



H360 ANNUAL REPORT 2017

TABLE OF CONTENTS

- A Letter from Our Chairman Fernando Henrique Cardoso
- A Message from H360's President Patrícia Villela Marino
- Refining our Vision, Mission and Focus
- 2017 Highlights: A Year in Review
- Project Spotlight: Workshops and Coalition for Prison and Justice Paradigm Shift
- Project Spotlight: The Americas Civic Empowerment Index
- Project Spotlight: "Operation Car Wash:" Mapping the Corruption Network Spread Across Latin America
- Humanitas360 Governance and Management

A LETTER FROM OUR CHAIRMAN FERNANDO HENRIQUE CARDOSO

Among the various themes addressed in the HUMANITAS360 program in 2017, the debate about the aggravation of the Brazilian prison system particularly called my attention. Faced with the general sentiment of insecurity that characterizes the lives of Brazilians on a daily basis, it's easy to say, "Arrest them, put them in jail!" The usual answer has been to increase the number of inmates. The clusters of prisoners facilitate what we see today, rebellions and massacres inside prison units.

It is evident, even more now when businessmen and powerful politicians are being detained or are facing trial, that society feels a sign of relief, "finally..." Therefore, society supports those decisions, because it seems like the issue lies on arresting more people.

Yes, it is necessary to arrest suspects and dangerous convicts, enforcing the law. However, why arrest people being accused on no grounds of being drug traffickers, while they are in fact drug users? Or even arrest small "traffickers", known as "mules", when most of them are actually being exploited by the real drug traffickers? It is in the hands of the Supreme Court to solve this issue, making sentencing more precise for small drug users, not leaving it to the criteria of the police that carry out arrests to decide whether someone is a user or a trafficker.

Our prisons and penitentiaries have become "crime schools," many of them controlled by criminal factions. In those units, there are people who have committed crimes and must be punished in jail (which also applies to white collar crimes) as well as people that have perpetrated condemnable acts, but could be punished with alternative restrictions: mandatory community service, house arrest, etc.

Above all, we need a national effort to provide decent human conditions to those in prison. There are positive experiences, in Minas Gerais [a Brazilian state], for example, of how to improve prison conditions. If there is a priority "human rights" issue, this is the one. That is why I praise HUMANITAS360 for stimulating the debate about the Brazilian prison system.



A MESSAGE FROM H360'S PRESIDENT PATRÍCIA VILLELA MARINO

Dear Friends:

This has been a fantastic year for the Humanitas360 Institute. The list of accomplishments of our small team is so extensive that I can barely believe that it all happened in only 12 months since I had written the opening letter of our last annual report. During that same period, the political, human rights and governance situation in several countries in the region underwent significant regress. Nonetheless, our work has connected us with several civic-social entrepreneurs, public servants and citizens that fill us with hope and motivate us to work for a more socially just Latin America.

The worsening of the crisis in Venezuela, the prison riots in January of 2017 and 2018 in Brazil, the generalized escalation of the violence indexes and the rising political polarization in the United State and its repercussions throughout the region cannot go unmentioned at this moment. This is the reason why that initiatives such as the Biennial of the Americas in Denver, Colorado, in which H360 led the curatorship of debates about civic-social entrepreneurship, become so important. We were able to take social organizations and public servants from several Latin American countries to one of the most progressive cities in the U.S. for an entire week, making the city a panamerican capital of a continent without walls, united in the construction of more integrated and less violent societies.

Internally, H360 went through important transformations. As we continue with the work that has been done in the previous years and following through with the recommendations given by the Advisory Board, we got more focused in our priority themes, heavily investing in research and strengthening our communication structure. The pursuit for focus and professionalization was materialized in team immersions to redesign our vision and mission, our new organizational chart, a complete Balanced Scorecard process and the development of a dedicated structure to manage projects - crucial efforts that have leveraged our accomplishments, which will be presented in this report.

To facilitate your review of our work in 2017 and H360's objectives for 2018, we decided to do a shorter report than the previous ones. We hope that the result contributes to a better understanding of our efforts and allows for your comments and suggestions, which we consider indispensable in order to improve our work.

Sincerely,



REFINING OUR VISION, MISSION AND FOCUS

The Humanitas360 Institute (H360) has been consolidating itself as a think-and-do-tank, committed to building human connections as a tool to promote positive change in Latin America.

In order to adjust the organization's internal dimensions to this approach, H360 adopted the Balanced Scorecard system as a management and planning tool. Moreover, we have also precisely defined our objectives, indexes and metrics for 2018 and beyond.

