

Revised Plan 2011



Capacity Building Fund

Executive summary

The Capacity Building Fund (CBF) is a tool of the International Federation of Red Cross and Red Crescent Societies (IFRC) to support National Societies' initiatives to develop their capacities to deliver long-term sustainable services to vulnerable people through a network of volunteer-based units.

The CBF is also a key learning tool that contributes to further organizational development knowledge through the Red Cross Red Crescent Academic Network.

Recent successes

- In the last three years, the Burundi Red Cross Society created a community level structure of 2,507 units covering 92% of the country villages, mobilising 287'551 new volunteers and providing sustainable social and health services to the vulnerable.
- The Ghana Red Cross has significantly expanded the number of its grassroots level units: 736 units were recently created, mobilising 26,124 volunteers and providing sustainable social and health related services to their communities, focusing on hygiene promotion.

Such successes encourage other National Societies to follow. For instance,

- Leaders of the Central African Red Cross Society visited the Burundi Red Cross to get advice for their own development planning process.
- Liberian Red Cross approached Ghana Red Cross in the same spirit.

The International Federation secretariat, through the Capacity Building Fund, started by supporting a small number of promising National Societies, who after initial successes are now models to other National Societies. This is at the core of the development strategy of the Capacity Building Fund (see priorities below): invest in a few promising National Societies that will then attract others to the modality by creating and sharing inspirational successes. The chances of success are also maximised through thorough and professional selection processes using a high level Expert Advisory Panel.

Overall, 30 National Societies have been directly benefitting from the support of the capacity building fund in the last year.

During 2011 the CBF, within the Learning and Organizational Development Department, will focus on replicating the success stories of Ghana and Burundi Red Cross societies through providing similar **Intensified Capacity Building** (ICB) support to an additional 10 National Societies and learning from the knowledge generated by these pioneers. Financial and technical support will keep on being

provided to the 11 National Societies that are currently implementing an ICB plan and two new rounds of support of ICB will be launched. The overall ICB budget for the two new rounds to be launched in 2011 is CHF 3.6 million.

Specific OD support (SOS) – Financial support will continue to be provided to the National Societies that have been selected for SOS in 2007 and 2008 to help complete their project, to which the CBF is committed and for which funding is already secured.

Urgent OD intervention – 300'000 will be made available for the Zones to tackle urgent OD situations faced by National Societies as needed.

A large part of the Capacity Building Fund activities is to collect and analyse the organizational development (OD) knowledge generated by the National Societies. This enables the IFRC to improve development models, and to establish a Federation-wide approach to National Society development. The knowledge generated is also shared to provide advice and guidance to other National Society development processes through the different Red Cross Red Crescent Movement actors. From 2011 and onward, the CBF will also feed in and benefit from the development of the Red Cross Red Crescent Academic Network.

The current support provided by the Capacity Building Fund to National Societies is possible thanks to the contributions from the British DFID and the Governments and National Societies of Sweden and Finland. A significantly increased level of contributions is nevertheless necessary to allow the continuation of the ICB modality as per 2007's Governing Board decision.

The total 2011 budget is CHF 4.17m ([Click here to go directly to the summary budget of the plan](#)).

Context

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

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Priorities and current work with partners

Priorities

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

1. Providing focus: instead of spreading scarce resources thinly and widely, concentrate on a few promising National Societies, and attract others to the modality 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;

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

3. Increasing National Societies leadership commitment of OD processes and investing in capacity building for sustainable development and partnership building,
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 overall funding for National Societies development through this holistic and community-based approach.

Working in partnerships

The CBF is working in collaboration with many National Societies.

National Society development study

The International Federation is undertaking a study to identify the drivers for National Society capacity development. It is the most extensive and thorough study ever conducted on National Society capacity development and is made feasible through a partnership with the American Red Cross, and with additional financial and technical support from the ICRC, the Federation, the British DFID and National Societies of Australia, Belgium, Canada, Norway, Finland, Great Britain and Sweden.

The study is conducted by Root Change, a service provider specialised in capacity development within the third sector and with Academic linkages, with the involvement of 31 National Societies, and IFRC Secretariat in Geneva and Zone offices.

A substantial part of this study is based upon:

- 1) An assessment of the impact and effectiveness of the ICB program on National Society strengthening and sustainable community development.
- 2) As well as key lessons related to successful organizational development and capacity building from the assessment of a selection of over 50 National Societies.

