

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

CAPACITY BUILDING FUND

18 November, 2003

Appeal no. 01.94/2003; Appeal target: CHF 5,000,000

Programme Update No. 2; Period covered: April to October 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: 36.6%; please refer to the attached Contributions List for this appeal, also available on the Federation's website.

Outstanding needs: CHF 3,158,255

Operational developments

The goal of the Capacity Building Fund (CBF) is to serve as a multilateral fund to build the sustainable capacity of national societies to make a difference to the lives of vulnerable people, particularly in forgotten situations. The CBF builds on the Federation's collective experience of capacity building and has made good progress since it was formally established by the Governing Board in May 2000. The Fund provides flexible funding that can be targeted to support those programmes where it is most needed, according to set criteria.

The criteria used for selecting the programmes were established in consultation with the TAG (Tripartite Advisory Group), a group of donor national society and government representatives from Britain, Canada, Finland, Sweden and Norway. The TAG has supported the Federation's capacity building work over the past five years and represents the principal donors to the Fund. These criteria are that the Fund should:

- support "forgotten" national societies, especially those in countries of high vulnerability;
- support innovative capacity building programmes in key capacity building focus areas;
- address integrity issues;
- support increased civil society networking.

Projects focusing on youth and gender are also favourably considered.

This Programme Update provides feedback on the progress and results of the programmes supported by the CBF in 2003. It reflects a departure in terms of format and focus from the previous Update (no. 1). This responds to donor requests for a more analytical or thematic approach to CBF reporting, based on the CBF criteria and highlighting key achievements, outcomes and constraints through short case studies on one or two national

societies. It therefore draws on examples from ongoing programmes funded during the second round of allocations for 2002 and the first round for 2003 to illustrate progress to date. In a number of cases, such as Cuba, Central America and Sri Lanka, these represent societies that have received funding over the last two to three years. It should be noted that not all 47 programmes are included in this report, however, those highlighted provide a good cross-section of the different programmes and of the different achievements and constraints. This builds on the information provided in Programme Update No. 1 of June 2003 and the informal information provided to the Tripartite Advisory Group (TAG) on the allocations made in 2003. All allocations were made in close consultation with regional departments/delegations and the Organisational Development (OD) Department in Geneva.

Progress and challenges of CBF-funded programmes

Criterion 1 - “Forgotten” national societies, especially those in countries of high vulnerability. (Note: This criterion focuses on those countries where the needs or levels of vulnerability are high but it can be more challenging to find support for the national society and its capacity building. The CBF provides timely support for these areas of organisational development or capacity building to assist the national society to be more effective in assisting vulnerable people.)

Haiti – is the poorest country in the Western hemisphere, with high levels of vulnerability and growing socio-economic problems. It has been a challenge for the Federation to work in this environment and to support Haiti Red Cross to deal with internal problems and respond to needs. The CBF supported an organisational development programme, with a particular focus on drawing up a National Development Plan. Despite initial delays and the pressure of a major grant from the Global Fund for HIV/AIDS, the national society has shown commitment to this approach. The Society’s draft Plan is awaiting approval by the Board and a consultative process of self-assessment is nearing completion. At branch level, initial training has been given to members and volunteers in project planning / management skills and in the Federation’s vulnerability & capacity assessment (VCA) approach, to improve their skills in assessing local needs and planning programmes. A leaflet has also been produced to raise public awareness of the Haiti Red Cross and its role. It was acknowledged at a recent partnership meeting with PNS and ICRC representatives, that the CBF investment had been timely in its support of Haiti Red Cross’s new governance and had made a difference in enabling the Federation to facilitate important changes within the national society. It was agreed that it was important not to lose momentum in this process. *(The first CBF grant of CHF 168,000 has been fully expended and a further grant of CHF 62,000 has been made for the remainder of 2003).*

