

PROGRAMME UPDATE



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

CAPACITY BUILDING PROGRAMME

13 December, 2004

The Federation's mission is to improve the lives of vulnerable people by mobilizing the power of humanity. It is the world's largest humanitarian organization and its millions of volunteers are active in over 181 countries.

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In Brief

Appeal No. 01.92/2004; Programme Update no. 1, Period covered: January – December, 2004; Appeal target: CHF 5,000,000; Appeal coverage: 43.5%; Outstanding needs: CHF 2,825,877.

(click here to go directly to the attached Contributions List (also available on the website).

Related Emergency or Annual Appeals: see text below

For further information on this programme please contact the Organizational Development Division, Ken Phillips, Head, email: ken.phillips@ifrc.org

This Programme Update reflects activities to be implemented over a one-year period. This forms part of, and is based on, longer-term, multi-year planning (refer below to access the detailed logframe documents). 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, or for a full description of the national society profile, please access the Federation's website at <http://www.ifrc.org>

Operational developments

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

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

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

Projects focusing on youth and gender are also favourably considered.

Capacity Building Fund; Appeal no. 01.92/2004; Programme Update no. 1

This Programme Update provides feedback on the added value of the CBF in 2004 and on the progress and results from a number of programmes supported by the Fund. It is structured to illustrate achievements against the criteria of the Fund and draws on examples from ongoing programmes funded during the second round of allocations for 2003 and the first round of allocations for 2004. In a number of cases these represent national societies that have received committed multi-year funding from the CBF over the last two to three years. It should be noted that not all programmes supported by the Fund in 2004 are included in this report, however, those highlighted provide a good cross-section of the different achievements and constraints. All allocations were made in close consultation with regional departments/delegations, technical departments such as disaster preparedness and health, and the Organisational Development (OD) Department in Geneva.

The added value or impact of the Fund:

It is important to stress the added value of the CBF and the difference between the support provided by the Fund and that provided through the normal appeal channel.

- *The only source of funding* - For many of the national societies we have contact with the CBF grant is often the only source of funding for organisational development or organisational change within their Society. For many other donors these are not areas of interest, however, they are often vital to improving the effective functioning of a national society. Support to improve strategic or operational planning, to train governance and management, to improve local resource mobilisation and sustainability or to improve the financial management of those resources have allowed national societies to show their commitment and better functioning and have subsequently attracted other donors to support subsequent activities and programmes. An example of this has been the support for the change process in Argentina, where subsequent CBF grants enabled the Argentine Red Cross to develop a new management structure, planning culture and programme / community focus, which aligned with their good performance in recent emergencies, has enabled them to be seen as a sought-after partner by local organisations and funding bodies. The learning from this has made the CBF look to work more closely with our regional and disaster response teams to look for appropriate opportunities to support capacity building or organisational development in a post disaster situation, such as Afghanistan. On a smaller scale, the grant made to Mongolian Red Cross to support their branch infrastructure and capacity, has enabled them to open their remote branches throughout the winter months, keeping many volunteers engaged and providing services to lonely, elderly people in the community.
- *The flexibility of the Fund* - A second added value is the flexibility of the Fund. Due to the unearmarked nature of the contributions and allocations, the Fund can provide support to national societies as it is needed or where there is an opportunity to support or leverage change. Decisions can be made in relation to quality and timeliness of the proposal rather than being dependent on specific donor interests or priorities. As allocations are made in consultation with national societies, Secretariat delegations and regional departments and technical departments, these decisions can be more strategic and well informed. An example of this would be the timely support for real organisational change in Romanian Red Cross. This was not part of the appeal and was a priority for other donors, however, there were clear signs of commitment to change within the new governance and management of the national society and the delegation in Budapest was keen to support these developments. This timely contribution over the past two years has enabled the new team at the national society to make major changes in the management of the Society, through a new strategic plan, more effective financial management and reporting, the start up of local fundraising and stronger links to branches to improve their targeting of services to vulnerable communities.
- *Taking a risk* – As mentioned above, there are often times when, for whatever reason, the wider donor community is reluctant to support a specific “forgotten country” or “forgotten national society”. However, this is one of the criteria of the CBF and we, as a Federation have to be open to changing circumstances and opportunities in all our member societies. In 2004, the regional delegation in Harare and the Africa department made a good case to show that there were some important changes in within the Angola Red Cross, in particular with the commitment to hold democratic provincial assemblies and to revitalise the Red Cross leadership at that level, feeding in to a General Assembly

in 2005. Other donors were reluctant to invest further support in the organisation, but this was seen as an important opportunity to stimulate changes within the Society. Although the CBF committee had some concerns around this grant, it finally agreed to provide a small grant of CHF 25,000 to support the process. An important element in agreeing to this was the support of the ICRC for the process and in general the CBF is trying to work more closely with the ICRC when allocating grants, to ensure greater coherence of approach. It is too early to know the results of this funding however, we are optimistic that the process in Angola is going well and will lead to a more participatory leadership in the national society.

