The very nature of conflict prevention work often makes its impact difficult to measure. Proving that a calamity was avoided is hard enough. Demonstrating that we have helped change the course of events amid what is often a cacophony of inputs seems close to impossible.

For the International Crisis Group, however, solid anecdotal evidence of such success abounds. It is immensely satisfying to be approached by someone praising our latest report or saying that a policy recommendation helped to inform and inspire their decision-making. The frequency of these encounters is increasing every year.

What has made Crisis Group stand out since its inception in 1995 has been our unique three-pronged approach: field-based analysis, solid policy recommendations and high-level advocacy. Our long-standing presence in conflict hot spots around the world has given us a reputation for in-depth knowledge, which in turn has gained us access to decision-makers at the highest level that we hope to influence.

The organisation’s role of fact-finder on the ground is particularly apparent in under-reported conflicts. Many newspapers and news agencies have dramatically cut their overseas staff and international reporting in recent years. Media outlets have become increasingly reliant on the Crisis Group to supply them with information when, for example, a flawed election leads to upheavals or ethnic violence takes the rest of the world by surprise.

With budget cuts now threatening to hit some countries’ diplomatic services in a similar way, we are proud they more readily turn to us. The influence and effectiveness of Crisis Group, with its networks of analysts on the ground, looks set to grow in the coming years.

In these difficult economic times, we are deeply grateful to a wide range of funders from governments, foundations, individuals and corporations. None of our work would be possible without their contribution. As you review our work in 2010 and our plans for 2011 and beyond, we hope that you join us in making Crisis Group’s cause your own.

London, Washington DC, 1 March 2011

Lord Patten of Barnes  Ambassador Thomas R. Pickering
CO-CHAIR  CO-CHAIR
From the President

This was a milestone year for Crisis Group, as we not only celebrated our 15th anniversary, but also published our 1,000th report. We have come a long way since 1995, when Crisis Group was launched with small field offices in West Africa and the Balkans. We have grown to become the world’s leading non-governmental source of early warning, analysis and advice to governments and inter-governmental institutions on the prevention and resolution of deadly conflict.

Just as in the past, Crisis Group continued to report on trouble spots and issues that otherwise receive little international attention. We highlighted violence in the Central African Republic’s illegal diamond mining industry, and state fragility in Guatemala, caused in large part by the increasing prevalence of organised crime. In November, we rang early warning alarm bells on the pitfalls of Côte d’Ivoire’s elections before the tragic events there hit international media headlines. From Kosovo to Timor Leste, we have maintained a sustained engagement in post-conflict reconstruction.

As we intensified our advocacy efforts in 2010, Crisis Group made a strong impact in many of the world’s most troubled corners. Kyrgyzstan suffered a year of turmoil, as the corrupt regime of President Kurmanbek Bakiyev was ousted in a popular uprising in April, while hundreds were killed and hundreds of thousands forced to flee their homes in ethnic violence over the summer. With two timely reports, several high-profile commentary articles and intense advocacy efforts, Crisis Group became the most authoritative independent voice on the country’s crises. Our staff was regularly asked to brief both national and international actors on how to best navigate the situation; the overall response from the international community, however, was disappointing.

Our work in Sri Lanka challenged the government’s narrative on the circumstances under which the country’s bloody civil war was ended in 2009. Our seminal report, War Crimes in Sri Lanka, released in May on the anniversary of the war’s end, presented new evidence of alleged serious violations of international humanitarian law by both government forces and the insurgent Tamil Tigers and called for effective accountability if true peace and stability was to be established over the long term. It predictably drew the ire of the Sri Lankan government but received an enormous amount of media attention and led to strong statements of support from several governments; subsequently the UN Secretary-General established an expert panel to advise on accountability issues.

We anticipated the tensions created by the expected indictments from the Special Tribunal for Lebanon, and, shirking orthodoxy, supported a search for compromise that would promote peace and greater accountability.

We expanded our media presence and the accessibility of our products this year. We launched a new website, became more present on social media platforms and expanded our series of podcasts. We engaged in a strategic planning exercise that will give clear direction to our development, including to our fundraising efforts, in the coming years.

I continue to be impressed by the dedication, professionalism and engagement of our staff, and I would like to take this opportunity to thank them for their tremendous efforts and splendid results, often in challenging conditions.

I hope you appreciate the breadth of Crisis Group’s efforts as you read through this Annual Report. As the world faces unprecedented challenges in the year ahead, we are expending every effort to fulfil the mission statement we first articulated fifteen years ago and that still remains profoundly relevant today.

Brussels, 1 March 2011

Louise Arbour, President and CEO

Louise Arbour served as UN High Commissioner for Human Rights from 2004 to 2008 and Chief Prosecutor for International Criminal Tribunals for the former Yugoslavia and Rwanda from 1998 to 1999. She has been President and CEO of International Crisis Group since July 2009.
Crisis Group
Mission and Method

Crisis Group decides which situations to cover based on a number of factors. These include: the seriousness of a situation, whether we can add value to international understanding and response, whether we have or can raise the necessary resources to ensure high-quality reporting and effective follow-through, and whether we can safely operate in the field.

It is with an enormous sense of loss that the International Crisis Group says goodbye to Stephen Solarz, who passed away on 29 November 2010. Steve was a dear friend to Crisis Group’s staff, Board members and supporters, but for this organisation, he was much more as well. Steve was there at the beginning, back when Crisis Group was just a proposal on paper some seventeen years ago. He played the key role in initially assessing the financial and political prospects of what was then a bold initiative, and travelled around the world to meet with governments and other key actors to get the organisation off the ground. In short, Steve transformed the idea of Crisis Group into reality.

He then served for many years, active until the very end, as a member of the Executive Committee of Crisis Group’s Board, helping to guide and support the organisation through its first 15 years of growth and success. His decades of experience in public office – both in the New York State Assembly and in the US House of Representatives, where he was on the Foreign Affairs Committee for eighteen years – were of incalculable benefit to Crisis Group and to our cause of conflict prevention and resolution worldwide.
Crisis Group was established in 1995 by a group of prominent international citizens and foreign policy specialists who were appalled by the international community’s failure to act in response to major crises at the time. Their aim was to create a new organisation, which would help governments, intergovernmental bodies and the world community at large to prevent, contain and resolve deadly conflict.

CRISIS GROUP APPROACH – THREE BASIC ELEMENTS

1. **Expert field research and analysis**
   Crisis Group’s credibility is founded on its field-based research. Our analysts are based in or near many of the world’s trouble spots, where there is concern about the possible outbreak of conflict, its escalation or recurrence. Their main task is to find out what is happening and why. They identify the underlying political, social and economic factors creating the conditions for conflict, as well as the more immediate causes of tension. They find the people that matter and discover what or who influences them. And they consider the actual and potential role for other countries and intergovernmental bodies like the United Nations, European Union and African Union.

2. **Practical, imaginative policy prescriptions**
   Crisis Group’s task is not merely to understand conflict but to prevent, contain and resolve it. That means identifying the levers that can be pulled and others who can pull them, whether political, legal, financial or ultimately, military. Some of these tools require action by the national government or local actors; others require the commitment of other governments or international organisations. Some will be within the current marketplace of received ideas; others will be over the horizon but nonetheless the right way forward. These policy prescriptions, along with our field-based research and analysis, are presented in succinct, timely and readable reports.

3. **Effective, high-level advocacy**
   Identifying the problem and the appropriate response is still only part of the story. All too often the missing ingredient is the “political will” to take the necessary action. Crisis Group’s task is not to lament its absence but to work out how to mobilise it. That means persuading policymakers directly or through others who influence them, not least the media. That in turn means having the right arguments: moral, political, legal and financial. And it means having the ability to effectively deploy those arguments, with people of the right credibility and capacity.

**POLICY AND OPERATIONS**

**Operating in the field**
Crisis Group’s analysts are drawn mostly from experienced former diplomats, journalists, academics and NGO staff, often leading world experts in their areas. Of 125 positions on 1 March 2011, 76 were in the field – in 10 regional offices and 16 other locations. Others worked from our Brussels head office and major city advocacy and liaison offices. Security for our field staff is often an issue, requiring, in some cases, operating on a non-disclosed basis.

**Determining policy**
In the initial drafting of reports and briefing papers, field analysts work with our regional program directors. A research and advocacy team in Brussels also provides input, especially on EU and NATO developments, while our Washington and New York advocacy offices assist with US and UN perspectives. The policy prescriptions attached to Crisis Group reports are settled with input from field and senior staff, and Board members, as well as consultation with governments, intergovernmental organisations, academics and other think-tanks and NGOs.

**Getting the story out**
Strong advocacy means effective dissemination. By the end of 2010, Crisis Group reports and briefing papers were being sent by email notification to some 30,000 specifically targeted recipients (including government ministers, heads of international agencies, diplomats and officials in key roles, and journalists) and a further 145,000 subscribers signed up through our website. We also maintained strong media exposure, in terms both of mentions in significant print and electronic media worldwide, and influential opinion and commentary pieces published.

**High-level advocacy**
Much of Crisis Group’s most successful advocacy is done behind closed doors. In 2010, our major advocacy offices, in Brussels, Washington and New York, continued to ensure Crisis Group has the access and influence at the highest levels of the US and European governments, the UN, EU and NATO.

Meanwhile, our Beijing office continued to raise Crisis Group’s profile and influence in China and the region, and our Moscow liaison office worked to improve our contacts in Russia. Our large team in the Nairobi and Jakarta field offices have increased access and Crisis Group’s stature in Africa and the wider South East Asian region.
Advocacy and liaison offices

Brussels (HQ): management, research, report production and distribution, communications, EU and international advocacy and coordination of all field operations. Washington: advocacy with the US administration, Capitol Hill and the US media; policy input. New York: advocacy with the UN Secretariat, diplomatic corps and media; liaison with the philanthropic community; policy input. London: British and other European advocacy and fundraising support. Beijing: advocacy and policy input, with a focus on the role of China in conflict areas around the world. Moscow: liaison office – advocacy and technical support.
Covered by field analysts*
Afghanistan, Albania, Algeria, Armenia, Azerbaijan (including Nagorno-Karabakh), Bolivia, Bosnia and Herzegovina, Burma/Myanmar, Burundi, Cameroon, Central African Republic, Chad, China (Taiwan Strait), Colombia, Côte d’Ivoire, Cyprus, DR Congo, Ecuador, Egypt, Eritrea, Ethiopia, Georgia, Guatemala, Gulf states, Guinea, Guinea-Bissau, Haiti, India (Kashmir), Indonesia, Iraq, Israel/Palestine, Kazakhstan, Kenya, Kosovo, Kyrgyzstan, Lebanon, Liberia, Macedonia, Madagascar, Nepal, Nigeria, North Korea, Pakistan, Philippines, Rwanda, Russia (North Caucasus), Saudi Arabia, Serbia, Sierra Leone, Somalia, Sri Lanka, Sudan, Syria, Tajikistan, Thailand, Timor-Leste, Tunisia, Turkey, Turkmenistan, Uganda, Uzbekistan, Venezuela, Western Sahara, Yemen, Zimbabwe.

CrisisWatch monitoring only
Includes: Albania, Angola, Bahrain, Bangladesh, Belarus, Burkina Faso, Cambodia, China (internal), Comoros Islands, Equatorial Guinea, Fiji, France (Corsica), Gabon, Gambia, Ghana, Honduras, India (non-Kashmir), Iran, Jordan, Lesotho, Libya, Maldives, Mali, Mauritania, Mexico, Moldova, Mongolia, Montenegro, Mozambique, Namibia, Nicaragua, Niger, Papua New Guinea, Peru, Republic of Congo, Senegal, Solomon Islands, Spain (Basque Country), Swaziland, Togo, Tunisia, Ukraine, United Kingdom (Northern Ireland), Zambia.

* Coverage planned for 2011
A series of elections across the continent offered an opportunity for change in Africa in 2010. Somaliland, Guinea, Burundi, Central African Republic and Uganda saw relatively peaceful polls, and South Sudan voted to secede from the North in an historic referendum. In contrast, Côte d’Ivoire was brought back to the brink of civil war by its disputed presidential vote. With more elections due in 2011 – and continuing violence in Somalia and DR Congo – conflict remains a serious risk.
On Chad, *Libya/Chad: Beyond Political Influence* (March) highlighted the extremely influential role played by Tripoli in the region, while *Beyond Superficial Stability* (August) led to an exploratory mission by the UN to investigate recommendations on the need to reintegrate former combatants in the rebellion into society.

As *DR Congo* announced its electoral calendar for 2011–2013, Crisis Group’s April report *A Stalled Democratic Agenda* positioned the organisation in the debate on the country’s political future. Our staff followed up with high-level advocacy aimed mainly at the EU, the election’s main funder, where officials were very appreciative of Crisis Group’s analysis. *No Stability in Kivu despite Rapprochement with Rwanda* (November) highlighted the continued precarious security situation in the country’s eastern provinces. Our advocacy team successfully put the idea of EU conflict minerals legislation on the agenda in Brussels.

**HORN OF AFRICA**

*Ethiopia’s* May 2010 election kept Prime Minister Meles Zenawi and his ruling party in power with 99 per cent of parliamentary seats and 100 per cent of those in the regional assemblies. International observers said the vote was marred by violence, intimidation and widespread fraud, while the US called for stronger democratic institutions. Neighbouring *Eritrea* is becoming increasingly authoritarian, with the militarised regime tolerating neither opposition nor dissent, and developing a siege mentality towards its own population, neighbours and the rest of the world.

In *Kenya*, the new constitution was approved by 67 per cent of the vote in August, and in contrast with the 2007 national elections, the referendum passed without violence. The new charter brings radical change, including weakening presidential powers and creating a two-tiered parliament. Campaigning has already started for the 2012 elections.

