

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

THE PEOPLE'S REPUBLIC OF CHINA

25 May 2005

In Brief

Appeal No. 01.67/04; Appeal target: CHF4,436,886 (USD 1,167,448 or EUR 906,7556); Appeal coverage: 121.1 %. ([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. 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>

For further information specifically related to this Annual Appeal please contact:

- In China: Red Cross Society of China, email: rcsc@chineseredcross.org.cn, phone: +861065124169, fax: +861065124169.
- In Beijing: Alistair Henley, head of East Asia regional delegation; email: ifrcen01@ifrc.org, phone: +861065327162, fax: 861065327166.
- In Geneva: Asia Pacific regional department, Ewa Eriksson, East Asia regional officer, email: eriksson@ifrc.org, phone: 41227304252, fax: 41227330395.

Operational Context

General Situation

In 2004, China continued its rapid growth as a major player on the world scene. Its population passed 1.3 billion people while its gross domestic product (GDP) growth of 9.5 per cent confirmed its status as the world's most dynamic economy. There is increasing attention and debate amongst leading experts around the world on the implications and impact of China emerging as a major economic and political power. However, whatever changes lie in store, there is a responsibility for those concerned with humanitarian issues to take a closer look at the realities of the current situation and what lies behind the headline making statistics.

Accompanying the overall impressive economic growth figures is the fact that 20 per cent of the world's poor live in China, with nearly one out of every three people living on less than two dollars a day. Furthermore, international aid agencies working in the country estimate that somewhere between 160 to 200 million Chinese still survive on less than one dollar a day, and a Millennium Development Goal progress report issued in August by UNICEF reported that some 725 million people are living without adequate sanitation facilities and clean water. Lack of appropriate sanitation facilities has contributed to the resurgence of schistosomiasis (snail fever) in Hunan province for example, where close to 900,000 people are afflicted with the disease and a further estimated 30 million are at risk.

During the year, China's population remained particularly vulnerable to a range of natural disasters, including floods, typhoons, droughts, frosts and earthquakes. Summer torrential rains caused serious flash floods and landslides in 12 provinces in the southern parts of the country, and the summer witnessed a large earthquake in Yunnan province and typhoon Rananim, which ravaged several eastern seaboard provinces. According to government statistics, natural disasters in 2004 flattened a total of 1.55 million houses and damaged millions more, leaving some 12.7 million people either temporarily displaced or homeless and causing USD 19.4 billion in damage to the country.

Apart from the direct impact on those affected, these natural disasters significantly contributed to the lack of economic development amongst the poorest in the countryside. The government acknowledged mid-year that, for the first time since the 1970s, the number of people below the poverty line had increased in 2003 by some 800,000, citing the impact of disasters as one of the leading causes.

The situation regarding HIV/AIDS is a cause for increasing concern. Official statistics on HIV prevalence are widely regarded to be low estimates, and there is common agreement on the seriousness of the situation. According to the Joint United Nations Programme on HIV/AIDS (UNAIDS), the risk of a significant increase in HIV cases is rising due to the growth in the use of injection drugs, particularly heroin that comes from neighbouring countries in Southeast Asia. The agency reported a 35 to 80 per cent HIV prevalence amongst intravenous drug users in Xinjiang and 20 per cent in Guangdong provinces. At the same time, a lack of awareness regarding the disease resulted in low condom use among groups most susceptible to the disease. Although the central government and some provincial governments introduced legislation and initiatives to help prevent the spread of the disease, fears and prejudice about HIV/AIDS remain high among the public and the local government; thus, there is need for critical work on reducing the stigma that accompanies lack of knowledge and misinformation.

Finally, another critical area of vulnerability in today's China is the situation of migrant workers. Population movement is substantial with an estimated 120 million migrant workers leaving rural areas to seek often-precarious employment opportunities in the cities. These workers have few rights and usually no entitlements to even the most basic of social services.

Thus, while the living conditions for a majority of the population in China have improved significantly in the past 10 years, numerous groups remain or are falling into poverty, deprivation and discrimination. This growing gap between the rich and poor gave rise to increasing discontent and incidents of social unrest in both rural and urban settings over the past year. The need for both the authorities and humanitarian organisations to work and address these needs is therefore pressing.

Red Cross Society of China

For the Red Cross Society of China (RCSC), 2004 was an important year in many ways. The celebration of the society's 100th anniversary marked the first part of the year, and a variety of activities organised helped the society raise its profile and gain increased support and recognition from the authorities and public. The principal event was a large-scale celebration meeting held in the Great Hall of the People on World Red Cross Red Crescent Day on 8 May. Leading government dignitaries and representatives from the International Committee of the Red Cross (ICRC), the Federation and national societies that RCSC has close relations with attended the event.

This was followed the next day by a seminar on urban disaster preparedness organised by the society's Beijing branch at one of the country's leading universities. The seminar was an important reminder of the new humanitarian challenges at the start of the 21st century and the need to work closely with public authorities to respond to these changing needs and realities. Invited representatives from the American Red Cross Society gave presentations on their experiences in dealing with the man-made disasters at the Atlanta Olympics and the 9/11 terrorist attacks, whilst other speakers highlighted the growing threats from public health diseases such as SARS and urban migration and poverty.

The second half of the year was taken up with the preparations for the society's eighth national convention, an event held once every four years. The main outcomes from this meeting were the election of a new leadership, several amendments to the constitution and the adoption of a new five-year

development plan. The opening of the convention was a high profile event, as it was presided over by Vice-premier Mme Wu Yi, and before the official opening, President Hu Jiantao, Premier Wen Jiabao and other leading political figures met the delegates.

