

# 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

## TIMOR-LESTE

27 May 2005

### In Brief

Appeal No. 01.63/2004; Appeal target: CHF 695,849 (USD 551,658 or EUR 448,916); Appeal coverage: 143%.  
([click here to go directly to the attached Financial Report](#)).

*This Annual Report reflects activities implemented over a one-year period; they form part of, and are based on, longer-term, multi-year planning. This annual report also covers the operational period from 1 November to 31 December 2004 not covered by the last programme update. 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 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's website at <http://www.ifrc.org>.*

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### Operational context

A census held in August 2004 confirmed indications from the demographic and health survey in 2003 that Timor-Leste has the fastest growing population the world, with a birth rate of 7.77 per cent. Despite an extremely high infant mortality rate, this means that an increasing number of children, all needing care and education, will add to the country's already young population.

The government has made progress in the education sector but the lack of development in the job market suggests that there will be increasing joblessness and related social problems. There are no industrial or economic perspectives indicating improvement in the near future. The country is getting some revenue from gas, but there is still no breakthrough in negotiations with Australia on oil and gas rights in the Timor Sea. Timor-Leste remains the poorest country in Asia. There is significant migration to the cities – Dili saw an expansion by nearly 40 per cent from 2001 to 2004.

The population growth implies an increase in general vulnerability, primarily in health, disaster exposure and excessive exploitation of nature. Towards the end of 2004 there were reports of food shortage in certain districts. A HIV survey showed that, although HIV/AIDS prevalence in Timor-Leste is low, particular groups as taxi drivers and sex workers constitute a particular risk, both to themselves and to society.

These developments are likely to add to the challenges of the Red Cross Society of Timor-Leste (Cruz Vermelha de Timor-Leste/CVTL). The need for basic health information to people increases with a growing poor population as does the need for disaster preparedness.

The tsunami disaster in December 2004 did not affect Timor-Leste but was a reminder of the island's vulnerability to natural disasters. The rift between the Australian and Asian continental plates sits very close to its northern coast line and a shallow earthquake there could bring a tsunami upon Dili almost immediately.

During 2004, CVTL expanded its health programme and changed its profile to increase its relevance in the field. The water and sanitation project was merged with community-based first aid (CBFA); this meant basic health education for the target groups. Comprehensive plans were made for water and sanitation/CBFA activities, some of which combine water installations or the repair of old water systems with health training while others provide health training on its own. CVTL agreed with Family Health International to conduct a comprehensive HIV/AIDS information programme in 2005 targeting the most vulnerable groups.

The year 2004 in general was eventful for CVTL, with comprehensive activities in the health, disaster management and organizational development programmes. The programme for organizational development included a national meeting and establishment of working groups for statutes, implementation (membership registration and elections) and long-term strategy. All three groups were very active over the course of the year.



*The water supply project provided clean and safe water to targeted communities, improving health conditions.*

A disaster programme was developed in 2004 and was already surprisingly active in its inaugural year. However, an incident which happened after the last programme update period posed a challenge to the national society. In December, a drought hit 220 families in the Suai district, as their water sources dried up almost completely. Living 50 km away from alternative sources, the families needed an immediate external supply. CVTL and the Federation informed the national disaster management office (NDMO) and the United Nation's Mission to East Timor (UNMISSET) of this. Neither the government nor UNMISSET/UNDP was, however, able to render practical support to the victims; the national society (with some financial support from IOM) ended up assisting them on its own until rain fall eased the problem three weeks later.

## Health and Care

**Goal:** To improve the general health of target population groups in Timor-Leste.

**Objective:** The capacity of CVTL to deliver quality health services to the most vulnerable in the communities is enhanced.

### Operations from 1 January to 31 December 2004

**Expected result 1:** Increased capacity of CVTL's health division and key staff in branches to implement, coordinate, manage and monitor health programmes.

The headquarters' staff was actively supported. The Federation's health delegate continued to work with CVTL throughout the year, spending 75 per cent of her time in Timor-Leste and 25 per cent in Indonesia.

A health strategic planning workshop was conducted involving all health-related staff and volunteers from the districts. As an outcome, a draft four-year health strategic plan and plan of action for 2005-2009 were developed.

Health staff and volunteers took part in all major organizational development workshops and training events such as programme planning, budgeting, finance and fundraising workshops.

An increasing number of district volunteers was directly involved in the implementation of health projects at district level. All districts now have qualified first aiders. The World First Aid Day and the World HIV/AIDS Day were commemorated in most of the districts.

CVTL and the Federation initiated the establishment of a community-based health coordination working group with the ministry of health and other relevant organizations and conducted a coordination meeting. The national society conducted a first aid training course for external organizations and public health care nurses, an activity that generated income.

