

Plan 2009-2010



International Federation
of Red Cross and Red Crescent Societies

Capacity Building Fund

Executive summary

Strengthened capacity of individual Red Cross and Red Crescent National Societies is a key requirement for the scaling-up of core programmes of the International Federation toward achieving the Global Agenda Goals. The Capacity Building Fund (CBF) is a multi-year funding mechanism. It is a vehicle to allow National Societies to scale up their service delivery capacity with sustainable outcomes and long term impact to address vulnerability.

During 2009-2010, the following support will be provided through the Capacity Building Fund:

- **Intensified Capacity Building (ICB):** 60 National Societies will receive financial and technical support. In addition and linked with the ICB strategy, Burundi and Ghana Red Cross societies will continue to pilot organizational development (OD) projects under the umbrella title “Mobilizing the local capacity of Africa” and additional pilots will be initiated in Africa. The overall ICB budget for 2009-2010 is CHF 7 million.
- **Specific OD support (SOS)** – Financial support will be granted to specific OD activities by National Societies who are not selected for ICB support, for a total amount of CHF 4.56 million for 2009-2010.
- **Urgent OD intervention** – CHF 600,000 will be made available for the zones to tackle urgent OD situation faced by National Societies.

A Capacity Building Fund Unit will be created within the OD department. It will be composed of the Funds manager, two additional officers and an assistant. The expansion is in line with the plan to provide greater guidance, monitoring and support at the zone level for effective implementation of intensified capacity building plans by African National Societies.

The total budget for 2009-2010 is CHF 12,468,342 (USD 11,397,022 or EUR 7,941,619), in addition to the existing fund reserve of CHF 1 million. [Click here to go directly to the summary budget of the plan.](#) The Officer position needs to be filled by a staff on loan.

The current support provided by the Capacity Building Fund to National Societies is possible thanks to the 2007 and 2008 contributions from the Governments and National Societies of Britain, Sweden, Finland and Canada.

Context

The decision of the International Federation Governing Board at their 2007 meeting in Addis Ababa to upgrade the Capacity Building Fund of the Federation was followed by the undertaking of significant measures to utilize the fund more effectively¹, towards a more strategic approach to capacity development assistance to Red Cross and Red Crescent National Societies. In addition measures were taken to improve the fund management as per recommendations of the external review published in 2006.

Priorities and current work with partners

The Capacity Building Fund is a Federation Secretariat tool to finance priority National Society capacity building activities which do not attract adequate funding.

Over the years, the International Federation has provided substantial organizational development and capacity-building support to National Societies through the Capacity Building Fund, mostly targeting individual programmes, and trying to reach as many of them as possible with limited resources. Although successful, this has often not made National Societies stronger in the long run.

Through the upgraded Capacity Building Fund and the Intensified Capacity Building strategy, priority is now put on maximizing the Secretariat's limited financial and technical OD resources and to increase the chances of success by:

- 1) Providing focus: instead of spreading scarce resources thinly and widely, concentrate on a few National Societies, and attract others by creating and sharing inspirational successes;
- 2) Increasing factors for success through step-by-step and thorough selection processes, focusing mainly on leadership commitment and vision;
- 3) Increasing National Societies leadership commitment of OD processes, through an improved selection processes;
- 4) Inspiring and providing leadership for other societies to follow, based on success stories, knowledge sharing, thorough documentation and reports;
- 5) Providing systematic learning on successes and failures to National Societies and OD staff, on how to lead, plan and carry out internal organizational development.
- 6) Increasing the funding for National Societies development through this focused, intensive and systematic approach.

Working in partnerships

The CBF is working in close partnership with several National Societies. An Expert Advisory Panel composed of expert representatives from National Societies and donors is providing objective and technical professional assessments on Intensified Capacity Building applications. Those contributing to the Fund for over CHF 250,000 annually were offered to propose an OD expert practitioner. The Secretariat's Secretary General further appointed OD experts from the National Societies of Jamaica, Kazakhstan, Nepal, Norway and Ghana.

¹ See 2006-2007 report: http://www.ifrc.org/cgi/pdf_appeals.pl?annual06/MAA00011r0607.pdf

Secretariat programme in 2009-2010

Organizational development/Capacity building fund

a) The purpose and components of the programme

Programme purpose
Global Agenda Goal 3: Increase local community, civil society and Red Cross Red Crescent capacity to address the most urgent situations of vulnerability.
Make Federation members strong in order to scale service and programmes delivery, through financing priority OD and capacity building activities of National Societies that do not manage to attract adequate funding.