Changes to the constitution include giving formal status to the society's volunteers and outlining their rights and duties, explicitly identifying community services, HIV/AIDS prevention and care, and the blood stem cell database as core RCSC activities, and requiring branches at all levels to be subject to government audits.

The overall goal of the RCSC as defined in its new development plan is to be a humanitarian social relief organisation that connects closely with the people and is based on its own characteristics. The main goals of the plan include:

- Complete the restructuring of all branches at prefecture and lower levels and their separation from the Ministry of Health, in line with the Red Cross Law.
- Increase the number of grassroots Red Cross units to 110,000 and members to 30 million by 2009.
- Expand the work in Red Cross youth and schools as well as increase the number of active volunteers to one million.
- Improve the society's capacity in disaster relief, first aid and social welfare programmes.
- Promote international and regional cooperation and play a more important role in the International Red Cross Red Crescent Movement.

One indicator of the public's increasing respect and confidence in RCSC was the highly successful fundraising campaign carried out at national and provincial levels following the 26 December's tsunami disaster in the Indian Ocean. By the beginning of March 2005, this campaign had raised CHF 45 million and allowed RCSC to play a significant role in assisting those affected by this disaster.

As noted above, 2004 saw a variety of disasters striking different parts of China, and RCSC headquarters and branches responded in line with their well-established role in disaster response. Although the society made no appeals for international assistance, the Federation provided CHF 200,000 from its DREF disaster fund to the RCSC flood relief operations, for which a domestic appeal was launched.

In terms of development cooperation, 2004 was a particularly active year for RCSC. The society carried out nearly 40 different development projects on a multilateral or bilateral basis, through its headquarters and 22 provincial branches, in cooperation with 13 different Red Cross partners that included the ICRC. Of these, 10 were new projects or were planned during the course of the year. The total value of all these programmes was approximately CHF 5 million. The development cooperation section at the end of this report provides further details on these programmes.

Health and Care

HIV/AIDS Programme

Overall goal: The RCSC will contribute to the reduction of the transmission of HIV/AIDS in China and help to improve care and support for people living with HIV/AIDS (PLWHA) and their families.

Program objective: By the end of this project, RCSC headquarters and selected branches will have an improved ability to design, implement, manage, and fund sustainable HIV/AIDS interventions, leading to the increased capacity of youth in selected provinces to protect themselves from HIV/AIDS.

Expected result 1: RCSC headquarters and selected branches have improved ability to design, implement, manage, and fund sustainable HIV/AIDS interventions

Two provincial branches, Henan and Shandong in central China, initiated youth peer education (YPE) with the support of a field delegate made available by the Swedish Red Cross Society. Although no specific capacity building activities were conducted in 2004, a manager's training is planned for early 2005.

Staff from the RCSC's headquarters and branches attended an international AIDS conference in Bangkok and an international conference on reducing drug-related harm in Melbourne. Branch staff from Xinjiang made a presentation on peer education by and for people living with HIV/AIDS at the Melbourne conference.

The Federation's regional HIV/AIDS delegate participated in the Xinjiang Red Cross branch's strategic planning process. The process was participatory and inclusive, with participation from leaders, the community, drug users, PLWHA, Red Cross staff, other government and non-government partners, and resulted in a specific but flexible five-year plan for the Xinjiang branch. The Australian Red Cross Society guided this process and the Federation assisted with funding.

The HIV/AIDS programme provided training support to the Beijing-Shanghai and Netherlands Red Cross Society peer education programme. Forty volunteers were trained for this bilateral youth peer education programme. The programme also provided training support to Sichuan and Norwegian Red Cross Society's branch development programme in the Ganzi prefecture. This is the first formal HIV/AIDS training for the Norwegian-Chinese Red Cross community development programme. Although participants had almost no prior knowledge of HIV/AIDS, they were able to visualize and adapt their community development techniques to suit HIV/AIDS education.

In September, the Federation organised a meeting of RCSC branches, headquarters, partner national society representatives and field delegates on HIV-related activities and plans. During this meeting, it became clear that branches rely heavily on volunteers, and that volunteers have useful contributions and suggestions to improve HIV/AIDS programming. It is hoped that the leadership considers the inputs of volunteers in developing and expanding programmes.

Expected result 2: HIV expert trainers selected from RCSC headquarters and branch staff trained in participatory methodologies.

Twenty participants from nine branches and headquarters were selected and have attended the first two (of three) parts of the training-of-trainers (TOT). Topics covered to date include gender and HIV/AIDS, stigma/discrimination, life skills for HIV prevention, drug use or harm reduction, and virology of HIV infection. Part three of this TOT, consisting of adult learning and training methodologies as well as the experiences of PLWHA, is planned for March 2005.

Expected result 3: 800 young people have knowledge and skills to protect themselves from HIV; 6400 peers understand HIV transmission and prevention.

One training session of facilitators in each of two branches was completed, with 37 volunteer facilitators trained. Each province was host to ten two-day workshops; the 400 youth educated at the workshops have informed at least 3200 friends and classmates of HIV knowledge.

Expected result 4: Increased public awareness about HIV/AIDS and its prevention.

The Federation provided financial support to RCSC World AIDS Day events in 12 provinces. This included a national event held in Hunan province attended by the society's new executive vice-president.

Expected result: 40 RCSC staff at headquarters and branch level effectively use the manual *Making a Difference* to manage their voluntary non-remunerated blood donors (VNRBD) activities.

