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ANNUAL REPORT

LETTER FROM THE CHAIR OF THE ADVISORY COUNCIL AND THE PRESIDENT

The year 2022 was a year of existential crisis for democracy around the world. A looming recession, an unresolved energy crisis, an impending climate catastrophe, and the outbreak of the most destructive conflict in Europe since World War II all pose existential challenges to democratic societies. Trust in democratic politics, politicians and institutions is at an all-time low.

The combined effect of democratic backsliding and popular distrust has led to an unprecedented rise in authoritarianism around the world. According to the State of Democracy 2022 report by the International Institute for Democracy and Electoral Assistance (IDEA), the number of countries moving toward authoritarianism is more than double the number of countries moving toward democracy. Today less than half, or 45.7% of the world's population live in a democracy of some sort, a decline from 2020 where the figure was 49.4%.

The rise of authoritarian leaders around the world is a threat to democracy, human rights, and global stability. Autocratic leaders are undermining the institutions and norms that have long been the foundation of democratic societies. They are using their power to spread misinformation, silence dissent, and undermine the rule of law. Most disturbingly, they have learned to work together in a concerted effort to help themselves and each other cling to power, through exchanging playbooks to undermine the legitimacy and integrity of voting, and explicitly campaigning for and supporting each other financially.

Encouragingly, however, concerned citizens are fighting back. All over the world, people organize successfully outside traditional party structures, especially the youth who are on the front lines fighting for democracy in key battleground states. We have founded Action for Democracy to lend a helping hand in that struggle.



Kati Marton

Kati Marton
Chair of the
Advisory Council

A blue ink signature of David Koranyi.

David Koranyi
President and
Executive Director

OUR MISSION AND STRATEGY



The global order is nearing a tipping point, and if democracy's defenders do not work together to help guarantee freedom for all people, the authoritarian model will prevail.

FREEDOM IN THE WORLD 2022, FREEDOM HOUSE

We are convinced that democracy, even if imperfect, offers the best way to protect the universal rights of human beings and to respond the most effectively to the multiple emergencies faced by humanity. Yet democracy and the individual and collective freedoms underpinning it are being threatened by those actively undermining our rights and institutions, for political and personal gain. The problem is global and it's growing. It is well-financed and organized.

We need to act now to shore up our democratic freedom. We must commit ourselves to defending it against global authoritarian threats. We need to urgently reinforce our ability to resist the siren voices of authoritarian nationalist populists. We also need to ensure that we not only defend but upgrade our democratic institutions and update our social contracts so that they deliver better for all.

The best way to do so is through transnational citizen activism rooted in shared values. The enemies of democracy are not shy in collaborating, and we should not be either when supporting the brave actors at the frontlines who fight to live in free and democratic societies.

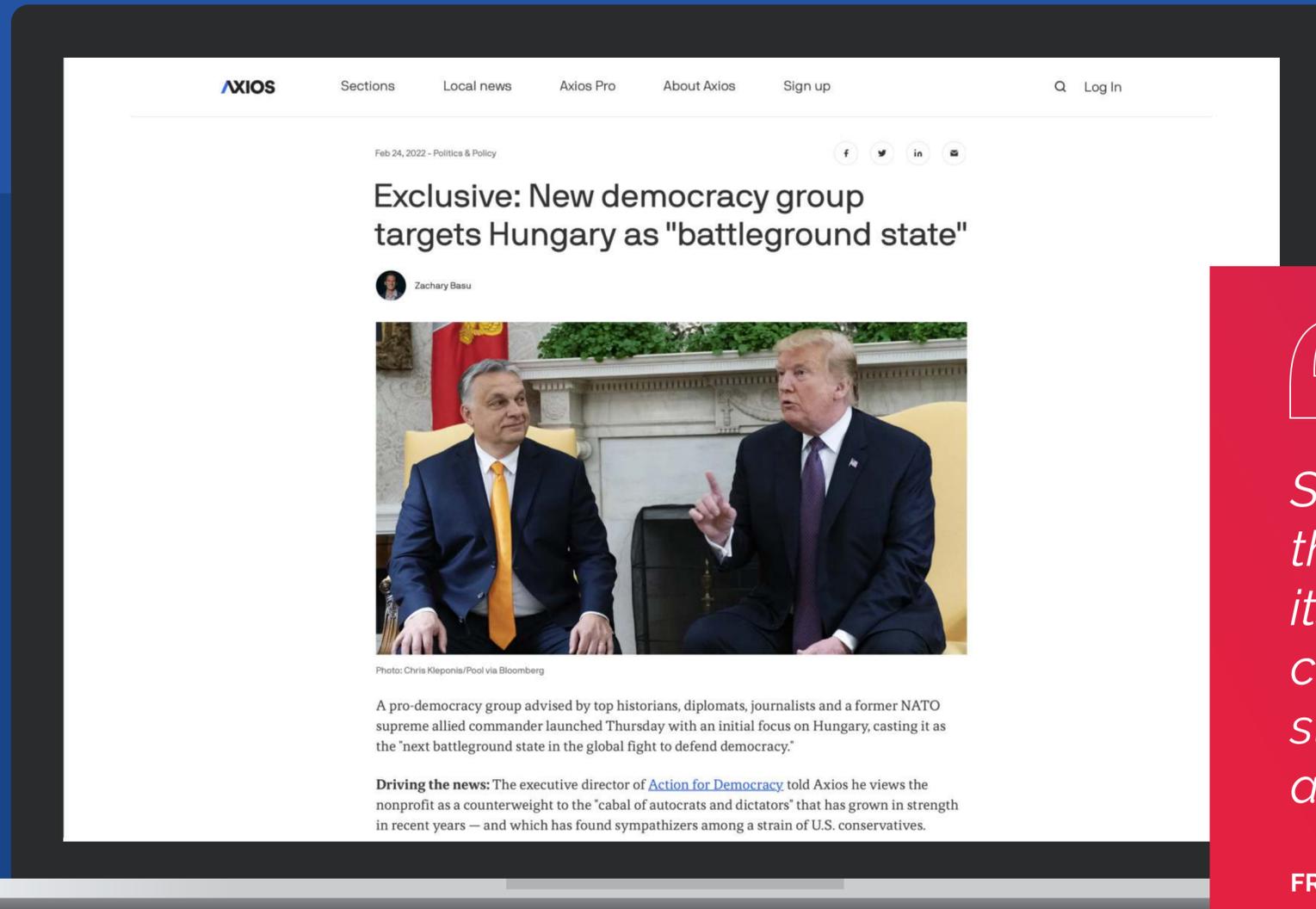
Thus, our motto is: "think globally and act globally". We are building a global solidarity network to support those who stand up to authoritarian leaders seeking to hijack their countries' democratic system. We are mobilizing a global community of donors and activists who share common concerns about democratic backsliding.