The Transitional Federal Government (TFG) in *Somalia* remains locked in a bloody stalemate with Islamist insurgents, and seems unable and unwilling to reach out to moderate elements and other actors. The government signed a power-sharing agreement with Ahlu Sunnah Wal Jama’a, an umbrella organisation for failing to disrupt the rebels and prevent widespread human rights abuses by Congolese soldiers. Mass rapes and violence by the army, the FDLR and Mai Mai rebel groups have continued largely unchecked.

The electoral commission announced the roadmap for the 2011–2013 general elections in August, with the presidential vote scheduled for October 2011 and provincial and local council votes for 2012 and 2013. The opposition have criticised the electoral commission’s perceived pro-government bias, while the constitutional reform passed in early 2011 favours the incumbent President Kabila and increases the power of the executive.

**IMPACT**

Following Crisis Group’s report *Dangerous Little Stones: Diamonds in Central African Republic* (December), Crisis Group was invited to present its findings to the Kimberley Process in Israel, who along with US representatives praised the report for highlighting an almost unknown situation and contacted the CAR authorities to discuss issues raised in the report. The CAR government denied its findings but promptly organised a presidential meeting with diamond traders to address some of its main points.

Our first ever reports on *Cameroon, Fragile State?* (May) and *The Dangers of a Fracturing Regime* (June), generated intense media scrutiny in the country, and were singled out as "first class" by the British Foreign Office. The head of the French aid agency Agence Française de Développement (AFD) stated that the reports pushed AFD to rethink its whole Cameroon policy.

*Burundi: Ensuring Credible Elections* (February) was widely discussed in the national press and by international agencies, and prompted a direct response from the ruling CNDD-FDD party. The 2010 electoral crisis demonstrates the accuracy of the report’s analysis.

**From Afghanistan to Iraq, from Chad to Indonesia and during European or NATO summits, Crisis Group reports and recommendations have always been in my bag as an essential piece of documentation.**

Richard Werly, European Affairs Correspondent, *Le Temps*, January 2010

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*Cover Photo:* Brussels, Belgium - November 2007. In front of the EU Commission, the International Crisis Group, a Brussels-based NGO, issues a statement during an EU ministers meeting on the situation in the Great Lakes region of Africa. (Photo: Henk Koster)
of Sufi Muslim groups opposed to hardline Islamist insurgents, but it has done little to increase the TFG’s credibility, and its influence remains largely limited to some districts around Mogadishu.

Violence fuelled by the militant Islamist Al-Shabaab continued during the year, with hundreds killed in clashes between armed groups, government forces and the AU peacekeeping force AMISOM. In July, Al-Shabaab claimed responsibility for a bombing in Uganda’s capital Kampala that killed at least 85, highlighting the group’s willingness and capacity to export the conflict beyond Somalia. The AU responded by beefing up its peacekeeping deployment, but few countries have been willing to commit extra troops.

In the north, Somaliland held largely free and fair presidential elections in June that resulted in the peaceful transfer of power from the incumbent to President Ahmad Muhammad “Silanyo”. The situation is less stable in neighbouring Puntland, which is fighting a low-level Islamist insurgency and continues to struggle with deeply entrenched organised criminal activity, including piracy.

A turbulent year in Sudan culminated in the historic January 2011 independence referendum in the South, in which some 99 per cent voted to secede from the North and form an independent state. International observers said the vote was largely free and fair, despite localised violence around the disputed Abeyi region. However, the demarcation of the North-South border and the status of Abeyi are still stalled, and negotiations on critical issues such as wealth-sharing and citizenship remain roadblocks before the new Southern state can become a reality.

Rigged elections in April kept indicted war crimes suspect President Omar al-Bashir in office and preserved the dominance of the National Congress Party (NCP) in the North and the Sudan People’s Liberation Movement (SPLM) in the South. The security situation is delicate throughout the country, with periodic heavy clashes between government forces, their proxy militias and rebel groups in Darfur, and the peace process there is largely stalled. Tribal fighting continues in the South and attacks by the Lord’s Resistance Army (LRA) remains a concern.

As expected, the elections in Uganda resulted in the re-election of President Museveni and the continued dominance of the National Resistance Movement in parliament. Museveni, however, has failed to address deep divisions and disputes over the allocation of new-found oil wealth, which could increase tensions in an already fragile society.

**IMPACT**

Eritrea: The Siege State (September) provoked angry reactions from the country’s authoritarian regime, but was praised by one high-level US State Department official as an excellent template for re-engagement. Somalia’s Divided Islamists (May) was very well received in Somalia, Europe, the US and South Africa. Crisis Group was able to present the report’s findings directly to the TFG President Sharif Sheikh Ahmed, although it remains to be seen whether the government follows up...
Crisis Group released a series of key reports on Sudan during the year. *Rigged Elections in Darfur and the Consequences of a Probable NCP Victory* (March) triggered enormous political discussion in Sudan and media attention inside and outside of the country. *Regional Perspective on the Prospects of Southern Independence* (May) highlighted the importance of regional states preserving the peace, and was used as a critical reference point by UN, EU and USAID policymakers. *Negotiating Sudan’s North-South Future* (December) analysed the state of post-referendum negotiations. Parallel to our reporting, Crisis Group held numerous briefings with political leaders, senior-level officials from the UN and AU, as well as from the Juba and Khartoum governments, to discuss the requirements for a peaceful transition to the conclusion of the 2005 Comprehensive Peace Agreement (CPA).

In Uganda, *A Regional Strategy beyond Killing Kony* (April), re-activated policy debate on the thorny LRA issue. The report was widely covered by the international press and triggered strong interest from the EU and US policymakers. Vice President Alain Delétroz was invited to present its findings before the UK Parliament, while US President Obama invited Senior Vice President Mark Schneider to attend the signature of a bill intended to launch a new strategy against the LRA.

**Southern Africa**

Attempts to bring an end to Madagascar’s prolonged political crisis bore little fruit, as several rounds of talks between the opposition and the de facto president Andry Rajoelina collapsed. The regime is proceeding with its unilateral transition plan, which is still contested by the opposition and the international community. Parliamentary and presidential elections are scheduled for March and May 2011, respectively. An attempted mutiny in November underlined the regime’s fragility and the worsening socio-economic situation.

In Zimbabwe, the stalemate between President Robert Mugabe’s ZANU-PF and the two factions of the Movement for Democratic Change (MDC) over the implementation of the Global Political Agreement (GPA) is threatening the lifespan of the inclusive government. Mugabe and opposition leader Morgan Tsvangirai have in principle agreed that elections should be held in 2011 but differ sharply on what reforms need to be put in place before the vote. The international community continues to express support for the inclusive government, but South Africa, as the main mediator, is urging the removal of restrictive measures and pushing back the election date, which could be as soon as June 2011.

**Impact**

As one of the few think-tanks providing neutral analysis on Madagascar, Crisis Group has a substantial impact in the country. *Crisis Heating Up?* (November), released just days after the failed mutiny, sparked live debate in the national press and was very well received by national and international actors. Our reporting was debated at cabinet meetings, and Crisis Group staff met directly with the country’s president who welcomed our recommendations as constructive.

**West Africa**

After a five-year delay, the elections in Côte d’Ivoire were finally held in November, but the outcome threatened to push the country...
back into violent conflict. Incumbent President Laurent Gbagbo won the first round, but lost the run-off to former Prime Minister Allassane Ouattara. Despite intense international and regional pressure, Gbagbo has since refused to step down, triggering a wave of violent protests in which at least 260 mostly pro-Ouattara supporters have been killed. The situation remains volatile, with the regional body ECOWAS pressing for a UN Security Council resolution that would authorise forceful intervention as a last resort.

Guinea made significant political progress given its recent troubled past. The peaceful first round presidential elections in June was a huge achievement, and the outcome was eventually accepted despite initially being challenged by several candidates. The electoral commission declared opposition leader Alpha Condé the winner in the November second round with 52.2 per cent of the vote, a result challenged by second-placed former Prime Minister Cellou Dalein Diallo as fraudulent, sparking violent clashes across the country. Following international pressure, Diallo eventually conceded defeat, and Condé was sworn in as president on 21 December.
In Nigeria, a longstanding leadership controversy finally ended when ailing President Umaru Yar’Adua died on 5 May, succeeded immediately by his Vice President Goodluck Jonathan. Elections are scheduled for 2011, and Jonathan has announced his candidacy, though the nomination contest for the ruling PDP party is likely to be fierce, and north-south tensions could be exacerbated.

**IMPACT**

Many of the recommendations from *Côte d’Ivoire: Securing the Electoral Process* (March) were adopted by the UN, including the continued focus on the Ouagadougou peace agreement and maintaining troop levels of the UN peacekeeping mission UNOCI. High-level EU officials praised the report as “insightful concerning the EU’s political role and individual sanctions”. Our November report, *Finally Escaping the Crisis?*, warned of the potential for unrest and violence following the second-round vote, concerns that were tragically realised during the election aftermath. Crisis Group remained active through advocacy during the ensuing political crisis, and in December wrote an open letter to the UN Security Council on how best to move forward.

Crisis Group’s West Africa team regularly briefed ECOWAS officials during the early months of the year as Guinea was planning its return to civilian rule. The timely report *Reforming the Army* (September) received much national media attention, while our Conflict Risk Alert (November) in the aftermath of the elections prompted the Guinean army to set up a special unit investigating alleged ethnic violence by soldiers.

An op-ed by Crisis Group President Louise Arbour and Board Member Ayo Obe, published in the *Financial Times* and national Nigerian press in February, served as a crucial early warning on the growing leadership crisis. *Northern Nigeria: Background to the Conflict* (December) provided unique field-based analysis on the violence between Christians and Muslims in the region.
CENTRAL AFRICA

Assessing the Implementation of the Peace and Security Architecture in Central Africa. This report will assess the achievements of regional efforts to jointly improve security, and will suggest ways to lessen violence in general in Central Africa.

Burundi Political Control of the Economy. This report will assess if the CNDD-FDD’s election victory also translates into a power shift in terms of controlling the economy, and how economic elites adapt to the new political landscape.

The Reborn Rebellion of the FNL. If the hidden struggle between the army and the FNL since the elections intensifies, Crisis Group will prepare a policy briefing about the renewed rebellion.

Cameroon The Transition Question. If the re-election of President Biya proves problematic, a planned publication on Cameroon will examine how current legal and constitutional fluidity makes it unlikely that the country will smoothly navigate the immediate post-Biya period.

Central African Republic Where Central Africans Fear to Tread: The Vakaga Area. This report will suggest ways to avoid the ungoverned Vakaga territory becoming another “grey area” and safehaven for bandits and transnational armed groups.

Political Control of the Economy. This report will assess if the CNDD-FDD’s election victory also translates into a power shift in terms of controlling the economy, and how economic elites adapt to the new political landscape.

Chad The National Army in Chad. The peace agreement with Khartoum and the defeat of the rebellion pose new problems, which Crisis Group will analyse in a forthcoming report.

Democratic Republic of Congo Managing Delayed Elections. A future policy briefing will examine problems faced during the electoral preparations and the way tensions can be managed in order to avoid foreseeable problems.

Oil in the DRC Crisis Group will look at the various types of conflicts related to the present oil boom exploration, and how to realistically address them within the peacebuilding agenda.

HORN OF AFRICA

Ethiopia and Eritrea Revisiting the Border Dispute. An update briefing will analyse the current impasse and suggest a strategy to move the process forward.

The Oromo Liberation Front. Crisis Group will analyse the current status of Ethiopia’s other large, ethnic-based insurgency, the Oromo Liberation Front, and its grievances with Addis Ababa.

Kenya Vigilante Groups and Continued Potential for Political Violence. This update briefing will analyse the state of some vigilante groups in Kenya, and the continued potential for mobilised political and ethnic violence.

Somalia Spill-over of the Somali Conflict. A future report will assess the regional implications of the rise of Al-Shabaab and the radicalisation of Muslim communities in Kenya.

The Jubaland Project in Southern Somalia. Some leaders from South Somalia are attempting to create a local administration along the Kenyan border to be called “Jubaland”.

Update on Puntland. An update briefing on the region will examine whether the situation has improved since our last report in 2009.

Situation in Sool, Sanag and Cayn The area of Sool, Sanag and Cayn is thought to be oil-rich and claimed by both Somaliiland and Puntland. A briefing will analyse the current situation and its potential to trigger wider conflict.

Sudan The Status of Abyei. The border area of Abyei has been a major source of contention between the NCP and the SPLM, and Crisis Group will describe the results of negotiations and analyse whether arrangements in place are viable over the long term.

Stability in the South after the Referendum. Crisis Group will produce a report analysing the capacity of the Government of South Sudan to maintain peace and stability in their newly formed state.

WEST AFRICA

Côte d’Ivoire Addressing Security and Governance Challenges. The outcome of the current electoral crisis will shape our reporting, but Crisis Group plans a publication on broader governance challenges irrespective of the electoral aftermath.

Guinea What Now? A forthcoming report will analyse the three main challenges for the new president: army reform and global security challenges; national reconciliations; and new governance.

Nigeria Conflict Risks in the Plateau Region. A planned report will examine conflict dynamics in the region, including the risks that radical and anti-establishment groups pose to the already fragile relations between Nigeria’s two main religious groups, and to the country’s stability as a whole.

SOUTHERN AFRICA

Madagascar The End of the Transition. Crisis Group will prepare a briefing on the electoral process planned for 2011.

Zimbabwe Preparing for a New Zimbabwe. Crisis Group will assess the progress made in drafting a new constitution and organising an accompanying referendum.

