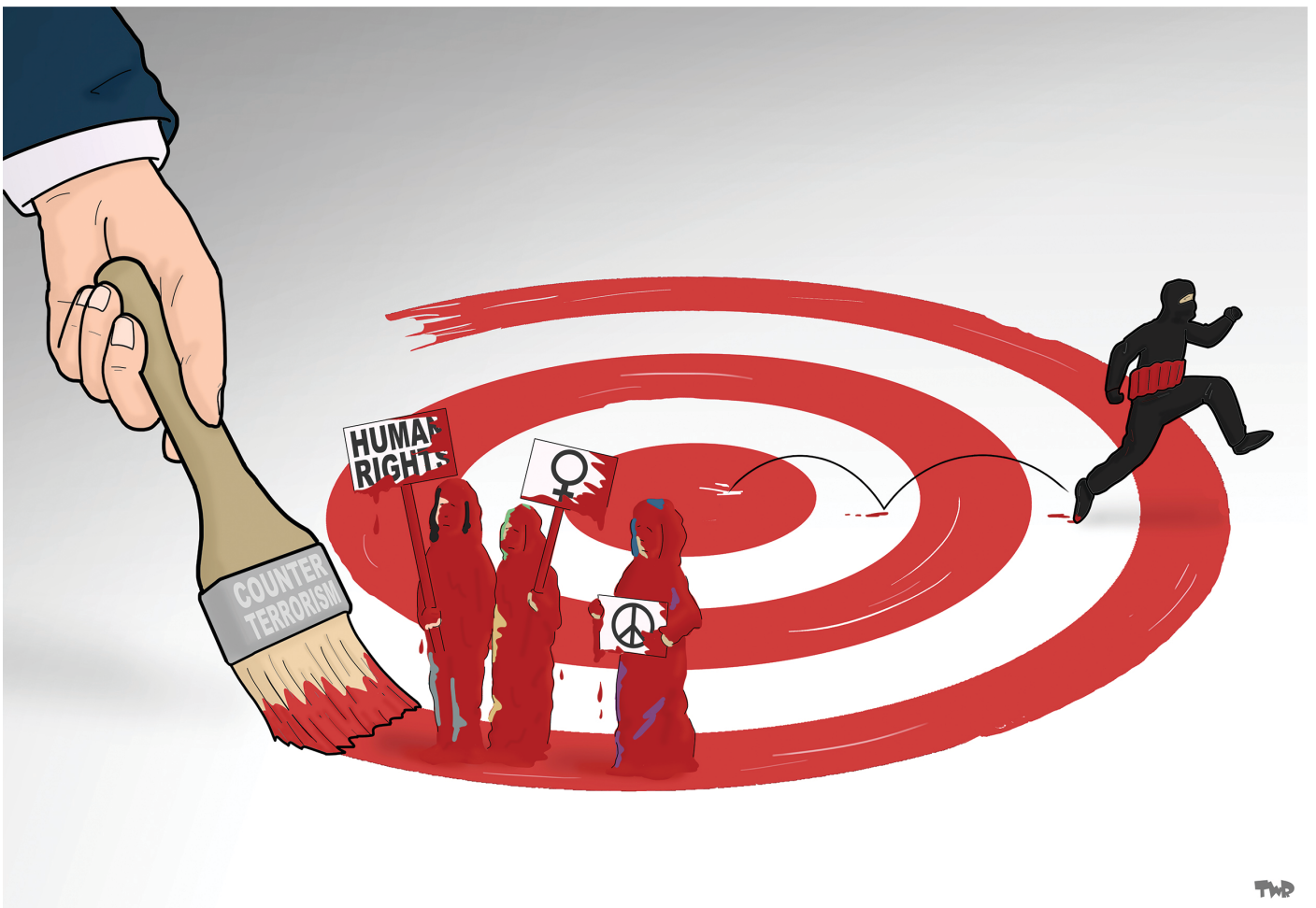


Women Peacebuilders from the MENA Region
Discussing Shrinking Civil Society Space due
to Countering Terrorism Financing



TWP

Editors: Isabelle Geuskens (WPP Executive Director), Merle Gosewinkel (Senior Program Officer), Thalia Malmberg (Program Officer)

Cartoon design: Tjeerd Rooyards, The Cartoon Movement

Lay Out Cover: Millie Tims

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Women Peacemakers Program (WPP)

De Wittenstraat 43-45

1052 AL, Amsterdam

The Netherlands

www.womenpeacemakersprogram.org

The Women Peacemakers Program is an activist organization that works for the transformation of conflict through gender-sensitive active nonviolence.

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Introduction

At the national and international level, there is growing policy recognition that women's civil society engagement is vital for sustainable peacebuilding. More recently, it is also framed as an important component of preventing and countering violent extremism (P/CVE) and countering terrorism (CT). However, in practice, aspects of States' P/CVE and CT policies, including Countering Terrorism Financing (CTF) policies, are negatively affecting the operating space of women civil society organizations (CSOs)¹ globally. On the ground, women activists and their organizations are increasingly facing restrictive NPO legislation and financial restrictions. This constrains their peace and human rights activism, as it undermines their ability to receive and process the funds that sustain their work.

In recent years, many of WPP's partners from across the world – including from the MENA region – have voiced growing concerns about the declining space for their peace and women's rights activism. In response, WPP started to address the impact of CT and P/CVE measures on women's civil society organizing in its capacity building programming and advocacy efforts. Throughout 2014 and 2015, WPP organized consultations in South Africa, The Philippines and The Netherlands - with over 100 women's rights and peace activists from around the world attending – in an effort to analyze the impact of armed conflict and violent extremism, as well as counterterrorism policies, on their civil society activism. WPP subsequently produced a series of policy briefs and articles²

based on the insights gathered during these meetings. Findings were disseminated globally, and integrated in the United Nations Security Council Resolution (UNSCR) 1325 Global Study³ (2015), amongst others.

Since then, WPP has engaged in continued research, capacity building and advocacy on the topic. During March 2017, WPP, together with Duke University's International Human Rights Clinic (IHRC)⁴, published an elaborate follow-up research. This study provides a comprehensive analysis of the gender and human rights dimensions and impacts of countering terrorism financing rules. It consists of several components, including a survey of approximately 60 women's rights organizations, as well as a series of interviews with government, inter-governmental, and non-governmental organizations (including women's funders groups). The goal of the study was to comprehensively and concretely document how countering terrorism financing impacts are felt amongst different actors within civil society, particularly grassroots women's rights organizations, as well as to identify policy recommendations.

The MENA Consultation

In preparation for the launch of WPP-Duke IHRC research, WPP and ABAAD⁵ organized a regional consultation in Lebanon during January 2017. The consultation brought together representatives of twelve civil society organizations from Jordan, Iraq, Lebanon, and Tunisia. All of the organizations represented are active in the field of peacebuilding and women's rights; working on a local, regional and/or international level. The consultation also included the following resource persons: Duke

¹ In this report the terms non-governmental organization (NGO)/ non-profit organization (NPO)/ civil society organization (CSO) are used interchangeably to "include all non-market and non-state organizations outside of the family in which people organize themselves to pursue shared interests in the public domain"- UNDP definition: <http://www.cn.undp.org/content/dam/china/docs/Publications/UNDP-CH03%20Annexes.pdf>

² WPP (2014) Policy Brief on Gender & Militarism: <https://www.womenpeacemakersprogram.org/assets/CMS/Resources/Reports/Policy-Brief-Gender-Militarism.pdf>
WPP (2015) Policy Brief Counterterrorism Measures and Their Effects on the Implementation of the Women, Peace and Security Agenda <https://www.womenpeacemakersprogram.org/assets/CMS/Resources/Reports/Policy-brief-CTM.pdf>
WPP (2015) Policy Brief Incorporating a Masculinities Perspective in UNSCR 1325 Implementation <https://www.womenpeacemakersprogram.org/assets/CMS/Resources/Reports/Policy-Brief-Masculinities.pdf>
WPP (2015) Shrinking Space: The Impact of Counterterrorism Measures on the Women, Peace and Security Agenda <https://www.womenpeacemakersprogram.org/news/day-16-of-16-days-campaign-shrinking-space-the-impact-of-counterterrorism-measures-on-the-women-peace-and-security-agenda/>

Sustainable Security by Oxford Research Group (2015) Shrinking Space: The Impact of Counter-Terrorism Measures on the Women, Peace and Security Agenda by Isabelle Geuskens <https://sustainablesecurity.org/2015/05/08/shrinking-space-the-impact-of-counter-terrorism-measures-on-the-women-peace-and-security-agenda/>

WPP, GPPAC, Cordaid (2015) Candid Voices from the Field: <https://www.womenpeacemakersprogram.org/assets/CMS/Action-Research/WPP-15-01-WPP-publicatie-LRPages.pdf>

WPP (2016) Risk Avoidance for Whom? <https://www.womenpeacemakersprogram.org/news/risk-avoidance-for-whom/>

³ Global Study on the Implementation of UNSCR 1325 http://wps.unwomen.org/pdf/en/GlobalStudy_EN_Web.pdf

⁴ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTP-S-DUKE-WPP-WEB.pdf>

⁵ ABAAD Website <http://www.abaadmena.org/>

University's IHRC⁶ Director and Clinical Professor of Law Jayne Huckerby, Lecturing Fellow and Supervising Attorney Sarah Adamczyk, and Lia van Broekhoven, Executive Director of the Human Security Collective⁷.

This consultation report provides the reader with brief background information on the issue of countering terrorism financing (CTF); its impacts on women's civil society organizing in the MENA region; and key recommendations formulated by the participants during the consultation. Due to the sensitivities of the issues discussed, this report does not disclose the identity of the participants and organizations involved.

⁶ DUKE IHRC Website <https://law.duke.edu/humanrightsclinic/>

⁷ Human Security Collective Website <http://www.hscollective.org/>

Background: Countering Terrorism Financing

In response to the attacks of September 11, 2001, a range of counterterrorism measures have been implemented on a global scale. A key component of those measures concern **countering terrorism financing (CTF) policies**, aimed at attacking criminal or terrorists organizations through the targeting of their financial activities, and using financial trails to identify possible terrorists. For example, less than two weeks after 9/11, United States President G.W. Bush said the following in a national address:

"We know that many of these [terrorist] individuals and groups operate primarily overseas, and they don't have much money in the United States. So we've developed a strategy to deal with that. We're putting banks and financial institutions around the world on notice, we will work with their governments, ask them to freeze or block terrorist's ability to access funds in foreign accounts. If they fail to help us by sharing information or freezing accounts, the Department of the Treasury now has the authority to freeze their bank's assets and transactions in the United States. We have developed the international financial equivalent of law enforcement's "Most Wanted" list. And it puts the financial world on notice. If you do business with terrorists, if you support or sponsor them, you will not do business with the United States of America [...] We will lead by example. We will work with the world against terrorism. Money is the lifeblood of terrorist operations. Today, we're asking the world to stop payment"⁸.