Inspired by our personal journeys as two Hungarians who had to confront authoritarian forces in two different historic time periods, we focus primarily on members of the diasporas of what we call

'battleground states'. These are countries that are teetering on the edge between democracy and autocracy with a severe and urgent risk of democratic deterioration, and where a domestic setback would be a major regression for democracy globally either due to size, regional importance or other factors.

These countries typically still adhere to some basic democratic rules and have free - but very often not fair - elections. They feature a threatened yet resisting civil society, thus providing the basic conditions to build on and amplify a democratic dialogue.

Diaspora communities of these battleground states are often frustrated about the democratic backsliding in their native countries but have limited access to avenues to constructively engage. By harnessing the power of digital organizing we act as an intermediary between diaspora communities' desire for change and innovative initiatives in their homelands, offering a trusted avenue to channel funds only to credible and impactful organizations. We believe there is tremendous value in activating these diaspora communities and strengthening interlinkages between them so that they can learn from each other and amplify each other's power.



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Successful liberal democracy requires both a state that is strong, unified, and able to enforce laws on its own territory, and a society that is strong and cohesive and able to impose accountability on the state. It is the balance between a strong state and a strong society that makes democracy work...

FRANCIS FUKUYAMA

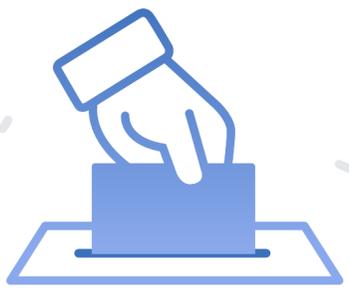
OUR WORK IN 2022

In its first year, Action for Democracy:



\$11.2
MILLION

Raised **\$11.2 million in funding** from thousands of donors.



Supported **14 frontline organizations in 4 battleground** states: Hungary, Brazil, Italy and Ukraine.



Ran the **“Hungarian Spring” campaign** and organized the Hungarian “Hello Spring Festivals” that helped increase diaspora voter turnout by 12% compared to 2018 during the Hungarian parliamentary elections in April 2022.



Provided **support for civil society organizations** to help galvanize key constituents in the US and Europe to ensure an orderly election and transition of power in Brazil.

Recruited a **world-class advisory council**.



Over the last half century, human enterprise and innovation, from the jet plane to the smartphone, have created a world in which we are all becoming neighbors, but nowhere is it written, least of all in the book of history, that we will be good neighbors. That requires a transcultural effort of reason and imagination. Central to this endeavor is free speech. Only with freedom of expression can I understand what it is to be you. Only with freedom of information can we control both public and private powers. Only by articulating our differences can we see clearly what they are, and why they are what they are.

TIMOTHY GARTON ASH

GOING FORWARD

The experience and know-how that we have gained in this first year of existence, along with the insightful conversations we have had with courageous activists on the ground and our generous donors, have convinced us that only a global approach can counter the worldwide threat of authoritarianism. We must work hand in hand to build a global solidarity network that defends democracy and stands up to authoritarian leaders. Only by coming together, committing to the principles of equality, justice, and the rule of law, and supporting each other in our common struggle, can we ensure that democracy prevails and future generations have the opportunity to live in a free, just, and equitable world.



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We are at a crucial moment in history. Democracy is in peril worldwide. We in the diasporas who care deeply about democracy are uniting and acting in its defense.

KATI MARTON

Building on the lessons learnt from our first year, we will continue building up Action for Democracy as a global club for democracy defenders that raises and channels support to pro-democracy organizations on the frontlines while amplifying their voices on the international stage.

We will organize our work around three interlinked pillars:



1

Community Building and Fundraising

We leverage cutting-edge digital technology to build an online, cross-border community of pro-democracy donors with a heavy focus on diaspora communities willing to support organizations on the frontline of defending democracies. We deploy a simple, targeted, accessible, and interactive digital strategy to capture grassroots funding globally.

2

Frontline support

From the proceeds of our fundraising activities we support, in a non partisan fashion, frontline civil society organizations with tangible impact on the ground, who work to expand democratic participation, promote genuine elections and good governance, fight corruption, support civic education, uphold independent media and combat hate, fear, and exclusion. We provide support based on the assessment of our Board with input from our Advisory Council, and we solicit applications through open grant processes.

3

Policy advocacy

Building on the strength of our growing community, we advocate for more robust pro-democracy and anti-authoritarian engagement strategies among policy elites around the world. Our aim is to secure material support for pro-democracy actors, and advocate for policies that restrict the erosion of democratic norms and institutions. Our primary aim is to provide a platform to help amplify the voices of our grantees with key decision-makers in key capital cities.

OUR GRANTEES

Action for democracy supported a total of 14 organizations in our four Battleground States: Hungary, Brazil, Italy and Ukraine.

Grantees were selected based on the following criteria:

- Focuses on promoting democratic culture and values; promoting free and fair elections; increases democratic participation with special regard to members of the diaspora, minorities, women and youth; encourages accountable governance; combats hate, fear, and exclusion; improves access to free and independent media; builds local communities to defend democratic values and institutions;
- non-partisan;
- communicate about support received in a fully transparent manner from the outset;
- has a nation-wide reach and/or operate in a rural setting;
- plays a systemic role in enabling environments and ecosystems for civil society to grow and prosper;
- complies with all local as well as US rules and regulations, with special regard to election and campaign finance laws, the Foreign Agent Registration Act (FARA) and the Foreign Corrupt Practices Act (FCPA);

HUNGARY

In the first quarter of the year, we focused primarily on Hungary, a key state in the global struggle for democracy. Our goal was threefold:

1. To promote pro-democracy and anti-authoritarian narratives among the Hungarian public in order to convey the pivotal importance of the election in the domestic and broader geostrategic context;
2. To help invalidate a truly malicious referendum on equating the LGBTQI+ community with pedophilia.
3. To mobilize the Hungarian diaspora to vote and provide support to embattled civil society organizations.