The Role of the Military in Zimbabwe’s Transition. This report will analyse the central role played by the military in driving politics and influencing post-Mugabe leadership scenarios.
2010 saw continued turmoil in Afghanistan and Pakistan, posing a risk to the wider region. Public unrest led to outbreaks of violence in Thailand and Kashmir, and the ouster of Kyrgyzstan's president. Tensions rose on the Korean peninsula following the most serious cross-border violence in decades. In Sri Lanka, international calls for a war crimes investigation grew in the aftermath of the civil war's end.

**CENTRAL ASIA**
Once considered an outpost of relative tolerance in Central Asia, Kyrgyzstan saw a year of violent upheaval. After years of mismanagement and corruption, President Kurmanbek Bakiyev was ousted in April by a provisional government that was unable to establish firm control over the whole country. The new government's authority in southern Kyrgyzstan was further undermined by an explosion of intra-communal violence, destruction and looting that hit the area in June. Hundreds were killed and hundreds of thousands displaced, causing deepening divisions between ethnic Uzbek and Kyrgyz communities that stoked inflammatory rhetoric ahead of the 10 October parliamentary elections. The new government has so far shown itself incapable of restoring the country's control over the South or solving urgent economic and social problems. The situation remains unstable and unpredictable, a major source of concern for the region.

**SOUTH ASIA**
Violence worsened in Afghanistan, along with corruption, governance and the government's ability to protect its people. NATO suffered higher casualties than in any previous year, and the Taliban widened its control in many areas. In November, NATO countries committed to end combat operations in 2014, though serious doubts remain about the Afghan security forces' capacity to take over from international troops. The September parliamentary elections...
were violent and fraudulent, echoing the chaotic 2009 presidential elections.

Pakistan’s fragile coalition government faced multiple challenges during the year, raising concerns that the democratic transition could falter. Devastating floods in August killed more than 2,000 and affected the livelihood of some twenty million, while slow government and international response raised fears that people would be driven into the hands of militants offering aid. Despite the military claiming success in its operations against the Taliban in the north west, close to 500 attacks, including suicide bombings, took a huge toll on civilian and security forces’ lives.

More than 100 people were killed in a summer of violent protests in Kashmir, illustrating how little India has moved towards finding a settlement there. Although jihadi violence has been reduced, Pakistan has not entirely cut off support to some of the militant groups operating in the Valley.

A prolonged political deadlock left Nepal without an effective government since June, when the Maoists forced Prime Minister Madhav Nepal to resign. Bickering among the parties has since prevented the formation of a unity government, and is threatening to derail the peace process. Little progress was made on the new constitution or the reintegration of former Maoist fighters into the national army.

Sri Lanka faced growing international calls for an inquiry into war crimes committed during the final months of the country’s civil war in 2009, when tens of thousands of civilians were killed. The UN in June launched a long-
delayed panel exploring options for an accountability inquiry and forced the issue of war crimes onto the agenda of many countries. President Mahinda Rajapaksa continued to strengthen his grip on power through a constitutional amendment that removed many of the checks on executive control, and there has been little progress on strengthening the role of Tamil or Muslim minorities. The majority of those displaced from the civil war were able to return home during the year, but many continue to face desperate living conditions.

**IMPACT**

Crisis Group’s work on Afghanistan shaped debate among international actors in the country. *A Force in Fragments: Reconstituting the Afghan National Army* (May) continued advocating our long-held view that the Afghan security forces have been neglected and need more training and resources. It is a view that finally, if belatedly, is being reflected in Western policies. *Exit vs Engagement* (November) warned that a US troop withdrawal in 2014 could lead to a collapse of the government in Kabul, and was privately praised by diplomats as Crisis Group staff regularly briefed high-level delegations from a variety of governments and attended key US government and military meetings.

In Pakistan, the Punjab government stated that implementing the recommendations from *Reforming Pakistan’s Civil Service* (February) is vital to curbing official corruption. *The Worsening IDP Crisis* (September) highlighted the risks of militant groups exploiting the aid vacuum after the devastating floods, and was cited as a key policy document by international humanitarian agencies and was mentioned by the US Congress. *Reforming Pakistan’s Criminal Justice System* (December) was extensively covered in Pakistani media, and helped refocus attention on a failing justice system.

*War Crimes in Sri Lanka* (May) was Crisis Group’s most high-profile publication during
the year. It received a large amount of media attention, and helped re-energise the debate on alleged war crimes during the final months of the 2009 civil war. It was widely cited in international diplomatic discussions, led to several strong statements from governments around the world and influenced the UN Secretary-General’s decision to appoint a panel to advise him on accountability issues in Sri Lanka. Crisis Group’s decision in October to refuse to testify before the Sri Lankan government’s own panel investigating the civil war received widespread media coverage, and helped highlight the panel’s shortcomings and pro-government bias. Extensive lobbying in Brussels and European capitals during the summer brought attention to Sri Lanka’s lack of progress on governance and human rights, and contributed to the EU withdrawing its GSP+ trade concession for Sri Lanka.

South East Asia

Conflicts across Indonesia have declined markedly in the past few years, but Papua remains a point of tension where the government needs to do more to address political grievances. The risk of extremism remains, illustrated by the discovery of a jihadi training camp in Aceh in February.

Thailand’s deep political polarisation intensified in 2011, as the country saw the worst violence in recent decades, when the military killed dozens of anti-government protesters in Bangkok during April and May. The imprisonment of the so-called Red Shirts movement’s leaders ended the violence for the moment, but efforts at reconciliation have been limited and the country remains deeply divided.

The November elections in Burma/Myanmar, the first in two decades, were widely criticised as farcical, with the polls carefully designed to ensure the military junta’s continued grip on power and the suppression of dissenting voices. However, there are some possibilities that the polls could lead to a slow expansion of political space, and the release of opposition leader and Nobel Peace Prize laureate Aung San Suu Kyi offers some optimism going forward. Clashes between the army and ethnic groups continued to intensify in the northeast.

In the Philippines, the decisive victory of Benigno “Noynoy” Aquino II in the May presidential election has raised hopes of progress in addressing the country’s many problems, including on the stalled peace process with the insurgent Moro Islamic Liberation Front (MILF).

In Timor-Leste, formal control of the security forces continued to be transferred from the UN to the government, but the government faces challenges in adopting full responsibility for its own security and defence in advance of the planned withdrawal of international forces in 2012.

Impact

Security analysts continue to regard Crisis Group’s work on radicalism in Indonesia as the best open-source body of work available. Jihadi Surprise in Aceh (April) was cited frequently by the head of Indonesia’s anti-terrorism unit and used as training material for the Indonesian police force, while The Dark Side of Jama’ah Ansharut Tauhid (JAT) (June) was widely covered in the national press. Crisis Group’s two reports on Papua, Radicalisation and Dialogue in Papua (March) and The Deepening Impasse (August) highlighted the complexity of the conflict, and not only alerted authorities to abuse by the security forces, but also raised concern over provocations by some activist groups.

In a March 2010 confidential briefing to the UN Security Council, the Secretary-General’s special adviser on Myanmar quoted Crisis Group’s reporting on the country verbatim. Our May briefing, The Myanmar Elections, provided a detailed analysis of the vote’s pitfalls and opportunities, and was described by senior US government officials as “required reading”.

In Thailand, Crisis Group rang early warning alarm bells over escalating violence as the political conflict intensified in April, helping to defuse tensions. Our July report, Bridging
Thailand’s Deep Political Divide, sparked lively debate on the government’s extension of Draconian emergency laws, and led to a one-hour meeting between Prime Minister Abhisit Vejjajiva and Crisis Group staff to discuss its recommendations.

As one of the few organisations actively covering Timor-Leste, Crisis Group continued to have significant impact in the country and was quoted by President José Ramos-Horta. Managing Land Conflict in Timor-Leste (September) helped bring new urgency to fundamental legislation on the land issue before parliament, while recommendations in Time for the UN to Step Back (December) were almost immediately echoed by Prime Minister Xanana Gusmão.

**NORTH EAST ASIA**

Tensions on the Korean peninsula rose during the year, with the sinking of the South Korean naval vessel Ch’ŏnan and deaths of 46 sailors in March dominating events. The North rejected an international investigation blaming Pyongyang, and the event froze almost all bilateral economic ties, plunging relations to their lowest level in more than a decade. Matters were made worse in November when North Korea fired artillery shells at Yŏnp’ŏng Island near the disputed Northern Limit Line, killing four. In September, the North Korean regime named Kim Jong-il’s son, Kim Jong-un, as his father’s successor.

The International Crisis Group provides analysis by professionals who not only want a say, but actually have something to say. They are not just researching at their desk, but know the region and the people they are talking about.

Detlef Esslinger, Comment Editor, Süddeutsche Zeitung, February 2011

Crisis Group’s two reports on North Korea in 2010, North Korea under Tightening Sanctions (March) and The Risks of War in the Yellow Sea (December) were both widely praised by specialists on the region.

The South Korean government also adopted Crisis Group’s long-held recommendation that it uses both national and international legal mechanisms to respond to the North where appropriate. This is evidenced by the South’s cooperation with the International Criminal Court (ICC) on the sinking of the Ch’ŏnan and the shelling of Yŏnp’ŏng Island.

Crisis Group reporting on China continued to shed light on new foreign policy actors and the opaque policymaking process. The Iran Nuclear Issue: The View from Beijing (February) analysed Chinese policy on sanctions against Tehran, and was consulted by high-level policymakers in the lead-up to the Security Council’s consideration of the nuclear issue. China’s Myanmar Strategy: Elections, Ethnic Politics and Economics (September) analysed the risks of ethnic conflict in the volatile border region. Specialists on the region considered the report the most accurate open-source reporting on Chinese policy toward Myanmar. Both reports received coverage in Chinese national media and the Myanmar report was cited by the Ministry of Foreign Affairs. The Beijing office followed up with intense advocacy among both Chinese and Western decision-makers, including briefings to EU High Representative Catherine Ashton and her cabinet.
ASIA – KEY ISSUES IN 2011

**CENTRAL ASIA**

**Security in Tajikistan and beyond.** A briefing will examine the Tajik government’s increasing vulnerability to armed opposition, the risks this poses to the regime and its neighbours, as well as the deteriorating situation along Afghanistan’s border.

**Russia’s Role.** With Russia’s role diminishing in Central Asia, this paper will examine Moscow’s expectations and the resistance within the region.

**SOUTH ASIA**

**Afghanistan Aid and Conflict in Afghanistan.** This report will analyse the impact of international humanitarian and development assistance on stabilisation efforts.

**Governance, Criminality and Conflict in the Afghan Heartland.** With the Taliban spreading beyond non-Pashtun areas, this briefing will assess the state of violent groups in central Afghanistan, including in the provinces that ring Kabul.

**Assessing the Insurgency.** A follow-up to Crisis Group’s report on the insurgency, this report will examine domestic and regional factors, including the crucial importance of domestic reform to enhance the legitimacy of the Afghan administration.

**Pakistan Electoral Reform in Pakistan.** Crisis Group will identify key stakeholders in government and opposition, assess the nature and performance of electoral mechanisms and suggest tangible measures to expose and minimise manipulation of the electoral process.

**SOUTH EAST ASIA**

**Indonesia Developments in Papua.** This paper will examine the progress toward discussions with Jakarta on enhanced political autonomy and the politics of a giant agribusiness project in Merauke.

**Current Status of Violent Extremist Groups.** This paper will look at the status of groups such as Jemaah Islamiyah, Jama’ah Ansharut Daulah and various Darul Islam factions to assess their strength, their relations with each other and any evolution of ideology and tactics.

**Timor-Leste West Timor.** Crisis Group will examine the political motivations of East Timorese refugees in West Timor and the threat they may pose to Timor-Leste’s medium-term stability, as well as to reconciliation.

**Thailand An Update on Thailand’s Political Divide.** A forthcoming publication will examine key issues central to ongoing reconciliation efforts in the aftermath of the April–May 2010 violence.

**Aid and Conflict in Pakistan.** This report will examine the impact of international humanitarian and development assistance on stabilising the democratic transition.

**IDPs and the Stability of Pakistan’s Borderlands.** Crisis Group has already covered Pakistan’s displacement crisis extensively, and this report will follow up to ensure that efforts for relief, reconstruction and rehabilitation are effective.

**Nepal Dealing with Former Combatants.** This paper will address the situation of former Maoist combatants who have been in cantonments, one of the unfinished aspects of the peace process.

**Nepal and India.** The relationship between Kathmandu and Delhi is critical in the peace process and yet it has rarely been examined. This paper will look at ways in which India has shaped the peace process, both positively and negatively.

**Sri Lanka Sri Lanka and India.** Crisis Group will analyse the relationship between Sri Lanka and India in the context of the civil war’s end and Colombo’s new relationship with Beijing.

**A History of Impunity.** Crisis Group will show how the long history of impunity in Sri Lanka has contributed to extensive social grievances, undermining faith in the government and worsening the risk of a return to deadly conflict.

**Developing the North.** Building upon our work in the east of the country, this report will examine the politics of development in the north and the risks that it could fuel a new conflict.

**THAILAND**

Exploring Political Solutions to Thailand’s Southern Insurgency. This briefing will analyse the current state of the conflict and explore what political compromises might be needed to stop the violence and end the conflict.

**Philippines Update on the Peace Process.** A planned publication will focus on negotiations between the government and the Moro Islamic Liberation Front (MILF).

**Burma/Myanmar Post-Election Analysis.** A future report will analyse the results of the election, the new government, generational changes and new directions for an eventual civilian-led government.

**Update on Ethnic Group Politics.** Crisis Group will examine how the relatively positive showing of parties representing ethnic groups in the elections will affect their position under the new government.