It follows a much elaborated methodology that can be summarized as follows:

- A Capacity-Building Assessment Rubric (C-BAR) methodology for self assessments aiming at evidence-based outcomes supporting capacity development. Key staff from 25 National Societies, Federation and ICRC field and headquarters were trained in Budapest, Hungary (Europe Zone office) and Washington D.C., USA. They are now organised in 9 clusters and 18 of them will conduct internal assessments, receive support from and take part in an external peer research team between November 2010 and January 2011.
- An Organizational network analysis survey will be undertaken as part of the study for the 18 National Societies to understand the network of Red Cross Red Crescent capacity development support they are part of and gain key learning from their OD and capacity building initiatives.
- An ICB net change indicators survey for the 11 National Societies that have implemented an ICB plan for more than a year (and that are also part of the C-BAR above) is an important part of the study.
- A "C-BAR lite" on-line survey will involve an additional 15 National Societies in December 2010 to further enlarge the data resource.
- A global survey on line through a cohort of around a 50 Red Cross Red Crescent renowned staff or volunteers will be facilitated.

The study is to be completed by end of March 2010. It will then be part of the 2011 review of the upgraded Capacity Building Fund as requested by the International Federation's Governing Board, and will overall benefit all elements of the International Red Cross and Red Crescent Movement committed to strong National Societies. The information will be shared with Red Cross Red Crescent Academic network for future empirical research and piloting of community-building initiatives. It is also proposed

that the study be an element of the 1st Red Cross Red Crescent Global OD Forum, which is intended to be held in 2011.

Expert advisory panel

An Expert Advisory Panel comprised of expert representatives from National Societies and donors was created as an external advisory body on organizational development. These experts provide objective and technical professional assessments on Intensified Capacity Building applications. Partner National Societies contributing to the Fund for over CHF 250'000 annually were offered to propose an OD expert practitioner to the Panel. The secretariat's Secretary General further appointed OD experts from other National Societies:

- Ms. Ulrika Årehed Kågström – Swedish Red Cross – Secretary General
- Ms. Grete Berdal – Norwegian Red Cross – Director for OD and support
- Dr. Dev Dhakhwa – Nepal Red Cross – Secretary General
- Dr. Vadim Kadyrbayev – Kazakh Red Crescent – Vice-President

In 2011, the Expert Advisory Panel will be expanded to include Academic expertise on voluntary organizations as part of the Academic Network, and to become a reference of OD excellence for the International Federation. Its role will be reviewed, expanded beyond the selection of ICB applications and be key for the implementation of the enabling action 1 of the Strategy 2020².

The Capacity Building Fund in 2011

a) The purpose and components of the programme

Programme purpose
<p>Support National Societies' initiatives to develop their capacities to deliver long-term sustainable services to vulnerable people through a network of volunteer-based units.</p> <p>Be a key learning tool that contributes to further organizational development knowledge through the Red Cross Red Crescent Academic Network.</p>

Programme component
1. <i>Intensified Capacity Building</i> support is provided to 20 additional National Societies in 2011. 50-65% of the Fund's resources are allocated to ICB.
2. <i>Specific OD support</i> is provided to the 12 National Societies that are currently implementing an SOS project, initiated in 2007 or 2008.
3. When needed, <i>Urgent OD interventions</i> by Zone offices to National Societies are possible with the necessary funding available under short notice through a fast-track application procedure.
4. 50% of the Fund's resources go to Africa.

The Fund consists of Africa and Rest of the World Sub-Funds. Half of each contribution received is allocated to the Africa Sub-Fund as per the financial rules adopted by the Governing Board.

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The *Intensified Capacity Building* support is an investment in National Societies own 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. It is the key tool to implement, experiment and improve the Federation OD knowledge and its global approach and principles to strengthen National Societies.

² Build strong National Red Cross and Red Crescent Societies

The ICB approach is expected to not only help individual National Societies to greatly improve and expand their organization and work, but 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 development, youth action, etc., it will greatly increase the overall OD learning through peer exchange, knowledge sharing and the newly created Red Cross Red Crescent Academic network.

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,
- as well as enabling National Societies to retain ownership of their own development.

National Red Cross and Red Crescent Societies can apply for intensified capacity building support at two intervals each year. The selection is done in two steps:

1. An organizational development specialist from the Learning and OD Department screens all applications. The CBF committee (see “Fund management”) then short-lists up to ten candidates. Each is proposed technical support from the zone structure and financial support from the fund (up to a value of 30,000 Swiss francs) in order to develop a plan. The opportunity to develop such a plan is in itself a major organizational development support to the National Society, regardless if it will be finally selected or not.
2. All plans are reviewed by an Expert Advisory Panel (see “Working in partnerships”). Based on their advice, the committee then chooses five societies to receive three-year Intensified capacity building support; technical support from the zone structure and financial support from the fund (up to 100,000 Swiss francs each year).