SCHOOL OF PUBLIC LIFE

Közélet Iskolája

Közélet Iskolája is a Hungarian NGO that aims to strengthen democracy by providing practical and theoretical education to individuals and organizations involved in grassroots struggles for a more just and equitable society. Using the approach of critical pedagogy, and motivated by the motto “democracy is not a noun, but a verb”, the school of public life has organized dozens of free training courses, workshops and programs for adults to enable them to participate in political processes and actively shape public life. These programs help participants develop a critical analysis of social inequalities, acquire concrete methods of advocacy and organizing, and learn to operate their grassroots initiatives democratically and sustainably. Action for Democracy focused its support on enabling the school to reach out more intensively to people and organizations living and working outside Budapest, develop strategic planning capacity to meet the needs of a growing number of organizations, and develop a long-term leadership course for people committed to progressive grassroots change.

PRINT-IT-YOURSELF

Nyomtass-Te-is!

Nyomtass-Te-is! is a grassroots initiative aimed at combating government propaganda in Hungary by distributing and delivering fact-based news and information through printed newsletters (samizdat-style) in the digital age. Inspired by the Samizdat movement, the Nyomtass-Te-is! newsletter can be downloaded, printed and circulated by volunteer activists. The weekly summarizes news stories ignored by state-controlled outlets and undertakes to deliver factual, non-partisan information to citizens living in small towns and villages. With the support of Action for Democracy, Nyomtass-Te-is! managed to cover about 2,200 small towns and villages (out of 3,200 settlements in total) during the last three weeks prior to the elections. With the help of thousands of volunteers Nyomtass-Te-is! distributed more than 3.1 million copies of our newspaper, reaching 60 per cent of the country's population (six million people nationwide).



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In his thirteen years in power, Viktor Orbán has established a tight grip over the media: he has been accused of systematically stifling the press, bringing news outlets under control, and passing laws that hinder critical journalism. According to some estimates, 90 percent of the Hungarian media is controlled by his cronies. With press freedom declining sharply around the world, access to information is more important than ever to hold power accountable.

KORNÉL (36), HUNGARY

EVERYBODY'S HUNGARY MOVEMENT

Mindenki Magyarországa Mozgalom - MMM

MMM is a Hungarian civil society movement founded in 2018. The movement serves as a platform with the purpose of building an alternative progressive political culture to the existing autocratic one. MMM works to strengthen democratic values in Hungary, such as the rule of law, anti-corruption, the right to self-government, human rights, and social justice. It does this by activating dialogue and solidarity. MMM worked to counter the anti-democratic, pro-Putin and homophobic narrative of Prime Minister Viktor Orbán's regime and in particular raised awareness about the importance of voting in a referendum that aimed to significantly curtail the rights of the LGBTQI+ community.

Attacks against Action for Democracy in Hungary

Since winning his fourth consecutive election in April 2022, Hungarian Prime Minister Viktor Orbán has intensified his campaign to silence independent civil society and has falsely accused civil society groups, including Action for Democracy and its leadership, of illegally interfering in the country's electoral process. A massive smear campaign was unleashed by the country's government-controlled press, claiming – falsely – that the opposition's campaign was illegally financed from abroad, erroneously framing Action for Democracy's transparent and legal support to Hungarian civil society as illegal campaign finance and foreign – American – interference. The attacks did not only unfold in the media; national security and intelligence services under the control of the Prime Minister's cabinet office - announced an investigation against Action for Democracy and a series of other independent civil society organizations, under the false pretext of "foreign campaign funding".

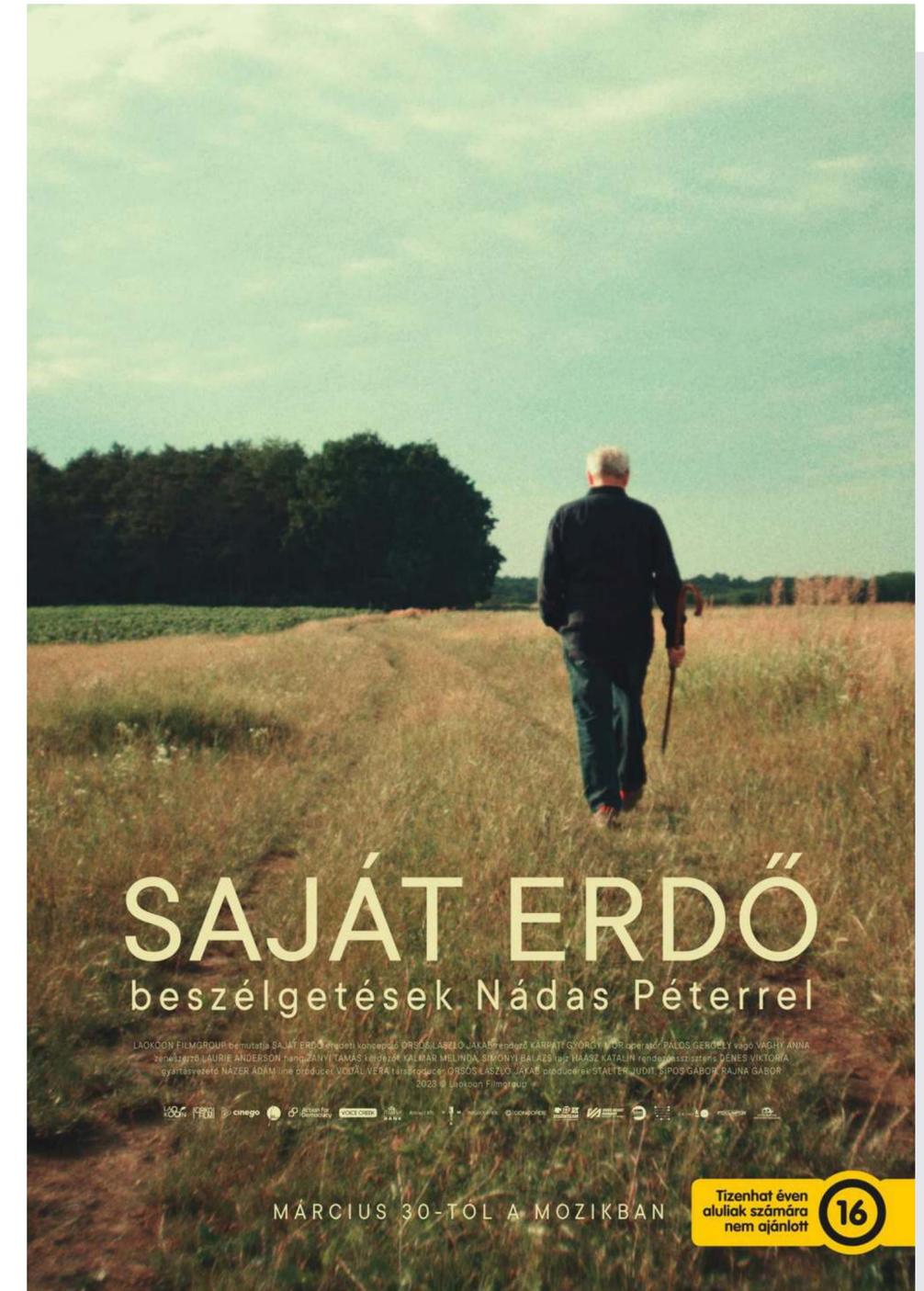
We at Action for Democracy reiterate that we have never contributed funding to political parties or candidate campaigns. We have supported a pro-democracy, anti-authoritarian, pro-EU, pro-NATO agenda and the defense of basic human dignity and decency. In doing so, we have strictly adhered to all legal frameworks. We find it unacceptable that the Hungarian government uses the intelligence services for political purposes. This is their way of intimidating Hungarian civil society inside and outside Hungary's borders.