Chad: The Chad Red Cross is the sole humanitarian organisation in the country with a volunteer network covering the whole country. The CBF funds have been used to reinforce its capacity in six branches and to help build links between them and headquarters. This has taken the form of support for a National Development Plan to bring branch and headquarters programming more in line, for “restructuring” local committees in those branches and for training in community based approaches and branch governance for the new volunteers. The Chad Red Cross reports that the CBF funds have enabled progress in branch rebuilding and have acted as a catalyst in re-establishing contact between headquarters and the national society’s grass roots volunteers, through the focus on the activities of the new three-year National Plan. Results of this were seen when the Chad Red Cross was required to coordinate a response in support of Central African refugees and Chadian returnees who crossed into Chad in recent months and were able to provide appropriate local services. *(There have been problems around monitoring the level of expenditure on this programme and a final financial report provided).*

Criterion 2 - Innovative capacity building programmes in one or more of the key capacity building focus areas. These are based on the Federation's Capacity Building Framework.

The CBF has always aimed at supporting more creative or “innovative” ways of working –“innovative” in the sense of being new ways of working for a particular national society or region or of providing timely support to a national society engaged in organizational change. It is often difficult to find other donor funding for these important interventions and the CBF can provide the necessary funding at the right time to enable the Society to progress with its change process. One of the biggest challenges is ensuring that the right support is provided at the right time.

Sudan – Sudan RC was selected by the Secretariat’s Nairobi office to pilot a new approach to “Volunteering 2005” in Africa. An initial assessment mission to five branches identified four with clear strengths in programme management and resource mobilization and one, Sinnar branch, which was weak in terms of its programmes and resource base. It was clear that the gaps in Sinnar could be addressed by the skills and experience in the other four branches. A three phase, peer-support programme was developed to build capacity in Sinnar branch in the areas of management, volunteer / human resource management and leadership. All phases of the programme are led by one or more of the sister branches and are carried out in consultation with the management and volunteers of Sinnar branch. Each phase must be successfully completed before moving on to the next. To date the first phase of the programme (a workshop on management training, advice on the development of structures and systems and an exchange visit) has been completed and phase two is underway. As part of phase two, a seminar has been run on human resource management, two basic induction courses have been held for volunteers and two exchange visits have been made to Kassala and Red Sea State branches to share experience. Although Sinnar branch has not completed all areas of the planned implementation, the peer support / participatory nature of the project has had a noticeable impact and has led to real changes in management and in the volunteer base, with 32 volunteer field officers now recruited in 16 localities. The eventual aim is for Sinnar to join the existing four-branch capacity building team and assist other weaker branches. *(The grant of CHF 40,230 has been fully utilized).*

Argentina – the CBF funding in Argentina has been “innovative” in terms of supporting the “organizational renewal” of the national society. The timing here was key, with the CBF funding one of three factors that came together to support change – the other two were the Society’s new governance and management team and two emergency appeals which brought in vital programme funding. Linked to this new drive for change and programme delivery, the CBF grant provided support for a number of important organizational changes. This included: completion of the Society’s new Statutes and Strategic Plan (2003/7); reinforcement of management capacity at headquarters; strengthening coordination between headquarters and the branches (including the first visits in years to 68 of the 76 branches); delivery of branch-level integrated training on the new Strategic Plan and on volunteer/branch management; drawing up of local operational plans in six branches; establishing a “portfolio” approach to support programme development, management and funding in the branches; and improving the resource base and image of the Society, through a local fundraising campaign and partnerships with government and local NGOs (e.g. the “Solidagro” alliance). Argentine Red Cross also gained credibility from the recent media coverage of their role in the flood relief operation. Although these many changes and programme demands have stretched the national society’s capacity it has been a major catalyst for them and allowed them to take some big steps forward. *(The first grant of CHF 195,300 has been fully expended and a second grant of CHF 115,000 was made in 2003)*

The key capacity areas within the Capacity Building Framework cover:

