Annual Report 2023





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Foreword

Dear Reader,

In 2023, we were once again confronted with profound challenges that have reshaped our world. Humanitarian crises, violent conflicts, and severe human rights violations perpetrated by both States and Non-State actors, have tested the world's collective resilience. Amidst this turbulence, we have witnessed significant social and political transformations, alongside growing pressures to fortify regional and national military security. We also observed a decline in interest in understanding the root causes of violence and conflict prevention as effective means of protecting human security and human rights. Additionally, we see autocratic regimes undermining democratic values globally, while the UN navigates polarization among member states and a changing world order that opposes the imposition of values and policies by Western liberal democracies. In today's world, a human security approach is essential, but meeting its founding principles - shared responsibility, citizen inclusion, and respect for human rights - has become increasingly challenging.

The war waged against Gaza by Israel following the attacks by Hamas, and the Israeli government's disregard for international humanitarian law, has caused anger, frustration and sadness among many around the world. We share these feelings and are concerned about the growing polarization that the war has triggered, including in our own society. With the aim of amplifying our partners' voices, we have provided a platform for youth leaders in the MENA to share their emotions and experiences about the war.

Against the backdrop of these profound changes, we are pleased to share the progress made in 2023 across our key focus areas: Inclusive Leadership for Human Security and the Impact of Countering the Financing of Terrorism measures on civic and civil society space.

In the past year, we continued to make significant strides in our commitment to youth empowerment and the inclusion of youth in decision-making about security in their communities. A grant from the Dutch Ministry of Education, Culture and Science marked a significant milestone for our Move 4 Human Rights project (M4HR). M4HR bridges theory and practice on human rights, empowering young people aged 16 to 30 to work around the themes of human rights and social justice in the Netherlands. Meanwhile, our ongoing Civic Horizons program in the MENA region bore witness to the resilience of young change makers. Through participatory action research, they addressed human security issues, contributing to the development of resilient communities. The inclusive youth leadership activities in North Cameroon and Southern Philippines concluded after four years of meaningful engagement with partners and communities. These efforts were part of the Freedom of Religion and Belief project, aimed at engaging youth in areas affected by violent conflict in understanding and implementing human security-led activities.



Foreword 4

In addition to our work with youth, we also engaged with policymakers and practitioners to address root causes of violence through a human security lens and approach. We conducted Masterclasses on the prevention of violent extremism and conflict sensitivity in program delivery and design for national governments and partners operating in contexts where violent extremism is prevalent. Through these trainings, we equipped stakeholders with practical tools to facilitate the development and implementation of sustainable strategies that could contribute to preventing violent extremism in contexts such as Ghana, Nigeria, and Mozambique.

Our sustained work on addressing the unintended and intended consequences of Countering the Financing of Terrorism rules and regulations led to a significant change in Recommendation 8 and its Best Practices Paper by the Financial Action Taskforce. HSC, as co-chair of the Global NPO Coalition to FATF, coordinated (with key core-group members) the input received for the revision from the membership and organized the engagement with FATF. Alongside core coalition members, HSC raised awareness and built engagement capacities on FATF, including among civil society, governments, and the private sector. Notable progress was made in the Netherlands, the Western Balkans, and Peru.

We extend our heartfelt gratitude to our partners and donors whose unwavering support has been the cornerstone of our work. Without their collaboration and commitment, our efforts toward the promotion of Human Security would not have been possible. As we continue on this journey, we look forward to further collaboration and collective action in building safer and inclusive communities.





Who we are

Who we are



Who we are

Human Security Collective (HSC) is a foundation based in The Hague, dedicated to addressing development, security, and citizen engagement in communities. At HSC, our work is guided by the concept of Human Security—a holistic framework that prioritizes the well-being of individuals, fosters strong relationships within communities, and addresses root causes of insecurity.

We facilitate conversations between civil society, policy shapers and other actors to collectively advocate for alternative approaches to security that prioritize human rights and community well-being. Our goal is to foster a safer, more inclusive world in which people are able to speak, connect, associate and assemble freely and fearlessly.



Inclusive leadership for human security



In our pursuit of Inclusive Leadership for Human Security, we envision a world where all individuals, regardless of their background or circumstances, have the opportunity to actively participate in shaping resilient and safe communities. Our commitment extends to fostering safe spaces where women, youth, and marginalized groups can explore their potential and contribute meaningfully to addressing complex social challenges. Through collaboration and dialogue, these individuals are empowered to play an integral role in identifying and implementing innovative solutions to pressing human security issues. Additionally, we strive to connect them with key stakeholders and policy makers across society to generate innovative ideas for addressing evolving social issues. Our efforts aim to cultivate inclusive leadership that embraces diversity and promotes collective action for a safer and more secure world.





