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Capacity Building Fund Annual Report 2012

 International Federation
of Red Cross and Red Crescent Societies

MAA00011
27 June 2013

**This report covers the
period 01.01.2012 to
31.12.2012**

*First Aid training for China Red Cross
volunteers recruited as part of CBF support
to China Red Cross in Zhumadian
Prefecture, Hennan Province*



Programme summary

In facilitating the implementation of Strategy 2020 of the International Federation of Red Cross and Red Crescent societies (IFRC), a core focus is on building strong National Societies.¹ This is fundamental to enabling sustainable service delivery in meeting the needs of vulnerable people worldwide. The mission of the *Learning and organisational development* department is to stimulate new humanitarian and development thinking and help National Societies to change and grow. As part of this, the Capacity Building Fund (CBF) is a multi-year mechanism that provides technical and financial support to targeted National Society leaders in understanding their organisational challenges, and then planning and implementing self-development plans for growth.

Context

Over the years, the Red Cross Red Crescent Movement has provided a lot of OD and capacity building support to National Societies on numerous different projects, with many different approaches. Many National Societies now have revised statutes, trained staff and volunteers, more sophisticated management tools, facilities, improved skills and materials in organizational management, health, disaster management, social services, etc.

¹ “A strong National Society is one that is able to deliver country-wide, through a network of volunteer-based units, a relevant service to vulnerable people sustained for as long as needed”, Building strong National Societies: Our common endeavour – A comprehensive framework.

Unfortunately, these efforts are often not coordinated, unevenly distributed and have often not significantly contributed to strengthening National Societies as independent domestic organizations providing sustainable services to vulnerable people country-wide.

The decision taken by IFRC's Governing Board at its 2007 meeting in Addis Ababa to upgrade the CBF, was followed by the adoption of significant measures to utilise the fund more effectively³, towards a more strategic approach to OD support to National Societies. In addition, measures were taken to improve the fund's management as per recommendations of the external review published in 2006.

During the reporting period, a significant effort was put into internal review of the ICB approach, leading to the updated OD support modality as described below.

Click here to go directly to the financial report. *This should be a link to your validated financial report in EpiServer's back office. Create a hyperlink with the following url:*

<http://www.ifrc.org/docs/LTPF/Process/Development/Operational/Plans/2012/xxxxx.pdf>

For further guidance on the naming convention for the financial report, go to:

<https://fednet.ifrc.org/en/resources-and-services/ns-development/planning-and-evaluation/secretariat-long-term-planning-/>

Analysis of implementation

The Capacity building fund offers the following types of support:

- **Intensified capacity building:** Its aim is to enable National Societies to strengthen their capacity for sustainable service delivery to vulnerable people countrywide, through self-commitment, ownership and a holistic approach to National Society development. More specifically, focus is on building organizational capabilities, and on designing and implementing self-development plans needed to scale up countrywide service delivery. Assistance is provided through three-and-a-half year rounds of technical and financial support.
- **OD support:** Its aims are similar to those of ICB; however the emphasis on support provided through CBF OD support is on technical support to National Society planning and early-stage implementation. The intention is to encourage National Societies to develop high-quality plans which they can market to other potential sources of funding, with the possibility of early stage funding from the CBF to demonstrate proof of concept.
- **Urgent OD interventions:** IFRC makes available special, one-off small-scale and rapid response funding and technical support to help address organizational challenges and crisis situations such as integrity cases faced by National Societies. Urgent OD interventions have fast-track application procedures, and result in small disbursements of cash to zone offices to enable the handling of urgent cases.

Achievements

Intensified Capacity Building support

During the reporting period, 3 allocations were made through the ICB program:

- ICB 3rd round: Central African Red Cross (first year of implementation)
- ICB 3rd round: Montenegro Red Cross (third year of implementation)
- ICB 2nd round: Namibia Red Cross (third year of implementation)

Overall, **29 National Societies have so far benefitted from technical and financial support to prepare development plans**, as well as receiving recommendations and advice to improve those

plans (the National Societies of Benin, China, Comoros, El Salvador, The Former Yugoslav Republic of Macedonia, Morocco, Yemen, Zambia, Belarus, Brazil, Colombia, Kiribati, Malawi, Moldova, Namibia, Seychelles, Tajikistan, Cambodia, Central African Republic, Democratic Republic of the Congo, Ethiopia, Kyrgyzstan, Mongolia, Montenegro, Philippines, Liberia, Uzbekistan, Ghana and Burundi).

Among the 29 National Societies listed above:

- Two pilot projects in Ghana and the Burundi Red Cross Societies, as well as ICB projects in Macedonia, China and El Salvador have completed the implementation and show **significant impact and learning** (see examples in annex).
- **Seven others were selected for full support** (National Societies of Liberia, Yemen, Central African Republic, Colombia, Namibia, Seychelles, Montenegro), and benefit from technical and financial support for the implementation of the ICB plan over three years.

OD support:

As part of the reconceptualization of the Capacity Building Fund, a new round of support was developed and launched to all National Societies during the reporting period. Forty-seven National Societies applied and by the end of the reporting period nine African National Societies had been invited to a coaching workshop to be hosted by the Burundi Red Cross (a former recipient of CBF support) in early 2013, with decisions on applications from other regions of the world to be made in 2013.