Oraculum 2020

Since 2010, the government of Viktor Orbán has made systematic efforts to undermine media pluralism through the coordinated exploitation of legal, regulatory, and economic power to gain control over public media, concentrate private media in the hands of allies, and distort the market, resulting in overwhelming control over the media and a barrage of government sanctioned mis- and disinformation. Oraculum received support to break through this wall of propaganda and produce local news about the importance of democratic participation in the context of the elections, information about COVID pandemic preparedness and policies. It also used phone calls and digital platforms to inform citizens about an anti LGBTQI+ law pushed by the Orbán government the previous year that banned the 'portrayal and the promotion of gender identity different from sex at birth, the change of sex and homosexuality'. The law was decried by a majority of European Union member states, and led the European Commission to take infringement procedures against Hungary.

Support in the production of Documentary “My own Forest”, on the life of Peter Nadas

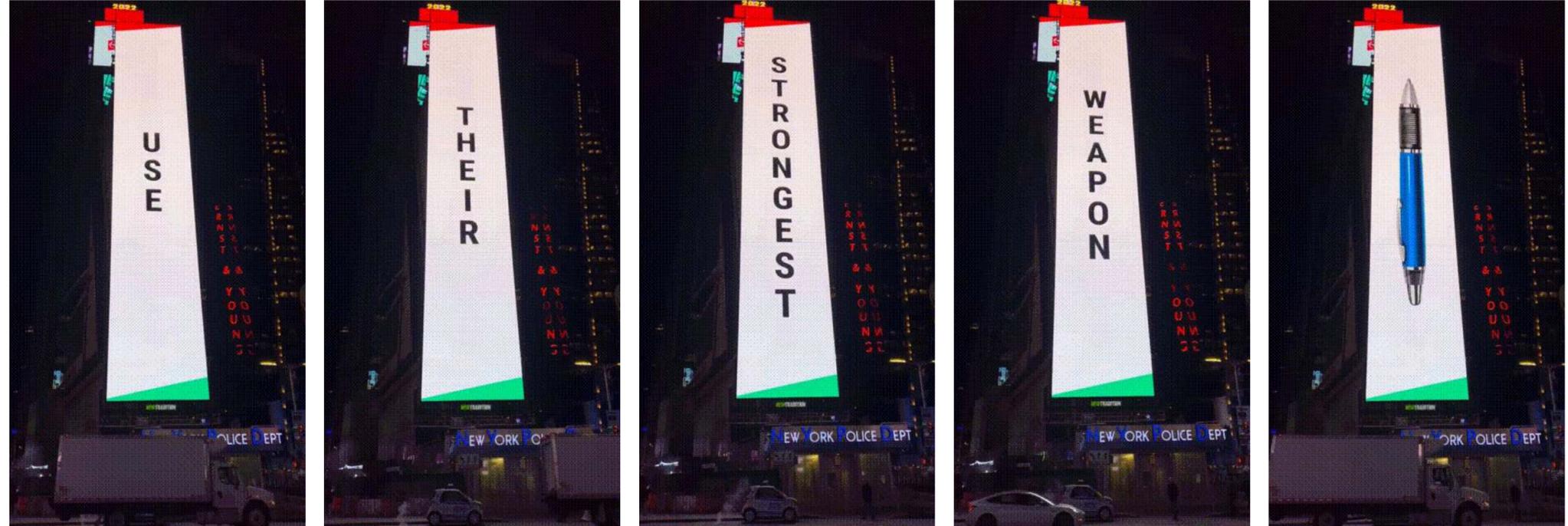
Péter Nádas is one of the most outstanding figures in Hungarian and European contemporary literature and a frequent candidate for the Nobel Prize in Literature. Nádas writes so that he and his readers can better recognize the chaos created by our emotions, our misunderstandings, our lies, and our intellect. In Nádas's most iconic novels, *The Book of Memoirs*, *Parallel Stories*, or *The Illuminating Details*, we can gain a disturbing insight into ourselves, into others, into our desires, and not least into the country in which we were born. If we do not shirk the task, this can be a great help in seeing more clearly who and what we are in the broader dimensions of history, sociology, and psychology. Action for Democracy supported the production of the film because Péter Nádas is a nationally and internationally recognized authority whose thoughts are of great importance for the restoration of constitutional democracy in Hungary, the promotion of active participation in public life, and the self-organization of Hungarian civil society.





