

Global Network Initiative

Protecting and Advancing Freedom
of Expression and Privacy in Information
and Communication Technologies

OUR IMPACT

In the past year the Global Network Initiative put its principles into action, harnessing the power of its diverse membership—companies, civil society organizations, investors, and academics—to advance freedom of expression and privacy rights worldwide. Highlights include:

- **Seeding a global standard on free expression and privacy rights** in the Information and Communications Technology (ICT) sector, with the GNI Principles reflected in draft European Commission guidance, proposed U.S. legislation, and key investor tools including the Dow Jones Sustainability Index.
- **Defending the open Internet** through multi-stakeholder policy engagement:
 - Collaborating with companies and civil society to block Pakistan’s procurement of a massive Internet filtering system.
 - Meeting with government officials in Thailand to advocate against the onerous application of intermediary liability.
 - Slowing the rush to pass the Communications Data Bill in the United Kingdom, overbroad legislation that could undermine UK support for free expression and privacy internationally.
 - Raising our collective voice in support of legal reforms in India, Russia, Vietnam, and the United States, and on network shutdowns and blocking in India, Syria, and Tajikistan.
- **Deepening relationships with companies across the ICT sector:**
 - Forming a new two-year collaboration with eight global telecommunications companies: Alcatel-Lucent, France Telecom-Orange, Millicom, Nokia Siemens Networks, Telefonica, Telenor, TeliaSonera, and Vodafone.
 - Working with new companies Websense and Evoca.
 - Welcoming observer companies Facebook, the world’s largest social network, and Afilias, a key provider of back-end Internet infrastructure.
- **Internationalizing our membership**, adding new civil society participants from Azerbaijan and India, and translating our core documents into Arabic, Chinese, French, Russian, and Spanish.
- **Advancing accountability** by creating the first independent case review assessment process for ICT companies on freedom of expression and privacy, and accrediting the first set of GNI assessors.
- **Influencing the global debate on human rights in the technology sector:**
 - Publishing “Digital Freedoms in International Law” a report by Ian Brown and Douwe Korff.
 - Contributing to European Commission consultations and influencing the development of corporate responsibility standards for the ICT sector.
 - Convening policymakers and experts from government, companies, academia, investors, and civil society at our first Annual Learning Forum.

TABLE OF CONTENTS

Our Impact **inside cover**

The Benefits of Membership **2**

Message from the Executive Director and Independent Chair **3**

Seeding a Standard **4**

Implementing the Principles **4**

Advancing Accountability **6**

Principled Policy Engagement **10**

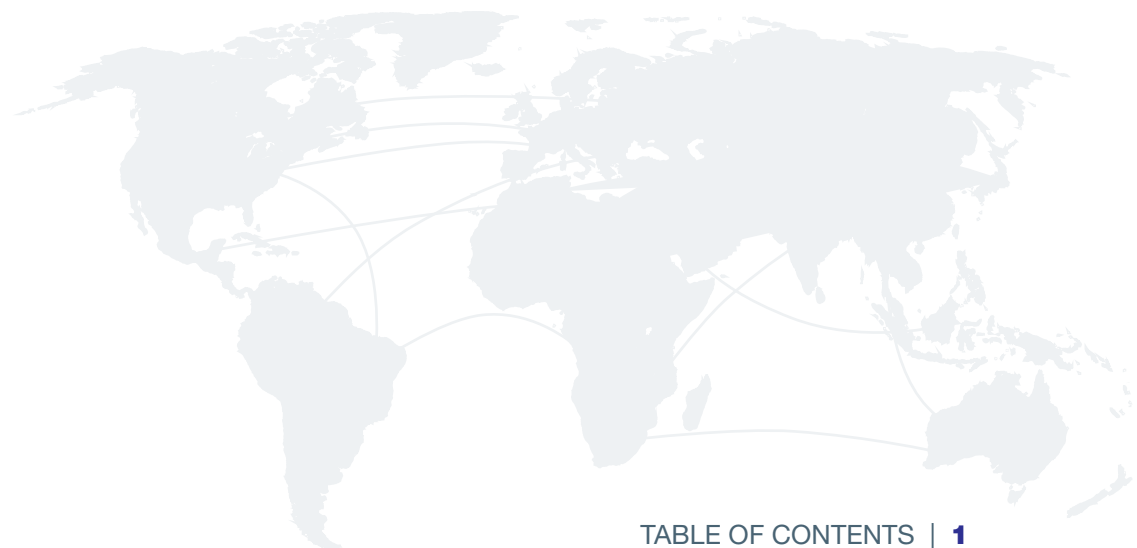
Growing the Network **12**

Learning Together **14**

About GNI **16**

 Governance **16**

 2012 Financials **16**



THE BENEFITS OF MEMBERSHIP

- Build global public trust in your brand by demonstrating that you care about users' rights around the world.
- Engage in public policy on a pressing global challenge with a unique and diverse coalition of experts.
- Manage company risk exposure and improve decision-making through the GNI Principles, guidelines, and accountability process.
- Build a global standard for corporate responsibility in the ICT sector.
- Work through complex issues in a safe space, gaining insight from other companies, civil society, investors, and academic participants.

“We believe that collective solutions will best address the challenges we and other companies face when bringing transformative communications technologies to countries that seek to restrict privacy and free expression.”

Yahoo! Business & Human Rights Program

“While individual GNI member companies may make different business decisions, we are united in our commitment to these principles and are working together to support and grow the important work of the GNI.”

Steve Ballmer, CEO, Microsoft

“The Global Network Initiative ... is a growing forum where companies can work through challenges with other industry partners, as well as academics, investors, and activists.”

Former U.S. Secretary of State Hillary Clinton

We also need to work together to create and refine voluntarily developed codes of conduct ... the Global Network Initiative is a great example.”

Vinton Cerf, Vice President and Chief Internet Evangelist, Google Inc.

