

# Annual report 2019

# PROTECTING PEOPLE & PLANET

## MESSAGE FROM OUR CEO: Mike Davis (May 2020)

I'm delighted to step up to the role of CEO after 17 years running Global Witness campaigns all over the world.

I know first-hand the bravery and tenacity required of our staff and partners in confronting the corrupt. It is this, and the generous support of those who share our vision, that makes possible our cutting-edge investigations to expose the truth and create systemic change.

Most recently I have overseen the development of a new strategy, which sees us **reorient our work towards tackling both the climate emergency and abuses of power - often driven by corruption - undermining civic freedoms around the world.**

In 2019 we launched the first of our landmark reports on our refocused forests and fossil fuels campaigns targeting the financing of climate-wrecking industries. Key facts we uncovered include:



**\$44 billion** - the amount which **300+** banks and investors including household names pumped into **six of the world's most harmful agribusinesses**, linked to devastating rainforest destruction ([globalwitness.org/moneytoburn](https://globalwitness.org/moneytoburn)).

**\$4.9 trillion** - how much the oil and gas industry is set to spend over ten years on exploration and extraction of fossil fuels **our planet can't afford to burn** ([globalwitness.org/overexposed](https://globalwitness.org/overexposed)).

**61%** of all new oil and gas production over the next decade is set to come from one country alone: the US - as we highlighted in *The US is Set to Drown the World in Oil*, published in August 2019.

Meanwhile, we shone a spotlight on how criminalisation - in addition to the violence we have long documented - is increasingly being used by governments to silence land and environmental defenders who stand up to destructive industries.

We also secured a major new law in the EU that will help protect both people and planet. The result of 5 years' hard campaigning, it requires investors to disclose human rights and environmental impacts of projects, and put in place policies and plans to prevent harms. You can read our global impacts in full over the page.

**In the face of a global pandemic and recession, this work is even more pressing.**

As I write this Global Witness staff are, with people worldwide, operating in the 'new normal' of the COVID-19 crisis. We have gone from face-to-face to virtual advocacy and events, paused fieldwork but stepped up data investigations, and found new ways to tell our stories digitally.

Our revised strategic focus on civic freedom is more important than ever. When countries went into lockdown, some took advantage of the shrinking of civic space and protections to silence environmental activists, while the powerful called loudly for bailouts to benefit them above the greater good. Alongside allies, we spoke out against both these threats.

The need for fit-for-purpose laws to regulate online disinformation and the risks of state surveillance via apps and other technologies became clearer than ever. We have quickly ramped up our burgeoning campaign to tackle digital threats to democracy.

Through the recovery, rebuild and beyond we'll push for corporations to take human rights and environmental harms as seriously as other risks, so global supply chains no longer deliver profit and prosperity for some and harm and destruction for the most vulnerable.

Alongside this, we will draw on our expertise in countries like Myanmar and Democratic Republic of Congo to strengthen natural resource governance and anti-corruption norms, at a global level.

We will work with allies towards a global transition away from fossil fuels to clean and sustainable energy sources.

The postponed COP26 climate summit will remain a key moment to galvanise action on forests critical to climate regulation and biodiversity; to shine a light on the climate credentials of the UK government as Summit president, especially on fossil fuels; and to protect land and environment defenders on the frontline of the struggle for climate justice.

**The world has had a wake up call - there can be no more business as usual.**



## Message from our founders: Charmian Gooch, Patrick Alley and Simon Taylor

We founded Global Witness 25 years ago to focus on the links between environmental and human rights abuses, with our first campaign exposing

the timber trade funding the Khmer Rouge in Cambodia.

Our pioneering work to expose human rights abuses and corruption linked to natural resources continues to bear fruit today. **In December the US sanctioned two individuals linked to Cambodia's timber trade, one featured in a 2018 Global Witness report, under the Global Magnitsky Act.**

Another of our longest-running campaigns is for transparency and accountability in the oil industry, one of the most corrupt sectors on the planet. **Last year, the landmark corruption trial continued in Milan of oil giants Shell and Eni, whose deal for Nigeria's OPL245 oil block we began investigating in 2012.** In court, Shell's expert witnesses were put on the spot over findings from our investigation *Take the Future*, which exposed tax breaks worth almost \$6bn in the highly unusual 2011 deal for Nigeria's oil.

**For over a decade, Global Witness has highlighted how ill-gotten gains are laundered**, often via shell companies and luxury property. Last year, we exposed more apparent wrongdoing including:

- ▶ How the daughter of the president of Republic of Congo used millions of dollars in apparently stolen state funds to buy an apartment at the Trump International Hotel and Tower in New York City - in *Trump's Luxury Condo: A Congolese State Affair*.
- ▶ How the luxury-loving son of the same president seems to have pocketed over \$50 million of public funds and funnelled it through six European countries, the US and the British Virgin Islands - in *Sassou-Nguesso's Laundromat: A Congolese State Affair – Part II*.