Hungarian Spring Campaign and Democracy Festivals

Action for Democracy directly conducted a get-out-the-vote campaign targeting the Hungarian diaspora under the name "Hungarian Spring," focusing on the more than 500,000 Hungarians living in Western Europe, where most of them have retained their residency. Voter turnout in the diaspora was very low in 2018, with only 58,000 people registered to vote in total. The campaign's goal was to convey non-partisan but value-based messages to increase the diaspora's motivation to vote and inform them on how to vote at the local district level. We created websites with educational content explaining the process of registration and



voting in different formats. We produced a motivational film featuring Hungarians living in Western Europe. We asked a variety of influencers to spread our message and financed a special appearance on the biggest LED screens in NYC of a message encouraging Hungarian Americans to vote. We also organized events in seven European countries and major cities to celebrate the vote. These activities contributed to a 12% rise in voter registration compared to 2018. Numbers were significantly up in the US (by 21%), Canada (55%), Austria (36%), Germany (13%), Switzerland (43%), and Spain (68%).

Budapest Forum

We convened a panel discussion at the Budapest Forum for Building Sustainable Democracies on September 21-22 organized by the Budapest Mayor's Office, CEU Democracy Institute and Political Capital, introduced by Board President David Koranyi, and featuring four of our Advisory Council members: Kati Marton, Timothy Garton Ash, Charles Gati and Francis Fukuyama.

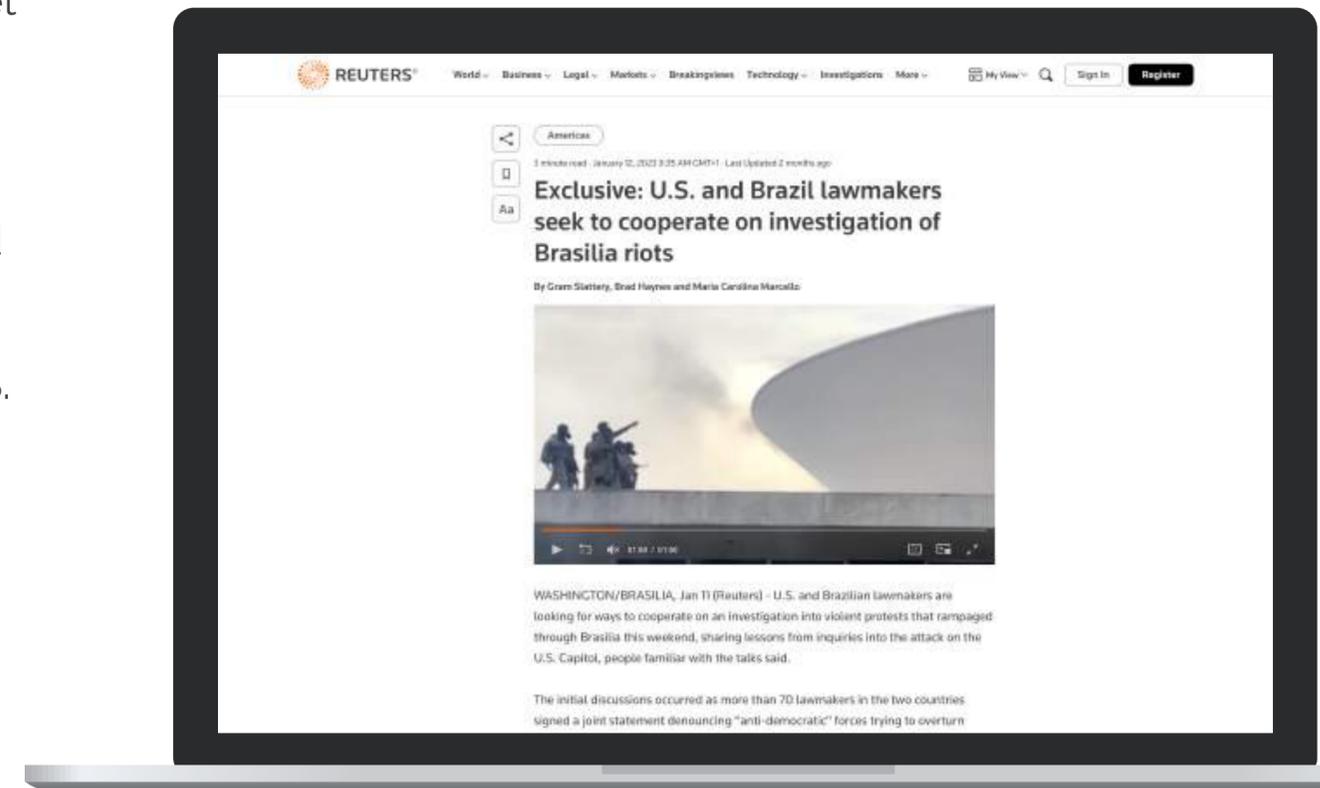
BRAZIL



In Brazil, we focused on countering the threat to democratic institutions posed by Jair Bolsonaro, who repeatedly indicated his plans to stay in power through undemocratic means, including a coup supported by the military or police. Action for Democracy provided support for Brazilian civil society organizations to mobilize young voters and we helped galvanize key constituents in the US and Europe to ensure an orderly election and transition of power in Brazil.

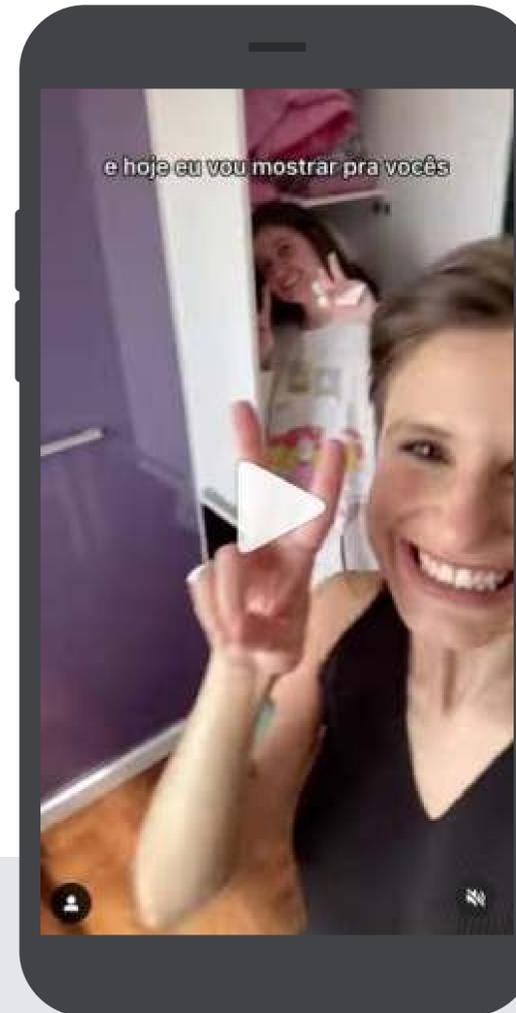
Washington Brazil Office (WBO)

