

ANNUAL REPORT

'16

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PHOTO: LICADHO

Civil Rights Defenders continues to fight for greater protection for human rights defenders at risk.

RESPECT FOR HUMAN RIGHTS IS THE ONLY SUSTAINABLE PATH TO A SAFER WORLD

We live in a time when the credibility of the established media is questioned, and the number of “likes” on social media seems more important than facts. Fears are instilled in people and exploited on the basis of political agendas that do not share in the vision of the equality of all human beings. The spirit of the times affects everyone, regardless of political affiliation, and the globalisation we previously praised so highly is more and more often replaced by an increasingly narrow world view. It is therefore becoming all the more important to maintain perspective.

At the end of 2015, according to the UN Refugee Agency, UNHCR, 65 million people were fleeing

various areas of conflict in the world. Of them, 41 million were displaced within their own country, 21 million were displaced outside their own country, and 3 million had formally sought asylum in another country. More than half of all refugees were children.

In Sweden and other parts of Europe, there have been reports of a crisis and the governments of these countries have found themselves compelled to take steps to manage it. This crisis has mainly referred to the reception of refugees and the associated efforts for the host country, rather than the tragedy unfolding for the 65 million people in search of protection.

Over 90 percent of the 21 million people who managed to escape their own countries in 2015 ended up in developing countries, often in those neighbouring the conflict area they fled. Turkey received the greatest number of refugees (2.5 million), while Lebanon accepted the greatest number of refugees in relation to population, and the Democratic Republic of the Congo in relation to GDP.

The developed nations of the world received a total of 2 million applications for asylum, which admittedly was a record but still relatively modest in view of the 2.5 million people Turkey alone received. 441,900 applications for asylum were submitted to Germany, and Sweden received 163,000 asylum seekers. In 2016, the Swedish Migration Agency delivered a positive response in 77 percent of all its decisions.

REDUCED NUMBER OF ASYLUM APPLICATIONS – SAME NEED FOR PROTECTION

The Swedish Migration Agency submits four activity and cost projections per year to the government. In the third projection for 2015, dated 23 July, the agency made a downward revision of the projection from 80,000 to 74,000 asylum seekers, while also noting that “it is more likely that future projections will be lowered rather than raised”.

Three months later, roughly 95,000 people had applied for asylum in Sweden and at the end of the year the figure was 163,000 – more than double the number projected by the Migration Agency five months earlier. Or, in the agency’s own words in the October projection: “The calculations in the July projection were, in other words, obsolete as early as August”.



PHOTO: JACOB ZOCHERMAN

In April 2016, we presented the Civil Rights Defender of the Year Award to Intigam Aliyev from Azerbaijan, who had been imprisoned for his work as a human rights lawyer. Aliyev was released just before the award ceremony in Stockholm, but a travel ban prevented him from going to Sweden to receive his award. Instead, the award was received by his son Necmin Kamilsoy.

In its annual report for 2014, the Swedish Migration Agency writes that, because of uncertain external developments, it has “developed the work on projections and external monitoring” and that it can, “through structured external monitoring (...), at an early stage identify key events and driving forces of significance for migration to Sweden”. Given the projection and outcome for the second half of 2015, the Migration Agency’s projection development and structure leave a lot to be desired. Instead, there is much to suggest that misplaced priorities and deficiencies in external monitoring meant that the Migration Agency and other authorities reacted far too late in relation to the large number of refugees seeking asylum in Sweden in the autumn of 2015. When the government finally reacts, it does so with a vengeance – in November, the government presents a number of proposals aiming to “create breathing space for Swedish refugee reception”. As a result, people in need of precisely breathing space from war and other horrors are forced to seek protection elsewhere: by comparison, 29,000 people sought asylum in Sweden during 2016, and this not because of a reduced need.

The greater values that are under threat, such as compassion and respect for international human rights law, are therefore forced to give way because the government and its agencies did not adequately predict, manage and prioritise solutions to big yet relatively common political challenges regarding crisis response, housing solutions, human resources, etc.

WE CONTINUE TO FIGHT FOR A SAFER WORLD

Herein lies the major challenge for the human rights movement – and perhaps for humanity – over the coming years. We know how to act in relation to dictatorships and other authoritarian, undemocratic states, and we usually have the resources. But when human rights are called into question or even disregarded in our own backyard, we are often unprepared.

New laws in Sweden and other democracies risk strengthening and making permanent already restrictive legislation, particularly in the area of asylum law. This opens a clear path for European politicians who, for various reasons, want to abandon several of the fundamental rights that leaders around the world saw as imperative to enshrine in law after suffering two world wars within a few decades.

That which on the surface may appear as isolated measures, and often presented as temporary, may also be interpreted as the preliminary phase of a systematic – albeit disorganised – dismantling of our fundamental rights and freedoms. This is of particular concern as human rights, as expressed in different international conventions, are indivisible – in other words, interdependent and mutually reinforcing. If rights are dismantled in one area, it has repercussions in other rights areas.

Respect for human rights is, now as then, the only sustainable and practicable path towards a safer world. Your support for organisations like Civil Rights Defenders is therefore more important than ever. Through our work, we can continue to strengthen local human rights organisations in more parts of the world and operate in concrete ways to ensure that people are both aware of and able to enjoy their rights. We can also strengthen our work at home, using commitment, knowledge and the legal system to ensure that Sweden and other democracies are, and remain, role models in the area of human rights.



PHOTO: DAVID LAGERLÖF

Stockholm, March 2017

Robert Hårdh
Executive Director

ANNUAL REPORT 2016 CIVIL RIGHTS DEFENDERS

MANAGEMENT REPORT

Organisation ID no. 802011–1442

Registered Office Stockholm

The Board of Directors and Executive Director of Civil Rights Defenders herewith present the annual report for the 2016 financial year.