No further health staff members were recruited in the branches this year, as it appeared necessary to develop/strengthen management structures and skills at headquarters and branch levels. However, plans and preparations were made, and a proposal to employ 10 health staff members at branch level was presented to the board.



*First aid training was an activity which helped generate income for CVTL.*

Not all national training events included volunteers from all districts. This was due to communication constraints/problems of informing the remotest districts. Not all districts are equipped with first aid trainers. There was insufficient programme management training for district staff and volunteers working in the health programme, due to time constraints and the need to ensure appropriate management structures and skills.

***Expected result 2: Improved health conditions in targeted communities through water sanitation and hygiene promotion.***

The water supply project was successfully integrated with the CBFA project; in terms of organizational structure, the water and sanitation staff was included in the health department. CVTL decided to follow the comprehensive model incorporating health components with water supply services using the community participatory approach for all new projects.

The Federation co-funded the water and sanitation/CBFA projects in Bobonaro district, which included 111 family latrines, constructed through a community participatory process. An Australian water organization (CWSSP) financially supported the water supply components and the Federation funded the sanitation facilities and health education components of the project.

Some water and sanitation staff members were trained at the national CBFA and the vulnerability and capacity assessment (VCA) training courses. The project sites for the rehabilitation old ICRC water facilities with health promotion activities were identified through the VCA.

External monitoring and review visits were conducted by an Australian Red Cross bilateral water and sanitation technician and the Federation's regional water and sanitation delegate. Their suggestions and advice were incorporated into the future planning.

Support to the CVTL water and sanitation project has doubled compared to the previous years which led to extensive planning for activities in 2005 and beyond.

No repair projects funded by the Federation took place this year due to delay in the organizational restructuring process. Other repair projects, funded bilaterally, started late in the year. Not all water supply projects could fully

engage the district volunteers as the district branch structures were not all in place and as there was a lack of capacity at branch level.

***Expected result 3: Increased capacity in targeted communities for the treatment and prevention of common diseases and injuries.***

The health and technical water staff members worked successfully together to implement the water and sanitation pilot project in Edy village (Ainaro district) including the construction of latrines co-funded by the Federation and bilaterally by the Australian Red Cross. Participatory latrine construction and hygiene education sessions were also conducted in Ritabou village, Bobonaro district.

Some 21 volunteers, CVTL staff members and community leaders from 11 districts were trained in CBFA. Trained volunteers were mobilized in Edy village (Ainaro district) and Ritabou village (Bobonaro district) to train village health volunteers. They later conducted house-to-house health education sessions, funded by the Federation in Bobonaro district and bilaterally by the Australian Red Cross in Ainaro.

In total, 25 volunteers, CVTL staff members and community leaders were trained in CBFA in September. Of these, 16 attended a follow-up training session in December and developed health education projects for their home districts.

A plan to implement 28 CBFA projects, seven new water and sanitation projects and eight rehabilitation projects following the VCA outcome was planned for 2005. An assessment of new CBFA/water and sanitation construction and rehabilitation projects was also started in Baucau district.

First aid curricula were developed for a three-day training course and for external organizations (commercial first aid). More than 1,200 university and high school students attended first aid demonstrations conducted by CVTL volunteers. Some 125,000 people received first aid/basic health information through a children's magazine. In addition, 500 first aid pocket manuals were distributed at schools, government offices and to communities.

A three-day first aid training course was conducted in eight districts for more than 200 volunteers and community members, including nurses, police and teachers. Of these, 48 were later trained in a two-week comprehensive course as preparation for the first aid training-of-trainers (ToT). This ToT was attended by 19 volunteers, resulting in five qualified new first aid trainers, five trainer assistants and nine first aiders.

More than 200 volunteers provided first aid services at various sports and public events on Independence Day.

The CBFA ToT did not take place this year as it was deemed necessary for the volunteers to gain experience from community work before attempting to teach the knowledge. This will take place in 2005 after the volunteers have gained the required experience in the field and after developing an adequate CBFA curriculum that suits the needs of Timor-Leste.

The three-day first aid course did not take place in all districts due to lack of qualified trainers. Not all district volunteers were able to attend the national training due to constraints with communication equipment (telephone, radio, etc.).

***Expected result 4: Increased awareness and knowledge on HIV/AIDS among CVTL staff/volunteers as well as targeted communities.***

On 21 January, volunteers from eight districts and sub-districts took part in an HIV/AIDS follow-up workshop, developing plans for 2004 and beyond. On 25 February, volunteers from 11 districts and sub-districts attended a six-day HIV/AIDS peer education and living skills training course.