In this journey, as we revisited our vision and mission multiple times, they were slightly refined. The objective of this revision was to improve the clarity, strategic approach and comprehension of our work by several audiences to whom we relate:

Vision

A socially just Latin America, supported by a network of civic-social entrepreneurs that works to empower citizens and to ensure sustainable improvements in living standards across the continent.

Mission

To promote the advancement of research, knowledge, citizen engagement and transparency, developing collaborative solutions to achieve significant social transformation within a generation.

Priority Themes

- Prison system reform
- Drug policy
- Governance and transparency

2017 HIGHLIGHTS: A YEAR IN REVIEW

In 2017, **our headquarters was moved to Denver, Colorado** one of the most progressive states in the US in terms of H360's priority themes - drug policy and prison system reform - and where we counted on Governor John Hickenlooper's welcome and support.

Still in Denver, **we were co-curators of the Biennial of the Americas**, a festival of ideas, art and culture, in which we organized debates about civic-social entrepreneurship, bringing together activists, public servants and artists from several Latin American countries.

In order to consolidate our new office in the US as well as our approach as a think-and-do-tank, we signed a **partnership with the University of Denver to develop academic activities and research** about civic-social entrepreneurship in the Americas.



Patricia Villela Marino, H360 President, and Colorado Governor John Hickenlooper at the 2017 Biennial of the Americas press conference in Denver, Colorado.



Patricia Villela Marino (H360), Alan Fleischmann (Laurel Strategies) and Bernardo Guillamón (IADB) at a panel about philanthropy at the 2017 Biennial of the Americas in Denver, Colorado.

We signed a **partnership with The Economist Intelligence Unit to create The Americas Civic Empowerment Index**. The project, which will be launched in March 2018, will define patterns to compare the level of citizen engagement in seven countries. In the first edition of the index, the US is included in the research as a benchmark, and Venezuela will also be analyzed as a special case due to the current difficulties of collecting data in the country.

To raise awareness of Brazilian society about the role of the country in the humanitarian Venezuelan crisis, we organized, in **partnership with the Fernando Henrique Cardoso Foundation**, the event **"The Fight for Democracy in Venezuela and What Brazil Can Do About It."** The event had the participation of **Manuela Bolívar**, a young deputy from the opposition, and **David Smolansky**, mayor of a municipality in the Greater Caracas, who is exiled in Brazil.

Through financial resources and the creation of a communications strategy, we supported Colombian researcher **Eduardo Salcedo** in his project to map the criminal networks in Latin America based on inquiry data from the Operation Car Wash in Brazil. The research was concluded and the digital platform that allows one to explore the criminal networks is being made available exclusively to media organizations and partners, and public prosecutors in every country of the region. We are also currently working with Salcedo on a book that will collect the main findings of the research.

Bringing together prison directors, researchers, judges, members of civil society organizations dedicated to the theme, journalists and prominent figures such as medical doctor **Dráuzio Varella** and the former Brazilian Minister of Justice **José Gregori**, we organized two workshops entitled “Sentence, Prison and Resocialization of Inmates.” Group activities and design thinking techniques have been the tools used so that each workshop builds on the work done previously. This process allows for the group to co-create a unified strategy with concrete projects that will help change society’s view about those themes. It is important to point out that throughout this process, the projects in which the participants are involved also get incorporated into the project as a whole.



Dr. Drauzio Varella speaks at the second workshop about Prison and Justice Paradigm Shift held at CIVI-CO in São Paulo, Brazil.



Judge Suell Armani, responsible to the execution of sentences in the Taubaté jurisdiction in the state of São Paulo (Brazil), at the workshop.

As riots were taking place in prisons in the Amazon region in January 2017, we signed a partnership with the **Secretariat of Prison Administration of the State of Pará** in order to support and disseminate the experience of the first co-op made up of inmates in Brazil, **COOSTAFE**. This innovative initiative, which was created in the women’s prison of Ananindeua (Pará), allows for inmates to generate income and support their families while they are still in prison.

In an attempt to give international visibility to the co-op COOSTAFE, we took the North American artist **Liza Lou** to the prison in Ananindeua and supported the creation of the project “Art in Prison.” Inmates will be able to participate in the creation of Lou’s piece of artwork, which will be initially exhibited in Brazil and the US. With the project, the detainees will learn new artistic and handcrafting techniques, increase their potential of generating income and consolidate the COOSTAFE initiative. Lou’s project is at the fundraising stage.

