

# 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

## *EAST ASIA*

*27 August 2001*

*Appeal No. 01.29/00 Humanitarian assistance*

*Appeal Target: CHF 9,570,000*

*Period covered: Year 2000*

### *“At a Glance”*

*Appeal coverage: 44.9%*

*Update: Much progress was made in terms of coordination and the establishment of a regional office in Beijing was a major step forward. One significant achievement was the evolution of relations between the Federation and the Red Cross Society of China.*

### **Operational Developments:**

The East Asia region is one of the most populous regions in the world and includes China (1.3 billion), Japan (125.5 million), the Republic of Korea (45.5 million), the Democratic People's Republic of Korea (22.5 million) and Mongolia (2.5 million). The region is characterised by significant social, political, cultural and economic diversity. This is reflected in the five national societies in terms of their size, funding base and capacities. The region is prone to various natural disasters including: floods, earthquakes, drought, volcanic activity and typhoons.

Vulnerability in the region is predominantly a result of poverty and natural disaster, the two often combining to increase risk.

Throughout the reporting period there has been significant activity aimed at improving relations between countries in the region. Increasingly, linked economies are helping the process of regional integration. The most significant event during the year has been the meeting in June between the leaders of the two Koreas which heralded significantly improved relations that continued throughout the year.

Through the establishment of the Regional Office (RO) in Beijing the Federation aims are two fold. Firstly, to increase the level and quality of cooperation between the national societies in the region and Asia and Pacific as a whole. Secondly, to establish closer working relations with the Red Cross Society of China (RCSC).

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

### **Objective 1 - To establish a functioning Regional Office in Beijing.**

Following a Status Agreement signed between the Government of China (GoC) and the International Federation in October 1999, the establishment of the Regional Office was formalised in February 2000. The Secretary General of the Federation, Didier Cherpitel accompanied by the Head of the Asia & Pacific Department and the then Head of the Regional Office, attended the inauguration ceremony.

The Regional Office was originally established in the RCSC Training Centre/Hotel at the same compound as the RCSC Headquarters in Beijing. However, by July the location of the office was an important issue. Pursuant to the status agreement with GoC, the Federation should be treated as any other entity, embassy or international organisation, with similar status. There followed many months of delay during which the MoFA considered the Federation's unique position to determine its final status. In early December the Federation was informed by the MoFA that it should establish an office in Beijing independent of the RCSC. The MoFA also directed that the Federation would be treated, and should conduct itself, as other like and similar 'diplomatic' entities in Beijing. (The Regional Office finally moved to new premises in January 2001).

This situation effectively delayed the establishment of the RO by eight months. During this time the RO, and the delegates appointed to it, had no status, the RO could not employ support staff nor could it make tax free purchases or buy and register a vehicle. More importantly the delay affected working relations with the RCSC - (The RO became fully functional in March 2001)

### **Objective 2 - To establish and maintain a closer and more intensive working relations with RCSC.**

Before the establishment of the the RO the Federation's relation with the RCSC was based on disaster response. Through the establishment of the RO the Federation intends to cooperate with the RCSC on core programs including disaster preparedness, disaster response, health and organisational development.

By the end of 2000 relations with the RCSC were as friendly and solid. It is a relationship built on mutual trust and respect and a common goal - the increased integration and involvement of the RCSC in the International Federation.

The formulation of projects and programmes in which the RO and the RCSC can work together have however been slow. There are a number of reasons for this. The uncertainty of the status of the RO has been one. Furthermore, the RCSC leadership was relatively new (October 1999) and was heavily involved in intensive negotiations with the GoC, ultimately successful, on issues such as increased independence and tax exemptions issues.

In the reporting period, the Finance Development Project has proceeded smoothly. Before mid-1997, the RCSC had been receiving finance development support from the regional finance development delegate in Kuala Lumpur. In March 1999, a full time finance development delegate was mobilised to Beijing tasked with compiling a financial report for the 1998 and 1999 floods operations, as well as assessing the possibility of assisting in the development of RCSC financial systems. Consequently, a second finance development delegate arrived in 2000. An 18-month finance development project commenced at this time. The Project comprises the following:

- (1) development of a computerised accounting system.
- (2) development of a mechanism for producing consolidated accounts.
- (3) training for financial staff and non-financial managers in financial management of internationally funded relief operations.

Following six provincial branch visits, an accounting software market survey and a survey of the 31 provincial branches, a simple and user friendly accounting package has been selected. Most of the training needs have been assessed. The most important achievement has been the establishment of the preliminary standard accounting categories and financial reporting formats for Federation supported projects, and the development of a computerised system with account and project structures. The pilot implementation of a computerised reporting system is being implemented in two provinces.

