

Report 2006-2007



International Federation
of Red Cross and Red Crescent Societies

Palestine Red Crescent Society (PRCS)

Appeal No. MAAPS001

This report covers the period of 01/01/2006 to 31/12/2006 of a two-year planning and appeal process.

In a world of global challenges, continued poverty, inequity, and increasing vulnerability to disasters and disease, the International Federation with its global network, works to accomplish its Global Agenda, partnering with local community and civil society to prevent and alleviate human suffering from disasters, diseases and public health emergencies.



PRCS Emergency Medical Service personnel rescuing people after a bombing in Gaza Strip. Palestine Red Crescent Society.

In brief

Programme Summary:

Due to an increase in bilateral funding received by the Palestine Red Crescent Society (PRCS) in recent years, the Society decided in 2005 not to be part of the International Federation annual appeal structure for 2006-2007. Instead, PRCS relied on its many bilateral partners inside, as well as outside, the Red Cross and Red Crescent (RC/RC) Movement for programme and project funding. Therefore, appeal MAAPS001 was initially launched only to raise funds for the International Federation delegation in Ramallah to provide technical support in Organizational Development.

Following the international financial embargo on the newly elected Palestinian Government in May, monthly funding from the Palestinian Authority to PRCS was suspended and the Society was suddenly in a financial crisis. Through an emergency appeal supported by the Secretariat with a special "Call for Support", sufficient funds were raised for the society to continue its humanitarian mission. The International Federation Representative office in Ramallah has been supporting the PRCS monitoring the response from partners to the "Call for Support". It has also been involved with branch development, planning, reporting, appeal preparation and management.

PRCS decided in the course of 2006 to be one of the pilot societies in the new Operational Alliance concept of the Movement. As a consequence, the International Federation office has been supporting the development of the alliance and helping with cooperation and coordination.

Goal: Close cooperation and work with the PRCS headquarters (HQ) and branches was in general focusing on the overall goal to improve organizational capacities of the PRCS.

Needs: Total 2006-2007 budget was revised in December 2006 from CHF 503,000 to CHF 19,019,488 (USD 15,803,500 or EUR 11,612,750). This appeal budget reflects the entire financial needs of PRCS. Part of this amount is expected to be channelled through the International Federation Secretariat and part to be provided directly to the PRCS. In the attached financial report, the budget amount of CHF 7,964,277 (USD 6,595,425 or EUR 4,832,910), out of which 5 per cent covered, reflects only the International Federation Secretariat component. [Click here to go directly to the attached financial report.](#)

No. of people we help: The PRCS Emergency Appeal 2006 was supported by the International Federation through the “Call for Support” and most of the funding was channelled and managed through the Secretariat and country delegation, which were receiving donations from RC/RC and other partners. This made it possible for PRCS to provide humanitarian services to vulnerable people in the West Bank and Gaza Strip, in Lebanon, Syria and Egypt.

The estimated number of beneficiaries from the revised appeal for 2007 is in the range of 1 million, of whom some 59 per cent are females, 15 per cent males and 26 per cent children.

Our partners: The PRCS/International Federation are collaborating with communities in all areas of the 21 branches and seven sub-branches, the 30 primary health centres, the 18 rehabilitation centres, the 27 villages with mobile health clinics, and through the 26 centres for psycho-social programmes, and the PRCS structures in the Diaspora. Cooperation is also with ministries, four United Nations (UN) and international non-governmental organizations (NGOs), nine partner National Societies on bilateral basis, as well as the International Committee of the Red Cross (ICRC).

Current context

The political situation in the Middle-East as a whole has further deteriorated over the past year with conflict in several countries. The Israel-Palestine case has not been an exception, with the Palestinian people sinking even further into poverty and crisis. According to the United Nations Relief and Works Agency (UNRWA) report of November 2006, the agency is very concerned about the extreme deterioration in living and socio-economic conditions since the beginning of 2006 in the West Bank, Gaza Strip and the occupied Palestinian territory (oPt). According to the agency it is especially frightening to see the impact on every aspect of the Palestinian body: the deterioration of law and order; the unravelling of community cohesion; the rise in crime and internal violence; and the increasing radicalization of youth in an environment of economic and political hopelessness. By 2005, after five years of crisis, the real value of output produced (GDP) was estimated to be about nine per cent below its 1999 level, and per capita income was about 33 per cent below the level of that same year. Unemployment averaged 24 per cent of the labour force – twice its pre-crisis rate, and deep poverty affected 22 per cent of Palestinian households, about twice its 1999 rate.