32 young individuals from Mindanao received training and support from HSC over the course of four years through the FoRB programme.

In 2023, the Freedom of Religion and Belief (FoRB) programme concluded after four years of impactful work with young individuals in Cameroon and the Philippines. Throughout the programme, 30 young individuals from the Far North of Cameroon and 32 from Mindanao received training and support from Human Security Collective and local partner organizations. The HSC component of the programme in each location centered around implementing a long-term Inclusive Youth Leadership trajectory, empowering young people to become agents of change within their communities. Participants received training and funding to develop human security initiatives tailored to their community's needs.

In Cameroon, some of the initiatives included farmer-herder conflict resolution, promotion of social cohesion through interfaith group planting, and the creation of a library for all religious groups to promote education in and through.

In the Philippines, initiatives included interfaith dialogue to promote solidarity among the tri-people, mangrove planting sessions to mitigate climate change, and art workshops to engage with youth from diverse backgrounds. These young leaders have acted as catalysts for change, sharing their knowledge and leading initiatives to benefit their communities. Their efforts have inspired others to take action.



Participants from the Far North of Cameroon pictured planting trees as part of their human security initiative.

Click <u>here</u> to watch a recap of the FoRB program.



Through **Time 4 Your Future** (T4YF), a coalition comprising HSC, Participe, ROC Mondriaan, and Plans & Pixels, we remained dedicated to promoting voluntary social service among youth in the Netherlands through the Maatschappelijke Dienst Tijd. As part of this programme, we lead Action Research trajectories, equipping students with the skills needed to analyze and design innovative solutions to address issues they are passionate about. In 2023, we successfully concluded five trajectories with students enrolled in Minors and Honor classes, focusing on Human Rights, Children's Rights, Wellbeing, and more. Students carried out action research around themes such as plastic pollution in canals, mental health and migration, and the right to decent housing for people with refugee backgrounds, among others. These projects demonstrate the students' dedication and creativity in addressing pressing societal issues through practical research and innovative solutions.

Plastic pollution in canals



Mental health and migration



Education for refugee youth



Closing ceremony with students from Leiden Hogeschool from the Human Rights Honors trajectory.

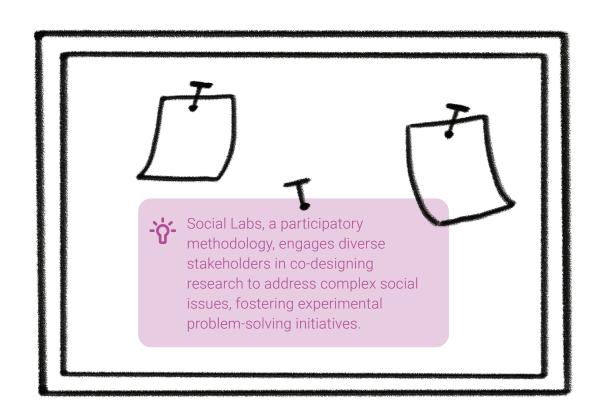




As part of the **Horizon 2020 Participation** research on Prevention of Polarisation and Radicalisation, HSC conducted various Social Labs with: the Strategic Network on Radicalisation and Polarisation (SNRP) in the Municipality of Delft, the Netherlands; teachers in Dutch schools; religious communities in the Netherlands. Social Labs, a participatory methodology, engages diverse stakeholders in co-designing research to address complex social issues, fostering experimental problem-solving initiatives. In 2023, the project reached its conclusion, with HSC finalizing and publishing research findings, all accessible here. Additionally, HSC has been working on publishing findings in academic journals. The article: 'Building Resilience in Schools: A Reflection on Teachers' Responses in the Netherlands,' has been published in the Italian Journal of Sociology of Education.



HSC presents research findings from the Social Lab conducted with SNRP in Delft at the University of Braga.





In partnership with a consortium of organizations across the MENA region, HSC has been implementing the **Civic Horizons** project since its launch in 2022. This project aims to cultivate an enabling civic space in Morocco, Tunisia, Libya, Iraq, Jordan, and Lebanon. Through training and support, we have empowered civil society actors to address human security concerns in their communities, fostering trust and resilience.

