

## **Clean Trade**

### **Trustees Report and Financial Statements**

Financial period: 1<sup>st</sup> September 2022 – 31<sup>st</sup> August 2023

Charitable Incorporated Organisation Registration number 1177571

Reference & Administrative Details:

Board of Trustees:

Prof. Leif Wenar (Chair) (indefinite appointment)

Mr. Paul Jourdan (reappointed 23rd June 2023 for a five year term)

Mr. Richard Meeran (re-appointed on 17th June 2022 for a four-year term)

Dr. Octavio Ferraz (re-appointed on 18<sup>th</sup> June 2021 for a three-year term)

Chief Executive:

Mr. Andrew Togher

Registered Office:

78 Offord Road

London

N1 1EB

Principal Bankers:

Virgin Money

154 – 158 Kensington High Street

London

W8 7RL

Type of Governing Document: Constitution of a Charitable Incorporated Organisation whose only voting members are its charity trustees

## **INTRODUCTION**

The Trustees of Clean Trade present their report and accounts for the financial period 1<sup>st</sup> September 2022 - 31<sup>st</sup> August 2023.

Clean Trade was incorporated as a Charitable Incorporated Organisation on the 14<sup>th</sup> March 2018. The trustees would like to offer sincere thanks to all those involved in supporting Clean Trade, for their hard work since then in seeking to establish the right of peoples to benefit from their countries' natural wealth and resources.

Objectives for the financial period ending 31<sup>st</sup> August 2023 were to continue research and outreach to put into action the strategy agreed by the Trustees in September 2019. Funding was retained to allow operations to continue in the following financial year 2023-24.

The core strategy of engagement with the United Nations Human Rights Treaty Bodies had been derailed by the global pandemic, but in 2022 Clean Trade was able to hold successful events involving the United Nations Human Rights Treaty Bodies, investors and the legal profession. These contacts were the foundation of work carried out during the 2022-23 financial year.

## **Governance**

Clean Trade was formed using the standard Foundation constitution for Charitable Incorporated Organisations (CIOs) provided by the Charity Commission of England & Wales. The charity was formed with four trustees who will each serve terms as listed above, as founding trustees. The charity has been formed as a CIO whose only voting membership is its charity trustees. The founding trustees were selected by the Chair based on their respective sets of expertise; future trustees will be selected based on their relevant expertise and will be appointed by the existing Board of Trustees.

## **Policies & Procedures**

Clean Trade has in place policies and procedures on the following subjects:

- General Data Protection Regulations
- Fundraising
- Health & Safety
- Whistleblowing, Complaints & Safeguarding
- Risk Management
- Anti-Money Laundering
- Conflicts of Interests

As the charity currently has no direct employees, with staff working on a consultancy and/or voluntary basis, human resources policies are not yet required.

## **Objectives**

The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008 to have due regard to the Charity Commission's general guidance on public benefit.

The charitable objects set out in Clean Trade's incorporation documents are:

To promote human rights (as set out in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights and subsequent United Nations conventions and declarations), and in particular the right of all peoples to enjoy and utilise fully and freely their natural wealth and resources, so that they may for their own ends freely dispose of their natural wealth and resources.

The activities Clean Trade has pursued for the public benefit during the financial period of 1<sup>st</sup> September 2022 – 31<sup>st</sup> August 2023, were in pursuance of these charitable objects.

## Background and mission

By 2012, the world's leading resource-rich states outside the West were on average no richer, no freer and no more peaceful than they were even in 1980. What drives these failures is who controls resource revenues in these states. In most major resource-exporting states, the revenues are controlled by authoritarian regimes and armed groups that are entirely unaccountable to the people of the country; this empowers them to be more oppressive or violent or corrupt. Authoritarians and armed groups in countries that export high-value extractives - oil, metals and gems - can ignore their citizen's rights while sponsoring wars and terrorism that impact the security and prosperity of people around the world.

Most civil wars, most authoritarian regimes, most hunger crises, and most highly corrupt governments are in countries rich with oil, metals or gems. These countries are also the source of most of the world's refugees and will soon be home to most of the world's extreme poverty.

Western consumers sponsor misrule when they buy products - from oil to mobile phones - without knowing where their raw materials come from, or that they are sending trillions of dollars a year through supply chains to fund authoritarian regimes. Stolen resources make their way into every facet of daily lives across the world.

Since the 17<sup>th</sup> century, national trade laws made it legal to buy natural resources from anyone who has control over them, even if the control is by force. This rule of 'might makes right' is what gives legitimacy to the purchase of resources from oppressive regimes and armed groups. Other forms of 'might makes right,' such as the slave trade and colonial rule, have long been abolished in international law—yet coercion-based trade in resources remains the international norm today.

