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PARTNERS FIRST

Working together for Human Rights and Democratic Development



Rights & Democracy (the International Centre for Human Rights and Democratic Development) is a non-partisan, independent Canadian institution created by an Act of Parliament in 1988 to promote democratic development and to advocate for and defend human rights set out in the International Bill of Human Rights. In cooperation with civil society and governments in Canada and abroad, Rights & Democracy initiates and supports programmes to strengthen laws and democratic institutions, principally in developing countries.

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Legal deposit: Bibliothèque et archives nationales

du Québec, 2010 National Library of Canada, third quarter, 2010 ISBN: 978-2-923539-41-6

Registration number for charitable donations: 0808345-59

PRESENTATION OF THE ANNUAL REPORT

In 2009, Rights & Democracy entered into its third decade of promoting and protecting international human rights and supporting democratic institutions and processes around the world. It was also a year of transition for the Centre. The five-year strategic plan established by Rights & Democracy in 2005 was coming to an end and it was time to engage in determining our objectives going forward to 2015.

Following a strategic planning process that involved a taking stock of the 2005-2009 strategic plan, a forecast of the environment for human rights and democracy globally in the next five years, and an internal consultative process to establish our strategic priorities for the future, the Board of Directors approved the 2010-2015 strategic plan in March 2010. The main elements of this plan can be found on Page 5.

While planning for the future, Rights & Democracy continued to implement its programmes in women's human rights, indigenous peoples' rights, economic and social rights and democratic development in eleven core countries. What we have observed in working with our partners across Latin America, Asia, Africa and the Middle East is that the work of defending human rights and promoting democracy is becoming more dangerous. Frontline human rights defenders and democracy activists are increasingly threatened for the work they do, and our continued support is essential.

This annual report highlights our partners – the democracy and human rights defenders with whom we work. ■



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MESSAGE

FROM THE CHAIRPERSON OF THE BOARD OF DIRECTORS

It is my pleasure to contribute for the second year to the presentation of Rights & Democracy's Annual Report. Our organization has been mandated with a vital task of helping to enhance and promote human rights and democracy throughout the world in a meaningful and responsible way.

These goals, that are both desirable and necessary, are part of a continuing effort to bring about the realization of the ideals of the *International Bill of Human Rights*. As we move deeper into the 21st Century, both conceptual clarity and new ideas are required if Rights & Democracy is to adapt successfully to the conditions and the needs of a new era.

This is an era, moreover, that is beset with international problems, but also ripe with opportunities. In difficult economic times, there is too often a temptation to limit the rights of the most vulnerable citizens under the pretext

that democracy is either a luxury or alien to local culture. This is why the promotion of democracy needs to be avidly pursued, not only as an entitlement of all human beings, but also intelligently, through effective programmes where Rights & Democracy maximizes and focuses its resources and ensures the organic integration of rights enhancement and democracy promotion.

In order to be effective and to fulfill its mandate, Rights & Democracy needs to successfully complete a transition that ensures such organic integration and the adaptation to 21st Century demands. Though transitions are invariably challenging, the strong commitment and persistence of the Board and of new management leadership can create the kind of synergy that is needed for success. We should undoubtedly be helped in this task by the work of external organizations that have been brought in, including Deloitte Touche, Sirco, and by the contribution of external consultants to the process whereby we are addressing such structural issues as the resource consumption pattern and the role of our organization regarding advocacy. All this should aid us in identifying long-existing structural problems as well as point to possible solutions, so that Rights & Democracy may make the best use of its human and financial resources, and be able to truly fulfill its mandate in a way that is congruent with the good conscience of the Canadian people.

Finally, I also wish to extend a warm welcome to new member of the Board of Directors, Dr. Jayakumar Daniel from India, and to the new President, Mr. Gérard Latulippe. Again, it is my pleasure to work with the Board and the staff. I remain confident that, in the coming year, the work of the Board and the staff will combine to produce the desired results for the fulfillment of the goals and mandate of Rights & Democracy.



Photo: © Alain Rhéaume

Aurel Braun

MEMBERS OF THE BOARD OF DIRECTORS

Chairperson: Aurel Braun (March 2009 – present)

Deputy Chair: Jacques P. Gauthier (February 2008 – present)

(Acting President from January 22 to March 27 2010)

President of Rights & Democracy:

Rémy M. Beauregard (July 2008 – January 2010),

Gérard Latulippe (*March 2010 – present*)

International Members: Jeyakumar Daniel (March 2010 – present)

Soyata Maïga (October 2008 – present)

Guido Riveros Franck (February 2007 – February 2010)

Sima Samar (January 2007 – January 2010)

Canadian Members: Payam Akavan (February 2008 – January 2010)

Bradley Farquhar (July 2009 – present)
Jean L. Guilbeault (February 2008 – present)
David Matas (November 2009 – present)
Marco Navarro-Genie (July 2009 – present)
Elliot L. Tepper (February 2008 - present)
Michael Van Pelt (November 2009 – present)

INTERVIEW

WITH THE PRESIDENT OF RIGHTS & DEMOCRACY

You were appointed in March 2010 in the middle of a crisis at Rights & Democracy. How have you dealt with this crisis?

The public crisis that has afflicted Rights & Democracy since January 2010 has impacted the reputation of the institution. My priority since being appointed President by the government has been to ensure that the organization looks to the future. I have engaged with both the staff and the members of the Board of Directors so that together we can all build the organization based on new orientations that take into consideration our various niches of expertise. Moreover, with the support of the Board, I am looking forward to expanding our expertise into new emerging areas such as freedom of association, citizen journalism for the defence of democracy and human rights in countries governed by autocratic regimes as well as political party outreach to civil society.



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Photo: © Marc Gilbert

Earlier this year, my predecessor, Jacques Gauthier, took on the difficult functions of Acting President after the sudden death of Rémy Beauregard and gave a mandate to Deloitte & Touche to undergo a comprehensive review of various practices within Rights & Democracy. The goal of the comprehensive review was to improve the effectiveness, transparency and accountability of Rights & Democracy. I will implement the Board's decision to follow the Deloitte & Touche recommendations when we receive the report. Together with the Board I will introduce structural improvements in order to make Rights & Democracy a leader in the promotion of democracy and human rights.

How will Rights & Democracy improve its reputation in Canada and abroad?

Rights & Democracy was established through an Act of Parliament in 1988. As such, it is a Canadian institution that must demonstrate its value-added to all Canadians. In the coming months and years, Rights & Democracy will expand its presence across the country and engage Canadians on the important work it is doing. Building on the success of Rights & Democracy's John Humphrey Award, one of the Centre's flagship initiatives, we hope Canadians will see through our public events and our contact with our local partners that promoting the values of democracy and human rights internationally is an endeavour in which all Canadians can contribute.

What are your priorities for Rights & Democracy going forward?

The current level of funding which we very much appreciate unfortunately is just not sufficient for Rights & Democracy to fulfill its full potential. The core funding provided by the government through a parliamentary allocation is welcome and essential but I will place significant emphasis on diversifying and increasing our funding by project. As we are a charitable organization, I am convinced that we can also raise private money to support specific causes on human rights and democracy that are important for Canadians. One way of doing this is demonstrate to donors that we get results. To accomplish this, I plan on increasing our efforts at monitoring and evaluation. We also need to develop a communications strategy highlighting our niches of expertise and our successes in improving the practices of States in matters of human rights and democracy.

Finally, Parliamentarians in the late 1980s gave Rights & Democracy a dual, yet interdependent, mandate: to promote and protect human rights, and to strengthen democratic processes and institutions. I will place a priority on achieving a balance between these two, mutually reinforcing elements of our mandate.

The Board of Directors approved the strategic plan for 2010-2015. What is your opinion of this plan?

The strategic plan for 2010 to 2015 represents a good basis upon which to strengthen Rights & Democracy's core competencies and develop new ones. However, it has to be reviewed in order to give a priority to the new orientations of Rights & Democracy. Nevertheless, I am especially interested in expanding the work on independent media, political party dialogue and freedom of association especially in countries where there is a backlash on democracy and human rights. In addition to expanding and diversifying its funding, Rights & Democracy's new strategic plan identified increasing its presence in the field in key countries, especially in Latin America. In my experience, this is the best way to build strategic partnerships on the front line and develop the analysis necessary to implement programmes effectively.

What are some of the challenges you see for Rights & Democracy in the coming years?

The economic crisis of the last two years is already having an impact on the level of funding that donor countries allocate to international assistance. This will be a challenge for Rights & Democracy but also an opportunity to demonstrate our results and value-added. Also, the last several years have seen a democratic backsliding in a number of countries by leader's who have been elected and who then reduce the democratic space. This is the case for instance of Venezuela and Russia. This trend which is expanding constitutes a backlash against human rights defenders and democracy activists. Developing innovative tools, such as web technologies and new media, will be important in supporting those fighting for human rights and democracy on the frontlines.

STAFF

OF RIGHTS & DEMOCRACY MONTRFAL HEAD OFFICE

Management Team

Nicholas Galletti, Senior Policy Advisor to the President

Marie-France Cloutier, Director, Administration and Resources (until February 2010)

Razmik Panossian, Director of Policy, Programmes and Planning (until February 2010)

Charles Vallerand, Director, Communications (until February 2010)

France-Isabelle Langlois, Deputy Director, Policy, Programmes and Planning **Michael Wodzicki,** Deputy Director, Policy, Programmes and Planning **Anne-Marie Lavoie,** Deputy Director, Human Resources **Dominic Tremblay,** Deputy Director, Financial and Material Resources

Senior Advisors, Programmes

Sylvain Beauchamp, Senior Advisor, Accountability and Rule of Law Anick Druelle, Senior Advisor, Women's Rights Isabelle Johnson, Senior Advisor, Monitoring and Evaluation Marie Léger, Senior Advisor, Indigenous Peoples' Rights Maxime Longangué, Senior Advisor, Democratic Development Carole Samdup, Senior Advisor, Economic and Social Rights

Programme Officers

Lara Arjan, Regional Officer, Middle East and North Africa
Caroline Brodeur, Programme Officer, Economic and Social Rights
Gisèle Eva Côté, Programme Officer, Women's Rights
Nelly Desrosiers, Liaison Officer, Rights & Democracy Student Network
Alexandra Gilbert, Project Coordinator, Women's Rights in Afghanistan
Karim-André Laz, Regional Officer, Africa
Jean-François Lesage, Regional Officer, Asia
Geneviève Lessard, Programme Officer, Democratic Development
Micheline (Mika) Lévesque, Regional Officer, Asia
Lauren Ravon, Regional Officer, Americas
Sophie Rondeau, Coordinator, Rights & Democracy Student Network
Isabelle Solon Helal, Programme Officer, Women's Rights
Marie St-Louis, Programme Officer, Indigenous Peoples' Rights
Elana Wright, Interim Coordinator, Rights & Democracy Student Network

Communications Officers

Marie-Hélène Bachand, Officer, External Relations
Olivier Bourque, Officer, External Relations (until May 2009)
Leila Kayali, Webmaster (until November 2009)
Louise Lavallée, Coordinator, Documentation Centre
Marie Malo, Officer, Publications (until September 2009)
Louis Moubarak, Coordinator, Communication Events
Steve Smith, Officer, External Relations
Kingslyne Toussaint, Assistant, Reference Centre (until February 2010)

Elaine Brooks, Executive Assistant to the President (until February 2010)

Administration and Resources

Louise Chicoine, Administrative Assistant
Patricia Daigle, Coordinator, Administrative Support
Danielle Laferté, Administrative Assistant
Lise Masse, Administrative Assistant
Carmen Melfi, Receptionist
Diane Migneault, Administrative Assistant
Viviane Poirier, Executive Assistant to the President (until October 2009)
Suzanne Richard, Administrative Assistant
Nancy Rochefort, Accounting Clerk
Patrick St-Louis, Assistant, Archives and Databases (until October 2009)
Josée Trottier, Accountant
Isabelle Vallée, Assistant, Archives and Databases

HATTT OFFTCF, PORT-ALI-PRINCE

Danièle Magloire, Director, Haiti Office Claudy Dumas-Cauvin, Administrator François Démésier, Trainer/Monitoring Officer Marie Guerda Edmond, Trainer/Monitoring Officer Jean-Raymond Jean, Driver Josette Montmaitre, Maintenance Yves Saint-Louis, Administrative Assistant

AFGHANISTAN OFFICE, KABUL

Eighteen employees, whose names cannot be disclosed for security reasons.