In 2022 and 2023, 95 civil society actors, alongside community members, particularly youth, women, and marginalized voices, conducted seven unique participatory action research projects across six countries. They engaged in various research methods, including story collection, photovoice, participatory video, neighborhood walks, and focus groups, interviewing over 400 individuals.

These projects focused on community-identified priorities, fostering trust and inclusion among community members and building knowledge on human security and civil society.

♦ Through training and support, we have empowered civil society actors to address human security concerns in their communities, fostering trust and resilience.

In 2023, we hosted a **regional training in Tunisia**, convening over 40 civil society actors.
Participants actively engaged in discussions, exchanging insights on pressing human security challenges. Inspired by the discussions, they returned to their communities motivated to address issues such as unemployment, the need for inclusive spaces, and the stigma experienced by individuals in refugee camps.

The Regional Training Workshop in Tunisia, organized by Human Security Collective, united over 40 civil society actors from six MENA countries—Libya, Lebanon, Morocco, Iraq, Jordan, and Tunisia.







Masterclasses on Preventing and Countering Violent Extremism (PCVE) in Ghana and Nigeria

In collaboration with the Government of the Netherlands, we facilitated Masterclasses on Preventing and Countering Violent Extremism (PCVE) in Ghana and Nigeria. These sessions provided policymakers, security officials, community leaders and practitioners with practical tools and a conducive environment for dialogue to develop and implement national PVE action plans. Participants included government officials, civil society and religious organizations, youth groups, academics, and community stakeholders. In Tamale, Ghana, the Masterclass delved into an analysis of root causes of conflict and the enabling factors/drivers that could lead to the spread of violent extremism in Northern Ghana.

It provided a platform for multi-stakeholder dialogue on PVE, paving the way for collaborative strategies. A follow-up Masterclass is scheduled for 2024 at the national level in Accra, where participants will present their recommendations to high-level policymakers to enrich and develop the National PVE Plan of Action.In Nigeria, the sixth Masterclass convened stakeholders from Sokoto, Kebbi, and Zamfara states. Discussions focused on the current state of PCVE in each state and identified future actions.

The relationship between the terrorist groups and banditry as they operate in the North-West of Nigeria was discussed in-depth, in order to understand their organization, recruitment, funding and activities and develop adequate preventive responses.

As part of the ongoing support to the Netherlands Ministry of Foreign Affairs, HSC conducted a PVE Toolkit and conflict sensitivity training for the Netherlands Embassy in Mozambique and its implementing partners working on projects in Cabo Delgado and Beira. These workshops served as a practical introduction to conflict sensitivity, equipping Embassy partners with valuable insights to enhance their programming. Participants actively engaged in discussions, sharing experiences, challenges, and best practices in integrating "conflict sensitivity" into their projects. In the context of Cabo Delgado, the focus was on the impact of violent extremism on development work in the North and approaches to adjust the programmes in such a way that they become more PVE sensitive. In Beira, the focus was more on conflict writ large and political conflict in detail.



HSC conducted a PVE toolkit training for the Netherlands Embassy in Mozambique and Implementing partners of projects in the Cabo Delgado Province



Impact of countering the financing of terrorism (CFT) measures on civil society



The aftermath of 9/11 two decades ago reshaped the global counterterrorism landscape, prompting multilateral bodies like the United Nations (UN) and Financial Action Task Force (FATF) to enact sanctions and regulations against terrorism and its financing. These measures, supplemented by national and regional laws, have imposed significant burdens on non-profit organizations (NPOs) worldwide.

Despite limited evidence, NPOs have often been stigmatized as potential channels for terrorism financing, resulting in stringent registration, reporting, and funding restrictions. This has raised the operational barriers for NPOs, restricting their freedom of operation. Recognizing these challenges, HSC collaborated with partner organizations to establish the Global NPO Coalition on FATF. This coalition advocates for mitigating the unintended consequences of counterterrorism financing measures on the nonprofit sector.





Photo Credit: EU AML/CFT Global Facility
The global event in Bonn, 'Risk and Consequence: The Future of FATF Recommendation 8,' was organized by the EU AML/CFT Global Facility, HSC, and GIZ. It brought together stakeholders to discuss the impact of FATF standards on NPOs, resulting in valuable recommendations for those involved.