*HIV workshop participants received knowledge on the prevention of HIV/AIDS and other sexually transmitted infections.*

All together, 200 high school and college students in Baucau and Lospalos districts received information from trained volunteers on basic knowledge and prevention of sexually transmitted infections (STI) and HIV/AIDS. Some 155 volunteers in six districts attended HIV/AIDS information workshops organized by the trained volunteers at the district level. More than 3,000 community members, primarily youth, received information on HIV/AIDS during the 2004 World AIDS Day campaign organized by branch volunteers in 10 districts. On the World AIDS Day, 1,480 community members including those from high-risk groups received HIV/AIDS information brochures.

CVTL staff participated in all HIV/AIDS-related coordination groups and meetings including the Global Fund for AIDS, Tuberculosis and Malaria (GFATM) meeting, the UNDP HIV/AIDS task force meeting and

various meetings with the ministry of health. A staff member was appointed as a member of information, education and communication (IEC) material development working group. A representative from the national society attended the 16th ART Network meeting in Bangkok, Thailand as an observer. CVTL held a poster presentation at the 15th International HIV/AIDS Conference in Bangkok in July. The national society together with Family Health International (FHI) also developed a comprehensive project proposal and plan targeted at high-risk groups in Dili, Bobonaro and Cova Lima districts starting in 2005.

The ToT courses for the living skills and youth peer education (YPE) educators were not conducted due to problems in finding qualified trainers in time. Some districts could not send representatives to the national training due to communication constraints. Not all districts could conduct the HIV/AIDS workshops and take part in the World AIDS Day due to difficulties in travelling to remote districts and lack of organizational capacity.

#### **Analysis of the health and care programme in 2004**

Approximately 75 per cent of the expected results for 2004 health and care programme were met. Given time constraints in 2004, CVTL is making an effort to meet the remainder in 2005 using funds carried forward in accordance with plans.

Clearly the overall objective was reached, in that the capacity of CVTL to deliver quality health services to the most vulnerable in the communities is enhanced. This has contributed to the realization of the overall goal: to improve the general health of target population groups in Timor-Leste. For 2005, the health programme is meant to be more practically focused on district activities – an important step towards meeting its goal.

CVTL was able to strengthen its training capacity in 2004 and the successful merging of water and sanitation with CBFA demonstrated an increased capacity to serve communities. This is probably the most significant development in a long-term perspective. Also important was the focus turning from primarily training to programme implementation in the field, which is likely to reach a larger number of vulnerable people. The national society was able to respond to an increasing number of requests from schools asking for HIV/AIDS awareness workshops and training.

CVTL was invited to join all major coordination meetings organized by the government, UN and major international NGOs, thereby enhancing its standing in the humanitarian community. Supported by the Federation, the national society was able to ensure that all bilateral health partners applied a concerted programme approach, in line with its draft four-year health strategic plan.

Consistent support from the Indonesian Red Cross (Palang Merah Indonesia/PMI), which provided skilled trainers on a number of occasions, was a great advantage to CVTL in 2004.

CVTL's strengthened capacity, the merging of water and sanitation with CBFA, and the development of long-term plans have paved the way for improved effectiveness and increased outreach to the vulnerable in 2005 and beyond. There will be an increased number of health projects managed by the branches in the time to come. The funding perspectives, which were modest in 2003, are today reassuring as the number of partners increase. These are all substantive gains in a health programme that started only in August 2003.

There were some constraints faced during the implementation of this programme for 2004. Among these were an underestimation of the need for field experience before conducting the CBFA ToT and the varying abilities of the participants to build on previous training. The rapid increase in donor support also implied more demands on time for coordination and planning than for implementation (though a necessary process). A lack of capacity and experience in human resource/financial management at all levels led to difficulties in implementation. Missing structures in the organization at branch level resulted in slow capacity development.

## Disaster management

**Goal: The CVTL meets the minimum requirements of its emergency response role in the NDMO national disaster plan.**

**Objective: In close collaboration with health and organizational development programmes, the CVTL volunteer base is expanded and developed in order to create a reasonable capacity to respond to natural and technological disasters.**

### Operations from 1 January to 31 December 2004

**Expected result: CVTL is better prepared to respond to emergency quickly with a minimum relief contingency stock and a stronger volunteer base.**

Supported by the regional disaster risk management unit in Bangkok, CVTL developed a draft long-term disaster management strategy, engaging district volunteers and core headquarters staff. The plan was presented to NDMO for comments.