The total budget needed for 2009-2010 is CHF 12,468,342 (USD 11,397,022 or EUR 7,941,619).

Outcome 1: Intensified Capacity Building support is provided to 60 National Societies. 50-65% of the Fund's resources are allocated to ICB
Outcome 2: Specific OD support is provided to National Societies who do not receive ICB support and do not have the adequate funding for the targeted transformation needed
Outcome 3: When needed, Urgent OD interventions by zone offices to National Societies are possible with the necessary funding available under short notice through a fast-track application procedure.
Outcome 4: 50% of the Fund's resources go to Africa.

A dedicated programme funded manager was recruited in May 2007 and will continue to manage the Capacity Building Fund. A CBF Unit will be created in order to ensure the sustainability of the fund and face the growing needs linked to the increasing number of grants managed, associated follow-up and monitoring and knowledge collection and sharing, communication, fundraising and partnerships development (see under the "c) Potential risks and challenges" section). It will be composed of:

- the CBF manager,
- two new officer positions (staffs on loan), and
- an assistant.

The expansion with two additional Officers is particularly aiming at providing greater guidance, coaching, monitoring and support to OD practitioners at the zone level for effective implementation of intensified capacity building plans by African National Societies.

The Fund consists of the Africa and Rest of the World Sub-Funds. Half of each contribution received is allocated to the newly established Africa Sub-Fund as per the financial rules adopted by the Governing Board. This amount is then doubled by a matching amount from the International Federation Secretariat reserves up to a maximum annual limit of CHF 1 million.

Intensified Capacity Building

The Intensified Capacity Building (ICB) support is an investment in National Society development. Its tailor-made assistance is based on a special ICB plan developed by the selected National Society. The plan takes a strategic and holistic approach to National Society development (see the box "A strategic and holistic approach" below")

The Intensified Capacity Building support will be the motor in the further development and shaping of the International Federation OD work in the years to come. The ICB approach is expected not only to help individual National Societies to greatly improve and expand their organization and work, but also thanks to knowledge sharing and dissemination of success stories, to inspire and encourage further development in a growing number of National Societies. As it involves and affects all main lines of OD work including volunteering, youth etc., it will greatly increase the overall OD learning.

This modality aims at encouraging a more strategic and holistic approach. It builds on:

- an improved selection process of applications,
- clear leadership commitment,
- investment in planning,
- and combines grants with technical support, and
- enabling National Societies to retain ownership of their own development.

A strategic and holistic approach

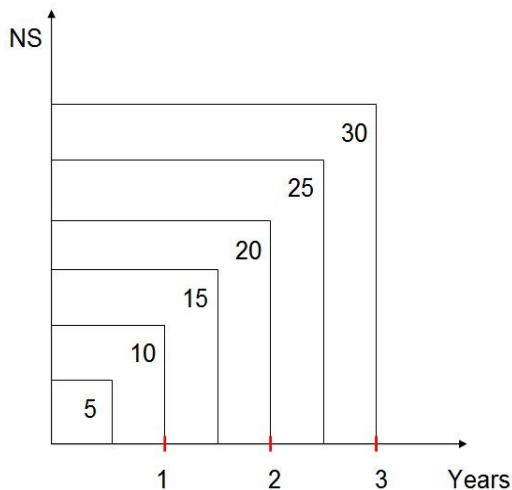
Red Cross and Red Crescent National Societies are complex organizations with a large number of units and functions. These are not joined together mechanically like a machine, but instead form dynamic and inter-related systems, similar to a living body.

National Society growth is an organic process. Any new service, unit or competence has to be fully integrated, otherwise it will fail.

To develop their organization, National Society leaders therefore have to address whole systems of inter-related aspects. The number of volunteers, for instance, can only be increased substantially if the service(s) and organizational units are expanded (seen the box in annex for more information.)