Strategic planning skills

- **Cambodia:** the key focus here has been the move from traditional support for hardware and salaries to working with the national society on strategic planning. A local resource person was hired to work with the Cambodian Red Cross on a participatory planning process, in cooperation with key external stakeholders and partners (e.g. the UN and government). The initial review of the external environment and the capacity and challenges of the national society highlighted stakeholders’ interest in working with the Red Cross’s volunteer networks and the Society’s strong local resource base, but stressed the need for governance and management to work together to improve management effectiveness. This process led to the drawing up of a new “Strategy 2003/10” and organizational development plan. The success of the new strategy will depend on the willingness of CRCS to bring about the recommended changes to separate governance and management and to strengthen senior management capacity to meet the milestones in the plan. Further assessments of human resources/training needs and of branch capacity are scheduled for the latter part of 2003. *(Due to programme demands and the receipt of other funding, expenditure of the CBF grant of CHF 118,265 has been slow (approx 50%) and the programme has been extended until June 2004).*

- **Mauritius:** CBF support was sought to enable this small national society to become more relevant in its local community and to help the Secretariat rebuild links with it. The main focus has been on the participatory development of a Strategic Plan (2003/6) and action plans for 2003/4. These plans address greater engagement between headquarters and the branches, improved volunteer management, diversification of funding and governance procedures. The participatory nature of the planning process has awakened interest from other governance members in changing MRCS, however, there is still some reluctance at the most senior levels of governance. This has been taken up at the highest levels of the Secretariat. (*Expenditure of the CHF 53,260 grant has been slow, however, this is the first time the Society has engaged with the Secretariat and the delegation is keen to ensure the Society owns the process*).

Programme management skills

- **Central Asia:** the five national societies of Central Asia have received support for two programmes to develop programme planning/management skills. The first provided training in Russian on the Federation's Project Planning Process (PPP) for 40 staff from headquarters and branches of the five Societies. These staff in turn became resource persons giving the training within their own Society. The delegation noted that the country plans and appeals submitted for 2003/4 already showed a marked improvement in terms of content and coherence. The second programme built on previous experience of organisational development in the region and was a pilot project to stimulate programme development at branch level. The regional delegation set up a "regional OD fund" for small, branch-initiated projects (up to \$1,500). Branches have to find 15% of the funds themselves and cannot use the money for salary costs. In the first round, nine proposals were received and six agreed, covering support for VCA, computer training, a youth centre and branch development leaflets. However, branch capacity to implement the projects was limited and reporting was found to be weak. A second round in June yielded 15 applications and an improvement in the quality of proposals. The delegation will carry out a review to follow up on these projects and learn lessons for the future. It is hoped that this approach will encourage national societies to take more responsibility for their own capacity building and management of the funds. (*The two grants of CHF 97,600 and CHF 89,888 have both been fully expended*)
- **Cuba:** remains a priority country for both the Federation and the ICRC. This is third year of a CBF-funded programme providing support to strategic/programme planning, branch development, human resource development and communications. In 2003, Cuba Red Cross reported progress in three of the four areas, particularly in the area of planning. Two PPP training courses have been held, leading to a noticeable increase in the quality and quantity of projects sent to headquarters. Following agreement of the new National Development Plan, PNS and the ICRC have been consulted to prepare a draft CAS for the partnership meeting planned for January 2004. To date 74 branches have benefited from refurbishment of branch infrastructures and equipment, improving the working environment for volunteers and the efficiency of branch functioning. Youth volunteers/teams have also benefited from training on the relevant policies and tools to support their work. At the same time, the planned work on the Long Distance Education programme in communications and to review the Society's Statutes have been delayed and will present the key challenges for the coming months. Overall, CBF support over the last three years has helped Cuba Red Cross to establish a more strategic approach to its programmes and has improved harmonization between different policies, tools and procedures. The national society will now focus on rolling these out to branches. (*The CBF grant of CHF 150,000 for 2002 has been fully utilized and expenditure on the CHF 150,000 for 2003 is on target*).

Leadership development

(NB There has been a hiatus in the Secretariat's leadership training due to internal changes in the Organizational Development Department and some of the planned training (e.g. in Armenia and Azerbaijan) has been delayed as a result. This will be taken forward in late 2003 / early 2004)

- **Pakistan:** support was given to enable Pakistan RC's leadership's to follow up on its commitment to modernize the Society. This included a participatory process, with workshops at provincial and national level, to develop a draft Constitution and Rules & Regulations, which are now awaiting approval by the Central Governing Board. This active participation by governance and management in drafting the new Constitution has helped them to clarify their separate roles and responsibilities. PPP training at provincial

level has helped provincial management to work more effectively and progress the new five-year Strategic Plan. Follow up work has also been taken forward to change the organizational structure of PRCS, based on advice from the Federation and ICRC, and an interim structure, including an OD and fundraising function, has been set up. However, the appointment of a new National Chairman has delayed some of the changes and the delegation is working with the new Chairman to build understanding of these new changes. (*Expenditure of the CHF 148,000 grant is also delayed and will be carried forward to 2004*).