The WBO is an independent institution that connects, supports and carries out advocacy, Knowledge and cooperation activities to strengthen civil society, protect human rights, promote sustainable and socio economic development, and defend democracy and the rule of law in Brazil. With our assistance, both financial and programmatic, the Washington Brazil Office held a successful delegation to Washington, DC in late July, bringing 19 civil society leaders to DC to meet with high-level government officials from the executive and legislative branches along with diplomatic missions from other countries in the Americas. The Washington Post and CNN both covered the delegation which helped raise awareness and mobilize key stakeholders in the U.S. Congress as well.



Quid

Quid is a communication and mobilization laboratory that uses data based solutions to tackle disinformation and polarization. They believe we must understand information bubbles before successfully bursting them. Their work is aimed at understanding and identifying tendencies in different audiences, creating more impactful and effective content, and developing better distribution strategies for progressive campaigns. Action for Democracy supported Quid, to increase the scale and impact of their work battling extremists agendas and values in the public opinion. Our support helped them reach millions of mainly young voters, by expanding their technical capabilities.



Atlantic Council Workshops and report on Brazil's Democratic Challenges

The Atlantic Council of the United States is one of the premier think tanks in Washington, DC, with its Adrienne Arsht Latin America Center doing robust work on Brazil. We supported the Center to play a key role in helping fortify Brazilian democracy, prevent democratic backsliding and further strengthen democratic resilience. This included a strategy workshop that took place in July 2022 bringing together an influential group of experts and practitioners to propose actionable recommendations around the most pressing democratic challenges facing Brazil, and a report with policy recommendations published in September 2022 to ensure Brazil's continued democratic health throughout the election season and beyond, sharing lessons learned to the region, the US, and the world.



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Brazil's Democracy has been under threat over the last years, and the extreme right managed to sway part of the public opinion towards its authoritarian agenda. But civil society stood up against authoritarian efforts and showed that most Brazillians value and are willing to fight for democracy. The support of partners such as Action for Democracy is what makes our impact grow and make a difference in the short and long term.

CAIO TENDOLINI, EXECUTIVE DIRECTOR, QUID

ITALY

In September 2022 Action for Democracy ran a small-scale pilot campaign and supported non-partisan Italian civil society organizations on the ground to push back against a radical far right, anti-democratic, intolerant political agenda in the wake of the Italian general elections on September 25, 2022.



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Is democracy failing us? I feel like everyone always promises you everything but once they are in power, they all do the same- take as much as they can. We obviously have not learned anything because the far-right party is currently a real threat in the upcoming election.

FILLIPO (43), ITALY
CHEF & RESTAURANT OWNER

RINASCIMENTO GREEN

Rinascimento Green

Rinascimento Green is an independent initiative established in Italy in 2019. The initiative aims to bring together various parts of civil society to promote, through a path of popular participation, a Green New Deal from below.



Gay Net

Gay Net is a training and a communication association on LGBTQI issues, made up of journalists and people who deal with culture and communications. The goal of the association is to counter homo-transphobia and sexism by improving the use of language and the quality with which the media deal with issues of sexuality, sexual orientation and gender identity.



Toccaanoi

Toccaanoi was established in 2021 in Italy to promote participation and stimulate legislative action on civil and social issues. The association aims to build a new way of doing politics, acting locally and coordinating at the national level to support progressive battles.



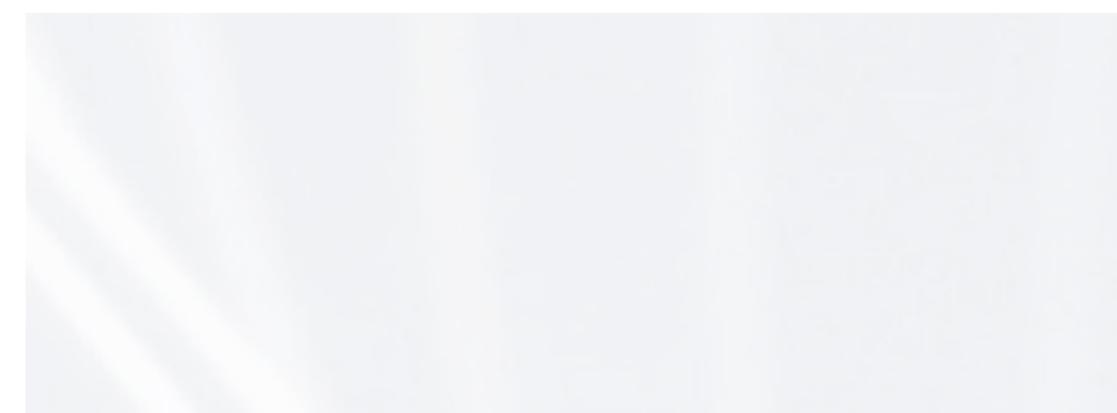
Europa Aperta

Europa Aperta is an association that promotes a new model of study on European policies that focuses on inclusive progressive values.



Vote Dove Vivo

Vote Dove Vivo is an Italian petition aimed to encourage greater voter participation and allow all citizens to exercise their fundamental right to vote irrespective of where they live.



UKRAINE

The ongoing war in Ukraine has caused immense human suffering and devastation, leaving millions of people without electricity, food, or basic medical supplies. According to UN figures, there are more than 7.8 million refugees from Ukraine, 6.5 million internally displaced persons, and 17.7 million people in need of humanitarian assistance. The situation is only getting worse with daily Russian missile strikes and bombings of the civilian population. In this time of crisis, we believe it is essential to support organizations that are working tirelessly to provide aid to those in need. Action for Democracy supported these organizations by directing our constituents to their websites to donate.

