

Appeal 2002-2003



International Federation
of Red Cross and Red Crescent Societies

CAPACITY BUILDING FUND

(Appeal 01.62/2002)

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	2002
	In CHF
Total	4,000,000

Introduction

The Capacity Building Fund (CBF) has a key place in the development work of the Federation. Its purpose is to serve as a multilateral fund to build sustainable capacities of National Societies to make a significant difference to the lives of vulnerable people, particularly in forgotten situations.

The CBF became operational in the second half of 2000 when the first round of grants was made to nine capacity building projects. These are all underway and being monitored. A new series of allocations is due to be made before the end of 2000.

One key element in developing the CBF has been working with the Tripartite Advisory Group (TAG) made up of four donor country National Society and government representatives. This group has been instrumental in advising on the overall strategy for the Fund, as well as being the main financial supporters to date.

A key objective for 2002 is to expand the donor base of the CBF. Building the Fund so that it has an annual income of at least CHF 10 million by 2004 is part of the Federation's financing strategy to underpin the implementation of Strategy 2010.

Background and achievements/lessons to date

The CBF was formally established by the Federation's Governing Board in May 2000 replacing the former Development and Youth Funds. During the second half of 2000 the CBF became operational once a sufficient level of funding had been secured to make it a viable, ongoing fund. An internal Federation Secretariat committee was established to review and select programmes for funding and the ongoing management of the CBF is carried out by the Coordination Department.

Following a call for proposals, a total of 22 projects were submitted in the first round, and nine were selected in late 2000 for funding through an assessment process that included advice from an independent consultant. The nine projects, totaling CHF 812,000, were selected against the established CBF criteria and their soundness as capacity building programmes and are as follows:

- Rwanda Red Cross:- branch level youth peer HIV/AIDS education & home care support.

- Yemen Red Crescent: capacity building for disaster preparedness.
- Sri Lanka Red Cross: human resources and branch training.
- Cuban Red Cross: branch development.
- Caucasus (Armenia, Azerbaijan, Georgia) - regional cooperation & development.
- Middle East and North Africa (MENA): regional leadership training.
- North Africa: capacity building for strategic planning.
- Central America: regional communications capacity building.
- Global polio eradication.

These projects are all underway and two progress reports have been distributed during 2001. They focus on specific capacity building priorities for the Societies concerned, including development of strategic and programme planning capacity, leadership training, strengthening branch development and community mobilization, and support to NS public information and communication capacity.

Whilst most projects are planned to run over two to three years, the initial CBF funding has been for one year to enable each project to be monitored and its capacity building impact assessed. With the exception of the global polio programme, for which the CBF funding was needed to finance the start-up costs, the rest of these projects will be considered for further funding to ensure the commitment of the Fund to provide meaningful, longer-term support.

In order to develop the CBF in a sound and transparent manner, the Federation's secretary general has asked the Tripartite Advisory Group (TAG) to advise him on policy and resource mobilization issues for the CBF. The TAG is a group of donor country National Society and government representatives from Britain, Canada, Finland and Sweden that have been providing guidance to the Federation's capacity building work over the past four years. They have also been the major supporters to the CBF, contributing CHF 2.2 million in 2000 and CHF 1.5 million in 2001.

At its meeting in December 2000, the TAG had stressed the need for a clearer strategic framework for the CBF and for more focused criteria for programme selection. Thus before proceeding with any new allocations from the Fund, the Secretariat worked on both topics during 2001 and presented to the TAG meeting in September 2001 a draft Capacity Building Framework and criteria for allocations linked to priority capacity building focus areas identified in the framework document. It was agreed that CBF support should be directed to:

- "forgotten" National Societies, especially those in countries of high vulnerability;
- innovative capacity building programmes in key capacity building focus areas (see below);
- addressing integrity issues;
- supporting increased civil society networking.

The key capacity building focus areas (based on the Capacity Building Framework) are: strategic planning skills; programme management skills; leadership training; volunteer management; branch development; and financial resource development.

Goal The goal of the CBF is to serve as an International Federation multilateral fund to build sustainable capacities of national societies to make a significant difference to the lives of vulnerable people, particularly in forgotten situations.

Objectives and activities

Objective 1 To ensure effective management of the Fund so that it has a demonstrable impact in building the capacity of Societies supported.

The following activities will be carried out to achieve this objective:

- The implementation of ongoing CBF supported projects will continue to be monitored in close collaboration with the Organisational Development Department in order to provide appropriate guidance and ensure the quality and impact of the projects.

- Future grants will be approved on the basis of the new capacity building criteria. In principle the value of allocations from the CBF will be based on the annual financial inflows. However, since most projects involve multi-year commitments, some caution in the management of the Fund will continue to be exercised until the regularity and dependability of future funding can be more clearly assessed.
- The TAG will continue to be kept involved through receiving programme reports and, where possible, participating in field visits in order to review the impact of the CBF supported projects and draw out lessons learnt for wider application.

Objective 2 To ensure resource mobilization for the Capacity Building Fund in order to build an annual income level of CHF 10 million by 2004.

The following activities will be carried out to achieve this objective:

- Half-yearly reports will continue to be provided to donors on the projects supported by the Fund. These will focus on showing progress against the project objectives and how the capacity building investments are having an impact on the Societies' ability to provide better programmes and services to vulnerable populations in their countries.
- The CBF will be promoted amongst new donors within the Red Cross/Red Crescent Movement in order to widen the current funding base. Opportunities for bringing in non-Movement partners will also be explored.
- Work will be initiated with the Secretariat's new Relationship Management Department to develop a fundraising strategy for the CBF as part of the Secretariat's overall funding strategy.

Expected results

- Increased volumes of funding for priority capacity building activities in National Societies that have not attracted funding from other sources.
- An increased number of National Societies and governments participating in the CBF.
- Improved performance in programme planning and implementation by National Societies benefiting from CBF grants.

Critical assumptions

- Participating national societies and government donors assess the Federation as an effective and valued institution to support for the purpose of achieving common shared objectives of local capacity building and the strengthening of civil society;
- The Federation develops and maintains the confidence of donors in its ability to manage effectively resources in a manner, which meets donors' accountability requirements.