**NORTH EAST ASIA**

**China The South China Sea.** This paper will examine rising tensions in the South China Sea, analysing China’s policies as its global clout and military expenditure increase.

**China in Central Asia.** China is emerging as the pre-eminent player in Asia’s heartland. A paper will examine Beijing’s increased economic and political presence and its impact and risks.

**Korean Peninsula The Day After: What Would Happen if North Korea Collapsed?** Crisis Group will look into what would be needed to stabilise and reconstruct North Korea if the country’s government collapsed or broke down into chaos.

**ROK Force Modernisation and International Security Cooperation.** Crisis Group will explore the details of South Korean military modernisation and capabilities, as well as national interests and domestic constraints that will impact the country’s international security cooperation.
Conflict resolution in Europe stalled in 2010. Turkey grew as a regional and economic power, but its EU accession process slowed, and efforts to reach a settlement on Cyprus are faltering. The legality of Kosovo’s declaration of independence was confirmed, but Serbia continues to advise others against recognition. Elections in Bosnia rewarded moderates, but forming coalition governments is a huge challenge. The line of contact between Armenian and Azerbaijani forces is increasingly dangerous.
BALKANS
The year ended in political turmoil for Kosovo, as the country was forced to hold its first general elections since independence after the coalition government collapsed in November. The incumbent Democratic Party of Kosovo (PDK) won with 33 per cent of the vote in November amidst allegations of fraud from the opposition. Recounts and new elections in municipalities where the violations were the most egregious postponed the formation of a new government.

In August, the International Court of Justice (ICJ) issued a verdict confirming that Kosovo’s declaration of independence did not violate international law or existing UN resolutions. This was hailed as a victory in Pristina, but did not lead to the expected wave of recognitions. In September, however, the UN General Assembly adopted a resolution introduced by Serbia recognising the ICJ’s verdict, and calling for EU-led talks.

In Bosnia, the separatist rhetoric from the leadership of the Republika Srpska, the Serb area that forms one of the country’s two constituent entities, continued to stoke tensions leading up to the October presidential and parliamentary elections. The polls ended with stronger showing by moderates but the winners unable to agree on a new coalition government, and efforts are likely to continue well into 2011. While the Peace Implementation Council (PIC) delayed a decision on closing the Office of the High Representative (OHR), the international observer, the EU did not take clear steps to demonstrate its readiness to take the leading international role in Bosnia.

Crisis Group’s reporting about Turkey and Cyprus has been agenda-setting for the European Parliament and policy makers in Brussels. Few EU policies [towards Ankara and Nicosia] have not been influenced by it.

Joost Lagendijk, former Chair of the European Parliament’s EU–Turkey Joint Parliamentary Committee, September 2010
In our report Federation of Bosnia and Herzegovina – A Parallel Crisis (September), Crisis Group outlined some of the urgent economic and social reforms Bosnia needed to undertake to increase state efficiency and improve the lives of its population. Its key findings were endorsed by the winning party in the October 2010 elections, the multi-ethnic Social Democratic Party. The former head of the EU delegation to Bosnia commended Crisis Group’s reports for being “the best on the market”.

Kosovo’s government adopted several key recommendations from Crisis Group’s report, The Rule of Law in Independent Kosovo (May), including raising judicial salaries and upgrading the Police Inspectorate to improve professionalism. Consistent with this report’s recommendations, six EULEX judges were ultimately appointed to the court in northern Kosovo Mitrovica, but all attempts to appoint local Albanian and Serb judges failed.

Our report Kosovo and Serbia after the ICJ Opinion (August) caused lively debates in Brussels, Washington DC and the Western Balkans, and helped set the agenda for EU-mediated dialogue. Our recommendation for greater autonomy for the north of Kosovo received broad support in the international community and the region.

CAUCASUS

Domestic politics in Georgia focused on constitutional amendments that will come into force around the 2013 presidential elections and give greater powers to the prime minister. President Mikheil Saakashvili is obliged to step down due to a term-limit, but his political future remains uncertain, and there is speculation that he will run for prime minister, a move that could seriously undermine Georgia’s democratic credentials. Saakashvili’s ruling party solidified its position during the year as it swept the May 2010 municipal elections including the Tbilisi mayoral vote, widely believed to be an indicator of the outcome in 2013.

There has been little improvement in relations with Russia, which in violation of the 2008 war-ending agreements continued to formalise its military presence in the conflict regions South Ossetia and Abkhazia. In November, President Saakashvili made a non-use of force pledge, as requested by South Ossetia and Abkhazia for several years, but there was little progress in improving freedom of movement or return for ethnic Georgians.

Despite increased international interest, including the personal involvement of Russian President Dmitry Medvedev, the prospects of a resolution to the Nagorno-Karabakh conflict now seem at its lowest point in years. The failure to secure a “Basic Principles” agreement before the December Organization for Security and Co-operation in Europe (OSCE) summit in Astana – the first in a decade – was deeply troubling. The political deadlock was accompanied by an increase in violence over the summer–fall.

In Azerbaijan, President Aliyev continued to strengthen his position at home and abroad, and the opposition was further weakened during the October parliamentary elections.

TURKEY/CYPRUS

Although Turkey’s EU membership negotiations stalled during the year, Turkey is confidently emerging as a regional political and economic power. However, relations with Israel collapsed after Israeli commandos in May killed nine Turks trying to break the Gaza blockade. NATO consensus on a missile defence shield in November showed that Turkey remains com-
mitted to its traditional Western alliance, despite growing mistrust in Washington of its alleged eastward drift after Turkey voted against sanctions on Iran in the UNSC. The process of normalising relations with Armenia froze despite the positive steps taken in 2009.

After a divisive campaign, Prime Minister Recep Erdogan’s Justice and Development Party (AKP) government won a September referendum on reforming the country’s military-drafted constitution. The EU praised the reforms, but critics said they could threaten judicial independence, while the Kurdish Peace and Democracy Party’s (BDP) calls for a boycott led to large abstentions in the southeast.

Court cases against Kurdish nationalist politicians and violence in a 26-year-old insurgency continued to hamper dialogue between the government and the Kurdish community. But a renewed ceasefire and talks with the BDP from September offer some optimism.

Negotiations since 2008 on a Cyprus settlement are faltering, with neither side showing the political will to make the compromises needed to reunify the island according to the UN parameters of a bi-zonal, bicommmunal federation.

**Impact**

*Turkey’s Crises over Israel and Iran* (September) gave an Ankara perspective on the Israeli flotilla raid and the Iran nuclear issue, while calling on all sides to step back from maximalist positions. The report, and accompanying op-eds in Israel’s Haaretz and the Turkish and international press, provided a fresh perspective on Turkey’s foreign policy, which had taken a hammering in conservative US and European media. Crisis Group helped dispel the notion that Turkey is turning its back on the West, arguing it maintains many goals and values of its allies, but is becoming a stronger regional power with its own tactics.

Diplomats said Crisis Group’s report *Turkey and the Middle East: Ambitions and Constraints* (April) has had a major impact on shaping international views of Turkey’s conflict-resolving goals in the region. On Foreign Affairs’s request, Crisis Group published a shorter version of the report in the magazine’s special issue on “The World Ahead”.

In *Cyprus*, our December report *Bridging the Property Divide* provided concrete bridging ideas to Greek Cypriots and Turkish Cypriots, and was privately commended by both sides as very thorough and balanced. Former Member of the European Parliament Joost Lagn-dijk, a key figure in EU-Turkey opinion making, singled out Crisis Group’s work as one of the most important sources of thinking and policy formation on Turkey and Cyprus for the EU.
EUROPE – KEY ISSUES IN 2011

THE BALKANS

Kosovo Rationalising and Restructuring the International Presence. Crisis Group will publish a comprehensive appraisal of the international presence and some of the mistakes made early on, and recommend appropriate changes to modes of operation.

Governing the North. One of Kosovo’s greatest challenges is bringing the northern Serb-held region within its constitutional system while providing it with large autonomy. A future Crisis Group report will focus on this key issue and address ongoing challenges of integration.

Kosovo-Serbia Talks. Should negotiations commence in 2011, Crisis Group will follow them closely to provide concrete suggestions on how to move forward based on the analysis and conclusions of our 2010 reporting.

Bosnia-Herzegovina State-level Reform. The abortive US-EU state reform initiative in 2009 exposed deep flaws in the country’s political architecture but was unable to create conditions for their resolution. An upcoming report will examine which reforms are possible after the October 2010 elections, how international actors (especially the EU) can contribute to their adoption and what long-term changes can be realistically planned.

The Republika Srpska (RS). In a planned report, Crisis Group will analyse the current functioning of the RS, the Serb area that forms one of the country’s two constituent entities, and recommend how it can become more effective if the entity wants to move forward with EU integration.

The Brcko District. The Northern district is often referred to as a positive example of international stewardship, and Crisis Group will prepare a briefing on the area to assess any conflict risks, especially after the end of international supervision.

Macedonia Inter-Ethnic Relations in Macedonia. Crisis Group plans a report on inter-ethnic relations between ethnic Albanians and Slav Macedonians, which remain tense as many Albanians feel political reforms to better guarantee their rights have not been fully implemented.

THE CAUCASUS

Georgia Responding to Internal Developments in Abkhazia. Political and economic divisions in Abkhazia appear to be deepening, highlighted by several recent violent incidents, especially against Muslim religious leaders. Crisis Group plans to conduct field research in the generally unrecognised territory and publish a briefing that will focus on ways the international community and Georgia can engage with the entity.

Georgia-Russia Relations. Since the 2008 August conflict, Russia and Georgia have frozen diplomatic relations and bilateral contacts. Crisis Group will study the possibility of reviving links between the two and addressing unresolved elements of the 2008 ceasefire agreements.

Nagorno-Karabakh (Azerbaijan/Armenia) Linking the Dots to War in Nagorno-Karabakh. This report will focus on worrying developments on the ground, including the rise in violent incidents, violations of the ceasefire, belligerent rhetoric and failure in the negotiations process.

Improving International Crisis Prevention in Nagorno-Karabakh. Crisis Group plans to follow up its briefing on the potential for conflict in Nagorno-Karabakh with a second report that will propose ways to decrease tensions and, through incremental steps, move the negotiations process forward.

Displaced Persons from Nagorno-Karabakh. A future briefing will assess the political, economic and social conditions of some 800,000 Azeris displaced from the region in the late 1980s and 1990s, focusing on their attitudes to a resolution of the Nagorno-Karabakh conflict.

TURKEY/CYPRUS

Turkey-Turkey–Armenia. With progress on the parliamentary ratification of the twin Turkey–Armenia protocols, Crisis Group plans an update briefing to explain how the initial optimism felt in 2009 has faded and to recommend ways forward.

Disarming the PKK. The report will focus on peaceful ways Turkey can disarm the Kurdish militant group, the PKK, whose insurgency – and the government’s response – have cost the lives of tens of thousands.

Turkey–Greece: The Aegean Sea Conflicts. Several concrete issues remain unresolved between Turkey and Greece beyond emotional grievances linked to shared history, something Crisis Group will examine in detail in an upcoming report.

Cyprus Making Coexistence Work. With significant progress on reaching a comprehensive settlement on the Cyprus conflict unlikely in the coming years, a future Crisis Group report will examine what incremental steps can be taken by the sides to normalise the situation.
A tragic year for Haiti began with a devastating earthquake, and ended with political violence and a disputed election. In Colombia, newly-elected President Juan Manuel Santos took pragmatic steps to alleviate tensions with Venezuela and Ecuador. Colombia’s internal military conflict continued, despite the largest guerrilla group suffering heavy losses. Homicide rates continued to soar in Guatemala and Mexico, states fast becoming hostage to organised crime.

CRISIS GROUP IN LATIN AMERICA

CRIME AND POLITICS

COLOMBIA/ANDES

Colombia’s former Defence Minister Juan Manuel Santos won an unprecedented landslide victory in the July presidential elections. He has already shown a willingness to go beyond his predecessor Álvaro Uribe’s legacy and tackle some of the conflict’s root causes, including returning land to the displaced, compensating victims of violence, tackling judicial reform and fighting corruption. The proposals have earned Santos credit but are likely to encounter stiff resistance as he moves forward.

Santos has vowed to continue Uribe’s tough military stance against the Revolutionary Armed Forces of Colombia (FARC) insurgency, but has not ruled out negotiations. The FARC suffered heavy losses in 2010, including the death of its military commander “Mono Jojoy” in September, but remains dangerous, and an all-out military defeat is still unlikely. The new government has also acknowledged the significant security threats emerging from new illegal armed groups and their connections to former paramilitary structures. After relations with Venezuela and Ecuador all but collapsed under Uribe, Santos’s more pragmatic approach has alleviated tensions with Colombia’s Andean neighbours.

In Venezuela, the governing party was unable to retain its two-thirds majority in the September parliamentary elections, hampering President Hugo Chávez’s ability to pass major reforms. The election outcome reflected growing public concerns over the faltering economy and a skyrocketing homicide rate, which is more than double Colombia’s. As Chávez and senior generals have announced that the armed forces will not tolerate an opposition victory in the 2012 general elections, fears of an outbreak of political violence are rising in the increasingly polarised country.

IMPACT Crisis Group’s pioneering work on alliances between paramilitary successor groups and the guerrillas, as well as our call for a more balanced and comprehensive secu-
rity policy, as portrayed in *Improving Security Policy in Colombia* (June), have been mirrored in the Santos administration’s changing discourse on new illegal armed groups. Government representatives in both Colombia and the US privately expressed appreciation for President Santos’s Conflict Resolution Opportunity (October), and its recommendations were reflected in a variety of policy and legislative measures taken by the government.