RÉMY M.BEAUREGARD - IN MEMORIAM

Mr. Rémy M. Beauregard was President of Rights & Democracy from his appointment in May 2008 until his sudden death on January 7th, 2010. He leaves to mourn his wife and his son. We offer to his family and all those who loved him our sincere condolences.

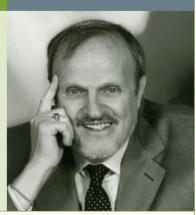


Photo: © Alain Rhéaume

STRATEGIC PLAN 2010-2015

LESSONS LEARNED

Rights & Democracy's process for developing its 2010-2015 Strategic Plan began with the implementations of the recommendations of the most recent Five-Year Review of Rights & Democracy, tabled in Parliament by the Department of Foreign Affairs in May 2008. This review highlighted the quality of Rights & Democracy's approach to implementing its programmes, which is based on best practices in the fields of good governance, democratic development, human rights, and, in particular, an emphasis on working in partnership with local actors. Our past experience has resulted in valuable lessons learned that were incorporated into the 2010-2015 Strategic Plan.

Since its establishment, Rights & Democracy has favoured an approach based on strong partnerships and has developed its initiatives in ways that are anchored in the realities of the countries where it works. This is especially important in authoritarian countries or countries experiencing conflict. On this basis, Rights & Democracy and its partners develop programmes based on a common understanding of the objectives, and in so doing, achieve results.

While Rights & Democracy's investments were relatively modest, its projects and programmes point to results that by and large meet the 2005-2010 strategic objectives. Nevertheless, the ability to influence or to effect changes in democratic structures or to improve human rights calls for long-term investments of time and money that often exceed Rights & Democracy's resources. Expectations of the impacts sought by the organization must therefore be realistic and attainable.

STRATEGIC PRIORITIES

In preparing the 2010-2015 Strategic Plan, Rights & Democracy completed an analysis of the human rights and democracy environment in consultation with over 300 experts and partners around the world. This led to the identification of a number of trends that will likely shape events over the next five years. While there has been progress on human rights in some regions and on some issues, notably indigenous rights, in the vast majority of countries where Rights & Democracy works, the current trend is marked by a pushback on human rights and democracy that threatens any gains of recent years. Persistent armed conflict, authoritarian regimes and the lack of commitment by countries traditionally at the forefront of the defence of human rights and democracy combine to produce a worrying picture for the future.

Rights & Democracy's new 2010-2015 Strategic Plan will position the organization to confront these challenges going forward. Based on its Parliamentary mandate "to help reduce the wide gap that sometimes exists between the formal adherence of states to international human rights agreements and the actual human rights practices of those states," Rights & Democracy established the following mission and vision for the next five years.

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Rights & Democracy defends and promotes universal human rights by strengthening democratic institutions and practices.

Our programmes, advocacy and research are accomplished for and in cooperation with civil society, communities and governments.

We support the democratic participation of women and men for the full realization of human rights, principally in developing countries.

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A world in which women, men and children enjoy their human rights fully in democratic societies.

The mandate, mission and vision of Rights & Democracy were translated into three interdependent and mutually reinforcing objectives that will frame our projects and programmes from 2010 to 2015.

In order to adapt to an ever changing international environment, the pushback on human rights and the backsliding of democracy in many parts of the world, the strategic objectives will be reviewed each year and programming guidelines will be developed.

1 Promote laws and policies that give effect to international human rights

In order to positively affect the development of democracies in Rights & Democracy's key countries, we will pay particular attention to certain rights: right to non-discrimination; right to justice and reparation; right to participation; right to freedom of expression; right to food; right to work; and collective rights. The work involved in achieving this objective places an emphasis on particular types of activities that cover preparation, consultation, implementation and follow-up of advocacy strategies and policy dialogue between governments and sectors of society on these rights, and the submission of cases of violations of these human rights to competent jurisdictional mechanisms.

2 Increase the enjoyment of human rights of key actors in society

In our work, we prioritize specific actors in society, or rights holders, who are traditionally excluded from democratic processes and institutions, and who are at particular risk of suffering from human rights violations: women and girls; indigenous peoples; migrant workers; citizen journalists; human rights defenders and youth. Inclusion of these actors and protection of their rights are essential for the advancement of democracy.

3 Strengthen institutions and mechanisms for the advancement of democracy insuring the respect of human rights

In countries in transition or where the consolidation of democracy is taking place, it is important to support initiatives to create or strengthen institutions that can anchor standards and practices that respect human rights and democratic principles - civil society organizations; political parties; national human rights institutions; local governments; independent media; judicial bodies. Working with international and regional institutions and mechanisms insofar as it has a direct impact on changing the practices at the national level is also a strategic mean to improve democracy and human rights.

To address these objectives, the four thematic priorities at Rights & Democracy – *democratic development*, *economic and social rights*, *rights of women and rights of indigenous peoples* – will be maintained over the next five years with some important innovations. Democratic development programming will be reinforced since the strengthening of the democratic processes and institutions is essential to improving human rights practices at the national level. A number of changes will be brought to the content of the work in each thematic priority as we develop niches of expertise to improve the effectiveness of our programmes and modify the manner in which we execute our programming. In addition, Rights & Democracy will establish a Human Rights Defenders Initiative to support partners at risk and defend the defenders.

We believe that a focus on **Democracy, Rights, Actors** and **Institutions** will allow Rights & Democracy to strengthen the implementation of its Parliamentary mandate.

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THEMATIC PRIORITIES

DEMOCRATIC DEVELOPMENT

Democratic development fosters citizen participation in debates on public policies and decision-making and by strengthening democratic practices and institutions. Democratic development fosters the implementation of political systems that improve the well being of the people and respect, protect and fulfill the rights of all citizens.

Democracy includes the right to freedom of association and expression, a multiparty political system, the rule of law, the existence of a vibrant and independent civil society, the right to vote, eligibility for public service positions, the holding of free and fair elections and the existence of institutions to make the government responsible and accountable to its citizens.

Three areas of democratic development where Rights & Democracy has expanded its work in 2009-2010 are freedom of expression and independent media, political party dialogue, and local political participation.

FREEDOM OF EXPRESSION AND INDEPENDENT MEDIA

Independent media play a key role in holding governments accountable and keeping citizens informed of the affairs of state. In repressive regimes, where free expression is viewed as a threat by authoritarian governments, independent media and citizen journalists fulfill their essential democratic role at great personal risk.

Rights & Democracy supports independent journalists and bloggers, or citizen journalists, by providing the technology, training and knowledge they need to do their job effectively and safely. With the Democratic Voice of Burma, we provide underground journalists with cameras and computers to expose the military junta's abuse of human rights to Burmese citizens and the international community. In Zimbabwe, we work with the Media Institute of Southern Africa to provide journalists with the knowledge they need to report effectively on the democratic transition. In Egypt, we work with the Egyptian Organization for Human Rights and the Friedrich Naumann Foundation to train bloggers and traditional journalists to use the internet and other new media tools to disseminate information, political analysis and opinion.

tative democracy. They serve to aggregate societal demands and seek power to represent those demands in government. They are therefore a principle vehicle for the exercise of political rights. The fact that political parties in many emerging democracies are frequently beset with persistent problems of self-interest, corruption, ideological incoherence, and a lack of inclusiveness and legitimacy is a significant problem for the realization of human rights.



In 2009, Rights & Democracy partnered with the Haitian Political Parties Convention to welcome representatives of the Bolivian Foundation for Multiparty Democracy in Port-au-Prince for an exchange on the role and functioning of multiparty institutions in the construction of sustainable democracies, in particular during constitutional reform processes. Peter Kent, Minister of State of Foreign Affairs (Americas), recognized this successful exchange during his speech before the Democracy Dialogue on November 23, 2009 as an example of Canada's contribution to democracy in the hemisphere.

PARTNER FOCUS

DEMOCRATIC VOICE OF BURMA (DVB)

The Democratic Voice of Burma is a non-profit Burmese media organization committed to responsible journalism. Its mission is to provide accurate and unbiased news to the people of Burma, to promote understanding and cooperation amongst the various ethnic and religious groups of Burma, to encourage and sustain independent public opinion and enable social and political debate and to impart the ideals of democracy and human rights to the people of Burma. Rights & Democracy has been a partner of DVB since 1991.



Haiti-Bolivia Multiparty Democracy Exchange

IOCAL POLITICAL PARTICIPATION

Increasing the capacity of citizens to participate in public life – especially those sectors of the population that have been traditionally excluded from political participation – is essential to ensuring a plural and representative democracy. In countries with a high degree of decentralization, the opportunities for participating politically are significant.

Rights & Democracy works with the Association of Bolivian Councilwomen to strengthen women's capacity to run political campaigns, to get elected, and to manage municipal councils in a way that strengthens respect for human rights.

In the province of Antioquia, Colombia, we work with the Institute for Popular Training to support citizen participation in constituent assemblies. These municipal-level meetings to discuss issues affecting community life, such as peace-building and security, are valuable direct-democracy fora upon which democratic culture is built in conflict-ravaged societies.

ECONOMIC AND SOCIAL RIGHTS

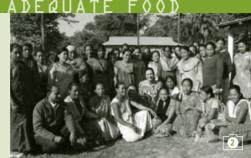
THE HUMAN RIGHT TO ADEQUATE FOOD

In a world with more wealth than ever before, more than a billion people go hungry every day. Ensuring the *right to be free from hunger* is therefore one of the most critical challenges of our time. Rights & Democracy works in Nepal, Haiti, Indonesia and Malawi to confront this challenge by providing support to civil society, community organizations and governments as they develop national strategies to combat hunger and its causes. Grounding our approach in the human rights framework, Rights & Democracy supports community-level training in human rights

including the right to food; collaboration between rural associations and national civil society organizations; and improved democratic governance through legislative and policy initiatives.

In 2009, Rights & Democracy published a reflection on its national level experiences: "Using Human Rights as a Practical Framework for Country-Level Assessment and Programming to End Hunger." This report is available on our website.

Access to land is a determining factor for the millions of people who depend on agriculture for their food security. However, for those living in poverty – in particular,



small-hold farmers, women and indigenous populations – access to land is both limited and insecure. In 2009, Rights & Democracy launched a new research initiative to better understand the human rights dimension of land tenure insecurity in the context of the right to food. As part of that research, we have provided support to the UN Special Rapporteur on the Right to Food for a compilation of case studies and two regional consultations in Southeast Asia and South Asia. The results will inform the Rapporteur's next thematic report to the UN General Assembly in the fall of 2010.

PARTNER FOCUS

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SAHARA NEPAL

Sahara Nepal is a community-based organization located in the eastern Terai region of Nepal, Sahara works with impoverished indigenous communities who are often isolated from the mainstream of society. Historically, indigenous communities accessed food from rivers, forests or cultivation of land but their rights to these traditional resources are not protected and chronic hunger is endemic. With support from Rights & Democracy, Sahara is providing human rights training to indigenous communities with a view to enabling better documentation of experiences and strengthening of efforts to obtain remedies.



Right to Food Project: Prithivinagar, Nepal

TNVFSTMENT AND HIMAN RIGHTS

In May 2009, Rights & Democracy hosted a policy seminar on the role of human rights law within international investment arbitrations. The meeting brought together academics, legal experts and representatives of civil society to discuss bilateral investment treaties, their dispute settlement processes and the implications for human rights. Discussion was informed by the Rights & Democracy publication "Human Rights and Bilateral Investment Treaties: Mapping the role of human rights law within investor-state arbitration" (Luke Peterson, 2009).