Even long before the official figures for 2006 are available, it is obvious to everybody all around the entire territory that the economic situation has further deteriorated for the vast majority of the population. Public institutions providing health and care services, social welfare, education and security, as well as ministry offices have for months been paralysed by workers on strike due to salaries not being paid. The economic crisis has deepened even further from previous years, and the poverty rate in Gaza Strip is reported to have reached beyond 80 per cent, resulting in an economy on life support, kept barely alive by the drip feed of international assistance.

The wall constructed by the Israeli government in the occupied Palestinian territory has left tens of thousand of Palestinians between the internationally recognised Palestine-Israeli border and the wall. Access for these people to the outside is severely restricted, and access to the villages even for

humanitarian organizations to provide health or other dearly needed services is subject to permission by the Israeli authorities, which in many cases is extremely difficult to obtain.

While the people in the Gaza Strip are experiencing being isolated from the rest of the world, the people in the West Bank are facing a dramatic increase in movement restrictions within their land. In the course of the year the number of physical obstacles has increased to over five hundred. This together with the strict travel permission system on all Palestinians moving between villages and cities has put even more pressure on PRCS and other humanitarian organizations to run their services from an unexpectedly high number of locations. PRCS will have to serve the population in their own villages instead of expecting them to come to bigger centres.

One historical moment for PRCS in 2006 was the approval at the General Assembly in June, of the society as a full member of the International Federation of Red Cross and Red Crescent Societies. The Memorandum of Understanding (MoU) between PRCS and Magen David Adom (MDA) signed by both societies, which, together with the adoption by the member states and the RC/RC Movement in November 2005 of the Third Additional Protocol to the Geneva Conventions, paved the way for full membership of the two societies.

The implementation process for enhancing cooperation and smooth implementation of the humanitarian mandate of the societies, has so far not been as tangible as hoped. In fact little of what both societies committed to in front of their own governments and the rest of the RC/RC Movement in 2005 has been implemented.

With the escalating security situation in the Gaza Strip last summer the working environment for all, including the PRCS and other humanitarian actors, became increasingly difficult and at times dangerous. In one tragic moment, two PRCS staff of the ambulance service lost their lives to Israeli rockets in Gaza when on their humanitarian duty treating wounded people.

Progress towards objectives

Operationally, the PRCS programmes in oPt responded as usual to the needs of the vulnerable people. Also for the Palestinian refugees in neighbouring countries like Lebanon, Syria, and Egypt the PRCS has continued providing its humanitarian services. These three branches with their satellites are focusing on improving the quality of services in its nine hospitals, while also giving priority to the Youth and Volunteer network and programmes. Activities included training of health professionals and administrative staff, and upgrading of hospital equipment has been very much appreciated by the staff and the beneficiaries. The PRCS Lebanon maintained its dissemination and humanitarian values approach, using the community based first aid as an entry point.

As one of the major players in the oPt the PRCS has throughout the year, under increasingly difficult conditions, continued its wide range of humanitarian programmes within Health and Care, Disaster Management, Organizational Development, Social Services, Rehabilitation and Relief.

The society has been mandated by the Palestinian Authority (PA) to run the Emergency Medical Service in the West Bank and Gaza Strip, and was also given the responsibility to administer blood bank services in the territory. PRCS is the only organization providing Secondary Health Care services to the Palestinian refugees in the Diaspora, where the PRCS branches are running in total nine hospitals. With its wide range of humanitarian services and programmes for the Palestinian people the society has for years been receiving financial support from the PA. Due to the financial embargo imposed on the Hamas-led government in early 2006, the PA was forced to suspend their support to PRCS, leaving the society suddenly in a serious financial crisis. This critical situation prompted the PRCS on 19 April to issue its "PRCS Emergency Appeal 2006", calling on donors to ensure support for salaries and essential running costs for six months, to maintain the most critical PRCS services for the Palestinian people. The appeal was supported by the Federation Secretariat which issued a letter to its members as a "Call for Support". The embargo continued, and the PRCS appeal was extended for another three months towards the end of the year. In total the appeal achieved a coverage of 85

percent, including pledges from within the RC/RC Movement as well as from outside.