Years of sustained advocacy by the Global NPO Coalition on FATF, co-chaired by HSC, has led the FATF to acknowledge the unintended consequences of the implementation of its Standards on the nonprofit sector. In the first set of measures aimed at mitigating these consequences, the October 2023 FATF Plenary approved the revision of Recommendation 8 on NPOs. The revised Standard and its Interpretive Note clarify the application of the risk-based approach, acknowledge sectoral self-regulation measures, and make clear that NPOs should not be obliged entities. A new guidance paper on the implementation of R.8 has also been published. Reflecting input from NPOs (including many of our Coalition members), financial institutions, banks and other relevant stakeholders, the paper reflects the amendments to the Recommendation and includes 'examples of bad practices and specifically explains how not to implement the FATF's requirements'.

The EU AML/CFT Global Facility together with ICNL convened a series of regional events for civil society across the globe through 2023 to gather input for the public consultation on the revision of FATF Recommendation 8. HSC helped co-organise these events, which took place in Buenos Aires, Cape Town, Warsaw, Amman and Bali, and took part in many of them. This process culminated in a global event in Bonn on the 26 and 27 of September titled 'Risk and Consequence: The Future of FATF Recommendation 8 for Financial Integrity and for Civil Society'. Co-organised by the EU AML/CFT Global Facility, HSC (under the banner of the Global NPO Coalition on FATF), and GIZ, the event brought together policymakers, standard setters, financial institutions, nonprofit organizations (NPOs), multilateral organizations, academics and think tanks. Discussions focused on the impact of FATF financial integrity standards on NPOs and explored potential innovative solutions. A <u>series of recommendations</u> for different sets of stakeholders—banks, NPOs, governments and the FATF—resulted from the event. FATF standards' impact on NPOs, yielding recommendations for stakeholders.



HSC and partners of the Global NPO Coalition on FATF were present at the annual Private Sector Consultative Forum (PSCF) in Vienna calling for an improvement in effectiveness in terms of both the FATF normative framework as well as its implementation, while being cognizant of the wider impacts and harms caused. HSC was on a panel titled 'TF Abuse, NPOs and De-risking: Discussion on ensuring financial services for legitimate NPOs and the FATF's ongoing work on updating its Best Practices Paper'. The Coalition organized a side event on Day 2 of the PSCF, which was attended by Member States, FSRBs, the FATF Secretariat, the UNSR and her team, banks, the Wolfsberg Group, NPOs, etc. There was discussion around the inclusion of 'bad practices' in the revised best practices guidance paper on R.8, as also the role of sectoral self-regulation in mitigating risk.

HSC coordinated a multi-year project funded by GIZ, spanning six countries in the **Western Balkans and Peru**. The focus was on raising awareness, building capacity, and disseminating global best practices. Working closely with local partners like Partners Albania, CPCD, CiviKos, CRNVO, Konekt, Civic Initiatives, ANS and COPEME, civil society was engaged in discussions on adopting a risk-based approach to counter potential terrorism financing abuse of the NPO sector.

In Peru, NPOs enhanced their understanding of AML/CFT issues, leading to the adoption of the <u>Financial Inclusion Guide</u> and publication of <u>best practices on accountability and transparency in the sector</u>. Similarly, in North Macedonia, sustained engagement post-Mutual Evaluation and <u>research on the regulation of religious organizations</u>' were notable outcomes.



HSC contributes to a panel discussion on 'TF Abuse, NPOs, and De-risking,' focusing on ensuring financial services for legitimate NPOs and the ongoing updates to FATF's Best Practices Paper, at the PSCF in Vienna.



The Global NPO Coalition's side event during the PSCF in Vienna brings together stakeholders to discuss updating FATF's Best Practices Paper and advocating for sectoral self-regulation as a means to mitigate risk.



An <u>online hub</u> was created in Albania and a <u>practical guide</u> on AML/CFT legal frameworks published. In Kosovo, efforts were focused on the sectoral risk assessment and on advocacy for new legislation to combat ML/TF, resulting in <u>informative brochures</u>. Montenegro published a <u>study on legal frameworks</u> for NGOs, while Serbia re-engaged with the FIU and sought to influence legislative changes. Bosnia and Herzegovina compiled a database of NPOs and were invited to be a part of the preparation process for the upcoming MONEYVAL mutual evaluation process.

The project aimed to engage partners in global policy discussions. Invitations to the FATF's Private Sector Consultative Forum allowed partners the opportunity to contribute to shaping policy discussions. Examples of good practices from Albania, North Macedonia, and Peru, outcomes of the project, made their way into the revised FATF Best Practices Paper.