- **Comoros:** despite the challenges faced by Comoros Red Cross, including an attempted coup, the national society was able to progress its statutory, democratic processes. For the first time in years, effective regional and national General Assemblies were held and these approved the new Statutes, Internal Regulations and Strategic Plan for the Society. These clearly demarcate the responsibilities of governance and management for the future and have allowed the Society to elect a new Governing Board and appoint someone to the new senior executive post. The new Secretary General will now need support to implement the new Statutes and Plan. The Comoros Red Cross programme has been a good example of the Movement working together to support a fledgling Society develop its democratic processes and prepare for recognition. It also established good relations with the Federation's regional delegation. (*There were some issues around tracking expenditure of the CHF 111,540 grant but approximately 75% has now been spent*).

Volunteer management

- **Guatemala:** following challenges earlier in the year, with the resignation of the Volunteer Secretary and tensions between governance and management, progress was subsequently made in Guatemala Red Cross's volunteer management. The programme was a good example of the value of peer support from neighbouring national societies. The Volunteer Coordinator (staff on loan from Mexican Red Cross) was able to support the development of GRCS's volunteer department until a new Volunteer Secretary was recruited in March, while Honduras Red Cross provided timely support to develop a volunteer register and database to register training. At the Society's National Volunteering Assembly in April, the rights and responsibilities of volunteers were clearly established as central to the Society's new Statutes and Regulations as agreed by the Board. These were disseminated to volunteers from all branches. GRCS has subsequently focused on developing capacity in volunteer management in target branches, where it is setting up regional training centres and disseminating its new training and volunteer Statutes. It is hoped that the new Board of GRCS will bring some stability to the Society and allow it to further its volunteer recruitment and management. (*The CHF 129,440 grant for this programme has been fully expended*)
- **Bangladesh:** BDRCS has approximately 63,000 volunteers who are active in the governance, relief work and awareness raising of the national society. However, BDRCS recognized the need to recruit and train new youth volunteers for the future and this is the second year of CBF funding for the youth and volunteer management programme, which aims to develop sustainable activities to attract and retain a reliable core of active youth volunteers. The programme has focused on training, dissemination and income generation activities. In the area of training, 48 volunteer teachers have been trained in first aid and the Fundamental Principles and have taken this back to their communities and schools to attract new volunteers. To date, first aid posts have been set up in 17 schools. Information campaigns have been launched to boost blood collections, a winter clothing programme and the launch of an HIV/AIDS stigma campaign, which in turn have helped to motivate young volunteers and have provided means to disseminate key messages about the Red Cross. Through their training and programme work (both in terms of emergency response and social mobilization / vaccination campaigns), the youth volunteers are becoming an important part of the national society's service delivery and visibility, with other organizations such as UNICEF keen to work with them. (*Both grants of CHF 83,700 and CHF 75,800 have been spent*)

Branch development and community mobilization

- **Albania:** CBF funding has supported the national society to run a pilot programme in Participatory Community Development (PCD), based on the positive experience of Hungarian Red Cross. Four branches were selected for the pilot and each identified a local community with high levels of vulnerability and alienation. Training was given to branch volunteers and community representatives in the PCD approach and through this training participants identified the most urgent needs of the

community. At a second training they learned to assess capacity, identify stakeholders and prepare a plan of action / project proposal for submission to ARCS headquarters. Although initial proposals were weak, help was given to the community to improve them and finally one project was supported per area. The last stage was to organize a “donors meeting” with organizations and businesses in the locality. Unfortunately, only Kukes branch organized a successful meeting and gained the funding needed. ARCS has since organized a second round of meetings and is helping Tirana branch to improve their proposal to access a small amount of funding. During this first round, ARCS has had to provide a lot of support to community representatives, however, there have been many positive results, particularly in relation to the motivation of branch staff / volunteers and communities. It has also raised the profile and the experience of the Society and improved relations with these vulnerable communities. The national society plans to continue this work. *(The CHF 73,500 has been expended)*