**GUATEMALA**

Guatemala is increasingly becoming a state held hostage by organised crime, with soaring murder rates, pervasive impunity and corrupted state institutions. Public demands for order and security could open the way for authoritarian options in the September 2011 general elections. The UN-backed Commission against Impunity in Guatemala (CICIG) offers some hope and has made progress on a number of major cases, although its former chairman resigned in June in protest at government interference and it faces much resistance from the government towards investigating active politicians.

**HAITI**

Haiti’s year started with a devastating earthquake in January that killed some 300,000 and displaced more than 1.5 million, and ended in a political crisis. Despite an unprecedented aid commitment from donor countries in March, the post-quake rebuilding process has been slow, and few of the displaced resettled. The November presidential and legislative elections were marred by allegations of fraud and followed by violent anti-government protests. Electing a government with acceptable legitimacy is essential for national stability, and it remains to be seen whether urgent improvement to the voting procedure can be made before the second round in March. A cholera outbreak that hit the island in October has already killed more than 4,000 and increased tensions between locals and the UN peacekeeping force MINUSTAH.

**IMPACT**

Crisis Group’s first ever report on Guatemala, *Squeezed between Crime and Impunity* (June), was widely discussed in both the national and broader Latin American media. Many of Crisis Group’s recommendations concerning the CICIG could be mirrored by other Central American countries, something Crisis Group hopes to explore in the context of Mexico in the future.

**IMPACT**

On 31 March, the day of a key UN strategy conference, Crisis Group published the report *Haiti: Stabilisation and Reconstruction after the Quake* that offered key analysis and policy prescriptions on post-quake stabilisation and reconstruction. Several recommendations have been at least partially implemented, including improved focus on security for the displaced, and the UN increasing MINUSTAH police strength to help support and train the Haitian National Police (HNP). Crisis Group followed up with intense high-level advocacy, and our Senior Vice President, Mark Schneider, was on 10 May 2010 invited by the UN as the only outsider to the first formal electoral planning session chaired by President René Préval and the UN Special Representative of the Secretary-General.

*Haiti: The Stakes of the Post-Quake Elections* (October) stressed the importance of the polls for Haiti’s reconstruction, and many of its recommendations remain essential in the turmoil that followed the vote.

Exceptional times require exceptional individuals, giving their talents and energy, as many of you [at Crisis Group] have done. I myself and my staff will continue to follow your activities with interest and gratitude.

Herman Van Rompuy, President of the European Council, October 2010
Accelerating the Bolivarian Revolution (II). This paper will analyse the strategies and measures employed by the government to tighten control of different spheres of society as well as the conflict risks inherent to increased radicalisation.

Guatemala CICIG: Successes, Challenges and the Need for Continued Support. A planned policy briefing will explore CICIG’s successes, the challenges it has faced and the way forward under its new leadership, in particular in the context of rising organised crime.

Illicit Networks and Organised Criminal Structures. Crisis Group will look into the extent, presence and implications of cartels in Guatemala and their interaction with other criminal structures, as well as their impact on Guatemalan politics and society.

Safeguarding the Elections. A forthcoming report will analyse the social and political context of the elections scheduled for September 2011 and the risks of them becoming undermined by the influence of organised crime and the lack of effective participation of citizens.

■ ANDES

Colombia Crime and Politics: How to Clean up Colombian Local Politics. This report will analyse persisting forms of criminal influence and power in Colombian sub-national politics ahead of the upcoming municipal elections in November 2011.

Reintegration or Rearmament: How to Improve Colombia’s DDR Process. 20 per cent of members of Colombia’s new illegal armed groups are said to be former paramilitaries, that supposedly demobilised in a process ending in 2006. A policy report will analyse weaknesses and propose key reforms to the DDR process, and examine the prospect of a negotiated peace with the FARC.

Colombia and its Neighbours: The Regional Dimension of Conflict Resolution. Colombia’s tense relations with its two most important neighbours, Venezuela and Ecuador, have been a serious obstacle to conflict resolution. A planned policy briefing will analyse a dangerous situation that threatens regional stability, as well as the first steps taken by the new government to improve relations in the Andes.

The Role of Women in Conflict Resolution in Colombia: A Lost Opportunity? Conflict resolution efforts in Colombia have neglected the role of women, who are disproportionately affected by the conflict, but also capable of contributing directly to its resolution. An upcoming report will analyse how much the inclusion and consideration of women is vital to a comprehensive conflict resolution strategy.

Venezuela Violence and Politics. Mounting security problems are threatening a regime that seems unable to control its security forces against growing criminal influences and corruption, or develop and implement effective security policies and protect its population. Crisis Group will analyse the nature and roots of current violence, as well as its links to increasing political tensions, and examine government and opposition responses.

■ HAITI

Haiti Community Violence Reduction and Resettlement of the Displaced. Reduced violence and resettlement of the displaced must be integral parts of immediate recovery and reconstruction efforts. Crisis Group plans to examine the government’s resettlement strategy and analyse stabilisation efforts at the community level, and provide elaborate policy recommendations for reconstruction.

Continuing Security Sector Reform Challenges. Security and the rule of law are necessary requirements for reconstruction to take place. In this context, successfully concluding security sector reform (SSR) remains a vital challenge for the Haitian government and the international community.

Reconstruction and Poverty Reduction in Haiti. Deep poverty and the absence of socio-economic opportunities for young people, comprising over 50 per cent of the population, are drivers of insecurity, violence and social unrest. Crisis Group plans to assess the need for a revision of public poverty reduction policies in the post-quake context and examine the linkages between their implementation and sustainable development.
Unprecedented events in North Africa in January 2011 all but eclipsed developments over the previous year. However, many other situations remain unresolved. The Israel/Palestine peace process has stalled, and tensions are high following May’s raid on a Gaza-bound flotilla. The resurgence of al-Qaeda in Yemen and North Africa, continued nuclear development in Iran and the withdrawal of US troops from Iraq could all provoke conflict in 2011.

A senior US policymaker called the report “remarkable” for the quality of both its reporting and analysis and diplomats in the region regularly refer to it as the “standard reference” on the impasse in negotiations. Squaring the Circle: Palestinian Security Reform Under Occupation (September) garnered similar praise for its depiction of the security sector’s impressive achievements – coupled with a blunt warning that the lack of political progress, like the Hamas/Fatah schism, posed substantial risks to the enterprise. A US general in the region made the report required reading for his staff.

Iraq/Syria/Lebanon

At the end of the year, Iraqi leaders formed a broad coalition government following more than nine months of negotiations. Nouri al-Maliki and Jalal Talabani are set to reprise their roles as, respectively, prime minister and president. Although forming an inclusive national unity government was a welcome development for stability, the coalition offers limited prospects for effective governance, and deals have to be negotiated on several fundamental questions, including on the Baghdad-Kurdish relationship and the sharing of hydrocarbon

Israel/Palestine

The Israeli-Palestinian peace process remains at a standstill despite its high ranking among the Obama Administration’s foreign policy priorities. The renewed US-administered peace talks launched in September have so far borne little fruit. Despite the diplomatic hiatus, violence does not appear imminent as the Palestinian Authority (PA) security forces, with Israeli help, have succeeded in checking Hamas and other armed groups in the West Bank. In May, Israel sparked widespread international outrage after its commandos boarded a ship carrying activists trying to breach the Gaza blockade, killing nine. Israel has refused to accept any wrongdoing, but the event did lead to a lightening of the blockade on Gaza.

Impact

Crisis Group has long been considered a leading authority on the Arab-Israeli conflict by senior policymakers. Crisis Group’s Tipping Point? Palestinians and the Search for a New Strategy (April) described the options being considered by the Palestinian leadership in Ramallah as a result of the diplomatic impasse and laid out the necessary conditions for the US to put forward its own peace plan.

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Iraq/Syria/Lebanon

At the end of the year, Iraqi leaders formed a broad coalition government following more than nine months of negotiations. Nouri al-Maliki and Jalal Talabani are set to reprise their roles as, respectively, prime minister and president. Although forming an inclusive national unity government was a welcome development for stability, the coalition offers limited prospects for effective governance, and deals have to be negotiated on several fundamental questions, including on the Baghdad-Kurdish relationship and the sharing of hydrocarbon.
The US officially ended combat operations in Iraq in August and will follow with a full force pull-out in 2011. This will raise tough questions about the sustainability of Iraqi institutions, including its security forces, especially along the so-called trigger line in dispute of territories such as Kirkuk.

After a period of relative domestic calm, Lebanon is facing renewed turbulence due to the looming indictments to be issued by the UN Special Tribunal for Lebanon (STL) investigating the assassination of former Prime Minister Rafiq Hariri. In January 2011, Hizbollah followed through on its threats to leave the government after reports suggested the STL would implicate some of its members in the assassination. Hizbollah was able to form a new coalition government in the same month without Saad Hariri – former Prime Minister and son of the deceased – and his Future Current Movement, but Lebanon’s future remains uncertain and international actors are calling on the new government to respect the verdict of the STL.

Speculation is rising about a possible resumption of talks between Israel and Syria, although several key challenges still remain, most notably Syria’s insistence that Israel commits to a full withdrawal.

**IMPACT**

Through a continuous on-the-ground presence in Iraq and the wide distribution of our reports in English and Arabic, Crisis Group has become one of the most well-known organisations covering the country. *Iraq’s Uncertain Future: Elections and Beyond* (February), released in the run-up to the March parliamentary elec-

I recently went through all the old ICG reports for Iraq since 2003. Amazing how the analysis was mostly spot-on and prescient…

Emma Sky, Political Advisor to the Commanding General of US Forces in Iraq, December 2010

Opposition supporters protest outside the Yemeni Parliament against proposed constitutional amendments, which will cancel the two-term limit on the presidency, in Sana’a, January 2011.
tions, was used by journalists as essential background information and solidified Crisis Group’s reputation among the Iraqi political elite as an influential and impartial external actor. Loose Ends: Iraq’s Security Forces between U.S. Drawdown and Withdrawal (October) recommended steps to strengthen Iraqi institutions, in particular its security forces, whose politicisation and internal divisions pose the most critical threat to the country’s stability.

In Lebanon, despite the nation’s extreme polarisation, Crisis Group has produced objective, dispassionate analysis, to which key players have responded by providing regular access even at the most sensitive of times. Its in-depth, critical report on the Future Current Movement, Lebanon’s Politics: The Sunni Community and Hariri’s Future Current (May), was studied internally by the movement and considered “very solid.” Crisis Group was first to develop a comprehensive analysis of the shifting dynamics of Israel’s conflict with Hizbollah and its allies in Drums of War: Israel and the ‘Axis of Resistance’ (August), a topic which has since gained considerable currency.

In Yemen, the semi-autocratic regime is in a precarious position, facing a rising secessionist movement in the south, an unresolved rebellion in the northern Sa’dah province and a resurgent al-Qaeda. A socio-economic crisis is also on the horizon, with limited oil reserves due to run out in the next decade and complaints growing over the government’s inability to enact vital domestic reform.

**Iran and the Gulf**

Domestic tensions are growing in Iran’s conservative camp, with President Mahmoud Ahmadinejad launching a political offensive against his rivals. The Supreme Leader Ali Khameini seems content to balance the factions against each other for now, and the regime’s grip remains tight despite the massive protests that occurred in 2009. The passage of a new UN Security Council sanction resolution in June, despite initial opposition from Brazil and China, was hailed as a success in Washington, though it is unclear what the sanctions will accomplish with Teheran showing no signs of slowing down its enrichment program.

In Yemen, the semi-autocratic regime is in a precarious position, facing a rising secessionist movement in the south, an unresolved rebellion in the northern Sa’dah province and a resurgent al-Qaeda. A socio-economic crisis is also on the horizon, with limited oil reserves due to run out in the next decade and complaints growing over the government’s inability to enact vital domestic reform.

**North Africa**

Historic events in early 2011 saw large-scale protests against authoritarian regimes in the region. In Tunisia, long-time ruler Zine al-Abidine Ben Ali was forced to resign after weeks of escalating riots and demonstrations over dire economic conditions, corruption and government repression. Inspired by the Tunisian uprising yet fuelled by their own long-standing grievances, millions took to the streets across Egypt towards the end of January, protesting against authoritarian rule and poor living standards, eventually leading to President Hosni Mubarak’s resignation. Events were evolving rapidly as we went to press, with similar protests in Yemen, Bahrain and, in particular, Libya.

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**International Crisis Group was profoundly saddened to learn of the untimely death of our friend and colleague, FRÉDÉRIC TELLIER, on 16 November 2010. Our Iran analyst for the past two years, Frédéric was a model researcher: devoted, detailed, objective. He fully embraced the difficult challenge that a country such as Iran presents, traveling there under difficult circumstances. He moreover loved to explain Iran to Westerners and the West to Iranians. We found in him a wonderful colleague who never failed to enrich us with his knowledge and experience. All of us will deeply miss him.**
**Israel/Palestine**

**Jerusalem.** A future report will focus on the accelerated Israeli settlement activity, home demolitions, neglected social services and the PA’s inability to extend its authority to East Jerusalem.

**Palestinian Citizens of Israel.** A future report will examine the priorities of Israel’s Palestinian citizens, how they are organised politically and what impact they will have on the future of Israel and the peace process.

**Peace Process.** A forthcoming publication will focus on Palestinians’ ideas to refocus their efforts on the international scene by appealing to the UN.

**The Role of Islam and Islamism in Gaza.** A planned publication will analyse how the Hamas government in Gaza is dealing with the role of Islam and the challenges posed by smaller Islamist factions.

**Israel Decision-Making and the Question of Iran.** A planned publication will seek to explain various levels of decision-making in Israel by focusing on the critical question of policy toward Iran.

