrepreneurship (MCISE), to raise awareness about the issue. We held a daylong workshop with CSOs, academia, government, and parliament; provided analysis of the draft law; and helped develop an advocacy strategy for improving the proposed legislation.

Thanks to these efforts, MCISE is ready to push to make crowdfunding a reality in Morocco, laying the groundwork for more sustainable funding in the future.

TURNING RESEARCH INTO ACTION IN THE MIDDLE EAST AND NORTH AFRICA

In a February 2018 report from ICNL, we explored the impact of closing civic space on the HIV response in East Africa. In its Declaration to end the HIV epidemic by 2030, the UN called on all member states to work with civil society organizations (CSOs) to help put HIV response on the fast track. Yet in Ethiopia, Uganda and Kenya, CSOs face a host of regulatory challenges including restrictions on their funding and operations, and the criminalization of key populations and organizations who work with them.

The report finds that the ability of civil society organizations to carry out their work is a critical component of any national HIV response. It calls on governments, HIV coordinating authorities, international human rights mechanisms and CSOs to work together to improve the laws.

However, the report’s biggest impact was its bridging effect. It sparked conversations between different sectors of civil society that may not otherwise collaborate. Organizations focusing on healthcare, governance, and democracy have come together, broadening the coalition to protect civic space.

ICNL is now working with a diverse range of players to make the report’s recommendations a reality and to expand the research to more countries.

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SPARKING CONVERSATION: CIVIC SPACE AND THE HIV RESPONSE IN EAST AFRICA

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RAISING AWARENESS

BUILDING TRUST THROUGH SHARED LEARNING IN CENTRAL ASIA

In June 2018, ICNL hosted a United States study tour for civil society representatives and government officials from Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan. The visit allowed participants to explore the positive role that civil society organizations play in the US and how government and CSOs can effectively work together, including at the local level.

The tour provided them with the opportunity to see how this cooperation works in practice. In one example, participants learned about the contribution of the US nonprofit sector to the economy and its role as a provider of public services. They learned firsthand from local government agencies such as Fairfax County’s Department of Health and Human Services about how they work with local nonprofits to better address homelessness in their community.

The opportunity for civil society and government to witness such positive outcomes created fertile ground for future cooperation. The tour has fostered mutual understanding and built trust between CSO and government participants, which has already yielded positive results.

In Kazakhstan, civil society participants have drafted amendments to the tax code aimed at improving the environment for CSOs. Government officials – including a key official from the tour – have expressed their support.

In Tajikistan, the Ministry of Justice invited CSOs to participate in a public discussion on proposed changes in legislation. Opportunities for such dialogue are rare. Government officials who participated in the study tour played a key role in initiating the meeting and engaging other government agencies to take part.

By raising awareness about the value of civil society, ICNL fostered collaboration for a more enabling environment in Central Asia.

“Thank you to the whole ICNL team! The program was extremely intensive and useful for me. We will be able to choose from a vast range of information and methods that will be useful in Kazakhstan. I think that positive changes are inevitable.”

Sergey Gulyaev, General Director of Decenta, a public foundation in Kazakhstan

Participants from the study tour were able to learn firsthand how the government and civil society organizations can effectively collaborate. (Photo credit: ICNL)

Embroidered textile from Tashkent, Uzbekistan
ICNL’S KNOWLEDGE RESOURCES

BY THE NUMBERS

The success of our work is strengthened by current and accessible information. ICNL publishes research and data on a diverse range of issues relevant to civil society – from our US Protest Law Tracker to our Civic Freedom Monitor. Highlights from our publications in 2017-2018 include:

- **3,937** Documents in our online library, from over 200 countries
- **64** Bills analyzed in our US Protest Law Tracker, which monitors state and federal legislation affecting assembly rights
- **62** Countries on which ICNL has published reports and analysis
- **111** Reports in our Civic Freedom Monitor - covering 54 countries and 8 multilateral organizations
- **9** Countries covered in our Philanthropy Law Reports series

A key part of our mission is identifying new areas that will affect civic freedoms in the future. In the coming year, we plan on diving deeper into emerging issues, including:

**ARTIFICIAL INTELLIGENCE**

The future of democracy is entangled with artificial intelligence (AI). Yet little attention has been paid to how AI can affect civic space. In April of 2018, ICNL convened technologists, human rights organizations, diplomats, and CSO lawyers to discuss challenges and opportunities in this area. Currently, ICNL is building an initiative to ensure that promoting human rights and civic freedoms are key considerations in the development of AI technology and policy. We are also working with partners to help CSOs responsibly use AI to advance their missions.