- **Ecuador:** this programme built on previous work to develop skills at branch level and integrate capacity building efforts in OD, health and DP in response to community identified needs. This particular element supported a national society team to build capacity in five vulnerable communities. The team held participatory workshops with local coordinators and community leaders and provided training in community mobilization and skills, such as community health and hygiene practices and community disaster preparedness. Monthly monitoring meetings, regular field visits, house-to-house visits, and good radio / television coverage have helped to maintain the profile of the Red Cross and to sustain community ownership of and motivation for the programmes. ERCS has applied for a second grant focused on organizational change. *(There have been delays in expending the grant of CHF 90,500 and this will be absorbed in the second application)*

Information and communications development

- **Central America:** this is the third year of planned funding for the regional communications programme. To date, Panama and Costa Rica Red Cross have made the most progress, extending the programme to the three new branches per year as planned and advancing the long distance education modules, which have stimulated wider volunteer involvement and capacity building at branch level. Both Societies participated in the first exchange visit, when the Panama Red Cross officer facilitated a communications workshop in Costa Rica. There has also been an increase in the level and quality of information materials produced, including internal bulletins and improved national society web sites. In particular, the communicators’ network has supported the HIV/AIDS campaign and the Inter-American Conference in April. The programme has a high profile in the Americas and has been picked up by a number of other Societies in the region. This year Honduras and Venezuela Red Cross joined the programme. With this in mind, an internal review has been carried out to assess its strengths and weaknesses before rolling it out. The draft report recognizes the good skills development and increased profile and volunteer motivation yielded by the programme, but notes the need for it to be more responsive to the individual capacity of each Society. With the departure of the programme coordinator, the Panama Red Cross officer has taken over the coordination role, giving the national societies ownership of the programme. With the end of planned CBF funding, the programme is now dependent on the commitment and resources of the national societies and the Inter-American Communicators Forum to take it forward. *(The annual grant of CHF 107,500 has been fully expended)*

Financial / resource development

- **Tanzania:** based on recommendations from PriceWaterhouseCoopers and from a recent relief evaluation, TRCS focused on developing their financial management capacity and a management information system. The first step was to procure appropriate IT hardware and software - in this case, Navision, the same system as other Societies in the region – followed by work to customize the system and provide support and training to staff in headquarters. By mid 2003, the majority of the work had been completed and the next stage was to finalize the new financial regulations and to roll out the system to the branches. This programme has had a major impact on the national society, with work, such as closing year end accounts, reporting to donors and an annual audit, which previously had to be done manually, now done automatically, providing more effective financial reporting for donors. The ICRC and bilateral PNS, such as American Red Cross, have already benefited from the new system. TRCS are now solely responsible for their own financial management and reporting and have a good system in place to build future donor confidence. **Kenya Red Cross** followed a similar process, adopting Navision and rolling out new financial procedures and training. Non-financial officers and external partners / donors also contributed to the process and exchange visits were made to Uganda and Tanzania Red Cross to build shared regional experience and support around a common software. *(Both programmes are fully expended).*
- **Philippines:** PRCS decided to prioritize capacity building in resource mobilization in an attempt to tackle diminishing donor interest and increasing competition from other organizations. The main thrust of the programme has been to build human resource capacity in this area, with the appointment of a focal point on local fundraising in each of the 77 chapters and a headquarters unit to support them. External consultants were also recruited to research local good practice, assess PRCS's training needs and, from this, to develop a training package to be cascaded to local teams to help them develop local fundraising strategies and ideas. The Society also identified the need to involve the Board in providing support for fund raising, visibility and accountability. To date PRCS has found the new training programme motivational and supportive in addressing their fundraising problems. Branches have started to raise local funds and PRCS is encouraging exchanges between branches. The national society has received CBF support to attend the International Fundraising Conference and Skillshare Seminar in the Netherlands in October. A second year of funding for **Sri Lanka Red Cross's** income generation programme has enabled that national society to support local income generation workshops in five districts, build strong links with the corporate sector (Nestlé, Singer, Dialog and the National Lotteries Board) and improve its image, through a new brochure, newsletter and web site. During the recent floods, the SLRCS raised Rs 12 million as a result of its improved profile and Internet presence. The national society is also looking to develop the role of the youth wing in relation to income generation, however, much work is still needed to integrate fundraising into wider management, particularly at branch level through the Branch Executive Officers. *(To date both Philippines Red Cross and Sri Lanka Red Cross are on target to spend the CHF 52,720 and CHF 85,500 allocated to these programmes)*