“And we could stimulate EU companies to develop self-regulatory approaches (or join existing ones, such as the Global Network Initiative) so we stop selling despots their ICT tools of repression.”

Neelie Kroes, Vice-President of the European Commission



MESSAGE FROM THE EXECUTIVE DIRECTOR AND INDEPENDENT CHAIR

Information and Communications Technology (ICT) companies have enabled access to information and the exchange of ideas around the world, with undeniable social, economic, and political benefits. In 2012, digital era innovations presented opportunities to advance human rights as well as serious risks and challenges.

Government attempts to control content and monitor Internet users, for legitimate purposes or to suppress rights, have become a global phenomenon, with 47 percent of the world's Internet users experiencing some form of censorship online according to the Open Net Initiative. Advocates for digital rights achieved notable victories this year, particularly the passage of a UN Human Rights Council resolution affirming that the same rights that people have offline, particularly freedom of expression, also apply online. But a wave of troubling legislative proposals threaten rights to free expression and privacy in

both repressive regimes and democratic societies, as do the efforts of some governments to increase their control over the Internet through intergovernmental processes.

GNI was formed to provide companies with the human rights guidance to enable responsible decisions in the face of government requests, through meaningful engagement with human rights and press freedom groups, academic researchers, and socially responsible investors.

During the past year, every dimension of GNI's work has matured and evolved. Our membership has continued to grow, with new members from India and Azerbaijan, a growing network of companies, including observers Facebook and Aflias, and a two-year collaboration with eight global telecommunications companies that will seek to find a common approach to advance free expression and privacy rights. Having completed the first assessments of founding companies Google, Microsoft, and Yahoo!, GNI has developed the first ICT company assessment process that will examine specific cases facing these companies, assessments that will be carried out during 2013. We are also taking important steps toward greater transparency and accountability by increasing our own reporting and disclosure.

We extend our sincere thanks to the members of GNI's board and our wider network of participants for their tireless efforts to tackle difficult issues and forge multi-stakeholder consensus. We also deeply appreciate the critical support of the John D. and Catherine T. MacArthur Foundation and the Open Society Foundations.

GNI has many pressing priorities in the coming year, from completing our first cycle of founding company assessments to developing new strands of collective learning among companies and other stakeholders, but we particularly intend to marshal the collective resources of our membership with a focus on policy advocacy in support of freedom of expression and privacy.

Jermyn Brooks
Independent Chair

Susan Morgan
Executive Director

SEEDING A STANDARD

“Major companies have subscribed to the GNI, and other companies and NGOs should strengthen it by following their example.”

Uri Rosenthal, Former Minister of Foreign Affairs of the Netherlands

The GNI Principles on Freedom of Expression and Privacy articulate a human rights-respecting standard for companies in the ICT sector, rooted in the Universal Declaration of Human Rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR), and the International Covenant on Economic, Social and Cultural Rights (ICESCR).

As international attention to freedom of expression and privacy rights in ICTs has grown, the GNI Principles are increasingly reflected in a diverse array of guidance, standards, and legislative proposals, such as

the European Commission’s project to establish ICT sector guidance on the corporate responsibility to respect human rights.¹ In the United States, the latest iteration of the Global Online Freedom Act requires disclosure by companies about the human rights due diligence measures they undertake and includes a safe harbor provision for GNI members.² And attesting to the value of investor participation in GNI, the 2012 Dow Jones Sustainability Index now includes specific criteria on freedom of expression and privacy rights for selected technology sectors.³

IMPLEMENTING THE PRINCIPLES

“Being a part of this group is a compelling opportunity, since it brings together diverse stakeholders and provides a unique forum to address the risks to a free and open Internet.”

Lewis Segall and Bob Boorstin, Google

GNI’s principles are based on internationally recognized human rights standards. Together with accompanying Implementation Guidelines that lay out precise guidance for companies, and the Governance, Accountability, and Learning Framework, they form the core documents that describe GNI’s objectives and commitments.

Prior annual reports describe the steps taken by founding companies Google, Microsoft, and Yahoo!, to implement the principles. Highlights from 2012, as well as initial reports by new company members Evoca and Websense include the following:

Evoca

As a GNI company member, Evoca supports the organization’s objective of seeding a global standard for free expression and privacy in the ICT sector. Mobile applications are uncharted waters when it comes to free expression and privacy rights, and GNI provides a valuable forum in which the company benefits from the early input of a community of knowledgeable and engaged stakeholders. While developing mobile applications, including video-recording service Boca Video, Evoca is also putting into place the policies and procedures consistent with the GNI principles and implementation guidelines, in preparation for their first assessment.

1. European Commission Human Rights Sector Guidance Project: Developing Guidance on the Corporate Responsibility to Respect Human Rights in the Information & Communications Technology Sector, available at <http://www.ihrb.org/project/eu-sector-guidance/index.html>.
2. U.S. Congress, Global Online Freedom Act (HR 491), available at: <http://www.govtrack.us/congress/bills/113/hr491/text>.
3. Dow Jones Sustainability Indexes (DJSI) 2012 Review Results, available at http://www.sustainability-indexes.com/images/review-presentation-2012_tcm1071-343085.pdf.

Google

During 2012, Google undertook a number of activities to advance privacy and freedom of expression. In July, Google launched face blurring for YouTube, allowing users to obscure faces within videos with the click of a button. When the Internet was cut off in Syria in November, Google updated its Speak2Tweet tool, which gave Syrians the ability to Tweet with just a voice connection. Google campaigned with civil society organizations to raise awareness and increase transparency around the closed-door International Telecommunication Union meeting in Dubai (described below). Additionally, more than three million voices from around the world signed Google's petition to stand up for a free and open web. Finally, Google added enhanced detail to its Transparency Report to show users the kinds of legal processes that the U.S. government served to Google to hand over stored personal data.