**SAFEGUARDING DEMOCRACY WHILE PROTECTING CIVIC SPACE**

Countries are concerned about foreign meddling in democratic elections. In response, governments are introducing overbroad “fake news” laws and other restrictive legislation. This is reminiscent of the aftermath of September 11, when governments responded to legitimate security concerns with legislation that inappropriately restricted civil society and philanthropy. In response to this, ICNL is launching an initiative to help develop appropriate responses to safeguard democracy while protecting civic space.

Through these and other initiatives, we respond to today’s challenges, while helping to shape the future of civic space.
## Our 2017 Finances

<table>
<thead>
<tr>
<th>PUBLIC SUPPORT &amp; REVENUE</th>
<th>Unrestricted</th>
<th>Temporary restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. and other government grants</td>
<td>--</td>
<td>$6,877,472</td>
<td>$6,877,472</td>
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<tr>
<td>Foundation and corporation grants</td>
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<td>$3,140,145</td>
<td>$3,140,145</td>
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<tr>
<td>Contracts</td>
<td>$229,618</td>
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<td>$229,618</td>
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<tr>
<td>Interest and dividend income</td>
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<td>$23,222</td>
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<tr>
<td>Net appreciation of investments</td>
<td>$65,354</td>
<td>--</td>
<td>$65,354</td>
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<tr>
<td>Other revenue</td>
<td>$1,702</td>
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<td>$1,702</td>
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<tr>
<td>Net assets released from donor restrictions</td>
<td>$6,966,468</td>
<td>($6,966,468)</td>
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<tr>
<td><strong>Total revenue</strong></td>
<td><strong>$7,286,364</strong></td>
<td><strong>$3,051,149</strong></td>
<td><strong>$10,337,513</strong></td>
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</table>

## Expenses

<table>
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<tr>
<th>EXPENSES</th>
<th>Unrestricted</th>
<th>Temporary restricted</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Program services</td>
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<td>$5,287,930</td>
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<tr>
<td>General and administrative</td>
<td>$1,866,149</td>
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<td>$1,866,149</td>
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<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$7,154,079</strong></td>
<td>--</td>
<td><strong>$7,154,079</strong></td>
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</tbody>
</table>

| Change in net assets | $132,285 | $3,051,149 | $3,183,434 |

## Net Assets

<table>
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<th>NET ASSETS</th>
<th>Unrestricted</th>
<th>Temporary restricted</th>
<th>Total</th>
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<tbody>
<tr>
<td>Beginning of year</td>
<td>$1,999,505</td>
<td>$8,535,033</td>
<td>$10,534,538</td>
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<td>End of year</td>
<td>$2,131,790</td>
<td>$11,586,182</td>
<td>$13,717,972</td>
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</tbody>
</table>

For more information on ICNL's finances, please see our 2017 IRS Form 990 here.

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## ICNL's Leadership

### Board of Directors

- **Oonagh Breen**
  - Chair
  - Ireland
- **Barbara Ibrahim**
  - Vice-Chair
  - Egypt
- **Suneeta Kaimal**
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- **Emile van der Does de Willebois**
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  - Netherlands
- **Mary Beth Goodman**
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  - Venezuela
- **Bindu Sharma**
  - Singapore/India
- **W. Aubrey Webson**
  - Antigua and Barbuda

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  - Argentina
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- **Noshir Dadrawala**
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  - Sri Lanka
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  - Kenya
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