Red Cross and Red Crescent National Societies can apply for Intensified Capacity Building support twice a year. The selection is done in two steps:

1. An organizational development specialist screens all applications. The Capacity Building Fund committee - which is made up of International Federation directors - then short-lists up to ten candidates. Each is given technical and financial support (up to a value of 50,000 Swiss francs) in order to develop a plan.
2. All plans are reviewed by an expert advisory panel consisting of National Society and donor experts. Based on their advice, the committee then chooses five Red Cross and Red Crescent National Societies to receive three-year Intensified Capacity Building support (worth 100,000 Swiss francs a year).



In 2009 and 2010, 60 National Societies will receive financial (up to CHF 50,000) and technical support for their Intensified Capacity Building (ICB) plan preparation in the 7 first rounds of this modality. Amongst the 60, 30 will have been final selected for three years of financial (CHF 300,000) and technical support (by zone offices) to implement their plans.

In addition and linked with the ICB strategy, Burundi and Ghana Red Cross societies will continue to pilot OD projects under the umbrella title "Mobilizing the local capacity of Africa" (see the OD department plan). The overall ICB budget for 2009 and 2010 is CHF 7 million.

Specific OD support (SOS)

The Specific OD support (SOS) modality, as it was renamed, is in addition to the Intensified Capacity Building (ICB) support. The SOS is both a stand-alone and a complementary tool to support NS who are not receiving ICB support. The activities should be of a small scale (i.e. in one of the 3 areas of priority hereunder), should be implemented by the existing staff of the National Society (without additional project management staff), limited in amount and time, but lead to a significant added value to leverage the overall strengthening of the NS.

The Specific OD support gives special priority to organizational change processes to create or clearly contribute to strengthen

1. NS structures and services at local (community) level, in line with Global Agenda goal 3
2. Leadership development within the NS (including domestic and international peer support); and the NS internal system at all levels for the coordination of, and support to its local service delivery
3. Domestic resource mobilisation

Urgent organizational development interventions

The Urgent Organizational Development Intervention to address issues such as integrity cases was created in 2007 following a Governing Board request.

An annual resource of CHF 150,000 is set aside in each of the sub-funds, to be used to initiate small scale and rapid response from the International Federation, with a fast-track application procedure. The Capacity Building Fund resource is only to be applied for and used by zone offices as a start up till the International Federation's plan of action is developed.

There are no specific calls for proposals and applications can be made any time during the year by zone offices/regional departments. They are limited in amount and in time. Decision on the allocation request is taken by the Fund's management within one week of receipt of the application.

b) Profile of target audience and final beneficiaries

The Capacity Building Fund is a Federation Secretariat tool to finance priority organisational development activities of National Societies who do not manage to attract adequate funding for that purpose.

c) Potential risks and challenges

Fundraising

At its meeting in Addis Ababa in 2007, the Governing Board of the International Federation strongly urged National Societies to make financial contributions to the Capacity Building Fund. Since then, and as of the end of August 2008, no new donor has expressed interest. Although the CHF 5.1 million appealed for in 2008 is covered, thanks to reserves made from the previous years, the likely annual contributions from the current three partners will only cover around 25 per cent of the amount appealed for 2009. This risks jeopardizing ICB processes and the ongoing programmes to which the Capacity Building Fund is committed to for the next three years.

Fund Management

The CBF is managed by a Senior Officer in funds management since July 2007. Among various improvements, this has allowed the up-grade of the Fund and the launch of the New Operating Model's Intensified Capacity Building modality. In addition the position covers the management of the Empress Shôken Fund and acting as the Secretary of its Joint ICRC and International Federation Commission. Because the OD department faces a lack of human resources, the Funds Manager is also involved in several OD core tasks of the department. As a result, it is becoming more and more difficult for the Senior Officer to manage the fund effectively, when the amount of work is dramatically increasing. The number of grants managed is increasing from 53 in 2008 to around 80 in 2010, and so is the budget. At

a time when mobilising resources is of a crucial importance, the CBF manager should be more available for resource mobilisation and donor relationships, programme monitoring to ensure successes and knowledge sharing.

The following steps will be taken to overcome those challenges.