During the past year, Rights & Democracy has distributed its methodological tool for community-based, project-level human rights impact assessments and we have provided training on its use for both Canadian and international organizations. Rights & Democracy has also continued to apply its methodology in practical field studies. This was achieved through partnerships between local actors in Ecuador, Cameroon and Bolivia and international organizations led by Rights & Democracy together with the International Federation for Human Rights and Oxfam America. Each assessment team applied the methodology to identify and document human rights impacts of specific foreign investment projects in such sectors as mining and fruit plantation.

In March 2010, Rights & Democracy hosted a symposium bringing together representatives of each assessment team and academic experts in the field including: Christine Bader, advisor to the UN Special Representative on Business and Human Rights; Alirio Uribe, lawyer for Colectivo de Abogados José Alvear Restrepo in Ecuador; and Chris Jochnick, Director of the Private Sector Development department at Oxfam America. The meeting allowed teams and experts to share experiences with each other and to benefit from the insights of other participants. The symposium concluded with a public event that allowed our guests to interact with Canadians. The human rights impact assessment tool, "Getting it Right" (2008), and the two meeting reports are available on our website.

7

RIGHTS OF WOMEN

THE COALITION FOR WOMEN'S HUMAN RIGHTS IN CONFLICT SITUATIONS

Founded in 1996 by Rights & Democracy and a number of international partners, the Coalition for Women's Human Rights in Conflict Situations is the centrepiece of our programming on women's rights. The Coalition has two main objectives: to promote the adequate prosecution of perpetrators of sexual violence in transitional justice systems in order to create legal precedents that recognize violence against women in conflict situations and to help find ways to obtain justice and reparations for survivors of sexual violence.

The year 2009-2010 saw the Coalition active on many fronts, both at the national and international levels. At the national level, it contributed to efforts by local partners in Peru, Zimbabwe and Sierra Leone to implement the principles of the *Nairobi Declaration on Women's and Girls' Right to a Remedy and Reparation*. At the international level, the Coalition continued its efforts to see the Nairobi Declaration's principles inform the work of the International Criminal Court (ICC).

In November 2009, Rights & Democracy organized two experts colloquia for Chambers and staff of the ICC at The Hague entitled "Reflecting on Reparations for Victims of Sexual Violence in International Law." Organized in collaboration with the Coalition and the United Kingdom-based human rights organization, REDRESS, the two sessions aimed to increase judicial awareness about the Nairobi Declaration and promote the application of its principles by the Court. The colloquium for the Chambers, which was sponsored by Judges Fulford and Odio-Benito, was attended by 15 of the ICC's 18 judges and their legal advisors and featured presentations by such noted experts as Theo Van Boven, UN Special Rapporteur against Torture from 2001-2004, and Judge Antonio A. Cancado Trindade of the International Court of Justice.

In the past year, the Coalition continued its efforts to ensure the adequate prosecution of crimes of sexual violence. Among its numerous interventions, the Coalition signed a petition drafted by partner organizations the Centre for Constitutional Rights and the International Women's Human Rights Clinic calling on the ICC to accept an amicus curae brief stating that accused war criminal Jean-Pierre Bemba of the Democratic Republic of the Congo should face the cumulative charges of rape and torture, arguing that rape and other forms of sexual violence are forms of torture.

SEXUAL VIOLENCE IN THE DEMOCRATIC REPUBLIC OF THE CONGO (DRC)

Rampant sexual violence in the DRC is not a compilation of random acts but rather a systematic campaign to destabilize Congolese society. This campaign is the focus of an ongoing mapping exercise by the Coalition that began with a request from Louise Arbour, then the United Nations High Commissioner for Human Rights. The first part of the research exercise outlined the driving forces behind the use of massive sexual violence between 1993 and 2003, the year the war in the DRC was declared officially over. The Coalition's report, "Ending Sexual Violence in the



Democratic Republic of Congo," written by Coalition member Gaelle Breton-Le Goff, appeared in the Winter 2010 issue of the Fletcher Forum of World Affairs. In the coming year, the Coalition will continue to focus on the root causes of sexual violence in the DRC between 2003 to 2010. ■

THE NAIROBI DECLARATION ON THE RIGHT OF WOMEN AND GIRLS TO A REMEDY AND REPARATION

"This civil society initiative is particularly significant because it gives voice to women and girls who are survivors of sexual violence [...] The Nairobi Declaration redefines reparation and guides policy-making to implement the right to reparation specifically for victims of sexual violence. The concept of reparation as a transformative and participative process put forward in the Nairobi Declaration constitutes its most innovative and inspiring contribution."

Valérie Couillard, "The Nairobi Declaration: Redefining Reparation for Women Victims of Sexual Violence," in the International Journal for Transitional Justice, 2007. Oxford University Press. http://ijtj.oxfordjournals.org/cgi/content/abstract/ijm030v1

PARTNER FOCUS

REDRESS

REDRESS is a United Kingdom-based human rights organization that helps survivors of torture obtain iustice and reparation, REDRESS works with survivors to help restore their dignity, hold accountable the governments and individuals who perpetrate torture and to develop the means of ensuring compliance with international standards and securing remedies for victims. **REDRESS** prioritizes the interests and perspectives of survivors in all aspects of its work. The highest priority in decisions and interventions is given to promoting survivors' well-being and the avoidance of further traumatization.



A coalition meeting in Kigali, Rwanda. Photo: © Véro Boncompagni-09

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RIGHTS OF INDIGENOUS PEOPLES

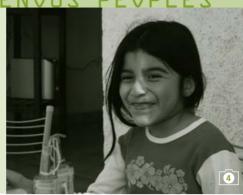
Armed conflicts in Peru and Guatemala in the last half of the 20th century resulted in widespread violence against women – and indigenous women in particular – perpetrated by all factions. Despite the end of hostilities in both countries, the armed conflicts helped foster a culture of violence against women that is now deeply rooted across both societies. This terrible trend is also a fact in Colombia, where indigenous women too often bear the violent brunt of that country's ongoing armed conflict.

The pursuit of just and adequate reparations for the victims of these crimes is a priority for Rights & Democracy's Indigenous Peoples' Rights programme.

In 2009 Rights & Democracy launched a new initiative designed to facilitate collaboration between partner organizations in Peru, Colombia and Guatemala and allow them to better combine and coordinate their efforts to obtain adequate reparations for indigenous women victims of the armed conflicts in their countries. This new project furthers efforts to implement the principles of the 2007 Nairobi Declaration on Women and Girls' Right to a Remedy and Reparation.

Rights & Democracy also took its efforts to ensure adequate reparations for indigenous women victims of sexual violence before the Second Session of the Expert Mechanism on the Rights of Indigenous Peoples in Geneva in August 2009. The presentation emphasized that indigenous women must be full and equal participants in the development of any redress initiatives that concern them.

The year 2009-2010 also saw Rights & Democracy develop an upcoming campaign focused on Colombia's endangered indigenous peoples. The campaign will highlight the plight of Colombia's 34 indigenous peoples facing extinction – one third of the country's 102 indigenous peoples. This situation was the focus of a mission by Rights & Democracy's late President, Rémy Beauregard, who travelled to Colombia in November 2009 to meet with indigenous representatives and attend the National Congress of Indigenous Women in the Cauca Valley region.



Indigenous women in the Americas, approximately 20 million people, are subject to double discrimination because of their indigenous origin and gender. Violence, poverty, poor access to education and health are only a few of the consequences of double discrimination. Seeing double discrimination recognized in courts of law is an important means to minimizing its impact. In 2009-2010, Rights & Democracy continued its work to raise indigenous women's awareness of their rights and to accompany them in the documentation of cases of discrimination. Among the project's aims are seeing these cases presented before the Inter-American Commission of Human Rights and building a body of case law dealing specifically with indigenous women. This work is done in collaboration with the Université du Québec à Montréal's Clinique internationale de défense des droits humains de l'UQAM (CIDDHU) with funding from the International Development Research Centre (IDRC).



PARTNER FOCUS

ASOCIACIÓN DE CABILDOS INDÍGENAS DEL NORTE DEL CAUCA (ACIN)-COLOMBIA

ACIN has more than 110,000 members representing Colombia's Indigenous peoples, peasantry and its Afro-Colombian community. Its members are drawn from 14 Indigenous collective territories and a number of municipalities from North Cauca. Founded in 1994, ACIN promotes peaceful resistance to armed conflict and asserts territorial rights. Its principal aims are: the reclamation of traditional territories, self-determination and self-government and promoting Indigenous identity.



Little girl from the Diaguita community, Argentina.



President's mission to Colombia, November 2009.

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COUNTRIESAFRICA

DEMOCRATIC REPUBLIC OF CONGO

The situation for women in the Democratic Republic of Congo (DRC) continued to worsen over the year 2009-2010. From President Joseph Kabila's empty promise of "zero tolerance" for crimes of sexual violence committed by members of the DRC's armed forces to the International Criminal Court's lack of action on rape and other forms of sexual violence, there was no shortage of frustration for human rights defenders working to end atrocities against women in the DRC.

Over the course of 2009-2010, Rights & Democracy contributed to their efforts through programming that focused on three main objectives: support for five grassroots Congolese

women's rights organizations working with survivors of sexual violence and fighting impunity for such crimes; training programmes for counsellors, lawyers, judges, prosecutors and police officers on existing laws against sexual violence in the DRC; and support for research, promotion and advocacy activities to raise awareness at

the national and international levels about the situation of sexual violence in the DRC and the importance of grassroots efforts by local women's organizations to assist its survivors and end impunity.

In December 2009, Rights & Democracy helped organize the Goma Forum on the Rights of Victims of Sexual Violence in association with local partners SOFEPADI, the Congolese Coalition for Transitional Justice and the United Kingdom-based human rights organization, REDRESS. The Forum produced a declaration calling on the Government of the DRC and the International Criminal Court to end impunity for crimes of sexual violence and provide for greater participation by victims of sexual crimes in the design and implementation of programmes to aid them and compensate their suffering. The declaration is available on our website.

PARTNER FOCUS

SOFEPADI

SOFEPADI stands for "Solidarité Féminine pour la Paix et le développement intégral." Its professional staff accompanies survivors of sexual violence and promotes peace and awareness of women's rights through campaigns and workshops in the Ituri territory of Oriental province, the Beni territory in the North Kivu province, and the Eastern DRC.

ZIMBABWE

The objective of Rights & Democracy's programming in Zimbabwe is to bring an end to impunity for human rights violations in the country. In Zimbabwe, Rights & Democracy works with its partner organization Zimbabwe Lawyers for Human Rights to document cases of human rights violations. In Canada and internationally, Rights & Democracy works to raise awareness of the gravity of the human rights situation in Zimbabwe. Our programming also aims to facilitate recourse to justice for victims of human rights violations through both African and international human rights protection mechanisms and to support local organizations providing assistance to victims of human rights violations in Zimbabwe.

Rights & Democracy, in collaboration with Southern African civil society organizations fighting to defend human rights in Zimbabwe, has now developed a regional database that provides a complete picture of the human rights situation in Zimbabwe and among the more than 4.5 million Zimbabweans living in exile. Prior data collection had been haphazard, with questionable security measures, and was not necessarily adapted for advocacy purposes. The new database assists organizations in gathering data in a more systematic manner using a standardized investigative methodology that takes into account gender-based violations. The testimonies collected will be used to strengthen advocacy conducted by Southern African civil society organizations at the Southern Africa



Development Community (SADC), the African Commission on Human and Peoples' Rights (ACHPR), the African Union (AU) and the United Nations system (UN). Human rights violations compiled in the database will be used in a report to the Human Rights Council as part of Zimbabwe's Universal Periodic Review (UPR) in 2011. Moreover, in the eventuality that a transitional justice mechanism is established in Zimbabwe, the results of this regional investigation will be crucial in determining appropriate recourse and remedy.

In addition to documenting human rights violations in Zimbabwe and neighbouring countries, Rights & Democracy also supports freedom of expression and independent media through a training programme for journalists on democratic transition issues.