Criterion 3: Addressing integrity issues

It is an important role for the CBF to support national societies trying to address integrity issues and embark on a recovery process. The timing of this support is vital and it must be based on a clear commitment from the Society to change (it is possible to make allocations in response to integrity issues outside the Fund's normal allocations, but this is at the discretion of the Federation's Secretary General). There have been a number of examples where the Fund has provided support to a Society trying to move on from an integrity crisis.

South Africa: after many years of crisis, changed circumstances and new governance meant that SARCS had the potential to change. A timely grant from the CBF allowed the Society to appoint a new Secretary General at the beginning of the year, and, with support from peer Societies in the region and local consultants, he is leading a systematic, planned change process. Firstly, the Society has undergone a thorough self-assessment process at national, regional and branch levels, providing base-line information and leading to an agreed action plan for this year. SARCS has also set up a standard planning and reporting system / timetable for 2004 and has finalized its National Development Plan for the next four years. The Society's Legal Advisory Board has started work to revise the SARCS's statutory base and to advise on the development of policies for the four core areas of Strategy 2010. It has also been important to raise the profile and reach of the Society. SARCS has been in negotiation with its Government to gain formal recognition for the Society and has been recognized through new programme funding for three of the five regions from the National Lotto. The appointment of a capable Secretary General has been a worthwhile investment for SARCS, leading to clarification of management at all levels of the Society and to engagement in the RC/RC Movement and wider world. The challenge now is to maintain the momentum and sustain the change process in the face of the increasing demands on limited resources and the expectation of quick results. The CBF is continuing its support to SARCS, with a second grant of CHF 42,800 to support finance development. *(The first grant of CHF 55,000 for organizational change has been fully expended).*

Zambia: the ZRCS is the second national society in the region to experience organizational crisis and to have committed to a recovery process. An organizational assessment by senior managers from Sierra Leone and Finnish Red Cross in 2001 identified problems with the Society's governance and management, financial management and credibility. The former governance / management finally agreed to relinquish control and, with timely support from the regional delegation, the Society agreed to address these issues. The CBF grant has funded ZRCS's "Recovery Plan", which has supported the hiring of a new Secretary General, elections for a new President and Governing Board, revision of the Society's Constitution and a consolidated audit for 2002/3. ZRCS also hired local consultants (KPMG) to provide professional support to the new team and to help rebuild governance and management structures. The first CBF grant provided timely support to kick-start the recovery process. A second grant will now support the roll out of the process throughout headquarters and in the branches. As a result to the work to date, the Danish and Finnish Red Cross have now shown an interest in supporting ZRCS's new governance and management. *(The first grant of CHF 168,800 has been fully spent)*

Criterion 4: Supporting increased civil society networking

This is a more challenging criterion as "civil society" covers a wide range of issues and is a cross-cutting element in a number of CBF-funded programmes. On the one hand, the CBF has supported programmes aimed at building national society capacity to engage and be seen as a credible civil society actor in their own country, through, for example building a relevant grass roots base and volunteer network (Bangladesh, Guatemala) or through awareness raising and profile building to communicate the Red Cross/RC's role with local NGOs and other civil society actors (Cuba, Sri Lanka). On the other hand, the Fund has supported national societies to build community capacity and to encourage social mobilization within civil society itself, through integrated or participatory development programmes, which have enabled branches to engage more closely with the needs of vulnerable communities (Albania, Colombia, Ecuador). This move towards more "outward thinking" is a slow process, however, national societies are increasingly seeing the value of a greater engagement with and as part of civil society.