PURPOSE

Civil Rights Defenders is an international and independent human rights organisation. The organisation defends people's civil and political rights and empowers human rights defenders at risk, in Sweden and in countries in the world where respect for human rights is at its weakest.

Civil Rights Defenders believes that a world where people's freedoms and rights are respected is a safer and more peaceful world for us all. This is also expressed in the vision that Civil Rights Defenders strives to achieve through its work.

VISION

A peaceful and safe world with freedom and justice for all.

GOAL

Civil Rights Defenders's overall goal is to improve people's access to freedom and justice through greater respect for their civil and political rights. To achieve this, three clearly defined objectives guide all efforts:

1. People are able to exercise their civil and political rights through:
 - increased access to legal aid.
 - increased access to information.
2. The state takes responsibility for the fulfilment of human rights by:
 - improving human rights legislation.
 - improving the application of human rights.
3. Local human rights defenders are empowered by:
 - improved organisational capacity.
 - improved protection for human rights defenders at risk.

WORKING METHODS

Investigation and accountability mechanisms:

Civil Rights Defenders investigates and holds the state authority accountable when legislation or its application goes against civil and political rights. This is achieved by scrutinising laws, draft legislation and regulatory activities, as well as by bringing lawsuits against states and those in power who violate human rights.

Public opinion and advocacy: Civil Rights Defenders engages in opinion-forming and advocacy work, both independently and with partners. The organisation runs campaigns and provides information through seminars, reports, and mailings etc. In totalitarian states, the message is communicated through independent information in the alternative media and other discussion and debate forums.

Support and education: Civil Rights Defenders raises awareness of the situation of human rights defenders while giving them the support they need to continue their vital work. The organisation works continuously to improve its own and its partner organisations' methods of reporting and result control. Training and skills development are prioritised internally and externally.

ORGANISATION

Civil Rights Defenders is a non-profit organisation. Gerald Nagler is the organisation's founder and honorary chair.

The annual general meeting (AGM) is the organisation's highest decision-making body. Membership is conditional on supporting the organisation's goals and core values (as expressed in international human rights treaties) as well as a willingness to work towards them. Membership dues for 2016 were SEK 300.

The AGM elects the board, which at the end of 2016 consisted of six members – four women and two men. Five board meetings were held during the year. There is no remuneration for work carried out by the organisation’s honorary chair, the chair of the board, and the board members. Kristina Scharp (Associate Director) and Susanne Urwitz (Lawyer) were appointed to the nomination committee at the 2016 AGM.

BOARD OF CIVIL RIGHTS DEFENDERS:

Benedicte Berner (Media Analyst) Chairperson of the Board

Anna Jonsson Cornell (Professor) Board Member

Carin Norberg (Chair, Center for Economic and Social Rights) Board Member

Christoffer Lindblad (Founder and Partner, Pelago AB) Board Member

Elisabeth Tamm (Director, Tax and Family Law, Bank of Åland) Board Member

Fredrik Andersson (Entrepreneur) Board Member

CIVIL RIGHTS DEFENDERS PERSONNEL:

Civil Rights Defenders is an expert organisation, with the majority of its work carried out by employed staff at the head office in Stockholm and field offices in Belgrade, Bogotá, Chisinau, Pristina, Sarajevo, Southeast Asia and Tirana. The total number of employees at the end of 2016 was 49, of whom 30 were women and 19 were men.

Distribution by office		
	Women	Men
Stockholm	19	14
Belgrade	1	4
Bogotá	1	-
Chisinau	2	-
Pristina	2	-
Sarajevo	2	-
Southeast Asia	1	1
Tirana	2	-
Total	30	19

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Civil Rights Defenders continues to grow and during 2016 we expanded our work on strengthening human rights around the world.

Our work in **Sweden** focused on, among other things, the rights of vulnerable EU citizens and human rights in compulsory care.

At the beginning of the year, we sent a report to the United Nations Human Rights Committee in Geneva, in which we described a number of human rights problems in Sweden that are contrary to the International Covenant on Civil and Political Rights. We conducted active lobbying of the Committee, which later released a separate report with clear influences from our work. The Committee made sharp demands on Sweden based on several of the shortcomings Civil Rights Defenders had pointed to.

We also worked on the high-profile case of Sinthu Selvarajah, a 28-year-old man who died during a police intervention at a psychiatric ward in Västerås at the end of 2014. Civil Rights Defenders is acting legal counsel in the case, which continues into 2017.

On 10 June, Civil Rights Defenders won a historic victory against the Swedish State in the Stockholm District Court, in a case regarding a register of Roma people compiled by the police authority in Skåne. The State was convicted of having registered eleven people, including three children, on ethnic grounds and is thereby guilty of ethnic discrimination. Civil Rights Defenders is acting legal counsel in the case, which will be brought before the Svea Court of Appeal in 2017.

Throughout the year, we also increased our presence in **Latin America**. We engaged a programme officer who is based in the Colombian capital, Bogotá. From Bogotá, we coordinated activities such as knowledge exchange between Cuban and Colombian human rights defenders. Together with Cuban human rights defenders, we have also monitored and criticised the EU’s efforts to draft an agreement with the Cuban government, as Cuban civil society was excluded from the negotiations.

The former department for Eastern Europe and Central Asia was renamed **Eurasia** in 2016. The department has grown and during the year we obtained the resources to increase our work in the region. We have, for example, worked on Russia, where the authorities intensified their attempts to silence the country’s independent journalists and human rights lawyers. Civil Rights Defenders has responded by increasing support to human rights defenders. In April, we also launched the report “Put(t)in(g) the Lid on Freedom of Expression in Russia”, which highlights the state’s attempts to silence those who stand up for human rights in the country.