Beijing hosted the ninth international colloquium on the recruitment of voluntary, non-remunerated blood donors on 3 to 7 April 2004. The Federation organized the colloquium, which the World Health

Organization (WHO) co-sponsored. The colloquium, hosted by the RCSC, was held in partnership with the International Society of Blood Transfusion and the Association of Donor Recruitment Professionals. Senior management from the RCSC and China's minister of health addressed the meeting. Plenary sessions concentrating on activities in China highlighted efforts by both the RCSC and the government to address the blood needs of China's extensive rural population. Additionally, the meeting concentrated on international activities surrounding the *Making a Difference* manual materials and the introduction of these materials in Mandarin. The designing and implementation of "making a difference" workshops sponsored by the RCSC took place during the last quarter of 2004.

Analysis of the HIV/AIDS Programme in 2004

Implementation of this programme, supported mainly by the Swedish Red Cross Society, was delayed in 2004 due to the attention given to organising the society's 100th anniversary and national convention. However, most key activities were initiated and will continue to be developed in 2005. Certainly, good groundwork has been set for peer education in Henan and Shandong, with the technical support of the field delegate and continuity of funding assured.

There were some difficulties with the training of expert trainers on HIV/AIDS prevention and care, which began in 2004. The main issue, from Federation's perspective, is the selection of participants, which in turn seems to derive from lack of clarity about the purpose of the training. For Federation and some sections of RCSC, this training intends to provide RCSC with a pool of expert trainers who can support all RCSC HIV/AIDS prevention and care training needs. Branches, on the other hand, selected participants who would meet their local needs.

During the second week of September, a meeting was held among senior members from RCSC and representatives from partner national societies supporting HIV/AIDS activities in China. The outcome of the meeting highlighted the vital contribution made by volunteers to RCSC activities, and the presence of the RCSC executive vice president at the meeting demonstrated the society's commitment to continue working on HIV/AIDS programmes. The RCSC however needs to provide partners with a clear vision and policy direction to broaden the approach taken in addressing stigma, prevention and care as well as support for people living with HIV/AIDS.

The next step will be working together to support RCSC in adopting a national strategy on HIV/AIDS, and establishing an important and meaningful role for the RCSC to play in addressing HIV/AIDS in China. The HIV/AIDS epidemic needs the attention of RCSC leadership to support the society's overall work on HIV/AIDS and expand projects, initiated in Yunnan, to other parts of China. In 2005, there are plans to work with RCSC headquarters on strategic planning. This should include coordinated campaigns, clear direction on prevention and care, as well as strategies to fit RCSC into government-led initiatives like the Global Fund mechanism, China CARES, 3by5 and so on.

On the voluntary, non-remunerated blood donor situation in China, unsafe blood collection practices in the 1990s resulted in a HIV epidemic in several provinces. Although improvements in blood collection practices have been seen in China, characteristics like having a large population, the prevalence of sexually transmitted diseases and poor understanding about best practices among the medical and general populations still pose major challenges for ensuring a safe blood supply. Additionally, the sudden outbreak of an infectious disease like SARS or Avian flu can have a serious impact on the blood supply. With approximately 80 per cent of China's population living in rural communities, addressing the needs of rural populations is a key component to China's blood donor recruitment strategy.

Disaster Management

There are two components to the Federation's 2004 disaster management programme. The first focuses on activities to strengthen RCSC capacity in carrying out disaster response operations, drawing on experiences and lessons learnt from implementing relief operations in the past two years. The second relates to the new community vulnerability reduction programme that has evolved from the previous water and sanitation projects carried out in two provinces in southern China.

Disaster Management Capacity Building

Overall goal: Assist RCSC with strengthening the society's speed and effectiveness with disaster operations.

Project objective: The RCSC and the Federation improve their capacity for disaster response in China.

Expected result 1: Recommendations made in the review of the 2002 flood operations have improved the society's disaster response capacity.

The management of both RCSC and the Federation has addressed most of the recommendations that came out of the March 2003 review of the joint RCSC and Federation 2002/03 flood operation during the 2003/04 operation. One of the authors of the review serving as the Federation's relief coordinator for this operation facilitated the implementation of these recommendations. Examples of changes in the managing the 2003 joint floods operation implemented by the national society and the Federation over the period July 2003 to May 2004 include:

- Quicker response time in the emergency with some items, such as tents, distributed within one week after the floods struck.
- The Federation's flood relief team located in RCSC headquarters.
- Discussions with and training for the RCSC logistics division in Beijing and selected provincial branches to continue aligning the society's internal logistics procedures more closely with international practice, including the translation of all relevant Federation documents into both Chinese and English.
- The introduction by the RCSC relief department of new and more comprehensive monitoring procedures carried out at the end of the operation in May 2004.

Expected result 2: A review has been made of the RCSC 2003 floods operations; The RCSC and Federation agree upon a joint plan of action for improving the capacity for disaster response based on the 2002 and 2003 flood operation reviews.

At the end of May 2004, the Federation commissioned a consultant with extensive Red Cross Red Crescent working experience to conduct a two-part review of the RCSC and Federation's 2003 to 2004 flood relief operation (Appeal 18/2003). The first part of the review involved a two-day participatory review meeting held shortly after the end of the operation, which the consultant facilitated over 28 to 30 May 2004. The meeting brought together representatives from the Federation's regional delegation and flood relief team, RCSC headquarters and the nine provincial branches responsible for managing the field implementation of activities to identify the strengths and weaknesses of the operation.

The meeting was a good forum for hearing the concerns, difficulties and opinions of the provincial branches, and the ideas and suggestions made during the meeting will form the basis of how the RCSC and the Federation approach future flood relief activities. The second part of the review process consisted of the external consultant producing a report based on the outcomes of this meeting, a literature review and interviews with all the key actors involved in the operation.