Actions and achievements:

- The PRCS is in the process of further developing the capacity of its branches to become more holistic in their geographical area of operation. Several training sessions and workshops have been carried out as tools to building the capacity and strengthening the branches and their ability to work closer with the communities and according to the needs expressed by the communities.
- In many of the PRCS branches the society is running its rehabilitation programme with focus on “reducing disabilities by developing abilities” as well as integration of the targeted group of beneficiaries into the daily life of the community. Also the Community Based Special Education programme has strong elements which strengthen the family of the beneficiaries and aid integration by reducing intolerance, discrimination and social exclusion, and promoting respect for diversity and human dignity.
- The PRCS and its beneficiaries have benefited from regular dialogue between the society and other humanitarian organizations in terms of sharing information and ideas on implementation.
- Many of the PRCS branches were established years before the PRCS was allowed to operate in the occupied territory. Hence, a high degree of independence was developed over the years, which in terms of building their financial base has been of great importance. Therefore it is important to maintain this strength while at the same time continue the integration and decentralization process of the society.
- Further development of the Project Planning Process (PPP) concept, with logistical frameworks and connected budgets has made the PRCS stronger in planning and reporting.
- Development of Human Resource Management has been prioritised at headquarters level, with job descriptions and regular management meetings.
- Gender diversity is an issue in focus at all levels of the organization. However, within the top management and the governance there is a need for further strengthening of the female part. There is a high degree of integration between different sectors, such as between Health and Care and Disaster Management, as well as Health and Care and Rehabilitation.
- For several years the PRCS has been developing its financial management system at headquarters level, and in the course of 2006 the pilot phase has been completed. The system, which has already been installed in some of the branches, will from January 2007 be the only one in use at the headquarters.

Working in partnership

For several years the PRCS has been working closely with a number of partners on a bilateral basis. This trend has expanded and become the core funding source of the society. Hence, the management of PRCS in 2005 took the decision to request the Federation to launch appeal MAAPS001 only to raise funds for the Federation delegation in Ramallah to provide technical support in organizational development, and to rely on its bilateral partners for support with its programmes. However, as PRCS in 2006 was selected by the Federation Secretariat to be one of the pilot societies for the Operational Alliance concept, the new cooperation modality adopted by the Federation at its General Assembly in 2005, the society accepted the invitation, and towards the end of the year decided to launch its appeal for 2007 through the Federation appeal structure by considerably scaling up appeal MAAPS001.

An Operational Alliance document was drafted, supported by the ICRC and the Federation Secretariat. PRCS is requesting all its RC/RC partners to sign up to this new cooperation and coordination mechanism, which presents all the programmes and projects of the PRCS's operation in a coordinated manner. The part of the appeal for 2007 was developed jointly by the PRCS and Federation together in the spirit of transparency, totality and programme oriented instead of focus on projects. It is divided into

two parts, of which one is for core cost support, previously received as monthly allocations from the budget of the PA. The other part is for programme funding with attached logical frameworks, budgets and pledged support from partners within as well as outside of the RC/RC Movement.

Contributing to longer-term impact

Due to the huge financial challenges, the PRCS throughout the year gave top priority to securing core cost funding and maintaining its ongoing programmes, instead of introducing new ones.

The new PRCS financial system which during 2006 ran in parallel to the old one to act as a secure backup system, will from January 2007 be the only one in use. The new system, which was designed based on requirements from donors and good budgeting and accounting practices, will be used at the PRCS headquarters in Ramallah, PRCS Gaza Branch, and PRCS Lebanon and in early 2007 will be installed in a number of branches, providing a more reliable total picture of the society.

- The finance department of PRCS will on a regular basis be able to provide detailed financial reports to its own management and implementing departments, as well as to the many donors as desired.
- The shift of focus from project to programme approach will facilitate better monitoring mechanisms and ensure compliance with PRCS strategy and yearly plans of action.
- Introduction of the Operational Alliance concept will ensure better coordination and reporting of programmes, as well as making better use of available resources.

Looking Ahead

The Federation's Global Agenda is always at the centre of what PRCS is doing in oPt and for the Palestinian refugees in the Diaspora. In the unstable environment facing the people in the occupied territory, where even PRCS medical personnel on duty have lost their lives, the society values the fundamental principles and contributes on a daily basis to reducing the number of deaths, injuries and impact of the conflict, as well as reducing the impact of diseases and public health emergencies.

Over the past few years the bilateral approach has been promoted by the PRCS, with focus to a great extent on projects rather than programmes of the society. Hence, a number of parallel structures and special reporting requirements have diverted the attention from the totality to fragmented interests. In the course of 2006 attempts were made to revert this trend, and will be a high priority in 2007 as part of the Operational Alliance concept.