- *Providing seed funding / supporting pilots* – It was always seen as an important element of the CBF that it could provide initial seed funding to organisational or to pilot projects. Often this is where it is difficult to find other support or to get things started, but once underway, other partners and donors come on board if it has proved successful. A very clear example of this has been the support for the setting up of the new national society in East Timor (CVTL). The new Society has started from nothing and has been able to use the CBF grant to set up a small headquarters, five branches a solid volunteer and membership base and to attract good programme support. The CBF grants for organisational development have been able to work in parallel to programme support for water & sanitation and health programmes to enable the CVTL to plan for a future. In another example, the CBF has been interested in support pilot programmes that build on peer support between national societies, rather than seeking expatriate input. With this in mind, the Fund has supported the setting up of a regional centre of excellence for disaster preparedness in Costa Rica, where other societies in the region can come for training or better still, to learn on the job. This pilot, if successful might be replicated in other programme areas in the region.

Progress in relation to the CBF funded programmes:

This report sets out the examples of progress and results against the criteria of the CBF as illustrated by examples from a number of different national societies. This does not show all the work supported by the Fund, nor all the societies in receipt of grants, but highlights some of the ways the Fund has made a difference to those national societies and has delivered against the criteria of the Fund.

CRITERION 1 - "FORGOTTEN" NATIONAL SOCIETIES, ESPECIALLY THOSE IN COUNTRIES OF HIGH VULNERABILITY

This criterion focuses on countries where the needs or levels of vulnerability are high, but donor interest in the national society or in the region is limited. The CBF looks to provide support for relevant, quality capacity building or organizational development programmes in such societies where they can make a difference and enable the national society to be more effective in assisting vulnerable people.

- *East Timor* – As mentioned above, East Timor Red Cross (CVTL) is a national society in formation and the CBF grant was provided to support the Society to implement the ICRC / Federation "roadmap for recognition". However, in doing so it has also enabled the Society to provide more effective services for vulnerable communities. So far the CBF funding has supported the national society to establish a provisional board and management team and in turn to recruit 1,000 members and 1,000 volunteers. These new members and volunteers are both providing a funding base for the new Society and, following a programme of training, providing relevant services for vulnerable communities in water & sanitation, community based first aid and other community health services. The Secretary General of CVTL has used the CBF support also to ensure that the national society is rooted in the local community – on the one hand to disseminate the need for the RC in East Timor society and to develop CVTL's capacity to carry out local needs and capacity assessments with local communities. This will inform the strategic planning process in 2005.
- *Afghanistan* – despite the support for Afghanistan in 2001/2, there has still been limited funding for organisational development within Afghan Red Crescent (ARC). A challenge for the national society is to improve links between headquarters and the branches (often cut off by security conditions) and to address the high levels of human resource turnover. The CBF was therefore asked to support the development of branch capacity, particularly in the area of human resources. With the support of the new

OD delegate, branch leadership has been encouraged to look at the roles and activities of branches and has been involved in a participatory planning meeting to establish a more coherent plan for 2005, which in turn feeds into the Society's new draft strategic objectives for 2005 – 8. In trying to address the high turnover of staff and volunteers, the OD delegate has been working with branch governance and the Society's human resources department to take steps to control this. ARC has re-established its membership system to recognise branch membership until the new Constitution is fully endorsed. This has been an important step to encourage membership and volunteer recruitment and to encourage the thousands of existing trained first aid volunteers to become active members at their local level. It is hoped that this will encourage diversity and democratic process from the grass roots up through the national society governance. It will also bring in additional income to support the sustainability of the Society's structure. A plan to bring additional support to the least developed branches, including the provision of materials and IT / communications equipment, has also been started. This programme has made progress but still faces enormous challenges in relation to the local environment and the leadership commitment in this context.