The main outcome from this process has been the realization of the need for a more comprehensive and effective strategy for future flood relief operations. This should build on the comparative strengths and advantages of the local, national and international actors involved. For example, a rapid response in the very early phases of a flood disaster is best carried out by the local branches supported by the respective RCSC provincial branch. The quality of the response will depend largely on the numbers of trained volunteers and staff that can be mobilized, together with the availability of pre-positioned disaster-preparedness stocks.

The planning and conduct of a larger scale relief operation as the next phase in the Red Cross response will depend on the RCSC headquarters action and coordination. There are a number of options to carry

this forward, depending on the scale of the disaster and the ability to raise resources through national and/or international appeals. Wherever possible, the development of a third phase, consisting of a rehabilitation and mitigation programme, should complement the relief phase of any operation. The RCSC and Federation see the way that the community vulnerability reduction programme has evolved as an effective measure to reduce the vulnerability of communities in flood prone and affected areas as a vital element in an overall RCSC disaster response strategy.

Expected result 3: Disaster preparedness stocks are in place .

Preliminary discussions were initiated between the Federation and the RCSC as to how to improve the efficiency of the national society's disaster preparedness centres ; however, due to constraints in time, priority was given to concentrating on other technical areas relating to disaster response.

Community Vulnerability Reduction (CVR)

Overall goal: develop a model for vulnerability reduction that can be replicated throughout China.

Project objective: The vulnerability of the most at risk populations in three to four disaster-prone provinces is reduced by implementing the CVR project.

Federation disaster management programming in China has taken an innovative direction, in which issues and activities traditionally carried out through separate "vertical" programming (such as "relief operations" and "health programmes") are being incorporated into integrated disaster management activities. The CVR programme seeks to combine sanitation (toilet construction), health education, disaster preparedness and water supply activities. It has its origins in the response to the 2001 floods in southern China, when a flood rehabilitation programme was designed to follow the relief operation.

The programme, as presented in the 2004 China appeal, originally envisaged a greater volume of activity, covering three to four provinces and a larger number of water projects. However, funding for the main part of the programme was only finalised with ECHO in early 2004, with a somewhat smaller project budget. The achievement of results presented below thus reflects the project, as agreed with ECHO, covering the period March 2004 to February 2005 and other components of the overall CVR programme carried out during the year. Two Federation delegates, a programme coordinator and a health delegate, have worked closely with provincial branches to help them implement the project and improve their capacity for financial reporting and project management.

Expected result 1 The effects of slow onset and sudden emergencies are minimized for 70,000 people in Hunan, Guangxi and a third province to be identified following a thorough assessment.

As stated above, the main activities in this reporting period were in line with the project agreed with ECHO at the start of the year. During this time, RCSC, in cooperation with the Federation and with support from ECHO, has assisted 13 rural communities in Guangxi province and 11 rural communities in Hunan province to develop improved water and sanitation infrastructure and public health awareness, minimizing the effects of slow onset and sudden emergencies.

Programme implementation has assisted a total of 41,000 beneficiaries from flood affected rural communities, through the construction of 7,500 Ecosan toilets (a sealed vault and dry-composting latrine), and 11,500 beneficiaries in five rural communities (three in Guangxi and two in Hunan) with the construction of safe water supply systems. Supporting the infrastructure development in all 23 rural communities, the CVR programme has undertaken community-based health education activities reaching 52,000 beneficiaries. Staff from all levels of the RCSC network have been trained in participatory methodologies to increase understanding of environmental sanitation and general health issues as well as prevent the transmission of water and sanitation-related disease in the communities .

In addition to the ECHO-funded project, the 2004 CVR programme envisaged the start up of community-based disaster preparedness (CBDP) activities. These activities focussed on training RCSC staff in skills

to facilitate rural communities in identifying, selecting and implementing mitigation measures that will reduce their vulnerability to slow onset and sudden emergencies. The activities commenced in Guangxi mid-year, supported by the Australian Red Cross Society, while the Danish Red Cross Society committed to support a similar CBDP component in Hunan province in 2005. The commencement of CBDP in Guangxi and Hunan provinces consolidates all four components of the overall CVR programme approach.

The remaining activities under the 2004 CVR programme in Guangxi and Hunan, to be completed in early 2005, are management related and include finalising project documentation and conducting an external evaluation. The external evaluation will review the approach and assumptions the programme has been based on, ensuring activities continuously support the overall improvement of health in rural communities.

Expected result 2: The level of sanitation related diseases for 70,000 people living in the three provinces is reduced.

During the reporting period, the health education component of the CVR programme continued to develop a locally appropriate approach, including aspects of Chinese culture, ideology and management style, within participatory health and hygiene education in rural communities. As with previous years, the health component aims to increase the knowledge and understanding of water-based and water-washed disease transmission and their link to water, sanitation and personal hygiene.

The participatory grassroots approach is relatively new in China, and as such it is taking time for facilitators and participants to feel comfortable with the new form of pedagogy. Although challenging for the RCSC staff, there have been improvements in implementing the approach and content of the community education during the reporting period. It is natural for a society that is traditional top-down, with knowledge transfer conducted primarily through formal-lecture formats and written media, to be gradual in adopting the participatory methodology.

Based on lessons from previous years and those incorporated from government and non-government organisations working in southern China, the RCSC and Federation consider participatory-based education approaches to be the most appropriate in achieving increased knowledge and behavioural change, especially with health and hygiene issues in rural communities. Therefore, the health and hygiene component encourages both knowledge input and behavioural change within rural communities.

