

Appeal 2001-2002

 International Federation
of Red Cross and Red Crescent Societies

CAPACITY BUILDING FUND

(Appeal 01.73/2001)

Click on figure to go to budget

In CHF

Capacity Building Fund

4,000,000

Background and progress to date

The Capacity Building Fund (CBF) was established in May 2000. Its origins stem from the Development Fund which was established in 1990 with a capital base of CHF 1 million and allowed the Federation Secretariat to grant small scale funds up to the mid-1990s for initial programme design or the start up of projects of an exploratory nature. Two evaluations of the Development Fund were carried out in 1995 and 1997. These noted that the small size of the grants limited the capacity building impact of the assistance provided. Thus the approach recommended was to attract larger non-earmarked contributions from National Societies, governments and other potential donors on an annual basis. Grants should be allocated for larger and longer-term capacity building programmes contained within the Federation's country and regional assistance strategies.

The funding of national society development activities within the Federation has traditionally been almost exclusively on an earmarked project basis. The major part of this support, totaling some CHF 60 million per year, has been provided on a bilateral basis by participating National Societies. During the 1990's, some PNS have included wider capacity building components in their project designs, but few have taken a holistic approach to addressing the overall development needs of National Societies concerned.

The overall result of this pattern of funding is that some Societies have received relatively large amounts of project support, but support often lacking a broader strategic direction, whilst a significant number of National Societies receive little or no external assistance to help them address their critical needs. As well, there has been little if any financing to allow the Federation Secretariat to bring its own value-added contributions to bear on capacity building opportunities in National Societies.

With the Development Fund evaluation recommendations supported by the Federation's Development Commission and a group of national society and government donors, the Federation's Governing Board established the new Capacity Building Fund in May 2000. This replaced the former Development and Youth Funds, which had a combined capital sum of CHF 1.5 million. The Youth Fund had been amalgamated with the Development Fund in 1997 as it was not able to attract sufficient funding to operate independently in pursuit of its aim to finance Red Cross/Red Crescent youth projects.

An internal Federation committee, comprising cross-divisional Secretariat staff, has been established by the secretary-general to oversee the operation of the Fund and select programmes for funding. The secretary general has also requested the Tripartite Advisory Group (TAG) to advise and guide him on the management and resource mobilization strategy of the Fund and to build donor confidence in its functioning. This group, made up representatives from four National Societies and governments, has been overseeing the Tripartite pilot project since 1997 and supporting the Federation's general capacity building policy development. The group may be expanded in the future.

As a result of fundraising efforts, a total of CHF 2,2 million has been donated to the CBF during 2000. The first allocation of funding provided in 2000 supports 9 programmes totaling CHF 750,000.

Goal The goal of the Capacity Building Fund (CBF) is to enable the Federation Secretariat to support innovation in national society capacity building through assistance with new programme design and the financing of priority planned programmes that do not attract adequate earmarked funding from donors.

Objectives and Activities planned

Objective 1 To ensure resource mobilization for the Capacity Building Fund in order to build an annual income level of CHF 10 million by 2003. Activities to include this are:

- promoting the CBF amongst new donors;
- further developing the policy and strategic orientation of the Fund;
- providing half-yearly narrative and financial reports to donors on all programmes supported by the Fund.

Objective 1 To ensure effective management of the Fund so that it has a demonstrable impact in building the capacity of Societies supported. Activities to include this are:

- monitoring the implementation of ongoing CBF supported programmes;
- approving new grants on the basis of agreed capacity building criteria ;
- working with the TAG to review the impact of CBF supported programmes and draw out lessons learnt for wider application.

Expected results

- Increased volumes of funding for priority capacity building activities in National Societies that have not attracted funding from other sources.
- An increased number of National Societies and governments participating in the CBF.
- Improved performance in programme planning and implementation by National Societies benefiting from CBF grants.

Indicators

- Number and value of national society capacity building programmes supported annually by the CBF;
- Overall annual funding level for the Federation's NS capacity building activities;
- Conclusions from individual evaluations of impact on improving national society performance;
- Number of National Societies and government agencies contributing annually to the CBF and the value of their contributions.

Monitoring and Evaluation arrangements

Monitoring of this programme will be carried out in the following ways:

- through reports received on the implementation of the programmes;
- through the biannual meetings of the TAG.

Evaluation of this programme will be carried out at the end five years to review the longer-term impact of the new CBF on resource mobilisation and on national society capacity-building programmes.

Critical assumptions

- PNS and government donors assess the Federation as an effective and valued institution to support for the purpose of achieving common shared objectives of local capacity building and the strengthening of civil society;
- PNS engaged in direct bilateral assistance cooperate with the Federation to ensure an overall coherence in their respective activities;
- The Federation develops and maintains the confidence of donors in its ability to manage effectively resources in a manner, which meets donors' accountability requirements.

[return to top](#)

Appeal 2001	
C. B. FUND	
PROGRAMME	TOTAL
Other relief supplies	4,000,000
Total budget	4,000,000