<p>CRITERION 2 – INNOVATIVE CAPACITY BUILDING PROGRAMMES IN ONE OR MORE OF THE KEY CAPACITY BUILDING FOCUS AREAS (in the Federation's Capacity Building Framework)</p>

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

- The Caribbean OD network*** – It is a major challenge to support organisational development in the small island national societies of the Caribbean. To address this context and support the societies' regional CAS, the CBF was asked to support a Caribbean Regional OD network. It is however still important that the network has country-level impact, and this has been addressed through the identification of national level focal persons to champion the process and provide peer support to the other societies. In early 2004, 15 participants were identified from governance or management in the participating societies. To ensure greater representation and the sustainability of the network, participants were identified according to set criteria - five from each sub-region of the Caribbean – and it is planned that the sub-groups will provide peer support. Participants then set up their own Terms of Reference, processes and focal points to manage the network. This has increased the sense of ownership for the network – a problem that was identified in previous OD attempts in the Caribbean. During 2004, participants have attended two training sessions, covering: governance / management and statutes; and leadership and planning. A third covering resource development and volunteer management is planned for early 2005 and will benefit from knowledge sharing inputs from attendees at the Skillshare conference in the Netherlands (funded by the CBF). To ensure sustainability of the network, proposals are currently being drawn up to identify the required “coaching” skills to enable future peer support between members in year two, when participants will have the knowledge, skills and confidence to act as “consultants” for each other. The network has also now drawn support from donor national societies – the session on Statutes was facilitated by a Danish Red Cross resource person and the Netherlands Red Cross is also contributing. In addition, the Caribbean Cooperation of the RC (CCORC) is actively supporting the network and has provided administrative support. The network is in its first year and still in formation. To date, steps have been taken to address the challenges of this diverse region and to build the skill base of the network and the ownership by its members. However, there are still challenges to ensure the future momentum and sustainability of the network.

- **Costa Rica** - The Americas has also seen the establishment of a “regional network of excellence in disaster community education” led by Costa Rica Red Cross (CRRC). The aim of this programme is to enable a national society to take the lead in a core area and become a model of good practice and a source of peer support for other societies in the region. The team at the centre has developed and is field testing materials for community based disaster management in target communities and, through the review and redesign of existing disaster preparedness training modules, is aiming to create a community training model. The new model and the expertise in community based disaster preparedness will be shared with other national societies in the region through a variety of means including secondments and internships. This is clearly an interesting model for the future and is allowing staff and volunteers from peer societies to “learn by doing”. Information on the centre is being disseminated in Costa Rica and through the Federation’s Americas website, the Communicators Forum and FedNet. CRRC is also being seen as a model of good practice within Costa Rica and is hosting VCA training for other national organisations.

The key capacity areas within the Capacity Building Framework cover:-

Strategic planning skills

This has been one of the foremost areas to receive support from CBF grants and is recognized as an important way for national societies to clarify their vision and focus for their own staff / volunteers and for their other partners.

- **Argentina** – the CBF continued its multi-year support for the organizational change process in the Argentine Red Cross (ARC). A key element of the success of the change process in Argentina has been the participatory strategic planning process. This started in 2003 with national and regional level meetings to discuss the vision and goals of the national society for the coming four years. The result is a national strategic plan agreed this year that is truly owned by the membership and volunteer base and has rolled out a new planning culture in headquarters and across the branches, which is informing a major shift from the traditional charity mentality towards more focused, community-based programming around four core areas of HIV/AIDS, poverty related illness, food and nutrition and disasters. The new plan is now being rolled out through local operational plans developed with 30 target branches (out of 74). In 2004, the CBF funding also supported important management changes, such as consolidated financial management, improved volunteer and human resources management and the establishment of a professional fundraising and communications team, which is helping ARC to profile its work and raise its own core funding. This has been seen as a model change process in the Americas and the CBF funded a review mission this year to capture the lessons learnt and share them with other societies in the region, particularly the Ecuador Red Cross, which formed part of the mission team.
- **Albania** – In Albania the key learning from the organizational development process was also the need to ensure that the process to draft the new strategy 2005 – 10 was participatory and ensured full ownership of the strategy in all its branches. The national society was clear that this would have an impact on the implementation of its programmes and the commitment of its staff and volunteers to the goals and objectives of the new strategy. The Society held two meetings at branch level with 300 participants from governance, staff and volunteers – work on this process has also raised the facilitation capacity of branch secretaries through their training in a different way of working. Two further national meetings were held with external partners and national level governance and management to further inform the drafting of the new strategy. The Society is also now working on an implementation plan to accompany the new strategy. Parallel to this process, ARC has also worked to improve the narrative and financial reporting from branches, to ensure it has accurate information on its volunteer base, programmes and finances to inform the new plan. The Society has also used the CBF support to establish guidelines on its volunteer recruitment and fundraising approaches, to support the resource base for the new plan. ARC has organized a major public donation campaign to raise awareness and funds for its programmes.