CVTL developed a plan of action and a yearly plan for 2005. The national society also interacted with NDMO and commented on the government's draft disaster management plan (the government still does not have a contingency disaster plan). The NDMO initiated regular coordination meetings for disaster management agencies as proposed by CVTL and the Federation. As a result, the national society expanded its national disaster management network, increasing its interaction with other agencies.

The national society also used several opportunities to present its disaster management policies in health and organizational development training events. A one-week basic disaster management workshop for volunteers was held in June. From August to December, 10 three-day basic disaster management workshops for volunteers were held in the districts.

A number of disaster management trained volunteers attended first aid workshops/training. The disaster management coordinator attended VCA training and practical work in the field. The disaster management coordinator participated in several regional disaster management events. The documents, *International Disaster Response Law* and *Introduction to Disaster Preparedness*, were translated to Tetun.

CVTL built up its emergency stock pile to family kits to a total of 150. Clothing for emergency purposes was donated by the Singaporean Red Cross and Australian private donors. The national society responded to a series of minor- and medium-scale disasters. It provided clothing, family kits and rice seeds to affected people during the floods in Maliana and distributed tin roof plates, nails and clothing to those affected by violence and arson in Ainaro. During the drought in Surai, CVTL provided water distributions for a three-week period. In addition, the national society, cooperating with NDMO, carried out assessments for a number of reported disasters.

## **Analysis of the disaster management programme in 2004**

The expected result was achieved, as the first year of CVTL's disaster management programme saw an impressive level of activity and significant progress despite its limited resources. Further capacity building is, however, clearly required for the national society.

The disaster management department still consists of one employee, occasionally supported by two volunteers at headquarters. In the districts there are a number of volunteers with basic training, keen to work when called upon, although the overall capacity to respond effectively to disasters is still very limited.

The tsunami of 26 December 2004 illustrates the need for a strong disaster management programme for a country exposed to such disasters, more so for a nation living almost on a rift between two continents.

## **Organizational development**

**Goal: CVTL has made measurable progress towards establishment and recognition as a fully fledged national society by 2005 and undertakes a visible role in the humanitarian sector in Timor-Leste.**

**Objective: The basic foundation, adequately resourced, has been laid to enable the creation of a sound national Red Cross society in Timor-Leste.**

### **Operations from 1 January 2004 to 31 December 2004**

***Expected result 1: There is clear and significant progress towards the development of CVTL as a well functioning national society.***

After comprehensive preparations in the districts, a national meeting was held. The meeting, a first time national effort which brought together 64 people (volunteers from branches, governance and staff members from national headquarters), resulted in the establishment of three working groups: statutes, strategic planning and implementation.

After a comprehensive process, the statutes working group, primarily composed of district volunteers, produced the first draft of the CVTL statutes. Towards the end of the year comments to the draft statutes were collected from ICRC and the Federation, and a process of discussion at district level started. The final draft will be presented to the general assembly for approval in 2005.

The implementation working group focused on preparing for the membership recruitment drive and creation of branches. The group met four times for a total of 10 days from September to October and produced the guidelines, "*How to recruit members*" and "*How to open branches*". The group agreed on a detailed schedule for each district involving a five-step approach for the recruitment of members and establishment of branches.

About 5,000 members were registered at the end of the year and more than USD 6,000 was collected as membership fees. Expected membership at the end of drive is 10,000 for an income of about USD 20,000. The implementation group aimed for the membership drive to finish at the end of January 2005 after which it would hold local branch elections and create branches in all 13 districts.

The interim national governing board was expanded to 15 people in order to strengthen its decision making/leadership role. A governance workshop was held in July for 10 board members. After the workshop, the board adopted the '*Conduct of Business Rules for Cruz Vermelha Timor-Leste Governing Board Sessions*' as its working procedure and agreed on a list of governance priorities for CVTL.

The draft Red Cross recognition law was processed by the council of ministers in March. The council expressed concerns about certain terms and returned the draft for further processing.

On the advice of the minister of health, the national society, the Federation and ICRC met with the prime minister in September, and raised four issues of concern:

- The ability of CVTL to change its own statutes without changes to the Red Cross decree.
- The right of CVTL to raise funds in the country.
- Duty free import of goods and equipment for humanitarian purposes.
- Access to transferred property previously held by the Portuguese Red Cross.

The prime minister expressed a positive attitude towards CVTL's concerns but at the end of the year there was no further clarification on the matter.

The local branch assemblies were not held as planned in the appeal as they were adjusted in the CVTL plan of action developed in January 2005 with assistance from the Federation and ICRC, according to which the elections were scheduled for the first quarter of 2005. The government's concerns on Red Cross laws originated from the highest political level and CVTL is dependent on the government to resolve this issue.