**Iraq/Syria/Lebanon**

**Syria.** Syrian-Lebanese Relations. A future report will explore the gradual normalisation between the two countries.

**Lebanon.** Update on Naher al-Bared. A planned report will examine how much has been done, several years after the destruction of the Palestinian camp, to bring back normalcy to its former residents.

**Lebanese Borders.** Lebanon’s borders with its two neighbours, Israel and Syria, are a contentious issue. An upcoming report will evaluate the necessity and the means of securing the border without jeopardising the interests of the affected inhabitants.

**Lebanon’s Military.** A forthcoming report will look into this little-known but crucial Lebanese actor in terms of domestic stability, relations with Israel and Lebanon’s broader regional and international posture.

**Iraq.** Arab-Kurdish Tensions in Kirkuk. A planned report will examine the situation in Kirkuk, now recognised as a key impediment to substantial political progress in the country and to legislative developments in Baghdad.

**Iraq’s Civil Institutions.** This report will look at the state of Iraq’s civilian institutions, with a focus on the judiciary, parliament and independent commissions.

**Where is Iraq Headed?** With the withdrawal of all US troops looming, a forthcoming report will look at the major domestic challenges and dynamics confronting Iraq.

**Iran in Iraq.** A future report will look at Iran’s actual role in Iraq and consider how it might evolve as the objective shifts from confronting the US to defining relations between the two countries.

**The Sunni Scene.** A planned report will look at the political situation among Iraq’s Sunni community, focusing on political actors like al-Iraqiya and the fate of the Sahwat, or Sons of Iraq, whose integration is vital for longer term stability.

**Iran and the Gulf**

**Yemen.** Renewed Conflict with the South. A future report will investigate the origins of the conflict in Yemen’s south, which threatens to re-erupt, and its current trappings, while recommending ways of managing the crisis peacefully.

**Update on the Houthi Conflict.** The situation is far from stable in the north where, since the sixth round of conflict, a precarious ceasefire is in place.

**An Imploding State?** Poor, running out of hydrocarbon reserves, and beset by crises, Yemen is increasingly taking on the appearance of a failed state. A forthcoming report on its future will attempt to assess the government’s capacity to deal with the issues.

**North Africa**

In light of the historic events across North Africa in the early months of 2011, Crisis Group plans to expand its presence in the region. A report on **Tunisia** will examine the country’s democratic transition and the enormous implications it could have for other countries in the region. As the Annual Report went to press, Crisis Group published **Popular Protest in North Africa and the Middle East (I): Egypt Victorious?** (February 2011), analysing the many challenges facing the country after Mubarak’s fall. An update briefing will assess the situation in **Algeria** during 2011.
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Africa

Central Africa


Horn of Africa


Southern Africa


Asia

Central Asia


North East Asia


West Asia


South Asia


South East Asia


Europe

Balkans

The Rule of Law in Independent Kosovo, Europe Report N°204, 19 May 2010 (also available in Albanian and Serbian) – Kosovo and Serbia after the ICJ Opinion, Europe Report N°206, 26 August 2010 (also available in Albanian and Serbian) – Federation of Bosnia and Herzegovina: A Parallel Crisis, Europe Report N°209, 26 September 2010.

Caucasus


Cyprus


Crisis Group

Total published in 2010: 80

Full translations in 2010: 40

- Albanian: 2
- Arabic: 3
- Chinese: 5
- French: 8
- Hebrew: 3
- Indonesian: 1
- Russian: 2
- Serbian: 1
- Somali: 1
- Spanish: 4
- Thai: 2
- Turkish: 1

Timor-Leste Analyst

Cillian Nolan being interviewed by Al Jazeera English in February 2011.
CrisisWatch is a monthly bulletin designed to provide busy readers in the policy community, media and business worlds, and the interested general public, with a regular update on the state of play in current and potential conflict situations around the world.

Many politicians, diplomats and their advisers regard CrisisWatch as an indispensable resource for its succinct and timely reporting, and in our January 2011 survey of close to 3,000 people, CrisisWatch was singled out as one of Crisis Group’s most appreciated publications. Published at the beginning of every month, it summarises developments during the previous month in some 70 situations of current or potential conflict, assessing for each whether the overall situation has significantly deteriorated, improved, or on balance remained more or less unchanged. For example, this year CrisisWatch drew attention to deteriorating situations in Kyrgyzstan, the North Caucasus, North Korea and Nigeria, and positive developments in Niger and Somalia.

CrisisWatch also alerts readers to situations where, in the coming month, there is a particular risk of new or escalated conflict, or an opportunity for conflict resolution. In 2010, this included highlighting the risks of escalating violence in Côte d’Ivoire following the announcement of election results in December and Laurent Gbagbo’s refusal to accept defeat, and in Thailand in the stand-off between the government and Red Shirt protesters in May. In Guinea, CrisisWatch drew attention to the breakthrough January 2010 agreement creating a unity government and paving the way for elections, and later in the year highlighted tensions ahead of the November presidential runoff polls.

Thanks to its comprehensive coverage, CrisisWatch also draws attention to developments that are off the radar of mainstream media and other sources. This included underreported deteriorations in Burundi, which in 2010 saw election-related violence, increasing clashes between security forces and armed groups and the re-emergence of rebel groups; and Rwanda, where political tensions and violence intensified ahead of August presidential elections.

CrisisWatch is available as a twelve-page document and as an online database on our website that allows readers to track monthly developments by country or conflict situation since 2003. Around 110,000 people subscribe to CrisisWatch each month, and with the launch of Crisis Group’s new website in 2010, CrisisWatch is more visible and better integrated and even easier to use.
Our advocacy engages the entire organisation, reflecting our cumulative understanding of how best to tailor and target our messages to the unique policy context of various local, regional and international actors. In short, Crisis Group’s advocacy provides a complete picture of on-the-ground developments — and an explanation of why they are happening and what should be done to prevent or resolve conflict — to all the right people at the right time.

While Crisis Group’s advocacy efforts are customised to address each particular conflict scenario, they consistently influence an array of actors: decision-makers in the country in question, those to whom they listen and the spectrum of influential international players or stakeholders. In informed and compelling fashion, our offices in Brussels, New York and Washington DC and our liaison offices in Moscow, Beijing and London, as well as our field-based experts located in capitals and regional offices, communicate the context of a crisis — the actors, forces and structural elements that can or have triggered violence — and the policy recommendations designed to prevent or resolve it. Advocacy targets range from traditional security actors, such as individual governments and the UN, to emerging actors on the global stage, such as African regional institutions, to new world leaders Brazil, India and China. In most cases, we work within tight windows of opportunity to communicate time-sensitive analysis at the right moment to impact policy for conflict prevention and resolution.

At times, a recommendation focuses on a single action: such as the appointment of a high-level envoy, or the deployment of peacekeepers to a crisis. In these cases, Crisis Group ramps up a highly-focused effort to compel a decision. Yet policy recommendations designed to address longstanding, systemic...

**ADVOCACY CASE STUDY: SRI LANKA**

**January**

11 | A Bitter Peace briefing published
   Washington DC staff meet with US Assistant Secretary for South and Central Asian Affairs Robert Blake to discuss human rights issues in Sri Lanka

13 | Crisis Group Board Co-chair Chris Patten publishes the commentary article “Sri Lanka’s Choice, and the World’s Responsibility” in the International Herald Tribune

   The EU advocacy team engage closely with the European Commission ahead of the vote on possible suspension of Sri Lanka’s GSP+ trade privilege

**February**

23 | The Sri Lankan Tamil Diaspora after the LTTE report published

**March**

16 | Crisis Group President Louise Arbour meets with the Sri Lankan Foreign Secretary and Ambassador to Belgium

11-16 | Crisis Group Senior Analyst Alan Keenan makes an advocacy tour in the US, meeting officials from Congress, the National Security Council and the State Department

30-31 | Arbour meets with UN Under-Secretaries-General and various Ambassadors to the UN to discuss Sri Lanka

**May**

17 | War Crimes in Sri Lanka report published. The report is met with huge media attention, as Arbour and Keenan present its key findings at a launch event at Chatham House in London

   War Crimes in Sri Lanka multimedia presentation goes online

20 | Arbour’s commentary article “Un an après, quelle justice pour le Sri Lanka?” published in Le Monde

25 | Online video featuring Arbour published on Crisis Group’s website, responding to the Sri Lankan government’s criticism of the report
Crisis Group’s approach to conflict prevention and resolution relies on targeted communication with senior policymakers to convey our field-based analysis and resulting policy recommendations.

dysfunctions often take a longer view. For instance, where we call for security sector or judicial reform, our advocacy involves sustained interaction with decision-makers on substantive suggestions about how to move those reforms forward along with the ways to generate the needed political will. Often that means offering ideas how to bring governments, civil society and the private sector together to achieve the needed national commitment, international coordination and funding. At other times, advocacy does not involve specific recommendations. Instead, Crisis Group’s body of work becomes an essential part of the public debate and wider understanding of a situation.

However, whether urgent conflict prevention, crisis response or longer-term game-changing reporting, the recommendations we provide are aimed at the states directly involved, non-state actors who can be persuaded to embrace political, rather than military, options to advance their goals, and the neighbouring countries, major powers and international organisations who are already involved or have the potential to play positive roles. Long-term crisis prevention targets the structural factors which lead to conflict.

Immediate conflict prevention focuses on the triggers that can bring volatile nations and regions to political boiling point. Through trusted relationships with decision-makers we are able to impact on both. Having experienced staff in the key capitals means Crisis Group generally has access through individuals who have been in decision-making positions and understand the often contradictory pressures that affect the process as well as the different branches of government that can influence an outcome. Working together globally but with each office conducting advocacy in a way that is appropriate to each particular arena, Crisis Group ensures that a set of conflict prevention, management and resolution processes stay on track.

Left: Crisis Group Vice-President Alain Délétroz with Guinea’s new President, Alpha Condé, in Conakry on 18 September 2010.

June
In Brussels, New York and other world capitals, Crisis Group presses for a credible international investigation into alleged war crimes

8 Arbour’s commentary article “Sri Lanka Still Demands Justice” published in GlobalPost

September
10 Arbour meets with Stephen Rapp, US Ambassador-at-Large for War Crimes Issues, and other officials to discuss Sri Lanka
16 UN Secretary-General Ban Ki-moon announces panel of experts to advise him on accountability issues relating to abuses by both sides during the final stages of the war

October
4 “Deciphering the Constitutional Coup in Sri Lanka” podcast goes online
14 Crisis Group, with Human Rights Watch and Amnesty International, refuse invitation to testify before the Sri Lankan government’s own commission investigating the civil war, citing defects in the commission’s mandate and independence, and the lack of witness protection

December
6 Keenan presents testimony on the situation in Sri Lanka to the European Parliament’s Subcommittee on Human Rights
20 Keenan and Crisis Group Senior Vice President Mark Schneider brief officials in the US State Department [Blake and Rapp]
Crisis Group
Communications in 2010

In addition to presenting our report findings and recommendations to policymakers in direct one-on-one meetings, Crisis Group works to keep our policy recommendations central to the international and national public debates surrounding the countries and conflicts we cover. Our Communications Unit ensures this both by making the most of our online capabilities and by working closely with outside media outlets that can help multiply our messages to policymakers.

Crisis Group’s website (www.crisisgroup.org) is one of our most important advocacy tools, and its usage continued to grow, with close to two million visits and hundreds of thousands of full-length reports downloaded in 2010. War Crimes in Sri Lanka (10 May) was our most popular report, followed by Drums of War: Israel and the “Axis of Resistance” (2 August) and Eritrea: The Siege State (21 September). The website remains the organisation’s broadest distribution channel for reports, commentary articles, speeches and other material.

In April, following an almost year-long project, Crisis Group launched the new design of its website. The new site features a visual facelift, a more intuitive navigation system that makes it easier to access information, and better integration of new media content and social networks sharing tools.

The site’s “Key Issue” web pages, which pool resources, background information and Crisis Group policy lines on both breaking and long-standing conflicts, continue to be among our most popular online pages. For example, “Preventing Implosion in Sudan” offered real-time analysis of the country’s tumultuous year, while the popular “Sri Lanka: After the War” provided an extensive collection of resources and analysis. Crisis Group’s blogs, “Solving the EU-Turkey-Cyprus Triangle” and “On the African Peacebuilding Agenda”, featured updated commentary and analysis by our field staff, and had a wide readership, especially in their target regions, where the articles were regularly reprinted in national newspapers. Crisis Group plans to launch new blogs on the Balkans and Korea in 2011.

Our podcasting efforts have expanded exponentially. Crisis Group’s Brussels and Washington DC offices produced 71 podcasts in English, Spanish, French and Arabic in 2010. While the podcasts are increasingly popular on our website and through iTunes, they are also now appearing on news websites elsewhere. They have been featured on the websites of the Washington Post, AllAfrica, the Huffington Post, Semana (Colombia) and Rue89 (France), and we are actively seeking partnerships with other reputable outlets to host our material. Broadcast outlets, including CNN and VOA, have also used the material to supplement their own reporting and analysis. These emerging relationships represent an important shift in the journalistic landscape, as the news outlets are featuring our material wholly unedited, underscoring their need for reliable content and further illustrating the trend toward journalism-NGO partnerships.

The Communications Unit has also continued to develop online multimedia presentations, producing three interactive presentations during the year.
The presentations provide our readers visualised information on several key conflicts, and include interactive timelines and maps, video interviews with Crisis Group experts and extensive background information. This year’s presentations included one marking the organisation’s 15th anniversary and another featuring an interactive timeline of Kyrgyzstan’s history. War Crimes in Sri Lanka, published together in May with the report of the same name, visualised much of the evidence presented in the report, including maps detailing the Sri Lankan army’s advancement and video and photo material. It was viewed thousands of times online.