From what we learned during our visits to the women's prison in Ananindeua, **our communications team started producing a 30-minute documentary about women and prison.** The objective is to show how they are impacted more harshly by the system than men (it is important to point out that women are also often times drawn to criminal activities by their husbands and sons). They are sucked in into an inhumane and inefficient system that only strengthens organized crime. **A 6-minute cut of this film entitled "Weaving Freedom" won the 1st Nelson Mandela Award from the United Nations in Brazil.** The complete documentary is in the fundraising stage and will be finished in 2018.



A member of COOSTAFE working inside the Women's Correctional Center in Ananindeua, Pará.



Carmen Gomes, the prison director of the Women's Correctional Center in Ananindeua, Pará, appears in the documentary "Weaving Freedom".

As we also aim to multiply the co-op experience inside prisons throughout Brazil and Latin America, **we signed a partnership with the Prison Administration Secretary of the State of São Paulo, Lourival Gomes, and the criminal justice judge Sueli Armani.** Therefore, in partnership with the Executive branch and the Judiciary branch of the Taubaté region, **we will create co-ops inside prisons, which house well-known and dangerous inmates** such as Alexandre Nardoni, Elise Matsunaga, Suzane Von Richthofen and leaders of the PCC (acronym in Portuguese that freely translates as "First Command of the Capital") criminal faction.

Throughout the course of 2017, **the Humanitas360 team actively participated in the process of ideation and incubation of CIVI-CO, a shared workspace for civic-social entrepreneurs.** As CIVI-CO's team became larger and more structured, we pulled away from this project. CIVI-CO was inaugurated in November 2017 and houses Humanitas360's Brazil office and a number of other civic-social entrepreneurs' organizations. The space presents a very fertile ground for collaboration, innovation and multiplication of our social impact.

PROJECT SPOTLIGHT

WORKSHOPS AND COALITION FOR PRISON AND JUSTICE PARADIGM SHIFT

Although there is no war going on in the continent, Latin America is today the most violent region in the world, with the highest rate of murders worldwide. The principal cause of this violence is the increasing power of criminal factions, which is fed by the poor conditions of prisons, the incompetence of the criminal justice system, corruption among public servants and policies driven by the war on drugs.

The only way to revert this scenario is a major paradigm shift about crime, punishment and resocialization of ex-detainees. This shift involves a change in the general public's opinion about the topic, changes in legislation and in the professional conduct of judges, public prosecutors, commissioners, directors of prisons and prison guards.



Group activity discussion at the second workshop about Prison and Justice Paradigm Shift held at CIVI-CO in São Paulo, Brazil.

To achieve this ambitious goal, the Humanitas360 Institute is leading a design thinking process gathering the main researchers, NGOs, journalists and activists as well as ex-convicts and public servants of the prison system. The objective is to develop and implement an action plan to alter the law, public policies and society's current mindset in regard to prison and the Justice system, first in Brazil and later in other countries in the region.

Led by the Humanitas360 Institute, this coalition counts with the participation of members of social organizations such as the Institute for the Defense of the Right for Defense, the Ruth Cardoso Center, the Igarapé Institute, the Action for Peace Institute, the Gerando Falcões Institute, the Sou da Paz Institute and Espartanos Institute (from Argentina); researchers from the Center for Violence Studies at the University of São Paulo, the Center for Public Security Studies at the University Cândido Mendes in Rio de Janeiro and the Center of Social Psychology of the Pontifical Catholic University of São Paulo; public servants from the Justice Court of the State of São Paulo, from the City Hall of the city of São Paulo, from Community Council of the Court of Criminal Justice of Taubaté, from the Adriano Marrey Penitentiary (São Paulo) and from the Women's Correctional Center of Ananindeua (Belém do Pará, northern Brazil); former inmates, specialized journalists and public figures such as the former Brazilian Minister of Justice José Gregori and the physician Dráuzio Varella.

In 2017 we organized two co-creating workshops with this group. The workshops were preceded by individual preparatory meetings with each one of the invitees. The whole process is based on Theory U, a framework developed by MIT professor Otto Scharmer that helps to design and lead learning processes and collective creation. These activities generated a large volume of materials with concrete proposals, projects and ideas. After the workshops, H360 had individual calls or meetings with each participant, in order to consolidate the findings and conclusions.

In 2018 we will promote two co-creating workshops to finish the designing of a detailed strategy and set of tactics about the paradigm shift implementation - the first one will be in the end of March and the second one in the beginning of June.