The criminalization of terrorism financing encompasses different components, and varies across jurisdictions. In 2015, only 4 of the 194 jurisdictions did not have stand-alone policies that criminalized terrorism financing. This means that to date, **most countries in the world criminalize the financing of terrorist groups**. Several countries also criminalize the *intent* of financing terrorist groups or actions. Some countries, such as the United States, go further and also criminalize the act of financing terrorist groups, even if this act is unintentional. Some components of countering

terrorism financing regulations include: the use of sanctions, freezing of assets, travel bans and arms embargoes against individuals and entities.

Countering Terrorism Financing: The Role of the Financial Action Task Force (FATF)

Established in 1989 by the G7, the FATF's original mandate was to tackle money laundering through the international banking system. **After the September 11 attacks, the FATF's mandate grew to create a global framework for the detection, prevention and suppression of the financing of terrorism and acts of terror.**

The Financial Action Task Force has become arguably one of the most influential institutions in existence, yet its inner workings are unknown to much of the public. The FATF is not underpinned by any international treaty or convention. Instead, it operates as a task force with a fixed life-span (currently until 2020), which requires explicit agreement among Ministers of Finance of the member countries to prolong it. To date, the 40 recommendations drafted by the FATF have become **the international standard for combatting terrorist financing and money laundering with the endorsement of over 190 countries**. The assumption underpinning the FATF is that "effective standard implementation protects the financial systems and broader economy from the threats of money laundering and terrorism financing"⁹.

The FATF Global Secretariat includes 37 members as well as 2 regional organizations (European Union & Gulf Co-operation Council). It also works in close cooperation with international institutions such as the United Nations (UN), International Monetary Fund (IMF), and World Bank. In addition to its members, the FATF relies on a strong global network of FATF-style Regional Bodies (FSRBs). The nine FSRBs play an important role in promoting the implementation of the FATF Recommendations regionally through their membership and by providing expertise and input to FATF policy-making. One such Regional Body is the MENAFATF. The MENAFATF is currently hosted by the

⁸ George Bush Speech (24 September 2001) "President Freezes Terrorists' Assets" <https://georgewbush-whitehouse.archives.gov/news/releases/2001/09/20010924-4.html>

⁹ FATF Website. (2016) Remarks for the Opening Ceremony of FATF TREIN <http://www.fatf-gafi.org/publications/fatfgeneral/documents/david-lewis-trein-opening-ceremony.html>

Government of Bahrain and includes 19 MENA jurisdictions.

The FATF stimulates countries to comply with its recommendations through its rating system. Countries' compliance with the recommendations is regularly evaluated through a peer-to-peer evaluation mechanism. **Not meeting the FATF standards can have negative consequences for a country's economy, influencing its financial standing, foreign investments, etc.** As such, many countries have translated the standard into national laws, rules and regulations.

Why Civil Society needs to know about FATF Recommendation 8 (R8)

In the 2001, after the inclusion of CTF in their mandate, the FATF published its Special Recommendations report. Recommendation 8 (R8) is dedicated to the NPO sector's supposed vulnerability to being misused for terrorist financing. This was further elaborated on in its 2014 typologies report "Risk of Terrorist Abuse in the Non-Profit Organizations"¹⁰. According to the FATF's R8 at the time "[NPOs] possess characteristics that make them particularly attractive to terrorists or vulnerable to misuse for terrorist financing". As such, R8 makes it the responsibility of the government to protect their NPO sector from abuse, through the passing of laws and regulations, and the responsibility of financial institutions to act as watchdogs.

Civil Society Response to R8

In response to these developments, civil society started to dispute these assertions, citing a lack of evidence to back up these claims, and warning that this recommendation would, and has, worked to stifle civil society's activism and on-the-ground interventions focusing on providing humanitarian aid, building peace and defending human rights. One of the early reports on this was by Statewatch and the Transnational Institute, written by Ben Hayes, "*Counter-terrorism, 'policy laundering' and the FATF: Legalising Surveillance, Regulating Civil Society*"¹¹.

Labeling the entire CSO sector as at-risk for terrorist financing not only led to added bureaucratic pressures (taking time, energy and resources away from CSO's much needed work on the ground), it directly put the work of some CSOs in harms way. For example, in March 2016, a

¹⁰ FATF Typology Review <http://fatfplatform.org/typology-review/>

¹¹ Transnational Institute / Statewatch. Ben Hayes. 2012. Counter-terrorism, 'policy laundering' and the FATF: legalising surveillance, regulating civil society - <http://www.statewatch.org/analyses/no-171-fafp-report.pdf>

Thomson Reuters investigation revealed that 21 international and local CSOs (including a consortium of 90 Syrian CSOs) reported that countering terrorism finance policies were forcing aid agencies in Syria to avoid communities controlled by extremist groups, making it even more difficult to deliver life-saving supplies, leaving locals at the mercy of the warring factions for vital help.¹²

Over the years, growing research on the topic – including from institutions such as the United States Treasury, European Commission, World Bank, and even the FATF's own mutual evaluations – has demonstrated that **CSOs actually "pose little to no risk for terrorist financing"**.¹³ Nonetheless, in practice, the measures advocated by the FATF's R8 have impacted the operating space for civil society worldwide¹⁴. It has led to increased **financial surveillance and profiling of civil society, increasingly complicated financial processes, and even loss of financial access for some civil society organizations.**

For example, countries seeking to limit the activism of civil society organizations have regularly done so under the guise of combatting terrorist financing and complying with the recommendations of the FATF. Several countries also have seen a rise in restrictive CSO policies and legislation leading up to, or right after, an FATF evaluation. Although countries have often denied that it is the FATF standard that forces them to design and enact laws and regulations that go against civil liberties and civil society freedoms, mounting evidence has shown that upcoming FATF evaluations have a preemptive effect on civil society space. This is a direct result of governments' desire to show the FATF that they are capable to prevent terrorist financing abuse through their CSO sector. In addition, some countries have passed more restrictive CSO laws *after* a FATF evaluation.¹⁵

In 2014, the United Nations Special Rapporteur on the Rights to Freedom of Peaceful Assembly and of

¹² Reuters. 2016. Syrians suffer as anti-terror laws squeeze charities - survey - <http://uk.reuters.com/article/mideast-crisis-syria-banking-idUKL8N15M0GV>

¹³ Transnational Institute / Statewatch. Ben Hayes. 2012. Counter-terrorism, 'policy laundering' and the FATF: legalising surveillance, regulating civil society - <http://www.statewatch.org/analyses/no-171-fafp-report.pdf> p.27

¹⁴ Transnational Institute / Statewatch. Ben Hayes. 2012. Counter-terrorism, 'policy laundering' and the FATF: legalising surveillance, regulating civil society - <http://www.statewatch.org/analyses/no-171-fafp-report.pdf> p.27

¹⁵ See also papers submitted to the conference on "Regulation or Repression: Government Policing of Cross-border Charity", at the National Center on Philanthropy and the Law of the NYU, in 2014 (in press).

Association at the time, Maina Kiai, expressed concern that Recommendation 8 and the FATF's assertion of NPO vulnerability posed **"a serious, disproportionate and unfair threat to those, who have no connection with terrorism, including civil society organizations"**.¹⁶

In the years following the implementation of Recommendation 8, civil society organizations started to use their influence to – both individually and collectively – raise awareness about its impact, advocating for the need to change R8. As a result, the Global NPO Coalition on FATF¹⁷ was created in 2013, with over 200 non-profit organizations worldwide endorsing its work. With the advent of growing research on the impact of R8 and through the establishment of regular engagements between the FATF Secretariat and the NPO sector, the FATF eventually agreed to set into motion a process to review and update R8, based on civil society's input.

Recent Changes to Recommendation 8

In June 2016, the new R8 was presented. Changes included the **removal of the characterization of non-profits as "particularly vulnerable to terrorist abuse" from R8**, and various changes to the Interpretative Note, which accompanies this Recommendation. Recommendation 8 now states that:

"Countries should review the adequacy of laws and regulations that relate to non-profit organizations which the country has identified as being vulnerable to terrorist financing abuse. Countries should apply focused and proportionate measures, in line with the risk-based approach, to such non-profit organizations to protect them from terrorist financing abuse [...]"

The new Interpretative Note of R8 states that "given the diversity within individual national sectors, the differing degrees to which parts of each sector may be vulnerable to terrorist financing abuse, the need to ensure that legitimate charitable activity continues to flourish, and the limited resources and authorities available to combat terrorist financing in each country". It also emphasizes the importance of "flexibility in developing a national response to terrorist financing abuse of NPOs."

¹⁶ UN General Assembly. 2014. Report of the Special Rapporteur on the rights to freedom of peaceful assembly and of association - <http://freemassembly.net/wp-content/uploads/2014/10/Multilaterals-report-ENG.pdf>

¹⁷ FATF Platform Website - <http://fatfplatform.org/about/>

The removal of the designation of NPOs as being 'particularly vulnerable' to terrorist financing, and the inclusion of civil society voices in the FATF process is an important step forward. The review is a **testament to the years of dedicated civil society advocacy work and collective engagement on these issues**.

The Road Ahead

Although there have been significant improvements to R8, there are still some **components that deserve a closer look**. The current definition of a nonprofit organization according to the FATF is "a legal person or arrangement or organization that primarily engages in raising or disbursing funds for purposes such as charitable, religious, cultural, educational, social or fraternal purposes, or for the carrying out of other types of 'good works'". This definition is problematic, as it for example fails to capture the work of advocacy organizations that work for the protection of human rights. Although some of civil society welcomes the fact that the FATF definition is not focusing on this type of civil society, not falling within the definition also means these kinds of organizations are not of interest of the FATF evaluation, which can pose other challenges. For example, one of the consultation participants commented that this prevents advocacy and other groups – including those working on the prevention of violent extremism – from advising the FATF (evaluators) and government on policies and programs that can work, and which respect civic freedoms. The inclusion of advocacy groups in these processes would also provide space to highlight and discuss the impact of overregulation, linked to existing broader CT laws and regulations. In short, the exclusion of these groups, simply because they don't fall within the definition, takes away the **opportunity to address government rules and policies that are overregulating civil society organizations engaged in advocacy**.

The new R8 also moved from a blanketed categorization of all CSOs as vulnerable to terrorist abuse, to the categorization of 'at-risk NPOs' being vulnerable. However, the guidance of FATF on how to determine which NPO is at risk for terrorism financing leaves this categorization to the discretion of the countries, and countries are not required to provide an explanation in writing on how 'at risk' is defined.