Progress has also been made in other finance areas: (1) Financial reporting has been established for ongoing China operations; (2) Budgeting for projects has been standardised; (3) Establishment of close liaison between the RCSC and the auditing company appointed in China.

Year 2001 will be crucial for the project. The pilot implementation will be closely monitored through the development of test data and support visits to the provinces. The feedback from trained financial staff and the results of the testing will play an important role in the implementation to the remaining 18 provinces.

The disaster management information network project aims to establish a computerised network between RCSC Headquarters and Beijing and a number of computerised information systems to facilitate disaster preparedness and disaster response. This has been slow to move forward. This was initially due to a disagreement between the RCSC and the Federation on the mobilisation of delegates. Lately delays have been caused by attention being diverted to natural disasters in China and Mongolia. Following discussions with the key donors, it is hoped that a short term technical delegate will be employed in the first half of 2001 to provide the necessary expertise to ensure that this project progresses.

Further progress was made in supporting the development of a disaster preparedness strategy for the RCSC. The RCSC Relief Department has finalised a draft five-year strategy paper which will form the basis of a working document for co-operation between the Federation and RCSC in 2001.

Branch visits have been made to Beijing, Shanghai, Jinan and Qindao. In short this has been a year during which the RCSC and the RO has 'got to know each other', clarified expectations and roles and during which a firm basis for future work and co-operation has been established.

It is expected that in 2001, joint programming between the Federation and RCSC will be further developed in the areas of disaster preparedness, HIV/AIDS and organisational development, including leadership training and English language training.

**Objective 3 - To establish relations with the National Societies of Japan (JRC), the Democratic Peoples Republic of Korea (DPRK RC), the Republic of Korea (RoK RC) and Mongolia - as well as the RCSC branches of Hong Kong and Macau.**

During the reporting period visits by the Head of Regional Office have been made to Japan (3), RoK (1), DPRK (1), Mongolia (2) and Hong Kong (1).

Whereas cordial relations have been established with all the NS in the region, engagement in programme matters and inter regional co-operation has been patchy.

The 2nd East Asia Secretaries General meeting was held in Beijing in February 2000. The following three areas were identified for further sub-regional collaboration and exchange: IHL, disaster preparedness and response - including the establishment of a regional relief network - and blood.

The Head of RO facilitated in a basic training course in Japan and has been involved in the promotion of the 'Relief Network ' with the Japanese Red Cross.

The RO has a close working relationship with the Mongolia Red Cross on relief and development matters.

In July 2000, the Head of Delegation made a keynote speech at the Hong Kong 50th Anniversary Seminars In July 2000. The seminars addressed "Quality and Risk Management in Blood Transfusion"; "Equal Opportunities in Education"; "Red Cross Youth Development Strategy for the Asia Pacific Region" and "Dissemination of the Humanitarian Mission: Strategy and Practices".

Engagement with the NS of DPRK and RoK has, however, been minimal. The Head of Delegation visited DPRK and RoK in the first half of 2000 with the aim of introducing himself and the role of the regional office.

In November 2000, the DPRK RC in co-operation with the Regional Information Unit (Bangkok), held a three-day workshop on communications. The workshop participants produced a draft communications strategy for 2001-2002. Dialogue between the DPRK RC and Regional Information Unit on the implementation of the strategy will continue into 2001 and a follow-up workshop is tentatively planned for late 2001.

**Objective 4 - Establishing relations between the RO and other entities in Beijing including embassies, international organisations and the media networks.**

The RO has established a dialogue with the relevant UN and specialised agencies - UNHCR, UNICEF, WHO, WFP and FAO. The Federation is a member of the UN Disaster Management Team which convenes to co-ordinate during periods of natural disasters in China and Mongolia.

Interaction with embassies has to date been based on disaster response, when potential donor countries have been approached. (Following the establishment of the RO as a separate entity, in July 2001 the RO will be included in the Diplomatic List and will automatically receive invitations for all embassy and Government functions in Beijing). This will facilitate the development of closer ties with potential donors.

Excellent relations have been established with representatives of the major media networks all of whom are represented in Beijing. The RO has been able to disseminate the Federation's disaster relief activities in China, DPRK and Mongolia.

The RO has enjoyed the support and assistance of the Regional Information Unit in Bangkok for media relations.

**Objective 5 - To establish good working relations with the ICRC in the region.**

The ICRC covers the East Asia region from its regional delegation in Bangkok.

Relations between the Beijing RO and the ICRC Regional Delegation in Bangkok are excellent. The two 'Heads' collaborated successfully in discussions with the Governments and National Societies of China and Japan over the 'emblem issue'. In China there has been close collaboration in dissemination with the participation of the Head of RO in two five day workshops run by the ICRC and the RCSC. Both the ICRC and the RCSC have requested that the Federation intensifies its activities in dissemination in China.