So far, the ICB benefitted National Societies as follows:

- 2 ICB pilot projects of Ghana and Burundi Red Cross societies have reached 3 years of implementation and show significant impact and learning;
- 9 were selected for 3 years of ICB implementation (National Societies of China, El Salvador, FYR of Macedonia, Yemen, Colombia, Namibia, Seychelles, Montenegro, and Liberia) and benefit from technical and financial support for the implementation since one to three years.
- 29 National Societies benefitted from financial support from the fund and technical support from the International Federation secretariat’s organizational development team to prepare development plans, and received recommendations and advice to improve them: National Societies of Benin, China, Comoros, El Salvador, FYR of Macedonia, Morocco, Yemen, Zambia, Belarus, Brazil, Colombia, Kiribati, Malawi, Moldova, Namibia, Seychelles, Tajikistan, Cambodia, Central African Republic, Democratic Republic of Congo, Ethiopia, Kyrgyzstan, Mongolia, Montenegro, Philippines, Liberia, Uzbekistan, Ghana, Burundi.

In 2011, 20 additional Societies will be receiving technical and financial support for their ICB plan preparation in the rounds 4 and 5 of this modality. Amongst these, 10 will then be selected for three years of technical support (by Zone offices) as well as financial support (up to CHF 300,000) to implement their plans.

The overall ICB budget for 2011 is CHF 3.6 million.

Burundi and Ghana ICB pilots

In addition and linked with the ICB strategy, Burundi and Ghana Red Cross Societies will finalise the piloting of their OD projects under the umbrella title “Mobilizing the local capacity of Africa”. Initiated in 2007, the two pilots are achieving concrete results in strengthening National Societies service delivery capacity by creating grassroots Red Cross units that are based on leaders and volunteers mobilized among the villagers and trained and supported by National Society regional branches. Each grassroots’ unit mobilizes its own resources in order to serve the vulnerable in the village. This project is implemented by the National Societies themselves, through financial investment and technical support

from the International Federation OD team. Both projects show a significant ability and willingness of local communities to organize themselves in a sustainable set-up to address vulnerability through permanent services and with resources mobilized locally. They are generating substantive knowledge that is being captured by the National Society development study (see “National Society development study” above) and are now reaching the end of the 3 year implementation period. Evaluations and case studies are planned in 2011 and a final report will be written and shared.

Burundi Red Cross

Within three years, the project aims to establish a Red Cross unit and service in each one of the 2,725 *collines* (villages) in the country. The NS will have 340 000 service volunteers delivering 24 million hours per year. This equals to 13 000 full time staff, and the annual value of this work is 18 times bigger than International Federation’s initial investment in the project which is CHF 300 000. Most importantly, at least 140 000 most vulnerable rural people will be served and 95% of the population in the country will be exposed to this good RC work. So far:

- 2,507 Red Cross units made up of 287’551 volunteers were created. They cover 92% of the country and respond to community needs on a permanent basis, through social services to the vulnerable with resources mobilized at community level.
- Over the past two years, 100,000 vulnerable people were assisted, and in 2009 only, 8,115 houses were built for a value of 1.17million CHF with community resources.



Burundi: volunteers farming to fundraise

Ghana Red Cross

In Ghana the project is to establish service delivering Red Cross units in 10 % of the 78,664 local communities in the country building on existing Mother’s Clubs and local branches. So far:

- 736 community chapters made up of 26,124volunteers were created. These indicators are increasing exponentially.
- In many of the newly created grassroots branches, in poor and remote villages, the community or regional leaders illustrated their support to this new process by offering a land with a facility to the National Society.



Ghana: Village discussion on creating a Red Cross unit

This global pilot program is co-financed by the British DFID and the CBF and the leadership of both National Societies receive direct OD coaching from the Capacity Building Fund manager.

2. Specific OD support is provided to National Societies who do not receive ICB support or that do not have the adequate funding for the targeted organisational transformation needed.

The Specific OD support (SOS) modality is both a stand-alone and a complementary tool to support societies which are not receiving ICB support. The financial and technical support is provided through Zones offices. The activities are of a small scale (i.e. in one of the 3 areas of priority hereunder), are implemented by the existing staff of the society (without additional project management staff), limited in amount and time, but leading to a significant added value to leverage the overall strength of the society.

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

1. National Society structures and services at local (community) level,
2. Leadership development within the society;
3. The society's internal system at all levels for the coordination of, and support to its local service delivery
4. Domestic resource mobilization

Because of the huge funding gap of the CBF, no new round of this modality was launched since 2008. This capacity building support will be reviewed in view of new initiatives, namely the Red Cross Red Crescent Network and other capacity building development efforts at the zone and regional level. At this time no new rounds of SOS will be launched in 2011.