▶ How some of the top financiers and human rights abusers of Bashar al-Assad's Syrian regime have seemingly funnelled millions of dollars out of Syria and into prestigious Moscow property - in *Assad Henchmen's Russian Refuge*.

**We also achieved systemic change through our advocacy:**

▶ In June, the British crown dependencies - Jersey, Guernsey and the Isle of Man - pledged to legislate to introduce public registers by 2023, bringing the real people behind anonymously-owned companies incorporated in these tax havens out of the shadows.

▶ In December, the US House of Representatives voted through the Corporate Transparency Act, requiring company ownership transparency so that criminals and the corrupt can no longer operate in secrecy in the US. Following ten years of our advocacy and investigations, it is the first time a bill of its kind has passed the House.

▶ Also in December, the newly-elected UK government announced it would include the Registration of Overseas Entities Bill (aka 'the property register') in its legislative programme. This is an issue we've been campaigning on for five years, fighting to keep it on the government's agenda when Brexit threatened to move all other issues aside.

**Finally, 2019 saw Global Witness continued to innovate and expand our investigative techniques** including:

- ▶ Publishing our first investigation into the world of cryptocurrencies, focussing on a Russian Bitcoin exchange which was shut down by the US authorities and the web of UK and offshore shell companies behind it in *'Do You Know Alexander Vinnik?'*
- ▶ Using open source intelligence techniques to verify leaked documents which exposed the workings of the secret financial network behind the RSF, Sudan's powerful militia who are accused of massacring pro-democracy protesters ([globalwitness.org/SudanRSF](http://globalwitness.org/SudanRSF)).

More than three people were murdered each week in 2018, with countless more criminalised, for defending their land and our environment. [globalwitness.org/enemiesofthestate](http://globalwitness.org/enemiesofthestate). Photo Jeffrey Maitem / Global Witness



**"The most visible and effective global NGO in this space, particularly in documenting and exposing abuses by governments and large corporations."**  
Ximena Saskia Warnaars,  
Ford Foundation

**US** In January we exposed how a senior official at the Department of the Interior received up to \$2.1 million from the oil companies that stood to benefit from her work to reorganise the agency - in *The Real Comb Over*.

**UK** The UK's Serious Fraud Office announced it would investigate London-listed commodities trader Glencore - following nearly a decade of Global Witness probes into its business dealings in Democratic Republic of Congo ([globalwitness.org/SFO](http://globalwitness.org/SFO)).

**EU** After years campaigning for the EU to tackle deforestation associated with its imports and investments, we welcomed a new European Commission communication - endorsed by EU governments - which opened the door to regulation to tackle deforestation in EU supply chains.

**PHILIPPINES** In September, we revealed in *Defending the Philippines*, how President Duterte's broken promises are leaving activists at the mercy of business at all costs. The Philippines was the country with the most killings of land and environmental defenders in 2018.

**PERU** In April, following our report revealing widespread and systematic illegal logging in Peru, the authorities announced they would restore the independence of its weakened forest crimes agency OSINFOR.

**SUDAN** Soon after we published our December investigation exposing how Sudan's powerful RSF militia had captured large parts of the gold market, it was announced that the RSF would return the lucrative Jebel Amer gold mines to civilian control ([globalwitness.org/SudanRSF](http://globalwitness.org/SudanRSF)).

**INDONESIA** Our investigations into the dangers of investing in Indonesian coal generated widespread exposure, prompting a response by the Finance Minister. It was reportedly followed by the country's Anti-Corruption Commission examining the sales records of 51 companies ([globalwitness.org/IndonesiaCoal](http://globalwitness.org/IndonesiaCoal)).



In October, the US House of Representatives took an historic step towards company ownership transparency with the passage of the Corporate Transparency Act. *iStock*



We highlighted how governments must take action to regulate the financial sector to stop the financing of, and investment in, deforestation. *Fabio Erdos / Panos*

## GLOBAL IMPACTS

**More ways we exposed the truth and achieved systemic change through our investigations, advocacy and communications - by teams in the EU, UK, US, China and on the ground globally - in 2019.**

### UK

In June, we published new analysis showing how tens of thousands of leaseholders were at the mercy of unscrupulous freeholders hiding behind anonymous companies in what one MP called ‘legalised extortion’ ([globalwitness.org/leasehold](https://globalwitness.org/leasehold)).

### GLOBAL

Our co-founder Simon Taylor was elected to the board of the Extractives Industry Transparency Initiative, where he is helping to shape and monitor the process across 52 countries worldwide.