As part of the CVR programme activities, the focus on knowledge input involved lectures, videos and campaigns that are carried out in collaboration with the local health authorities. In addition to knowledge input, RCSC staff focussed on activities promoting behaviour change through community-based participatory education activities conducted by Red Cross village volunteers and county facilitators. To build knowledge and skills of RCSC in participatory health and hygiene practices, two training-of-trainer (TOT) courses were held in each province. These courses provided the county facilitators with an understanding of participatory methodology and specific skills to transfer knowledge and encourage behavioural change in hygiene practices and waterborne disease prevention.

In addition to the TOT courses, each county facilitator facilitated their own community-training course with groups of village volunteers to develop a skill base of educated people within each beneficiary community. The village volunteers then undertook household visits and attended community meetings to transfer messages on the prevention of water and sanitation-related disease within the wider community.

To support the development of health and hygiene education, an initial baseline health survey was conducted in all communities. The results of the survey enabled the Guangxi and Hunan branches to obtain information on pre-programme knowledge and practices on water and sanitation diseases in each community. This information was used to modify the content and focus of key health and hygiene messages transferred by the county facilitators and village volunteers. The programme also drew upon this information to improve the accompanying health promotion materials, ensuring key messages addressed the actual needs and build on current understandings of health-related issues within each

community. This would, in turn, increase sustainability of the messages spread and the foster community spirit and cooperation.

The project has successfully reached 52,000 beneficiaries through an integrated approach involving activities like educating county-level facilitators to train and supervise a group of RCSC volunteers in all targeted villages. The role of village volunteers and county facilitators has been to impart knowledge and promote behavioural change through participatory practices. This allows the local people to conduct their own assessments and to develop realistic solutions towards changing behaviour and attitudes in their communities. Through ongoing dialogue almost all the beneficiary households spoken to felt their living conditions had improved and that they had an increased awareness of health prevention measures.

Expected result 3: CVR project replicated in a third province.

As a result of the severe floods that again affected large areas of southern China in the summer months of 2004, RCSC, in cooperation with the Federation, was able to secure new support from ECHO to continue the CVR programme in Guangxi and Hunan provinces and expand to a third area: the municipality of Chongqing located in southern China. The new support from ECHO will enable rural communities affected by floods in the summer of 2004 to reduce their vulnerability to possible disasters in the future. The new programme commenced in November 2004 and will end in November 2005. Preparation activities have been completed during 2004 for the implementation of the integrated CVR programme in Chongqing, Guangxi and Hunan.

Analysis of the CVR Programme in 2004

The CVR programme evolved further during the reporting period to incorporate the experience gained through two successive ECHO-supported projects in the Guangxi and Hunan provinces. Work in 2004 has focused on a more comprehensive and integrated programme in these two provinces, looking at key issues of project management, participatory practices and long-term sustainability.

The CVR programme successfully completed all planned objectives. Through an integrated approach of developing an improved water supply, sanitation facilities and community-based health and hygiene education, the programme addressed the transmission of water and sanitation-related disease from more than one potential source, ensuring the beneficiaries have access to resources and knowledge to support the sustainable improvement of their general health and overall living conditions. Furthermore, the inclusion of community-based disaster preparedness activities expanded the CVR programme and assisted in addressing the reduction of rural communities' vulnerability to slow onset and sudden emergencies.

Through developing the skills of RCSC staff and selected community representatives, both the county facilitators and village volunteers were able to develop a sense of ownership for the programme amongst the local people, which in turn encourages realistic solutions towards changing behaviour and attitudes in the communities. This approach was further strengthened under the CBDP component, providing rural communities with a voice and power to make their own decisions.

All short-term, measurable objectives of the CVR programme, such as the construction of toilets, water supply systems and health and hygiene training activities, were achieved during the reporting period. This provided a basis from which beneficiary communities were able to reduce the transmission of water and sanitation-related disease. Although the CVR programme was able to achieve short-term improvements in the health of the beneficiaries, the longer-term, sustainable improvement of their health is highly dependent on the beneficiaries accepting and adapting their behaviour. Behavioural change of this kind cannot be seen within a 12-month period, and it requires three to five years, if not longer, before the change can be effectively evaluated. This is an issue of concern to all public health-related programmes. The RCSC and Federation are currently undertaking discussions on ways to evaluate the overall behavioural change.

Initial feedback and observation through monitoring and supervision activities during programme implementation indicated behavioural change has started to appear in the daily lives of the rural

communities. The key is to ensure that positive alterations to the behaviour of individuals and their approach to managing water, human and animal faeces, food and the general environment are sustained. The best way in achieving such sustainable behavioural change is through ongoing reinforcement. The benefit of the CVR programme in this respect is that reinforcement of health and hygiene messages can be provided through the local village volunteers, the extensive network of RCSC branches and the local Ministry of Health representatives.

Both the Guangxi and Hunan branches and key representatives of RCSC's senior management in Beijing identified the improvement of rural health through integrated programming as one of the society's top priorities. It was recognised that the main successes of the projects in Guangxi and Hunan was building RCSC's confidence in carrying out community-based work. It was also recognised that, with support and guidance, the village-level volunteer groups that have been formed to promote health awareness should also be mobilised for community disaster preparedness.

The ongoing refinement of the programme structure within the Guangxi and Hunan provincial branches, RCSC headquarters and the Federation has achieved substantial progress across all areas of the programme. In particular, the lessons learnt and analysis of the health component has enabled changes that will increase the effectiveness of transferring key health and hygiene messages to rural communities. The adjustments to the health component are seen as the initial steps in strengthening the sustainability of the programme, particularly in promoting sustainable behavioural change. Health education is the factor that draws together all other components of the CVR programme, and is therefore vital for the long-term sustainability of the programme's achievements.