Microsoft

In 2012 Microsoft published its Global Human Rights Statement, which sets forth its commitment to respect human rights in all of its business operations and practices across the globe.⁴ The Statement emphasizes Microsoft's belief in the power of technology to promote human rights, the importance of a global approach to human rights challenges, Microsoft's bias for active engagement, and its promotion of good governance and rule of law around the world. Microsoft identified GNI as one example of its collaborative approach to promoting human rights through coordinated action.

Websense

A global provider of web, data, and email security, Websense joined GNI in December 2011. In February 2012, the Government of Pakistan released a Request for Proposals to build a new system for Internet filtering and blocking capable of blocking "undesirable" content on the scale of up to 50 million URLs. Websense was the first company to speak out and say it would not respond to this request, and called on other companies "to also do the right thing for the citizens of Pakistan and refuse to submit a proposal for this contract." In response to continuing pressure from Pakistani and international human rights organizations, other companies followed suit and the government reversed course on this particular procurement. Internet censorship remains a serious concern in Pakistan, with recent reports indicating the government has continued to pursue a large-scale filtering system.

4. Available at <http://www.microsoft.com/about/corporatecitizenship/en-us/working-responsibly/principled-business-practices/human-rights>.

Yahoo

In 2012, Yahoo!, led by its Business and Human Rights Program, continued to highlight the potential for digital media to empower women through its Change Your World series. After the launch event in Cairo, the series turned its focus to the Americas with energetic gatherings in Washington DC and Mexico City of activists, entrepreneurs, journalists and policy makers sharing best practices about how they are using the Internet and technology to create positive social change. For the Mexico City event, Yahoo! created dedicated platforms on Y! Mexico, Y! Argentina, and Y! en Español to showcase participants and foster shared learning. Over 280,000 users connected to the event virtually. As a founding member of the soon-to-launch Alliance for an Affordable Internet, Yahoo! is also supporting initiatives aimed at bringing the benefits of online engagement to underserved communities around the world. Yahoo! also continues to integrate human rights into its business more deeply, employing human rights impact assessments informed by direct stakeholder outreach. Informed by HRIAs and stakeholder engagement, Yahoo! continues to make improvements to the security and privacy of its products and services. Most recently, Yahoo! incorporated the option to enable SSL/HTTPS encryption in its latest Mail products for desktop and mobile.



GNI Board member Ebele Okobi at the Yahoo! Change Your World Business & Human Rights Summit on Women, Technology and Social/Digital Media at The Newseum in Washington, DC on Friday, May 18, 2012.

Credit: Tim Lundin

ADVANCING ACCOUNTABILITY

“Balancing rights to free expression and privacy with government requests is no easy task for ICT companies. These assessments are an important milestone demonstrating the value of a collaborative, but rigorous approach,”

Arvind Ganesan, Human Rights Watch

The independent assessment process underpins GNI’s wider work by demonstrating whether company members are meeting their commitment to implement our principles and implementation guidelines in their own organizations and operations. Accountability, in turn, lends credibility to our collaborative learning and policy engagement efforts.

Our 2011 report described the first assessments of GNI’s three founding companies, a **process review** of the policies and procedures they have put into place to implement the GNI Principles. The final stage of the process is a **case review** assessment that examines how these policies and procedures have been employed in practice.

Developing the case review assessment process was a difficult task that wound up taking more time than expected. Although this puts GNI behind the original timeline that indicated the assessments would be completed in 2012, securing approval for the core documents guiding this process is a major milestone for the organization.

Thanks to support from the MacArthur Foundation, GNI was able to work with several external consultants who brought specific expertise into the process. Issues that were raised during this work included confidentiality and legal privilege, the independence of assessors and the information needed for the GNI Board to make a determination of compliance of each company. There were a number of fundamental questions to answer on the best way to assess specific cases including:

- How would the cases be identified?
- What characteristics of cases would create a robust and credible sample?

- Could open cases be considered, or would only closed cases be assessed?
- What role would the GNI Board and other stakeholders play, given their expertise on freedom of expression and privacy issues and direct contact to issues on the ground in particular regions?

GNI’s Board decided that the assessors should ultimately select the cases, based on a process that would include considering cases identified by the company as well as those suggested through consultation with GNI stakeholders and independent research.

GNI now has a number of accredited assessors who will be eligible to carry out the assessments. In November 2012 we posted an advertisement on the GNI website calling for interested organizations to apply to become accredited assessors.⁵ At that time we also made public the independence and competency criteria that assessors will have to meet.⁶ We received five applications, which were reviewed by GNI’s Board in January 2013. A summary of the Board discussion is available on our website. The accredited assessors are: Corporate Context, Foley Hoag LLP, KPMG AG, PricewaterhouseCoopers LLP, and SSP Blue.

To guide the assessments that will take place this year on specific cases we developed a number of documents that will be used during the assessment process. The first, the assessment template, will guide the preparation of the company report for the assessors as well as the subsequent work of the assessor. It contains detailed guidance on the specific cases including their choice and the necessary characteristics of the cases. Second, the reporting template

5. See <https://globalnetworkinitiative.org/news/gni-seeks-organizations-become-accredited-assessors-its-independent-assessment-process>

6. See <https://globalnetworkinitiative.org/sites/default/files/GNI%20Independence%20and%20Competency%20Criteria%20for%20Assessors.pdf>

