

# 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

## ERITREA

May, 2001

*This Annual Report is intended for reporting on the Federation's Annual Appeals only.*

*Appeal No. 01.10/2000*

*Appeal Target: CHF 1,869,000*

### *The Context*



*A Red Cross food distribution in Eritrea*

Eritrea gained its independence in 1991 after a liberation war that lasted 30 years and left the country as one of the poorest nations in the world with both its infrastructure and economy in ruins. Since its independence Eritrea has been in a process of reconstruction and rehabilitation for which the country developed a policy of self reliance rather than counting on foreign relief, assistance or loans.

In May 1998, a border conflict with Ethiopia degenerated into a full scale war between the two countries, resulting in the deaths of thousands of people, thousands internally displaced, many deported from Ethiopia, and many more people directly or indirectly affected.

In the first half of 2000, the relatively stable humanitarian situation deteriorated rapidly due to the combination of the outbreak of the third major round of hostilities between Ethiopia and Eritrea on 12 May 2000, and protracted drought conditions in major parts of Eritrea. By mid-2000 it was estimated that approximately 1.6 million Eritreans were affected by war, drought or a combination of these two factors. Among them, over one million were displaced within Eritrea or across international borders, the majority being women and children.

A "Cessation of Hostilities Agreement" signed 18 June brought an end to more than one month of fierce fighting, and triggered the first return movements of the civilian population to areas that were

previously insecure and/or inaccessible. A peace agreement signed by the two countries on 12 December 2000 brought a formal end to the border conflict. Major security problems (such as mines) still need to be resolved. By the end of 2000, more than 300,000 civilians were still displaced, living in camps or with host families.

Supported by the International Committee of the Red Cross (ICRC) and bilateral donors, the Red Cross Society of Eritrea (RCSE) was throughout the year actively involved in relief and emergency assistance. Although directly affected by the total mobilization of all men in Eritrea aged 18-40 years (plus many women and men up to 50 years old), the national society at the same time managed to implement or initiate most of its planned development activities for the year 2000.

## ***Objectives, Achievements and Constraints***

### ***Disaster Response***

**Objective:** to provide support to the national society for assistance to war affected victims and vulnerable groups if a peace agreement is reached (otherwise, ICRC will maintain the lead role in supporting disaster response activities).

#### **Achievements**

The RCSE was actively involved in emergency relief and disaster response most of the year, supported by the ICRC and bilateral donors. The national society played a crucial role during May and June by mobilizing and deploying hundreds of volunteers that assisted the civilian population fleeing the advancing Ethiopian troops. Transport of some of the most vulnerable, supplying water and emergency food along the roads and in IDP camps, first aid assistance during the first critical weeks in hospitals and clinics were all examples of important life saving emergency assistance provided.

### ***Disaster Preparedness***

**Objectives:** to support the RCSE in developing disaster response plans, training volunteers in disaster prevention and mitigation, identifying coping mechanisms, developing appropriate training and programmes to address small-scale emergencies and disasters, and forming Red Cross action teams in strategic branches to respond to large scale disasters.

#### **Achievements**

A disaster preparedness (DP) workshop, facilitated by the Federation's regional DP delegate, and supported by the ICRC's co-operation delegate, took place in Asmara during March. Topics included DP policy and plans, vulnerability and capacity analysis and contingency planning. The workshop strongly improved the basis for a holistic framework and approach to the disaster preparedness concept. Lessons learned during group work at the workshop became vital during May/June for the national society's planning and mobilization of volunteers to assist the civilian population.

A DP workshop in late November followed up on lessons learned, recaptured topics and group work from the first workshop, and further concentrated on food security and planning for training of RC/RC action teams.

### ***Health and Care***

**Objectives:** to develop and support a revised health policy for the RCSE and provide technical assistance to the existing health programmes.

### **Achievements**

A full account of the RCSE's activities in the area of health is given in the annual activity report of the RCSE, available from the national society or the delegation in Eritrea.

### ***Humanitarian Values***

**Objective 1:** to complement and support ICRC's efforts in tracing and family reunion, training and dissemination materials will be provided, together with RCSE staff, branches and volunteers, on promotion of humanitarian values.

### **Achievements**

The RCSE is mainly co-operating with the ICRC in the field of tracing and dissemination, with the Federation's representative taking part in individual dissemination sessions for selected groups.

### ***Institutional and Resource Development***

**Objectives:** to provide technical advice and expertise in different fields, including establishing a transitional committee at the central level of the RCSE, revitalizing committees at provincial levels and establishing a strategy for recognition of the national society by the Eritrean government.

### **Achievements**

The Federation has been supporting the three-year development plan of the RCSE through institutional development and special training workshops. This was the third year of this support.