### US

We exposed yet another potential conflict of interest in the Trump administration in *Setting the Record Straight*, as we showed Trump's nominee for Secretary of Interior may have misled Congress about his prior lobbying for Soviet-born oligarch Blavatnik.

### GUINEA

We revealed how a company fronted by the Chief Executive of the UK's Conservative Party was set to pay £50 million to seal a deal between the government of Guinea and a mining firm that has engaged in high-level bribery there ([globalwitness.org/Guinea](https://globalwitness.org/Guinea)).

### BRAZIL

With Brazil's development bank set to sell shares in global beef giants JBS and Marfrig, we co-signed an open letter to would-be investors warning of the risk of exposure to Amazon deforestation ([globalwitness.org/BNDES](https://globalwitness.org/BNDES)).

### SENEGAL

As secret payments by BP and its partners in Senegal for an offshore oil block were revealed by the BBC's flagship Panorama programme, we called on US and UK law enforcement to investigate ([globalwitness.org/senegal](https://globalwitness.org/senegal)).

### UK

After we complained to the UK's advertising regulator about its claims that gas is low carbon, Equinor - one of the world's largest oil and gas companies - was forced to retract its claim (<https://gwitness.org/2SevMLs>).

### GLOBAL

We trained civil society activists across three continents to use our data handbook to hold governments and industries to account for extractives industry revenues.

### US

We co-hosted an event in Washington, D.C. bringing together land and environmental defenders from around the world to highlight what the US government must do to support and protect defenders.

### CHINA

As China revised its Forest Law, we highlighted the illegal logging and deforestation risks of its ten biggest suppliers to show how China could show global leadership on the issue of illegal timber.

### UK

Our evidence to Parliament's Export Finance Inquiry contributed to a cross-party recommendation to rule out financing by the UK taxpayer of overseas fossil fuel projects by 2021.

### US

We hosted an event on the Hill in March on how extractive industry transparency helps protect US national security and combat corruption as part of efforts to build support for Section 1504 of the Dodd-Frank Act.

### US/PERU

A company we exposed for exporting illegal timber from Peru, WCA, was banned from exporting to the US by the Office of the United States Trade Representative, which sent a strong signal to other exporters.

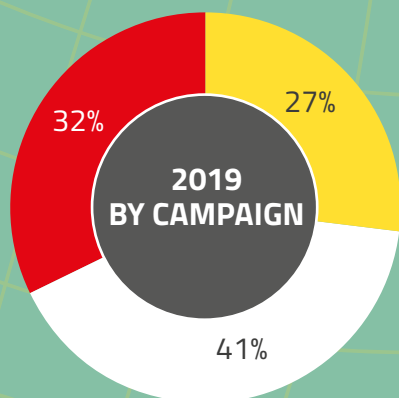
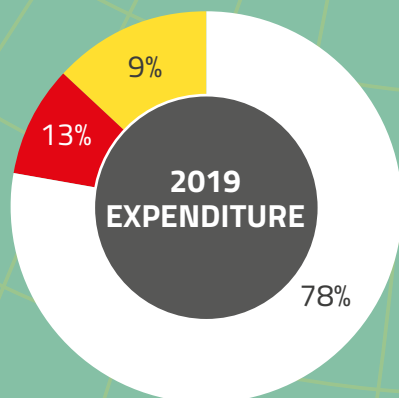
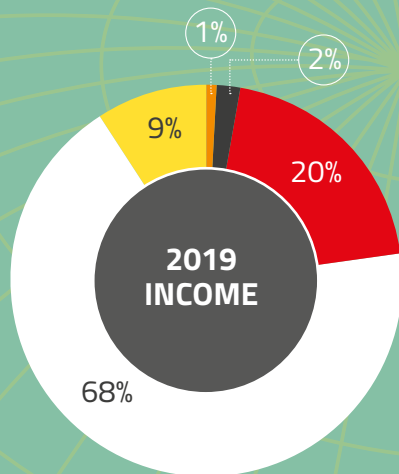
### REPUBLIC OF CONGO

After we revealed in a *Congolese State Affair parts I and II* how the children of Republic of Congo's President apparently stole over \$70 million from state coffers, a coalition of Congolese NGOs filed a complaint with the country's Public Prosecutor to investigate the facts revealed in our investigations - bringing justice closer.

