

PROGRAMME UPDATE



International Federation of Red Cross and Red Crescent Societies
Fédération internationale des Sociétés de la Croix-Rouge et du Croissant-Rouge
Federación Internacional de Sociedades de la Cruz Roja y de la Media Luna Roja
الاتحاد الدولي لجمعيات الصليب الأحمر والهلال الأحمر

CAPE VERDE

05 August 2003

Appeal no. 01.36/2003; Appeal target: CHF 107,081 (USD 73,473 or EUR 72,804)

Programme Update No. 1

Period covered: January to July 2003

The Federation's mission is to improve the lives of vulnerable people by mobilizing the power of humanity. It is the world's largest humanitarian organization and its millions of volunteers are active in over 180 countries.

For more information: www.ifrc.org

In Brief

Appeal coverage: 105.3%; please refer to the Contributions List for this appeal on the Federation's website.

Outstanding needs: no outstanding needs.

Related Emergency or Annual Appeals: none.

Programme Summary: Satisfactory progress has been made within the finance development programme which has re-enforced the national society's financial management systems. Work will continue throughout the rest of 2003 to meet all programme objectives, allowing the Red Cross of Cape Verde to reach a strong level of management of its resources and financial systems. The weaknesses which previously hampered the national society's progress are gradually being surmounted. No progress report was received for the food security programme.

Operational developments

One of the sub-regions top priorities is to provide technical assistance in the area of resource development. As the regional focal point for technical assistance, the Secretary General of the Red Cross of Cape Verde (RCCV) participated in the second meeting of the Sahel regional working group in Dakar in March 2003. The Federation regional finance and resource development (RFRD) delegate visited the RCCV in June 2003 as a follow-up mission on work initiated in 2002. (See details below under organisational development programme). The RCCV participated in May 2003 in the Lusophone National Red Cross Societies meeting in Maputo, Mozambique. Topics included immigration, self-sufficiency, impact of HIV/AIDS in national societies and ARCHI 2010. The group will meet again in Portugal at the end of the year to develop action plans related to disaster preparedness programmes to be supported by the Portuguese Red Cross Society. The RCCV Programme Officer was trained on the Federation Project Planning Process (PPP) in Yaoundé, Cameroon in May 2003, to help strengthen problem analysis and planning abilities.

The 2003 operating budget of the RCCV is approximately CHF 914,000. In terms of income, the RCCV receives funding from national lotteries and also benefits from an investment portfolio. External funding comes from other Red Cross/Red Crescent National Societies, the ICRC, and other donors such as the U.S. Government. In addition to this, the RCCV wanted to diversify its resource base by reaching the expatriate community and Cape Verdians in the USA, and by increasing profitability of less productive gaming activities. This year, Santa Casa of Misericordia Association, which supports the RCCV in its activities related to the national lottery, is supporting the RCCV with new equipment introduced for its "Totoloto" (lottery) and "Joker" games. As well, a mineral spring was donated by the first RCCV president; contacts with local companies are being established to define how to best utilise this donation. These ventures will likely boost the income generating initiative of the RCCV. As part of its funds-

sourcing initiatives, the RCCV has purchased two houses in Sal island intended for hiring out to tourists as an income-generating activity.

Disaster Management

Goal: The Federation's "Characteristics of a Well-Prepared National Society" has become a reference working document for Disaster Preparedness and Response personnel of different national societies.

Objective: Vulnerable communities develop disaster prevention and preparedness mechanisms mainly through small-scale projects relating to food security.

Expected Result

The capacity of the targeted communities is built when they are made to realize that they are the major actors in preventing food insecurity after a disaster.

- Using their strong network of volunteers, regional committees have assisted vulnerable communities in setting up small scale projects;
- Community associations are created by the population to manage their projects with autonomy;
- Members of civil society become resource persons to other communities;
- A part of the food produced is offered to the more vulnerable group;
- Regional committees establish business partnerships with economic operators in the region;
- Visibility for the national society is enhanced within the government and within the community;
- Other partners are interested in financing food security projects;
- The population is more informed on the principles and ideals of the International Red Cross and Red Crescent Movement;
- New members and volunteers have joined the national society;
- The staff and volunteers of the regional committees have received training on carrying out emergency activities with the technical assistance of the Regional Response Team;

Progress/Achievements:

First Aid training forms part of the Disaster Preparedness programme of the RCCV. As part of the Federation's regional disaster preparedness programme, a RCCV participant attended a workshop in 1999; the workshop focused on basic skills, and the use of the internet to access and interpret information provided by early warning systems. The skills acquired during the workshop proved useful for the disaster management programme of the RCCV.

The RCCV prepared a plan of action to be effectively involved in food security monitoring in concert with the government. With financial assistance from the Federation, the RCCV is developing small-scale food security projects in high risk communities; however, due to difficulties in communication, a report on this project was not received during this reporting period.

Organisational Development

Goal: The Red Cross of Cape Verde is a well-functioning national society.

Objective: Financial management and resource development capacities of the Red Cross of Cape Verde are strengthened.

Expected Results

Sound financial management systems and procedures are developed and resource development capacities are coordinated and planned.