ZIMBABWE LAWYERS FOR HUMAN RIGHTS (ZLHR)

ZLHR is a civil society organization headquartered in Harare, Zimbabwe. ZLHR has played a leading role in the promotion and protection of human rights across Zimbabwe since its founding in 1996. Guided by a professional commitment to the rule of law and Zimbabwe's international human rights obligations, ZLHR provides essential services ranging from legal support for victims of state-endorsed persecution to public education and human rights training for activists and civil society organizations working at the community level. ZLHR received the 2008 Rights & **Democracy John Humphrey award.**



Irene Petras and Andrew Makoni, Zimbabwe Lawyers for Human Rights

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MIDDLE EAST NORTH AFRICA

JORDAN

In 2005, the Hashemite Kingdom of Jordan created and launched its first National Youth Strategy. With 40% of Jordan's population aged 12-30, the National Youth Strategy affects much of Jordan's current and future population. Finding effective ways to implement the strategy and support its aims is thus critical to Jordan's development.

Rights & Democracy works in the region to support the National Youth Strategy by creating spaces where young Jordanians can engage with government officials, parliamentary representatives and civic society, and both share their experiences and provide direction for implementing the National Youth Strategy.

Rights & Democracy and partners at the University of Minnesota Youth Studies department also supported a three-day Youth Civic Forum in Amman, Jordan, led by the Princess Basma Youth Resource Center. The entirely youth-led forum brought together 50 young women and men from Jordan and the MENA region (courtesy of the Safar Youth Mobility Fund) to participate in a civic dialogue examining three pathways to participation: civic, political and media. While youth understand the



linkages between civic and political participation they tend to shy away from the latter. It was found that Jordanian youth use new media as a tool to advertise their civic initiatives and not for advocacy and policy change. Knowing this, Rights & Democracy aims to work with Jordanian youth to enhance their participation in the above mentioned pathways over the coming five years.

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ARDEG

Rights & Democracy has been partnering with the Regional Association for the Development of Gharb (ARDEG) since 2007. ARDEG works at involving youths from Sidi Yahia al Gharb to become involved citizens in their communities. The project, which began in 2009, aims to act as a transition for Rights & Democracy's Morocco programming by strengthening ARDEG's capacity in Public Achievement (PA), a unique youth engagement methodology, and by laying the groundwork to expand the programme by involving Moroccan universities and other youth organizations across Morocco.



Youth Civic Forum in Amman, Jordan

EGYPT

Political blogging is playing an increasingly important political role in a number of Arab countries, notably Egypt where bloggers have been pushing the limits of political reform since 2003. Rough estimates suggest there are currently about 4,000 bloggers active in Egypt, the vast majority of whom are less than 30 years old, middle class and well-educated.

Rights & Democracy's project in Egypt started in January 2010 and aims to encourage blogging as a source of independent information for the Egyptian public by providing bloggers with technical skills, enhancing their linkages to mainstream journalists,

and enhancing their credibility as sources of information and political analysis. Put another way, the project aims to transform blogging from its current random state into reliable citizen journalism. In doing so, the project aims to provide Egyptians with better access to credible, independent information and foster a citizenry that is more politically aware and able to participate in, and even initiate political change.

The project is undertaken in collaboration with the Friedrich Nauman Foundation for Liberty, and the Egyptian Organization for Human Rights. It was made possible with the support of Canada's Department of Foreign Affairs and International Trade (DFAIT).

MOROCCO

People under 25 years of age constitute 60% of Morocco's population and youth unemployment is high. Marginalized youth in Morocco is a force that might initiate change if given the adequate tools. In 2006, Rights & Democracy made a strategic decision to work with marginalized groups in rural Morocco, providing youth with advocacy training to better access municipal and other levels of government.

The project uses a unique youth engagement model, known as Public Achievement. In 2009, it was decided to continue our work and build on the first phase of the project with the Regional Association for the Development of Gharb (ARDEG). The expansion of the project will take place over the next three to five years and is envisioned to involve universities and marginalized communities in at least three Moroccan regions. Technical support for this project has been offered by the University of Minnesota Youth Studies programme and the American Friends Service Committee, Middle East.

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AMERICAS

COLOMBIA

For almost fifty years now, armed conflict in Colombia has had and continues to have a disastrous impact on the country's population and its democratic development. In this context, municipal constituent assemblies are a vector of democratization and an essential means to peaceful solutions for the many problems created by the conflict. These assemblies offer a place of dialogue and decision-making where key actors of society (social sectors, local authorities, church leaders, and the private sector) can address common concerns with regards to peace, equality, and democratic development.

Since 2006, Rights & Democracy has partnered with the *Instituto Popular de Capacitación* (IPC) to support the reinforcement of municipal constituent assemblies of the Department of Antioquia through a variety of means: leading debates; supervising exercises of formulating and expressing consensus through a



human-rights based approach; providing training; and supporting constituent assemblies in their quest for recognition by the official authorities and the public. The next phase of the project will aim to bring this unique and successful project to the regional and then national level.

PARTNER FOCUS

INSTITUTO POPULAR DE CAPACITACÍON

The IPC has more than 25 years experience in the region of Antioquia. It specializes in human rights and citizen participation and its fields of activities range from research to communications, communities and social organizations, capacity building and development of direct or concerted impact strategies. One of its strengths is its capacity for working at every level of political life, from local and departmental state authorities to grassroots organizations, cooperatives, associations, universities and research centers



An assembly meeting in Colombia

BOLIVIA

In December 2008, Rights & Democracy launched a three-year project to promote the political participation of women in Bolivia, in partnership with the Association of Bolivian Councilwomen (ACOBOL). In a country where the majority of the population is indigenous, Rights & Democracy places an emphasis on training indigenous women leaders who wish to run for public office, and on fostering intercultural dialogue among indigenous and non-indigenous women involved in local politics.

In 2009-2010, a research project was undertaken with ACOBOL to identify the needs and priorities of women involved in municipal politics throughout all of Bolivia's nine departments. With Rights & Democracy's support, ACOBOL then trained close to 1,000 women, both women seeking re-election and women leaders seeking to enter into municipal politics. These trainings were

aimed at building women's capacity to effectively conduct municipal affairs, and to integrate a rights-based approach in their work as local-level decision makers.

Networking is also a main component of the project. Throughout the year, networking events were organised for women from urban and rural municipalities, including elected indigenous women, from all over Bolivia to meet and exchange their experiences. In October 2009, in collaboration with the Federation of Canadian Municipalities (FCM), Maria Eugenia Rojas Valverde, director for ACOBOL, and Beatriz Tórrez de Hoyos, municipal councillor and President of the association of elected women for the Department of Santa Cruz, travelled to Canada to discuss the experience of women engaged in municipal politics in Bolivia and to share experiences with Canadian women engaged in local politics.

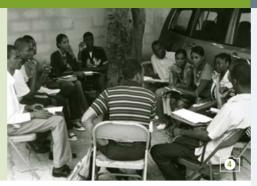
ACOBOL

The Association of Bolivian Councilwomen (Asociacion de consejalas de Bolivia) is a national organization created in La Paz in 1999. It works to strengthen and increase the political participation of women at the local level and to fight violence against women in the political arena. ACOBOL is comprised of all the women municipal councillors and women mayors from the 314 municipalities of Bolivia. There are more than 1,600 women members.

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HAITI

In 2009, with funding from the Canadian International Development Agency (CIDA), Rights & Democracy launched a new four-year programme called *Strengthening Democratic Governance and Promoting Human Rights in Haiti*. This programme aims to achieve three main objectives:



To strengthen State – civil society dialogue by increasing the capacity of Haitian civil society organizations to participate constructively in democratic fora and to influence decision-makers on matters of public policy linked to human rights issues. During the first year of the programme, Rights & Democracy trained over 100 Haitian civil society organizations on advocacy techniques and offered technical and financial support to five advocacy campaigns, spearheaded by civil society organizations on important issues for human rights and democratic development in Haiti: women's rights, prisoners' rights, the right to identity, the right to food and youth engagement in democratic development.

To strengthen the Office of the Ombudsman (Office de la protection du citoyen - OPC), the only independent state body devoted to protecting human rights in Haiti. In 2009, Rights & Democracy supported the OPC in researching and drafting a national report on the situation of human rights in Haiti to be submitted for Haiti's Universal Periodic Review (UPR) at the UN Human Rights Council. Because of the earthquake, HAITI's participation in the UPR has been postponed to late 2011. Rights & Democracy also supported the drafting of legislation for the OPC.

To promote the political participation of women and facilitate political party dialogue. In the run-up to Haiti's 2009 Senatorial elections, Rights & Democracy worked with its partner Fanm Yo La to train female candidates throughout the country. It also collaborated with the Convention of Haitian Political Parties and the Bolivian Foundation for Multiparty Democracy to organize an exchange between Haitian and Bolivian politicians on the role of political parties in democratic development and in constitutional reform processes.

With more than half the population under the age of 21, youth engagement in democratic development is at the heart of Rights & Democracy's programming. In 2009, Rights & Democracy worked with FOKAL (Foundation for Knowledge and Liberty) to set-up a network of youth clubs throughout six of Haiti's ten departments to promote youth engagement in matters of national interest and to support youth-led civic initiatives at the community level.

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KAY FANM

Kay Fanm (the Women's House) is a longstanding partner organization of Rights & Democracy. Kay Fanm advocates for women's rights and runs a home for women and girls seeking refuge from violence. In August 2009, with support from Rights & Democracy, Kay Fanm produced a combined 2007-2008 report on the status of violence against women and girls in Haiti, with a specific emphasis on cases going before the courts. Moreover, as part of its new four-year programme, Rights & Democracy supports an advocacy campaign spearheaded by Kay Fanm that seeks to 1) ensure proper processing and follow-up, within the legal system, of charges laid by women victims of assault, 2) promote the drafting and adoption of laws and regulations that further women's rights, and 3) make Haitians and relevant government authorities more aware of their responsibilities with regard to violence against women.

Kay Fanm suffered great losses in the catastrophic earthquake on January 12, 2010. One of its founding members and pillar of the Haitian feminist movement, Magalie Marcelin, was killed; the organization's offices were partially destroyed; its home for women and girls seeking refuge had to be relocated; and many of the planned activities and workshops that were to take place in the first months of January had to be cancelled or postponed.

In the earthquake's aftermath, sexual assaults against women and girls in the refugee camps have been widely reported, and Kay Fanm has worked at bringing psycho-sociological support to the victims.



For more information: A youth club network meeting. http://vaguedufutur.blogspot.com

UNITED NATIONS INDEPENDENT EXPERT ON THE HUMAN RIGHTS SITUATION IN HAITI

At the invitation of Rights & Democracy, the United Nations independent expert on the human rights situation in Haiti, Michel Forst, visited Canada in May 2009 to discuss the findings of his first report to the UN Human Rights Council and to encourage Canada to focus on social, economic and cultural rights in Haiti.

"People in Haiti are well aware that in other countries, human rights are effectively interdependent and indivisible, while in their own country, this is not the case. As long as this concept is not put into effect through concrete projects, the Universal Declaration will remain a foreign text in their eyes."

Michel Forst

AIZA

AFGHANISTAN

The last 12 months have been bittersweet for the women of Afghanistan. In April 2009, the country's women's rights advocates and their international partners sounded the alarm over a new Shia Personal Status Law that President Hamid Karzai had quietly signed into law, giving men among Afghanistan's Shia minority wide-ranging powers over their wives. At the controversy's height, an estimated 300 Afghan women took to the streets of Kabul to protest against the law in the city's largest demonstration for women's rights since 1970. Heralded as proof of a growing culture of human rights in Afghanistan,

the protest also served as a reminder of the immense human rights challenges that lie ahead.