Support from the Chinese authorities contributed to the success of the RCSC's activities over the previous three years, as the authorities carried out complementary activities to improve the living conditions in the beneficiary communities. In all areas where RCSC implemented the CVR programme, the national society strived to conclude agreements for the upgrade of roads, communal drains and the provision of transport for its supplies, materials or local staff. During 2004, relationships with the local health and water representatives were strengthened; representatives from relevant departments attended and made presentations at training courses as well as supported RCSC staff during monitoring, and supervision visits. Consultation and strengthening of relationships with the local authorities was another step towards the RCSC in developing its skills, experience and networks within the field of public health.

To date, the implementation of the CVR programme has been supported by funds from the European ECHO through their emergency relief funding mechanisms. This has meant that all activities have been restricted to one-year cycles of funding, planning and implementation. Although successful, there has been some constraint to the overall implementation of the programme and its development. Cognisant of these constraints, The RCSC and Federation have strived to implement the CVR programme with the sustainability of systems, structures and future outcomes in mind, rather than merely focussing on the completion of hardware and training activities within vulnerable communities. In particular, the overall objective of the CVR programme focussed on developing skills and knowledge within the RCSC to assist vulnerable communities in reducing the level of sanitation-related diseases and to analyse their disaster preparedness needs.

With this aim in mind, the RCSC and Federation have compiled a CVR programme support kit that describes the process' procedures, training materials, generic work plans and so on developed throughout the last three years. This document will be an important tool for RCSC when engaging in CVR activities in other provinces or with the various partner national societies, ensuring lessons learned and procedures agreed upon will be utilised.

Organisational Development

Overall goal: RCSC is making a significant contribution to national efforts to improve the lives of the most vulnerable people in China.

Programme objective: RCSC has improved its capacity to plan and deliver high quality Red Cross programmes.

Plans for organisational development (OD) programming in 2004 originally focussed on a range of activities to support RCSC building building on processes started in the past two to three years. These included provincial level Red Cross leadership training courses as well as communications and financial management skills training for branch staff. For much of the year however, the time of RCSC headquarters staff was very taken up with organising two major events – the celebration of the society's 100th anniversary in May and the holding of its eighth national convention in October – and consequently many of the planned OD activities were cancelled or postponed. Because of this, the income and expenditure originally anticipated for this programme were much reduced as reflected in the accompanying financial statement.

There was, however, some progress in addressing the overall programme objective, through inputs supporting OD work with individual provincial branches as described below.

Expected result 1: RCSC leaders at province and prefecture branch levels have increased programme management and Red Cross knowledge and communications skills

The main event relating to leadership training during the year was the provincial leadership-training course organized in December by the Sichuan Red Cross, with external facilitation support from the Norwegian Red Cross Society and the Federation. This course brought together vice presidents and secretaries general from 20 of the province's 21 prefecture branches. The overall purpose of the workshop was to increase participants' understanding and skills in project design and management, notably by sharing experience from the ongoing Norwegian Red Cross Society-supported community development and capacity building project in Ganzi prefecture, located in the far west Tibetan area of this very large province. Inputs from the Federation included a presentation on strategic planning and the facilitation of discussions on fundraising and volunteerism.

In addition to the learning shared through the Ganzi project, several other Sichuan Red Cross prefectures were able to contribute their own experiences in implementing some interesting service programmes, some with the support of non-Red Cross partners. Another important session was provided by the provincial branch's finance officer, who was able to adapt and take forward the systems and procedures developed as part of the original Federation-supported finance development programme, which still serves as the basis for RCSC financial management of externally-supported programmes and projects in most provinces.

In the field of communications skills, a planned national workshop was postponed due to the pressure of other priorities. Good cooperation was built up, however, with the RCSC headquarters communications department and a number of collaborative efforts were organised during the year, notably at the time of the summer flood season. Visits by the Federation's regional information delegate to selected provinces, in connection with promoting the Federation-supported CVR and HIV/AIDS programmes, also provided some opportunities for on-the-job training of branch personnel, but training that is more systematic remains a priority.

Expected result 2: RCSC finance staff at provincial level has increased skills in financial management of relief and development programmes supported by international donors.

This has been the area where most progress in the OD programme was achieved during the year. Although a nationally planned training event involving several provinces had to be postponed, a very useful financial management-training workshop was held in Sichuan province in July. This was organized

at the specific request of the RCSC Sichuan provincial branch to improve the skills of its staff in the financial management of externally-funded projects. It was attended by 46 people from 21 prefecture branches, both managers and finance staff.

Facilitators at the workshop included the head of the RCSC headquarters finance department, a representative of the national audit department's Sichuan branch, the experienced RCSC Sichuan provincial branch finance officer as well as the Federation's finance delegate. Particular attention was given to building an understanding of international donor standards and financial management and reporting procedures for relief operations and development programmes. One of the key issues to emerge was the importance of ensuring good communications between national, provincial and local levels on donor requirements, including sharing copies of agreements, plans and budgets. A second issue was the need for both programme and finance staff to work together, and for programme managers to understand the need for and value of good financial management.

The representative of the national audit department brought about an interesting perspective. This department is responsible for the auditing of many large-scale international projects in Sichuan province, such as those funded by the World Bank, DFID and other international agencies. The Norwegian and Hong Kong Red Cross Society also use the department's services to audit the Sichuan Red Cross projects that they fund. His inputs served to reinforce several the key messages and solutions to problems and misunderstandings that quite often arise in the implementation of many foreign-funded projects in the province.