***Expected result 2: The CVTL has in place appropriate management structures and skills.***

CVTL's national headquarters underwent a management restructuring exercise in 2004. The society adopted a new organization chart and reduced its staff from 62 in March to 49 in October. Job descriptions and new contracts were provided for all positions, and the board decided that contracts would only be given to staff who met the selection criteria.

During the year, as the management structure slowly took shape, the national society also revised its salary structure and staff regulations. The new salary structure incorporated principles of parity, equity and job worth that solved CVTL's old problem of inconsistent salaries. The new staff regulations strengthened disciplinary procedures and grievance mechanisms.

A two-day staff meeting was held in June to explain changes made to staff rules and salaries, and to develop an internal reporting mechanism from project managers to the senior management. A weekly staff meeting was also introduced in June to improve internal communications between different departments of the society.

A week-long project management workshop was held in July for 12 CVTL project staff members and 18 district volunteers. The workshop focused on developing their project planning and budgeting skills. The planning for a basic management training course for CVTL staff and volunteers began in September.

The society also produced its first annual consolidated budget. This budgeting exercise for 2005 was still ongoing at the end of the year.

Two programme coordinators participated in a regional leadership and management development workshop in October and one board member attended a global leadership and management development workshop in Geneva.

**Planned activities not conducted**

All planned activities were implemented during the year. However, the management structure and level of skills should be revisited in 2005 as CVTL's activity growth and its demands on management and staff, have brought additional needs for capacity development.

The implementation of a new salary structure resulted in protests from five employees (out of 49) on the suggested reduction of income. Dialogue to help them understand the changes continued but impeded the implementation of a new salary structure in 2004. The revised salary scale will be implemented from January 2005.

***Expected result 3: Financial and resource development systems are introduced to underpin sustainability.***

A national fundraising workshop, facilitated by the Federation's regional delegation and the Philippine National Red Cross, was held in March involving headquarters staff and volunteers from nine districts. To follow up recommendation from the workshop, a CVTL staff member was selected as fundraising officer for a period of two years and an income generation fund was established to support fundraising initiatives in the districts. The fundraising officer visited all the districts in May and June, encouraging submission of income generation project proposals. In September, workshops were held in Baucau and Suai, and fundraising plans were developed for these two branches. The plans imply investments of USD 3,087 and expected yearly revenues of USD 6,982.

An assessment conducted by the regional finance development delegate in June highlighted a serious lack of financial procedures in the society. The report confirmed the need for an external audit and recommended immediate development of financial procedures. The national governing board authorised an audit of CVTL finances for the period 2002-2004. The following report reiterated serious concerns as to lack of financial control and incomplete accounts. It concluded that the vulnerability of current financial system posed grave risks to the society.

To reduce the risks identified in the audit report, the Federation's regional finance development delegate spent three weeks working with CVTL finance staff in October to:

- clear account books for the period January-September 2004 and construct a financial statement for that period.
- develop basic financial procedures for cash and working advances.
- discontinue the computerized accounting system and introduce a simple manual system with three books of accounts (bank, cash and working advance).
- close account books for October in the new manual system.
- CVTL management and governing board were advised of the changes and issues for continuing concerns were shared (in particular the lack of proper management control of the financial system).

**Planned activities not conducted**

The computer training for the finance staff was dropped at this stage of the process. Basic internal financial guidelines were established but a complete financial and accounting manual for CVTL could not be developed in 2004 as the main priority was to get the account books in order.

Presentation equipment was provided bilaterally for the training room but did not bring income and there was no progress in the marketing of the mechanical workshop. The focus of resource development was primarily on income generation projects in the branches, improving branch buildings as long-term assets and the collection of membership fees in the branches.

The marketing of the mechanical workshop was not improved but its running costs and vehicle maintenance needs were met through internal invoicing to the projects.

***Expected result 4: Red Cross youth and volunteer groups are established in Dili and the branches.***

A volunteer coordinator was engaged in each district, and given a clear mandate to coordinate volunteer activities within CVTL and externally within the district. This is an interim arrangement until branches with proper governance and management structure are established.

Two new volunteer groups in districts Liquicia and Ermera were officially recognized by CVTL in July, thus taking its volunteer presence to all districts of the country. With the help of the health programme (supported bilaterally by the Japanese Red Cross) three branch buildings were renovated to provide volunteers with better infrastructure.

The involvement of the volunteers in the recognition process (through various working groups and increased health and disaster training activities at district level) proved to be an opportunity to keep the volunteers active in the society.

A two-day youth camp was organized for volunteers from Dili. One CVTL youth volunteer and one staff member participated in the International Youth Exchange Programme 2004 held by the Japanese Red Cross.