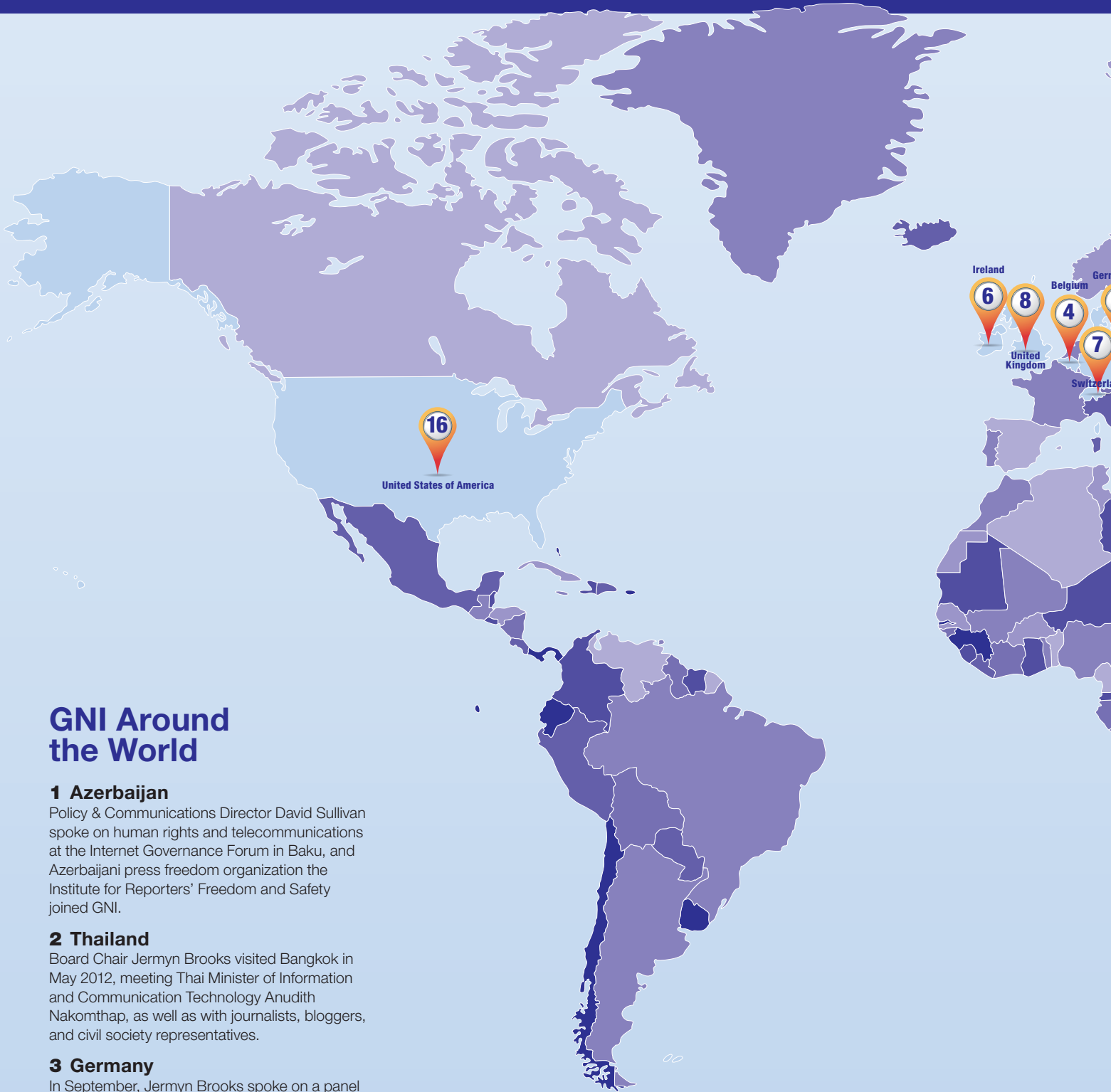
lays out the expectations for the assessors report and, critically, the information that GNI's Board will need to be able to make a determination of company compliance with GNI's principles.

In 2013, following an orientation day, the assessors will conduct the first case review of GNI's founding companies. Based on these assessments, GNI's Board will make a public determination of whether the companies are in compliance with the GNI Principles. Websense and Evoca will begin their process review assessments by the end of 2013.

Engagement and Complaints Mechanism

This year GNI has worked with Shift, a US non-profit organization on the development of an engagement and complaints mechanism for GNI.⁷ The UN Guiding Principles on Business and Human Rights state that multi-stakeholder initiatives should ensure the availability of effective mechanisms to ensure that affected parties can raise concerns if they believe that commitments have not been met. GNI's Governance Charter details our commitment to establishing an effective process, but also notes the particular challenges regarding the complexity of the global landscape on free expression and privacy issues and the potential scale of complaints. We are continuing to work on these issues and will provide an update on this work when we report publicly on the results of the case review assessment process.

7. See <http://shiftproject.org/project/advising-global-network-initiative-public-engagement-mechanism>.



GNI Around the World

1 Azerbaijan

Policy & Communications Director David Sullivan spoke on human rights and telecommunications at the Internet Governance Forum in Baku, and Azerbaijani press freedom organization the Institute for Reporters' Freedom and Safety joined GNI.

2 Thailand

Board Chair Jermyn Brooks visited Bangkok in May 2012, meeting Thai Minister of Information and Communication Technology Anudith Nakomthap, as well as with journalists, bloggers, and civil society representatives.

3 Germany

In September, Jermyn Brooks spoke on a panel on "Private internet regulation, foreign policy, and human rights" at the Internet and Human Rights Conference in Berlin.

4 Belgium

Executive Director Susan Morgan was appointed to the ICT Sector Advisory group for the European Commission project to develop sector guidance for the corporate responsibility to protect human rights.

5 Hungary

In October, Jermyn Brooks attended the Budapest Conference on Cyberspace 2012 conference in October, speaking on the "Social Benefits and Human Rights" panel.

6 Ireland

In May, Afilias Limited, an Ireland-based global provider of registry services for top-level Internet domains, became the first European company to gain observer status with GNI.

7 Switzerland

David Sullivan met with the Internet Freedom Fellows, human rights activists from around the world, at the U.S. Mission in Geneva.