HSC invited Konect and Partners Albania to the FATF's PSCF in May 2023, offering a chance for partners to contribute to shape policy discussion.







The launch of the new Sector Standard marks a year and a half of collaboration between the Dutch Banking Association, civil society umbrella groups, CBF and HSC together with ABN AMRO, ING, and RABO banks.

HSC actively participates in the **Dutch**Roundtable on Financial Access for NPOs, which serves as a platform for dialogue between the banking sector and NPOs in the Netherlands. This dialogue provides input to the Dutch Central Bank for risk-based supervision of the banking sector. Co-convened by HSC, the Ministry of Finance, and the Dutch Banking Association, the Dutch Roundtable addresses challenges related to derisking by banks and payment service providers that have made it difficult for NPOs to access essential financial services.

♦ By standardizing these processes, NPOs can access essential banking services with greater ease.

Following these discussions, the Dutch Banking Association, in collaboration with civil society umbrella and network organizations, CBF (The Dutch Fundraising Regulator) and HSC, along with ABN AMRO, ING, and RABO banks, has issued <u>Sector Baselines for NPOs</u>.

These guidelines aim to alleviate unnecessary and burdensome due diligence procedures imposed on civil society organizations. By standardizing these processes, NPOs can access essential banking services with greater ease. A monitoring tool to track the adoption of the standard by banks is currently under development.

Representatives from ministries of Finance and Financial Intelligence Units across 12 countries in the ASEAN region convened for an **exchange** focusing on the state of implementation of the FATF Recommendation 8 and the FATF unintended consequences project. HSC, in collaboration with the Greenacre Consultancy Group, the Bangladesh Financial Intelligence Unit, the UK Charity Commission, the APG, and researchers, provided insights into best practices and challenges related to the implementation of Recommendation 8. This exchange sparked lively and productive discussions among attendees, shedding light on the ongoing challenges they encounter in implementing a global standard in a proportionate and risk-based manner while upholding the fundamental rights of civil society organizations.



Officials from ASEAN region gather for discussions on FATF Rec 8 implementation, gaining valuable insights from HSC and others.





HSC conducted a workshop on AML/CFT in relation to NPOs in Kenya.

In 2023, we continued our mission to strengthen the capacity of civil society organizations in Kenya, Burkina Faso, and Mali in the fight against money laundering and the financing of terrorism (AML/CFT). Through strategic partnerships with civil society organizations and government entities (FIUs, civil society regulators and Ministries of Finance/Central Banks), we implemented various activities aimed at capacity-building, awareness-raising, and fostering collaboration to mitigate these issues. In Kenya, our activities were focused on building collaboration between the National Counter-Terrorism Centre (NCTC), their strategic allies, the NGO Board, and NPOs on the design and implementation of AML/CFT measures.

In Burkina Faso, a follow-up training provided strategic information to CSO leaders, highlighting risks and discussing practical provisions to minimize them in the NPO sector. Mali saw a Training of Trainers (ToT) session on AML/CFT in Bamako, followed by a dissemination workshop in Bamako district, while AML/CFT training in Mopti raised awareness and understanding of AML/CFT mechanisms among participants from diverse organizations.



Our staff 21

Our staff



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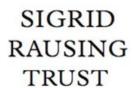




















Financial result and operating statement

Income

	Actual 2023	Actual 2022	Budgeted 2023
Contribution to HSC	1.464.843	1.627.858	777.630
Mutation advanced project payment	-231.492	-255.993	435.841
Interest	11.847	652	0
Other Income	100.109	97.513	55.250
	1.345.307	1.470.030	1.268.721
Expenses			
Staff costs	741.367	716.317	728.930
Organisation Expenses	33.043	26.470	26.039
General Expenses	29.132	19.319	14.060
Housing Costs	18.314	16.732	20.750
Services	351	64	500
ICT	17.062	22.411	22.190
Project Charges	604.409	708.913	508.625
	1.443.678	1.510.225	1.321.095
Results Financial Year	-98.371	-40.195	-52.374



Balance as per 31 December 2023

Assets

	31-12-2023	31-12-2022
Current Assets		
Accounts receivable	49.904	30.721
Current account	1.575.614	1.435.782
	1.625.518	1.466.503
Liabilities		
Equity		
General reserve	572.028	673.133
Reserve professional development	40.538	37.804
	612.566	710.937
Current liabillities/accounts payable	97.631	71.737
Advanced project payments	915.321	683.829
	1.625.518	1.466.503





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