The FATF evaluators will look into the way the government conducted a national risk assessment and will determine whether outreach to all relevant sectors, which includes NPOs, has taken

place in relation to the outcome of the risk assessment. Certain quality and consistency checks are thus in place in the evaluation methodology of the FATF.

However, at the same time it can be argued that **the indistinctness of NPOs ‘at risk’ could further open the door to the specific targeting of NPOs that governments deem undesirable because of their critical stance towards government policies.** As such, they can still use it to legitimize their categorization of which civil society sector is dangerous or ‘at-risk’, and which is not. In addition, countries with rigid CSO laws could still argue that their laws comply with this new designation, as it is up to them to determine who is at risk and what ‘appropriate measures’ are required to deal with that risk. **Again, due to the vagueness of the term, ‘appropriate measures’ can mean whatever a country deems necessary.**

Furthermore, it remains to be seen to what extent the change in R8 will impact the financial sector, which has become **increasingly risk-averse in response to counterterrorism regulations over the past years.** For example, in several countries, including in the West, banks are engaging in de-risking practices; which entails that they limit financial services to certain groups in order to avoid the risk of being penalized under countering terrorism finance legislation. As a result, some Islamic CSOs have been facing the denial of financial transfers and sometimes even the closing of their accounts, mostly without any warrant or proof of wrongdoing¹⁸. **Smaller, activist groups, including women’s rights groups, are increasingly encountering similar challenges in terms of financial access¹⁹.**

Seeking Opportunities for Engagement

Civil society has made great strides in engaging with the FATF, which has resulted in the recent changes to R8. However, in practice, direct engagement with the FATF is often only possible for larger, often Northern-based CSOs, which have the resources to attend consultation meetings. **Necessary steps have to be taken to ensure that**

groups from the South, as well as representatives of activists groups and marginalized communities, such as women’s rights groups, can also engage in direct conversation with the FATF bodies. These groups often face very specific challenges with regards to the effects of the FATF’s Recommendation 8, which we will address later in this report, with devastating impact on their important work on the ground.

A diverse CSO participation is particularly important in the context of the FATF’s country evaluations, during which the NPO sector can actively seek engagement with the evaluation teams as to provide input to the evaluations. Each country is evaluated every 7-9 years by a community of its peers from their respective FATF-style Regional Bodies (FSRB). An evaluation cycle takes about a year. Since 2014, due to the rise of ISIS, there is an accelerated mechanism of evaluation set up for a select number of countries in the MENA region, such as Iraq, Jordan, and Turkey. On-site visits, lasting between two weeks to a month, are a crucial part of the evaluation, during which evaluators have to talk to all sectors that are affected by these standards, including CSO’s. **It is important that such consultations represent the diversity of perspectives and experiences of the civil society sector in the evaluated country.** This includes the voices of women activists, who face particular challenges in relation to CTF measures.

Emphasizing the need for any FATF framework to be rooted in human rights and rule of law, one consultation participant critically remarked:

“I feel our role is not just to engage with the FATF’s evaluation processes, but also to oversee their standards, to see if these respect human rights...We need to raise awareness amongst the public on the existence of these rules. It is my responsibility as a civil society organization, that the citizens of my country understand and are able to defend their rights. I do not want a set of measures that is based on assumptions. I do not want to go beyond the state of law. There has to be one aim: To promote the rule of law, accountability, to fight corruption, money laundering and violent extremism. Criminal law is in place, and is sufficient to address those that are promoting hatred or terrorism. We just have to implement those laws. Any standards that are made should be based on those principles; otherwise we are having banks dealing with us as suspects until our innocence is proven. That is dangerous.”

¹⁸ BBC News. 2015. Why did HSBC shut down bank accounts? - <http://www.bbc.com/news/magazine-33677946>

¹⁹ “Counterterrorism Measures and their Effects on the Implementation of the Women, Peace and Security Agenda” – Women Peacemakers Program – see also <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/Reports/Policy-brief-CTM.pdf>
Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTP-S-DUKE-WPP-WEB.pdf>

Consultation participants felt it was of key importance that a diverse range of CSOs are consulted during FATF evaluation processes, as different types of CSOs face different impacts (e.g. grassroots activist organizations versus international humanitarian organizations). However, **several participants raised concerns on the means of engagement**, emphasizing the importance of setting up mechanisms that will ensure that engagement can take place in a manner that **does not compromise the safety or integrity of the organizations participating**. Some of the concerns raised included:

- ✓ How to go about assessing 'risk' together with government authorities. In most countries, there is a definite power imbalance between civil society and government;
- ✓ FATF evaluators might not be sufficiently informed on the historical contexts of NGO laws in the country and the political motives behind these;
- ✓ It is important to ensure that smaller, issue-based civil society organizations - such as women's organizations, which often work on sensitive issues – get access to, and sufficient space, to be actively involved in FATF evaluation processes.

Elaborating on the **potential risks** critical women civil society groups might face when engaging in collective processes linked to the FATF's evaluations, participants mentioned the following concerns:

"How can we make sure that when FATF evaluators come to assess the country and they talk to NGOs, they are not only consulting those NGOs that are just another face of the government? Also, sometimes political parties represented in the government are involved in money laundering, and even weapons trafficking...In countries where democratization is just beginning, and the democratic state is weak, with ruling parties dominating all sectors – including CSOs – how can we ensure civil society can have a critical voice in these processes?" - Consultation Participant

"There could be quite a number of risks for us as women activists. Who guarantees that when we

engage and speak out, we will not face repercussions at a later stage; from our government?" - Consultation Participant

"If we would join the NGO dialogues with the FATF evaluators, what about those actors and organizations that support Daesh? Daesh is penetrating government structures and also some civil society organizations. What if we become targets? How will the FATF provide a safe space for the critical voices?" - Consultation Participant

"How can we sit together with religious NGOs, which are against the work we do for women's rights? How can there be a safe space for us in such a collective setting?" - Consultation Participant

Several participants mentioned they were also concerned about the role of the FATF partner institutions in their region, such as the World Bank. One participant expressed: *"Financial experts from IMF and the World Bank are coming to our countries, and are encouraging our governments to privatize. This undermines our public sector, which is such an important pillar of our society... The most vulnerable will be paying the price of corruption and money laundering."*

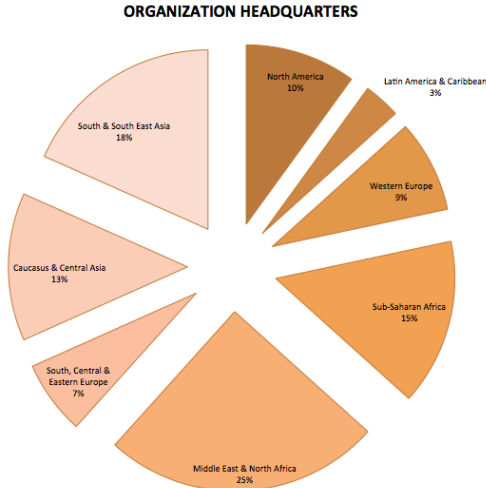
Why a Gender Lens on Countering Terrorism Financing Matters

This section of the report will highlight some of the key results from the WPP/Duke IHRC research on the effects of countering terrorism financing measures **on women’s civil society organizing**, and how these findings resonated with participants’ experiences and concerns.

*“Tightening the Purse Strings: What Counter-Terrorism Financing Costs Gender Equality and Security”*²⁰ is a joint research of the International Human Rights Clinic (IHRC) at Duke University Law School and Women Peacemakers Program (WPP). During 2015-2016, WPP conducted 60 confidential surveys of primarily grassroots women’s organizations globally on CTF knowledge, impacts, and adaptive measures. Given the sensitivity of the information and the hesitance of many women’s organizations to speak on these sensitive topics, all organizations were guaranteed confidentiality. The organizations surveyed all “work with, support or promote women’s rights organizing, women human rights defenders, women’s peacebuilding, UNSCR 1325 implementation, women’s empowerment, and/or women’s human rights and gender equality broadly.”²¹ The majority of the organizations are active on these issues on a local or grassroots level, while some are also active at the regional or international level. Duke IHRC conducted extensive secondary research, reviewing and analyzing secondary materials, including relevant countering terrorism financing legislation, regulations, and policies at the national, regional, and international levels, and conducted an additional 60 key informant interviews with government, CSO’s, women’s funders, donors, multilateral organizations, financial institutions, and experts.

Civil society is extremely heterogeneous, encompassing large international organizations as

well as small grassroots groups, working on a wide array of topics. Therefore, when considering the impact of countering terrorism financing measures



on civil society, **it is important to look at the ways in which different organizations - with varying degrees of financial capacity, influence, power, etc. - are impacted.**

“Small organizations face discrimination, especially those working on women’s rights – they face opposition from those in power. However, big organizations, with good political contacts, can continue doing their work.” - Consultation Participant

The WPP-Duke IHRC research showed that there are a **number of features of women’s rights organizations that make these particularly susceptible to the adverse impacts of legal and regulatory CTF measures**²². The aspects of the profile of a typical women’s organization that makes it more vulnerable to the effects of CTF include:

- ✓ Women’s organizations generally have a relatively small size, budget and staff. This also means that, unlike large international CSO’s,

²⁰ Duke Law International Human Rights Clinic and Women Peacemakers Program, *Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security* (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTP-S-DUKE-WPP-WEB.pdf>

²¹ This was the basis of their selection, and was also a question in the Survey. Most participants’ work fell in multiple categories.

²² Duke Law International Human Rights Clinic and Women Peacemakers Program, *Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security* (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTP-S-DUKE-WPP-WEB.pdf> p10

- often times they have no staff that is dedicated exclusively to compliance or fundraising;
- ✓ Low income levels of women’s organizations also means that they have low financial resilience to deal with delays in money transfers or gaps in financing;
 - ✓ Current donor funding trends increasingly favor international organizations or consortia, instead of local organizations, and tend to only provide project support instead of long-term flexible funding. This makes it difficult for grassroots or even medium-sized organizations to be able to come into consideration for any direct funding, which provides a level of stability or continuity for their work;
 - ✓ Limited financial access and inclusion: For example; according to a study by the Global Findex²³ in developing countries, women are 20% less likely than men to have formal bank accounts;
 - ✓ The location of their work also impacts the vulnerability of women’s organizations. They are more often working at the local and national levels rather than internationally or in Western donor countries. This makes direct access to big donors more difficult;
 - ✓ Many women activists, working in patriarchal contexts for human rights and gender equality, defy the status quo. By questioning government policy or exposing abuse of power, they often end up on the radar of governments and face intimidation and suppression. For example, their dissent can become criminalized as “terrorist”. As such, some women groups need to operate below the radar, and sometimes even go unregistered. This in turn can impact the willingness of financial institutions to take them on as clients or facilitate their financial transfers.