Following consultations with all partners, a memorandum of understanding (MoU) valid until the end of 2004 was developed and signed by RCSE, ICRC, the Federation and most participating national societies during the first half of 2000. The MoU provided an overall framework for development programmes/projects of RCSE during the year.

### ***Recognition***

A strategy for recognition was developed with the objectives to: 1) obtain formal recognition from the Eritrean government and the International Red Cross and Red Crescent Movement, and thus further improve a clear identity for the national society in Eritrea; and, 2) to develop a clear national society structure, including governance.

A series of meetings were undertaken with the president's office, the Eritrean Relief and Refugee Commission (ERREC), Ministry of Health (MoH) and other relevant ministries, to promote recognition of the society by the Eritrean Government. A provisional Letter of Understanding with the MoH (dating from December 1998) was verbally reconfirmed. Assurance of support to facilitate RCSE's continued programmes was obtained from ERREC in November 1999.

The present draft of the national society's statutes was reviewed, and a draft for new statutes was developed after extensive internal and external consultations. Also, a mandate for a transitional Governing Board was drafted. The transitional board was established and had its first meeting in October 2000.

In connection with branch visits, meetings were held with interested governmental representatives and private parties in order to revitalize Red Cross committees at the provincial level. These provincial committees will, however, not become effective until recognition is obtained from the Eritrean Government.

Representatives of the joint ICRC/Federation commission visited Eritrea in October 2000 to assess whether the 10 conditions of recognition were fulfilled by the national society, and to discuss

practical issues with governmental representatives related to the emblem issue. During their visit to Eritrea, the representatives, accompanied by the ICRC's head of delegation and the Federation's representative, had meetings with the President's office, ERREC, and the Ministries of Foreign Affairs, Health, Justice, and Agriculture.

Increased visibility of the NS was promoted through marking of project sites with the Red Cross emblem, establishing Red Cross committees and dissemination sessions in connection with community based projects, and dissemination sessions to selected groups (local administrations, teachers, etc.).

The Eritrean Government established a working group in October to look into the recognition of the national society. The outlooks are promising, and recognition is expected during the first few months of 2001.

### ***Strengthening the overall management of RCSE***

During the year, improved project management and reporting guidelines were implemented. Job descriptions were reviewed and improved for key staff of the RCSE. Recruitment of new professional staff for key branches was initiated towards the end of the year. Due to the general mobilization in connection with the conflict situation, it was difficult to recruit qualified staff for key positions. The RCSE did, however, manage to find qualified replacements for most of the key staff recruited into national service.

### ***Improving the financial management of RCSE***

The finance department further improved its financial reporting, providing timely reporting internally and to donors.

Attempts to introduce a computerized financial system, enabling the society to provide further transparency towards donors (such as project accounting) was delayed due to software problems and lack of qualified staff at the software supplier to correct these problems during most of the year. Staff problems at the software supplier improved towards the end of the year, software problems were being resolved, and it was anticipated that the new system would be operational for 2001.

## ***Conclusions***

The year 2000 was a difficult one for Eritrean society, and for the RCSE, due to the conflict and serious drought situation in major parts of the country.

Support from ICRC and bilateral donors, combined with the national society's ability to mobilize volunteers and its dedicated staff in critical situations, enabled the RCSE to play an important role in relief and emergency activities.

Some planned activities in capacity building were delayed due to the conflict situation, but the RCSE managed to implement or initiate most of the planned development activities for the year.

Positive developments in relation to the recognition process of the national society took place during the year, with the Eritrean Government signing the Geneva Conventions, and positive responses from the Government towards the recognition of a national society in Eritrea. The Federation will continue to support the RCSE in implementing its strategic plan for 2001-2004 through the Federation's representation in Eritrea and through regional resources.

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*All International Federation Operations seek to adhere to the Code of Conduct and are committed to the Humanitarian Charter and Minimum Standards in Disaster Response (SPHERE Project) in delivering assistance to the most vulnerable.*

*For further information concerning Federation operations in this or other countries, please access the Federation website at <http://www.ifrc.org>.*

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## *Annual Financial Reports 2000*

### *- Explanatory Note -*

#### **1. Consolidated Response to the Appeal**

- This report provides a global picture on the funding situation of a specific appeal at a specific time.
- The cash column indicates all cash contributions channelled through the Federation, together with the balance carried forward from the previous year. Financial statements in support of the reported income are available upon request.
- The in-kind contributions (goods and services provided in response to the appeal objectives) are registered in a stand-alone system, based on the information provided by the respective donor. The values of these donations are based on information received from donors, and will be reported as such in the income and expenditure part of the consolidated report.
- Direct cash or in kind contributions made to Operating National Societies or in kind donations made to the Federation Delegations in response to the appeal are recorded as in-kind contributions in the report.