For special consideration: Projects focused on youth or gender

These are important areas for the CBF and for the future of the Federation. As the CBF originated out of the previous Development and Youth Funds, it inherited an interest in programmes relating to youth and at least four of the current programmes focus on this area. In the latest round of allocations the Fund has also supported a gender related programme – the MENA gender network led by Iranian RC.

Armenia and Azerbaijan: although the regional cooperation programme between these two Societies is no longer viable due to a resumption of tensions over Ngorno Karabakh, follow up work on their respective youth programmes has progressed in the same ways. The first way has been to change the Society's statutory base to include youth membership and Azerbaijan RC now has new Statutes, which require youth and volunteer boards at national and regional levels to ensure youth representation in decision-making. The second has been through improved training for youth volunteers, with Azerbaijan RC developing an induction course for youth volunteers and specific training on HIV/AIDS. The third has been a drive to increase youth involvement in service delivery,

with an involvement in peer education and dissemination on public health (Armenia RC youth volunteers visited 72 schools to raise awareness on HIV/AIDS) and a development of youth programmes in all branches to attract and retain volunteers. And finally, the fourth way has been to value youth volunteers as an energetic group to support income generation, with, for example, youth volunteers in Armenia setting up a youth centre in Yerevan to act as a training centre and income generating Internet café (\$1,875 have been raised). This proactive approach to involving youth members and volunteers provides sustainable opportunities to develop youth and national society programmes in future. *(There have been some delays in expending the CHF 90,000 for Armenia RC and CHF 91,717 for Azerbaijan RC but this is now on target)*

Sri Lanka: The national society received the second year of funding for its Youth Wing. During this year's TAG visit to Sri Lanka, the Youth programme was seen to be one of the most successful areas of the Society's work. The programme covered similar areas to those outlined above. Changes in the Statutes have ensured that the National Youth Chairman will be a member of the new Board to represent youth members and volunteers. The SLRCS now has 21 new District Youth Coordinators in all but four of its branches, who will recruit new youth members and represent youth volunteers rights and obligations at all levels. They have led a consultative process to draw up a new national Youth Policy to guide the Society's work in this area. In terms of service delivery, youth volunteers played a vital role in the recent floods response, providing First Aid and home care to vulnerable groups, and are working with local university students to map HIV/AIDS needs at local level. This is providing them the youth volunteers with valuable experience and is enhancing the Society's capacity to deliver relevant services. In relation to income generation, the Youth Coordinators have received training in fundraising, communications and reporting to help manage existing funds and develop local fund raising plans to sustain their programmes. *(The second allocation of CHF 36,700 has been spent)*

Challenges encountered

In addition to the individual challenges noted in the individual programmes outlined above, there have been a number of cross-cutting challenges experienced across the different programmes, which are worth noting. Because the CBF is a flexible fund it is able to adapt to the realities and constraints faced by national societies going through complex change or development processes. It is important that the CBF management monitors progress within the individual Societies and is aware of constraints, so that individual grants can be extended or reviewed.

External problems: in a number of situations external circumstances have affected progress.

- *Caucasus* - political tensions between Armenia and Azerbaijan and ongoing integrity problems in the Georgia Red Cross ended the regional cooperation programme in the Caucasus. Support was reviewed and individual programmes drawn up to continue the organisational development work in both Armenia and Azerbaijan RC. The programme in Georgia is currently frozen pending the results of a PNS-led evaluation in October.
- *Colombia* - initial progress working with local communities in Bajo Upia was halted due to the armed conflict and resulting population displacement. The local coordinators trained at the outset are maintaining links to with the communities and interest in the programme through radio broadcasts.
- *Central African Republic* - programme implementation was suspended after armed conflict blocked access to the branches targeted for support. However, some progress was made at headquarters level with the appointment of a new Secretary General and clarification of the roles of governance and management. The national society is ready to resume activities with the return of peace and, in the interim, the CBF funds are being used to support a small management team to maintain some programme activities.
- *China* - the national society's flood response impacted its local capacity building work. However, despite that some progress was made in resource mobilisation training and the Society will attend the International Fundraising Conference and Skillshare seminar in October.