- | |
|--|
| <p>4. Prohibitive Costs of Due Diligence and Other Administrative Burdens;</p> <p>5. Safety and Security of Women’s Rights Organizing and Organizations.</p> |
|--|

Five Areas of Impact

The **five areas of impact** that were identified in the Duke/WPP research, and which were discussed in-depth during the consultation, include:

- | |
|--|
| <ol style="list-style-type: none"> 1. Use of Countering Terrorism Finance Measures to Reduce Space for Women’s Rights Organizing and Organizations; 2. Programmatic, Partner and Beneficiary Impacts; 3. Financial Exclusion and Restrictions on Access to Financial Services; |
|--|

²³ World Bank, John Isaac, Expanding Women’s Access to Financial Services, February 26, 2014
<http://www.worldbank.org/en/results/2013/04/01/banking-on-women-extending-womens-access-to-financial-services>

Use of CTF to Reduce Space for Women’s Rights Organizing and Organizations

“I feel every country should have control mechanisms, and the government should have the right to oversee civil society. That is not a problem, but it is all about not exploiting this in a non-democratic way.” - Consultation Participant

As noted by the UN Special Rapporteur on the promotion and protection of human rights and fundamental freedoms while countering terrorism, **“in many instances, governments have used vague and broad definitions of ‘terrorism’ to punish those who do not conform to traditional gender roles and to suppress social movements that seek gender equality in the protection of human rights”²⁴**. This has a particular impact on women’s organizing and organizations, as they are often squeezed between being at risk of being criminalized by the state while, at the same time also on the frontlines in their communities, working for peace and human rights and against violent extremism. The WPP-Duke IHRC research showed the following picture in this regard:



Consultation participants reflected on how this picture resonated with their experiences, with one participant sharing:

“When the ruling party wants to shut down an NGO, they say that it’s engaged in terrorism, and all banks stop funding the organization. Money is frozen without any pretext. [A partner organization’s] staff stayed without salaries for about 9 months. The ruling party can tarnish the reputation of an organization any time. There is a hegemony between the ruling party and the banks”

Another participant spoke of having their organization under audit in 2014, at the request of three parliamentarians. The investigators stayed in their offices for over three months, combing through all of their files, looking back all the way to 2006. All the while the organization’s staff was still trying to implement its programs and develop projects. The lack of clarity on the rules for civil society organizations make inquiries like these even more stressful, as some countries do not have regulation on, for example, how long organizations must keep their financial documents. Participants expressed concern about lack of sufficient protection mechanisms:

“What we see is that there is a regulatory law for civil society, but not a protection law. The legislation for civil society is not there to respect the basic rights of NGOs. There is not a rights-based approach, but a control approach towards the civil society sector. Very strict rules apply to NGOs in the name of prevention; which is totally against human rights principles and public freedoms. Rule of law is broken when banks and ministries are given full authority, under the name of security, to take actions that go against even the constitution” - Consultation Participant

“Since 2008, there has been an anti-terrorism and money laundering law in our country, which was used mainly to target independent organizations working on human rights. Our funds were seized; we were direct victims of that law. Most of the human rights activists have reservations about this law; because it is unfair to those organizations addressing human rights issues.” - Consultation Participant

²⁴ UNGA (2009) Protection of human rights and fundamental freedoms while countering terrorism: Note by the Secretary-General <http://www2.ohchr.org/english/issues/terrorism/rapporteur/docs/A-64-211.pdf>

Measures to counter terrorism financing have had the direct and/or indirect effect of cutting off civil society's ability to seek, secure, and access resources. Bans or restrictions on foreign funding, for example, have a particularly gendered effect because of the inequity that already exists in the spaces where women's rights organizations work, in addition to the fact that women's rights organizations in general rely heavily on foreign funds.

"Right now, one chapter in the anti-terrorism law specifies that CSOs, when they get finances from a foreign party, should get authorization from the Minister of Finance. This chapter is usually not enforced, but if the government decides we need to abide by it, we have no choice. That is a real risk for civil society. Since it is not yet put into force, we feel now is the time to work collectively to advocate for its amendment, or its cancellation"

- Consultation Participant

"How can we track the money that is already inside the country? Money goes through different means to terrorist organizations, and there are powerful people behind this. Many banks in my country are led by religious parties. Militias are being armed all the time. Some of the money is being used for this purpose. Political parties are involved in money laundering, which also contributes to terrorism financing. How is this possible? What about their accountability? How can we engage in national advocacy efforts to protect CSOs' rights, when meanwhile government representatives are also part of the problem?" - Consultation Participant

In other cases, **money is inaccessible because of extensive delays by financial institutions in releasing funds.** One participant spoke of the effect that this has on the organization's relationship with their donor, saying, *"due diligence is used by the banks to block our work. We cannot get the money, and we do not get a clear answer on the reason why. It affects our credibility with the partners."*

She explained further:

"Some money transfers by donors were frozen under the pretext of verification. They just stopped the transfer operation without getting in touch with the donor or the receiver. How can you verify without talking to those involved? They just blocked it. We were waiting for the money. Once we saw that the amount was frozen, we got in touch with the bank. We had to provide them a

justification for why we needed the funds, only then was it unblocked. We feel it's not a transparent operation. They wasted our time. It undermines the seriousness of our work and our relationship with our donor"

While CTF measures are increasingly impacting financial access for women's groups, still they fail to halt financial flows to terrorist or violent extremist groups²⁵. Furthermore, **any weakening of sustained on-the-ground civil society counterweight to extremist groups in turn risks emboldening the very terrorist groups that these measures seek to address.** During the consultation, participants also discussed the failure of these extensive measures to address the root causes of conflict and terrorism. One participant noted: *"Corruption has created a climate where some are privileged at the expense of many others; it has created a big difference between the social classes. This has been translated into hatred, which make some join Daesh..."*

Other participants added:

"Trafficking of weapons is an important factor in fuelling terrorism. Unfortunately, the people doing this are moving through illegal means and tracks to send money as well. We know that they come through the borders in suitcases, and through the use of smugglers. They are not always going through the banks and legal accounts."

- Consultation Participant

"When we talk about addressing terrorism in our countries, people are quick to point to the need for increased military spending, as if that is the only way to fight terrorism. But look at what happened in Paris, where security services had enough equipment and tools. Terrorism cannot be addressed with extra security personnel only. Even at EU level, there is a lot of focus on security and military solutions, while militarism is also an important factor feeding terrorism. Meanwhile, our country budgets hardly have any money going towards supporting civil society work for peace, gender equality, and nonviolence education..."

- Consultation Participant

"Civil society is in trouble. There is less money for civil society initiatives. If we defend human rights, if we speak up, we risk being accused of supporting

²⁵ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTP-S-DUKE-WPP-WEB.pdf> p52

terrorism. The security mechanisms following 9/11 are threatening us, and worst of all; they will not stop the terrorists. They are ready to die for their cause. Problems will only increase, because of the impact of these measures. A key factor feeding terrorism is non-respect for the rule of law.”

- Consultation Participant

Programmatic, Partner and Beneficiary Impacts

CTF measures have led to a series of **‘operational impacts’ that deeply impact the sustainability of women’s organizing and organizations in areas deemed ‘at-risk’ for terrorist activity.** Due to their work in, among others; conflict prevention, peacebuilding and the promotion of human rights, women’s organizations are often on the frontlines of addressing the **root causes** of violence—including related to terrorism and violent extremism—in ways that necessarily put them in contact with, or proximity to, environments marked by instability, ongoing conflict, and/or the presence of terrorist or violent extremist groups²⁶. In many conflict-affected regions contact with these groups is “practically impossible to avoid” and “critical” to be able to negotiate access to affected populations to provide humanitarian assistance and to ensure security of staff.²⁷ While donors increasingly tend to avoid such areas, some civil society actors do too, out of concern of potential exposure to criminal prosecutions or other sanctions from regulatory authorities. In Syria, for example, this has meant suspension of humanitarian work in areas under the control of the Islamic State. Financial institutions also de-risk in particular country contexts, reducing access to financial services for civil society in those locations.

The **gender impacts of failure in delivery of humanitarian and other assistance** in areas where terrorist or violent extremism groups are active or in control are acute²⁸. First, women and girls bear the brunt of such restrictions because situations of humanitarian crisis often have a disproportionate impact on them. Secondly, governments may deny humanitarian assistance to women and girls as a form of collective punishment for their male family members’ supposed links to terrorism. Third, in cases of restrictions on foreign aid, terrorist or

violent extremist groups may take on the role of providing goods and services in areas in which they are active or in control. Providing these services can contribute to enhancing the legitimacy or popularity of these organizations. Fourth, in cases where terrorist or violent extremist groups take on the distribution of aid and other services, they may also introduce gender-based restrictions on the provision of such assistance to women and girls in a way that is discriminatory.

“The terrorism law in my country is terrorism itself, when it ends up being used to stifle civil society organizing. People in my country have suffered from human rights violations, hunger, and poverty. Some of the women who have escaped Daesh say they wish they could go back, because when they escaped there was no one to provide them with shelter or support. And what is going to happen to the children of Daesh fighters? These children have no social security. When women wanted to abort, the government was against it.” - Consultation Participant

From both a human rights and a national security perspective, **the result is incoherent.** In some instances, rules to counter terrorism financing – particularly the rules proscribing material support²⁹ – have resulted in the failure of States to meet their obligations under international human rights law to prevent, investigate and provide redress for victims of gender-based violence. In cases where victims are still in or near areas under terrorist control, donor’s reluctance to fund assistance programs due to concern that such assistance will be exploited by the extremist groups, inevitably penalizes female victims of terrorism.

“The international community is giving less and less funding. The capacity of organizations trying to work on issues like gender-based violence (GBV) is minimal. We are not able to document crimes of sexual violence, due to lack of funding. Despite UNSCR 1325, we are not be able to provide a minimum of safety and security for women in conflict situations” - Consultation Participant

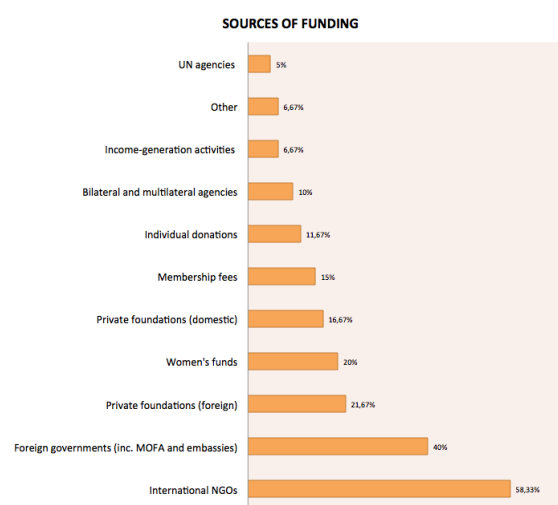
²⁶ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTP-S-DUKE-WPP-WEB.pdf> p46

²⁷ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTP-S-DUKE-WPP-WEB.pdf> p46 // Joshua Hersh, Why Humanitarians Talk to ISIS, DAILY BEAST, Oct. 24, 2014, <http://www.thedailybeast.com/articles/2014/10/24/why-humanitarians-talk-to-isis.html>

²⁸ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTP-S-DUKE-WPP-WEB.pdf> p52

²⁹ Material support: Under some legislation, most notably US legislation, if any terrorist group or activity benefits from goods or services directly or indirectly (knowingly or unknowingly), this can be classified as material support to a terrorist group. This could include food or emergency medical care.