3. Urgent OD interventions by Zone offices to National Societies are enabled with the necessary funding available under short notice through a fast-track application procedure.

The Urgent organizational development intervention was created in 2007 following a Governing Board request. Unlike the two other support modalities, this is a tool made available for the Zone offices when required, to tackle urgent OD interventions faced by National Societies.

An annual resource of CHF 150,000 is set aside in each of the sub-funds (Africa and Rest-of-the-world), with a fast-track application procedure to allow rapid response. The Capacity building fund resource is only to be applied for and used by Zone offices. In the case of integrity cases, it is only to be used 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. 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. This is initiated in consultation with zone offices.

b) Profile of target audience and final beneficiaries

The Capacity Building Fund targets National Societies through providing temporary external support in the form of long-term investments. Grants are made only when the conditions for sustainable impacts seem to be in place, mainly in terms of National Society leadership skills, commitment and ownership.

c) Potential risks and challenge

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, only one new donor has made a single contribution, two others increased their annual contribution and another stopped. 100% of the current balance of the CBF is earmarked for future grants for which the fund is already committed (multi-year projects). The CBF committee decided in July 2009 that it would not take new decisions on allocations that it cannot financially commit itself to³. There are nevertheless very good reasons to be optimistic as the study on the impact of ICB and other OD initiatives has brought 25 Red Cross Red Crescent Movement stakeholders together and the total study budget of CHF 380,000 is 100% covered through the financial contributions by 10 of them.

The following steps will nevertheless be taken to overcome the funding challenge:

- 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.
- The study on the initial impacts of the ICB strategy and modality is conducted with the involvement of around 50 National Societies. Its results will be communicated to current and potential future partners (see under "Working in partnership") and will hopefully attract new contributions.

Quality, accountability and learning

CBF management

The Capacity building fund is managed by the funds manager under the responsibility of the OD department and the CBF Committee, with the support of a Senior Officer and a 50% assistant. The team will keep on ensuring and improving the fund management through;

- the existing guidelines and financial rules
- the current system of close follow up and report tracking
- and by gradually giving a more central role to the regional representatives in programme monitoring and knowledge sharing.

To further increase its quality and accountability, the fund is guided by the CBF committee, on behalf of the Secretary General. The committee consists of the Under-Secretary General for National Society and Knowledge Development as its Chairman, the Head of the Learning and OD Department and the CBF Manager as Secretary. Its composition will be reviewed in 2011 in the perspective of the Strategy 2020 and the new Federation secretariat structure.

³ For more information, see CBF programme update, August 2009.

An expert advisory panel was established to support the CBF committee and the Learning and Organizational Development Department. The Expert advisory panel provides the CBF committee with expert, objective technical advice on the fund allocation decisions (see the “Working in partnerships”).

Three years after it was upgraded, the Capacity Building Fund is currently undertaking a series of audits and study that will feed into a reflection on the nature and future of the Capacity Building Fund and its support modalities. The conclusions will be communicated in 2011.

OD knowledge sharing forum

The International Federation secretariat will organise the 1st Red Cross Red Crescent Global OD Forum in 2011, after the results of the National Society development study will be published. It will aim at facilitating the exchange of information, technical knowledge and experiences among experts from Academia, National Societies, the ICRC and the International Federation secretariat and Zone offices as well as other similar Federations. This will also help with development of strategic partnerships within the area of organizational development and capacity building.

Communication platform

The Capacity building fund section on the International Federation’s 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 is regularly updated to guide and support the OD and capacity building work of secretariat staff and of the National Societies. It is available at the following link: <https://fednet.ifrc.org/sw122097.asp>

How we work	
<p>The IFRC’s vision is to:</p> <p>Inspire, encourage, facilitate and promote at all times all forms of humanitarian activities by National Societies, with a view to preventing and alleviating human suffering, and thereby contributing to the maintenance and promotion of human dignity and peace in the world.</p>	<p>The IFRC’s work is guided by Strategy 2020 which puts forward three strategic aims:</p> <ol style="list-style-type: none"> 1. Save lives, protect livelihoods, and strengthen recovery from disaster and crises. 2. Enable healthy and safe living. 3. Promote social inclusion and a culture of non-violence and peace.
Contact information	
<p>For further information specifically related to this plan, please contact:</p> <ul style="list-style-type: none"> • Brodier Jean-Etienne, Funds Manager; National Society Development department, je.brodier@ifrc.org; Tel.: + 41 22 730 43 39. 	