- Accounting and budgeting software is installed;
- Budgets are consolidated and chart of accounts revised and completed;
- Finance management staff involved in preparation and budget control, as well as financial reporting;
- Rules and procedures are introduced with a finance procedures manual fully respected by RCCV staff;

- Professional skills of finance staff are improved through training;
- By the end of 2003, one national resource development committee is organized in each national society (composition and terms of reference approved); and,
- By the end of 2003, one resource development plan is developed (operational plan with measurable objectives and defined responsibilities) within overall goals development plan of each national society.

Progress/Achievements

Revenue-generating activities require updating and expanding current financial accounting systems for better management. During 2002, the RFRD delegate developed a precise financial management picture of the RCCV. Systems, practices and procedures were reviewed and recommendations formulated regarding characteristics of a well-functioning national society. Different support options were reviewed to assist the RCCV. Unlike some other national societies in the region, RCCV has adequate human and technical resources in its finance department. The RFRD delegate proposed to work on strengthening and updating the accounts management package. The RFRD delegate recommended the selection, purchase and the installation of a professional management software package; this process is completed. As well, management procedures have been strengthened with the introduction of a financial and procedural manual.

1. Accounting and budgeting software is installed

The finance development project aims to modernize and introduce new management tools used within the Finance Department to replace the inadequate software being used. The RCCV maintains their data, but their system set-up often requires re-initializing and the intervention of a technician. The RCCV does not have a maintenance contract for this software which has become obsolete in the local market; no company in Praia could provide the necessary expertise.

The accounts package called INPAC was installed under DOS system in 1995 on the recommendation of local consultants from an internationally-based firm which conducts the external audits of the RCCV. The RFRD delegate expressed her concern about the lack of a backup system. Now, a UPS has been installed and an engraver CD purchased for documenting all accounting procedures within the finance department.

In collaboration with the RCCV Chief Accountant, the RFRD delegate reviewed the local market to have an idea of the tools available and services suggested by software suppliers. Of the two most-quoted accounting software packages on the local market, one was chosen for its adaptation to lusophone countries and because it is the most commonly used by the large companies of Praia. The software includes the traditional modules of general ledger, cash manager, sales and receivables, purchases and payables, inventory and financial statements. The management of fixed assets is an additional module in the package.

2. Budgets are consolidated and chart of accounts revised and completed.

Last year, the RCCV and RFRD delegate expressed concern regarding the national society's three separate accounting systems: one specific to the Lottery games, one specific to programmes, and a third specific to RCCV management. Now, the new software will allow the RCCV to consolidate the different budgets and harmonize accounting codes.

3. Finance management staff involved in preparation and budget control, as well as financial reporting

The Chief Accountant is already involved in budget preparation, control and financial reporting. New software will be installed in a networking framework on the three computers of the accountants. This installation into multiposts will result in greater versatility and better task sharing.

4. Rules and procedures are introduced with finance procedures manual fully respected by national society staff.

An Administration and Financial Management Manual will be introduced this year (2003). The RCCV is reviewing a draft version of the Mozambique Red Cross Society manual and has been offered other examples by the RFRD delegate. The RCCV external auditors will be involved in the implementation of the contents of this manual as their

knowledge of the national society is certainly an asset. The duration and cost of this technical assistance will be integrated within a Cooperation Agreement Strategy between the Federation and the RCCV. The installation of the new software will enable the RCCV to conduct a fixed asset inventory; to date, there is no register of fixed assets.

5-Professional skills of finance staff are improved through training.

The finance development process requires training sessions for finance staff while the new software is installed, at the very least for the first financial year.

Impact

The RCCV has achieved many of the objectives it set for itself under the finance development programme, and is well on the road to strong financial management. For the first time ever, the RCCV is able to manage three previously separate financial systems and accounts in an integrated manner. By the end of 2003, the RCCV should have achieved all of its goals under this programme.

Constraints

- Progress has been slower than originally expected.
- Communications with the RCCV are logistically difficult.
- There are frequent power failures.

For further information please contact:

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All International Federation assistance seeks to adhere to the Code of Conduct and is committed to the Humanitarian Charter and Minimum Standards in Disaster Response (SPHERE Project) in delivering assistance to the most vulnerable.

For support to or for further information concerning Federation programmes or operations in this or other countries, please access the Federation website at <http://www.ifrc.org>

APPEAL No. 01.36/2003

PLEDGES RECEIVED

04/08/03

DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
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CASH

						TOTAL COVERAGE
REQUESTED IN APPEAL CHF ----->				107,082		105.3%
CASH CARRIED FORWARD						
BRITISH - GOVT/DFID (04)				57,000	24.02.03	FOOD SECURITY
DANISH - RC		109,740	DKK	22,771	10.07.03	REGIONAL FINANCE SYSTEM CAPE VERDE
IRISH - GOVT				25,431	28.04.03	ORGANISATIONAL DEVELOPMENT/FINANCE
SUB/TOTAL RECEIVED IN CASH				105,202	CHF	98.2%

KIND AND SERVICES (INCLUDING PERSONNEL)

DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
FRANCE	DELEGATE(S)			7,556		
SUB/TOTAL RECEIVED IN KIND/SERVICES				7,556	CHF	7.1%

ADDITIONAL TO APPEAL BUDGET

DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
SUB/TOTAL RECEIVED						
				0	CHF	