

ANNUAL REPORT



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

GEORGIA

22 April 2004

In Brief

Appeal No. 01.79/2003

Target: CHF 383,957 (USD 300,000/ EUR 245,000)

Coverage: 40.9% ([Click here to go directly to the Financial Report](#))

Appeal 2004: Georgia No. 01.78/2004 (click below)

http://www.ifrc.org/cgi/pdf_appeals.pl?annual04/017804.pdf

This document reports on and analyses achievements within the International Federation's 2003 annual appeal for Georgia. The activities supported by this appeal fell within the Federation's longer-term support strategy for Georgia. This is continuing in 2004 and is being supported by Appeal 01.78/2004 (see above).

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Overall analysis

It has been almost a year since the Federation re-engaged in Georgia and launched an operation to support the Georgian Red Cross in re-establishing its basic institutional capacities. The re-engagement was based on the results of an assessment, conducted by the Federation in cooperation with the International Committee of the Red Cross (ICRC), in September-October 2002 after a relative stability had been established in the leadership of the national society.

The history of the Federation and Georgian Red Cross cooperation is extensive. The Federation has been assisting the Georgian Red Cross to reduce vulnerability in the country since 1992, mainly in relief with an increasing emphasis on development and capacity building. In 2001, however, due to uncertainty over the leadership of the national society, the Federation's presence in Georgia was reduced. It maintained a small office, to ensure liaison between the Federation and the Georgian Red Cross, international organizations, and Georgian authorities. In early 2002, the new president of the Georgian Red Cross was confirmed. A new presidium was elected, and new senior staff members were appointed.

The 2003 programme envisaged a comprehensive framework of activities to help the Red Cross reinvigorate its structures, systems and mechanisms, which had come to a complete halt. The programme was based on the plan of action, agreed with the national society, the ICRC and Government of Georgia, and cemented by a memorandum of understanding between the Georgian Red Cross and the Federation in April 2003.

The task was challenging. However, remarkable progress has been made in strengthening institutional capacities of the Red Cross in just one year. The leadership of the National Society is committed to change. It has a basic

understanding of the Red Cross Red Crescent Movement, its mandate and the Fundamental Principles. The national society staff believe in their capacities to change. They are enthusiastic and keen to become a well functioning national society; and there is a clear understanding in the Red Cross that the effective way to improve lives is through strengthening local communities.

The road, however, was not always smooth. A number of problems have also been surfaced that remain to be addressed.

The Federation's re-engagement in Georgia paved the way for a new phase in the life of the national society, offering it an opportunity to play an important role in alleviating suffering and improving lives of people in this poor country.

The situation in Georgia is perhaps the most critical in its post-soviet history. Late 2003 witnessed dramatic political changes. Massive street demonstrations following the November parliamentary elections, led to the resignation of the president. On 4 January 2004 an extraordinary presidential election was held and an opposition leader, a 36-year-old US trained lawyer, won a landslide victory.

These extraordinary events are interpreted by many as the beginning of a new era. Georgians have high expectations of the new leader, who was elected after a decade of corruption, deepening poverty and separatist tensions, all of which remain.

Challenges are immense. The collapsed social network, high unemployment, widespread poverty, permanent deficit of the state budget, internal and external political instability aggravated by unresolved status of the breakaway regions of Abkhazia and South Osetia, the plight of more than 300,000 internally displaced persons are all major problems. Humanitarian needs remain great for a large portion of the population, including destitute lone elderly people, surviving on 14 Lari a month, equivalent of 7 US dollars. The new president committed to combat corruption, revive economy and cement democratic reforms.

Response to the Federation's appeal 2003 was low. The main donors were the Austrian Red Cross and the Federation's Capacity Building Fund. Their contributions covered the minimum costs of the programme and enabled some planned activities. To ensure successful continuation of the national society rehabilitation and capacity building however, more funds will be required. Partners are urged to take into consideration new positive development in the country. Democratic reforms in the country, it is believed, will ultimately have an impact on the work of the national society too, as one of the oldest and traditionally respected organisations. Partner national societies are requested to be more generous and help their colleagues at the Georgian Red Cross in assisting the most vulnerable people in this difficult transitional period. These ongoing needs and the Federation's unique role in supporting people in Georgia via their national society means that engagement will continue in 2004 and a Federation appeal for international assistance has been issued.

Health and Disaster Response at Community Level

Goal: Vulnerability of people affected by the socio-economic crisis is reduced through community involvement facilitated by well-functioning branches of the Georgian Red Cross Society.

Objective: Selected branches of the Georgian Red Cross will have the capacity to facilitate appropriate service delivery to the most vulnerable people in health and disaster response by involving the community.

Achievements: The immediate priorities for the Federation assistance included strengthening the national society capacities at the headquarters level so that it can provide effective support to the branches. This was achieved through:

- enhancing the knowledge and understanding of Red Cross Red Crescent Movement, Fundamental Principles and mandate among the new leadership and senior management staff of the National Society;
- establishing a clear understanding of roles and responsibilities of management and governance functions in line with the provisions of the Georgian Red Cross Statutes;

- developing a national society mission statement, identifying national society priorities and initiating a strategic planning process; and
- consolidating the Georgian Red Cross legal base.