#### **2. Balance of Funds - Cash Only**

This report is a summary cash statement, providing the information on the balance carried forward from the previous year, cash income (including reallocations), cash expenditure (including reallocations - ref. part III of the consolidated report), and the closing balance at the end of the year.

#### **3. Budget Analysis / Breakdown of Expenditures**

This section of the report provides a comparative analysis of the total expenditures (cash and in-kind) versus the last approved budget of the appeal.

- The cash column reports on all expenditures booked against the Federation projects and cost centres . It relates only to the use of cash contributions received by the Secretariat for the specific appeal. Financial statements in support of the reported expenditure are available upon request.
- The in-kind columns (goods/services and personnel) report on the in-kind contributions donated in response to appeals, as per the information received from donors. This information is shown both as contribution and as expenditure against the specific appeal, and is consolidated, together with the cash expenses, against the appeal budget. As financial information is not always available from PNS, and for consistency reasons, a flat rate is applied for the calculation of personnel costs.
- The consumption rate represents the level of total expenditures (cash and in-kind) compared to the total income available (opening balance, cash and in-kind contributions),

#### **4. Pledges vs. Contributions**

Attached to this financial report is the list of pledges against the respective appeal.

- The comparative analysis of the list of pledges and the list of actual contributions provides a clear insight into any outstanding pledges in response to the appeal.
- Any differences in values between the two reports are due to fluctuations in exchange rates at the time of booking and the time of reception of the contribution.

INTERNATIONAL FEDERATION OF RC AND RED CRESCENT SOCIETIES					
					Interim report
					Annual report X
					Final report
<b>Appeal No &amp; title: 01.10/2000 - Eritrea</b>					
<b>Period: year 2000</b>					
<b>Project(s): PER001, PER004, PER160, PER510</b>					
<b>Currency: CHF</b>					
<b>I - CONSOLIDATED RESPONSE TO APPEAL</b>					
FUNDING	CASH		KIND & SERVICES		TOTAL
	Contributions	Reallocations	Goods/Services	Personnel	INCOME
Appeal budget	1'869'358				
less					
Cash brought forward	43'017				
<b>TOTAL ASSISTANCE SOUGHT</b>	<b>1'826'341</b>				
<b>Contributions from Donors</b>					
Australian RC (DNAU)	1'059				1'059
Danish RC (DNDK)	10'350				10'350
Danish RC (DNDK)	3'007				3'007
Danish RC (DNDK)	10'814				10'814
Netherlands RC (DNNL)	9'852				9'852
Norwegian Govt. via Norwegian Red Cro (DGI)	31'747				31'747
Norwegian Govt. via Norwegian Red Cro (DGI)	28'421				28'421
Norwegian Govt. via Norwegian Red Cro (DGI)	35'716				35'716
Norwegian Govt. via Norwegian Red Cro (DGI)	31'974				31'974
Norwegian Govt. via Norwegian Red Cro (DGI)	7'105				7'105
Norwegian Govt. via Norwegian Red Cro (DGI)	7'937				7'937
Norwegian RC (DNNO)	1'599				1'599
Norwegian RC (DNNO)	1'786				1'786
Norwegian RC (DNNO)	7'283				7'283
Norwegian RC (DNNO)	7'994				7'994
Norwegian RC (DNNO)	8'135				8'135
Norwegian RC (DNNO)	8'929				8'929
Swedish Govt. via Swedish RC (DGNSE)	13'208				13'208
Swedish Govt. via Swedish RC (DGNSE)	32'375				32'375
Swedish Govt. via Swedish RC (DGNSE)	6'654				6'654
Swedish Govt. via Swedish RC (DGNSE)	25'830				25'830
Swedish Govt. via Swedish RC (DGNSE)	2'642				2'642
Swedish Govt. via Swedish RC (DGNSE)	10'410				10'410
Swedish RC (DNSE)	13'307				13'307
Swedish RC (DNSE)	5'283				5'283
Denmark				60'123	60'123
<b>TOTAL</b>	<b>323'414</b>			<b>60'123</b>	<b>383'537</b>
<b>Coverage</b>	<b>17.7%</b>			<b>3.3%</b>	<b>21.0%</b>
<b>II - Balance of funds</b>					
					Opening balance
				43'017	
					CASH INCOME
				323'414	
					CASH EXPENDITURE
				-312'606	
				-----	
					CASH BALANCE
				53'826	