Similar provincial-level workshops were organised by the Federation during the course of the year in those provinces with Federation-supported programmes. However, the Sichuan Red Cross workshop was the first where the provincial branch had made the request for training itself without any specific donor requirement, and where RCSC headquarters and the Federation collaborated actively in the design and training. Sichuan Red Cross had intended to finance the workshop but, in view of the quality of the initiative, the Federation offered to cover the costs.

Expected result 3: RCSC has been supported to develop common Chinese language branch training packages in Red Cross knowledge and communications, and programme and finance management skills

Limited progress has been made during the year in achieving this aim. Several new training presentations in Chinese and English in each of the subject areas were developed and given limited testing through the workshops mentioned above. There remains considerable, further work to be done in terms of collecting and reviewing materials being developed in the various bilateral programmes, and in encouraging RCSC headquarters to see the value of taking a more proactive and structured approach to developing training curricula.

Expected result 4: Partner national societies working with RCSC have included OD components into their support for RCSC programmes

The Federation regional delegation maintained an active dialogue throughout the year with partner national societies working in China on the OD and capacity building activities within their bilateral programmes. The Netherlands Red Cross Society and Norwegian Red Cross Society provided training in project planning and management during the course of the year; this training was part of the planned capacity building components of their ongoing programmes in Jilin, Liaoning and Shaanxi provinces.

The partner national society meeting organised by the Federation in September provided a good opportunity for all partners to review the status of these activities with RCSC senior staff and share information and ideas on their future direction. These discussions brought to the fore the diversity of the approaches being taken by different partners. Some programmes have a strong OD orientation whilst others are primarily service programme focussed. Nevertheless, several common themes emerged from the meeting. All participants affirmed their commitment to RCSC capacity building and working towards

achieving a greater uniformity in approach, and they looked to RCSC to provide partners with guidance as to what is the most appropriate and feasible.

Expected result 5: RCSC has built linkages with national and China-based international management training and OD/CB organisations

The Federation regional delegation developed its contacts and relations with a number of organisations based in Beijing that have expertise in capacity building work. These included Pact, an American organisation that specialises in providing OD training and consulting to Chinese NGOs; the Ford Foundation, which has an extensive programme in China; and China Development Brief, a well established NGO network organisation.

These organisations have had varying degrees of contact with RCSC in the past and would be willing to provide support and expertise should there be requests to do so. As RCSC takes forward its new five-year development plan from 2005 onwards, the Federation will look for opportunities to build closer contacts with such organisations.

Analysis of the OD Programme in 2004

Although it was not possible for the Federation and RCSC to take forward many of the planned OD activities due to other priorities that arose during the course of the year, the outcomes from the 2004 National Convention bode well for future RCSC organisational development and capacity building initiatives.

The election of a new leadership will bring a fresh impetus to helping the society determine how it will position itself in the changing context of a modernising China. There have been some significant amendments to the society's new constitution adopted at the convention. These include the formal recognition of new activities such as HIV/AIDS and the role of volunteers in the society's work. The convention also approved the society's new 2005 to 2009 development plan. The plan sets out the broad direction and main priorities for the society's work over this period and some ambitious targets to be achieved, notably in the area of organisational growth. There is also a commitment to strengthen work at the community level through the concept of developing models to support community service in each province.

The year of 2004 was also a one where RCSC was able to raise its profile further. At the national level, the main opportunities came with various events surrounding its 100th anniversary celebrations and the National Convention. The fact that the state president and other top government officials attended the opening of the convention had particular significance. The support of the authorities was further underlined towards the end of the year by the issuing of a circular from the State Council to all government bodies at central, provincial and local levels, calling on them to take measures to support the continued development of RCSC.

In this vast country, there remains many challenges for RCSC to strengthen its organisation in carrying out relevant programmes that meet the needs of vulnerable communities and those affected by disasters. Programmes and projects currently supported by partners are playing an important role, in not only helping RCSC branches meet such needs, but also demonstrating different ways and models of designing and managing activities. The Federation's OD programme in 2005 will aim to identify, with RCSC, the most appropriate lessons from ongoing work in order to carry out training and other processes, enabling it to strengthen the function and overall effectiveness of the society's work in the years ahead.

RCSC development cooperation activities in 2004

As described above, the main development projects implemented by RCSC, in cooperation with the Federation, included the ECHO-funded community vulnerability reduction programme in Guangxi and Hunan provinces. It also included national-level HIV/AIDS activities in two provinces (Henan and Shandong), supported by the Swedish Red Cross Society and government as well as the British Red Cross Society. The year of 2004 saw the end of the RCSC's international humanitarian law programme, supported by the International Committee of the Red Cross, but it is highly likely that this programme will extend beyond 2005.

In terms of the bilaterally implemented programmes, the Australian Red Cross Society provided strong support for RCSC's HIV/AIDS prevention and awareness work through its well-established programmes in Yunnan and Xinjiang, and the Netherlands Red Cross Society provided support through its more recent cooperation in Liaoning and Jilin as well as with the Beijing and Shanghai branches. Canadian Red Cross Society had small-scale HIV/AIDS activities included in its health projects in Gansu, Inner Mongolia, Qinghai and Sichuan, and in the last part of the year, it started scaling up HIV/AIDS activities in Sichuan. Health, including HIV/AIDS, and community development were the main elements of the continuing Norwegian Red Cross Society-supported programme in the far western Tibetan part of Sichuan province, and in Shaanxi, society's focus was on branch capacity building through first aid and disaster preparedness.