The focus in 2003 was on the national society headquarters. It was believed that a strong headquarters would ensure the unity of the Red Cross in the country and the ability of branches to implement effective and relevant programmes.

To enhance the knowledge and understanding of the Red Cross Red Crescent Movement, its Fundamental Principles and mandate, the Federation conducted a workshop for 19 members of the Georgian Red Cross governance and management, including President, Vice-President and the Secretary General. The training materials were translated into Georgian and distributed to the participants. To enhance the training skills of the national society, some of the staff members had been involved and trained in the preparation for the workshop. They also acted as co-facilitators and have developed skills to conduct similar training for Red Cross staff in the regions.



Georgian Red Cross staff discuss the characteristics of a well-functioning national society

To establish a clear understanding of roles and responsibilities of management and governance functions in line with the provisions of the Georgian Red Cross Statutes, the national society set up a working group consisting of members of governance and management. The working group reviewed how the roles and responsibilities are divided and developed recommendations to improve the system. Also, a new structure of the Georgian Red Cross headquarters was developed, which together with the recommendations was submitted to the presidium of the Society and approved

in July 2003.

Key positions at the headquarters were posted internally and new senior management staff were appointed too.

The national society developed its mission statement and vision through internal consultations. Its mission is ‘to assist vulnerable people in coping with the effects of emergencies and socio-economic crisis by mobilizing the power of humanity and ensuring appropriate means and services to protect human life and dignity’.

The vision outlines what its foundation, capacity and performance should be to fulfil the mission. The Georgian Red Cross strives to be ‘a strong and well-functioning National Society, responsive to and focused on the vulnerable, with efficient services in line with international standards and promoting an environment free from poverty, violence and prejudice’.

To achieve its mission and vision, the Red Cross developed strategic priorities and objectives, which are to:

- Develop effective disaster preparedness and response mechanisms;
- Ensure health care and social welfare for the most vulnerable groups of the population;
- Promote the Red Cross’ Movement’s Fundamental Principles, International Humanitarian Law and humanitarian values, and
- Build a strong organisation with ability to assist people in need.

The strategic priorities were reviewed by the presidium and adopted by the General Assembly in August 2003.

In parallel, supported by the Federation, the Red Cross initiated a strategic planning process with the involvement of members of various working groups. Based on the agreed priorities and in line with the Federation's Strategy 2010 as well as the Strategy of the Movement, a two-year strategic plan was drafted and sent to the branches for comments. The plan is expected to be adopted by the next General Assembly in the beginning of 2004.

The Red Cross has also initiated the revision of its statutes. The statutes are reviewed in conformity with the Federation's global Guidance for National Society Statutes following an internal, participatory process engaging Federation and ICRC technical and legal expertise and assistance. The improvement of the current statutes is being done in two phases. The first phase undertook amendments to the existing Statutes providing clearer definitions for Red Cross governance and management functions, eliminating discrepancies and inconsistencies between different articles and ensuring the compliance of the Statutes with the country legislation, as well as the Federation's minimum requirements.

In August 2003, a revised statutes was sent to the ICRC – Federation joint commission for comments. Discussion with ICRC and Federation legal experts continues. This is a significant step in the change management process initiated by the national society, which aims to deliver clear, unified and measurable outcomes in the overall management and programme capacity building within the Georgian Red Cross.

The second phase of the process envisages a more comprehensive review of the statutes based on the structure, mission and vision of the national society, as well as its strategic directions. This will be a priority in 2004.

The programme was regularly monitored by the Federation and ICRC through their country delegations. Tripartite meetings between the national society, Federation and ICRC were held regularly to discuss the dynamics of the process, achievements and constraints. Monthly progress reports, both financial and narrative, were provided by the national society working groups. Federation delegation closely followed the overall implementation of the plan of action, analyzing findings and facilitating the process. Reports were shared with all stakeholders including the ICRC, Georgian government and representatives of international donor community.



New national society staff enhance their understanding of Red Cross Red Crescent principles at a Federation workshop

Impact: It is difficult to assess the impact at this stage, as the project is in its early phase of implementation. It is obvious, however, that in the short time available considerable progress was made. The management of the national society has a better understanding of the Movement, which helped the organisation be effective in identifying its strategic priorities and direction, as well as its mission and vision. It is committed to change. The work has lifted self-confidence and dedication in staff. They have become more proactive and keen to work closely with local communities.

In mid October 2003, an independent evaluation was initiated and carried out by the Federation to study the situation, measure progress and develop recommendations for the Federation on its future actions. Partner national societies were invited to conduct the evaluation. Representatives of the American and Norwegian Red

Crosses responded and spent one week in Georgia meeting various people and analyzing the situation as well as the progress made since the launch of the Federation programme earlier in the year. Based on its findings, the team recommended continuing the engagement with the Georgian Red Cross. While supporting capacity building, the team recommended concentrating on the work at the community level to help branches address humanitarian needs in their regions.