Governments or donors may also be **reluctant to fund programs where they perceive a difficulty in determining whether someone is actually a victim or potentially affiliated with a terrorist/ violent extremist group**. In these cases, overly broad definitions of ‘material support’, as well as the threat of sanctions can lead donors to err on the side of caution and not provide support to female victims. The consultation participants elaborately discussed this problem; with one participant sharing how they had experienced donors pulling out in the midst of starting up a project on violence against women, due to CTF concerns. The organization has continued to provide assistance to the victims, although they no longer have any source of funding for this part of their work.



Sources of funding mentioned by survey respondents WPP-Duke IHRC research

Countering terrorism financing has also contributed to a trend where **donors have a preference for larger, well-known international organizations and release larger and fewer grants**, to the detriment of grassroots women’s civil society. This adversely impacts small as well as mid-sized organizations, because they lack the absorption capacity for large infusions of income or the infrastructure to implement large and complex grants. This trend has been severely harmful for local, grassroots women’s organizations and movements. Consultation participants shared:

“We work for an association with many sections, which is mainly made up of volunteers. There is a difference between project-based organizations and movement-based activist organizations. Donors do not see the importance of supporting our kind of organizations, who work for long-term change and support human rights and women’s rights. Even the UN does not support our kind of

organizations anymore. Many of the NGOs that do get support are not what we would call “principled organizations” – for example, they do not go to jail. I feel we are not recognized by the state, and not by the donor community either. This means that NGOs like ours, with well-established links to the grassroots, are being sidelined by what is seen as “professional” NGOs. Basically, what it comes down to is that those in power do not want our kind of change agents. The business sector approach to civil society is killing civil society’s social change objectives. It divides us and makes us dependent, ultimately making civil society no longer needs-driven but trend-driven.”

- Consultation Participant

“In the national budget of the State, there is no money reserved for civil society, and definitely not for women’s organizations. So we depend on support from the outside. In the past, UN agencies were willing to support NGOs and civil society activism. These days, I feel they are increasingly imposing on us that we work as subcontractors.”

- Consultation Participant

“Attaining foreign funding is becoming very difficult ... donors are passing down the responsibilities, with local organizations dangling at the end, getting the smallest bit of the funding. As a result, they cannot grow and become strong organizations, with sustained programming.”

- Consultation Participant

As a result of **large international organizations being given the bulk of the grants**, and having themselves to deal with countering terrorism financing rules, they often either (1) turn to **implementing their programs themselves**, excluding and even competing with the work of local grassroots NGO’s, or (2) even when they do engage in partnerships with local civil society, these often take the shape of **subcontracting arrangements**, which can undermine the bottom-up, movement building approach of local CSOs, as their accountability subsequently turns ‘upwards’. In addition, a substantial part of the funding never trickles down to those it is intended to support, as one consultation participant summarized: *“In those constructions, lots of money will be ‘lost’ along the way, and the part that does reach local civil society will be totally controlled, with every expenditure checked in detail.”*

Another participant added:

“Networking is the basis for any social action. However, we have seen Northern organizations

come into the region, receiving the finances from the Northern donors, with new networks being created. They take the biggest share from the financing and giving us what remains. As a result, local organizations began competing with each other, which reduced the incentive to work in solidarity.” - Consultation Participant

During the Consultation, several participants noted that donors are becoming increasingly out of touch with activists’ needs on the ground, which has a **disempowering impact**:

“Donors are also part of this [increased demands on civil society] – in the name of security, they are increasingly telling us what to do and try to control us” - Consultation Participant

“It has become a new fashion for donors to release tenders with already defined actions and programs. So at the end of the day they have a working plan ready for you to implement.”
- Consultation Participant

“It’s time and energy consuming, and it’s damaging the CSO spirit. We are not initiators anymore – we become implementers. All this is not about supporting [participatory] civil society, because things are designed already.” - Consultation Participant

“Donors interfere in choosing the type of projects [that are implemented]. They indicate their points of interest without taking into consideration the needs on the ground. We have priorities, but secondary issues (of donors) are met even if they are not needed” - Consultation Participant

When discussing over-regulation and compliance demands linked to CVE/CT, several participants linked this also to a more general trend, pointing out how **business and control frameworks** - with their emphasis on fast and measurable results - are increasingly **forced upon civil society**, including in fragile conflict settings. They warned that such approaches undermine much-needed long-term social change activism, as well as collective, bottom-up driven, civil society action.

“Civil society work has become too much about competition, and not about networking. There is a lot of duplication and repetition going on. Too often, the work ends up becoming donor-driven instead of bottom-up; it is becoming less about serving the women, and more about serving the funders. We lack strategies for financial

sustainability that allow us to do the work that is needed.” - Consultation Participant

“A culture is being created that is shifting our work from civil society activism to it being all about career and business.”
- Consultation Participant

This reality is also putting local women activists at greater risk, with one participant sharing:

“Back home, we have a problem in terms of how international organizations are dealing with us. They know there is a lot of corruption in the government, yet they force us to work with the government, as if they want to support what the government is doing. For small and critical organizations like ours it is becoming very difficult, our kind of organizations are closing or shrinking in size, while other organizations are becoming like big political parties. Amongst those are umbrella organizations, which push the smaller ones away from their mandate. Also, we notice most of the international organizations are focusing on relief; much-needed critical work on nonviolence and peace is being neglected.”

Financial Exclusion and Restrictions on Access to Financial Services

Financial institutions' de-risking practices have had exclusion effects that undermine the ability of women's rights organizing and organizations to access financial services and, as a result, to carry out their activities. Some core reasons for this financial access impact include:

- **Lack of civil society expertise** within financial institutions (particularly, knowledge about the nature and work of women's organizations);
- Financial institutions' **reliance on risk management software** (such as World Check³⁰) populated with open source information that may contain incorrect information on women human rights defenders and organizations;
- Women's organizations are **unattractive clients** for banks, as there are seen to be low-profit, high-risk clients, and there are limited incentives for them to provide these services to such organizations;
- **Flow-on effects of de-risking correspondent banks**, which means that there are either delays or closures of relationships with respondent banks – the mediators between large international banks and respondent bank customers. For women's groups this means that they are excluded from access to the official financial system;
- **Closure of money services** (remittances) businesses due to countering terrorism financing rules. In many cases remittances are the only funds that female caregivers are able to access and control;
- Small size, limited financial inclusion and financial competencies, as well as underlying environments of discrimination and inequality, result in a **low financial resilience** of women's organizations to mitigate restrictions to financial access.

Several consultation participants echoed these difficulties with banking:

"For banks, doing due diligence is costly, and carries risk. Civil society is costly to them, commercially we are not interesting because the amount of money CSOs have is little compared to what big commercial companies have on their accounts" - Consultation Participant

"There is a difference in terms of how the banks dealt with us twenty years ago and now. Things are more complicated now, and banks are not always transparent on why we need to follow certain rules and procedures they impose on us. Bank transactions require a lot of paper work, for example shifting money between accounts is a nightmare." - Consultation Participant

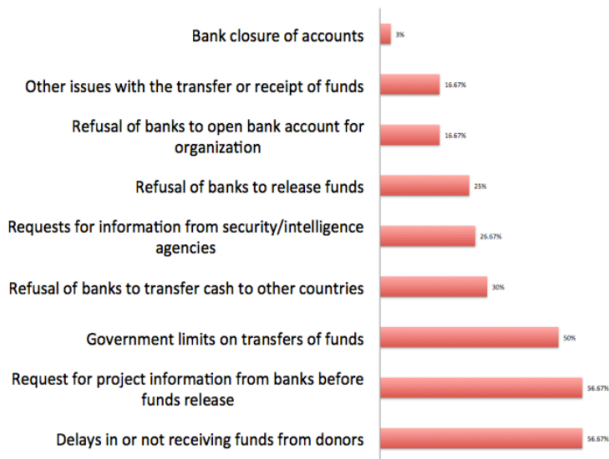
"I received a call from our bank, they were worried about a transfer we had received, asking what it was for and whether it would be going to Syria. I have a problem with that – there seems to be a double standard at work here with the US and EU governments. Many of these governments are giving money and are directly engaged in Syria. Most of our funding is coming from these governments, but then when it comes to the bank, there is all these US pressures on banks? As an NGO, you better not mention funds are for Syrian projects... We need to find a way to tell banks and governments that were are not the ones they should be afraid of." - Consultation Participant

In the survey conducted for WPP-Duke IHRC research, 56.67% of the respondents indicated that they had experienced **"delays in, or not receiving, funds from domestic or foreign donors"**.

In addition, 16.67% of respondents had experienced **"other issues with the transfer of receipt of domestic or foreign funds"**, and 5% had experienced **"other withdrawal of banking services to civil society"**. In terms of the timeframe involved, delays ranged from weeks to months, to even years. In terms of denial of services, 25% of the survey respondents experienced the **"refusal of banks to release domestic or foreign funds"**. In addition, 30% had experienced **"refusal of banks to transfer cash to other countries"**.

³⁰ VICE (2016) Vice News Reveals the Terrorism Blacklist Secretly Wielding Power over the Lives of Millions <https://news.vice.com/article/vice-news-reveals-the-terrorism-blacklist-secretly-wielding-power-over-the-lives-of-millions>

IMPACTS ON FINANCIAL ACCESS



One participant shared she was particularly concerned that there seemed to be no protection mechanisms in place for civil society:

“In my country, a donation can be blocked for 2-3 months without pretext. They don’t tell us that it’s CTF, they find any pretext to postpone and delay and intervene in that way. There is no way to complain, there is no authority to which I can address my complaint or discuss with. We have a regulatory law for NGO’s, but it doesn’t provide any protection for the organization.”

