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CVR-no. 20 22 26 70

**EURO-MEDITERRANEAN FOUNDATION OF
SUPPORT TO HUMAN RIGHTS DEFENDERS
VESTERGADE 16, 2ND FLOOR
DK-1456 COPENHAGEN K**

ANNUAL REPORT 2020

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FOUNDATION DETAILS

Foundation	<p>Euro-Mediterranean Foundation of Support to Human Rights Defenders Vestergade 16, 2nd floor DK-1456 Copenhagen K</p> <p>Central Business Registration No: 28 47 85 26 Registered in: Copenhagen Established: 26 November 2004</p> <p>Phone: +45 32 64 17 26 Fax: +45 32 64 17 02 Internet: www.emhrf.org</p>
Board	<p>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</p>
Management	<p>Anne-Sophie Schaeffer, Programme Director Raffaele Timpano, Finance Director</p>
Auditor	<p>BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 DK-1561 Copenhagen V</p>

STATEMENT BY BOARD AND MANAGEMENT ON THE ANNUAL REPORT

The Board and the Management have today considered and approved the Annual Report of Euro-Mediterranean Foundation of Support to Human Rights Defenders for the period 1 January to 31 December 2020.

The Annual Report is presented in accordance with the Danish Act on Foundations and Certain Associations including the provisions on generally accepted accounting principles.

In our opinion, the Annual Report give a true and fair view of the Foundation's financial position at 31 December 2020 and of the results of its operations for the period 1 January to 31 December 2020.

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

Copenhagen, on 7 May 2021

Management:

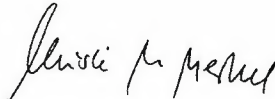
Anne-Sophie Schaeffer
Programme Director



Raffaele Timpano
Finance Director

Board:

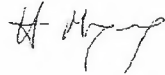
Driss El Yazami
President



Christine Martha Merkel
Vice-President



Kamel Jendoubi
Treasurer



Hanny Megally



Lynn Welchman



Bahey El Din Hassan



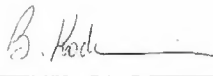
Habib Nassar



Khémaïs Chamhari



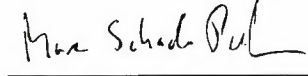
Leila Rhiwi



Bassma Kodmani



Souhayr Belhassen



Marc Schade-Poulsen

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 01.01.2020 - 31.12.2020, which comprise the accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Act on Foundations and Certain Associations including the provisions on generally accepted accounting principles. In our opinion, the financial statements give a true and fair view of the Foundation's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020- 31.12.2020 in accordance with the Danish Act on Foundations and Certain Associations including the provisions on generally accepted accounting principles.

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 the Danish Act on Foundations and Certain Associations including the provisions on generally accepted accounting principles, 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.

INDEPENDENT AUDITOR'S REPORT

- 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, on 7 May 2021

BDO Statsautoriseret revisionsaktieselskab
CVR no. 22 20 26 70

Henrik Brünings
State Authorised Public Accountant
MNE no 3106

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 organizations 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 2020

The activities of the Foundation proceeded well and increased by 17% in 2020, compared to 2019. Activities and services in support of human rights defenders (HRDs) accounted for 76% of the Foundation's overall budget whereas administrative and staff expenditure was capped at 24%. The result for the year amounts to EUR 22,249, that will reinforce the distributable capital of the Foundation.

The expected development

For the financial year 2021, the Board and Management expect activities, notably the emergency support to HRDs, to furtherly increase as per decision taken at the Board meetings held in October, November and December 2020. As in 2020, the result of the year is expected to show a slight profit to strengthen the equity of the Foundation.

During the year 2020, the Foundation has signed new partnerships with:

- Swedish International Development Cooperation Agency (SIDA) for the years 2020-22; and with
- Open Society Foundations for the years 2020-21.

The Foundations also continued receiving "Core support" from the Sigrid Rausing Trust.

It also received "Project support" from the Swiss Agency for Development and Cooperation (SDC), the Danish Ministry of Foreign Affairs (DAPP), the European Commission (EIDHR-DGNEAR), the French Ministry for Europe and Foreign Affairs, the Rockefeller Brothers Fund and the National Endowment for Democracy.

Most of these partnerships will continue in 2021.