Urgent OD interventions:

The Africa and Europe zone offices received funding to help address two urgent OD situations faced by National Societies (these are treated as confidential but general information that illustrate the type of activities can be provided upon request).

Partnerships

Thanks to contributions from the National Societies and/or governments of Canada, Great Britain, Finland, Japan, Netherlands and Sweden, together with contributions from the Federation reserves, CHF 8.8 million was fundraised since 2007, allowing the CBF to provide support to a total of 51 National Societies and 4 regional programs.

A feature of ICB support has been the expectation that National Societies receiving support be ready to document and share their experiences and learning with other National Societies. The learning and support provided by Ghana and Burundi Red Cross Societies during the reporting period is invaluable in inspiring sister National Societies.

Update on M&E events

During the reporting period an evaluation of the Ghana Red Cross OD pilot project was carried out, and similar evaluations were planned for the completed Macedonia and China Red Cross ICB projects to take place in 2013.

Case studies based on the OD pilot projects in Burundi and Ghana were produced and shared. In addition, learning from these pilot projects was incorporated into an updated version of the 2002 Design Test Duplicate methodology.

Key learning

1. Recent evidence from Ghana and Burundi pilot projects as well as the reports highlighted below demonstrate that targeted investment in National Society change processes can have significant impact on strengthening National Societies, and brings a clear added value compared to other kinds of support from various programs and Movement partners.
2. Overall, the CBF is very useful and relevant. But its impact has often been limited by lack of, irrelevant and conflicting support provided to National Societies for implementation by their different partners. There are still different mindsets and varying levels of understanding of National Society development within the wider Movement system.
3. The example of the success of the Burundi Red Cross, with significant CBF financial and technical input in developing a radically different and more effective organisational model has attracted attention from other National Societies, a number of whom have visited Bujumbura to learn from Burundi RC experiences. This role of the CBF in supporting poles of excellence to attract other NSs is important, and appears to be working well.
4. A particular danger of the ICB modality is that the commitment by IFRC to three years of funding to a certain extent replicated in some cases the project-dependency which is a feature of many external efforts to support National Society development. This led to some projects which may have been well-implemented, but which may not have been transformative for some National Societies.

In updating the CBF's ICB modality into the OD support modality, focus has been moved away from the CBF as provider of significant project funding to National Societies, with greater emphasis placed on the CBF as a broker of inspiration and learning between National Societies. In this new modality, emphasis is being placed on inspiring and supporting National Societies to develop good quality plans, and then on locating appropriate domestic and other sources of funding to implement these plans, with further technical advice from the CBF if desired. While this may involve initial financial investment to help get good plans up and running, the role of the CBF will be as lead investor rather than main funder.

Financial situation

The total 2012 budget was CHF 0.8m of which CHF 153,398 (19 per cent) was covered during the reporting period (excluding opening balance). Overall expenditure during the reporting period was CHF 581,378.

At the end of December 2012, 39 per cent of the fund's closing balance was earmarked for future expenses and grants to which the CBF is committed (i.e. multi-year projects approved between 2007 and 2010, management and evaluation costs till 2015). In view of the requirement to keep a minimum balance of CHF 1.5 million in the fund at all times, a total of CHF 1.1 million was available at the end of December 2011 for launching new grants in the sub-fund for Africa, and no funding was available in the sub-fund for the rest of the world. This will allow the launching of a new round of support for African NS in 2013 through an improved version of the CBF, but new contributions are needed for supporting NS elsewhere.

How we work

All IFRC assistance seeks to adhere to the [Code of Conduct for the International Red Cross and Red Crescent Movement and Non-Governmental Organizations](#) (NGO's) in Disaster Relief and the [Humanitarian Charter and Minimum Standards in Disaster Response \(Sphere\)](#) in delivering assistance to the most vulnerable.

The IFRC's vision is to inspire, encourage, facilitate and promote at all times all forms of humanitarian activities by National Societies, with a view to preventing and alleviating human suffering, and thereby contributing to the maintenance and promotion of human dignity and peace in the world.

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The IFRC's work is guided by Strategy 2020 which puts forward three strategic aims:

1. Save lives, protect livelihoods, and strengthen recovery from disaster and crises.
2. Enable healthy and safe living.
3. Promote social inclusion and a culture of nonviolence and peace.

Find out more on www.ifrc.org

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Annex – excerpts from National Society reports received in 2012

ICB – Liberia Red Cross (Year 1 of 3)

While not all outputs were met during the past year; nevertheless, the formal launching of the project in all LNRCS chapters, branches and communities of intervention, training of LNRCS staff and community volunteers to conduct baseline survey in targeted communities, governance-management leadership training workshop, and the setting up of local fund-raising committees in the ICB project beneficiary chapters, were some concrete achievements. The formal launching of the project laid the groundwork for its smooth implementation during the remaining two years.