Social media are important tools for the dissemination of our reports, podcasts, multimedia presentations and news related to Crisis Group. Both Facebook and Twitter now rank among the top ten referral sites to crisisgroup.org, and our presence on these networks is steadily growing. In December, we used our social media channels to coordinate our most successful year-end fundraising drive ever. With mobile devices growing in popularity, Crisis Group is looking to expand its presence on mobile platforms, like the iPhone, iPad and Android in 2011.

Crisis Group’s Weekly Update email features the latest reports, comment articles and other material published by our staff during the week. Over 130,000 subscribers around the globe receive it every Friday.

Crisis Group’s media impact in 2010 continues to be strong, with some 5,000 newspaper articles, TV/radio programs and new media outlets in several languages citing Crisis Group publications or quoting our analysts. Including reprints, the figure rises to over 14,000. We have developed long-term relationships with the editorial boards and commentators at many influential outlets, and we have thus helped to guide their own editorials on a significant number of occasions. Crisis Group continues to feature prominently in the most influential media outlets, including The New York Times, Financial Times, The Guardian, Die Zeit and El País. Crisis Group analysts are regarded as an indispensable resource by the world’s press, and our new reports are often covered as stories in themselves. Crisis Group authored 202 commentary articles in ten languages in 2010.
Crisis Group

Progress in 2010

Measuring Crisis Group’s progress as a conflict prevention and resolution organisation is inevitably an inexact science. Our success can be difficult to prove, particularly as the desired outcome is for something – that is, conflict – not to happen. Still, some important indicators are available to describe Crisis Group’s progress in 2010.

Operations 2010 was a year of change for Crisis Group, but our workload, coverage areas and personnel remained much the same, with over 60 situations monitored by our field-based staff. In Africa, the major crises – Côte d’Ivoire, Congo, Guinea, Somalia and Sudan – demanded a large part of our program resources, though we also produced our first ever reports on Cameroon. In Asia, we directed much of our advocacy and field-research efforts to the issue of a possible investigation into war crimes during Sri Lanka’s long civil conflict, while the crises in Kyrgyzstan was also high on the agenda. Our Beijing staff produced critical analysis of China’s foreign policy around the world. Europe saw greater emphasis placed on Turkey, but also on Bosnia and Kosovo in the Balkans. In future, Crisis Group hopes to launch a North Caucasus project to cover ongoing conflicts in that region. In Latin America, meanwhile, we produced our first ever report on Guatemala and have begun exploring the possibility of covering Mexico. In the Middle East, we focused on the Israel/Palestine peace process, and plan extensive reporting on Yemen and North Africa in 2011 with new staff based there. Crisis Group staff positions, as at 1 March 2011, total 125, 76 of whom are based in the field, with 49 nationalities and 49 different languages represented.

Output Crisis Group published 80 reports and briefing papers in 2010. We also published 40 translations of reports into relevant languages, including Albanian, Arabic, Chinese, French, Hebrew, Indonesian, Nepali, Russian, Serbian, Somali, Spanish, Thai and Turkish. By the end of 2010, we were sending our material to some 30,000 specifically targeted recipients and 140,000 subscribers who signed up directly through our website, bringing the total number of regular recipients to well over 120,000. The number of users following Crisis Group on Facebook and on Twitter @crisisgroup

Available funds, 2000–2010 by source (US$, millions)

Crisis Group has been invaluable in presenting real-world policy options before conflict situations become front page news. I have gained tremendously from their early-warning, insight and good advice in working for the prevention and resolution of conflicts in Africa since I joined the UN.

Haile Menkerios, Special Representative of the Secretary-General to Sudan, February 2011
were published in 2010, a remarkably high figure for an organisation of Crisis Group’s size.

Support. Crisis Group ended 2010 in stable financial condition. This was a result of continued excellent relations with donors coupled with a number of savings measures implemented during the year.

Consistent with recent years, the proportion of income given as unrestricted support remained strong at 74 per cent of total income.

Fundraising for the Securing the Future capital fund was effectively put on hold during 2010 due to the difficult economic environment, with all efforts instead being devoted to annual giving. Gifts to the fund do, however, remain an option for donors. The fund itself showed outstanding results as an investment, and this strong capital base will eventually help provide long-term stability, flexibility and independence for the organisation.

Over the past year, fundraising efforts were boosted by the Award Dinner held in New York City, where Crisis Group honoured George Soros.
Monitoring and evaluating our influence and impact

Crisis Group recognises the importance of sound monitoring and evaluation systems. We continue to revise and strengthen our work in this area based on best practices in the field, organisational lessons learned and ongoing collaboration across our regional programs. Our methodology is primarily intended to show how the organisation’s activities influence and shape the policymaking process.

When we are considering whether to include a new country or conflict, we conduct a rigorous internal assessment and consultation process that focuses on a number of factors. We look at the rationale for adding a particular conflict situation; the financial and human resources available to support the work; the security issues; the main target audiences; and how impact will be measured, including specific benchmarks and timeframes.

Concerning existing projects, Crisis Group’s monitoring practices are extensive and involve a range of staff members within the organisation, as well as the Board of Trustees. We aim to ensure continuous communication between program and project directors about progress on report production, policy issues and advocacy efforts. Project directors also send monthly situation reports to all staff and Board members. These include: political and security updates on each country covered by the particular Crisis Group project, a detailed list of advocacy and research meetings held and an update on forthcoming publications and travel. Crisis Group also holds an annual retreat of senior staff to discuss and debate achievements and challenges during the past year at the institutional, program and project levels, as well as priorities for the coming year. In addition, once every six months our staff members present a detailed work plan that covers existing programs for the coming twelve months. The work plan is then reviewed and discussed at the management level before being adopted.

Our evaluation practices aim to capture indications of the overall impact being made by the organisation in relation to the specific conflict situations we cover. We collect feedback from targeted recipients and users of Crisis Group’s reports and briefing papers about how specific findings and recommendations influenced them or others with whom they engage. Such feedback is regularly received from senior political figures, international policymakers, journalists and others. We also conduct two annual impact reviews, at fixed six-month intervals, in which Crisis Group program and advocacy staff members present a written evaluation of the prior twelve-month period.

Online survey

In January 2011, Crisis Group conducted an online survey of our targeted contacts and website subscribers, providing us with hugely valuable feedback about how our output is judged by those who use it most frequently. Close to 3,000 people completed the survey, spending on average about ten minutes in doing so – a response that in itself shows how highly regarded Crisis Group is among our key advocacy targets in government, international organisations, NGOs and the military, who together made up over a third of respondents. In total, close to 90 per cent of those who completed the survey said that our reports were “the best available in the public domain” or “superior to most others”. 95 per cent of the respondents saw us as being either moderately or very effective at “providing comprehensive analyses of the key issues relating to a conflict”, and 85 per cent said we were either moderately or very effective at “filling information gaps for policymakers and media”. Close to 90 per cent rated our new website, redesigned in 2010, as either “good” or “excellent” and said our webpages devoted to conflict histories and key issues were “useful” or “very useful”.

On 25–26 October, 2010, Crisis Group successfully organised its second Global Briefing: a two-day, high-level private event led by senior staff and Board members and attended by about 80 delegates from international diplomacy, business and civil society. The event opened with a plenary discussion on the decline of Western influence and its implications for deadly conflict, and then broke out into smaller sessions examining urgent issues and conflict flashpoints across the globe, ranging from Afghanistan to the Andes. Crisis Group hopes to make the Global Briefing a centerpiece of its presence in Brussels and a priority on policymakers’ annual agendas each fall.

GB

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Crisis Group
Funding in 2010

Crisis Group relied on a wide range of longstanding public and private partners to sustain the organisation’s internal capacity and external impact in 2010. We are deeply grateful to all of them. Thanks to their continued support, we were able to pursue vital conflict prevention and resolution work in dozens of countries around the world. As our organisation looks ahead to its coming years with a new strategic framework in the making, we hope to maintain and strengthen existing relationships with our key donors while continuing to broaden and deepen our funding base. This continued support will be essential for us to meet the demands that continue to be placed on us, including appeals to establish new field presences in places where sophisticated early warning analysis is currently lacking; deepen existing field presences in a number of countries that are high on the international agenda; deliver increased briefings and analysis to high-level policymakers in the field as well as in key Western and non-Western capitals; and fill growing gaps in public awareness resulting from the significantly reduced foreign news coverage of many conflict situations.

Total income for annual operations in 2010 was US$17.7 million, of which 74 per cent was in unrestricted core contributions. Total expenditure in 2010 was $17.5 million.

**Income in 2010 (%)**
- Governments (52)
- Institutional foundations (22)
- Individual and Corporate (26)

**Expenditure in 2010 (%)**
- Operations (59)
- Advocacy (24)
- Administration (11)
- Development (6)
As in the past, Crisis Group’s main financial support toward annual expenditures in the past year came from its government partners, now 21 in all (not including the European Commission). Despite difficult financial times, government support continued to hold steady both in absolute and relative terms, representing 52 per cent of total funding last year, the bulk of which came in the form of crucial core support. A majority of government donors have now provided grants for more than six consecutive years, thus demonstrating their commitment for the long haul. Governments are also set to remain a key source of financial support in 2011, as we seek to expand cooperation with several of our key existing supporters and cultivate new relationships with others.

In 2010, Crisis Group was also fortunate to count on the financial support of 14 institutional foundations, mostly in the form of core support. Foundation giving dropped slightly last year, representing 22 per cent of total organisational support. Alongside government funding, institutional foundations continue to be a vital source of multi-year support, despite the challenges they too have faced in recent times.

Securing the Future Fund
In 2008, Crisis Group launched a capital fund – the Securing the Future Fund – to provide long-term financial stability to the organisation. Due to the financial climate of 2010 and the uncertain outlook for 2011, our fundraising efforts have been focused on maintaining full operational capacity rather than building the capital fund.

Governments
- Australia (Agency for International Development; Department of Foreign Affairs and Trade)
- Austria (Austrian Development Agency)
- Belgium (Ministry of Foreign Affairs)
- Canada (Canadian International Development Agency; Foreign Affairs and International Trade Canada; International Development Research Centre)
- Czech Republic (Ministry of Foreign Affairs)
- Denmark (Ministry of Foreign Affairs)
- European Commission
- Finland (Ministry of Foreign Affairs)
- France (Ministry of Foreign Affairs)
- Germany (Federal Foreign Office)
- Ireland (Irish Aid)
- Liechtenstein
- Luxembourg (Ministry of Foreign Affairs)
- The Netherlands (Ministry of Foreign Affairs)
- New Zealand (Agency for International Development)
- Norway (Ministry of Foreign Affairs)
- Slovenia (Ministry of Foreign Affairs)
- Sweden (Ministry of Foreign Affairs; Swedish International Development Cooperation Agency)
- Switzerland (Federal Department of Foreign Affairs)
- Turkey (Ministry of Foreign Affairs)
- United Kingdom (Department for International Development; Economic and Social Research Council)
- United States (US Agency for International Development)

Institutional Foundations
- Carnegie Corporation of New York
- Clifford Chance Foundation
- Connect U.S. Fund
- Humanity United
- John D. and Catherine T. MacArthur Foundation
- Korea Foundation
- Open Society Institute
- Ploughshares Fund
- Rockefeller Brothers Fund
- Sigrid Rausing Trust
- The Charitable Foundation
- The Elders Foundation
- VIVA Trust
- William and Flora Hewlett Foundation
Crisis Group has built a fruitful working relationship with the private sector, discussing political and economic developments and exchanging analysis. Major individual and corporate donors are invited to join the Crisis Group Council – jointly composed of the President’s Council and the International Advisory Council. Council members regularly use our analysis and field-based research in their geopolitical risk assessments, attend the Board of Trustee meetings and meet Crisis Group senior staff and field analysts.

Private donors’ support for Crisis Group in 2010, including revenue from our annual gala dinner, reached 26 per cent of total income for the year and was almost entirely for core budgetary support, thus helping to reinforce the organisation’s independence. We are extremely fortunate to enjoy longstanding relationships with many of these donors and their multi-annual commitments provide us with highly valued financial stability.

President’s Council in 2010
This exclusive Council welcomes private donors contributing US$100,000 or more annually:

Cancano & Co Financial Inc.
Neil & Sandy DeFeo
Fares I. Fares
Malta Gaonkar
Frank Holmes
Steve Killelea
George Landegger
Ford Nicholson & Lisa Wolverton
Harry Pokrandt
Ian Telfer
Neil Woodyer

International Advisory Council in 2010
This Council welcomes private donors who contribute between US$25,000 and US$99,999 per annum:

Anglo American
APCO Worldwide Inc.
Stanley Bergman & Edward Bergman
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Chevron
John Ehara
Equinox Partners
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Seth Gins
Rita Hauser
Sir Joseph Hotung
Iara Lee & George Gund III Foundation
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George Kellner
Amed Khan
Faisal Khan
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Elliott Kulick
Liquidnet
Jean Manas & Rebecca Haile
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Näringslivets Inter- nationella Råd (NIR) – International Council of Swedish Industry
Yves Ottermare
Anna Luisa Ponti & Geoffrey Hoguet
Michael L. Riordan
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Statkraft
Belinda Stronsach
Talisman Energy
Tilike & Gibbins
Kevin Torudag
WFA Trust
Yapi Merkezi Construction and Industry Inc.

Other Individual and Corporate Support in 2010*

US$100,000 or more
Maria Livanos Cattau
Victor Dahanal
Frank Giustra
Paul Tudor Jones II
Macquarie Group Foundation Ltd.