Constraints: The implementation of the first phase of the programme, aimed at strengthening capacity at the headquarters level, took longer time than was anticipated. The work was interrupted by instability in the Red Cross leadership triggered by disagreements between its governance and management in the second half of the year. This resulted in the resignation of six members of the Presidium, departure of a secretary general and a vice-president following an extraordinary General Assembly. An acting vice-president was then appointed breaching the statutory requirements and procedures. Legitimacy of the decisions made by the General Assembly became a subject of a court hearing.

Such instances not only affect the work of the organisation, but also undermine the relationship between the centre and branch. Recent political developments in the country too will most probably have impact on the Red Cross.

Another constraint has been a lack of understanding among senior management of the change process. Some members of the current leadership favour solely relief operations and consider the organisational development, supported by the Federation, a formality that needs to be fulfilled to obtain immediate access to international funding. Such understanding finds its roots in the history of the Federation support strategy in Georgia over the last years predominated by large relief operations.

Lack of experience and knowledge, combined with inability to set priorities based on honest assessment of its capacities, complicated the strategic planning process.

There are a number of issues that need to be addressed including the status of Red Cross branches vis-à-vis the national society statutes and the national legislation, effectiveness and transparency of the national society financial management system, as well as its relations with the government.

Although uncertainties remain, the programme achievements constitute a solid basis for the continuation of the work to help the national society strengthen its organisational structure. Both the national society and the Federation are committed to launch the participatory community development programme in target branches, as described in the appeal 2004.

The Georgian Red Cross, supported by the Federation and ICRC, has drafted a detailed plan to conduct a branch assessment and select the most vulnerable communities to initiate small projects. Work will be concentrated in the priority areas of disaster response and health through participatory community development. The start of needs based projects in regions will not only strengthen the link between the national society, communities and other humanitarian actors, but it will also create a simple, clear and visible opportunity to boost the image of the Georgian Red Cross, wounded by the events of the last two years.

The plan will be finalized in consultation with the Federation in January 2004 and will mark the launch of the second phase of the Federation's re-engagement with the Georgian Red Cross.

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>

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INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES

Interim report	
Annual report	X
Final report	

Appeal No & title: 01.79/2003 Georgia
Period: year 2003
Project(s): PGE162, 501
Currency: CHF

I - CONSOLIDATED RESPONSE TO APPEAL

FUNDING	CASH		KIND & SERVICES		TOTAL INCOME
	Contributions	Comments	Goods/Services	Personnel	
Appeal budget	383,957				
less Cash brought forward	30,072				
TOTAL ASSISTANCE SOUGHT	353,886				
<u>Contributions from Donors</u>					
Austrian Red Cross (DNAT)	37,775				37,775
Donor - Capacity Building Fund (DCBF)	165,000				165,000
Donor - Unidentified (D000)	17,297				17,297
TOTAL	220,072				220,072

II - Balance of funds

OPENING	30,072
CASH INCOME Rcv'd	220,072
CASH EXPENDITURE	(149,820)

CASH BALANCE	100,323

Appeal No & title: 01.79/2003 Georgia

Period: year 2003

Project(s): PGE162, 501

Currency: CHF

III - Budget analysis / Breakdown of expenditures

Description	APPEAL Budget	CASH Expenditures	KIND & SERVICES		TOTAL Expenditures	Variance
			Goods/services	Personnel		
<u>SUPPLIES</u>						
Shelter & Construction						
Clothing & Textiles						
Food & Seeds						
Water & sanitation						
Medical & First Aid						
Teaching materials	25,000					25,000
Utensils & Tools						
Other relief supplies	15,000	38			38	14,962
Sub-Total	40,000	38			38	39,962
<u>CAPITAL EXPENSES</u>						
Land & Buildings						
Vehicles	10,000					10,000
Computers & Telecom equip.	7,000					7,000
Medical equipment						
Other capital expenditures	12,000					12,000
Sub-Total	29,000					29,000
<u>TRANSPORT & STORAGE</u>						
Warehouse & distribution	11,000					11,000
Transport & vehicles		12,266			12,266	(12,266)
Sub-Total	11,000	12,266			12,266	(1,266)
<u>PERSONNEL & TRAINING</u>						
Personnel (delegates)	144,000	57,323			57,323	86,677
Personnel (regional, national staff)	40,000	22,057			22,057	17,943
Consultants		2,600			2,600	(2,600)
Workshops & training	50,000	3,983			3,983	46,017
Sub-Total	234,000	85,963			85,963	148,037
<u>GENERAL & ADMINISTRATION</u>						
Travel & related expenses	8,000	3,984			3,984	4,016
Information expenses	2,000	519			519	1,481
Admin./general expenses	35,000	37,312			37,312	(2,312)
Sub-Total	45,000	41,815			41,815	3,185
<u>PROGRAMME SUPPORT</u>						
	24,957	9,738			9,738	15,219
Operational provisions						
Transfers & contributions						
TOTAL BUDGET	383,957	149,820			149,820	234,137