The Shia Personal Status Law controversy brought international attention to Rights & Democracy's programming in Afghanistan, namely its CIDA-funded project, "A Measure of Equality for Afghan Women: Rights in Practice." Over the course of its third year, the project continued its work facilitating the participation of Afghan civil society organizations in the rewriting of Afghanistan's existing family laws. The main focus of this work is known as the Drafting Committee that includes representatives of Afghanistan's Ministry of Women's Affairs, Supreme Court, Ministry of Justice, the Afghan Bar Association, Afghan civil society organizations, members of the Afghanistan Independent Human Rights Commission and two Rights & Democracy staff members. The Drafting Committee met regularly over the last year in order to finalize its draft reform of the Afghan Sunni Family Law, which was to be sent to the Ministry of Justice in April 2010. The Drafting



Committee was also invited by Afghanistan's Ministry of Foreign Affairs to be part of a consultative committee responsible for drafting the country's first report on the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

Other activities by staff at our Kabul office in 2009-2010 included: support for the women's commission on the Elimination of Violence Against Women (EVAW) law; participation in a UNIFEM strategic committee tasked with issuing recommendations on the EVAW law; organizing meetings on the law-making process with local partners; and providing expert opinion and analysis at conferences and to international organizations seeking a better understanding of the law-making process and women's rights issues in Afghanistan.

Since its launch in 2007, Rights & Democracy's *Rights in Practice* project has provided training and workshops to thousands of women and men. Over the last year, training workshops on women's rights in Islam were carried out in five provinces. Specific training sessions



A Rights & Democracy workshop in Afghanistan

for mullahs focused on the new national marriage contract while another brought together Afghan women's organizations with a Moroccan women's rights advocate who shared the experiences of her organization, Global Rights, in advocating for reforms to Morocco's family law. Global Rights also participated in Rights & Democracy's third annual conference on family law in Islam in Kabul. These conferences have provided a unique opportunity for civil society organizations, government representatives and international organizations to come together to share lessons learned and discuss next steps for Afghanistan's reform of the family law.

Rights & Democracy also developed its partnerships with Afghan organizations delivering legal aid services in the area of family law and continued its support for local women's radio initiatives that broadcast radio spots on issues related to family law.

CHINA

In 2003, a citizen's movement for human rights known as the weiquan yungdong was established in China with the goal of holding the government accountable to its own laws, its Constitution and the international human rights treaties that China has ratified.

Rights & Democracy's support for the weiquan yungdong takes many forms. This year, we facilitated training for 30 leaders of the movement. These workshops provided these men and women with an understanding of United Nations mechanisms that are in place to reduce the gap between China's human

rights practices and its obligations under the numerous international treaties it has ratified.

The past year also saw our partner organization, the China Labour Bulletin (CLB), continue its work facilitating efforts by Chinese workers to obtain compensation for work-related accidents or for the non-respect of contractual obligations by their employers, including unpaid salaries and overtime. The aim of this project is to help workers gain a better understanding of their rights and the legal mechanisms such as labour tribunals that exist for challenging abuses of those rights.

A delegation of Canadian experts led by the Vice Chair Jacques Gauthier together with the President Rémy M. Beauregard, organized by Rights & Democracy also travelled to Beijing last November to discuss approaches to accommodating ethnic, cultural and religious diversity with officials of the Central Party School. The discussion, which also emphasized upholding China's international commitments on the issue, was frank, constructive and uncompromising and will continue in the years to come.

PARTNER FOCUS

CHINA LABOUR BULLETIN

Founded in 1994 in Hong Kong by trade unionist Han Dongfang, the China Labour Bulletin (CLB) bases its activities on human rights principles as articulated in the Universal **Declaration of Human Rights and** associated treaties. The CLB provides information and education on trade union rights and labour standards to workers and union organizers in China; provides a forum for workers to express their opinions and demands on labour and economic issues; facilitates workers' access to various dispute settlement processes; mobilizes a network of labour activists in China; and reinforces solidarity with the international trade union movement by updating overseas unions and the international community on the labour situation in China. The China Labour Bulletin's website is

http://www.china-labour.org.hk/iso.

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BURMA

Rights & Democracy's support for human rights and democracy in Burma began in 1990 and is one of our most enduring engagements. Over the course of 2009-2010, this support took the form of numerous engagements across Canada and internationally.

In Canada, Rights & Democracy sponsored the Canadian premiere of the documentary *Burma VI: Reporting from a Closed Country* by acclaimed Danish director Anders Østergaard, at the Hot Docs Canadian International Documentary Festival in Toronto. Rights & Democracy also sponsored a Parliament Hill screening of the documentary, which went on to be nominated for an Oscar

in the Best Documentary Feature category. Rights & Democracy also helped finance a new documentary *Breaking the Silence: Burma's resistance* by Montreal filmmakers Hélène Magny and Pierre Mignault on the contribution of Burmese civil society to the pro-democracy movement and co-presented the film's debut in November at Montreal's International Documentary Festival. Rights & Democracy also sponsored a cross-Canada speaking tour by Zoya Phan, author of the memoir "Little Daughter" about her experiences growing up under military rule in Burma. Zoya was a featured speaker at the Ottawa International Writer's Festival and provided keynote addresses at events organized by Rights & Democracy's student network delegations at York University and the University of Western Ontario.



Internationally, Rights & Democracy's work with the Democratic Voice of Burma (DVB) advanced on numerous fronts. Notwithstanding the fact that the upcoming elections in Burma are already being deemed illegitimate and undemocratic, they will be held nonetheless and it is essential that the electoral process be reported on objectively and independently. Rights & Democracy, with the support of the Department of Foreign Affairs' Glyn Berry Fund, is assisting the DVB in its efforts to ensure that independent coverage of the elections is made available both inside Burma and to the international community.

PARTNER FOCUS

NATIONAL COALITION GOVERNMENT OF THE UNION OF BURMA (NCGUB)

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In December 1990, a group of Members of Parliament elected in Burma's General Elections of May 1990 was sent into exile in order to mobilize international support for democracy in Burma. Led by Dr. Sein Win - Daw Aung San Suu Kvi's first cousin - and originally based on the Thai-Burma border, these MPs have served as a government in exile now known as the National Coalition Government of the Union of Burma, NCGUB is currently headguartered outside Washington, D.C. where it continues to lead international efforts to restore democracy in Burma.



Breaking the Silence Credit: © InformAction Films Inc.

INDONESIA

Civilian control of Indonesia's security sector, comprising the military, police and intelligence services, is fundamental to the country's development as a healthy, vibrant democracy. Once a feared instrument of the Suharto regime, the latter's fall in 1998 ushered in democratic reforms that are now providing an opportunity to shift the security sector from a corrupt instrument of public intimidation and control to professional institutions. However, lobbying to ensure the security sector is accountable to civilian authorities has not been easy for a sector used to political privileges and a high level of impunity for its actions.

Since 2007, Rights & Democracy has contributed to this reform process by facilitating the participation of local civil society organizations in the development, monitoring and implementation of legislation and institutions linked to security sector reform processes, and to the *Prolegnas* (Indonesia's National Legislation Programme).

Over the last year, Rights & Democracy continued its support for efforts by the Jakarta-based Institute for Defense, Security and Peace Studies (IDSPS) to foster greater civil society participation in the security sector reform process. In October 2009, the IDSPS set about establishing civil society taskforces in seven Indonesian cities to monitor media reports on security sector issues and identify trends. Between October and March 2010. the different taskforces filed 480 daily monitoring reports, which were then analyzed by IDSPS researchers. Widespread reports of violence by national police, military (TNI) and municipal police indicate that security sector personnel continue to abuse human rights on a large-scale. Findings also show broad evidence of corruption and suggest that punishment for human rights violations is often light and mostly limited to the lower ranks. Improving the security sector's accountability to Indonesia's international human rights commitments will be the focus of the next phase of this ongoing collaboration between the IDSPS and Rights & Democracy.

INSTITUTE FOR DEFENSE, SECURITY AND PEACE STUDIES (IDSPS)

The Institute for Defense, Security and Peace Studies (IDSPS) was established in 2006 by democracy activists and academics concerned about the reform of Indonesia's security sector. IDSPS conducts research, promotes public discourse on security sector reform and develops and sustains civil society participation in the reform process. It advocates a human rights approach to the rewriting and creation of legislation governing Indonesia's security sector.

ENGAGING CANADIANS

RIGHTS & DEMOCRACY STUDENT NETWORK

Now in its seventh year, the Rights & Democracy Student Network is a programme through which Rights & Democracy offers Canadian university students opportunities to obtain first-person perspectives on the urgent human rights issues that Rights & Democracy and its partners are tackling around the world, as well as hands-on training to build awareness about these issues among Canadians.

This year, the members of the Network's 20 delegations from campuses across Canada expressed their commitment to human rights and democracy by organizing innovative human rights



awareness projects on their campuses and in their communities. Using approaches that vary from workshops, simulations, and roundtables to music, photography, and contemporary dance, the Network's delegations have organized projects related to Rights & Democracy's programmes, including the right to education in Zimbabwe, Indigenous peoples at risk of extinction in Colombia, women's human rights in Burma, and the impact of foreign investment on human rights.

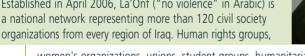
Student Network members were offered opportunities to network nationally and internationally by collaborating with Rights & Democracy's project officers and partners during the Network's two regional events and two national events in Canada, and by participating in international events including Beijing+15 at the Commission on the Status of Women at the United Nations in New York City and the Global Youth Assembly in Edmonton.



Her Excellency Michaelle Jean, at the Global Youth Assembly, Edmonton.

RIGHTS & DEMOCRACY'S JOHN HUMPHREY AWARD 2009

The 2009 Rights & Democracy John Humphrey Award was presented to the Iraqi nonviolence network La'Onf in recognition of its efforts to encourage Iraqis to reject violence and build a peaceful Iraq founded on respect for human rights. As part of the prize, representatives of La'Onf participated in a cross-Canada speaking tour that saw them address campus and community events in Vancouver, Edmonton, Toronto, Montreal and Ottawa. Established in April 2006, La'Onf ("no violence" in Arabic) is a national network representing more than 120 civil society





women's organizations, unions, student groups, humanitarian organizations and cultural associations all work together to carry out campaigns promoting human rights and civic activism among Iraqis from all communities. Their combined efforts to end the war and political violence, ease sectarian tensions and put an end to corruption are motivated by the common goal of enabling Iraqis to create for themselves a prosperous, peaceful and stable future.



Ibrahim Ismaeel and Saba Jabbar, La'Onf representatives, in Ottawa, December 2009.

CROSS-CANADA DIALOGUE SERIES

In 2009, it was decided to replace Rights & Democracy's annual conference with a cross-Canada series of one-day seminars examining issues at the heart of our programming. Three seminars were held in 2009-2010, in Winnipeg, Ottawa and Saskatoon. These events focused on the responsibility of companies, governments and communities for ensuring that investment projects in developing countries respect human rights; new media as a means to freedom of expression under repressive regimes; and the situation of indigenous peoples at risk of extinction in Colombia.

PARLIAMENTARY RELATIONS

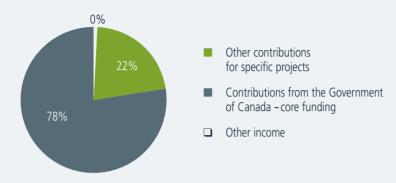
In 2009-2010, Rights & Democracy continued its close cooperation with its two main partners in the Government of Canada: the Department of Foreign Affairs and the Canadian International Development Agency. Rights & Democracy contributed to the annual Democracy Dialogue in November 2010 on the issue of democracy in failed and fragile states by organizing a panel on democratic development in Haiti. Rights & Democracy was also called to appear at various Parliamentary committees to share our expertise and our perspective on important international human rights issues, includina:

- Testimony on the Shia Personal Status Law at the Special Committee on Canada's Mission in Afghanistan
- Testimony on the UN Human Rights Council's *Universal Periodic Review* (UPR) process at the Senate Committee on Human Rights
- Presentation on sexual violence in the DRC at the All-Party Parliamentary Group for the Prevention of Genocide and Other Crimes Against Humanity
- Introduction of Burma's Prime Minister in exile at the Standing Committee on Foreign Affairs and International Development
- Testimony on investment and human rights during the Standing Committee on Foreign Affairs and International Development's debate of Bill C-300
- Testimony on Security Council Resolutions 1325 and 1820 and international justice for women and girl victims of sexual violence in conflict situations before the Senate Standing Committee on Human Rights
- Testimony on Rights & Democracy statutory Five-Year Review before the Standing Committee on Foreign Affairs and International Development ■

FINANCIAL REPORT

ANALYSIS OF FINANCIAL STATEMENTS

1 SOURCES OF INCOME

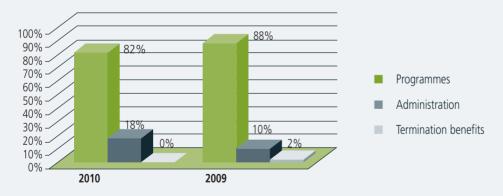


Similarly to last year, the income received by Rights & Democracy can be divided into three main categories. The percentage of contributions from the Government of Canada earmarked for general operations remained substantially the same as last year.