Programme management skills

This is harder to separate out and often comes out of work to develop more effective planning and hence programming.

- **DPRK** – The national society sought support from the CBF for a major review of their work. The trigger for the change was the fact that their services were disconnected from the needs in the country, the Society did not have a clear direction and the government subsidy for the work was decreasing. The new management realized that they had to review not only their organizational foundation and structure, but more importantly, had to review their programme focus. Through a process of self assessment and a subsequent review of its Statutes and Constitution, plus a restructuring of headquarters and the branches, the national society was able to work through a strategic planning process which refocused its programme work on health and disaster management. This was reflected in a new health and disaster management policies and in strategic plans for both areas of work. Relevant training was also provided to staff and volunteers in headquarters and the branches in both areas and programme officers were recruited to develop these programmes in each of the provincial branches. DPRK RC also noted that the separation of governance and management in the new Statutes and Constitution ensured that both groups were clear on their roles and responsibilities. This allowed for quicker decision-making in response to an emergency. All these elements combined, had an important impact on the development of the new disaster management programme as was seen in the national society's prompt response to a major chemical explosion this year, when it was able to rally 200 – 300 volunteers in the first few hours after the emergency. DPRK RC now has a clearly recognized role in disaster management.

Leadership development

Leadership commitment and capacity is at the centre of most of all organizational development work across the International Federation. It is therefore an important priority for the Fund.

- **Cameroon** – This national society has received support from the CBF in four areas, but the main focus has been the support to governance and leadership, particularly in six target branches. At the beginning of the project the Cameroon Red Cross (CRC) carried out a baseline study of the six branches and noted that while they were carrying out relevant activities against Strategy 2010, they had limited planning skills and a lack of clarity around the roles of governance and management. There were also concerns around volunteer recruitment and motivation to enable the Society to maintain its network of volunteers in terms of nationwide service delivery. The focus of the support has therefore been to improve the engagement and understanding of branch level governance in terms of their roles and responsibilities and their relationship with the Society' management, through providing training for the newly elected central committee. This led to a further engagement with branch committees to prepare for and inform the national society's strategic planning process. In addition, a programme coordinator has been appointed to work with the target branches to develop their resource and volunteer management. Branch level coordinators have been appointed to build capacity in recruiting and training volunteers and in building strong volunteer leadership at branch level (as well as in programme planning, monitoring and evaluation). Although there were some reservations from branch governance around this management role in the first instance, this is being worked through and CRC is looking to the longer-term to see how it can role out this capacity building to all 58 of its branches.
- **Gabon** – In Gabon Red Cross (GRC), the CBF has provided support to the new leadership team after the extraordinary General Assembly in 2001. The Society has suffered for years from a lack of qualified people, particularly at headquarters level. The CBF funding has supported local assemblies in all the local committees of Libreville and the six provinces of the interior to dynamise grass roots engagement and new leadership at the local level. At headquarters level, a new Secretary General and five Heads of Department have been recruited to cover Health, Disaster Management, Organizational Development, HIV/AIDS and Finance / Administration, therefore improving the NS focus on and capacity to deliver against Strategy 2010. As evidence of a shift, the national society has been asked by the government to assist with the drawing up of a new National Assistance Plan and to participate in the National Commission for Disaster Management. Although there are still delays facing GRC in this process, the new management team has the potential to make changes and to engage with external partners. It is also essential to help governance achieve their vision for the future. In future, a clear challenge will be to improve communication between headquarters and the branches and to ensure ongoing communication between governance and management.

Volunteer management

There have been fewer examples of specific CBF funding for volunteer management programmes, however, almost all the grants cover an element of volunteer management. Certainly, effective volunteer development and management are central to the success of all the programmes supported by the Fund.

