

**Euro-Mediterranean Foundation of
Support to Human Rights Defenders
Central Business Registration No: 28 47 85 26**

**Vestergade 16, 2nd floor
DK-1456 Copenhagen K**

Annual Report 2019

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Foundation details

Foundation

Euro-Mediterranean Foundation of Support to Human Rights Defenders
Vestergade 16, 2nd floor
DK-1456 Copenhagen K

Central Business Registration No: 28 47 85 26

Registered in: Copenhagen

Established: 26 November 2004

Phone: +45 32 64 17 26

Fax: +45 32 64 17 02

Internet: www.emhrf.org

Board

Driss El Yazami, President

Christine Martha Merkel, Vice-President

Kamel Jendoubi, Treasurer

Hanny Megally

Lynn Welchman

Bahey Eldin Hassan

Khémaïs Chammari

Leila Rhiwi

Bassma Kodmani

Souhayr Belhassen

Marc Schade-Poulsen

Habib Nassar

Management

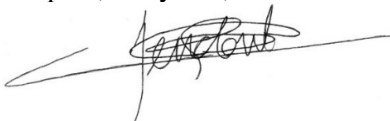
Anne-Sophie Schaeffer, Programme Director

Raffaele Timpano, Finance Director

Auditor

Deloitte Statsautoriseret Revisionspartnerselskab

Adopted, May 31st, 2020



Kamel Jendoubi, Treasurer

Statement by Board and Management on the interim report

The Board and the Management have today considered and approved the interim report of Euro-Mediterranean Foundation of Support to Human Rights Defenders for the interim period 1 January to 31 December 2019.

The interim report is presented in accordance with the Danish Act on Foundations and Associations.

In our opinion, the interim financial statements give a true and fair view of the Foundation's financial position at 31 December 2019 and of the results of its operations for the period 1 January to 31 December 2019.

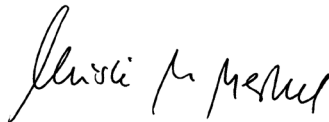
We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

Copenhagen, Paris, on 31 May 2020

Board



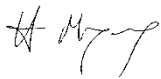
Driss El Yazami
President



Christine Martha Merkel
Vice-President



Kamel Jendoubi
Treasurer

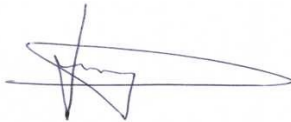


Hanny Megally



Lynn Welchman

Bahey El Din Hassan

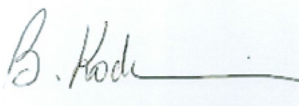


Habib Nassar

Khémaïs Chammari

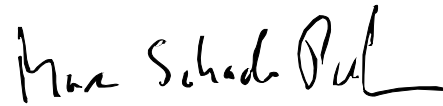


Leila Rhiwi



Bassma Kodmani

Souhayr Belhassen



Marc Schade-Poulsen

Management



Anne-Sophie Schaeffer
Programme Director



Raffaele Timpano
Finance Director

Independent auditor's report

To the Board of the Euro-Mediterranean Foundation of Support to Human Rights Defenders

Opinion

We have audited the financial statements of the Euro-Mediterranean Foundation of Support to Human Rights Defenders for the financial year 01.01.2019 - 31.12.2019, which comprise the accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with generally accepted accounting principles as described in the Summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the Foundation's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019- 31.12.2019 in accordance with generally accepted accounting principles as described in the Summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's responsibilities for the audit of the financial statements* section of this auditor's report. We are independent of the Foundation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other 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.

The Board and Management's responsibilities for the financial statements

The Board and Management is responsible for the preparation of financial statements that give a true and fair view in accordance with generally accepted accounting principles as described in the Summary of significant accounting policies, and for such internal control as the Board and Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board and Management is responsible for assessing the Foundation's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless the Board and Management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark 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 taken on the basis of these financial statements.

As part of an audit in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 opinion. 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 internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board and Management.
- Conclude on the appropriateness of the Board and Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Board and Management commentary

The Board and management are responsible for the Board and Management commentary.

Our opinion on the financial statements does not cover the Board and Management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Board and Management commentary and, in doing so, consider whether the Board and Management commentary is materially consistent

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

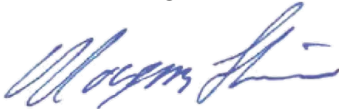
Moreover, it is our responsibility to consider whether the Board and Management commentary provide the information required under generally accepted accounting principles.

Based on the work we have performed, we conclude that the Board and Management commentary is in accordance with the financial statements and has been prepared in accordance with generally accepted accounting principles. We did not identify any material misstatement in the Board and Management commentary.