8 UK

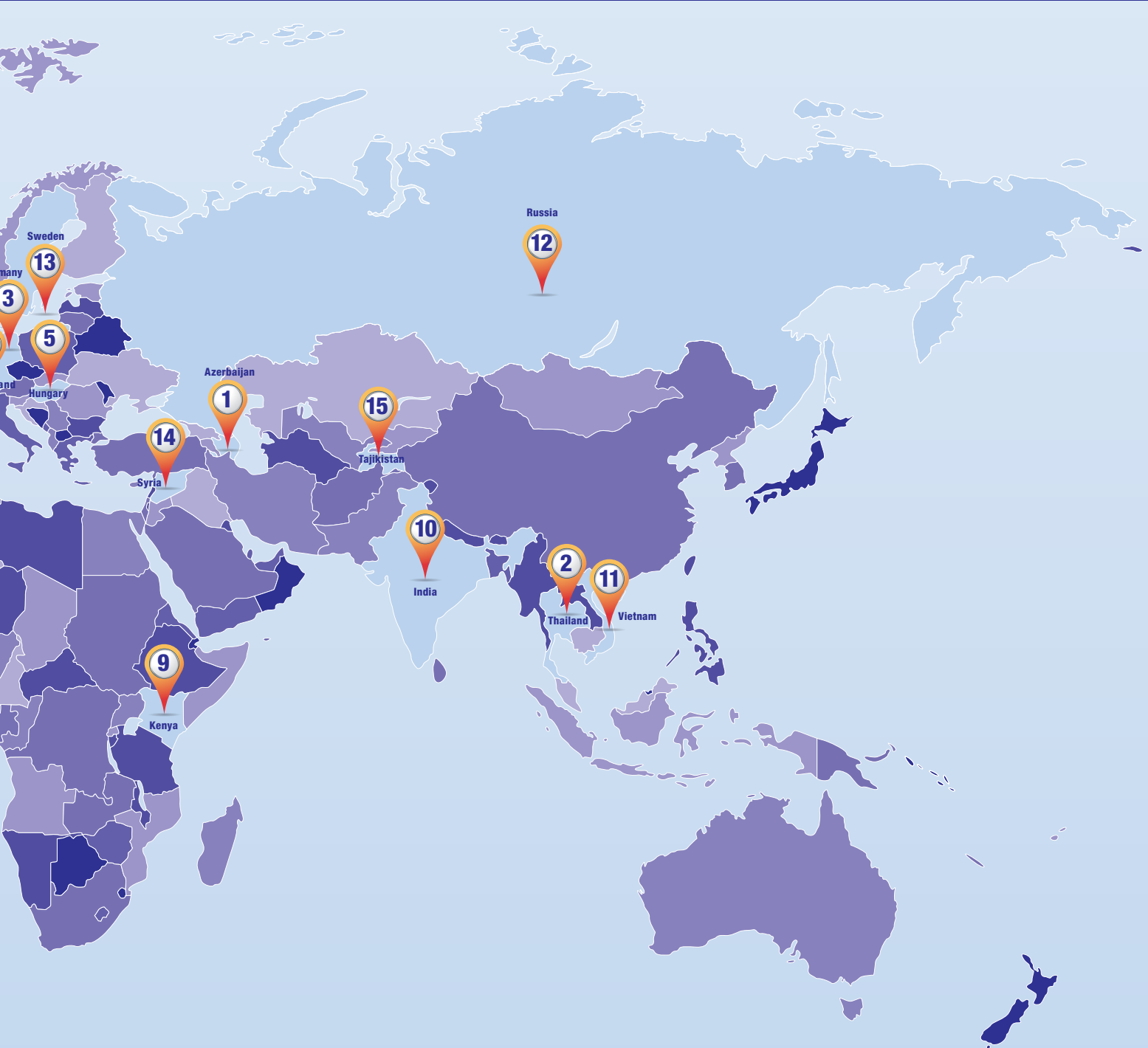
GNI and Index on Censorship organized two events in London, in June and October, examining surveillance and free expression.

9 Kenya

In September, GNI participated in the Freedom Online Kenya 2012 conference, providing input for a Workshop on Business Respect for Human Rights in the ICT Sector.

10 India

In August 2012, Susan Morgan and David Sullivan authored an op-ed for the Global India Newswire after the Indian government ordered the blocking of hundreds of websites, blog posts, and social media accounts.



11 Vietnam

In May, GNI issued a statement about the free speech and privacy implications of the Government of Vietnam’s Draft Decree on Internet Services.

12 Russia

In July, GNI issued a statement warning against Russian legislation that would create a list of prohibited websites, ostensibly to protect children, but with serious ramifications on free expression and blocking access to information.

13 Sweden

In April 2012, GNI hosted a panel discussion side event at the Stockholm Internet Forum on Internet Freedom for Global Development.

14 Syria

In November, GNI issued a statement condemning the nationwide shutdown of the Internet, as well as reported communications network disruptions, in Syria.

15 Tajikistan

A GNI statement in August 2012 decried restrictions on the right to freedom of expression imposed by the Government of Tajikistan.

16 USA

In June 2012, GNI hosted its first Annual Learning Forum in Washington DC, bringing together companies, civil society organizations, investors and academics to discuss freedom of expression and privacy issues.

PRINCIPLED POLICY ENGAGEMENT

“Voluntary groups such as the Global Network Initiative are exploring new ways for companies, investors, human-rights groups and academic experts to minimize the potential for human-rights abuses while maximizing the spread of communications technologies.”

Bloomberg

GNI participants commit to engage governments in support of laws, policies, practices that protect freedom of expression and privacy. In 2012 we increased our focus on policy, speaking out against harmful laws, meeting with policymakers, and advocating with governments and international institutions for a free and open Internet.