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International Federation of Red Cross and Red Crescent Societies

MAAPS001 - PALESTINE RED CRESCENT SOCIETY

Annual Report 2006

Selected Parameters	
Reporting Timeframe	2006/01-2006/12
Budget Timeframe	2006/01-2007/12
Appeal	MAAPS001
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
A. Budget	3,357,687	3,657,849	134,320	814,421	0	7,964,277
B. Opening Balance	48	0	0	52,467	0	52,515
Income						
<u>Cash contributions</u>						
<i>Australian Red Cross</i>				8,841		8,841
<i>British Red Cross</i>		0	0	0		0
<i>Canadian Government</i>	1,982					1,982
<i>Irish Red Cross Society</i>				11,765		11,765
<i>Japanese Red Cross Society</i>	0			53,500		53,500
<i>Norwegian Red Cross</i>	0			76,675		76,675
<i>Other</i>				100,000		100,000
<i>Swedish Red Cross</i>	0	0		0		0
<i>United States - Private Donors</i>				617		617
C1. Cash contributions	1,982	0	0	251,397		253,378
<u>Outstanding pledges (Revalued)</u>						
<i>Canadian Government</i>	-1,968					-1,968
<i>Irish Red Cross Society</i>				-11,792		-11,792
C2. Outstanding pledges (Revalued)	-1,968			-11,792		-13,760
<u>Inkind Personnel</u>						
<i>Norwegian Red Cross</i>				77,400		77,400
C5. Inkind Personnel				77,400		77,400
C. Total Income = SUM(C1..C6)	14	0	0	317,005	0	317,018
D. Total Funding = B + C	61	0	0	369,472	0	369,534

II. Balance of Funds

	Health & Care	Disaster Management	Humanitarian Values	Organisational Development	Coordination & Implementation	TOTAL
B. Opening Balance	48	0	0	52,467	0	52,515
C. Income	14	0	0	317,005	0	317,018
E. Expenditure	-61			-216,099		-216,160
F. Closing Balance = (B + C + E)	0	0	0	153,374	0	153,374

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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)		3,357,687	3,657,849	134,320	814,421	0	7,964,277	
Supplies								
Shelter - Relief	60,350							60,350
Clothing & textiles	47,556							47,556
Water & Sanitation	24,140							24,140
Medical & First Aid	931,201							931,201
Teaching Materials	17,502							17,502
Total Supplies	1,080,749							1,080,749
Land, vehicles & equipment								
Computers & Telecom	94,581							94,581
Office/Household Furniture & Equipm.	1,328							1,328
Medical Equipment	697,755							697,755
Total Land, vehicles & equipment	793,664							793,664
Transport & Storage								
Transport & Vehicle Costs	459,223				10,220		10,220	449,003
Total Transport & Storage	459,223				10,220		10,220	449,003
Personnel Expenditures								
Delegates Payroll	216,400							216,400
Delegate Benefits	133,830				127,024		127,024	6,806
National Staff	28,350				15,908		15,908	12,442
National Society Staff	448,566							448,566
Consultants	25,181							25,181
Total Personnel Expenditures	852,327				142,931		142,931	709,396
Workshops & Training								
Workshops & Training	757,519				4,401		4,401	753,118
Total Workshops & Training	757,519				4,401		4,401	753,118
General Expenditure								
Travel	42,305				21,626		21,626	20,679
Information & Public Relation	69,314				956		956	68,358
Office Costs	76,328				2,928		2,928	73,400
Communications	31,813				5,763		5,763	26,050
Professional Fees	364,911				10,816		10,816	354,095
Financial Charges	120				1,846		1,846	-1,726
Other General Expenses	113,326	57			470		527	112,799
Total General Expenditure	698,117	57			44,405		44,462	653,655
Depreciation								
Depreciation					422		422	-422
Total Depreciation					422		422	-422
Federation Contributions & Transfers								
Cash Transfers National Societies	2,805,000							2,805,000
Total Federation Contributions & Tr	2,805,000							2,805,000
Program Support								
Program Support	517,678	4			13,719		13,724	503,954
Total Program Support	517,678	4			13,719		13,724	503,954
TOTAL EXPENDITURE (D)	7,964,277	61			216,099		216,160	7,748,117
VARIANCE (C - D)		3,357,625	3,657,849	134,320	598,323		7,748,117	