In 2008–2009, Rights & Democracy signed a contribution agreement with CIDA to develop a project titled *Strengthening Democratic Governance and Promoting Human Rights in Haiti.* In 2007–2008, a substantial contribution agreement was also signed with CIDA to develop a project focusing on women's rights in Afghanistan, titled *A Measure of Equality for Afghan Women: Rights in Practice.* Contributions from these two projects were \$0.638M and \$1.333M respectively for 2009–2010. The Department of Foreign Affairs also contributed \$0.152M, \$0.133M and \$0.023M for actions in Burma, Zimbabwe and Egypt.

Finally, other types of income, such as donations, sales of publications as well as interest income, make up less than 1% of the share of total income.

2 BREAKDOWN OF SPENDING BETWEEN PROGRAMMES AND ADMINISTRATION



The proportion of administrative expenses rose from 10% to 18% over the previous year, essentially due to non-recurring professional fees and expenses incurred by the Board of Directors which amounted to \$960,000 and \$321,000 respectively in 2010, compared with \$311,000 and \$114,000 in 2009.

We expect to return to the normal trend of previous years in the next fiscal year.

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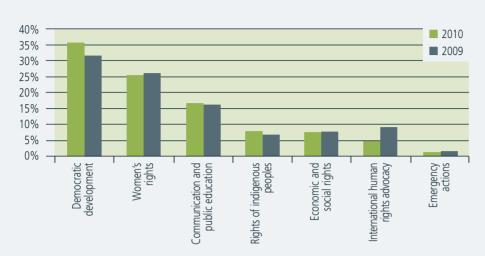
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ANALYSTS OF FINANCIAL STATEMENTS

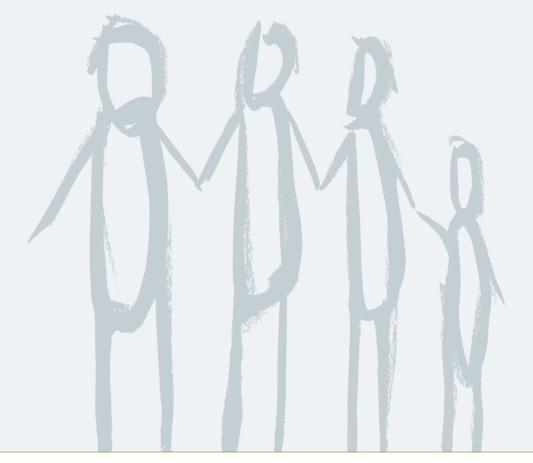
3 BREAKDOWN OF EXPENDITURES BY FIELD



It is important to specify that the breakdown of expenditures by field takes into account overhead costs, such as rent, which were distributed according to the number of employees concerned and/or the surface area occupied, depending on the type of expense. The remaining overhead costs were allocated to administration.

The breakdown of expenditures between the fields is directly related to the quality of the proposals presented during the budget development process, core funding, external funding received for specific projects and the number of employees assigned to each field. The most significant variations are related to democratic development, which increased from 32% to 36%; women's rights, which decreased from 27% the previous year to 25%, and international human rights advocacy, which declined from 9% to 5%.

The other fields maintained percentages more or less the same as those reported for 2009.



4 ANALYSIS OF EXPENDITURES BY CATEGORY

	2010 results	2009 results	١	/ariance (\$)	Variance (%)
Projects	\$ 6,924,441	\$ 7,480,085	\$	(555,644)	-7%
Salaries and benefits	\$ 2,864,580	\$ 2,549,799	\$	314,781	12%
Professional fees	\$ 960,397	\$ 311,884	\$	648,513	208%
Rent and office expenses	\$ 664,511	\$ 708,644	\$	(44,133)	-6%
Travel	\$ 120,201	\$ 93,231	\$	26,970	29%
Information	\$ 53,768	\$ 91,462	\$	(37,694)	-41%
Board of Directors	\$ 321,227	\$ 114,455	\$	206,772	181%
	\$ 11,909,125	\$ 11,349,560	\$	559,565	5%

In order to facilitate the analysis, some expenses were grouped differently from the conventional presentation of financial statements. The analysis of the table of expenditures by category illustrates the fact that total expenditures rose by 5%.

The "Salaries and benefits" item consists of salaries not associated with any particular project. The variance compared with the previous year is due to the signing of a new collective agreement which included adjustments to salary scales as at October 1, 2008.

In addition, the unusual amount of professional fees largely contributed to the increase in expenditures for 2010. The organizational turbulence experienced by Rights & Democracy early in 2010 required the conducting studies and analyses to clarify certain situations and to return to normal operations.

In addition to rent and office expenses, this item includes expenditures for the amortization of property and equipment, mail, telephone and other expenses.

The "Travel" item consists only of expenses that are not directly linked to active projects. Consequently, they primarily involve travel expenses related to the offices of the President and the Director of Programmes. They are regularly required to travel to raise the institution's visibility, meet potential partners or explore opportunities for a future project.

The "Information" item includes costs related to the documentation centre and the production of the *Libertas* newsletter, as well as the Annual Report.

Due to the fact that the Board of Directors of Rights & Democracy met five times in 2009–2010, compared with three times the previous fiscal year, expenses related to compensation, member travel and simultaneous translation rose by \$0.206M.

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MANAGEMENT'S REPORT

The consolidated financial statements of the International Centre for Human Rights and Democratic Development (Rights & Democracy) are the responsibility of management and have been approved by the Board of Directors of Rights & Democracy. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and, where appropriate, include estimates based on the experience and judgement of management. Management is also responsible for all other information in the annual report and for ensuring that this information is consistent with the consolidated financial statements.

Management maintains books of account, financial and management control, and information systems, together with management practices designed to provide reasonable assurance that reliable and relevant information is available on a timely basis, that assets are safeguarded and controlled, that resources are managed economically and efficiently in the attainment of Rights & Democracy's objectives, and that operations are carried out effectively. These systems and practices are also designed to provide reasonable assurance that transactions are in accordance with the *International Centre for Human Rights and Democratic Development Act* and the by-laws and policies of Rights & Democracy.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for the financial reporting as stated above. The Board exercises its responsibilities through the Finance and Audit Committee, which consists of directors who are not officers of Rights & Democracy. The Committee reviews the annual consolidated financial statements and related reports; the Committee meets with the external auditors annually and, may make recommendations to the Board of Directors with respect to these and/or related matters.

The external auditor, the Auditor General of Canada, conducts an independent audit of the consolidated financial statements, and reports to Rights & Democracy and to the Minister of Foreign Affairs.

Gérard Latulipe President Dominic Tremblay

Deputy Director,

Financial and Material Resources

Montreal, Canada June 2, 2010

AUDITOR'S REPORT

To the International Centre for Human Rights and Democratic Development and the Minister of Foreign Affairs

I have audited the consolidated balance sheet of the International Centre for Human Rights and Democratic Development as at March 31, 2010 and the consolidated statements of operations, comprehensive income, changes in equity and cash flows for the year then ended. These financial statements are the responsibility of the Centre's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Sylvain Ricard, CA auditor

Assistant Auditor General
for the Auditor General of Canada

Montréal, Canada June 2, 2010

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CONSOLIDATED FINANCIAL STATEMENTS

INTERNATIONAL CENTRE FOR HUMAN RIGHTS AND DEMOCRATIC DEVELOPMENT

Consolidated Balance Sheet as at March 31	2010	2009
ASSETS		
Current		
Cash Term deposits (Note 4) Accrued interest Accounts receivable Contributions receivable Receivable Parliamentary appropriation Prepaid expenses	\$ 413,405 2,470,000 5,872 101,602 382,499 348,070 93,918	\$ 152,148 2,120,000 13,299 120,911 274,082 - 119,634
	3,815,36 <u>6</u>	2,800,074
Long Term Property and equipment (Note 5) Intangible assets (note 6)	621,656 <u>241,561</u> <u>863,217</u> \$ <u>4,678,583</u>	717,479 44,317 761,796 \$ 3,561,870
LIABILITIES		
Current		
Accounts payable Accrued salaries and vacations Grants payable Obligations under capital leases (Note 7) Deferred contributions from the Government of Canada and other related entities (Note 8)	2,256,718 329,657 535,396 37,189 <u>83,962</u> 3,242,922	280,151 651,693 593,620 33,785 1 <u>99,076</u> 1,758,325
Long Term	<u> </u>	1,130,323
Deferred lease inducements Obligations under capital leases (Note 7) Other liabilities	82,608 120,793 <u>25,000</u>	114,609 157,981 <u>37,500</u>
	228,401	310,090
Deferred capital funding (Note 10)	604,048	<u>469,675</u>
	<u>4,075,371</u>	<u>2,538,090</u>
EQUITY		
Retained Earnings Accumulated Other Comprehensive Income	561,970 41,242	1,003,173 20,607
	603,212 \$ <u>4,678,583</u>	1,023,780 \$ <u>3,561,870</u>

Commitments (Note 15)

Contingencies (Note 18)

The accompanying notes form an integral part of the consolidated financial statements.

Approved by:

Gérard Latulipe

President of Rights & Democracy

Aurel Braun

Chair of the Board

Consolidated Statement of Operations for the year ended March 31	2010	2009
Expenses (Note 11)		
Programmes and Activities		
Democratic Development	\$ 3,544,266	\$ 3,259,154
Women's Rights	2,494,879	2,730,273
Communication and Public Education	1,639,484	1,663,899
Rights of Indigenous Peoples Economic & Social Rights	776,989 746,781	705,207 787,067
International Human Rights Advocacy	490,219	882,158
Urgent Action and Important Opportunities	121,429	<u>162,292</u>
	9,814,047	10,190,050
General administration	2,095,078	<u>1,159,510</u>
Cost of operations before termination benefits	11,909,125	11,349,560
Termination benefits	<u>46,580</u>	<u>263,198</u>
Cost of operations after termination benefits	<u>11,955,705</u>	<u>11,612,758</u>
Revenues		
Contributions from the Government of Canada and other related		
entities for specific projects (Note 12)	2,389,022	1,991,820
Contributions from unrelated entities (Note 13)	128,164	627,588
Interest	<u>33,689</u>	<u>47,775</u>
	<u>2,550,875</u>	<u>2,667,183</u>
Results of operations before funding from the Government of Canada	<u>9,404,830</u>	<u>8,945,575</u>
Funding from the Government of Canada		
Parliamentary appropriation - Core funding	8,819,904	8,939,791
Amortization of deferred capital funding (Note 10)	<u>143,723</u>	<u>179,558</u>
	<u>8,963,627</u>	<u>9,119,349</u>
Results of operations for the year	\$ <u>(441,203)</u>	\$ <u>173,774</u>
Consolidated Statement of Comprehensive Income for the year ended March 31		
Results of operations for the year	\$ (441,203)	\$ 173,774
Other comprehensive income		
Deferred contributions from unrelated entities recognized as		
revenue in the year (Note 9)	(11,826)	(49,619)
New deferred contributions from unrelated entities for the year (Note 9)	<u>32,461</u>	1,800
Total other comprehensive income (loss)	20,635	(47,819)
Comprehensive income	\$ <u>(420,568)</u>	\$ <u>125,955</u>
Consolidated Statement of Changes in Equity for the year ended March 31		
Retained earnings, beginning of year	\$ 1,003,173	\$ 829,399
Results of operations for the year	(441,203)	<u>173,774</u>
Retained earnings, end of year	561,970	1,003,173
Accumulated other comprehensive income, beginning of the year	20,607	68,426
Other comprehensive income (loss)	<u>20,635</u>	<u>(47,819)</u>
Accumulated other comprehensive income, end of the year (Note 9)	41,242	20,607
Total retained earnings and accumulated other comprehensive income	\$ 603,212	\$ 1,023,780

The accompanying notes form an integral part of the consolidated financial statements.