Copenhagen, 31-05-2020

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56



Mogens Michael Henriksen
State-Authorised Public Accountant
Identification number (MNE) mne23309

Board and Management commentary

In the Board and Management's opinion, all information material to the assessment of the Foundation's financial position, the results for the year and the financial development is disclosed in the financial statements and in this report.

After the balance sheet date, no significant events have occurred which are considered to have a material effect on the assessment of the financial statements.

Main activity

The Foundation aims at supporting human rights organisations and defenders in the Euro-Mediterranean region.

The Foundation is established as a legal independent entity in Denmark and the Board, the highest authority of the Foundation, consists of an equal number of EU and non-EU-resident members who fulfil their functions on a voluntary basis.

For further description of the activities, we refer to the "Annual Activity Report" which is published on the website (<http://emhrf.org/>) or can be obtained at the office in Copenhagen.

The financial development and activities during 2019

The activities of the Foundation proceeded well and increased by 6% in 2019, compared to 2018. Activities and services in support of human rights defenders (HRDs) accounted for 75% of the Foundation's overall budget whereas administrative and staff expenditure was capped at 25%. The result for the year amounts to EUR 0.

The expected development

For the financial year 2020, the Board and Management expect activities, notably the emergency support to HRDs, to slightly increase as per decision taken at the Board meeting in November 2019. The income statement is expected to show a profit of approx. EUR 0.

During the year 2019 the Foundation has signed new contracts with the

- French Ministry for Europe and Foreign Affairs, for the years 2019-20; with the
- National Endowment for Democracy, for the years 2019-20; with the
- Open Society Foundations for the years 2020-21;
- European Commission (2 new contracts: one for the years 2019-21, and one for the years 2019-22).

In 2019 the Foundation received "Core support" from the Swedish International Development Cooperation Agency (SIDA), the Sigrid Rausing Trust and the Open Society Foundations.

It also received "Project support" from: the Swiss Agency for Development and Cooperation (SDC), the Danish Ministry of Foreign Affairs (DAPP) within the framework of the Human Rights and Dialogue Consortium; the European Commission within the framework of the EU HRDs Mechanism (for the period 2018-19).

Some activities in 2020 will presumably be conditioned by the breakout of COVID-19, which has not spared the geographical areas where the Foundation operates. Nonetheless, the Board has decided to maintain its core activity and subgranting available to civil society actors, including emergency grants to the most affected and vulnerable HRDs and NGOs, while adapting its operations and implementing alternatives to physical meetings to maintain the highest level of cohesion, reactivity and coordination.

Accounting policies

Basis of preparation

This annual report has been prepared in accordance with the Danish accounting legislation, generally accepted Danish accounting principles and the provisions of the Danish Act on Foundations and Associations.

The accounting policy is unchanged compared to the previous year and done in accordance with a financial manual that was approved by the Treasurer on October 27, 2017.

The annual report is presented in EUR. The Foundation has used the following rate when converting Swedish kroner (SEK) into euros (EUR):

Rate used DKK - EUR = 7.45

Rate used SEK - EUR = 10.46

Expenditures in other currencies are converted at the Infoeuro monthly exchange rate.

Recognition and measurement

Assets are recognized in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Foundation and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the Foundation has a legal or constructive obligation as a result of a prior event and it is probable that future economic benefits will flow out of the Foundation and the value of the liability can be measured reliably.

Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this interim period.

Income statement

Operating income

Subsidies from Donors are accrued in proportion to the costs incurred during the year. Income is recognized as subsidies are accrued and used for proper purpose.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, and other possible benefits for the Foundation's employees.

Accounting policies

Activities in Support of HRDs

Expenditure of Activities in Support of HRDs comprises:

- Emergency grants and Strategic grants to human rights defenders and organizations, including related costs
- Coaching and seminars activities for human rights defenders and organizations.

Grants' costs are recognized when the grant is approved by the Board of the Foundation either through electronic consultations or at Board's meetings. In case of partial or total cancellation of grants approved in previous years, the amount cancelled is reported in deduction of the grants of the year, under the heading: *Cancelled obligations strategic support to HRDs*.

Other expenses related to the activities

Other expenses related to the activities include expenses for membership fees, translations, etc.

Administration expenses

Administration expenses include expenses relating to the Foundation's ordinary activities, including expenses for rental of premises, stationary and office supplies, IT support, audit fees, etc.

Financial income

Financial income comprises interest income and net capital gains on foreign currency transactions.

Financial expenses

Financial expenses comprise interest expenses, bank fees and net capital losses on foreign currency transactions.