- The initial successes and learning of the Global OD pilots in Burundi and Ghana are starting to raise the interest of current and potential partners. They will be further shared with partners.
- Additional core staff will be recruited in the OD department and as a consequence increase the availability of the Funds Manager to concentrate on the CBF.
- A Capacity Building Fund Unit will be formally created within the OD department. It will include 3 staff: the CBF manager, an additional Officer (to be mobilised and recruited) and an assistant (already in place).
- The global OD alliance (please refer to the Organizational Development Support plan) also aims at increasing financial support to the Capacity Building Fund and identifying the interest of some partners to provide a staff

Quality, accountability and learning

The CBF manager will keep on ensuring and improving the Fund management,

- through the existing guidelines and financial rules,
- through the current system of close follow-up and report tracking, and
- by gradually giving a more central role to the 7 zone OD coordinators in programme monitoring and knowledge sharing.

CBF management

The Capacity Building Fund is managed by the Funds manager under the responsibility of the OD department. It is guided by the CBF committee, on behalf of the Secretary General, to increase further its quality and accountability. The Committee consists of the three Directors of the Secretariat and the Deputy Secretary General as the Chairman.

An *Expert Advisory Panel* was established to support the CBF committee and the Organizational Development Department. The Expert Advisory Panel provides the CBF Committee with expert, objective technical advice on the fund allocation decisions (see the “Priorities and current work with partners”).

OD knowledge sharing forum

A Knowledge Sharing Forum to facilitate the exchange of information, technical knowledge and experiences among experts from governments, National Societies, the ICRC and the Federation Secretariat and delegations will be created. This will also help with development of strategic partnerships within the area of organizational development and capacity building. Members of the Expert Advisory Panel as well as research and learning institutions in the areas of institutional development and civil society capacity building will be actively involved in the forum (For more information, see the 2009-2010 OD plan).

Communication platforms

1. The Capacity Building Fund section on the Federation global extranet (FedNet) contains news, reports, stories, reference documents, case studies, CBF tools such as applications forms for National Societies and guidelines, as well as a “Knowledge Centre” to capture and share good practices and lessons learned. This important tool will be regularly updated to guide and support the OD and capacity building work of Secretariat staff and of the National Societies.
<https://fednet.ifrc.org/sw122097.asp>
2. A “Partners Section” on the International Federation’s public web site will also be regularly updated to:
 - Increase partners’ visibility;
 - Increase the frequency of reporting and information sharing with current and potential partners, to ensure the fund sustainability and long term commitments.
<http://www.ifrc.org/CBF>

How we work

The International Federation's activities are aligned with its Global Agenda, which sets out four broad goals to meet the Federation's mission to "improve the lives of vulnerable people by mobilizing the power of humanity".

Global Agenda Goals:

- Reduce the numbers of deaths, injuries and impact from disasters.
- Reduce the number of deaths, illnesses and impact from diseases and public health emergencies.
- Increase local community, civil society and Red Cross Red Crescent capacity to address the most urgent situations of vulnerability.
- Reduce intolerance, discrimination and social exclusion and promote respect for diversity and human dignity.

Contact information

For further information specifically related to this plan, please contact:

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Holistic approach to National Society development

Only through a holistic approach to National Society development can one ensure that a society and its service become sustainable. Here is an example.

1 You develop volunteering by developing a service!

- a** A Red Cross Red Crescent *service volunteer* is a person working in average two to four hours a week doing a predefined society task.
- b** To expand your number of service volunteers you have to expand your service delivery.
- c** Volunteer management has to be an integrated part of the service design and the service delivery.
- d** When service tasks and goals are defined and the group leader or supervisor is in place, then he or she recruits volunteers, e.g. suitable persons to do those tasks.

2 You develop a service by developing the organization.

- a** A service cannot stand alone; it has to be fully integrated in and led by a sustainable organizational unit.
- b** This unit and the service must be part of a greater network delivering the same service in the same way. The bigger the network, the bigger the impact, and the more sustainable it will be.
- c** Such a network of units and service cannot stand alone. A network of regional branches must lead and support them, and this network in its turn has to be guided and coordinated by head office.

3 You develop the organization by strong leadership, organizational development and investments.

- a** Only top level leadership can ensure that an organization develops and adapts to a new or expanded service and fully integrates it.
- b** Only top level leadership can ensure the continuous attention to the new service and its volunteers.
- c** The development work needed to make steps 1, 2 and 3 happen is mainly organizational development work. There need to be technical input from specialists on service contents, but this is a smaller part of the work.
- d** Project funding can never achieve the needed development and change indicated above, only investments could do that.