During 2016, we played a prominent role in the human rights work leading up to the UN's review of Moldova within the framework of the Universal Periodic Review. Together with our partners, we wrote a report on the human rights situation in the country, which we sent to the United Nations Human Rights Council. When the council passed on its recommendations to the Moldovan government, it was clear that it had been influenced by Civil Rights Defenders' report.

In 2016, we made the decision to close the field office in Moldova by early 2017. Our presence in the country has allowed us to work closely with our Moldovan partners and support new organisations in their development, but due to a lack of funding we are forced to cut down our operations. We are, however, continuing to work with our partners, albeit on a smaller scale.

On 4 November, Civil Rights Defenders Trans-European Moot Court Finals took place at the European Court of Human Rights in Strasbourg. Civil Rights Defenders started the competition, which brings together law students to participate in simulated trials with focus on human rights, for **the Western Balkans** in 2007. Since its inception, close to 900 students have participated and had the opportunity to argue their cases on current human rights issues before judges in the European Court of Human Rights.

Civil Rights Defenders' work in **Southeast Asia** is moving forward. On the International Day for the Elimination of Racial Discrimination, one of our partner organisations organised a large conference on racism and discrimination in Myanmar with our support. 129 civil society organisations from around the country participated in panel discussions and workshops on the topic. The conference enabled us to lay the foundation for a formal working group

to address discrimination against, for example, the country's minority groups.

In 2016, Civil Rights Defenders' mobile training centres organised 19 safety courses for a total of 160 human rights defenders. We focused particularly on improving the safety of human rights defenders at extreme risk in **East Africa**.

Elections were held in Uganda in February. Civil Rights Defenders monitored the development closely and compiled an in-depth analysis of the election.

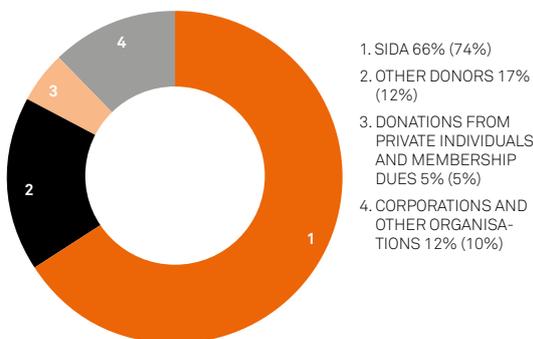
Throughout the year, we monitored the continuing, widespread violations of human rights in Ethiopia. We also implemented a mentoring project for human rights in Kenya, aimed at young journalists and human rights defenders.

In early April, Civil Rights Defenders welcomed around 160 human rights defenders to the Defenders' Days conference. In addition to the participants, who this year represented 35 countries from four continents, we also invited panellists and experts within several subject areas. On the last day of the conference, we presented the Civil Rights Defender of the Year Award to the human rights lawyer Intigam Aliyev from Azerbaijan.

In 2016, Civil Rights Defenders' management team made the strategic decision that Defenders' Days, which has been an annual conference since its inception in 2013, from now on will be organised on a biannual basis.

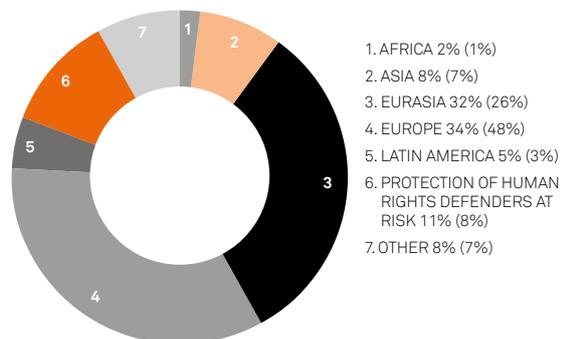
Through Civil Rights Defenders' **Emergency Fund**, which helps human rights defenders who are in imminent danger, we have performed 31 interventions for individuals and organisations, thereby increasing the safety of more than 100 human rights defenders at risk. About half of the cases have involved helping human rights defenders under threat temporarily move to safety within or outside their country.

REVENUE 2016



Total revenue incl. interest income SEK 79,185 (85,582) thousand
(Figures in brackets refer to 2015)

SPECIAL PURPOSE EXPENSES 2016



Total special purpose expenses SEK 70,087 (77,655) thousand
(Figures in brackets refer to 2015)

The Natalia Project – the world’s first assault alarm for human rights defenders at risk – grew by 31 participants during 2016. The Natalia Project now covers more than 100 human rights defenders from three continents.

During 2016, Civil Rights Defenders intensified the work on innovation for human rights. At the end of the year, we appointed a project manager for the special project **Human Rights Innovation Initiative** (HRII) – an initiative to develop innovative solutions to the concrete problems faced by human rights defenders. The initiative is funded by the Swedish Postcode Lottery, which awarded Civil Rights Defenders SEK 9 million for the project in 2015. In 2016, Civil Rights Defenders also launched a collaboration with the University of California, Berkeley, to promote the HRII project.

Throughout the year, Civil Rights Defenders organised several events for LGBTQ rights around the world. For example, we supported QueerFest in Saint Petersburg for the eighth consecutive year. The Stockholm Pride parade took place on 30 June and Civil Rights Defenders participated together with several partners from Eurasia and the Western Balkans. We invited a total of 25 human rights defenders from these regions to take part in the Pride Week.