CVTL programme managers held a number of meetings to increase programme activity in the branches. This led to a shift in the service delivery model of the society and most projects are now being implemented at the branch level.

Contact was made with the Philippine National Red Cross to use their volunteer management experience and to strengthen CVTL capacity in this area.

### **Planned activities not conducted**

Active gender-balanced groups were established in the branches but structured volunteer management and follow-up were missing.

The development of structured volunteer management was delayed despite an offer from the Philippine National Red Cross to lend its expertise to CVTL. The project was postponed to the first quarter of 2005 due to comprehensive recognition-related activities, which involved nearly all of the national society's staff and a high number of volunteers and board members.

### ***Expected result 5: Development of a long-term strategy has started.***

During August and September the strategy planning working group developed a schedule for its activities and terms of reference for external consultants to help CVTL design and compile a countrywide VCA.

Two consultants were hired in October from the University of Indonesia's department of social welfare. The consultants held a two-week training course for 28 people (staff and volunteers) on how to plan and conduct a VCA in their own districts. The volunteers first learned the methodology in classroom and then tested it in four villages in the Baucau district.

Using the same methodology, volunteers planned to conduct 52 VCAs in all the 13 districts between November 2004 and February 2005, and compile data on vulnerabilities and capacities (social, cultural, economic, health and disaster) of villages in remote areas. The data will constitute the base of the *CVTL National Strategic Plan (2006-2009)*, to be developed during the second quarter of 2005.

### **Analysis of the organizational development programme in 2004**

The focus of the organizational development programme last year was to take the CVTL recognition process forward. The programme made substantial progress with about 75 per cent of 2004's results fulfilled. Structural organizational development achievements and enhanced human resource capacity are likely to have lasting effects, as the growing programme activities are drawing on them and thus reinforcing them within the national society.

The enthusiasm and commitment of volunteers were important advantages that gave CVTL a countrywide boost. Assuming the national society can provide challenges for the volunteers, this will be an asset for the future. Improvement in the financial health of the society was a good opportunity to gain momentum in programme delivery, and the overall ability is strengthened.

The programme, which only started in earnest in 2004, suffered from a slow start, partly due to the delay in recruiting an organizational development delegate who joined mid-May. Some efforts took much longer than expected. The board extension took four months, the appointment of an auditor two months and the introduction

of the new salary structure took three months. These delays were in part overcome by focusing on multiple activities at any given time. Although there was an initial delay of three months in initiating the plan of action towards recognition, the progress indicates that the original timetable is retrievable.

Indicators beyond reach were 'approved legal status' and 'establishment of a high quality financial system'. The lack of governmental endorsement of the draft recognition law represented an absolute obstacle and the fundamental financial management problems did not allow for the establishment of a proper financial system. These and the challenges of structuring donor support/income growth, and establishing basic critical management systems must be addressed in 2005. There is also a clear need to strengthen CVTL's senior management.

Significant results of the organizational development programme were the national meeting, the establishment of the three committees and their extensive progress, leading up to branch establishments and elections preparations, a strengthened and expanded board, and the national VCA process.

The overall goal, 'CVTL has made measurable progress towards establishment and recognition as a fully fledged national society by 2005 and undertakes a visible role in the humanitarian sector in Timor-Leste', was reached, even if there is still work to do before achieving the programme objective, 'The basic foundation, adequately resourced, has been laid to enable the creation of a sound national Red Cross society in Timor-Leste.' Depending on the Government of Timor-Leste, the original schedule for the recognition process seems achievable.

## **Representation, Management and implementation**

### **Coordination**

Sister national societies and other organizations showed a steadily increasing interest in CVTL's work and development throughout the year. Long-term funding is still needed in some fields while it is a challenge to avoid overfunding in others. PMI remains a generous provider of human resource and expertise in health and disaster management programme activities.

Delegates from most of CVTL's partner national societies visited in 2004, getting valuable impressions from the field and discussing challenges. There is an overwhelmingly supportive attitude from CVTL partners as the society is serious and focused in its development efforts.

CVTL continued to receive appeal support from:

- Australian Red Cross (health, disaster management and funding of the organizational development delegate).
- New Zealand (organizational development, disaster management and core costs).
- Norwegian Red Cross (head of delegation, disaster management and organizational development).
- South Korean Red Cross (health).
- British Red Cross (DFID) (health, disaster management, organizational development and core costs).

Bilateral support is rendered by:

- Japanese Red Cross (health).
- Australian Red Cross (water and sanitation, and disaster management).
- FHI (HIV/AIDS).
- CWSSP (water and sanitation).
- Spanish Red Cross (branch development).
- Austrian Red Cross (water and sanitation/ CBFA).