- Consultation Participant

3.33% of the surveyed group for the WPP-Duke IHRC research had **experienced banks’ closing of organizational accounts**. While account closure has been indicated as a problem for women’s groups, it appears that an even greater problem is the refusal of banks to open accounts for women’s groups. For example, 16.67% of survey respondents indicated that there had been a **“refusal of foreign or local bank to open bank account for your organization or grantee”**. In a number of instances, there has also been a constructive refusal, meaning that while the bank does not explicitly refuse to open an account, the requirements are so onerous; it is effectively not possible to meet them. Bureaucratic overload caused by banks was a concern shared by several consultation participants:

“The banks are always adding procedures that they haven’t communicated before. Banking for NGO’s is becoming more complex. Sometimes a grant comes in later, but you still have to pay your employees” - Consultation Participant

In the survey conducted for the WPP/ Duke IHRC research, 56.67% of respondents indicated that their organization had experienced **“requests for project and other information from banks before funds’ release”**, and 25% of respondents had experienced **“requests for project or other information from security or intelligence institutions before funds’ release”**. In a number of cases, the distinction between requests for project information from banks versus from governments was a distinction without a difference. This was because often a pre-requisite for being able to gain access to financial services is providing information from the governments (e.g. proof of registration). In some cases it is difficult to distinguish the source of information requests because of the close relationship between governments and financial institutions. In terms of the types of information required, this can include the following: funds’ intended use, letters from donors, questions for donors about the projects, information from foreign trips and travel, names of associates, target group for projects, contracts, and even marriage licenses.

Participants expressed concern about banks getting involved in policing NGOs:

“As a civil society organization, we were always checked by the government and need their approval to be able to operate, but now some of the banks have also started to ask whether CSOs have the approval of the ministry, before they release the money” - Consultation Participant

“Banks sometimes undertake actions that they feel do not have to be justified to us. For example, any amount above 25 dinars needs to be paid by checks. We had to get 1000 checks in order to pay for something we needed, but the bank would not give the checks to us. We have one account in dollars and one in dinars, and so we ended up having to cover between accounts to be able to pay our bills. Another example is when one of the checks we sent did not pass. They then told us we had to send a letter with more information on the transaction to them. They are always adding procedures. Banking for an NGO is becoming very complex” - Consultation Participant

Prohibitive Costs of Due Diligence and Other Administrative Burdens

Due diligence and other administrative burdens (such as reporting requirements) to ensure compliance with CTF laws are **demanding** for several reasons, including because of;

- ✓ The complexity and multiplicity of counterterrorism regimes;
- ✓ The fact that organizations receive funds from multiple donors (each with separate requirements);
- ✓ The lack of clarity of many rules that creates confusion and uncertainty (which can lead to banks, donors and organizations erring on the side of over-compliance).

These requirements mean that often, in practice, funds are not just allocated on the basis of the needs of any given area, but instead on **whether an activity or organization is able to meet donor requirements**. Increased administrative burdens consume women’s organizations’ (often already limited) finances and other resources, as well as hinder programming and assistance to beneficiaries. Participants shared:

“Every donor has their own requirements (we even need training to be able to understand them). You have to fit the donor templates into your program. It’s not just USAID, but also EU and even smaller “women friendly” donors. Even those organizations need to abide by the rules, so they pass down the risk. Every spending item is specified in the budget. No one gives core funding anymore. How do you expect this to work? Now they no longer approve overhead, and even if they accept it, it’s like 5%. That doesn’t even cover electricity, communications and transportation. A big part of the money is going to the delegates, the audits, and all the intermediaries of those organizations. Huge expenses are included, but mainly for meals and per diems, which are modes of spending that serve the private sector but not civil society organizations. Somehow this has been accepted now. Donors even control the activities themselves. They have to approve any changes to our program. This level of control is limiting our organizations.” - Consultation Participant

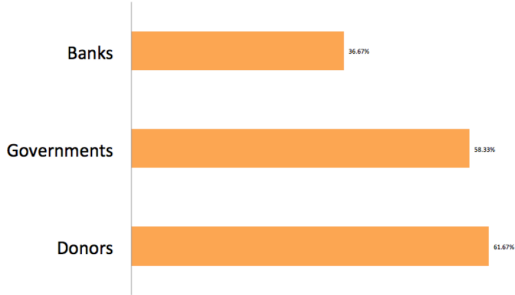
“For example, we suddenly faced parliamentary elections in my country, yet we could hardly put any capacity on this, because there is such a limit on what is possible budget-wise, there is no room for

flexibility. All these regulations and policies are restraining, time consuming, effort consuming, and with very little benefit for the beneficiaries ultimately. 80% of my time is spent on meeting administrative requests and requirements, 20% on real work...” - Consultation Participant

“In my country, if you receive money from USAID, and you have to buy something that costs 10\$, you have to check the name of the supermarket on 3 different websites to make sure they are not any [terrorist] list” – Consultation Participant

In the survey undertaken for the WPP-Duke IHRC research, 85% respondents indicated that they had “experienced increased demands on [their] organization (e.g. growing administrative burden due to transparency requirements) in terms of the conditions [they] need to comply with to receive/ transfer funds from/to third parties”. In terms of the source of these increased demands, the majority came from donors (61.67%) followed by governments (58.33%) and banks (36.67%). **Such increased demands have involved additional workload, delays in receipt of funds, and a reduced capacity to apply for further funds, to the detriment of the work in the field.**

WHERE ARE THESE DEMANDS COMING FROM?



One participant mentioned how “some donors demand separate accounts to control the management of the money”. However, having to manage multiple accounts with limited staff capacity is often problematic for smaller women’s organizations. Especially when opening one account is already an onerous procedure. Having multiple accounts can end up making organizations less flexible, and can make it even more difficult to bridge delays in transfers.

Some countries are also drafting laws, which will make it **more difficult for NGO's to be able to comply with such donor requirements.**

Consultation participants explained:

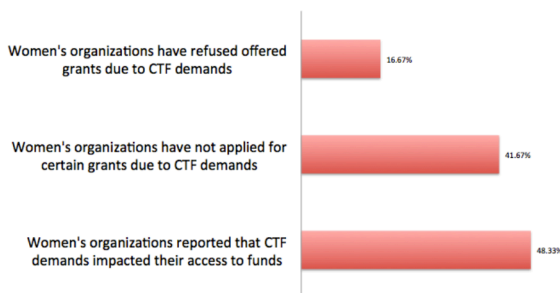
“There is currently a review of laws that structure the work of CSO's in my country. As a counter-terrorism financing measure, the government is proposing to limit the amount of bank accounts per organization to one account.” - Consultation Participant

“We are not allowed to open a second or third bank account for the organization, because of CTM. However, some donors demand separate bank accounts to control the management of the funding. This makes things very complicated for us.”

- Consultation Participant

Nearly 50% of surveyed women's organizations stated that these increased demands have impacted their access to funds. Significantly, despite the dire funding landscape for women's rights organizing, women's rights organizations and gender equality, 41.67% of surveyed organizations for the research **have not applied for certain grants** and 16.67% **have refused offered grants** “because of countering terrorism financing rules (e.g. requests for detailed project information, partner vetting, administrative burden).”

IMPACTS ON ACCESS TO RESOURCES



“We can see laws getting more complicated, there is an overkill of regulation, which makes civil society work more difficult and risky, especially for local NGOs. Handling all of this requires a lot of capacity, knowledge and time – organizations need to hire professionals, such as lawyers and financial people, which is difficult for smaller and volunteer-based organizations, which do not have the money.”

- Consultation Participant

“All this takes up a lot of money and time – to save ten women from domestic violence, you need to have a lot of staff just to manage the project...”

- Consultation Participant

Some of these compliance requirements, such as requiring signing of counter-terrorism clauses³¹ can be a deal breaker for organizations, as it is virtually impossible to guarantee that funds will never unintentionally end up in the hands of a person close to/ affiliated with terrorist groups, when an organization is working in a conflict zone. Many women's organizations working in these areas tend to decline US Government funds, as the necessary “certification and due-diligence requirements can suggest undue closeness to the United States”³². For example, the requirement that NGO's conduct background checks on their partners, **risks them being labeled as “foreign agents” or “spies” by their governments, non-state actors, as well as their own communities.**

“There is always a threat that we are seen as foreign agents when we receive money from outside the country” - Consultation Participant

These concerns have **unique gender dimensions**, as “women and LGBTI activists are doubly at risk, because their work for gender equality is often already maligned by terrorists, as “Western” and foreign”³³.

Onerous due diligence and other compliance requirements also lead donors to make more **‘conservative’ partner choices**, as those are often the ones with the capacity to comply with counter-terrorism grant conditions. This has a particularly gendered effect, because, firstly, the small size of women's organizations mean they are often lacking the necessary capacity to comply with the overload of rigorous auditing and reporting procedures. Secondly, many conditions either explicitly, or in practice, require an organization to be officially registered. Women's and LGBTI organizations “because of unfavorable local conditions (including fear of being penalized by overly broad counter-terrorism laws), may be unregistered, have had their registration significantly delayed, or have a slim public profile compared to their actual

³¹ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTPS-DUKE-WPP-WEB.pdf>

³² Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017) Page 66. <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTPS-DUKE-WPP-WEB.pdf>

³³ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTPS-DUKE-WPP-WEB.pdf> supra notes 161-171

advocacy history”³⁴. Paradoxically, while women’s rights organizing and organizations, particularly those emerging in conflict and post-conflict settings, are **critical to ensuring a robust and evolving civil society**, it is this very dynamism and adaptability – and the repressive conditions under which they operate – that can make it more difficult for such groups to access funds.

“As women activists, we are constantly facing traditional and patriarchal society; we are confronting and addressing terrorist groups’ and government’s repression. There is so much opposition to our work. We need support. We now need to spend so much time in the office; I hate it, because I have to be in the field. I feel it prevents me from doing the work that matters. Sometimes it feels as if reporting has become more important than human life” - Consultation Participant

Training staff to undertake the necessary steps for compliance (e.g., to use commercial software for screening) is “labor- and time-intensive.”³⁵ As women’s rights organizations are characteristically small, they experience similar capacity challenges. Yet, at the same time, **they often do not receive operational, long-term funding that could support the development of capacity to meet increasingly onerous compliance burdens.** Donors may contribute to this problem by transferring the risk down the line, without providing adequate support to organizations to manage it. Additional costs may then be incurred when organizations—including women’s groups—engage outside legal counsel to navigate legal concerns. Participants shared:

“Registration has to be done with more than two stakeholders: The Ministry of Industry, of Culture and of Development. It’s confusing because each process is different. We need pre-approval from the government on our funds. It’s difficult. We don’t know when they start on our application. We have hired two lawyers, and all they do is go to the Ministry to follow up on paperwork.” - Consultation Participant

When CTF legal and regulatory systems set the bar for compliance capacity unreasonably high—for

example, a Thomson Reuters Foundation survey of 21 international and national NGOs determined that “bureaucratic workload had risen by an average of 7,000 extra man hours per charity in the two years since ISIS had taken root, the equivalent of **three full-time staff**”³⁶—this de facto excludes many women’s rights groups from receipt of donor funds. Indeed, in general terms, **such requirements add to the shift away from small, grassroots NGOs toward larger international or Northern-based NGOs** that may be able to “better absorb” compliance costs related to multiple and complex due diligence requirements from regulators, donors, and financial institutions.