- **Mongolia** – the focus of the CBF grant to the Mongolia Red Cross (MRC) was to provide targeted support to staff and volunteers with a particular focus on six branches. Initially, the grant provided funding for a newly appointed national Volunteer Manager, who went on to introduce a new volunteer management system in the national society based on the British and Finnish Red Cross models. MRC also translated the Federation's volunteer documentation into Mongolian to make it accessible at a local level. This preparatory work informed subsequent training for national and branch volunteer managers. The six branches receiving the targeted support were enabled to provide additional training in first aid, disaster preparedness and volunteer management to their staff and volunteers. These branches also worked on new framework to engage volunteers in the planning, monitoring and evaluating of their programmes in the local community. This framework has been documented and along with the lessons learned from this pilot, will inform future "branch and service development". Most clearly of all, however, was the impact of the simple support for branch infrastructure. Funding to improve the winter heating system allowed branches to stay open through the winter months and enabled MRC to hold these training sessions with their volunteers through the winter. This not only helped MRC retain their trained volunteers, but more importantly allowed them to continue to provide services to vulnerable elderly people during the long winter months. An additional bonus was that the branches were also able to raise funds from the rental of the "heated" branch properties, which they were able to put back into local volunteer-based services. The national society has also benefited from improved visibility across the whole year resulting in increased membership. This work builds on the branch revitalization work funded by the Dzud Emergency Appeal and links to bilateral support provided to other branches.

Branch development and community mobilization

- **Armenia and Azerbaijan** – The focus of the CBF funded work in Armenia has been around the introduction and roll out of the Participatory Community Development (PCD) approach. Originally piloted by the Budapest Regional Delegation with the Hungarian Red Cross, the approach has been shared with a number of national societies in Europe. The work in Armenian and Azerbaijan has focused on target branches / communities (13 local communities in Armenia and 6 branches in Azerbaijan). The national societies have been involved in a process to identify and train branch chairpersons, coordinators and volunteers in the methodology and to support them to work through the PCD process with local communities and to follow up on the identified priorities and provide further training to the communities in those identified areas. In both Armenia and Azerbaijan the issues focused on community health needs (e.g. reproductive health, family planning, nutrition and hygiene) and social needs, such as the risks to young people of drug addiction or local environmental health problems. A key element of the approach and a lesson for the national societies has been the local resource mobilization element. The branches have received support and training to identify local resource mobilization opportunities to sustain the programmes. In Armenia, the national society noted that it was able to mobilize support for the programme from local authorities and partners, while in Azerbaijan the national society set up local income generating projects, such as an internet café and a local incubator. However, the biggest lesson for the national societies was the change in mindset from a humanitarian actor providing assistance to a development actor engaging with local communities. This has required a difficult attitude change from staff and volunteers and a good deal of work with beneficiaries to build trust and understanding. This change of mindset is still underway, but so far the PCD programme has helped these two national societies build their links with the community and become reliable local partners. Armenia Red Cross has also piloted an innovative video CD-rom record of this programme and its achievements.

Financial / resource development

- South Africa** – The development of external relations and resource mobilization was identified as a priority area for South Africa Red Cross Society (SARCS). Previously, the national society had suffered from internal crises and a poor profile, so it was important to build SARCS's image and to try to make the national society more self-sustaining. The two-year programme focused on developing the appropriate marketing and fundraising strategies and guidelines and then ensuring the structures and human resources were in place to achieve them. In 2004, despite a slow start, SARCS has made progress with the first phase of this work. The Society recruited a local agency to carry out a professional assessment of the situation and a market research survey of its image with 100 respondents from government and other agencies / institutions. The results helped shape the future marketing, fundraising and volunteer recruitment and a staff member was hired to develop a marketing / fundraising strategy and to implement the company's recommendations. It has been important for SARCS to ensure that they have a resource mobilization / marketing person in place from the outset to ensure that the knowledge gained from the consultancy was not lost. The new marketing / fundraising strategy focuses on nine target groups including private sector, government, international organizations, the media, academia and the general public. The national society provided training in resource mobilization for branch and provincial representatives and helped them set local targets. At a headquarters level, SARCS has been able to use the launch of the World Disasters Report and other key events to profile its work and appeal for funds. A professional DVD has been produced to highlight SARCS's activities, particularly on HIV/AIDS and direct mailings have gone out to raise funds over the Christmas season. Tenders have gone out to improve the website. The CBF funding will phase down in 2005 to encourage SARCS to build its own income base.
- Myanmar** – Myanmar Red Cross (MRC) was facing challenges in terms of a drop in domestic funding, a decrease in donor interest and increasing human resource costs. This was having an effect on its funding for and capacity to deliver programmes and services to vulnerable people. An analysis of the situation pointed to the need to improve the national society's financial management capacity to enable to build accountability and credibility. The grant from the CBF supported MRC to carry a series of steps to address this problem. In the first instance, the national society hired qualified personnel (a finance manager and officer) to establish a professional finance department and review all financial rules and procedures. The next step was to commission an external audit (both a financial and a management audit) and to ensure that this was made public and that the key recommendations of the audit were implemented. One of the key changes that resulted from this was that there was a clear separation of financial responsibility between governance and management, with management clearly charged with managing resources. Recent checks of financial management have shown improved accuracy and transparency in the financial management systems. The national society also noted that this had led to an improved level of efficiency and a quicker disbursement of funds to programmes. At the recent CAS meeting, MRC's partners discussed the impact of the improved financial management and planning process in relation to the wider development of the Society.