Delegates from the Singapore Red Cross visited in September, following up on discussions on possible bilateral health support in midwife training in cooperation with the government. A representative from The Norwegian Red Cross visited in September, assessing possibilities of future support to CVTL. ICRC continues to support CVTL with tracing, humanitarian values and organizational development. The national society's first partnership meeting is planned as a joint arrangement with PMI in February 2005.

Health coordination meetings initiated by the ministry of health stalled towards the end of the year. CVTL and the Federation took the initiative to help establish a community health coordination group. An inaugural meeting was held in September and terms of reference for the group were drafted.

A HIV/AIDS group is functioning under the leadership of FHI.

Over the year, there has been improved overall cooperation between CVTL/Federation and their partners. However, given its limited capacity, some responsibility for the health coordination meetings initiated by the ministry of health has been delegated to NGOs that may not be completely familiar with their assigned roles.

### **Representation**

The national society increased its interaction with other health agencies in Timor-Leste. Representatives from CVTL have participated in a number of international meetings in health, organizational development and disaster management.

CVTL has improved its capacity to cooperate professionally with other agencies. It remains a challenge for CVTL to reject cooperation outside its priorities, but the organization has proven that it is able to stand by its strategic priorities.

**[Financial Report below; click here to return to the title page.](#)**

# International Federation of Red Cross and Red Crescent Societies

01.63/2004 EAST TIMOR

Selected Parameters	
Year/Period	2004/1-2004/12
Appeal	M04AA063
Budget	APPEAL

All figures are in Swiss Francs (CHF)

## I. Consolidated Response to Appeal

	Health & Care	Disaster Management	Humanitarian Values	Organisational Development	Coordination & Implementation	TOTAL
<b>Budget (A)</b>	191,730	48,855		261,535	193,729	695,849
<b>Opening Balance (B)</b>	11,426	0		79,143	0	90,569
<b>Income</b>						
<u>Cash contributions</u>						
<i>Australian Red Cross</i>		19,286		94,600		113,886
<i>British Red Cross</i>	60,040			18,317	24,423	102,780
<i>Capacity Building Fund</i>				128,000		128,000
<i>Hong Kong Red Cross</i>		1,052				1,052
<i>Japanese Red Cross Society</i>	1,716					1,716
<i>Korea Republic National Red Cross</i>	50,000					50,000
<i>New Zealand Red Cross</i>	29,989	26,010		29,989	4,002	89,988
<i>Norwegian Red Cross</i>	60,775	60,300		10,149	74,235	205,459
<i>Swedish Red Cross</i>				23,153		23,153
<b>Cash contributions (C1)</b>	<b>202,519</b>	<b>106,648</b>		<b>304,207</b>	<b>102,660</b>	<b>716,034</b>
<u>Reallocations (within appeal or from/to another appeal)</u>						
<i>Japanese Red Cross Society</i>	45,000					45,000
<i>Norwegian Red Cross</i>				-59,452	59,452	0
<b>Reallocations (C2)</b>	<b>45,000</b>			<b>-59,452</b>	<b>59,452</b>	<b>45,000</b>
<u>Inkind Personnel</u>						
<i>Japanese Red Cross Society</i>	26,400					26,400
<i>Norwegian Red Cross</i>					102,000	102,000
<b>Inkind Personnel (C4)</b>	<b>26,400</b>				<b>102,000</b>	<b>128,400</b>
<b>Total Income (C) = SUM(C1..C5)</b>	<b>273,919</b>	<b>106,648</b>		<b>244,755</b>	<b>264,112</b>	<b>889,434</b>
<b>Total Funding (B + C)</b>	<b>285,345</b>	<b>106,648</b>		<b>323,898</b>	<b>264,112</b>	<b>980,003</b>

## II. Balance of Funds

	Health & Care	Disaster Management	Humanitarian Values	Organisational Development	Coordination & Implementation	TOTAL
<b>Opening Balance (B)</b>	11,426	0		79,143	0	90,569
<b>Income (C)</b>	273,919	106,648		244,755	264,112	889,434
<b>Expenditure (D)</b>	-148,952	-22,221		-213,497	-245,896	-630,567
<b>Closing Balance (B + C + D)</b>	<b>136,393</b>	<b>84,427</b>		<b>110,401</b>	<b>18,215</b>	<b>349,436</b>

International Federation of Red Cross and Red Crescent Societies

01.63/2004 EAST TIMOR

Selected Parameters	
Year/Period	2004/1-2004/12
Appeal	M04AA063
Budget	APPEAL

All figures are in Swiss Francs (CHF)