At the end of 2015, the Swedish government announced severe cuts to the aid budget. For Civil Rights Defenders, in 2016 this resulted in substantially reduced support for our collaboration in the Western Balkans in connection with scheduled renegotiations. Sida (Swedish International Development Cooperation Agency) is one of Civil Rights Defenders’ main donors.

ORGANISATIONAL CHANGES

In 2016, Civil Rights Defenders underwent a reorganisation that enables continued planned growth. The current size of the organisation and the strategy going forward make greater demands on effective processes and coordination, which has resulted in changes to the management structure.

2016 also saw the appointment of a chief operating officer, who has started the process of streamlining the operations and creating an attractive workplace. Among other things, there is now a clear process for the short and long-term planning of operations, at both an organisational and an individual level, and there will be a strong focus on the work environment and organisational culture in the coming future.

FULFILMENT OF PURPOSE

The primary mission of Civil Rights Defenders is to defend human rights and strengthen human rights defenders at risk. We do this independently or in cooperation with our partners by scrutinising those in power, demanding accountability for human rights violations in Sweden and internationally, leading the debate on current human rights issues, and monitoring the rights of minorities by pursuing legal cases in national and international courts, committees, and tribunals.

We strengthen the capacity of human rights defenders at long-term risk by providing them with the tools they need to best carry out their vital work. We also increase the protection of these vulnerable persons through training programmes and by including them in the Natalia Project, the world’s first alarm system connected to social media for human rights defenders at risk. We also seek to raise international awareness about human rights defenders at risk in order to improve their protection and give them the strength and inspiration to continue their work.

FUTURE DEVELOPMENT

During the year, Civil Rights Defenders has adopted a strategy with the aim of continued ambitious growth. Over the coming few years, we will focus on fundraising in Sweden and abroad to meet the need for resources associated with continued expansion.

A reorganisation of the Communication and Fundraising Department has been initiated. It will be divided into two departments to facilitate clearer prioritisation of our fundraising activities. We are

MULTI-YEAR COMPARISON

	2016	2015	2014	2013	2012
Total revenue including interest and similar income (SEK thousands)	79,185	85,582	71,879	61,681	51,202
Project expenses/total revenue	89 %	91 %	94 %	94 %	91 %
Fundraising expenses/total revenue	4 %	1 %	2 %	1 %	3 %
Administrative expenses/total revenue	5 %	3 %	3 %	4 %	6 %

also making geographical changes to our work in Asia and Europe; as a result, our Southeast Asia Department has merged into an Asia Department and our Department for the Western Balkans has become a Europe Department, which also includes Turkey. We also intend to develop our work in the Middle East/Arabian Peninsula.

For resource and innovation reasons, our annual capacity-building conference for the world's most vulnerable human rights defenders, Defenders' Days, will from 2017 become a large biannual conference (even years). Only the ceremony for the Civil Rights Defender of the Year Award will be held annually.

RISK ASSESSMENT AND MANAGEMENT

Civil Rights Defenders performs systematic risk assessment and risk management by identifying, analysing, and working to ensure that unforeseen events or circumstances do not have a negative impact on expected results. By analysing, documenting, and monitoring risks carefully and systematically, their adverse effects can be mitigated.

In risk management, we differentiate between internal risks, such as the lack of adequate human resources, capacity or management functions, reporting of results, financial control and corruption, and external risks, such as unexpected political, institutional, economic, environmental, social or technical circumstances.

Civil Rights Defenders uses an integrated risk management approach, which involves a continuous, proactive, and systematic process to understand, manage and communicate risks from a broad perspective. It also means making strategic decisions that contribute to achieving the organisation's overall objectives.

The Board of Civil Rights Defenders conducts an annual assessment of the risks reported by the executive management and how these have been managed. Based on the analysis of risk assessment and risk management, the board decides on an annual risk management plan and assesses the extent to which it will influence strategic decisions and future business directions.

Civil Rights Defenders works in countries with a high risk of corruption and where human rights work in many cases is prohibited. It is therefore important to take preventive measures. The organisation has a zero-tolerance policy and an anti-corruption working group. The working group deals with reported suspicions of corruption, and maintains and develops best practices for compliance with the policy.

CODE REPORT BASED ON FRII GUIDELINES

Civil Rights Defenders follows the Code of Quality issued by FRII (Swedish Fundraising Council). See www.frii.se. The Civil Rights Defenders Impact Report from 2015 is available on our website www.crd.org.

FUNDRAISING

Civil Rights Defenders' financial development remains positive. In 2016, we raised approximately SEK 13,400 thousand from companies and the public, which corresponds to an increase of about SEK 1,000 thousand, or 8.4%, compared with 2015.

Today, we have donors who give individual amounts as well as more than 1,220 monthly donors, which is an increase of about 70 monthly donors since 2015. Monthly donations are important for us, as they allow long-term planning and stability, and reduce administration costs. In 2016, funds raised from private individuals increased by almost 15 percent, bringing in approximately SEK 3,900 thousand.

During the year, H&M, Millicom, Moggleden, Twitter, Google and other companies contributed SEK 2.1 million to our operations through donations and partnership initiatives.

As a beneficiary of the Swedish Postcode Lottery, Civil Rights Defenders received SEK 7 million in the annual distribution, which is the same amount as in the previous year.

To create financial strength and long-term stability, our priorities for the period ahead will include increasing the number of monthly donors, diversification of the donor segments, and increased digitisation. There will also be a major focus on strengthening partnerships with relevant companies and developing fundraising activities internationally.

The continued development of our fundraising activities will be driven by innovation, committed staff, and efficiency. In this way, we want to get more people and companies involved in achieving long-term change and increased respect for human rights.