CRITERION 3 – ADDRESSING INTEGRITY ISSUES

The CBF has an important role to play in supporting national societies to address integrity issues and embark on a recovery process. National society integrity issues are one of the biggest challenges facing our Federation today and the CBF has been able to assist a number of societies to move forward. The timing of this support is important and it must be based on a clear commitment from the national society to address the issues in an open manner.

- Angola** – Angola Red Cross (ARC) had experienced integrity problems and had not held statutory meetings in recent years. There had been a resistance from donors to engage with Angola Red Cross (ARC) and as a result diminishing support for the national society’s activities. However, in past months the government and the Society’s governance had encouraged a re-engagement with provincial level governance and called for provincial assemblies and elections. This commitment to engage branch level governance was seen as a sign of commitment and was supported by the ICRC and a two donor national societies. The CBF was approached to contribute to this important development on behalf of the Federation. This joint support has enabled the planned provincial assemblies to take place in all 17 provinces this year - the first time that these provincial assemblies have happened in the history of the national society. These assemblies and the elections of new provincial governance will inform the planned General Assembly in April 2005. There has been real enthusiasm for the process. It has been the start of communication between the provincial governance and the National Executive Council of the Society – an important channel to ensure that the local voice gets transmitted to central governance and management. This process has also shown the importance of close cooperation between the Federation and the ICRC to support change in national societies, as both organizations have worked closely with ARC at branch level to stress the importance of fair and democratic elections to local governance and of separating governance and management at a local and national level. Emphasis has also been put on correct procedures and the quality of the process. The funding has also supported the appointment of a new financial director and plans to hold an external audit. An indicator of ARC’s commitment to the process is that the Society has contributed US\$ 3,000 of its own funds. If successful, it could lead to other support from the Fund and from the Movement.
- Brazil** – This year has continued to see a difficult internal situation within Brazil Red Cross. When the previous President refused to call a national assembly, representatives of the branches called for his resignation. This led to new presidential elections in May – a positive result of the strengthened voice of branch representation in the national society. The new team is now in place and has shown positive support for the planned changes. This includes the need to develop a strategic plan for the national society. The society has appointed a planning focal point to lead on this and the Sub-Regional Office in Buenos Aires is working with BRC to support the strategic planning process. The new plan should be due to be ready in 2005. The new President has also taken several key steps towards improving the financial situation through renting out BRC offices, negotiating with creditors and working with the government to restructure the national lottery system to the benefit of the national society. The Norwegian Red Cross has also supported this process offering a Federation-contracted consultant to help with day-to-day management of these changes. BRC has also been using the results of the Society’s Self-Assessment to raise awareness of critical issues affecting the Society within its membership. It is hoped that with this recovery work the Society will be able to rebuild its capacity and realize local funding as the CBF grant decreases over the coming two years.

CRITERION 4 – SUPPORTING INCREASED CIVIL SOCIETY NETWORKING

This is a more challenging criterion as “civil society” covers a wide range of issues and is a cross-cutting element in a number of CBF-funded programmes. On the one hand, the CBF has supported programmes aimed at building national society capacity to engage and be seen as a credible civil society actor, through, for example building a relevant volunteer network as in the programmes in Bangladesh and Guatemala or through awareness raising and profile building to communicate the Red cross and Red Crescent’s role with local NGOs and other civil society actors as in Cuba. On the other hand, the Fund has supported national societies in building community capacity and to encourage social mobilization within civil society itself, through integrated or participatory development programmes, which have enabled branches to engage more closely with the needs of vulnerable communities, as demonstrated in the programmes in Armenia and Azerbaijan above. This move towards more “outward thinking” is a slow process; however, national societies are increasingly seeing the value of a greater engagement with and as part of civil society.