All the investigations referenced are available to view in full at [globalwitness.org](https://globalwitness.org)



We were inspired by a presentation from the youth climate strikers, and joined them and millions of others in their global strike for climate on 20 September. *Global Witness*



## INCOME AND EXPENDITURE STATEMENT

For the year ended 31 December 2019 (in £ thousands)

INCOME BY SOURCE	2019	2019	2018	2018
Governments	1,856	20%	2,026	19%
Trusts and Foundations	6,077	68%	6,414	59%
Individuals	827	9%	1,300	12%
Other NGOs and Multilaterals	132	1%	963	9%
Donated services and facilities	201	2%	162	1%
	<b>9,093</b>	<b>100%</b>	<b>10,865</b>	<b>100%</b>

EXPENDITURE	2019	2019	2018	2018
Campaigns	8,694	78%	8,373	79%
Indirect costs and governance	1,463	13%	1,289	12%
Cost of raising funds	1,038	9%	962	9%
	<b>11,195</b>	<b>100%</b>	<b>10,624</b>	<b>100%</b>

BY CAMPAIGN	2019	2019	2018	2018
Conflict and Fragile States	2,746	27%	2,367	25%
Corruption	4,119	41%	3,514	36%
Forests, Land and Climate	3,292	32%	3,781	39%
	<b>10,157</b>	<b>100%</b>	<b>9,662</b>	<b>100%</b>

The above summarised financial statements are extracted from the full statutory directors' annual report and financial statements which were approved by the directors and signed on their behalf on 28 April 2020.

These summarised financial statements may not contain sufficient information to gain a complete understanding of the financial affairs of Global Witness. The full statutory directors' report, financial statements and auditor's report may be obtained from [globalwitness.org/about-us/financial-statements/](https://globalwitness.org/about-us/financial-statements/)

## THANK YOU TO ALL OF OUR SUPPORTERS\*

Global Witness is a non-profit organisation that relies on the generosity of our supporters and partners to continue our tireless investigations, exposés and advocacy. Without your support, the victories we have won against conflict finance, corruption, human rights abuses and environmental destruction would never have been achieved.

In coming years, we will continue to challenge corruption in the global economic and political system. We will ensure governments act in the best interests of their people rather than powerful corporations and fight against new digital threats to our democracies. We will step up our work to protect our global climate and environment for future generations, while safeguarding people's rights to their land and livelihoods.

If you'd like further information or to discuss how you can support our campaigns further, you can contact us at [development@globalwitness.org](mailto:development@globalwitness.org). To make a gift today please visit: [globalwitness.org/donate](https://globalwitness.org/donate)



In *Defending the Philippines*, we shared the story of environmental defender Bobby Chan and the Palawan NGO Network Incorporated, who are risking their lives to protect their reefs and forests from environmental crime.  
*Thom Pierce / Guardian / Global Witness / UN Environment*

### DONORS

The Adessium Foundation

The Alexander Soros Foundation

Arcadia Fund - a charitable trust of Peter Baldwin and Lisbet Rausing

Arcus Foundation

Arnhold Foundation

Baltoro Trust

Brook Foundation

CHARISMA Stiftung für nachhaltige Entwicklung

Cultures of Resistance Foundation

Department of Foreign Affairs and Trade of Ireland

Don Quixote Foundation

Dutch Postcode Lottery

Embassy of Sweden in DRC

Evan Cornish Foundation

Ford Foundation

The Foundation to Promote Open Society

The Frederick Mulder Foundation

Henocq Law Trust

IUCN - NL

Jane Thurnell-Read

Kestrelman Trust

Luminate

Mike Servent

Northern Trust US

Norwegian Agency for Development Cooperation (NORAD)

Oak Foundation

Postcode Planet Trust, supported by players of People's Postcode Lottery

Pro Victimis Foundation

Seattle Foundation

Silicon Valley Community Foundation

Skoll Foundation

Taylor Foundation

Third Sector New England

Tilia Fund

UK DFID - Forest Governance Market Climate

Wallace Global Fund

Wyn & Ken Lo Memorial Foundation

The Waterloo Foundation

The William and Flora Hewlett Foundation

\*These are the donors that have given their consent to have their gift acknowledged in our Annual Report.

### Board of Directors

Mark Stephens CBE (Chair)

Patrick Alley

Chinmayi Arun (appointed 5 December 2019)

Gabrielle Darbyshire (appointed 13 February 2019)

Charmian Gooch

Mark Hannam (appointed 16 July 2019)

Fatima Hassan (appointed 1 November 2019)

Juana Kweitel

Stephen Peel (resigned 15 February 2019)

Simon Taylor

Jessica Tolkan (resigned 7 August 2019)

### Advisory Board

Bennett Freeman (Chair)

Aryeh Neier (Honorary Chair)

Anita Ramasastry

Arlene McCarthy OBE

Bandi Mbubi

Camille Massey

Edward Zwick

Ory Okolloh

Mabel Van Oranje

Misha Glenny

Silas Siakor

Victor Lopez Illescas

### Trustees of Global Witness Trust (UK)

Christopher Mitchell (Chair)

Jeremy Bristow

Caroline Digby

Tony Stevenson

### Directors of Global Witness Foundation (US)

Stafford Matthews (President)

Patrick Alley

Bennett Freeman