Despite the significant gains made during the first year, time-taking to identify and recruit in-country consultant to facilitate the conduct of a baseline survey and produce a final report, LNRCS' involvement with contingency planning and volunteers training during the 2011 Liberia general presidential and legislative elections, and as well as the society's engagement with Ivorian refugees operations, were some of the key challenges faced which negatively impacted in the implementation of other planned activities during the period under-review.

ICB - Montenegro Red Cross (Year 3 of 3)

First half of the third year was mainly focused to the implementation of two specific objectives – development of human resources and communication improvement. Investments in these areas builds on what has already been done in the previous period.

With the procurement of new IT, local branches recognized importance of sharing information, meaning that feedback to the Headquarters of the National Society increased. This helped very much in positioning local branches within their respective communities, improving relations with the beneficiaries and local authorities.

There were a number of initiatives for cooperation at the local level, between local authorities, private and governmental institutions and Red Cross local branches. Local Red Cross branches significantly improved their cooperation with media, and their activities are regularly presented to the general public. Website enables recruitment of volunteers and interest from the media and other companies. Only in the first six months of this year, Montenegro Red Cross established cooperation with 21 companies in Montenegro.

Establishment of volunteers clubs leads to better organizational functioning of youth within the branches. Some preparation work has been made for the creation of the Policy for work with volunteers.

Different elements of capacity building in different areas will contribute to the covering of needs of the most vulnerable population in Montenegro on a larger scale. Increased number of trained volunteers, improved governance and management structure, better positioning in the respective communities, improved Red Cross image, are some of the benefits that National Society is already experiencing due to the implementation of ICB Plan.

ICB – El Salvador Red Cross (year 3 of 3)

The initiative to create groups of community volunteers responds to the need to develop an integrated approach to working for and with the most vulnerable communities. The aim is to train traditional volunteers, who then replicate the training process with community volunteers to achieve a multiplier effect. Once trained, the community volunteers implement activities aimed at strengthening community capacities to meet basic needs, including health, livelihood, water and sanitation, food and nutrition, security, protection and housing.

The aim is to encourage people to assist the most vulnerable in their own community. The project is an effective tool which has been used to set up community units and train community volunteers who contribute to implementing the principles of the International Red Cross and Red Crescent Movement and the mission of the Salvadorean Red Cross Society.

ICB – China (year 3 of 3)

According to the 2011 year plan of ICB program, the time between July 2011 and June 2012 was the third program year of the ICB pilot implementation in the city. Bearing the ICB program goal and five specific objectives in mind, our RC teams actively summarized and explored into the promotion of "1+x" mode experience with the leadership of the municipal government and under the guidance of the Project Office of China Red Cross Association and the provincial Red Cross. Taking the organizational building, capacity-building, fund-raising, and relief volunteer work as the main thread, we conducted a series of work to further enhance our capacity in improving the living circumstance of the vulnerable people.

Further improvement of the volunteer management system and expansion in volunteer numbers. The city acquired more than 10,000 new volunteers and more than 30 new volunteer service teams. We were also equipped with emergency rescue volunteer service teams and got involved in the 6.14 blood donation performance. We carried out voluntary services like fund-raising, assistance, health care for over 160 times, benefiting more than 5,000 vulnerable people, which added forces to the progressive realization of regular volunteer service in the community.

Development and implementation of "1+X" mode in the city presented by fund-raising activity "Love in the Day". It collected a total of 4.22 million RMB, 2.76 million from 2011 and 1.46 million from 2012. Until now, more than 3,200 individuals from poor families, outstanding poor students, advanced people in difficulties and other vulnerable people had benefited from the activity. Direct drinking fountains and type-B ultrasonic machines that value over 3.5 million were raised for the benefit of about 30,000 people.

ICB – Colombia (year 2 of 3)

The following list outlines the most significant results recorded in year two of the implementation of the ICB Plan.

- Procedures for capital expenditure, bank reconciliation, control, loans, committees, etc. were included in the administrative and financial procedures manual to improve the coverage of National Society (NS) management and traceability.
- The Atlántico branch received support to develop its operational action plan and form the focal team for strategic planning.
- From March to early June, a corporate risk course was given for paid staff from departments responsible for humanitarian activities and executive officers, with a view to identifying, measuring, evaluating and controlling risk at the corporate and management level to safeguard the sustainability of the NS.
- A call for offers was made and the company ISOLUCIONES LTDA selected as the provider of consultancy services for the implementation of a quality management system, with a view to "designing and implementing the process-based management system for the national directorates at CRC headquarters".
- The document *Coaching to support local management* was produced to serve as a regulatory instrument for the strategy to strengthen certain priority branches in charge of the coaching areas established, enabling them to achieve a greater impact. The document also provides templates for preparing action plans, budgets, initial assessments and mid-term and annual reports, which will come into use in May of this year.

- Following an analysis of the importance of narrowing the digital divide, the company Informática y Gestión S.A. was commissioned to assess requirements and plan and implement the project to establish an Integrated Information System. This involved establishing parameters and implementing standards at the national level to improve connectivity and the automation of financial processes and transactions, with a view to improving the National Society's networking structure. The system comprises five main modules: E-health, Synergy, Competency, Payroll and Siigo.net (for reporting).