PROJECTS FOCUSED ON YOUTH OR GENDER

Capacity Building Fund; Appeal no. 01.92/2004; Programme Update no. 1

These are important areas for the CBF and for the future of the Federation. As the CBF originated out of the previous Development and Youth Funds, it inherited an interest in programmes relating to youth and at least four of the current programmes focus on this area. In 2004, the Fund has also continued to support a gender related programme – the MENA gender network led by the Iranian Red Crescent.

- Papua New Guinea** – Youth represents about two thirds of PNG society and is therefore an important constituency for the national society. Papua New Guinea Red Cross Society (PNGRCS) has identified youth as a priority group and has been working over the past two years on a youth programme to promote humanitarian values amongst this vulnerable group and to re-engage them with society. Part of the Society's strategic development plan, this programme has been successful in a number of ways. In terms of the national society itself, the membership drive has been successful and youth programmes are now established in eight branches. Youth members and volunteers have received training in core programme areas, with a particular focus on HIV/AIDS peer education – an important issue in a society where HIV rates are increasing. The youth members have also received skill-based training around programme management. The national society is continuing its work to engage schools and youth leadership in schools. All 28 registered schools have received materials and technical support to facilitate and maintain these school groups. At the heart of this programme, PNGRCS is committed to disseminating the Red Cross and Red Crescent Principles to both the new youth members and the general public, as this is seen as a valuable contribution to build greater cohesion in PNG society.
- MENA gender network** – this is the second year of support to the MENA gender network. The focus this year has been on trying to build the sustainability of the network through first establishing the programme within one national society in the region – the Iranian Red Crescent (IRC) – and then rolling out a more tested, standardised approach. The grant supported a full-time gender programme officer to pilot the programme in Iran. This approach also used the knowledge and skills of external advisers, professors and related experts on gender in Iran. Six locally selected advisers ran culturally specific workshops for 45 staff and volunteers within IRC. Training was also given to 110 relief workers, over 50 staff and 30 volunteers on the links between gender and health, particularly psychological health, while further, more in-depth training was provided to volunteers in the youth and women's affairs teams to improve their skills in gender mainstreaming. As part of the programme, all training materials have been translated from Farsi into English and Arabic so that they can be shared with the other societies in the network. The second part of the programme was then the rolling out of the approach to other national societies in the region. Representatives of the Iranian, Jordanian, Palestinian and Moroccan National Societies met as part of the network earlier this year to work on the regional conference material for Bahrain and to develop a plan of action to address gender mainstreaming. This included a re-commitment to support gender focal points in each participating Red Crescent Society. The group established Terms of Reference for these focal points, agreeing that each would set up and contribute to a working group within their own national society and would meet regularly as a group to promote knowledge sharing and training. A monitoring group has been set up at a regional level to follow progress in each national society and to raise awareness across the region. The group, under the leadership of IRC, will provide material and technical support to the societies participating in the network, and will encourage compliance with the established standard approaches. A key focus for late 2004 is on the training of women in leadership / management with a training session planned for Morocco in December. Although the network got off to a slow start in 2003, it is felt that the approach of strengthening the experience in IRC as a model for the other societies in the region is a more sustainable approach. It is hoped that this will enable the approach to be rolled out in other national societies and it is planned to review the approach in 2005.

Challenges encountered

The programme reports above note specific challenges facing the individual programmes, however, a number of the highlight key cross-cutting challenges experienced in relation to the CBF grants and funded programmes. Because the CBF is a flexible fund it is often able to be adaptable to the constraints faced by national societies undergoing complex organisational development processes. However, a number of these challenges also present challenges to the Fund itself. It is important that the CBF monitors the progress of the individual national societies so that these constraints can be dealt with.