Federation / national society capacity: in some cases programmes have been delayed or have failed to achieve their objectives due to the limited capacity of the national society or the Federation Secretariat. This has been due either to the circumstances within the Society itself, as in Seychelles or Mauritius where the Society is small and new to such organisational changes, or to over-ambitious planning at the outset. Changes in the Geneva Secretariat have also caused some delays, as with the provision of leadership training in the Caucasus and this programme will now be revised for 2004.

- **Sustainable funding:** a major problem is the question of programme sustainability. As a number of longer-term programmes are reaching the end of the agreed CBF funding (e.g. the regional communications programme in Central America and the Sri Lanka RC's youth wing and fund raising programmes) there are questions as to the sustainability of these programmes without CBF funding. As yet other donors have not come forward and local income generation is not sufficient to sustain the programmes. This raises challenges for the CBF to ensure there is a more planned phase out of the CBF funding. There are also issues around support for Secretariat delegates (particularly OD delegates) who often cannot access funds to support their work, but are crucial to the success of the OD or capacity building programme. This is a wider issue for the Secretariat to take forward and it is important that the CBF committee consider the viable Secretariat support when making the allocations.
- **Late arrival of funds:** a number of national societies have encountered problems accessing the funding, either due to delays in communications or money reaching the field or due to problems with Federation's working advance system, which require Societies to meet certain criteria (e.g. budget agreement, reporting on previous funds) before money is transferred. This has delayed the start of programmes such as the Long Distance Education Programme in Cuba or the income generation programme in Burkina Faso. The Secretariat is working to address these issues through the support of the Regional Finance Units and greater support to national societies in finance development. It will also be addressed by closer monitoring of the CBF grants.

Conclusions

The CBF continues to make an important contribution to sustain the long-term capacity building programmes or vital OD interventions of national societies. The Fund is now well established and has become a vital source of funding for strategic and often critical organisational development and change within forgotten national societies.

The 44 allocations made in 2003 increased the coverage of support to national societies and extended the potential impact of the Fund. However, it has also led to increased challenges in monitoring and managing the Fund effectively, and demonstrating the added value of the Fund across a wide range of programmes.

In order to build donor confidence in the Fund and sustain in the coming years, the Secretariat has consulted with regional teams, technical advisers, PNS and donor governments to agree some changes to the future focus of the Fund. These changes will be brought in 2004 and will help the Fund to fulfil its potential in terms of providing flexible, multi-year funding to priority national societies. It will also assist the Fund to act as a catalyst to capture and share the wealth of good practice currently supported in the field and touched on in this programme update.

For further information please contact: Christine South, Senior Officer; email: christine.south@ifrc.org

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>

Capacity Building Fund

ANNEX 1

APPEAL No. 01.94/2003

PLEDGES RECEIVED

19.11.2003

DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
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CASH

REQUESTED IN APPEAL CHF ----->				5'000'000	TOTAL COVERAGE 36.6%	
AMERICAN - RC		100'000	USD	135'950	05.05.03	
AUSTRIAN - RC		50'000	EUR	77'150	27.07.03	
BRITISH - GOVT/DFID (04)				1'000'000	24.02.03	
BRITISH - RC		15'000	GBP	33'435	20.08.03	
FINNISH - GOVT/RC		157'739	EUR	242'760	25.09.03	
NORWEGIAN - GOVT/RC		1'100'000	NOK	208'725	06.08.03	TO LEAST DEVELOPED COUNTRIES
SWEDISH - GOVT		800'000	SEK	133'600	28.08.03	
SWISS - PRIVATE DONOR				125	26.09.03	
SUB/TOTAL RECEIVED IN CASH				1'831'745	CHF	36.6%

KIND AND SERVICES (INCLUDING PERSONNEL)

DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
SUB/TOTAL RECEIVED IN KIND/SERVICES				0	CHF	0.0%

ADDITIONAL TO APPEAL BUDGET

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