RESULTS AND FINANCIAL POSITION

Profit for the year amounted to SEK 1,601,542, of which SEK 309,283 is to be allocated to the Emergency Fund, set up and funded by the OAK Foundation. Profit after the appropriation, SEK 1,292,259, will be carried forward. Retained earnings amount to SEK 6,771,851.

STATEMENT OF FINANCIAL ACTIVITIES

		<i>Amounts in SEK</i>	
	Note	2016	2015
Operating income	3		
Membership dues		32,400	36,300
Donations		13,391,759	12,352,181
Grants		64,842,200	72,618,122
Other revenue		388,893	429,525
Total operating income		78,655,252	85,436,128
Operating expenses	4, 5		
Project expenses	6	-70,087,488	-77,654,611
Fundraising expenses		-3,498,630	-1,081,433
Administrative expenses	7	-3,995,000	-2,940,104
Total operating expenses		-77,581,118	-81,676,148
Operating results		1,074,134	3,759,980
Interest and similar income	8	530,161	146,175
Interest and similar expenses		-2,753	-4,088
Profit after financial items		1,601,542	3,902,067
Profit for the year		1,601,542	3,902,067
Allocation of profit for the year			
Profit for the year according to the statement of financial activities (see above)		1,601,542	3,902,067
Provisions for special purpose funds		-309,283	-142,152
Utilisation of special purpose funds		-	146,984
		1,292,259	3,906,899

BALANCE SHEET

		<i>Amounts in SEK</i>	
ASSETS	Note	31/12/2016	31/12/2015
Current assets			
Current receivables			
Accounts receivable		157,838	377,099
Other receivables		465,323	418,643
Prepaid expenses and accrued income	9	1,197,300	1,668,820
Current receivables		1,820,461	2,464,562
Cash and bank balances		52,928,752	49,565,297
Total current assets		54,749,213	52,029,859
Total assets		54,749,213	52,029,859
EQUITY AND LIABILITIES			
Equity			
Special purpose funds		320,721	11,438
Retained earnings		6,771,851	5,479,592
Total equity		7,092,572	5,491,030
Current liabilities			
Accounts payable		2,141,535	1,728,145
Received, unutilised grants	10	39,159,554	38,955,919
Other liabilities		760,731	277,614
Accrued expenses and deferred income	11	5,594,821	5,577,151
Total current liabilities		47,656,641	46,538,829
Total equity and liabilities		54,749,213	52,029,859

CHANGES IN EQUITY

	Special purpose funds (Emergency fund)	Retained earnings	<i>Amounts in SEK</i> Total equity
Opening balance	11,438	5,479,592	5,491,030
Special purpose designated by donor	309,283	-309,283	-
Utilised	-	-	-
Profit for the year		1,601,542	1,601,542
Closing balance	320,721	6,771,851	7,092,572

Brave people around the world are defending the rights of others without a thought to their own safety. The Emergency fund enables us to assist these people at risk and in emergency situations.

CASH FLOW ANALYSIS – INDIRECT METHOD

	<i>Amounts in SEK</i> 2016	2015
Operating activities		
Operating profit	1,074,134	3,759,980
	1,074,134	3,759,980
Interest received	345	4,128
Interest paid	-2,753	-4,088
Cash flow from operating activities before changes in working capital	1,071,726	3,760,020
Changes in working capital		
Change in accounts receivable	219,261	-377,099
Change in other current receivables	424,840	-181,305
Change in accounts payable	413,390	906,058
Change in other current liabilities	704,422	-16,295,188
Cash flow from operating activities	2,833,639	-12,187,514
Cash flow for the year	2,833,639	-12,187,514
Cash and cash equivalents at beginning of year	49,565,297	61,610,764
Exchange differences related to cash and bank balances	529,816	142,047
Cash and cash equivalents at end of year	52,928,752	49,565,297

NOTES

NOTE 1 ACCOUNTING AND VALUATION PRINCIPLES

The accounting and valuation principles comply with the Swedish Annual Accounts Act, BFAR 2012:1 (K3), and the Swedish Fundraising Council's (FRU) governing guidelines for annual reports, unless otherwise stated below. The accounting principles remain unchanged from the previous year.

STATEMENT OF FINANCIAL ACTIVITIES

Operating income

Income is recognised at the fair value of the consideration received or receivable.

Membership dues comprise payments received for membership of Civil Rights Defenders. Membership dues are recognised as income when payments are received from the members.

A transaction in which the organisation receives an asset or a service with a value attached, without providing anything of the same value in return, constitutes a donation or a grant. If the asset or service is received because the organisation has met or will meet certain conditions, and the organisation has an obligation to repay the counterparty if such conditions are not met, such an asset or service is classified as a grant. If it does not constitute a grant, it is a donation. Donations are mainly funds collected from private individuals, companies and organisations. Donations are reported on a cash basis, but if a donation refers to a specific period in time, it is allocated to that period through provisions for special purpose funds in equity. If there are donations from companies and organisations that have been agreed but not received at the reporting date, these are recognised as income following individual assessment.

Grants are recognised as income when the conditions attached to them have been met. Grants received are recognised as a liability until the conditions attached to them have been met. This means that income is only recognised when it is highly probable that the grant will not be reclaimed. Grants forwarded to partnership associations where Civil Rights Defenders is responsible to the awarding body are also recognised as income. Grants consist mainly of cash and cash equivalents from public bodies, including the Swedish International Development Cooperation Agency (Sida), the Swedish Institute, the Ministry of Foreign Affairs and the Postcode Lottery.

Income not connected with Civil Rights Defenders' primary operations is reported under Other income.

