

Appeal 2004



International Federation
of Red Cross and Red Crescent Societies

CAPACITY BUILDING FUND

Appeal no. 01.92/2004

The International Federation's mission is to improve the lives of vulnerable people by mobilizing the power of humanity. The Federation is the world's largest humanitarian organization, and its millions of volunteers are active in over 180 countries. All international assistance to support vulnerable communities seeks to adhere to the Code of Conduct and the Humanitarian Charter and Minimum Standards in Disaster Response, according to the SPHERE Project.

This document reflects a global programme and related activities to be implemented in 2004, and the related funding requirements. For further information concerning programmes or operations in this or other countries or regions, please also access the Federation website at <http://www.ifrc.org>

	2004 (in CHF)
Capacity Building Fund	5,000,000
Total	5,000,000¹

Context

The Capacity Building Fund (CBF) is an important tool to help strengthen national societies to deliver more effective services and advocate on behalf of vulnerable people. In delivering against its goal of building the sustainable capacity of national societies, it is contributing to the second strategic direction of Strategy 2010, “well-functioning national societies”, and to the strategic priorities of the Secretariat.

Over the past three years the Fund has grown in size and has strived to improve the effectiveness of its grants in order to have a sustainable impact on national societies. It has built on the original aim of the Fund, which was to provide flexible, unearmarked funding to support quality capacity building programmes.

The Tripartite Advisory Group (TAG), comprising governments and the British, Canadian, Finnish, Norwegian, and Swedish Red Cross, advise the Federation on the direction of the Fund and provide its main financial support. This group met in October to review the work of the CBF to date and to discuss its future direction. Other national societies and their governments have expressed an interest in joining the TAG in future.

Background and achievements/lessons to date

The CBF was formally established by the Federation’s Governing Board in May 2000 and became fully operational towards the end of that year when sufficient funding had been secured to make it a viable. To date the CBF has

¹ [USD 3,875,123 or EUR 3,210,166.](#)

allocated CHF 8.3 million to support organisational development and capacity building programmes to over 70 national societies. More than 20 of these have benefited on a multi-year basis from this support and the CBF has often been the only source of funds for necessary and timely capacity building interventions.

In 2003, the CBF allocated CHF 3.5 million in support of 43 programmes. Based on previous experience, the CBF selection committee worked closely with regional teams (Geneva departments and delegations) and with the Organisational Development Department to ensure that the programmes met the CBF criteria outlined below and were in line with wider capacity building priorities and approaches in the region. The selection was also based on the quality of the proposal, the commitment / potential capacity of the national society, the sustainability of the programme and the availability of Secretariat support to support the process.

All programmes that have been funded have met one or more of the Fund's criteria shown below:

- **“forgotten” national societies, especially those in countries of high vulnerability** – the CBF has targeted National Societies facing high vulnerability, either in a post disaster or conflict situation or in relation to poverty and social vulnerability. In many cases, these societies have been “forgotten” in terms of donor interests. The CBF has allowed the Secretariat to provide timely, strategic support to these Societies to strengthen their capacity. For example, in Haiti, the CBF is funding vital organisational development, which is enabling the society to develop its strategic plan and is providing a basis for programme support from other Movement partners;
- **“innovative” capacity building programmes in one or more of the key capacity building focus areas** (the focus areas are based on the Federation's Capacity Building Framework and cover: - strategic planning; programme management; leadership development (including training); volunteer management; branch development and community mobilisation; information and communications development; and financial resource development); the CBF has been a much needed source of funding to help national societies tackle these areas of organisational change and engage in more “innovative” or new approaches to improve effectiveness. In Sudan, a peer branch development programme used the existing experience of four stronger branches to coach a weaker branch. The model will then be used in turn to mentor other branches and may be replicated in other parts of East Africa;
- **addressing integrity issues** – this has been an important role for the CBF and a number of national societies have received support over the past three years to address integrity issues. Often this has been as part of a harmonised approach with the ICRC. In the last year, funds were granted to the Brazilian, South African and Zambian Red Cross Societies to support their recovery programmes and to bring in new senior management to rebuild the Society and its credibility;
- **supporting increased civil society networking** – “civil society” is a cross-cutting issue and is important for the Red Cross and Red Crescent, as it enables us to engage more closely with vulnerable communities. The CBF has funded a range of programmes, which contribute to this criterion. This includes programmes aimed at building national society capacity to engage as a credible civil society actor (e.g. through building a stronger, grass roots base and volunteer network, as in Central America or Bangladesh respectively) and programmes aimed at building community capacity and social mobilisation within civil society (e.g. through, for example, participatory community development programmes in Albania and South America);
- **projects that focus on youth or gender are considered favourably** – initiated, in part, out of the Youth Fund, the CBF has a strong commitment to support youth and gender related programmes. The Fund has received an increasing number of applications for youth programmes and, in consultation with the Secretariat's Youth Officer, has supported those seeking to engage young people in programmes and service delivery. In Sri Lanka, investment in the Society's Youth Wing over the past two years has supported the recruitment of youth coordinators in most of the 25 branches. Their role has been to mobilise young people in the local community and these young volunteers played a key role in the recent flood response and scaling up the HIV/AIDS campaign.