### III. Budget Analysis / Breakdown of Expenditure

Account Groups	Budget	Expenditure					TOTAL	Variance
		Health & Care	Disaster Management	Humanitarian Values	Organisational Development	Coordination & Implementation		
A		B					A - B	
<b>BUDGET (C)</b>		<b>191,730</b>	<b>48,855</b>		<b>261,535</b>	<b>193,729</b>	<b>695,849</b>	
<b>Supplies</b>								
Construction		3,588	2,881		21		6,490	-6,490
Food			6				6	-6
Seeds,Plants	1,324		1,318				1,318	6
Water & Sanitation	1,500	371			141		512	988
Medical & First Aid	19,660	2,542					2,542	17,118
Teaching Materials	60	60					60	0
Utensils & Tools	10,000							10,000
Other Supplies & Services	2,303		6,367				6,367	-4,064
<b>Total Supplies</b>	<b>34,847</b>	<b>6,562</b>	<b>10,572</b>		<b>162</b>		<b>17,296</b>	<b>17,552</b>
<b>Capital Expenditure</b>								
Vehicles	11,600					905	905	10,695
Computers & Telecom	8,700	31			10,519	9,837	20,388	-11,688
Office/Household Furniture & Equipm.						816	816	-816
Others Machinery & Equipment	108							108
<b>Total Capital Expenditure</b>	<b>20,408</b>	<b>31</b>			<b>10,519</b>	<b>11,558</b>	<b>22,109</b>	<b>-1,701</b>
<b>Transport &amp; Storage</b>								
Storage						132	132	-132
Distribution & Monitoring			164				164	-164
Transport & Vehicle Costs	623	1,569	148		717	1,615	4,049	-3,426
<b>Total Transport &amp; Storage</b>	<b>623</b>	<b>1,569</b>	<b>312</b>		<b>717</b>	<b>1,747</b>	<b>4,345</b>	<b>-3,722</b>
<b>Personnel Expenditures</b>								
Delegates Payroll	276,747	239			38,275	10,859	49,373	227,373
Delegate Benefits		43,839			23,864	142,515	210,218	-210,218
Regionally Deployed Staff	14,100							14,100
National & National Society Staff	56,398	12,191	163		11,633	11,084	35,071	21,327
Consultants	285		285		3,907		4,192	-3,907
<b>Total Personnel Expenditures</b>	<b>347,530</b>	<b>56,269</b>	<b>448</b>		<b>77,679</b>	<b>164,458</b>	<b>298,855</b>	<b>48,675</b>
<b>Workshops &amp; Training</b>								
Workshops & Training	163,687	42,110	8,539		68,892	730	120,271	43,416
<b>Total Workshops &amp; Training</b>	<b>163,687</b>	<b>42,110</b>	<b>8,539</b>		<b>68,892</b>	<b>730</b>	<b>120,271</b>	<b>43,416</b>
<b>General Expenditure</b>								
Travel	28,669	15,406	206		16,591	10,790	42,993	-14,324
Information & Public Relation	16,696	12,771			5,539	1,640	19,950	-3,254
Office Costs	19,942	1,452	282		12,688	4,717	19,139	803
Communications	11,391	3,177	418		2,787	13,358	19,740	-8,349
Professional Fees	6,827	505			2,137		2,642	4,185
Financial Charges		2			-1,603	17,645	16,044	-16,044
Other General Expenses					130	467	597	-597
<b>Total General Expenditure</b>	<b>83,524</b>	<b>33,313</b>	<b>906</b>		<b>38,268</b>	<b>48,617</b>	<b>121,105</b>	<b>-37,580</b>
<b>Program Support</b>								
Program Support	45,230	9,570	1,444		13,877	15,552	40,444	4,786
<b>Total Program Support</b>	<b>45,230</b>	<b>9,570</b>	<b>1,444</b>		<b>13,877</b>	<b>15,552</b>	<b>40,444</b>	<b>4,786</b>
<b>Operational Provisions</b>								
Operational Provisions		-474			3,383	3,234	6,143	-6,143
<b>Total Operational Provisions</b>		<b>-474</b>			<b>3,383</b>	<b>3,234</b>	<b>6,143</b>	<b>-6,143</b>
<b>TOTAL EXPENDITURE (D)</b>	<b>695,849</b>	<b>148,952</b>	<b>22,221</b>		<b>213,497</b>	<b>245,896</b>	<b>630,567</b>	<b>65,283</b>
<b>VARIANCE (C - D)</b>		<b>42,778</b>	<b>26,634</b>		<b>48,038</b>	<b>-52,167</b>	<b>65,283</b>	