Thailand was a country of particular concern to GNI in 2012 due to onerous applications of intermediary liability—holding websites and other online services criminally liable for user-generated content. Particularly troubling was the conviction of journalist Chiranuch “Jiew” Premchaiporn, webmaster of the online forum Prachathai, under Thailand’s Computer Crimes Act for not moving quickly enough to remove content posted by users.⁸ In May GNI Board Chair Jermyn Brooks traveled to Bangkok, where he met with Thai Minister of Information and Communication Technology Anudith Nakomthap, as well as with Chiranuch and other journalists, bloggers, and civil society representatives. In an op-ed published in the *Wall Street Journal Asia*, Brooks wrote: “Jiew escaped a severe sentence, but the incident demonstrates the power of the Computer Crimes Act and raises serious questions for web operators. The law specifies neither how such an intermediary should receive official notice that they’re hosting something illegal nor how long they have to take it down after that notice.”⁹

In June, the **United Kingdom** introduced new legislation, the Draft Communications Data Bill, intended to ensure that law enforcement and national security agencies keep pace with technological change and have timely access to communication data. The draft Bill published in June, dubbed the “snooper’s charter”

by critics, would have introduced broad powers for the government to require service providers—both within and outside the UK—to capture a wide range of new data categories and retain them for a year. GNI submitted written evidence to the joint committee of Parliament scrutinizing the Bill, warning of “possible unintended consequences that could undermine the UK’s ability to support and further freedom of expression and privacy rights internationally” and urging reconsideration of the legislation.¹⁰ Partnering with Index on Censorship, GNI hosted events in London spotlighting the legislation in June and October. In December, the Joint Select Committee released its report on the Bill, concluding “the current draft Bill is too sweeping, and goes further than it need or should,” with the Prime Minister committing to rethink and rewrite the legislation.¹¹

“Those [GNI] principles for all the companies concerned are a factor in guiding our investment and engagement in individual markets around the world.”

Emma Ascroft, Yahoo!, presenting evidence to UK Committee on the Communications Data Bill.

Free expression and privacy rights were also at the center of heated international debate during 2012. In December, the **World Conference on International Telecommunications** in Dubai focused international attention on updating international telecommunications regulations, with some governments pressing for greater control over Internet policy and governance. GNI participants discussed issues around global Internet governance in advance of the conference on learning calls, and published a policy brief on Corporate Responsibility and Global Internet Governance.¹²

8. GNI Statement on Thai Court Conviction, available at <http://globalnetworkinitiative.org/news/gni-statement-thai-court-conviction>.

9. Jermyn Brooks, “Thailand Stifles the Internet,” *Wall Street Journal Asia*, June 7, 2012, available at <http://globalnetworkinitiative.org/news/wall-street-journal-asia-op-ed-thailand-stifles-internet>.

10. GNI Comments on UK Draft Communications Data Bill, available at <http://globalnetworkinitiative.org/news/gni-comments-uk-draft-communications-data-bill>.

11. GNI Welcomes Report on UK Draft Communications Data Bill, available at <http://globalnetworkinitiative.org/news/gni-welcomes-report-uk-draft-communications-data-bill>.

12. Corporate Responsibility and Global Internet Governance, available at <http://globalnetworkinitiative.org/news/corporate-responsibility-and-global-internet-governance>.

During the Dubai conference, GNI Board Chair Jermyn Brooks authored an op-ed, “Hands Off the Internet!” in the *International Herald Tribune*.¹³

GNI also issued public statements on policy issues in a number of countries, briefed the U.S. Helsinki Commission on its work, submitted comments to European Commission consultations, and presented

at meetings and public events with government, companies, and civil society organizations, bloggers, and human rights defenders around the world.

In 2013, GNI will continue to advocate strongly for an Internet grounded in international human rights standards, the inclusion of all voices, and transparency.



GNI Board member Arvind Ganesan (right) speaks at the Internet and Human Rights Conference in Berlin Germany.

Credit: “Auswärtiges Amt / Pressereferat”

13. Jermyn Brooks, “Hands Off the Internet!” *International Herald Tribune*, December 6, 2012, available at <http://www.nytimes.com/2012/12/07/opinion/hands-off-the-internet.html>.

GROWING THE NETWORK

“Folksam’s aim in becoming a member of GNI, as an investor in IT and telecom companies, is to be able to draw the attention of these companies to what impact they have on freedom of expression and internet privacy and what responsibility they should take.”

Folksam

GNI expanded its footprint during the past year, securing new partnerships and gaining new members around the globe.

Telecommunications Industry Dialogue

In March 2013, GNI announced a two-year collaboration with a group of eight global companies that belong to the Telecommunications Industry Dialogue on Freedom of Expression and Privacy.

By working together, GNI and the Industry Dialogue aim to advance freedom of expression and privacy rights in the ICT sector more effectively. The Telecommunications Industry Dialogue is a group of global telecommunications operators and vendors who have been meeting since 2011 to discuss freedom of expression and privacy rights in the telecommunications sector in the context of the UN Guiding Principles on Business and Human Rights. The companies who are currently participating in the industry dialogue are: **Alcatel-Lucent, France Telecom-Orange, Millicom, Nokia Siemens Networks, Telefonica, Telenor, TeliaSonera, and Vodafone.**

GNI will house the work of the Industry Dialogue and provide a common platform to exchange best practices, learning, and tools. During the two years of collaboration, the members of the GNI and the Industry Dialogue aim to find a shared and practical approach to promoting freedom of expression and privacy rights around the world. The telecommunications companies are not joining GNI as part of this collaboration. There is a review process built into the work that will assess progress during the two years. GNI hopes that this partnership will lead to ways of working together that would enable a continued relationship consistent with the values, principles, and interests of GNI and the Industry Dialogue.

Observer status

Recognizing that companies were interested in learning more about how GNI’s participants work together in support of free expression and privacy rights before committing to membership, GNI created an observer status—an opportunity for companies who are actively considering joining GNI to see more closely how the organization works for a non-renewable 12-month period.

In May 2012 **Facebook** became the first company to gain observer status. “We’re delighted to serve as an observer with the Global Network Initiative and work with GNI and its members to promote a free and open Internet,” said Facebook VP for Global Public Policy Marne Levine. “Building a better understanding of the value of the open Internet, and its direct impact on job creation, education, and good governance, is critical, and precisely where the work of GNI can be useful.”