Operating expenses

Operating expenses include project expenses, fundraising expenses and administrative expenses. Joint expenses such as IT, accounting, operational management, and

communication expenses are allocated to project expenses, fundraising expenses, and administrative expenses according to an allocation key.

Project expenses are those that are directly associated with the fulfilment of Civil Rights Defenders' purpose according to its statutes. These include expenses for personnel engaged to carry out activities adopted by the board, in and outside of Sweden, and any administrative expenses directly arising from the obligations the organisation has assumed in order to fulfil its purpose. Project expenses also include expenses for opinion-forming and information activities regarding Civil Rights Defenders' mission. Monitoring, reporting, and auditing of projects are also classified as project expenses. Project expenses also include activity-related support expenses, which are allocated to the relevant activity, using allocation keys.

Fundraising expenses are expenses intended to generate external income in the form of donations and grants from all donors and grant-awarding bodies, i.e. both private individuals and companies. This includes existing donors and efforts to identify new donors through campaigns, mailings, and maintenance of donor registers. Fundraising expenses also include costs of printed materials, postage, salaries and allocated joint support expenses.

Administrative expenses include those related to statutes and legal requirements, such as the board of directors, the annual general meeting, financial statements, preparation of the annual report and audit, as well as central management and planning. Expenses not related to projects, member care/enlistment, or fundraising are classified as administrative expenses. Administrative expenses may also include any joint support expenses that have not been allocated to project, fundraising or membership expenses.

All leases are recognised as operating leases, which means that lease payments are recognised on a straight-line basis over the term of the lease.

Remuneration of employees in the form of salaries, social security contributions, and other benefits are recognised as an expense as and when the employees perform the services. Pension obligations are classified as defined-contribution pensions and recognised as an expense in the year in which the pension is earned.

Civil Rights Defenders is a non-profit association and as such is not liable to pay taxes.

BALANCE SHEET

Assets and liabilities are measured at cost unless otherwise stated below.

Foreign currency receivables and liabilities are measured at the closing rate.

Accounts receivable are measured individually at the amounts expected to be received.

Civil Rights Defenders is a non-profit association – it

does not aim to make a profit and has no external owners – which means that terms such as profit/loss and equity have a different meaning than for other legal forms, such as limited companies. Equity comprises funds, such as donations, that have been provided to enable the organisation to fulfil its purposes and have not been paid out at the reporting date, and for which there is no legally binding obligation classified as a liability or provision.

As there are restrictions on the use of various funds, the following division is made:

- **Special purpose funds:** This capital may be used, but only for the purpose or purposes specified by the donor or the board of directors. Such funds are generally used in the following financial year. The funds include fundraising donations where a specific project was specified, and which have not yet been utilised.

- **Retained earnings:** This capital consists mainly of unused funds that have been provided to the organisation without restrictions, as well as the organisation's profit or loss. Unused funds that have been provided to the organisation without restrictions are at the disposal of the board of directors and may be used in accordance with the organisation's statutes and to fulfil the organisation's purposes. The profit of loss for the year (before allocation), as recognised in the statement of financial activities, represents the difference between costs and funds received during the year.

NOTE 2 ESTIMATES AND ASSESSMENTS

No material items in the organisation's statement of financial activities and balance sheet are based on estimates and assessments.

	<i>Amounts in SEK</i>	
	2016	2015
NOTE 3 DONATIONS AND GRANTS		
<i>Donations recognised as income</i>		
General public	3,931,363	3,489,392
Swedish Postcode Lottery	7,000,000	7,000,000
H&M	1,300,000	1,300,000
Millicom	443,030	420,657
Moggliden AB	100,000	110,000
F-Secure Corporation	93,555	-
Twitter	69,694	-
Google Sweden AB	45,656	-
Other companies	28,235	32,132
Other organisations	370,226	-
External foundations	10,000	-
Total income	13,391,759	12,352,181
Pro-bono revenue received has not been recognised in the income statement and is mainly related to services within communication and law in 2016.		
<i>Grants recognised as income</i>		
Sida	52,331,720	63,217,070
Swedish Postcode Foundation	787,258	3,403,112
Swedish Postcode Lottery	3,163,587	2,269,752
Swedish Institute	427,774	271,983
OAK Foundation	1,593,618	952,897
Swedish Ministry of Foreign Affairs	3,063,123	1,067,736
National Endowment for Democracy	1,670,009	1,345,654
Open Society Foundations	999,796	88,992
Gerald & Monica Nagler Foundation	180,423	-
Other	624,892	926
Total income	64,842,200	72,618,122
<i>Other income</i>		
Reimbursement of expenses	388,893	429,525
Total income	388,893	429,525

Amounts in SEK

NOTE 4 SALARIES, OTHER BENEFITS AND SOCIAL SECURITY CONTRIBUTIONS	2016	2015
Salaries		
Board of directors	-	-
Executive director	848,087	874,730
Other employees	15,360,174	12,084,210
Social security contributions	5,439,540	5,170,544
Pension expenses	1,761,007	1,509,523
Total salaries and benefits	23,408,808	19,639,007

The executive director's pension expenses accounted for SEK 183,000 (170,796) of total pension expenses. Remuneration below one half base amount was SEK 5,000 (20,500). The period of notice between Civil Rights Defenders and the executive director is three to six months. There is no severance agreement.

Geographical distribution of salaries and other benefits:	2016	2015
Sweden	13,505,406	10,343,283
Other countries	2,702,855	2,615,657
Total	16,208,261	12,958,940

Average number of employees, Sweden

Men	11	10
Women	17	17
Total	28	27

Average number of employees, other countries

Men	4	7
Women	11	9
Total	15	16

Members of the board

Men	2	3
Women	4	4
Total	6	7

During the year, 24 (23) individuals worked on a voluntary basis for the organisation. These voluntary contributions are not recognised in the income statement.