In disaster management activities, the ongoing CVR programme in Guangxi and Hunan was further developed through the addition of a community-based disaster preparedness component, which received technical and financial support from the Australian and Danish Red Cross Society. The Norwegian Red Cross Society initiated a new water and sanitation project in Jilin that incorporated experience from the CVR programme, while the Hong Kong Red Cross Society continued to support disaster-preparedness projects with seven RCSC provincial branches, with an increasing focus on CBDP. The Japanese Red Cross Society provided funds to purchase stocks for RCSC's regional disaster-preparedness centre in the north east, and American Red Cross Society carried out a planning mission to initiate water and sanitation projects in Shanxi and Ningxia provinces in September.

The Swiss Red Cross Society continued its long-running health project in the Shigatse region of Tibet, in cooperation with the authorities and the RCSC local branch, while Australian Red Cross Society initiated a major five-year, AusAid-supported Tibet health sector-support programme.

Further details on all these partner national society projects can be made available on request.

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

Selected Parameters	
Year/Period	2004/1-2004/12
Appeal	M04AA067
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
Budget (A)	446,625	3,771,010		219,251		4,436,886
Opening Balance (B)	67,278	0		148,405		215,683
Income						
Cash contributions						
<i>Australian Red Cross</i>		2,658				2,658
<i>British Red Cross</i>	60,321					60,321
<i>Danish Red Cross</i>		4,433				4,433
<i>ECHO</i>		1,260,261				1,260,261
<i>Other</i>		0				0
<i>Swedish Red Cross</i>	296,462					296,462
<i>Switzerland - Private Donors</i>	24,000					24,000
Cash contributions (C1)	380,783	1,267,353				1,648,136
Reallocations (within appeal or from/to another appeal)						
<i>Canadian Red Cross Society</i>	-2,393					-2,393
<i>Japanese Red Cross Society</i>	45,197					45,197
<i>Danish Red Cross</i>	-2,105					-2,105
<i>Singapore Red Cross Society</i>	-8,294			-79,844		-88,138
<i>Norwegian Red Cross</i>	-16,000					-16,000
Reallocations (C2)	16,406			-79,844		-63,439
Inkind Personnel						
<i>Australian Red Cross</i>		55,180				55,180
<i>Danish Red Cross</i>		68,200				68,200
<i>Swedish Red Cross</i>	16,720					16,720
Inkind Personnel (C4)	16,720	123,380				140,100
Total Income (C) = SUM(C1..C5)	413,909	1,390,733		-79,844		1,724,797
Total Funding (B + C)	481,187	1,390,733		68,561		1,940,481

II. Balance of Funds

	Health & Care	Disaster Management	Humanitarian Values	Organisational Development	Coordination & Implementation	TOTAL
Opening Balance (B)	67,278	0		148,405		215,683
Income (C)	413,909	1,390,733		-79,844		1,724,797
Expenditure (D)	-341,771	-1,606,599		-13,730		-1,962,100
Closing Balance (B + C + D)	139,416	-215,866		54,831		-21,619

Selected Parameters	
Year/Period	2004/1-2004/12
Appeal	M04AA067
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	
BUDGET (C)		446,625	3,771,010		219,251		4,436,886	
Supplies								
Clothing & textiles	200,000							200,000
Water & Sanitation	2,203,840							2,203,840
Total Supplies	2,403,840							2,403,840
Capital Expenditure								
Vehicles	24,000							24,000
Computers & Telecom	7,551	8,957				8,957		-1,406
Office/Household Furniture & Equipm.		937	2,324			3,261		-3,261
Total Capital Expenditure	31,551	9,894	2,324			12,218		19,333
Transport & Storage								
Transport & Vehicle Costs	96,658		21,301			21,301		75,356
Total Transport & Storage	96,658		21,301			21,301		75,356
Personnel Expenditures								
Delegates Payroll	648,000	242	49,024			49,266		598,734
Delegate Benefits		43,011	208,992			252,003		-252,003
Regionally Deployed Staff	198,398							198,398
National & National Society Staff		6,028	8,291		3,198	17,517		-17,517
Consultants		7,799	387			8,186		-8,186
Total Personnel Expenditures	846,398	57,081	266,694		3,198	326,972		519,426
Workshops & Training								
Workshops & Training	526,315	75,708	6,024		5,122	86,855		439,460
Total Workshops & Training	526,315	75,708	6,024		5,122	86,855		439,460
General Expenditure								
Travel	24,294	16,833	12,345		201	29,379		-5,085
Information & Public Relation	156,867	9,062			3,681	12,742		144,125
Office Costs	2,000	5,443	5,728		170	11,342		-9,342
Communications	40,429	1,347	3,435			4,781		35,647
Professional Fees	15,490							15,490
Financial Charges	4,647	8,011	49		1	8,061		-3,414
Other General Expenses					465	465		-465
Total General Expenditure	243,727	40,696	21,557		4,517	66,770		176,957
Federation Contributions & Transfers								
Cash Transfers National Societies		131,843	1,179,395			1,311,238		-1,311,238
Total Federation Contributions & Tr		131,843	1,179,395			1,311,238		-1,311,238
Program Support								
Program Support	288,398	22,144	103,908		892	126,945		161,453
Total Program Support	288,398	22,144	103,908		892	126,945		161,453
Operational Provisions								
Operational Provisions		4,405	5,396			9,801		-9,801
Total Operational Provisions		4,405	5,396			9,801		-9,801
TOTAL EXPENDITURE (D)	4,436,886	341,771	1,606,599		13,730	1,962,100		2,474,787
VARIANCE (C - D)		104,854	2,164,411		205,521	2,474,787		