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CONSOLIDATED FINANCIAL STATEMENTS

INTERNATIONAL CENTRE FOR HUMAN RIGHTS AND DEMOCRATIC DEVELOPMENT

Consolidated Statement of Cash Flows for the year ended March 31	2010	2009
Cash provided by (used in) operating activities		
Results of operations for the year Items not affecting cash	\$ (441,203)	\$ 173,774
Decrease in deferred lease inducements	(32,001)	(32,001)
Amortization of property and equipment	237,350	261,187
Amortization of intangible assets	16,861	19,095
Amortization of deferred capital funding	(143,723)	(179,558)
Increase in the fair value of term deposits	-	10,869
'	(362,716)	253,366
Decrease in accrued interest	7,427	15,572
Decrease (increase) in accounts receivable	19,309	(633)
Increase in contributions receivable	(108,417)	(148,609)
Increase of receivable Parliamentary appropriation	(348,070)	-
Decrease (increase) in prepaid expenses	25,716	(59,317)
Increase in accounts payable	1,976,567	101,828
(Decrease) increase in accrued salaries and vacations	(322,036)	93,090
(Decrease) increase in grants payable	(58,224)	70,782
Decrease in other liabilities	(12,500)	-
Decrease in deferred contributions from the Government		
of Canada and other related entities	(115,114)	(239,231)
Increase (decrease) in deferred contributions from unrelated entities	<u>20,635</u>	<u>(47,819)</u>
	<u>722,577</u>	<u>39,029</u>
Cash provided by (used in) financing activities		
Parliamentary appropriation – capital funding	278,096	158,209
Obligation under capital leases	· -	161,074
Reduction of obligation under capital leases	-	(48,159)
Payments on obligations under capital leases	<u>(33,784)</u>	(32,479)
	244,312	238,645
Cash provided by (used in) investing activities		
Acquisition of term deposits	(10,000,000)	(8,700,000)
Redemption of term deposits	9,650,000	9,150,000
Acquisition of property and equipment	(146,512)	(118,871)
Redemption of property and equipment	4,985	-
Acquisition of intangible assets	(216,077)	(11,259)
Redemption of intangible assets	1,972	-
Acquisition of assets under capital leases	-	(161,074)
Redemption of assets under capital leases	-	37,292
	<u>(705,632)</u>	<u>196,088</u>
Net change in bank overdraft	<u>261,257</u>	<u>473,762</u>
Cash (overdraft), beginning of the year	<u>152,148</u>	<u>(321,614)</u>
Cash at the end of the year	\$ <u>413,405</u>	\$ <u>152,148</u>
•		

The accompanying notes form an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements March 31, 2010

1. Authority and operations

The International Centre for Human Rights and Democratic Development was established by the Parliament of Canada in 1988 by the *International Centre for Human Rights and Democratic Development Act*. The Centre is operating as Rights & Democracy.

The mission of Rights & Democracy is to initiate, encourage and support cooperation between Canada and other countries in the promotion, development and strengthening of democratic and human rights institutions and programmes that give effect to the rights and freedoms enshrined in the *International Bill of Human Rights*. In carrying out its mission, Rights & Democracy shall:

- a) support developmental programmes and activities for the benefit of developing countries;
- b) support programmes and activities for the benefit of countries other than developing countries; and
- c) foster and support research and education, discourse, the exchange of information and collaboration among people and institutions in Canada and other countries.

Rights & Democracy is exempt from any income taxes; it is registered as a charitable organization for the purpose of the *Income Tax Act*.

Financial Provisions

For the purpose of supporting programmes and activities for the benefit of developing countries in accordance with the Act, Rights & Democracy is to be paid such amount as may be appropriated by Parliament. Rights & Democracy may also receive monies from sources other than the Government of Canada.

For the purpose of supporting programmes and activities for the benefit of countries other than developing countries, Rights & Democracy may, in addition to such monies as may be appropriated by Parliament for that purpose, receive and use monies provided to it from sources other than the Government of Canada.

2. New accounting standards

Goodwill and Intangible assets

Effective February 1, 2008, the CICA published the new Handbook Section 3064, *Goodwill and Intangible Assets*, which provides guidance on the recognition, measurement, presentation and disclosure for goodwill and intangible assets, other than the initial recognition of goodwill or intangible assets acquired in a business combination. This new accounting standard reinforces the approach under which assets are recorded only if they satisfy the definition of an asset and meet the recognition criteria for an asset. It also clarifies the application of the concept of matching costs with revenues, so as to eliminate the practice of recognizing as assets items that do not meet the definition of an asset or satisfy the recognition criteria for an asset. Following the retroactive adoption of Section 3064, the intangible assets have been presented separately, therefore the 2009 balance of \$ 44.317 was reclassified (see note 6).

Financial Instruments - disclosures

In June 2009, the Canadian Institute of Chartered Accountants (CICA) amended Handbook section 3862, *Financial Instruments – Disclosures*. The purpose of the amendments is to improve disclosure on fair value measurements and liquidity risk related to financial instruments. All financial instruments measured at fair value must be classified in a three-level hierarchy, which are as follows:

- Level 1 Financial instruments are considered Level 1 when valuation can be based on quoted prices in active markets for identical assets or liabilities.
- Level 2 Level 2 financial instruments are valued using quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active, or models using inputs that are observable.
- Level 3 Financial instruments are considered Level 3 when their
 values are determined using pricing models, discounted cash flow
 methodologies or similar techniques and at least one significant model
 assumption or input is unobservable.

The amendments are effective for annual financial statements for fiscal years ending after September 30, 2009, with early adoption permitted. To provide relief for financial statement preparers, the CICA decided that comparative information for the new disclosures was not required in the first year of application.

As the amendments only concern disclosure requirements, they do not have an impact on the results or financial position of Rights & Democracy. The required disclosures are included in Note 17.

Future Accounting Standards

International Financial Reporting Standards

In February 2008, the Canadian Accounting Standards Board ("AcSB") announced that, as at January 1, 2011, publicly-accountable enterprises are expected to adopt International Financial Reporting Standards ("IFRS"). Accordingly, Rights & Democracy expects to adopt these new standards during its fiscal year beginning on April 1, 2011. The AcSB also stated that, during the transition period, enterprises will be required to provide comparative IFRS information for the previous fiscal year. The IFRS issued by the International Accounting Standards Board ("IASB") require additional financial statement disclosures and, while the conceptual framework is similar to Canadian GAAP, enterprises will have to take account of differences in accounting principles. Rights & Democracy is currently assessing the impact of these new standards on its consolidated financial statements, however, at this time; it is not possible to reasonably determine the impact of this anticipated accounting change on its consolidated financial results and position.

3. Significant accounting policies

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies follow.

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CONSOLIDATED FINANCIAL STATEMENTS

a) Consolidation

Rights & Democracy controls the non profit organization Rights & Democracy (Switzerland). The latter's mission is to initiate, encourage and support cooperation between Canada and other countries in the promotion, development and strengthening of democratic and human rights institutions and programmes that give effect to the rights and freedoms enshrined in the International Bill of Human Rights.

The financial statements of Rights & Democracy (Switzerland) have been consolidated with the financial statements of Rights & Democracy. All inter-companies operations and balances have been eliminated.

b) Parliamentary appropriation

Rights & Democracy is mainly funded by the Department of Foreign Affairs and International Trade Canada and the Canadian International Development Agency through grant agreements. The portion of the parliamentary appropriation used to finance the acquisition of property and equipment is recorded as deferred capital funding and amortized on the same basis and over the same period as the related property and equipment. The other portion of the appropriation is recorded in the statement of operations in the year for which it is approved.

c) Contributions

Rights & Democracy follows the deferral method of accounting for contributions. Contributions from unrelated entities that are externally restricted are recorded in other comprehensive income and recognized as revenue in the year in which the related expenses are incurred. Contributions from the Government of Canada and other related entities that are externally restricted are deferred and recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

d) Grant expenses

Grants are charged to operations in the year in which the criteria for awarding the grants are met.

e) Term deposits

Term deposits are recorded at fair value with changes in fair value recognized in earned interest.

f) Property and equipment

Furniture and equipment, data processing equipment and automotive equipment are recorded at cost and amortized on the straight-line basis at an annual rate of 20%. Leasehold improvements are recorded at cost and are amortized over the lease. Assets acquired by capital leases are recorded at the present value of the minimum lease payments and are amortized over the term of the lease.

g) Intangible assets

Intangible assets are recorded at cost. This cost includes expenses directly associated to acquisition and development of software and licenses and website design. Rights & Democracy's intangible assets have a finite useful life and are amortized over their useful life according to the straight-line method over five years.

h) Employee future benefits

All eligible employees participate in the Public Service Pension Plan administered by the Government of Canada. Rights & Democracy's contributions reflect the full cost as employer. This amount is currently based on a multiple of an employee's required contributions and may change over time depending on the experience of the Plan. Rights &

Democracy's contributions are expensed during the year in which the services are rendered and represent the total pension obligation of Rights & Democracy. Rights & Democracy is not currently required to make contributions with respect to any actuarial deficiencies of the Public Service Pension Plan. These benefits represent the only obligation of Rights & Democracy that entails settlement by future payment.

i) Deferred lease inducements

Costs incurred by the lessor on behalf of Rights & Democracy are recorded on the balance sheet as deferred lease inducements. These deferred lease inducements are amortized on a straight line basis as a reduction to the expense over the term of the lease.

Financial instruments: Classification, recognition and measurement As of April 1, 2007, financial instruments are classified as held for trading, available for sale, held to maturity, receivables or other financial liabilities. Financial assets and financial liabilities classified as held for trading are measured at fair value with changes recognized through income. Available-for-sale financial assets are measured at fair value, or at cost in the case of financial assets that do not have a quoted market price in an active market, and changes in fair value are recorded through comprehensive income. Financial assets classified as held to maturity, receivables and other financial liabilities are measured at amortized cost using the effective interest method. Rights & Democracy classified its term deposits and bank overdraft as held for trading. Accounts receivable, contributions receivables and receivable parliamentary appropriation were classified as receivables. All of the Rights & Democracy's financial liabilities were classified as other liabilities.

k) Capital management

Rights & Democracy's capital is only composed of retained earnings generated by accumulated surplus. Since Rights & Democracy doesn't have any loan, it is not subject to certain covenants with respect to its credit facilities.

Rights & Democracy manages its equity prudently in managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure that its objectives are achieved efficiently and in conformity with the act that govern it.

I) Comprehensive Income

Components of comprehensive income include net earnings and deferred contributions from unrelated entities.

m) Measurement uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, as well as the reported amounts of income and expenses during the period. Estimated useful lives of tangible and intangible assets, fair value of financial instruments and contingent liabilities are the most significant items where estimates are used. Actual results could differ from those estimated.

4. Term deposits

As at March 31, 2010 the term deposits have an average interest rate of 0.55 % (2.7% in 2009) and an average term to maturity of 365 days (365 days in 2009).

5. Property and equipment

	Cost	2010 Accumulated Amortization	Net	2009 Net
Furniture and equipment	\$ 929,795	\$ 732,454	\$ 197,341	\$ 250,348
Data processing equipment	352,919	252,244	100,675	107,210
Leasehold improvements	553,707	301,945	251,762	309,772
Automotive equipment	126,230	54,352	71,878	50,149
	\$ <u>1,962,651</u>	\$ <u>1,340,995</u>	\$ <u>621,656</u>	\$ <u>717,479</u>

The above assets include equipment under capital leases for a total cost of \$ 250,750, less accumulated amortization of \$ 126,211 (\$ 80,620 in 2009). The automotive equipment is being used by the Port-au-Prince and the Kabul personnel within the activities of the projects financed by CIDA in Haiti and Afghanistan.