NOTE 5 LEASES

Civil Rights Defenders rents office premises in Sweden and in other parts of the world. Expenses for the year amounted to SEK 3,688,000 (2,056,500).

Future office expenses are due as follows:

	2016	2015
Within 1 year	3,400,000	3,343,000
2 – 5 years	9,009,000	12,204,000

The lease agreement runs until 2020, with a renewal option.

Civil Rights Defenders subleases office facilities of 102 square metres at an annual rent of approximately SEK 589,000. The current sublease agreement expires in 2017, with a renewal option.

Amounts in SEK

NOTE 6 PROJECT EXPENSES	2016	2015
Human rights defenders at risk:		
Africa	1,099,241	923,622
Asia	5,264,276	5,155,928
Eurasia	22,818,360	20,258,382
Europe	24,198,521	37,090,313
Latin America	3,288,668	2,464,025
Protection of human rights defenders at risk	7,666,985	6,493,981
Other	5,751,436	5,268,360
Total project expenses	70,087,488	77,654,611

NOTE 7 ADMINISTRATIVE EXPENSES	2016	2015
Accounting expenses and administration	357,254	265,000
Human resource expenses	3,026,895	2,362,498
Office expenses	560,361	214,019
Board and membership expenses	50,490	98,587
Total administrative expenses	3,995,000	2,940,104

NOTE 8 INTEREST AND SIMILAR INCOME	2016	2015
Interest income	345	4,128
Exchange differences, cash and bank balances	529,816	142,047
Total	530,161	146,175

NOTE 9 PREPAID EXPENSES AND ACCRUED INCOME	2016	2015
Deposits	-	16,200
Prepaid expenses		
Office rent	842,824	823,300
Pensions	170,448	75,532
Other	184,028	145,997
Receivables from partner organisations	-	607,791
Total	1,197,300	1,668,820

The receivables from partner organisations (SEK 224,583 in 2016) has been transferred to Other receivables.

Amounts in SEK

NOTE 10 RECEIVED, UNUTILISED GRANTS	2016	2015
Liability, unutilised grant from Sida	25,557,332	22,320,083
Liability, unutilised grant from Swedish Postcode Foundation	-	787,258
Liability, unutilised grant from Swedish Postcode Lottery	10,442,057	13,605,644
Liability, unutilised grant from others	3,160,165	2,242,934
Total	39,159,554	38,955,919

NOTE 11 ACCRUED EXPENSES AND DEFERRED INCOME	2016	2015
Accrued social security contributions	1,065,607	912,116
Holiday pay liability	2,183,744	1,907,315
Payroll tax	699,113	666,515
Accrued expenses	1,646,357	2,091,205
Total	5,594,821	5,577,151

NOTE 12 SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

Operations have continued in 2017.

Stockholm, 12 April 2017



Benedicte Berner
Chair



Anna Jonsson Cornell
Board Member



Elisabeth Tamm
Board Member



Carin Norberg
Board Member



Christoffer Lindblad
Board Member



Fredrik Andersson
Board Member



Robert Hårdh
Executive Director

Our audit report was submitted on 18 April 2017

Grant Thornton Sweden AB

Lena Johnson

Authorised Public Accountant

AUDIT REPORT

TO THE ANNUAL GENERAL MEETING OF CIVIL RIGHTS DEFENDERS, ORGANISATION ID NO. 802011-1442

REPORT ON THE ANNUAL ACCOUNTS

OPINION

We have audited the annual accounts for Civil Rights Defenders for the year 2016. The association's annual accounts are included on pages 6-18 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the association at 31 December 2016 and its financial performance and cash flow for the year then ended. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the annual general meeting adopt the statement of financial activities and the balance sheet.

BASIS FOR OPINION

We conducted the audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under these standards are further described in the Auditor's Responsibilities section. We are independent of the association in accordance with ethical requirements for professional accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

The audit of the annual accounts for 2015 was performed by another auditor, who submitted an audit report dated 21 April 2016, with unmodified opinions in the Report on the annual accounts.

INFORMATION OTHER THAN THE ANNUAL ACCOUNTS

The board of directors and the executive director are responsible for other information. The other information consists of the annual report for 2016 (but does not include the annual accounts and our audit report concerning these).

Our opinion on the annual accounts does not extend to this information and we do not express any form of confirmation regarding this other information.

In connection with our audit of the annual accounts, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. During this procedure, we also take into account our knowledge otherwise obtained during the audit and assess whether the information appears to be materially misstated.

If, based on the work performed concerning this information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE EXECUTIVE DIRECTOR

The board of directors and the executive director are responsible for the preparation and fair presentation of the annual accounts in accordance with the Annual Accounts Act. The board of directors and the executive director are also responsible for such internal control as they determine necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors and the executive director are responsible for the assessment of the association's ability to continue as a going concern. They disclose, as applicable, matters related to the going concern and use of the going concern basis of accounting. The going concern basis of accounting is, however, not applied if the board of directors and the executive director intend to liquidate the association, cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these annual accounts.

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of the association's internal control relevant to our audit in order to design audit

procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors and the executive director.
- draw a conclusion on the appropriateness of the board of directors' and the executive director's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause an association to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the board of directors of, among other matters, the planned scope and timing of the audit. We must also inform them of significant findings during our audit, including any significant deficiencies in internal control that we have identified.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

OPINION

In addition to our audit of the annual accounts, we have also examined the board of directors' and the executive director's administration of Civil Rights Defenders for the year 2016.