As in 2020, 2021 activities will continue to be impacted by the COVID-19 pandemic, 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, notably the most affected and vulnerable human rights defenders and NGOs, while adapting its operations and implementing alternatives to physical meetings to maintain the highest level of reactivity, coordination and cohesion.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2020 EUR	2019 EUR
Subsidies taken to income	1	3,165,647	2,667,301
Support granted from provisions	6	0	5,000
TOTAL OPERATING INCOME		3,165,647	2,672,301
Salaries			
Programme Director		79,171	102,913
Regional Coordinator Mashreq		79,973	71,104
Regional Coordinator Mashreq		59,528	49,545
Regional Coordinator Mashreq		64,476	52,924
Regional Assistant		39,386	0
Regional Consultant Maghreb		34,540	29,219
Regional Coordinator Maghreb		19,887	18,818
Regional Coordinator Maghreb		16,647	16,151
Administration and Finances Director		94,041	42,924
Administration and Finances Officer		58,365	76,234
Grants Administrator		46,412	35,953
Interns and students		0	6,525
In-house accountant/External consultant		41,361	28,534
Total salaries		633,788	530,843
Activities in Support of Human Rights Defenders (HRDs)			
Emergency support to HRDs		332,980	254,816
Strategic support to HRDs		1,986,927	1,527,601
Cancelled obligations strategic support to HRDs		-14,085	-29,439
Financial costs related to grant giving		15,132	10,482
Follow-up on support to HRDs (incl. visits)		3,056	8,978
Board meetings		11,364	63,331
Tailored coaching exiled NGOs		0	46,171
Tailored coaching local NGOs		0	28,128
Discussion seminars and Committee Meetings		11,885	43,336
Meeting with partners (incl. fundraising)		122	5,098
Total activities in support of HRDs		2,347,381	1,958,503
Other Expenses/Services related to the activities			
Membership fees and dues to Foundation's networks		3,825	5,435
Temporary consultations/Researchers contributions		1,000	4,392
Translations		31,816	34,242
Other expenses/services related to activities		0	6,945
Information, publication (incl. website)		2,475	537
Total other expenses/services		39,116	51,551
Administration			
Audit		24,948	24,567
Maintenance of a secure forum and website		210	5,037
IT support		17,223	19,077
Rent		39,972	36,981
Office expenses and stationary		17,972	18,256
Bank fees related to administration and salaries		4,333	2,130
Others		18,456	25,355
Total administration		123,113	131,403
TOTAL OPERATING EXPENSES		3,143,398	2,672,301
PROFIT BEFORE FINANCIAL ITEMS		22,249	0

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2020 EUR	2019 EUR
PROFIT BEFORE FINANCIAL ITEMS		22,249	0
Financial income	2	0	0
Operating profit		0	0
FINANCIAL YEAR RESULT		22,249	0
PROPOSED DISTRIBUTION OF PROFIT			
Distributable capital		22,249	0
		22,249	0

BALANCE SHEET 31 DECEMBER

ASSETS	Note	2020 EUR	2019 EUR
Cash at bank, basic capital	3	41,313	41,232
Restricted assets		41,313	41,232
Debtors	4	383,253	103,470
Cash at bank and in hand	3	1,882,978	2,444,534
Available assets		2,266,231	2,548,005
ASSETS		2,307,544	2,589,237
 EQUITY AND LIABILITIES			
Basic capital.....	5	41,313	41,313
Distributable capital	5	36,906	14,657
EQUITY		78,219	55,970
Provisions for grant support allocated	6	0	0
PROVISIONS		0	0
Long term holiday provision		23,036	8,266
Long term liabilities		23,036	8,266
Obligations to grantees.....		1,340,607	1,018,390
Prepaid subsidies	7	762,065	1,433,795
Other liabilities.....	8	103,617	72,816
Current liabilities		2,206,289	2,525,001
TOTAL LIABILITIES		2,229,325	2,533,267
EQUITY AND LIABILITIES		2,307,544	2,589,237