Part of the 2010 amortization of property and equipment (\$ 36,056) (\$ 26,196 in 2009) is attributed to specific projects and is recognized in programmes and activities expenses and the balance (\$ 201,294) (\$ 234,991 in 2009) is split between programmes and activities expenses and general administration expenses (Note 11).

6. Intangible assets

	Cost	2010 Accumulated Amortization	Net	2009 Net
Software and Licenses	\$ 261,279	\$ 38,503	\$ 222,776	\$ 12,855
Website	<u>63,384</u>	44,599	<u>18,785</u>	<u>31,462</u>
	\$ <u>324,663</u>	\$ <u>83,102</u>	\$ <u>241,561</u>	\$ <u>44,317</u>

The amortization of intangible assets is \$ 16,861 in 2010 (\$ 19,095 in 2009).

7. Obligations under capital leases

Rights & Democracy has entered into agreements to rent office equipment under capital leases. The obligations under these capital leases have been discounted at a rate of interest varying from 9.49 to 9.85 % per annum. The related obligations are paid over a 5-6 year lease term. Minimum lease payments totalling \$ 51,191 (\$ 49,669 in 2009) for the year ended March 31, 2010, including interest of \$ 17,407 (\$ 17,190 in 2009), were charged to results.

At March 31, 2010, the future minin	num leas	e payments are:
2011	\$	51,191
2012		51,191
2013		51,191
2014		<u>36,566</u>
Total future minimum lease payments		190,139
Less: imputed interest		<u>(32,157)</u>
		157,982
Short term portion		<u>(37,189)</u>
	\$	<u>120,793</u>

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CONSOLIDATED FINANCIAL STATEMENTS

8. Deferred contributions from the Government of Canada and other related entities

The amounts below represent unspent resources externally restricted from the Government of Canada and other related entities for implementing specific projects, received or receivable in the current period that are related to subsequent periods. Changes in the deferred contributions balance are as follows:

Deferred contributions, beginning of year Amount recognized as revenue in the year (Note 12)	2010 \$ 199,076 (199,076)	\$ 2009 438,307 (438,307)
Canadian International Development Agency Strengthening of Haitian Civil Society Project The International Development Research Center Ethnic and gender: discrimination in the Americas: The case of Indigenous Women	- 80,530	199,076
Department of Foreign Affairs and International Trade A citizen approach to democracy building in Zimbabwe Supporting citizen journalism in Egypt	678 <u>2,754</u>	-
Deferred contributions, end of year	\$ <u>83,962</u>	\$ <u>199,076</u>
The composition of deferred contributions as at March 31 is as follows: Canadian International Development Agency Strengthening of Haitian Civil Society Project	\$ -	\$ 199,076
The International Development Research Center Ethnic and gender: discrimination in the Americas: The case of Indigenous Women Department of Foreign Affairs and International Trade	80,530	-
A citizen approach to democracy building in Zimbabwe Supporting citizen journalism in Egypt	678 _2,754	
	\$ 83,962	\$ 199,076

9. Deferred contributions from unrelated entities

The amounts below represent unspent resources externally restricted from unrelated entities for implementing specific projects, received or receivable in the current period that are related to subsequent periods. Changes in the deferred contributions balance are as follows:

Deferred contributions, beginning of year Amount recognized as revenue in the year (Note 13) Open Society Initiative Oxfam Amériques Canadian Universities Associations Redress Other contributions Donation	\$ 20,607 (11,826) 1,552 16,463 8,750 4,000 1,696	\$ 68,426 (49,619) - - - 1,600
Deferred contributions, end of year	\$ 41,242	\$ 20,607
The composition of deferred contributions as at March 31 is as follows: Canton de Genève Open Society Initiative Oxfam Amériques Canadian Universities Associations Redress Other contributions Donations	\$ 1,552 16,463 8,750 4,000 10,477	\$ 10,026 - - - 10,381 200
10.Deferred capital funding		
Balance, beginning of year Parliamentary appropriation – capital funding Amortization of deferred capital funding	\$ 469,675 278,096 (<u>143,723</u>)	\$ 491,024 158,209 (<u>179,558)</u>
Balance, end of year	\$ 604,048	\$ <u>469,675</u>

11. Expenses

2010	2009

	Programmes and Activities	General Administration	Total	Total
Projects	\$ 6,729,304	\$ -	\$ 6,729,304	\$ 7,317,817
Salaries and employee benefits	1,959,344	905,236	2,864,580	2,549,799
Professional fees	297,001	663,396	960,397	311,884
Rent	232,213	90,566	322,779	347,622
Board fees and expenses	-	321,227	321,227	114,455
Amortization of property and equipment	156,766	61,389	218,155	254,086
Cost of awards	195,137	-	195,137	162,268
Travel	95,983	24,218	120,201	93,231
Information	53,614	154	53,768	91,462
Mail and telephony	40,425	12,335	52,760	44,443
Office expenses	29,053	8,865	37,918	43,552
Miscellaneous	25,207	7,692	32,899	18,941
	\$ <u>9,814,047</u>	\$ <u>2,095,078</u>	\$ <u>11,909,125</u>	\$ <u>11,349,560</u>
Termination benefits	17,845	28,735	46,580	263,198
	\$ <u>9,831,892</u>	\$ <u>2,123,813</u>	\$ <u>11,955,705</u>	\$ <u>11,612,758</u>

12. Contributions from the Government of Canada and other related entities

Contributions from the Government of Canada and other related entities reported in the consolidated statement of operations come from the following sources:

the following sources.		2010			2009
Contributions from the Government of Canada and other related entities for specific projects Amount of deferred contributions recognized as revenue in the year (Note 8) Department of Foreign Affairs and International Trade Canada	\$	2,189,946		\$	1,553,513
Building a rule of law institution in South-Sudan Canadian International Development Agency		-			31,945
Strengthening of Haitian Civil Society Project		199,076			-
A measure of equality for Afghan women's rights in practice Canada Corps: Strengthening of Governance in Africa					401,031 <u>5,331</u>
		199,076			438,307
	\$	<u>2,389,022</u>		\$	<u>1,991,820</u>
13. Contributions from unrelated entities					
Contributions from unrelated entities reported in the consolidated statement of operat Contributions from unrelated entities for specific projects General contributions from unrelated entities	ons cor \$	ne from the follov 115,473 <u>865</u>	ving source	es: \$	576,886 1,083
		116,338			<u>577,969</u>
Amount of deferred contributions recognized as revenue in the year (Note 9) Canton de Genève Open Society Initiative for Southern Africa		10,026			-
DRC – Justice for Sexual Violence Victims Project International Civil Liberties Monitoring Group		- -			4,946 15,387
International Civil Liberties Monitoring Group – Research project Other contributions		- 1,600			16,534 11,567
Donations		200			1,185
	\$	<u>11,826</u> 128,164		\$	<u>49,619</u> 627,588
		<u></u>			

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14. Related Party

Rights & Democracy is related to all Government of Canada departments, agencies and Crown corporations. In addition to those related party transactions disclosed elsewhere in these consolidated financial statements, Rights & Democracy recorded an account payable of \$ 1,525,242 (\$ 0 in 2009) for the payroll services. These transactions were conducted in the normal course of the operations at the exchange amount.

15. Commitments

a) Leases

Rights & Democracy has entered into a lease for the rental of office space until 2016. The balance of the commitment under the lease is \$ 1,624,936. Minimum payments payable over subsequent years are as follows:

	\$ 1,624,936
2015 and subsequent	<u>443,830</u>
2014	295,887
2013	295,887
2012	295,887
2011	\$ 293,445

b) Grants

As of March 31, 2010, Rights & Democracy has approved grants totaling \$ 739,479 in the coming years, under certain conditions. Agreements were signed with the following beneficiaries:

	2011		2012
Asociación de Concejalas de Bolivia – ACOBOL	\$ 127,400	\$	-
SOFEPADI	15,240		8,890
Engagement related to the project "Une mesure d'égalité pour			
les droits des femmes afghanes en pratique"	115,786		-
Centro de Promocion y Estudios de la Mujer Andina Lulay	20,000		-
Zimbabwe Lawyers for Human Rights	52,020		-
Botswana Center for Human Rights	31,440		-
Zimbabwe Exiles Forum	54,840		-
SOFEDI	8,640		5,040
AMCAV	8,640		5,040
AFD	8,640		5,040
Termitières	8,640		5,040
Eugène Lurhondere Busake	16,467		4,355
Julienne Lusengue Maliyabwana	37,842		15,686
Regional association for sustainable development of Gharb	4,500		-
Media Institute of Southern Africa	84,270		-
Fredrich Naumann Foundation for Liberty	96,023		
	\$ 690,388	\$	49,091

16. Employee future benefits

Rights & Democracy and all eligible employees contribute to the Public Service Pension Plan. This pension plan provides benefits based on years of service and average earnings at retirement. The benefits are fully indexed to the increase in the Consumer Price Index. Rights & Democracy's and employees' contributions to the Public Service Pension Plan for the year were as follows:

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	2010	2003
Rights & Democracy	\$ 424,632	\$ 392,889
Employees	\$ 184,776	\$ 168,457

17. Financial instruments

Fair value

The transactions related to cash, accrued interest, accounts receivable, contributions receivable, receivable parliamentary appropriation, accounts payable, accrued salaries and vacations and grants payable are incurred in the normal course of business. The carrying amounts of each of these accounts approximate their fair values because of their short-term maturity.

The fair value of capital leases is \$ 157,982 as at March 31, 2010 (\$ 191,767 as March 31, 2009). It was determined based on discounted value cash flows, using implicit interest rates of capital leases.

The fair value of cash and term deposits classified in level 1 in the fair value hierarchy levels, correspond approximately to its book value in vintue of the remaining term, which is short.

Credit risk

The credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. There is no significant risk with accounts receivable as they are mainly composed of contributions receivable from the Government of Canada and other related entities, contribution receivable from solvent and recognized unrelated entities, receivable parliamentary appropriation, accounts receivable, and accrued interests. Rights & Democracy has no significant concentration of credit risk.

As at March 31, 2009, no account receivable was delinquent. *Interest rate risk*

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fluctuations in interest rates can also impact the fair value of the investments portfolio. However, Rights & Democracy holds only short-term investments therefore the impact of fluctuations in interest rates is insignificant.

Liquidity risk

Liquidity risk is the risk that the Rights & Democracy will not be able to meet its financial obligations as they fall due. Since Rights & Democracy doesn't have access to any credit facility or borrowing, its liquidity depends entirely on moneys as may be appropriated by Parliament moneys provided to it from sources other than the Government of Canada and accumulated surplus. Rights & Democracy manages liquidity risk by continuously monitoring actual and projected cash flows.

As at March 31, 2009, the Rights & Democracy's financial liabilities are limited to short term accounts payable, accrued salaries and vacations and grants payable.

Currency risk

The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Rights & Democracy operates internationally and is exposed to risk from fluctuations in foreign currency rates. In addition to Canadian Dollars, the currencies mainly used by the entity are the US Dollars and the Swiss Franc; however, Rights & Democracy financial statements are presented in Canadian Dollars.

Rights & Democracy does not use derivative instruments to reduce the exposure to foreign currency risk and does not anticipate using any hedging strategies in a material way in the immediate future. The impact of changes in foreign exchange rates on Rights & Democracy's financial statement is insignificant.

18. Contingencies

In the normal course of business, various claims have been brought against Rights & Democracy. These matters are subject to many uncertainties and the outcome is difficult to predict. In Management's opinion, these actions will not likely result in any material liabilities. No provision has been taken in this regard.

19. Subsequent events

During the 2009-2010 fiscal year, a legal proceeding was instituted against Rights & Democracy in the amount of \$ 1 421 317 in damages and interest, by three directors who were dismissed. The proceeding raises a state of uncertainty and the outcome is difficult to predict.

20. Comparative figures

Certain of the 2009 figures have been reclassified to conform to the financial statements presentation adopted in 2010. F

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