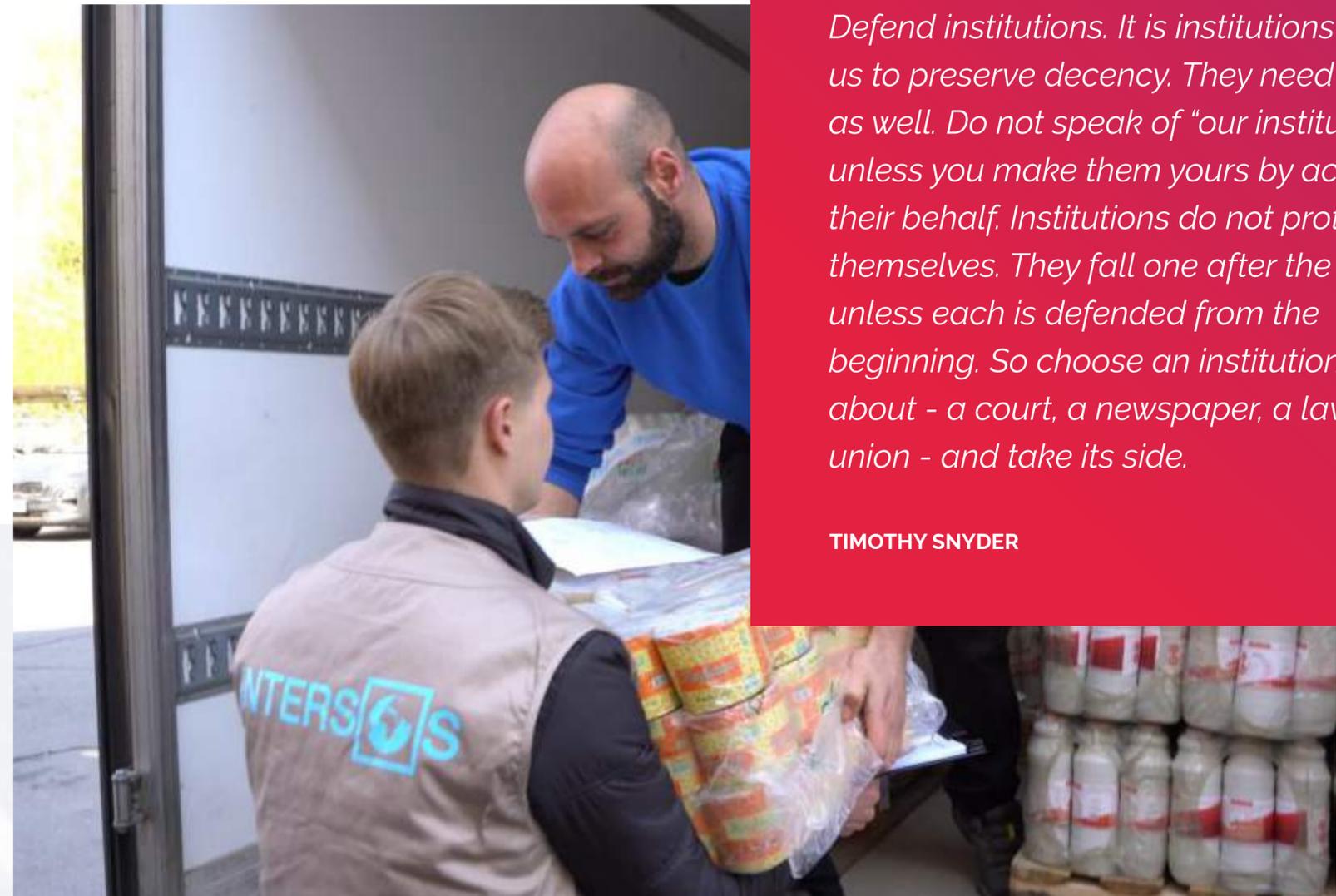


Mission to Ukraine (M2U)

Mission to Ukraine is an on-the-ground, humanitarian aid team that was assembled in March 2022 to procure and deliver critical supplies to Ukrainian refugees, internally displaced persons, and civilians under siege. They have partnered with trusted, verified contacts and delivered hundreds of thousands of dollars' worth of critical equipment and has evacuated over a thousand civilians from Russian-occupied territories.

Intersos

INTERSOS was established in 1992 with the support of the trade union confederations, from which it later became autonomous. Ever since, they have carried out humanitarian aid projects in 45 countries and four continents. INTERSOS workers are in Ukraine, Poland, Moldova, Italy and Greece to provide medical care, protection and psychosocial support to people fleeing the fighting, with a special focus on the most vulnerable, such as women and children.



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Defend institutions. It is institutions that help us to preserve decency. They need our help as well. Do not speak of “our institutions” unless you make them yours by acting on their behalf. Institutions do not protect themselves. They fall one after the other unless each is defended from the beginning. So choose an institution you care about - a court, a newspaper, a law, a labor union - and take its side.

TIMOTHY SNYDER

OUR PEOPLE

Advisory Council Members



Kati Marton

ADVISORY COUNCIL MEMBER



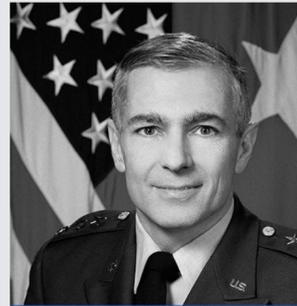
Timothy Garton Ash

ADVISORY COUNCIL MEMBER



Maria Herminia Tavares de Almeida

ADVISORY COUNCIL MEMBER



General Wesley K. Clark

ADVISORY COUNCIL MEMBER



Dr. Francis Fukuyama

ADVISORY COUNCIL MEMBER



Zeid Ra'ad Al Hussein

ADVISORY COUNCIL MEMBER



Professor Charles Gati

ADVISORY COUNCIL MEMBER



Dr. Evelyn Farkas

ADVISORY COUNCIL MEMBER



Robert Boorstin

ADVISORY COUNCIL MEMBER



Eleni Kounalakis

ADVISORY COUNCIL MEMBER



Timothy Snyder

ADVISORY COUNCIL MEMBER



David Milliband

ADVISORY COUNCIL MEMBER



Simon Cheng

ADVISORY COUNCIL MEMBER

Board of Directors



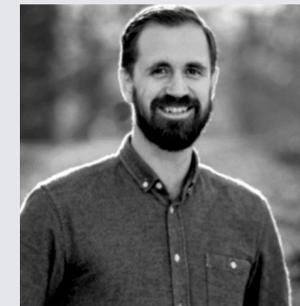
David Koranyi

BOARD PRESIDENT AND EXECUTIVE DIRECTOR



Elisabeth Jennings

BOARD SECRETARY



Chris Maroshegyi

BOARD TREASURER

* Our advisory council only provides strategic counsel and they do so in their personal capacities. They are not part of the day-to-day decision making and grant-making at Action for Democracy, and are not privy to the details of our supporting activities in our focus countries.



