International Federation of the Red Cross (IFRC)

Multilateral Aid Review (MAR) Update 2013 progress rating:

MAR 2011: *Good Value for Money for UK Aid*

### Progress assessment

| Summary | Commitment to improve the capacity of National Societies, widen partnerships, including with private sector and improve financial management. Mixed progress in developing countries. |

#### Baseline

IFRC is a global humanitarian network that carries out relief operations to assist victims of disasters, and combines this with development work to strengthen the capacities of its 187 National Societies.

The MAR highlighted several strengths:
- Scale and reach of the organisation means that it is a critical humanitarian actor and it is often the first to respond to humanitarian emergencies on the ground.
- IFRC has a clear gender policy and promotes gender policies within National Societies.
- IFRC operates cost effectiveness: striving for cost control in its logistics and decentralising process.
- IFRC has a clear mandate, strategy and effective governing body.

The MAR also highlighted several weaknesses:
- The capacity of National Societies is variable.
- Despite some improvements, performance management is not yet sufficiently embedded in
- Strong financial reporting and systems are in place at secretariat level, but country level systems are more limited.
- There is no formal mechanism that allows donors and partner governments to collectively hold IFRC to account.

DFID’s reform priorities for the MAR Update were:
- leadership and capacity of National Societies and performance and financial management in developing countries – assessed under strategic and performance management and financial resources management;
- partnerships outside the Red Cross Movement – assessed under partnership behaviour;
- Accountability through, for example, establishing a donor support mechanism – assessed under transparency and accountability.

#### Summary of overall progress

IFRC is addressing the MAR reform priorities to varying degrees. Key accomplishments to date include:
- Steps to improve the performance of National Societies by developing strategic plans and increased resources focussing on planning, monitoring and evaluation;
- Innovative ideas to save money, for example reducing the average monthly cost of
renting a vehicle (by NS) by more than 30%;
- Accountability to donors improved following the establishment of a Donor Advisory Group.

Challenges remain and the pace of reform and uptake appears slow:
- New initiatives to understand and address the capacity constraints of National Societies (Organisational Capacity Assessment and Certification process) have yet to have traction across the organisation.
- Implementation of the Federation-Wide Reporting System is low, which limits IFRC’s ability to measure results and improve performance.
- IFRC needs to exert more influence over NS to curb poorly performing projects and to capacity build NS to recognise and address these issues themselves.

### Progress against reform priorities

<table>
<thead>
<tr>
<th>MAR reform component</th>
<th>MAR 2011 score</th>
<th>Progress rating</th>
<th>MAR Update score, if any change</th>
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<tbody>
<tr>
<td><strong>Strategic and performance management</strong></td>
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<tr>
<td>New policies and systems are in place, with a focus on performance management. However, the full impact of changes are not yet realised at field level.</td>
<td>2</td>
<td>Reasonable progress</td>
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<td><strong>Financial resources management</strong></td>
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<tr>
<td>There have been some positive steps but more is to be done to curb poorly performing projects and to build capacity – a priority in order to deliver results in future years.</td>
<td>2</td>
<td>Some progress</td>
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<td><strong>Partnership behaviour</strong></td>
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<td>There are established private sector partnerships and clusters at the global level, improved joint working with agencies outside the Red Cross movement.</td>
<td>3</td>
<td>Reasonable progress</td>
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<tr>
<td><strong>Transparency and accountability</strong></td>
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<tr>
<td>Ability to effect change at NS level still has some way to go. More work is needed on holding NS and IFRC to account by stakeholders.</td>
<td>2</td>
<td>Little or no progress</td>
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