Later in May **Afilias Limited**, an Ireland-based global provider of registry services for top-level Internet domains, became the first European company to gain observer status with GNI. Afilias provide and operate back-end domain name registry services for top-level domains, such as .info and .mobi, as well as country codes such as .in for India and .me for Montenegro. “At Afilias, we believe that GNI’s goals and principles, such as multi-stakeholder collaboration, freedom of expression and privacy, are integral to maintaining an open Internet ecosystem,” said Afilias Senior Public Policy and International Affairs Advisor Desiree Miloshevic.

Opportunities for observer companies include participation in dedicated policy and learning sessions and attending GNI’s Annual Learning Forum, as well as ad hoc advice and engagement from GNI participants and staff.

An increasingly global network

“Technological development happens too quickly for us to purely depend on government regulation. Self-regulation has an important role to play in keeping up with these rapid changes ... we will influence GNI norms using our Indian perspective.”

Sunil Abraham, Centre for Internet & Society

A key objective for GNI is increasing our membership across all constituencies with a focus on developing countries and emerging markets. In 2012 we welcomed Azerbaijani press freedom organization the Institute for Reporters’ Freedom and Safety as the global Internet governance community gathered in Baku, Azerbaijan for the Internet Governance Forum. Their participation, alongside other new civil society participant the Centre for Internet & Society based in Bangalore, India represents a step toward further internationalizing the GNI network. Other new members include the George Washington University Law School and Christine Bader from the Kenan Institute for Ethics at Duke University.

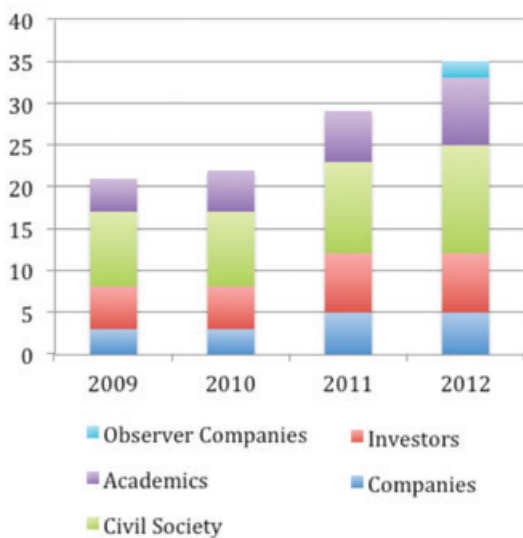


GNI Board member Rebecca MacKinnon at GW Law's Global Internet Freedom and Human Rights Distinguished Speaker Series, February 22, 2012.

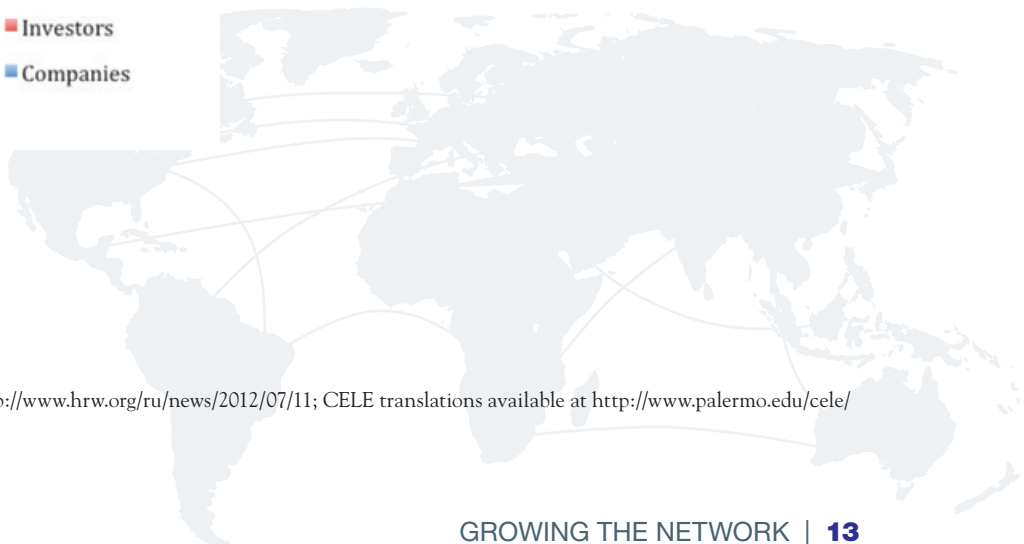
Credit: George Washington University Law School

Other steps taken to expand GNI’s global reach included completing translations of the GNI core documents into the official languages of the United Nations: Arabic, Chinese, French, Russian, and Spanish. GNI participants also translated key statements into other languages. For example, Human Rights Watch translated the GNI statement on Russian Internet legislation into Russian, and CELE translated statements on global Internet governance into Spanish.¹⁴

GNI's Growth by Constituency



14. Russian statement available at <http://www.hrw.org/ru/news/2012/07/11>; CELE translations available at <http://www.palermo.edu/cele/noticias/cele-dubai.html>.



LEARNING TOGETHER

“By creating a trusted space for such “shared learning,” GNI facilitates the exchange of knowledge and ideas, both of which are foundational to the development of socially responsible corporate practices.”

Because the free expression and privacy issues facing technology companies are constantly changing, GNI provides opportunities for its members to work through complex issues with other participants in a safe, confidential space.

GNI members regularly meet to discuss the risks in particular countries, new legislative and regulatory developments, as well as to discuss best practices for company human rights due diligence. During 2012 GNI hosted learning calls on topics including:

- Addressing freedom of expression and privacy risks with suppliers, resellers, and distributors.
- Company transparency reports and advocating with governments.