<b>Appeal No &amp; title: 01.10/2000 - Eritrea</b>						
<b>Period: year 2000</b>						
<b>Project(s): PER001, PER004, PER160, PER510</b>						
<b>Currency: CHF</b>						
<b>III - Budget analysis / Breakdown of expenditures</b>						
<b>III - Budget analysis / Breakdown of expenditures</b>						
<b>III - Budget analysis / Breakdown of expenditures</b>						
Description	Appeal Budget	CASH Expenditures	KIND & SERVICES		TOTAL	Variance
			Goods/services	Personnel	Expenditures	
<b>SUPPLIES</b>						
Shelter & Construction	443'398					443'398
Clothing & Textiles						
Food/Seeds						
Water						
Medical & First Aid	12'052					12'052
Teaching materials	271'550					271'550
Utensils & Tools	39'906					39'906
Other relief supplies						
<b>Sub-Total</b>	<b>766'906</b>					<b>766'906</b>
<b>CAPITAL EXPENSES</b>						
Land & Buildings	62'264					62'264
Vehicles	30'189					30'189
Computers & Telecom equip.	10'754					10'754
Medical equipment						
Other capital expenditures	37'739					37'739
<b>Sub-Total</b>	<b>140'946</b>					<b>140'946</b>
<b>TRANSPORT &amp; STORAGE</b>						
	58'220	2'457			2'457	55'763
<b>Sub-Total</b>	<b>58'220</b>	<b>2'457</b>			<b>2'457</b>	<b>55'763</b>
<b>PERSONNEL</b>						
Personnel (delegates)	99'200	30'323		60'123	90'446	8'754
Personnel (local staff)	398'126	1'508			1'508	396'618
Training						
<b>Sub-Total</b>	<b>497'326</b>	<b>31'831</b>		<b>60'123</b>	<b>91'954</b>	<b>405'372</b>
<b>GENERAL &amp; ADMINISTRATION</b>						
Assessment/Monitoring/experts		9'654			9'654	-9'654
Travel & related expenses	82'347	4'342			4'342	78'005
Information expenses	18'153	1'149			1'149	17'004
Administrative expenses	99'831	11'554			11'554	88'277
External workshops & Seminars						
<b>Sub-Total</b>	<b>200'331</b>	<b>26'699</b>			<b>26'699</b>	<b>173'632</b>
<b>PROGRAMME SUPPORT</b>	<b>205'629</b>	<b>19'887</b>			<b>19'887</b>	<b>185'743</b>
<b>OPERATIONAL PROVISIONS</b>						
Transfer to National Societies		231'732			231'732	-231'732
<b>TOTAL BUDGET</b>	<b>1'869'358</b>	<b>312'606</b>		<b>60'123</b>	<b>372'729</b>	<b>1'496'630</b>
<b>Consumption rate:</b>	Expenditures versus income		97%			
	Expenditures versus budget		20%			

<b>Eritrea</b>						ANNEX 1
<b>APPEAL No. 01.10/2000</b>		<b>PLEDGES RECEIVED</b>			22.05.2001	
DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
<b>CASH</b>						
REQUESTED IN APPEAL CHF ----->				<b>1'869'000</b>		<b>TOTAL COVERAGE 23.2%</b>
<b>Balance carried forward from 1999</b>				<b>43'016</b>		
DENMARK - RC				3'007	26.01.2000	
DENMARK - RC		6'315	USD	10'350	01.07.00	DIRECTLY TO THE DELEGATION
DENMARK - RC		6'315	USD	10'184	31.10.00	DIRECTLY TO THE DELEGATION
NETHERLANDS - RC		6'000	USD	9'444	14.03.2000	REPRES. IN-COUNTRY COSTS
NORWAY - GOVT/RC		950'000	NOK	183'538	31.03.2000	ID AND ACTIVITIES IN NORTHERN RED SEA PROVINC
SWEDEN GOVT/RC		200'000	SEK	37'920	30.05.00	CBFA
SWEDEN GOVT/RC		350'000	SEK	66'360	30.05.00	ID
SWEDEN GOVT/RC		50'000	SEK	9'480	30.05.00	COORDINATION & MANAGEMENT
SUB/TOTAL RECEIVED IN CASH				373'299	CHF	20.0%
<b>KIND AND SERVICES (INCLUDING PERSONNEL)</b>						
DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
Denmark	Delegate(s)			60'123		
SUB/TOTAL RECEIVED IN KIND/SERVICES				60'123	CHF	3.2%
<b>ADDITIONAL TO APPEAL BUDGET</b>						
DONOR	CATEGORY	QUANTITY	UNIT	VALUE CHF	DATE	COMMENT
SUB/TOTAL RECEIVED				0	CHF	
<b>THE FOLLOWING PROJECTS ARE LINKED TO THIS APPEAL:</b>						
PER001, PER004, PER160, PER510						