During 2003, the CBF supported the first joint visit of the TAG. In March, a team comprising the British and Finnish Governments and National Societies and the Secretariat, went to Sri Lanka to review the national society's experience of organisational change. The mission was also asked to assess the added value of the CBF grants, make recommendations for the future of the CBF and the TAG, and develop draft capacity building indicators. This visit provided important insights into the experience of a national society in a post-conflict situation and highlighted the importance of addressing the coordination and sustainability of capacity building support provided by all Movement actors. A further lesson was to ensure that the Federation captures and demonstrates the links

between organisational development and improving service delivery to vulnerable people. It is planned to hold a second TAG field visit in early 2004 and to continue with informal monitoring visits and six monthly reporting.

Funding levels for the CBF have remained fairly steady over the past two years, but have not yet reached the level of predictable multi-year funding originally foreseen. Most donors still pledge funds on a year-by-year basis, mitigating against the Fund's commitment to move towards multi-year support for long-term capacity building. In future, the aim is to diversify the funding base of the CBF beyond the existing TAG donors and to build a more predictable, multi-year funding base so as to be able to support two to three year capacity building programmes.

Progress on the CBF was reported to the TAG meeting in October 2003. Through this annual meeting, the TAG continues to advise the Federation's Secretariat on policy and resource mobilization issues affecting capacity building and to contribute to a clearer strategic framework for the CBF. In this latest meeting, much attention was given to discussing the future direction and effectiveness of the Fund, particularly in relation to improving coherence with the Federation's other capacity building work and with the approaches of other Movement actors.

Goal: To serve as a multilateral fund to assist national societies build sustainable capacities in order to make a significant difference to the lives of vulnerable people.

Objective: to ensure effective management of the Fund so that it has a demonstrable impact in building the capacity of National Societies in order to support programmes and promote services to vulnerable people.

Expected programme results and related projects for this objective: following consultation with the Secretariat, national society and TAG representatives, the expected results for the CBF are as follows.

More targeted selection of programmes:

- a target number of national societies per region will have received multi-year funding from the CBF to support long-term, planned capacity building programmes or organizational change processes. This will demonstrably have enabled them to provide more effective programmes and services to vulnerable people over the longer-term framework of the CBF support (two to three years);
- in response to arising needs during the year, a further group of national societies will have received timely funding for short-term organisational development interventions or for riskier, more "innovative" projects, including support for addressing leadership / integrity crises or regional cooperation;
- the CBF grants will have supported identified regional priorities and will have been in line with other Federation and Movement capacity building support towards a given national society (e.g. in consultation with the CAS) thus optimizing the impact of that overall support;

Improved management of the Fund

- a review will have been held to clarify the future direction of the Fund and recommend changes to improve the management of the Fund. For example, simpler standard application procedures will have been initiated and national societies will be more fully involved in the application process;
- support will have been provided to national societies to improve the sustainability of programmes and to help prepare phase out or exit strategies for CBF funding / increase other co-funding;
- a marketing and fundraising strategy will have been drawn up and the CBF will have accessed support from at least one new donor in order to widen the current funding base.

Promoting and sharing good practice

- current draft capacity building indicators will have been further developed and guidance will have been provided to delegations and national societies to help them measure and demonstrate the results of their capacity building programmes. This work will have been carried out in coordination with the Organizational Development and Planning, Monitoring & Evaluation functions within the Secretariat.
- a minimum of three field monitoring visits (including one joint visit with the TAG) will have helped to monitor progress and results in a number of CBF-funded programmes and will have shared findings and recommendations within the TAG and across the wider;
- working closely with the Organizational Development Department, the CBF will prepare at least one case study per region to capture and share key learning and good practice in organizational development and capacity building. These studies will be to be produced and printed in hard copy and shared through the Federation's web site.

Linked programmes:

- Organizational Development Annual Appeal (no. 01.102/2004).
- National Society Self Assessment Annual Appeal (no. 01.101/2004).
- International Cooperation Annual Appeal (no. 01.99/2004).
- individual country/region programme appeals/funding plans supported by the Fund.

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[Click here to return to the title page](#)