The workshops and group activities that were carried out so far already defined the guidelines of the action plan for Brazil, which will serve as a pilot to be replicated in other countries. The following items of the plan are worth noting:

(A) an **advocacy process** to alter Drug Laws and Criminal Justice Laws;

(B) the creation of a **digital platform** to coordinate and leverage the projects of NGOs and universities as well as projects being carried out by volunteers in the prison system;

(C) the creation of **several communications campaigns** that would be launched in successive waves and directed towards different target audiences:

- one campaign that would be focused on the population's most conservative portion, showing them that the current mass incarceration is actually strengthening criminal factions;
- one campaign to mobilize and encourage volunteer work inside prisons - this campaign would be targeted at people that already possess a more progressive view on human rights;
- one campaign targeting the general public about how women are particularly affected by the contradictions of the prison system - this campaign would also take advantage of the current wave of feminists' movements;
- one campaign targeting the general public showing how the current criminal justice system is impacted by racial and social class prejudice, prolonging the negative effects of slavery;
- last, one campaign specifically targeting judges and public prosecutors, gathering all the arguments mentioned above but with a more direct and emotional appeal directed at them, who are central pieces in the criminal justice chain.

PROJECT SPOTLIGHT

THE AMERICAS CIVIC EMPOWERMENT INDEX

Developed in partnership with The Economist Intelligence Unit (EIU), the index is a full innovative approach that aims to evaluate the level of citizen participation in political processes and in civil society initiatives in six countries in the American continent:

- U.S
- Mexico
- Brazil
- Chile
- Guatemala
- Colombia



A view from Medellín with the "Metrocable" on the right, an innovative example of social urbanism and socially conscious development.

As an organization based in the U.S. and focused in Latin America, H360 decided, for this first edition of the index, to include the United States to serve as a reference country in which citizen participation in public spaces is at a more mature level. The other countries were selected based on a representative sample of the region, considering factors such as location, population size, demographic makeup, economic and political development, data availability and stage of economic/political development.

Venezuela will also be included in the research as part of a comparative analysis, although it will not be included in the full index due to obvious difficulties, especially regarding data availability.

While there is significant research and measurements in the area of civic engagement and citizen participation, there are no metrics that look at the holistic environment, on everything from the enabling environment for engagement to the actual outputs - or what we call Civic Empowerment. This Index seeks to be an instrument of reference in regard to the civic engagement landscape in the Americas.

Based on a framework initially designed by the EIU and H360 team, the index is being developed through qualitative and quantitative research of driving factors of citizen engagement and civic participation such as access to information and education, freedom of expression, safety and security.

The project started in September 2017 with the stages of research and analysis by specialists in the field. In November, a panel of experts from different countries conducted a major review of the index framework. Among the specialists were Miguel Paz (Poderopedia/Narcodata), Brian Winter (Americas Society/Council of the Americas and Americas Quarterly), Tiago Peixoto (World Bank), Angela Dannemann (Itaú Social), Nathalie Alvarado (Inter-American Development Bank), Lelia Mooney (United States Institute of Peace) and David Smolansky (Venezuelan politician).

Through an ample dissemination of the project by means of events, public relations initiatives and a social media campaign, the index aims to foster the debate about citizen engagement. The ultimate objective is to encourage citizen participation in political and social processes, thus contributing to the consolidation of democracy and rule of law throughout the region. The index will be officially launched in March 2018 at an event in São Paulo, Brazil. After that, H360 and the EIU plan to organize events in the U.S., Mexico, Chile, Guatemala and Colombia to encourage the dialogue about civic engagement and participation.

PROJECT SPOTLIGHT

“OPERATION CAR WASH”: MAPPING THE CORRUPTION NETWORK SPREAD ACROSS LATIN AMERICA

This project, developed in partnership with the Vortex Foundation from Colombia, is an experiment on “big data” with the compilation of all legal processes that originated from the “Operation Car Wash” investigation, which is being conducted by the Brazilian Federal Police and Federal Justice Court. The operation has proved the payment of billions of dollars in bribes, making it the biggest corruption scandal in history¹.



1. Between 2014 and 2017, the Operation Car Wash had 41 phases of investigation that proved the involvement of 250 companies, with special emphasis on the Norberto Odebrecht Construction Company and the state-owned oil company Petrobras, plus public servants, politicians and business executives, among other actors in 12 countries of Latin America and Africa.

Combined with modern tools of data visualization, the Vortex/H360 initiative reveals a complex transnational criminal structure. The digital platform, which can be accessed through the internet, connects more than 906 public and private agents in thousands of documented interactions that happened in different countries throughout the continent.