**Objective 6 - To establish close liaison with bilaterals working in China.**

All representatives of national societies working bi-laterally in China visit the RO. To date these have included Canada, Norway, Switzerland, the Netherlands and Australia. A work station has been established in the RO for use by these national societies and the RO office also offers other services such as transport to and from the airport and hotel bookings. (The RO is currently collecting detailed information on the activities of bi-laterals for inclusion in a Country Assistance Strategy (CAS) for China.

At the same time delegations from other countries in the region, including, Japan, DPRK, RoK and Mongolia have also visited the RO.

The RO and the RCSC have an agreement that any visitors they receive from the Movement will automatically be introduced to the other's office.

## ***Conclusions***

From a practical/programme perspective, progress in meeting some of the objectives has been slow. The reasons for this have been primarily:

1. The delay in the 'physical' establishment of the RO.
2. The time taken, which was needed, to establish a proper working relationship with the RCSC.

The most important achievement in the year has been the establishment of proper working relations with the RCSC. The strategic importance of the Regional Office in Beijing cannot be overstated.

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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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<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						
Clothing & Textiles						
Food/Seeds						
Water						
Medical & First Aid						
Teaching materials						
Utensils & Tools						
Other relief supplies						
<b>Sub-Total</b>						
<b>CAPITAL EXPENSES</b>						
Land & Buildings						
Vehicles	67'500					67'500
Computers & Telecom equip.	74'300	16'815			16'815	57'485
Medical equipment						
Other capital expenditures	6'500	1'180			1'180	5'320
<b>Sub-Total</b>	<b>148'300</b>	<b>17'995</b>			<b>17'995</b>	<b>130'305</b>
<b>TRANSPORT &amp; STORAGE</b>	6'900	2'816			2'816	4'084
<b>Sub-Total</b>	<b>6'900</b>	<b>2'816</b>			<b>2'816</b>	<b>4'084</b>
<b>PERSONNEL</b>						
Personnel (delegates)	579'135	131'774		31'540	163'314	415'821
Personnel (local staff)	142'270	11'254			11'254	131'016
Training						
<b>Sub-Total</b>	<b>721'405</b>	<b>143'028</b>		<b>31'540</b>	<b>174'568</b>	<b>546'837</b>
<b>GENERAL &amp; ADMINISTRATION</b>						
Assessment/Monitoring/experts						
Travel & related expenses	43'000	27'912			27'912	15'088
Information expenses	5'700	29			29	5'671
Administrative expenses	260'140	33'652			33'652	226'488
External workshops & Seminars						
<b>Sub-Total</b>	<b>308'840</b>	<b>61'593</b>			<b>61'593</b>	<b>247'247</b>
<b>PROGRAMME SUPPORT</b>	<b>146'516</b>	<b>7'085</b>			<b>7'085</b>	<b>139'431</b>
<b>OPERATIONAL PROVISIONS</b>		<b>57'786</b>			<b>57'786</b>	<b>-57'786</b>
Transfer to National Societies						
<b>TOTAL BUDGET</b>	<b>1'331'961</b>	<b>290'302</b>		<b>31'540</b>	<b>321'842</b>	<b>1'010'119</b>

<b>East Asia</b>							ANNEX 1
<b>APPEAL No. 01.29/2000</b>	<b>PLEDGES RECEIVED</b>						09.04.2001
<b>DONOR</b>	<b>CATEGORY</b>	<b>QUANTITY</b>	<b>UNIT</b>	<b>VALUE CHF</b>	<b>DATE</b>	<b>COMMENT</b>	
<b>CASH</b>							
REQUESTED IN APPEAL CHF ----->				<b>1'332'000</b>		<b>TOTAL COVERAGE</b>	
						<b>44.9%</b>	
<b>Balance carried forward from 1999</b>				<b>463'980</b>			
REALLOCATION OF CASH				100'000			
AUSTRALIAN - RC		13542	CNY	2741	12.12.00	PURCHASE OF COMPUTER & PRINTER FOR RCSC INTERNATIONAL DEPT	
<b>SUB/TOTAL RECEIVED IN CASH</b>				566'721	CHF	42.5%	
<b>KIND AND SERVICES (INCLUDING PERSONNEL)</b>							
<b>DONOR</b>	<b>CATEGORY</b>	<b>QUANTITY</b>	<b>UNIT</b>	<b>VALUE CHF</b>	<b>DATE</b>	<b>COMMENT</b>	
Canada	Delegate(s)			31'540			
<b>SUB/TOTAL RECEIVED IN KIND/SERVICES</b>				31'540	CHF	2.4%	