Fortunately, the language of international Human Rights law is clear: it insists that it is the people, and not the powerful, who have the ultimate right to control the resources of their country. Clean Trade works to bring resource trade into the modern era by increasing recognition of the human right of all peoples to the natural resources of their country. Countries where the people can hold their government accountable for resource exports are much less likely to suffer authoritarian rule, grand corruption, civil war, and their resulting tragedies.

Clean Trade's vision is for a world in which all peoples can hold accountable those who sell off their natural resources. Our mission is to see citizens' rights to their natural resources respected worldwide, as a matter of national and international law.

## Strategy

Clean Trade's strategy seeks to promote peoples' rights to their natural resource wealth. These rights in international law are based on the human rights treaties that form part of the International Bill of Human Rights: the International Convention on Civil & Political Rights (ICCPR) and its Optional Protocols, and the International Convention on Economic, Social and Cultural Rights (ICESCR).

Clean Trade's aim is to seek clarification of the natural resource rights elements of these Human Rights treaties. We focused on the articles affirming the resource rights of peoples, common to both treaties. Article 1.2 of both treaties states:

*All peoples may, for their own ends, freely dispose of their natural wealth and resources... In no case may a people be deprived of its own means of subsistence.*

Such clarification would underpin and bring credibility to our quest for legal remedies, for government legislation, and help bring about the adoption of natural resource rights in business and investor standards. The route to achieve this is to prepare the case for a General Comment or other clarification on the interpretation of the articles affirming the resource rights of peoples, to be made by one or both of the two relevant UN Treaty Body Committees (CESCR and HRC). We were fortunate to be joined by Prof. Jérémie Gilbert who is based at Roehampton University London, and has extensive experience in this area.

Our strategy focuses on engagement with the key UN committees, investors and the legal profession. These strands reinforce each other.

## Activities and achievements

In June 2022 Clean Trade, the Transnational Law Institute at King's College London, Amati Global Investors and Leigh Day Solicitors organised three events. These events built new relationships and explored opportunities to work with the UN human rights committees, investors, and lawyers.

We built on this work in FY 2022-3.

Brazil was also due to report to the Committee on Economic Social and Cultural Rights (CESCR) in September/October 2023. In August 2023 Clean Trade submitted a shadow report to comment on Brazil's report to the autumn meeting of the CESCR.

The UN Human Rights Committees regularly review country reports on human rights, and civil society organisations are encouraged to present shadow reports

commenting on the countries' submissions. Following discussions with UN committee members present at Clean Trade's June 2022 event, Brazil's report to the Human Rights Committee was identified as an opportunity to present a shadow report, and in doing so set out our interpretation of Articles 1.2 and 47 of the International Covenant on Civil and Political Rights.

Octavio Ferraz used his contacts in Brazil to partner on the report with Terra de Direitos, a leading Brazilian NGO. Octavio, Leif and Jeremie together with 14 Masters students from the Transnational Law Institute (TLI) at King's College London worked on the report, incorporating earlier work by Andy Togher. This was submitted for the Human Rights Committee to consider in July 2023. Octavio and TLI students attended the session in Geneva, and Octavio presented to the committee. The meeting raised the profile and credibility of Clean Trade, as well as that of our partners, and the report had a significant impact on the thinking of the committee members. The HRC mentioned the issues raised in the report extensively, with a broad discussion of natural resources and related rights in the Concluding Observations of the session.

In September 2023 Clean Trade submitted a response to the 'Issues Paper on Sustainable Development' circulated by the CESCR Drafting Group. This was well received, and has deepened our relationship with the CESCR.

In late October 2023 Brazil was due to report to the UN Committee on Economic Social and Cultural Rights (CESCR). To build on the success of the earlier HRC shadow report, Clean Trade submitted a shadow report for the CESCR in August 2023.

To illustrate the injustice found in Brazil and broaden our work to include practical solutions, Clean Trade supported the Associação dos Artesãos e Extrativistas do Rio Jauaperi (AARJ), an established Brazilian organisation, on a mission in the Amazon to help local populations to protect the river and the forest from illegal fishers and loggers.

Outreach with stakeholders continued. Clean Trade representatives attended conferences and networking events with investor bodies such as the UK Sustainable Investment Forum, and contributed to strategy development with Publish What You Pay, which makes collective representations promoting transparency, to governments and gatherings such as the G7 meetings.

## Funds and Fundraising

Contact was maintained with funders, with updates and input to the Joffe Trust and Polden Puckham Charitable Foundation. Expenses were kept as low as possible and considerable pro-bono work has been volunteered by the team. Spend through the financial year totalled £8431, covering consultancy, event expenses and support for a project in Brazil. The Financial Year ended with £11,021 in the bank.