Brazilian authorities estimate that this political corruption scheme and money laundering unveiled by the Operation Car Wash have involved at least 9.5 billion dollars. Its impact outside of Brazil started when executive directors of Brazilian companies such as the construction company Odebrecht, the petrochemical company Braskem, and the state-owned oil company Petrobras acknowledged, through a leniency agreement with the Department of Justice of the United States, paying bribes of over 1 billion dollars in several countries. In parallel with that, due to agreements with the Justice Department of Brazil to reduce prison sentences, politicians and businessmen reported corruption crimes in several countries in Europe, Africa and the Americas.

Due to the technology developed by Vortex and specialized protocols, each interaction was analyzed in order to identify transacted resources, politicians and companies that were involved in the scheme, shedding a light into the different forms of criminal operations within the network. Currently, a book is being written, gathering the main discoveries by the Vortex and H360's teams.

The digital platform allows public prosecutors, journalists and other professionals to investigate the flow of financial resources and influence paddling that have already been documented in legal processes of the Operation Car Wash. The platform thus makes it possible to generate new connections and lines of investigation, which can strengthen criminal processes as well as news coverage about the topic.

Ultimately, this project foments transparency and good governance in public and private organizations throughout the Americas. The book will also allow that the general public to gain access to an innovative way of using data generated by legal processes, encouraging transparency and combating corruption. Moreover, public relations initiatives will be carried out in each country of the index to ensure impact.

The database and the digital platform are already finalized. The efforts to disseminate the project among the main media outlets of all of the countries that are involved in the research will start soon. The book is at the initial writing stage and should be completed this year.

HUMANITAS360 GOVERNANCE AND MANAGEMENT

Throughout 2017, we identified the need to develop our governance by implementing a methodology that could follow the organization's activities. For that, we selected the tool Balanced Scorecard (BSC)² as a management mechanism and a tool to track the organization's performance.

In this process, we structured our BSC in 13 business objectives divided in the following categories:

PERSPECTIVE	#	BUSINESS OBJECTIVES
<i>Finance</i>	1	To ensure the perpetuity and scalability of our mission through initiatives focused on the creation of partnerships, coalitions and volunteer work.
	2	To obtain external financing.
<i>Client</i>	3	To ensure the perpetuity and scalability of our mission through initiatives focused on the creation of partnerships, coalitions and volunteer work. ³
	4	To participate in qualified coalitions focused on mindset change in the following themes: (a) drug policy, (b) prison system reform, (c) governance and transparency.
	5	To consolidate H360's activity in São Paulo (Brazil) and Denver (Colorado) through collaborators, infrastructure and local programs (from 2018 on).
	6	To focus our work in the following countries (in this order): EUA (Denver), Brasil (SP), Colombia and Uruguay (beginning activities in 2018).
	7	To employ advocacy strategies to fulfill the organization's mission.
<i>Internal</i>	8	To improve permanently the organizational structure to reach our strategic objectives (team size, budget, methodologies, management).
	9	To develop an organizational culture that furthers harmonious relationships and personal development.
	10	To consolidate H360's activity in São Paulo (Brazil) and Denver (Colorado) through collaborators, infrastructure and local programs (from 2018 on).
	11	To focus our work in the following countries (in this order): EUA (Denver), Brasil (SP), Colombia and Uruguay (beginning activities in 2018).
<i>Lessons Learned</i>	12	To create coalitions focused on the following themes: (a) drug policy, (b) prison system reform, (c) governance and transparency.
	13	To develop an organizational culture that furthers harmonious relationships and personal development.

2. The Balanced Scorecard (BSC): is a measuring and management performance tool developed in 1992 by Harvard Business School (HBS) professors Robert Kaplan and David Norton. The steps in this methodology include defining the business strategy, business management, service management, and quality management. Those steps are implemented through performance metrics.

3. Please note that, in a Business Scorecard process, sometimes the same business objective appears under different dimensions of the organization.

Those business objectives are divided in 18 performance metrics with specific goals, plan and activities. While the tool is an important management resource, it has also contributed significantly and decisively in the process of developing our Vision and Mission, bringing clarity and direction to our efforts as we also consider our resources limitation.

The result of this work will be extremely useful for us to follow our performance as well as allow us to keep the organization accountable to our stakeholders for our results.



1881 16th St - Suite 500
Denver, CO EUA 80202

www.humanitas360.org
contact@humanitas360.org