³⁴ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTPS-DUKE-WPP-WEB.pdf> p66

³⁵ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTPS-DUKE-WPP-WEB.pdf> supra notes 161-171

³⁶ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTPS-DUKE-WPP-WEB.pdf> p66

Safety and Security of Women’s Rights Organizing and Organizations

This section explores the cumulative impact of all the above-mentioned dynamics on the overall **safety and security** for women’s rights organizing, women’s rights organizations and gender equality.

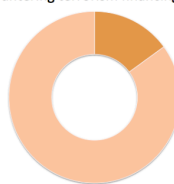
One participant mentioned an example of how dangerous it can be do step onto the territory of powerful interests, sharing: *“Back home, we have been looking at the spread of light weapons, because these are also used in domestic violence cases. We did advocacy on this issue, in a very discrete way, because it is so sensitive. We published one article on this issue, and next one of our staff members was kidnapped, with her children. This is the risk we face – we are always pushed to stop talking about these issues.”*

Increasingly, **governments around the world are cracking down on critical, dissenting voices**. In some cases, governments have used CTF restrictions as a tool for harassment, intelligence gathering and surveillance of civil society – including women’s rights organizing and organizations. Several consultation participants discussed having experienced this through extensive auditing, reporting and other control mechanisms put in place by their governments. In addition, in some contexts the close association between banks and ruling elites can also mean that banks – either in reality or in perception – engage in information gathering on behalf of and/or accessible to the governments.

In the survey conducted for the WPP-Duke IHR research, 15% of survey respondents indicated they had **experienced harassment or prosecution** under countering terrorism financing measures specifically, and 60% expressed that they **have been concerned about harassment and prosecution** under countering terrorism financing measures specifically. The latter speaks to the extensive **chilling effects** these rules have on women’s civil society and activism.

As mentioned previously, obligations under donor’s counter-terrorism clauses (such as certification requirements and vetting of partners), can undermine a groups’ organizational neutrality and impartiality, and can suggest that they are subcontractors of (foreign) government policy, particularly U.S. foreign policy.

15% of surveyed women’s organizations experienced harassment or prosecution under countering terrorism financing measures



60% of surveyed women’s organizations concerned about harassment or prosecution (e.g. material support) under countering terrorism financing measures



As such, it directly **impacts the level of trust and hence support and protection base** that civil society needs from the community, in order to engage in their challenging work.

Consultation participants spoke at length about how counterterrorism frameworks can lead to a **growing climate of distrust** towards NGOs:

“The population is afraid as we are in a transition period. There is a lot of corruption in my country. People do not support NGOs through private contributions, as the government and media are painting a picture that NGOs are corrupt.”

- Consultation Participant

“Propaganda, false policies and lack of transparency of the government means that sometimes the local community does not accept us. It adds to a perception of NGO’s as wanting money and power, which means you always have to defend yourself in the community” - Consultation Participant

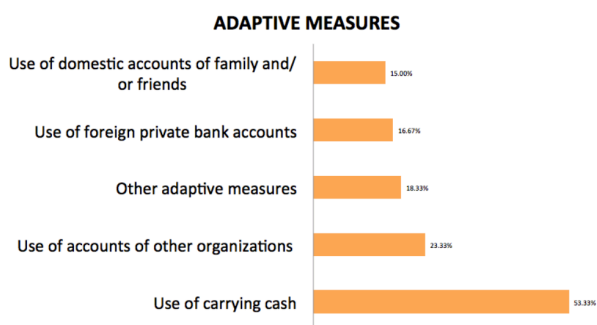
“Nowadays we are always urging and begging people to take up positions of responsibility in our organizations. But no one is coming to us and telling us they want to take it up. People want to keep away from the responsibility, because of the distorted vision of civil society as a fearful and treasonous space. There is governmental and social orientation that accuses civil society – including women’s - organizations” - Consultation Participant

“The way donors are treating civil society undermines trust, and the credibility of human relations. Sometimes I feel like all the [donor] reports I am writing are intelligence reports, and I

feel guilty I am writing it all down” - Consultation Participant

To be able to undertake programming and, in some cases, ensure the continued existence of organizations, civil society actors are increasingly resorting to **self-censorship and other negative coping strategies**. Respondents surveyed for the research repeatedly noted that they needed to *“find a way around”* or *“get creative”* in order to survive, as they feel they *“are at the end of the food chain”*.

When options for engaging with the formal financial sector close down, organizations may be driven into informal financial transactions, **including cash-carrying**. This tactic entails significant risk for all parties, especially for those operating in conflict zones. There is a physical risk to NGO staff and beneficiaries and the associated liabilities of cash. Cash-carrying was the most common adaptive measure raised by respondents in the WPP-Duke IHRC research, with 53.33% of surveyed women’s organizations stating that they had resorted to it.



23,33% of survey respondents adapted to the restrictive effects of countering terrorism measures through the **use of the bank account of other organizations**, while 15% used **domestic accounts of family or friends**. Of all surveyed women’s organizations, 16,67% of all surveyed women’s organizations reported **using foreign bank accounts to access funding**.

Other adaptive strategies include using **Western Union and money services businesses to transfer funds**, or **borrowing money** to pay staff’s salaries when funding transfer is delayed. In other contexts, some organizations also **avoid NGO registration** to bypass the impact of repressive NGO legislation. However, that comes with its own risks, as it makes it more difficult for them to acquire funding if they are not officially registered. These adaptive measures, while essential for the survival of women’s rights organizations, **create threats to the**

safety of the organization’s staff members and can paradoxically make legitimate women’s organizations look more suspicious to governments.

The women’s rights groups surveyed for the research, as well as those present during the consultation, mentioned the negative psychological and even physical impacts in operating under this constant state of fear, intimidation and anxiety, including those resulting from counter-terrorism measures and related funding restrictions. Participants spoke about the **personal costs**, as well as the many contradictions and double standards in place. While civil society faces overregulation and increased control, other sectors do not face a similar treatment:

“An NGO employee cannot receive a personal loan at the bank. Even if our income is more stable than private businesses, banks will not give out loans to NGO employees.” - Consultation Participant

“In my country, NGOs are taxed by the State, but we do not benefit from tax exemption – while foreign agencies do get this, they benefit from special arrangements, but not the local NGOs” - Consultation Participant

“Many activists decided to leave the NGO sector and go into the private sector; where work is more free. As a lawyer, any foreign company can come to my office and pay me well. But when money comes to my NGO, it goes through elaborate checks – all the money flows are fully controlled.” - Consultation Participant

Women’s organizations and activists often internalize the problems they face, which results in less-visible impacts, an overall chilling effect, and the wearing down of often already fragile organizations³⁷.

During the consultation, participants reiterated this consequence for women working in the MENA region, with **one participant explaining how this is creating an environment that drains activists’ energy and makes them prone to burnout**: *“Women activists are increasingly forced into doing paperwork instead of real action. This has pushed many women away from the real work of civil society. It has meant a move away from the*

³⁷ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTTP-S-DUKE-WPP-WEB.pdf> P72

initiating spirit, to a situation of merely doing business, a business that we need to learn to master and implement the right way.”

Another participant added how all this is **undermining movement building**, which the region so desperately needs to face the many backlash forces at work: *“In the sixties and seventies, when we learned about public action, the global women’s movement was a membership movement. That was a model in the Arab region and also on a national level, and a lot of what we did was based on volunteering. Civil society activity nowadays has become a very complex professional action, which moves us away from the movement spirit. The main driver nowadays is government power, where it used to be about people power.”*

- Consultation Participant

Gender and P/CVE

In recent years, there is growing recognition at UN level for the need to mainstream gender and promote the participation of women in efforts to counter terrorism (CT) and prevent/ counter violent extremism (P/CVE)³⁸. For example, late 2015, United Nations Security Council Resolution 2242 (UNSCR 2242) was passed, confirming the importance of women's role and participation in countering violent extremism and terrorism. As such, this resolution served as a "bridge" between the UN's work on Countering Violent Extremism and the Women, Peace and Security (WPS) Agenda.

The merging of the WPS and P/CVE and CTM agendas does not go uncontested. The apprehension many practitioners in the field of WPS have voiced following the passing of UNSCR 2242 stems from a concern that any explicit linking of women's civil society engagement to CVE/CTM efforts will result in the securitization of women's rights and activism. Women activists are concerned that their civil society work for peace, justice and human rights will be framed in terms of a bigger international/national security agenda that may not be in line with their own values and perspectives, and may actually work counter to their goals. Activists have also expressed concern that this linking could (1) generate more backlash against their activism and endanger their work and even their lives, and (2) undermine the notion that women's civil society activism for human rights and peace is important and legitimate in its own right.

As mentioned throughout this report, a growing number of women's organizations (in and out of conflict areas) are experiencing operational difficulties. This lived reality confirms and enhances some of the concerns of women activists regarding the inherent tensions between policy commitments to promote women's involvement in CTM and P/CVE and the reality that CTM and P/CVE policies are also playing a role in constraining activists' operational space.

For example, according to the WPP-Duke IHRC research, 86,67% of surveyed women's organizations believe that their organization's work

contributes to combatting violent extremism and terrorism, *yet at the same time 90% believe that counter terrorism measures had an adverse impact on work for peace, women's rights and gender equality generally*³⁹.

Risks and Obstacles

Working on issues related to justice and peace is never without risk for women activists. This is particularly the case when it concerns issues such as violent extremism and terrorism. Participants are **acutely aware of these risks** when engaging in work around P/CVE, as one participant shared: *"When we organized a conference on women and CVE, participants were concerned about social media messaging during the event; they were worried about becoming attacked by religious leaders."*

Participants indicated that at national and international level, **women's networks and coalitions are not as strong as they used to be**. As a result, many women groups end up working in isolation. This makes them vulnerable, which in turn impacts women's engagement, including in efforts to address extremism and violent extremism. As one participant expressed: *"We face a government that is a challenge for us; we face masculine public opinion – it being conservative, extremist - which is threatening us. There are constantly threats to women journalists and women's civil society organizations; physical threats as well as threats to their reputations; there are fake prosecutions. Many women have left the movement, because of the threats and the high levels of responsibility."*

Several participants indicated that the current CTM and P/CVE frameworks may, in practice, provide **obstacles in terms of addressing women's roles, needs and perspectives in the community**. One participant explained: *"There has been direct violence against women because of the current terrorism law in my country. Women are interrogated, with violence being used to get information from them. Families are torn apart. For example, the law holds women just as responsible as men; however, a mother cannot go and tell on her son, when she suspects he is involved in violent*

³⁸ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). Page 18 <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTPS-DUKE-WPP-WEB.pdf>

³⁹ Duke Law International Human Rights Clinic and Women Peacemakers Program, Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security (2017). Page 15 . <https://www.womenpeacemakersprogram.org/assets/CMS/Reports/TTPS-DUKE-WPP-WEB.pdf>

extremism/ terrorism.”