US$50,000 or more
Jim Balsillie
Herman de Bode

US$25,000 or more
Dune Real Estate Partners, LP
Bench, Alexander J. Roepers
Jonathan Soros
William D. Zabel

US$10,000 or more
Ronald Glickman
Carla Hills
Swanee Hunt
International Rescue Committee
Sheldon Inwentash
Jeno Szebehely
Jeanette and H. Peter Kriendler Charitable Trust
Shinji Yazaki
Ahmad Zujair

US$10,000 or more
Henry Arnhold
David Brown
Wesley Clark
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Jodie & John Eastman
Arminio Fraga
Connie S. Gerber
Gaye Hill & Jeffrey Urbina
Jacques Leviant
Natermea Foundation
PricewaterhouseCoopers
Alan B. Slifka
Leila & Mickey Straus

US$1,000 or more
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Susan Bluestein
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Andrew Brimmer
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Combined Federal Campaign
John Coxon
Enterprise Foundation
Linda Evanswood
Jess Fardella
Henri Fink
Jan Garmulewicz
Goldman Sachs
Paul Guilden
Peter Harling
Joost Hiltermann
Paul Hoag
Benjamin Jacobson
Robert Kissane
Daniel Ladner
Justine Landegger
Amy Lehman and Max Lehman and the New Prospect Foundation
Josef Leithmann
Reeva & Ezra Mager
Douglas Makepeace
Pierre Mirabaud
John Monahan
Jonathan Moses
Nicholas B. Paumgarten
Thomas Pickering
Helen Raffel
Janet & Arthur Ross
Richard Ruble
Güler Sabanci
Nancy Soderberg
Robert G. Steele
Don Steinberg & Raquel Willerman
Peter Stridsberg
Edward S. Tallmadge
Vivian and Paul Olum Foundation
John C. Whitehead
Byron Wien
James Wolfensohn
Suzanne & Ravi Yadav
Karen & Gregg Zinn

* Only donations of US$1,000 or more are listed here. Crisis Group also receives donations from individuals who wish to remain anonymous.
AWARD DINNER

In December, Crisis Group held its 2010 Award Dinner at the Pierre Hotel in New York City. Over 500 guests joined us in honouring George Soros with the Founders Award for his unprecedented contribution to global peace, tolerance and democratic governance. CNN’s Fareed Zakaria was the Master of Ceremonies, former President Bill Clinton spoke about the importance of Crisis Group’s work and Grammy-Award winning artists Diana Krall and Elvis Costello performed.
### Revenues and other support ($)

<table>
<thead>
<tr>
<th>Contribution Type</th>
<th>Year ended 30 June 2010</th>
<th>Year ended 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>26,073,877</td>
<td>21,205,147</td>
</tr>
<tr>
<td>Interest income</td>
<td>74,325</td>
<td>254,621</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>3,587</td>
<td>4,845</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>26,151,789</strong></td>
<td><strong>21,464,813</strong></td>
</tr>
</tbody>
</table>

### Expenses ($)

#### Africa Program

<table>
<thead>
<tr>
<th>Region</th>
<th>Year ended 30 June 2010</th>
<th>Year ended 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Africa</td>
<td>760,957</td>
<td>741,000</td>
</tr>
<tr>
<td>Southern Africa</td>
<td>204,875</td>
<td>176,935</td>
</tr>
<tr>
<td>West Africa</td>
<td>659,872</td>
<td>618,942</td>
</tr>
<tr>
<td>Horn of Africa</td>
<td>704,788</td>
<td>527,914</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,330,492</strong></td>
<td><strong>2,064,791</strong></td>
</tr>
</tbody>
</table>

#### Asia Program

<table>
<thead>
<tr>
<th>Region</th>
<th>Year ended 30 June 2010</th>
<th>Year ended 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pakistan/Afghanistan</td>
<td>875,096</td>
<td>829,084</td>
</tr>
<tr>
<td>South East Asia</td>
<td>666,398</td>
<td>657,605</td>
</tr>
<tr>
<td>Central Asia</td>
<td>455,883</td>
<td>488,639</td>
</tr>
<tr>
<td>North East Asia</td>
<td>545,776</td>
<td>541,170</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>1,210,114</td>
<td>280,955</td>
</tr>
<tr>
<td>Nepal</td>
<td>351,102</td>
<td>290,789</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,104,369</strong></td>
<td><strong>3,088,242</strong></td>
</tr>
</tbody>
</table>

#### Europe Program

<table>
<thead>
<tr>
<th>Region</th>
<th>Year ended 30 June 2010</th>
<th>Year ended 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caucasus</td>
<td>307,112</td>
<td>336,468</td>
</tr>
<tr>
<td>Balkans</td>
<td>418,338</td>
<td>511,340</td>
</tr>
<tr>
<td>Turkey/Cyprus</td>
<td>203,604</td>
<td>229,687</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>929,054</strong></td>
<td><strong>1,077,495</strong></td>
</tr>
</tbody>
</table>

#### Middle East Program

<table>
<thead>
<tr>
<th>Region</th>
<th>Year ended 30 June 2010</th>
<th>Year ended 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iran and the Gulf</td>
<td>203,452</td>
<td>158,386</td>
</tr>
<tr>
<td>North Africa</td>
<td>23,819</td>
<td>140,192</td>
</tr>
<tr>
<td>Iraq, Syria and Lebanon</td>
<td>650,754</td>
<td>747,788</td>
</tr>
<tr>
<td>Israel/Palestine</td>
<td>687,444</td>
<td>723,120</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,565,469</strong></td>
<td><strong>1,769,486</strong></td>
</tr>
</tbody>
</table>

#### Latin America Program

<table>
<thead>
<tr>
<th>Region</th>
<th>Year ended 30 June 2010</th>
<th>Year ended 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andes</td>
<td>366,257</td>
<td>342,555</td>
</tr>
<tr>
<td>Guatemala</td>
<td>54,189</td>
<td>–</td>
</tr>
<tr>
<td>Haiti</td>
<td>221,008</td>
<td>213,098</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>641,454</strong></td>
<td><strong>555,653</strong></td>
</tr>
</tbody>
</table>

#### Total program expenses

| Total program expenses  | 9,570,838               | 8,555,667               |

#### Administration

<table>
<thead>
<tr>
<th>Administration Type</th>
<th>Year ended 30 June 2010</th>
<th>Year ended 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fundraising</td>
<td>1,134,897</td>
<td>768,374</td>
</tr>
<tr>
<td>Administration</td>
<td>2,776,647</td>
<td>2,083,681</td>
</tr>
<tr>
<td><strong>Total administration expenses</strong></td>
<td><strong>3,911,544</strong></td>
<td><strong>2,852,055</strong></td>
</tr>
</tbody>
</table>

#### Total expenses

| Total expenses          | 18,468,386              | 15,711,781              |

#### Change in net assets before other items

| Change in net assets before other items | 7,683,403 | 5,753,032 |

#### Other items

<table>
<thead>
<tr>
<th>Other item</th>
<th>Year ended 30 June 2010</th>
<th>Year ended 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net unrealised/realised gains on investments</td>
<td>2,885,231</td>
<td>5,363,644</td>
</tr>
<tr>
<td>Net unrealised/realised gain/(loss) on exchange</td>
<td>38,831</td>
<td>(1,129,999)</td>
</tr>
<tr>
<td>Change in net assets</td>
<td>10,657,665</td>
<td>9,876,677</td>
</tr>
<tr>
<td>Net assets at beginning of the year, as restated</td>
<td>36,173,009</td>
<td>26,186,332</td>
</tr>
</tbody>
</table>

#### Net assets at end of year

| Net assets at end of year | 46,780,474 | 36,173,009 |

**Contributions and grants** for both program and multi-year funding agreements are recorded in full as revenue in the year that notification is received from the donor of the commitment. The amount of income from such agreements which was available for use in the year ended 30 June 2010 was $14,059,746 (2009: $11,452,673).

Full audited financial statements are available on request, and accessible on Crisis Group’s website [www.crisisgroup.org](http://www.crisisgroup.org).
Acknowledgments

Special Thanks  Crisis Group is pleased to thank the following for making a variety of in-kind and other special contributions in 2010:

Herman de Bode  Sam Feldman  Diana Krall  Fareed Zakaria
William Jefferson Clinton  Zlata Filipovic  Jean Manas  Reuters Pictures
Elvis Costello  Rebecca G. Hale  Ruan Wijesooriya

Senior Advisers  Crisis Group gratefully thanks our Senior Advisers, former members of the Board of Trustees who maintain an association with Crisis Group and whose advice and support are called on from time to time (to the extent consistent with any other office they may be holding at the time):

Martti Ahtisaari  Chairman Emeritus
George Mitchell  Chairman Emeritus
HRH Prince Turki al-Faisal
Hushang Ansary
Richard Armitage
Ersin Arıoğlu
Óscar Arias
Diego Arria
Zainab Bangura
Andreas Indregard
Romit Jain
Mohammed Jalloh
Daniela Kroslak
Quinn Kepes
Guillaume Lacaille
Ali Shah
Fares Akram
Benjamin Auge
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Pierre Egide Bossal
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Nira Gautam
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David Gullet
Louise Hancock
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Caroline Janin
Nelson Kasfir
Ash Khan
Thomas Ladonme
Peter Lagerqvist
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Patricia Nezar
Anna Osborne
David Patrikarakos
Cecile Perrot
Fanny Pigeaud
Justine Quinnin
Richard Reid
Héléen Sabaton
Victoria Shepard
Daniel Smith
Chelsea Soderholm
Nathan Thrall
Caroline Törnqvist
Connor Walsh
Kathy Ward
Akrarn Waseem
Chris Whitehouse

Consultants & Former Staff  We warmly thank the consultants and former staff members who worked for Crisis Group (along with others who cannot be named) in 2010:

Former Staff  Ahmed Badawi
Victoria Bretron
Neil Campbell
Casey Davison-O’Brien
François Grignon
Andreas Indregard
Romit Jain
Mohammed Jaliloh
Daniela Kroskak
Quinn Kepes
Guillaume Lacaille
Nicolas Letts
Jonathan Lincoln
Richard Moncrieff
Nnamdi Obasi
Louwouwa al-Rachid
Markus Schultz-Kraft
Benedict Stainer
Donald Steinberg
Yun Sun
Frédéric Teller
Consultants  Razzaz al-Saiedi
Jawad Ali Shah
Fares Akram
Benjamin Auge
John Miller Beauvoir
Pierre Egide Bossal
Steven Dudley
Nira Gautam
Marie Gilbert
David Gullet
Louise Hancock
Peris Harim
Tom Higgins
Richard Horsey
Caroline Janin
Nelson Kasfir
Ash Khan
Thomas Ladonme
Peter Lagerqvist
Austin Long
Nicholas Murphy
Paul Molly
Patricia Nezar
Anna Osborne
David Patrikarakos
Cecile Perrot
Fanny Pigeaud
Justine Quinnin
Richard Reid
Héléen Sabaton
Victoria Shepard
Daniel Smith
Chelsea Soderholm
Nathan Thrall
Caroline Törnqvist
Connor Walsh
Kathy Ward
Akrarn Waseem
Chris Whitehouse

Pro Bono Legal Services  Crisis Group very gratefully thanks our primary pro bono counsel for their enormous continuing pro bono commitment to providing legal services during 2010:

Shearman & Sterling LLP

Crisis Group also thanks the following for providing legal services during 2010: Amy Neuhardt and Boies, Schiller & Flexner LLP in the US; Davies Ward Phillips & Vineberg LLP in Canada; and Michael Smyth and Susan Poffley of Clifford Chance LLP in the UK.

Interns  Crisis Group warmly thanks all the interns who worked with us in 2010:

Marina Alexander
Afa Alizada
Dominic André Béchaz
Hande Apakan
Mariana Atanaskova
Alessandra Baldissin
Carine Barbanera
Elsba Barnerjee
Jacob Battahni
McKenzie Bennett
Ivan Berdite
Marc-André Boisvert
Victoria Bousellman
Michael Boyce
Chris Chaplin
Anna Chriq
Fabrizio Colimberti
Anna Dall’Oca
Ben Dalton
João Dias
Simon Dickinson
Sam Dixon
Ivana Drijlo
Lucy Duboceth
Michael Edwards
Selma el Obeid
Esme Ellis
Sabrina Eisenbach
Hélène Fournois
Dalila Gharbaoua
Alexa Grau
Ricarda Hammer
Jennifer Henriquesen
Pauline Hoy
Nuray Inal
Ahmed Ismail
François Jacques
Preetha Jayakumar
Michelle Ker
Desirée Ketabchi
Tom Kirk
Isabelka Kopke
Shreya Kumar
Alexis Laffitan
Steve Lannen
Marie Legivre
Thibaud Lesueur
Simona Lipstalife
Omar Mahmood
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Aditi Marisetti
Joe Martin
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Charlie Metzger
Nolizwe Mbhla
Tanvi Misr
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Pilar Ocon
Leandro Ogola
Oduor
Nathanial Olin
Ogine Owilaa
Francesco Pontiroli Gobbi
Ashish Pradhan
Conor Prasad
Samet Ibrahim
Abu Rass
Rahul Ravi
Taraan Riddick
Alice Ryley
Verity Robins
Lourdes Romero
Josefine Roos
Hector Ros Soto
Anne Savay
Pia Sawhney
Max Segal
Molly Silver
Luis Soberon
Maja Šoštarić
Piotr Szafraniec
Emily Savey
Sarah Zingg Wimmer

Weisbecker
Yohji Yamamoto
Yun Sun
Frédéric Teller

Regional Offices and Field Representation
Crisis Group also operates out of 26 different locations in Africa, Asia, Europe, the Middle East and Latin America.

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