Leslie Harris, Center for Democracy & Technology

- The International Telecommunication Union and Internet governance.
- Country-specific learning calls on Vietnam and India.

In June 2012, GNI hosted its first Annual Learning Forum in Washington DC, bringing together GNI participants as well as representatives from other companies, civil society organizations, governments, and other stakeholders to discuss freedom of expression and privacy issues. There GNI presented a new report, “Digital Freedoms in International Law: Practical Steps to Protect Human Rights Online,” co-authored by Dr. Ian Brown and Professor Douwe Korff, which examines the challenges facing governments and technology companies as they balance



GNI participants Sunil Abraham - Centre for Internet and Society (second from left) and Cynthia Wong - Center for Democracy and Technology (right) at the Google Internet at Liberty 2012 Conference, May 23, 2012. Also pictured (left to right): Dunja Mijatović - OSCE Representative on Freedom of the Media, Judy Woodruff (Moderator) - Senior Correspondent, PBS Newshour, Mohamed El Dahshan - writer, journalist.

Credit: Tony Powell

rights to expression and privacy with law enforcement and national security responsibilities. The report, based on a series of consultations between governments, companies, and other stakeholders held in Washington, London, and New Delhi, identifies the challenges involved in applying traditional human rights standards in the digital environment and formulates tentative recommendations on how to meet them.

“GNI commissioned this report in order to engage on some of the most difficult and complicated questions about how to protect freedom of expression and privacy rights,” said GNI Executive Director Susan Morgan. “We hope it provokes a dialogue and debate that, over time, leads to practical steps that make a positive difference in how governments, companies, and other stakeholders address these issues.”

Learning from assessments

“While the process is not perfect, the tech giants participating in GNI deserve credit for being willing to open their books in order to improve their policies in partnership with human rights advocates.”

Eva Galperin, Electronic Frontier Foundation

The process review assessments conducted during 2011 and 2012 made a number of recommendations for GNI to consider in its future work. During the past year we identified the following recommendations as priorities, discussed in closed sessions at our Learning Forum:

1. **Develop recommendations regarding information sources for companies when conducting human rights impact assessments (HRIAs).** GNI is in the process of reviewing the tools and resources it has developed for companies conducting HRIAs. In 2013 we aim to consult with other stakeholders and make a version of this resource publicly available.
2. **Consider how GNI members can collectively provide guidance to companies when they are responding to specific requests in a short timeframe.** GNI has taken steps to increase the information available to all participants regarding the resources and expertise available through the GNI network, and is in the process of developing additional resources and options to further enable a rapid and confidential consultation process, building upon the robust internal discussions that take place within GNI on a variety of topics.
3. **Develop recommendations on specific disclosures companies should make to users regarding corporate policies and procedures for responding to government demands to disclose personal information.** GNI members have discussed a number of options for further developing our approach to communicating with users, including through learning sessions on transparency reporting.



ABOUT GNI

Governance

The Board of Directors is responsible for the strategic direction and fiduciary operations of GNI. The first term of the GNI board will end in 2013. In November 2012, the Board unanimously moved to renew Board Chair Jermyn Brooks for a second and final two-year term. During the past year GNI has worked to develop a conflict of interest policy that will apply to all participants, including Board members. GNI expects to finalize and publish this policy during the second quarter of 2013.

Independent Chair

Jermyn Brooks

ICT Companies

Steve Crown, *Microsoft*

Ebele Okobi, *Yahoo!*

Lewis Segall, *Google*

Murem Sharpe, *Evoca (joined in 2012)*

Four seats remain open for future member companies.

Civil Society Organizations

Arvind Ganesan, *Human Rights Watch*

Leslie Harris, *Center for Democracy & Technology*

Robert Mahoney, *Committee to Protect Journalists*

Meg Roggensack, *Human Rights First*

Investors

Bennett Freeman, *Calvert Group (GNI Board Secretary)*

Adam Kanzer, *Domini Social Investments*

Academics and Academic Organizations

Colin Maclay, *Berkman Center for Internet & Society, Harvard University*

Rebecca MacKinnon, *New America Foundation (personal capacity)*

2012 Financials

GNI is an independent non-profit organization exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code. In 2012 GNI submitted its first 990 form, which is available on our website.

GNI is funded by member contributions and through additional support from private foundations. Company membership fees are determined on a sliding scale based on annual revenues, and other participants contribute a nominal fee of \$100-\$1,000. GNI greatly appreciates support from the MacArthur Foundation and the Open Society Foundations.

2012 Financial Statement

PUBLIC SUPPORT & REVENUE:

| | |
|---|------------------|
| Contributions & Grants | \$350,250 |
| Membership Fees | \$337,024 |
| Interest Income | \$102 |
| Total Public Support & Revenue | \$687,376 |

EXPENSES:

| | |
|---------------------------------|------------------|
| Salary & Benefits | \$254,508 |
| Consultancy | \$195,935 |
| Travel | \$116,024 |
| Professional Fees | \$11,021 |
| Office Supplies & Miscellaneous | \$8,659 |
| Rent | \$15,587 |
| Publications & Conferences | \$9,720 |
| Administrative Support | \$27,751 |
| Total Expenses | \$639,205 |

Increase in Net Assets

| | |
|------------------------|-----------|
| Net Assets – Beginning | \$148,438 |
| Net Assets – Ending | \$196,610 |

GNI Staff

Susan Morgan, *Executive Director*

David Sullivan, *Policy & Communications Director*

John Kampfner, *European Advisor*

GNI appreciates the legal advice and support it receives from White & Case LLP and Dickstein Shapiro LLP, and the support of key staff from the Center for Democracy and Technology, including Reid Day, Cyrus Nemati, and Portia Wenz-Danley.

2012 Interns

Kalyah Ford

Olivia Meng He

Phil Zager



John Kampfner, advisor to GNI and to Google, speaks at Internet at Liberty 2012 Conference, May 23, 2012.

Credit: Tony Powell