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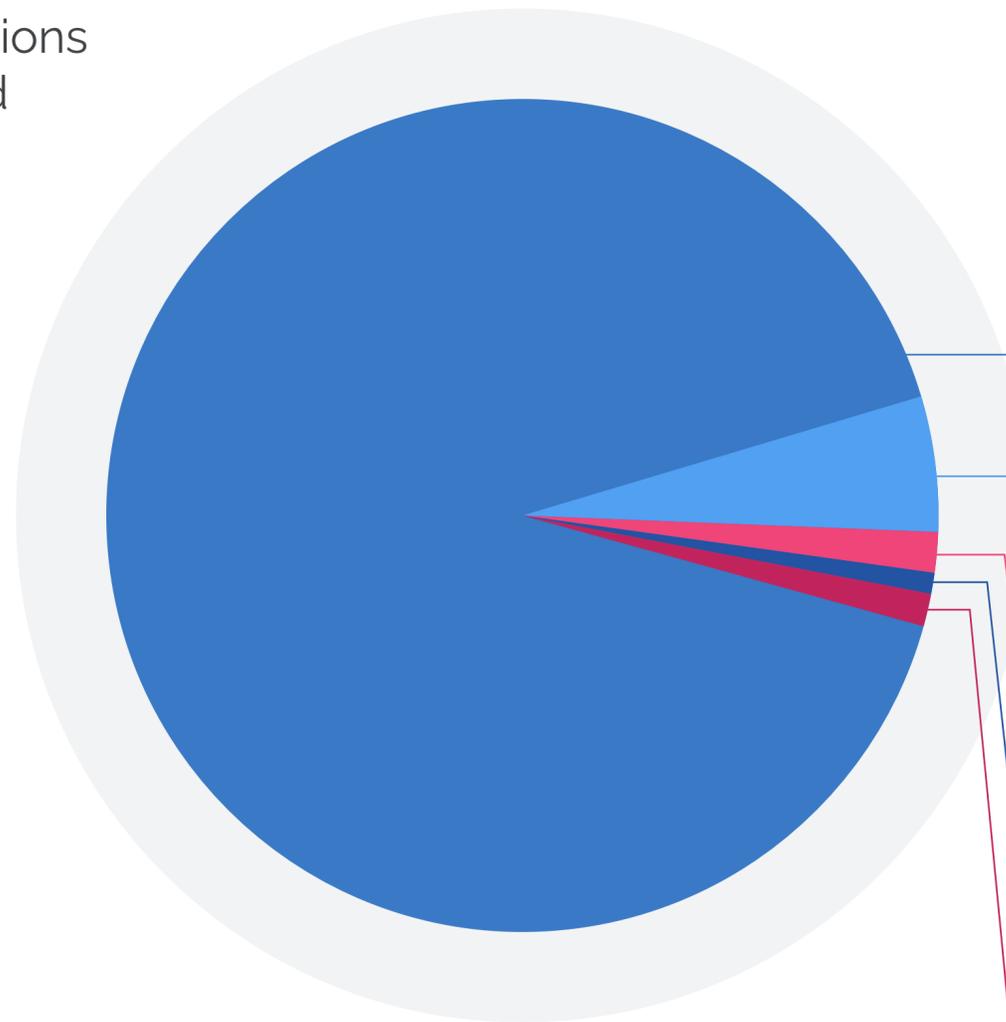
A long time ago everyone in Poland looked up to the European Union and desperately wanted to be part of it. It symbolized everything the Polish people wanted to be - western, progressive and free. Joining the EU was celebrated and marked a departure from the identity of Poland as a backward eastern repressive regime. It is this past that we seem to have forgotten. It is this past that we seem to be slipping back into. Today, liberal values in Poland are being curtailed. Now there are so called LGBT free zones, the judiciary is no longer independent as the government has changed the composition of the Supreme court, and filled it with partisan loyalists. Currently there is talk of "Polonizing" the media, and we can all imagine what that means for democracy.

PAUL (40), POLAND
ARCHITECT

FINANCIALS

Action for Democracy has distributed over \$10 million in individual donations to 12 civil society organizations and supported the fundraising efforts of two additional organizations.

More than 91% of our budget was used for grants and programmatic activities and we operated with exceptionally low overhead costs.



REVENUE DISTRIBUTION

Contributions	\$ 11,275,504.92
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EXPENSES DISTRIBUTION

Grants	\$ 10,106,013.09
Atlantic Council Brazil Workshop and Report	\$ 40,828.00
Hungarian Hello Spring Diaspora Festivals	\$ 193,442.00
Documentary on Author P. Nadas	\$ 12,000.00
Hungarian Diaspora Dem. Part. Campaign	\$ 262,259.16
School of Public Life (Közélet Iskolája)	\$ 15,000.00
Mindenki Magyarországa Mozgalom	\$ 5,139,810.00
Local, COVID, LGBTQI referendum campaign	\$ 3,191,551.03
Print It Yourself	\$ 55,142.90
Quid	\$ 1,035,000.00
Rinascimentogreen	\$ 1,000.00
Sustainable Markets Foundation	\$ 30,000.00
Washington Brazil Office (WBO)	\$ 130,000.00
Fundraising and Social Media Outreach	\$ 593,523.51
Payroll and Management	\$ 164,357.36
Operations and Travel Expenses	\$ 88,295.51
Total Contract Services	\$ 141,657.46

Total Expenses	\$ 11,093,846.93
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Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it's the only thing that ever has.

MARGARET MEAD

ACTIONFORDEMOCRACY.ORG | FACEBOOK.COM/ACTIONDEMOCRACY