- **Integrity issues** – It is one of the criteria of the Fund that it supports national societies experiencing or trying to address integrity problems. This is seen as a key added value of the Fund, as it is able to take a risk where other donors may not. In a number of situations this has proved beneficial. However, in some contexts the progress made as a result of the Fund's investment has been limited or lost due to the subsequent actions of governance or management. This has resulted not only in a freezing of the CBF grant, but also in the loss of confidence of other donors and stakeholders. It is difficult to anticipate these problems; however, the CBF management is working to improve its links with regional teams to monitor the progress of the funded programmes. Where there are concerns the grants have been frozen or recalled. In future, the CBF is looking to demand more stringent audit requirements from national societies in receipt of funding and to demand a further financial enquiry where there are concerns.
- **Demonstrating impact** – There have been high demands on the CBF to show its added value and its impact. Many of its back donors have increasing demands on them to show tangible impact on certain categories of beneficiaries or show how the CBF adds value in a different way to the standard appeal-based support. This can be challenging for a Fund, which aims to be flexible and unarmarked. However, to address this, the CBF has tried to do a number of things. Firstly, to look at other ways to capture the impact and lessons learned from the CBF funding. In 2004, the CBF funded its first case study of organisational change in Argentine Red Cross and further reviews / studies are planned for the future. It is hoped that this will help to capture the impact of the investment in organisational development and the value of the timely CBF support. In addition, the CBF is trying to engage with other actors in the Movement (the ICRC and donor societies) to ensure that the grant is more complementary to other Movement support. It is hoped that this will improve the targeting of the CBF support.
- **Over estimation of capacity** – We continue to face over-estimation in terms of national society planning and Federation capacity. Most of the supported programmes take far longer than planned or in some cases fail to achieve their objectives due to limited capacity. The flexibility of the CBF grants allows for an extension into a second year. However, this highlights the need for the wider Federation to be more realistic in its development planning. Organisational change is complex and requires patience. We need to be more realistic in our planning, our expectations and our support. Changes in the Geneva Secretariat and reductions in resources in both Geneva and the field have also caused delays and this also needs to be built into the planning process. There have also still been delays due to blocks in the internal communications or finance systems and this needs to be improved in 2005, through more direct communication with national societies through FedNet and other means.
- **Sustainable funding** – In 2004, the CBF changed its approach to give more emphasis to multi-year funding. As part of this change, there was also a requirement for national societies to submit two or three year programme proposals, which included a phasing out of the CBF funding and a phasing in of other resources. This will hopefully change national societies' view of the CBF grant as a time limited source of funding and encourage a more creative approach to finding other resources. However, even with that in mind, there has been a great deal of unpredictability for societies and programmes that have now ceased to receive CBF funding. In some instances, such as the regional communications programme in Central America, the network has been able to continue through support from the involved national societies, particularly the human resources of the Panama Red Cross. The programme has also been extended to other societies who have received CBF funding for the initial set up phase. However, in other national societies it has proved more problematic and some of the good work has been lost. This is a serious challenge for the Fund and raises some questions regarding the careful targeting of future support, particularly in terms of funding for core costs and unsustainable staff positions.

Conclusions

The CBF continues to make an important contribution to the long-term capacity building programmes and organisational development of national societies. The Fund is now established and has become a vital source of funding for strategic and often critical change within national societies. In 2004, over 40 national societies benefited from grants from the Fund, to support a range of work. Many of these societies would not have

received the funding they needed to make these important changes without the CBF funding and much of the feedback from national societies notes this valuable contribution.

However, there is still a lot learning to be done in relation to the Fund. On the one hand, there is more work required to improve the targeting of the grants to ensure greater coherence with other support both from the Movement (the ICRC and donor societies) and other partners. Also to encourage teams in all regions to see this Fund, particularly the multi-year grants, as a valuable and limited resource to be used strategically to support real change and well-planned development. On the other hand, more work is also needed to monitor the results of these grants - in relation to the societies themselves, the programmes and services they provide, and ultimately the impact they have on vulnerable communities. Changes in reporting for 2005 and further work on capturing lessons, case studies and stories from the field should help ensure this knowledge is documented and shared.

[Contributions list below; click here to return to the title page](#)

Capacity Building Fund

ANNEX 1

APPEAL No. 01.92/2004

PLEDGES RECEIVED

16/12/2004

DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
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CASH

REQUESTED IN APPEAL CHF ----->				5,000,000		TOTAL COVERAGE
						43.5%
BRITISH - GOVT/DIFD GRANT 2004				1,000,000	29.01.04	
BRITISH - RC		23,000	GBP	52,578	07.12.04	
CANADIAN - RC		495,000	CAD	466,290	03.03.04	
FINNISH - GOVT/RC		236,700	EUR	364,755	22.09.04	CAPACITY BUILDING FUND TRIPARTITE
NORWEGIAN - GOVT/RC		1,100,000	NOK	206,250	21.09.04	
SWEDISH - GOVT		500,000	SEK	84,250	21.04.04	
SUB/TOTAL RECEIVED IN CASH				2,174,123	CHF	43.5%

KIND AND SERVICES (INCLUDING PERSONNEL)

DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
Note: due to systems upgrades in process, contributions in kind and services may be incomplete.						
SUB/TOTAL RECEIVED IN KIND/SERVICES				0	CHF	0.0%

ADDITIONAL TO APPEAL BUDGET

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