Sharing her concerns about the **absence of adequate support for women victims of terrorism**, one participant said: *“We are documenting everything at our call centers; such the sexual violence that is being used as a tool of war. There is high maternal death, especially amongst young women. Women simply disappear; there are high suicide rates among women... Yet we encounter a lack of funding resources to support these victims of terrorism. We have seen donors shifting their focus; increasingly funds go to projects focusing on refugees going to Europe, which has led to a deviation of funding for victims of violence.”*

Many participants voiced concerns about the fate of **women victims of sexual violence**. Often, these women have no access to justice, as available mechanisms discriminate against them, reinforce stereotypes, and or/ make them vulnerable to facing more violence. As participants expressed:

“The women victims of (sexual) violence are citizens, and state institutions should treat them as such, and provide legal protection to these women, so they do not become victims of more violence. Now, if women go to the police station, this can lead to even more violence against her... In our societies, the women victim is considered the one to blame.”
- Consultation Participant

“The way mediation is used in our societies is very patriarchal, because it mostly focuses on male community leaders. These leaders are willing to force women to accept anything, also when it is not a just solution for the woman” - Consultation Participant

Several participants mentioned how **smaller organizations and new initiatives** are emerging, with local women setting up initiatives to address violent extremism at the community level. Unfortunately, these initiatives regularly end up disappearing, because of lack of opportunities to get financial support.

“There are great women’s groups working on community awareness raising, even though they are not part of formal organizations – but how can these get support in the current funding landscape?” - Consultation Participant

Participants discussed how the current **gender focus in relation to P/CVE tends to be quite narrow**, with women being mainly framed as victims, or addressed in their capacity as mothers

when it comes playing a role in prevention efforts. This often reinforces gender stereotypes, as one participant expressed with concern: *“There is all this focus on the role of the woman in the domestic sphere – the role of the mother – but does the father not also have a role to play?”*

Others mentioned a **lack of systemic and holistic gender analysis in the current debate and practice around gender and P/CVE**. Such a perspective would highlight the **importance of investing in human security and justice in terms of building and sustaining resilient societies**. One participant summarized it as follows: *“In my country, terrorist groups have attracted IT-skilled and community-skilled women as leaders. These women have been recruiting other women to engage in terrorism and to go to Syria. Recently, our security sector also started to recruit women to fight terrorism. But what about the bigger picture? What about the lack of a functioning justice system, which allows corruption to thrive at the highest levels, which leads to more money being spend on arms, which feeds the cycle of violence?”* - Consultation Participant

“It is important to look at the structural drivers and challenges – the root causes – and address these, which is not done sufficiently right now. For example, a holistic approach means addressing the economic problems that are leading to massive youth unemployment; addressing the lack of opportunities for youth living outside of the capital; addressing the lack of judicial safeguards in order to tackle injustice in society; addressing the way media covers violence and terrorism.” - Consultation Participant

One participant expressed her concern that **the current approaches lack a right-based and justice perspective**; without which it would not be possible to implement lasting solutions for the people in the region. She stated: *“Working on this topic cannot go without understanding what injustice is, and what discrimination is in this region. Our region has suffered a lot. Now the world is looking at us as the exporters of terrorism, but people forget about the bigger picture of how violence emanates from poverty and injustice. It is very difficult to talk about building peace, when there is so much injustice around. In many of our countries, the revolutions were a reaction to injustice; the lack of development; the fact that the wealth of the country was in the hands of a corrupt elite that rules unfairly. These started as peaceful protests to demand social justice. The foreign forces that came into the region, under the banner of spreading*

peace, committed a lot of injustice. We also have to address these questions. Women have, and are, paying a high price. How can we, as women NGOs, confront all the pressures and threats that we are facing, especially those of us working on gender-based violence in times of conflict and violent extremism?"

Another key obstacle identified by participants was that most of the times, civil society – let alone women’s groups – are not involved when terrorism-related policies are drafted, which means **their perspectives are not included or marginalized**.

This, despite the fact that *“civil society has a lot of roles to play when it comes to engaging in CVE efforts: It provides psychological support; works on prevention through the spreading of a culture of tolerance and co-existence; and puts pressure on state institutions to provide protection to citizens”*, as one participant put it.

With a growing policy and donor focus on P/CVE, more and more NGOs are starting to work in a relatively new field, one which is still very much in development. This also means that civil society faces **capacity gaps (knowledge and skills)**. One participant explained: *“We lack case studies of other places, especially about community-based solutions. We need more knowledge on psychological effects, so we can go beyond raising community awareness and capacity building. Currently, if we wish to go to the next level and work with returned fighters – we lack knowledge.”*

In a funding landscape where access to resources is scarce, this **new donor trend also creates risks**. Projects might end up being mainly donor-driven and fail to meet community needs, or even do damage – e.g. when community trust erodes. One participant expressed the urgent need to develop *“ethical standards and principles for those working on C/PVE.”*

Opportunities and Good Practices

Consultation participants discussed new ideas as well as some of the approaches they are currently using in their work for peace and gender justice, which, **directly or indirectly, address violent extremism and terrorism at the community level**. These included:

- ✓ **Engaging religious leaders**, because these have a lot of authority at the community level. One participant mentioned they made sure to always bring civil society leaders and religious

leaders together in their capacity-building programming around CVE. This helped to build bridges between both parties, served to generate trust, and as such, can help to prevent backlash from conservative religious leaders.

- ✓ **Working with the media**, for example in the framework of implementing campaigns that address draft laws that restrict civil society space. This helps to generate **public awareness** about the critical role that a diverse and independent civil society has to play in terms of safeguarding democratic societies; the importance of protecting independent civil society space; and the risks posed by some of the CTM legislation in the making. As one participant put it: *“We need to increase knowledge amongst NGOs and the public on what a diverse civil society means, its importance for the people, in particular how civil society is playing a key role in areas - safeguarding human rights, providing basic services - where the government is currently failing”*
- ✓ **Supporting dialogue processes at the community level to build community resilience**, by engaging with e.g. youth, teachers, religious leaders, refugees and returnees. Working from an empowerment perspective is key, in order to support the building of a culture of peaceful co-existence, as well as to provide (young) people with the skills to work for change through positive strategies/alternatives.
- ✓ **Providing psycho-social support and legal protection to women victims of violence**, in particular women returnees from ISIS-controlled areas.
- ✓ **Supporting women’s capacity** to build coalitions and engage in advocacy, negotiation, and campaigning processes around P/CVE, CT, and CTF. As one participant summarized it: *It will be important to reframe women’s engagement in a way that does not exploit women further!”*
- ✓ **Supporting women’s ongoing civil society organizing and mobilizing** for human rights, women’s empowerment, community dialogue and peace, **in its own right**; as this also contributes to community resilience in general.
- ✓ **Using existing international instruments** in efforts to claim, monitor and push for women’s critical engagement in all peace and security matters affecting their lives, including those concerning P/CVE and CT. One participant shared: *“Back home, women’s groups are providing trainings on UNSCR 1325*

for political parties – including Islamist political parties. Our country has ratified many international conventions. This has provided us in civil society with a legal framework to claim, engage around, and monitor women’s rights. Although not sufficient in isolation, instruments like UNSCR 1325 do help in terms of putting pressure towards governments when it comes to gender and peace issues. Especially when women’s groups manage to be linked to international partners and embassies, this can help to put more pressure on our government.” Another participant added: *These international mechanisms also support us in bringing the challenges women currently face to the international level, e.g. through CEDAW Shadow Reporting, in which we have started to incorporate UNSCR 1325-related issues”*

Key Points of Action

After two days of discussion, participants developed a list of key points of immediate action, which mainly focused on further advocacy as well as capacity building on the topics discussed.

“This meeting has put issues we’ve grappled with in the last years into a framework. We have to share this knowledge widely with our civil society, and build an alliance to develop the next steps”

- Consultation Participant

“Control of, and crackdown on NGOs and movements has always been there, also before Daesh. Yet the research finding is providing us with more insights in new ways the civil society sector is being controlled - may it be via banks, governments, etc.” - Consultation Participant

“We need to follow-up on these new developments as civil society – we need to build our knowledge base, and we need to work in solidarity. We need experts to help us understand these new dynamics better. We don’t need more legislation and committees that draft standards, while the arms industry and arms trafficking can continue unharmed. As citizens, we need to organize against this” - Consultation Participant

One action point that kept coming up throughout the consultation days concerned the need for **broader awareness raising and capacity-building**. Participants indicated that they felt the meeting had provided them with critical new information. They expressed that it would be important to build on this momentum, and engage an expanding group of civil society activists. Ideas mentioned to support this form of awareness-raising included:

- ✓ **Developing a Fact Sheet** with information on the FATF and CTF for civil society;
- ✓ **Organizing national and local awareness raising/ capacity building events** for different stakeholders, including government representatives, the banking sector, donors, and (women’s) civil society;
- ✓ **Developing (training) manuals on the topic of CTF;**
- ✓ **Engaging in a regional comparison of NGO laws;** and as sector develop NGO standards pro-actively, in line with international human rights standards.

Engaging in national policy making around CT/F and P/CVE was another point brought up by participants. Local women’s CSOs need to engage when such policy is being developed, as well as engage in monitoring to ensure policy implementation is in line with human rights obligations and does not undermine an enabling civil society space. Participants indicated that it would be important that women’s groups from the MENA region have involvement in the FATF’s review processes, yet also flagged possible difficulties in working together closely with their governments.

Lastly, participants emphasized the need for **broad-based regional and international coalition building**. Engaging with other CSOs – including women’s CSOs – from different countries on this will broaden the base for solidarity, human rights monitoring, exchange of lessons learned and best practices, and support advocacy efforts at the international level. In terms of international advocacy engagement, the following opportunities were listed by the group for 2017: Commission on the Status of Women (CSW); private sector consultative forum of the FATF; meetings with representatives from CTED, CTIF, OHCHR; World Bank and IMF processes around derisking, financial inclusion and gender; UNSCR 1325 annual review; Human Rights Council; ACAMS MENA meeting.

The consultation ended with one participant, who has a long history in the women’s movement, reminding everyone to remain vigilant: *“As activists, we know that efforts to combat civil society restrictions in the past have at times led to policy adjustments, which in practice led to more repression. We need to be mindful of this!”*