Income tax

Tax for the period, consisting of current tax for the period, is recognized in the income statement by the portion attributable to the taxable profit for the period.

Balance sheet

Debtors

This item includes receivables for salary advances, taxes and contributions advanced and to be refunded, as well as prepaid costs for projects not yet reimbursed by donors.

Receivables are measured at amortized cost, usually equaling nominal value less write-downs for bad and doubtful debts.

Cash

Cash comprises bank deposits and cash in hand.

Provisions

Provisions comprise reserves for future payments of grants.

Obligations to grantees

Obligations to grantees do not comprise settlement amounts at the balance sheet date regarding grants not yet paid but approved by the Board.

Prepaid subsidies

This item includes the instalments received from donors not yet spent but committed anyway to the projects.

Other liabilities

This item report the balance related to other liabilities of the Foundation such as: Suppliers, Holiday provisions, due taxes and contributions etc.

They are measured at amortized cost, which usually corresponds to nominal value.

Income statement for 2019

	Notes	2019 EUR	2018 EUR
Subsidies taken to income	1	2,667,301	2,512,567
Support granted from provisions	6	5,000	5,000
Total operating income		2,672,301	2,517,567

Salaries

Programme Director		102,913	78,865
Regional Coordinator Mashreq		71,104	84,157
Regional Coordinator Mashreq		49,545	10,000
Regional Coordinator Mashreq		52,924	60,267
Regional Consultant Maghreb		29,219	27,827
Regional Coordinator Maghreb		18,818	17,371
Regional Coordinator Maghreb		16,151	11,115
Administration and Finances Director		42,924	91,175
Administration and Finances Officer		76,234	57,399
Grants Administrator		35,953	0
Interns and students		6,525	10,456
In-house accountant / External consultant		28,534	553
Social charges		0	2,554
Total salaries		530,843	451,739

Activities in Support of Human Rights Defenders (HRDs)

Emergency support to HRDs		254,816	323,963
Strategic support to HRDs		1,527,601	1,476,170
Cancelled obligations strategic support to HRDs		-29,439	-42,591
Financial costs related to grant giving		10,482	7,254
Follow-up on support to HRDs (incl. visits)		8,978	11,914
Board meetings		63,331	52,286
Tailored coaching exiled NGOs		46,171	0
Tailored coaching local NGOs		28,128	0
Discussion seminars		43,336	0
Meeting with partners (incl. fundraising)		5,098	14,875
Consultation of the Council of Representatives		0	27,527
Total activities in support of HRDs		1,958,503	1,871,398

	2019	2018
	EUR	EUR
Other Expenses/Services related to the activities		
Membership fees and dues to Foundation's networks	5,435	10,358
Temporary consultations/Researchers contributions	4,392	19,660
Translations	34,242	25,331
Other expenses/services related to activities	6,945	0
Information, publication (incl. website)	537	2,080
Total other expenses/services	51,551	57,429
Administration		
Audit	24,567	19,498
Maintenance of a secure forum and website	5,037	4,278
IT support	19,077	23,855
Rent	36,981	49,376
Office expenses and stationary	18,256	9,790
Bank fees related to administration and salaries	2,130	4,792
Others	25,355	25,416
Total administration	131,403	137,005
Total operating Expenses	2,672,301	2,517,571
Profit before financial items	0	-4
Financial income	0	4
Operating profit	0	0
Financial year Result	0	0
Proposed distribution of profit		
Distributable capital	0	0
	0	0

Balance sheet at 31 December 2019

	Notes	2019 EUR	2018 EUR
	<u> </u>	<u> </u>	<u> </u>
Cash at bank, basic capital	3	41,232	41,313
Restricted assets		41,232	41,313
Debtors	4	103,470	265,541
Cash at bank and in hand	3	2,444,534	1,998,723
Available assets		2,548,005	2,264,264
Assets		2,589,237	2,305,578
		<u> </u>	<u> </u>
	Notes	2019 EUR	2018 EUR
	<u> </u>	<u> </u>	<u> </u>
Basic capital	5	41,313	41,313
Distributable capital	5	14,657	14,140
Equity		55,970	55,453
Provisions for grant support allocated	6	0	5,000
Provisions		0	5,000
Long Term Holiday provision		8,266	0
Long Term Liabilities		8,266	0
Obligations to grantees		1,018,390	772,280
Prepaid Subsidies	7	1,433,795	1,339,896
Other liabilities	8	72,816	132,949
Current liabilities		2,525,001	2,245,124
Total liabilities		2,533,267	2,245,124
Equity and liabilities		2,589,237	2,305,578