## People

Leif Wenar, Octavio Ferraz and Jérémie Gilbert continued in their roles at Stanford, King's College London and Roehampton Universities respectively, while working with Clean Trade on a pro-bono basis. Andy Togher works on a consultancy/pro bono basis according to budget available.

We are extremely fortunate to have active and committed Trustees in the investment, legal and academic worlds, and we extend grateful thanks for their advice and participation to Paul Jourdan, Richard Meeran and Octavio Ferraz. Our Chair, Leif Wenar, continues to be the driving force behind Clean Trade and his involvement is very grateful appreciated.

## Risk

Risks are monitored closely by both trustees and colleagues. The following risks were identified as requiring monitoring and mitigation strategies:

Risk:	Mitigation Strategy:
Changing composition of UN Treaty Bodies lessens possibility of agreement on a General Comment	Seek clarification of Articles 1.2 via shadow reports; encourage supporters on treaty bodies to incorporate supportive language into current draft General Comments.
Insufficient funds to continue at current level with paid contractors and to pursue planned workstreams.	The team controls expenditure and dedicates significant resource to fundraising outreach.
Loss of core team member	Other members have agreed to take on increased responsibility if necessary, and arrangements would be made where possible to move the colleague into a trustee or advisory role to retain knowledge, skills and relationships.

Loss of access to research and facilities provided by Trustees.	Replacement of pro bono resources would require increased fundraising. The progress shown to date in the delivery of our strategy will increase fund raising opportunities.
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## Financial review

Clean Trade ended its fifth financial year with cash available at £11,021. This is sufficient to support activity at current levels for the next financial year and beyond.

There were no debts or financial commitments.



Signed: Leif Wenar (Chair) 21/6/2024





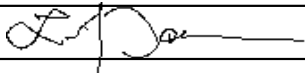
CHARITY COMMISSION  
FOR ENGLAND AND WALES

Clean Trade				No (if any)	CC16a
Receipts and payments accounts					
For the period from	Period start date	To			
	1-Sep-22		31-Aug-23		
Unrestricted funds		Restricted funds	Endowment funds	Total funds	Last year
to the nearest	£	to the nearest £	to the nearest £	to the nearest £	to the nearest £
- 0		-	-	-	-
- 0		-	-	-	
- 0		-	-	-	-
- 0		-	-	-	-
- 0		-	-	-	-
- 0		-	-	-	-
- 0		-	-	-	-
- 0		-	-	-	-
- 0		-	-	-	-
- 0		- 0	- 0	-	
- 0		- 0	- 0	-	- 0
- 0		- 0	- 0	-	- 0
		- 0	- 0	-	- 0
591		-	591	10	
840		-	840		
1,000		-	1,000	-	
6,000		-	6,000	-	
- 0		-	-		
- 0		-	-	-	
- 0		-	-	-	
- 0		-	-	-	
- 0		-	-	-	
8,431		-	8,431	10	

n/a	- 0	- 0	- 0	-	
	- 0	- 0	- 0	-	
<b>Sub total</b>	- 0	- 0	- 0	-	- 0
<b>Total payments</b>	8,431	- 0	- 0	8,431	10
<b>Net of receipts/(payments)</b>	- 8,431	-	-	- 8,431	- 10
<b>A5 Transfers between funds</b>	- 0	-	-	-	-
<b>A6 Cash funds last year end</b>	19,452	-	-	19,452	19,462
<b>Cash funds this year end</b>	11,021	-	-	11,021	19,452

## Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
<b>B1 Cash funds</b>	Cash in bank (at 31 Aug 2023)	11,021	-	-
		-	-	-
		-	-	-
	<b>Total cash funds</b>	11,021	-	-
	(agree balances with receipts and payments account(s))	ok	OK	OK
		Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
<b>B2 Other monetary assets</b>	No other monetary assets	-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
<b>B3 Investment assets</b>	No investment assets		-	-
			-	-

			-	-	
			-	-	
			-	-	
	<b>Details</b>	<b>Fund to which asset belongs</b>	<b>Cost (optional)</b>	<b>Current value (optional)</b>	
<b>B4 Assets retained for the charity's own use</b>	No retained assets		-	-	
			-	-	
			-	-	
			-	-	
			-	-	
			-	-	
			-	-	
			-	-	
			-	-	
	<b>Details</b>	<b>Fund to which liability relates</b>	<b>Amount due (optional)</b>	<b>When due (optional)</b>	
<b>B5 Liabilities</b>	No liabilities		-		
			-		
			-		
			-		
			-		
Signed by one or two trustees on behalf of all the trustees	Signature	Print Name		Date of approval	
				6	
		Leif Wenar		20-Jun-24	