NOTES

	2020 EUR	2019 EUR	Note
Subsidies taken to income			1
Swedish International Development Coop. Agency (SIDA)	683,472	765,293	
Swiss Agency for Development and Cooperation (SDC)	597,076	678,377	
Danish Ministry of Foreign Affairs (DAPP-HRDC)	305,328	316,984	
Sigrid Rausing Trust (SRT)	319,774	54,882	
European Commission, Egypt	332,881	171,476	
European Commission, EU HRDs Mechanism (2018-19)	0	138,475	
European Commission, EU HRDs Mechanism (2019-22)	383,407	84,229	
Open Society Foundations (OSF 2017-19)	0	167,022	
Open Society Foundations (PTS 2019)	0	200,316	
Open Society Foundations (Core Support 2020-21)	258,316	0	
Open Society Foundations (HRI 2020-21).....	51,483	0	
Open Society Foundations (OSF ASCOM)	1,252	0	
Rockefeller Brothers Fund (RBF)	67,735	0	
National Endowment for Democracy (NED).....	46,624	52,499	
French Ministry for Europe and Foreign Affairs, Syria.....	118,298	77,708	
Subsidies reimbursement.....	0	-39,960	
	3,165,647	2,667,301	
Financial income			2
Interest income, banks	0	0	
	0	0	
Cash at bank and in hand			3
<i>Restricted</i>			
Jyske Bank A/S 8751 118812-6 (DKK)	41,313	41,232	
	41,313	41,232	
<i>Available</i>			
Jyske Bank A/S 7851 118883-7 (DKK)	316,531	363,377	
Jyske Bank A/S 7851 120070-7 (EUR)	1,324,257	1,483,303	
Jyske Bank A/S 5078 102123-8 (EUR) ¹	0	32	
Jyske Bank A/S 5078 103416-5 (EUR) ²	0	257,645	
Jyske Bank A/S 5078 105732-3 (EUR) ³	0	245,386	
Jyske Bank A/S 5078 110139-4 (EUR) ⁴	0	49,05	
Jyske Bank A/S 5078 122150-5 (DKK) ⁵	0	41	
Jyske Bank A/S 5078 123061-5 (DKK)	178,238	46,264	
Paris Bank EUR 41020034974	30,408	10,146	
PFS e-Wallet	32,000	34,653	
Petty cash	1,535	3,640	
	1,882,978	2,444,534	

¹ Account closed in 2020

² Account closed in 2020

³ Account closed in 2020

⁴ Account closed in 2020

⁵ Account closed in 2020

NOTES

	2020 EUR	2019 EUR	Note
Debtors			4
European Commission, Egypt	28,635	0	
European Commission, Libya	0	13,621	
European Commission, EU HRDs Mechanism (2018-19)	35,550	0	
European Commission, EU HRDs Mechanism (2019-21)	205,693	0	
Danish Ministry of Foreign Affairs	69,014	69,334	
National Endowment for Democracy	0	6,232	
Others	44,361	14,283	
	383,253	103,470	
Equity			5
	Basic capital EUR	Distributable capital EUR	Total capital EUR
Equity at 1 January 2020	41,313	14,657	55,970
Financial result	0	22,249	22,249
Equity at 31 December 2020	41,313	36,906	78,219
	2020 EUR	2019 EUR	
Provisions for grant support allocated			6
Provisions at 1 January 2020	0	5,000	
Support granted in 2020	0	-5,000	
	0	0	
Prepaid subsidies			7
Swedish International Development Cooperation Agency 2017-2019	44,603	0	
European Commission, Egypt	0	66,385	
European Commission, EU HRDs Mechanism	0	131,369	
Sigrid Rausing Trust (SRT)	0	319,774	
Open Society Foundations (Core Support 2020-21)	12,028	270,343	
Open Society Foundations (HRI 2020-21)	50,845	0	
Swiss Agency for Development and Cooperation (SDC)	654,590	459,444	
Rockefeller Brothers Fund	0	68,182	
French Ministry for Europe and Foreign Affairs, Syria	0	118,298	
	762,065	1,433,795	

NOTES

	2020 EUR	2019 EUR	Note
Other liabilities			8
Due income tax and social charges	38,693	8,332	
Reserve holiday payment.....	6,594	14,860	
Suppliers.....	25,021	4,745	
Other creditors' year end ⁶	0	24,816	
EuroMed Rights ⁷	0	11,812	
Audit ⁸	0	8,250	
Others.....	33,309	0	
	103,617	72,816	
	SEK	EUR	
Swedish International Development Cooperation Agency (Contribution n. 11111 - 2020-2022)			
Balance at 1 January 2020	0	0	
Received from SIDA 04 Nov 2020	7,566,666	728,075	
Spent in 2020	-7,103,120	-683,472	
Balance at 31 December 2020	463,546	44,603	

⁶ From 2020 included among suppliers
⁷ From 2020 included among suppliers
⁸ From 2020 included among suppliers

ACCOUNTING POLICIES

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

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

Rate used DKK - EUR = 7.45

Expenditures in other currencies are converted at the InforEuro 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.

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;
- Follow-up, Tailored coaching, Meetings and Seminars for the benefit of human rights defenders and organizations.

Grants' costs are recognized when the Board approves the grant 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.

ACCOUNTING POLICIES

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 comprise the amounts of grants not yet (fully) paid but approved by the Board at the balance sheet date.

Prepaid subsidies

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

Other liabilities

This item reports 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.