Notes

	2019 EUR	2018 EUR
1. Subsidies taken to income		
Swedish International Development Cooperation Agency (SIDA)	765,293	406,463
Swiss Agency for Development and Cooperation (SDC)	678,377	365,958
Danish Ministry of Foreign Affairs (DAPP-HRDC)	316,984	394,694
Sigrid Rausing Trust (SRT)	54,882	222,124
European Commission, Egypt	171,476	164,548
European Commission, Syria	0	20,692
European Commission, Libya	0	132,618
European Commission, EU HRDs Mechanism (2018-19)	138,475	223,359
European Commission, EU HRDs Mechanism (2019-22)	84,229	0
United Nations Interregional Crime and Justice Research Institute	0	166,687
Open Society Foundations (OSF)	167,022	255,035
Open Society Foundations (PTS)	200,316	75,119
Rockefeller Brothers Fund (RBF)	0	40,813
National Endowment for Democracy (NED)	52,499	44,457
French Ministry for Europe and Foreign Affairs - Syria	77,708	0
Subsidies reimbursement	(39,960)	0
	2,667,301	2,512,567
	2019 EUR	2018 EUR
2. Financial income		
Interest income, banks	0	4
Total financial income	0	4
	2019 EUR	2018 EUR
3. Cash at bank and in hand (restricted)		
Jyske Bank A/S 8751 118812-6 (DKK)	41,232	41,313
	41,232	41,313

Notes

3. Cash at bank and in hand (available)

	2019 EUR	2018 EUR
Jyske Bank A/S 7851 118883-7 (DKK)	363,377	391,144
Jyske Bank A/S 7851 120070-7 (EUR)	1,483,303	1,234,336
Jyske Bank A/S 5078 102123-8 (EUR)	32	105
Jyske Bank A/S 5078 103416-5 (EUR)	257,645	258,210
Jyske Bank A/S 5078 105732-3 (EUR)	245,386	124
Jyske Bank A/S 5078 110139-4 (EUR)	49,05	0
Jyske Bank A/S 5078 122150-5 (DKK)	41	41
Jyske Bank A/S 5078 116990-4 (DKK)	0	0
Jyske Bank A/S 5078 123061-5 (DKK)	46,264	32,532
Paris Bank EUR 41020034974	10,146	62,212
PFS e-Wallet	34,653	17,434
Petty cash	3,640	2,585
	2,444,534	1,998,723

4. Debtors

	2019 EUR	2018 EUR
European Commission, Egypt	0	55,853
European Commission, Syria	0	594
European Commission, Libya	13,621	13,621
European Commission, EU HRDs Mechanism	0	103,851
Danish Ministry of Foreign Affairs	69,334	57,984
United Nations Interregional Crime and Justice Research Institute	0	27,209
National Endowment for Democracy	6,232	621
Year-end debtors	0	5,808
Others	14,283	0
	103,470	265,541

Notes

5. Equity

The movements in equity are specified as follows:

	Basic capital	Distributable capital	Total capital
	EUR	EUR	EUR
Equity at 1 January 2019	41,313	14,657	55,970
Equity at 31 December 2019	41,313	14,657	55,970

6. Provisions for grant support allocated

	2019	2018
	EUR	EUR
Provisions at 1 January 2019	5,000	10,000
Support granted in 2019	-5,000	-5,000
	0	5,000

7. Prepaid subsidies

Swedish International Development Cooperation Agency 2017-2019	0	509,783
European Commission, Egypt	66,385	0
European Commission HRDs	131,369	0
Sigrid Rausing Trust (SRT)	319,774	96,816
Open Society Foundations (OSF)	270,343	167,022
Open Society Foundations (PTS)	0	200,316
Swiss Agency for Development and Cooperation (SDC)	459,444	365,958
Rockfeller Brothers Fund	68,182	0
French Ministry for Europe and Foreign Affairs, Syria	118,298	0
	1,433,795	1,339,896

8. Other liabilities

Due income tax and social charges	8,332	1,093
Reserve holiday payment	14,860	26,262
Suppliers	4,745	0
Other creditors' year end	24,816	0
EuroMed Rights	11,812	9,115
Audit	8,250	13,400
Others	0	83,079
	72,816	132,949

Notes

Swedish International Development Cooperation Agency (2017-2019)	SEK	EUR
Balance at 1 January 2019	5,133,485	509,783
Received from SIDA 05 Aug 2019	2,750,000	255,509
Spent in 2019	-8,005,478	-765.293
Balance at 31 December 2019	-187,049¹	0

¹ Due to the exchange rate fluctuations