We recommend that the annual general meeting discharge the members of the board and the executive director from liability for the financial year.

BASIS FOR OPINION

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities in this regard are further described in the Auditor's Responsibilities section. We are independent of the association in accordance with ethical requirements for professional accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE EXECUTIVE DIRECTOR

The board of directors and the executive director are responsible for administration in accordance with the statutes.

AUDITOR'S RESPONSIBILITY

Our objective for the audit of the administration, and therefore our opinion regarding discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the board of directors or the executive director in any material respect has undertaken any action or been guilty of any omission which could give rise to liability to the association.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect an action or omission which could give rise to liability to the association.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgement and maintain professional scepticism throughout the audit. The examination of the administration is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgement, with a starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for operations and where deviations and violations would be of particular importance for the association's situation. We examine and test decisions made, support for decisions, actions taken, and other circumstances that are relevant to our opinion concerning discharge from liability.

Stockholm, 18 April 2017

Grant Thornton Sweden AB

Lena Johnson

DIRECTORS AND FIELD PROGRAMME OFFICERS

HEAD OFFICE STOCKHOLM (SWEDEN)

Robert Hårdh, *Executive Director*

John Stauffer, *Legal Director and Deputy Executive Director*

Päivi Hemming, *Chief Operating Officer*
(from September 2016)

DEPARTMENTS, HEAD OFFICE, STOCKHOLM

COMMUNICATIONS AND FUNDRAISING DEPARTMENT

Hampus Stenberg, *Director of Communications and International Relations*
(until December 2016)

Gabrielle Gunneberg, *Director of Communications and International Relations*
(from December 2016)

EAST AND HORN OF AFRICA DEPARTMENT

Mesfin Negash, *Programme Director*

EURASIA DEPARTMENT

Joanna Kurosz, *Programme Director*

FINANCE DEPARTMENT

Karin Fritz, *Chief Financial Officer*

HUMAN RIGHTS DEFENDERS AT RISK DEPARTMENT

Marie Månson, *Programme Director*

LATIN AMERICA DEPARTMENT

Erik Jennische, *Programme Director*

LEGAL DEPARTMENT

John Stauffer, *Legal Director and Deputy Executive Director*

SOUTHEAST ASIA DEPARTMENT

Brittis Edman, *Southeast Asia Director*
(until May 2016. New Director appointed in March 2017).

FIELD OFFICES

BELGRADE (SERBIA)

Goran Miletic, *Programme Director for the Western Balkans*

BOGOTÁ (COLOMBIA)

María Pía Alvira, *Programme Officer*
(from June 2016)

CHISINAU (MOLDOVA)

Alesia Vidruk, *Programme Officer*
(Office to close in April 2017)

PRISTINA (KOSOVO)

Sarah Maliqi, *Programme Officer*

SARAJEVO (BOSNIA-HERZEGOVINA)

Ena Bavicic, *Programme Officer*

TIRANA (ALBANIA)

Vasilika Laci, *Programme Officer*

YANGON (MYANMAR)

Shaivalini Parmar, *Programme Officer*

BOARD



Benedicte Berner,
Media Analyst
(Chairperson of the Board)

Benedicte is a lecturer in media and democracy at Institut d'Études Politiques de Paris. She has also lectured on freedom

of expression at Harvard University and is an Associate at the Davis Center for Russian and Eurasian Studies at Harvard. She has previously worked at the International Red Cross and IOM (International Organization for Migration) in Moscow, and as director of International Issues at the European Institute for the Media.



Christoffer Lindblad,
Founder and Partner,
Pelago AB (Board Member)

Christoffer is the founder of and partner at Pelago, a prominent Nordic leadership services company. Christoffer was previously country

manager (Sweden) and partner at Alumni, a leading company in executive recruitment and leadership development. He has a broad network in the Nordic business community and solid experience in board and executive recruitment for large international corporations and organisations. Christoffer has a law degree from the University of Lund and has previously worked for the law firm Mannheimer Swartling.



Anna Jonsson Cornell,
Professor (Board Member)

Anna is a professor of comparative constitutional law and a lecturer in constitutional law at Uppsala University. She teaches constitutional law,

comparative constitutional law, and security law. Her specialist areas include state-building processes, rule of law, rights protection, as well as international police cooperation and human trafficking.



Elisabeth Tamm,
Director, Tax and Family Law,
Bank of Åland (Board Member)

Elisabeth is a foundation expert and director of the Bank of Åland's Trust Department. She is chair of the Board of the Alba Langenskiöld

Foundation and the Astrid Lindgren Children's Hospital Foundation. She also serves on a number of other boards, including the H&M Foundation and the Erling Persson Family Foundation. Elisabeth Tamm holds an LLB and an MBA from Uppsala University.



Carin Norberg,
Chair, Center for Economic
and Social Rights
(Board Member)

Carin holds a master's degree in political science from Uppsala University. She has extensive experience of working

with Sida, where she was employed from 1971 to 2002. She has also worked as an advisor to the office of the United Nations Commissioner for Namibia in New York and was director of the Nordic Africa Institute during the period 2006–2012. Carin has also been an active member of several boards, including the Swedish Institute of Alexandria and TI Sverige.



Fredrik Andersson,
Entrepreneur (Board Member)

Fredrik has extensive experience in strategic communications consultancy and entrepreneurship, both in Sweden and internationally. He also has a long track record in

social issues, politics, and rights. Fredrik founded the Public Affairs Section at the PR agency Prime in 1998, where he worked for 14 years. He is a member of the Board of the Swedish MEDEA Award for dramatic arts and is also a founder of Millton Labs, of which he is currently the CEO.

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