# +CIFRC

























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# message from the secretary general

# The unprecedented is no longer an excuse for being unprepared.

We face a myriad of challenges. Many of them seem new and overwhelming. But the best solutions to meet them remain the same: be prepared.

We know that we must act now or face the worst effects of climate change and disasters. But what does this mean for us as individuals and communities? For the IFRC network, change must grow from the **local level** to be effective and sustainable. There is inspiring work all around us. The challenge now is how to bring local solutions to scale as we respond to today's most pressing challenges.

Climate change is a humanitarian crisis that is affecting billions of people, particularly the world's poorest who have contributed the least to it. In 2021, the IFRC, together with the ICRC, launched the Climate and Environment Charter for Humanitarian Organizations. The Charter secured more than 200 signatories by the end of 2021. Now we are developing a platform to ensure that we, as a network, can deliver on this vision at scale.

At the same time, we continue to reel under the impacts of disasters, many caused by climate change. In 2021, we responded to typhoon Rai in the Philippines, the complex humanitarian crisis and droughts in Afghanistan, and a severe food crisis in Africa. In 2021 alone, the IFRC **mobilized CHF 1.3B** to support National Society responses to crises and disasters. We continued to scale up our Disaster Response Emergency Fund (DREF), with a first ever pledging conference aimed at reaching our goal of CHF 100M per year, by 2025.

As the world's eyes are fixed on the conflict in Ukraine, my admiration for the National Societies in Ukraine and neighbouring countries grows daily. At the same time, we continue to raise our collective voices so that the millions of others – in Syria, in the Horn of Africa, in Central America – are not forgotten because they are not on our nightly news. Whether it be technical and surge support, training staff and volunteers trained through IFRC platforms, insuring volunteers, or investing in their financial sustainability, the IFRC puts its member National Societies first so that they can better serve the people who need them.



As COVID-19 restrictions lift, millions continue to suffer. To date, the IFRC network has reached more than a billion people with health services and supported over 100M people to get vaccinated for COVID-19. As we continue to respond, we turn our focus to ensuring preparedness for future epidemics and pandemics. We are heavily investing in community surveillance and feedback mechanisms.

The challenges we face today reaffirm the importance of the **IFRC's mandate** to ensure that we build on our network's comparative strengths; and invest in the development of specialized expertise and competencies needed to be fit for the future.

More than ever, we continue to scale up investment in **National Society Development** to ensure they can respond to the current crises while preparing them for the unfathomable.

We continue to **represent** our membership through purposeful, high-level humanitarian diplomacy to mobilize support for our actions on the ground and position the IFRC network as a key partner of choice and a leading voice on localization of humanitarian assistance, vaccine equity, addressing the climate crisis, and support to migrants.

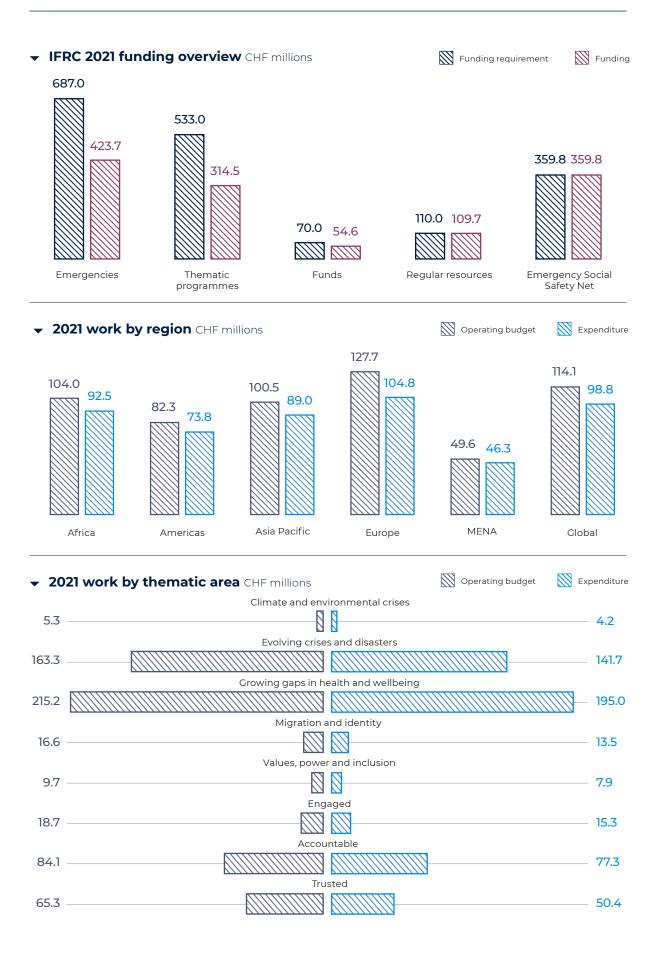
Our focus on **strategic and operational coordination** works to improve the delivery of our humanitarian response and find more agile ways of working together.

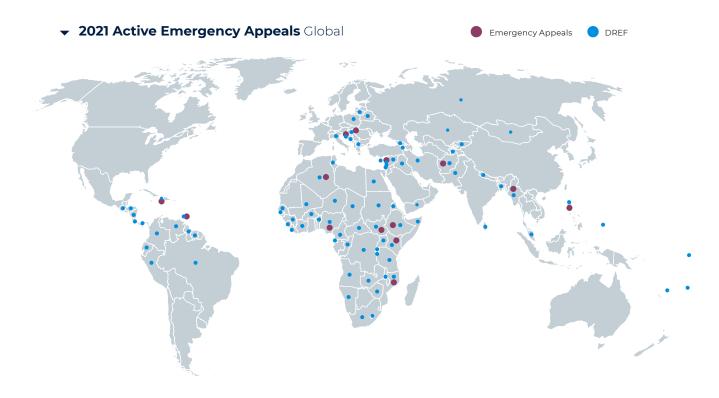
Our achievements in 2021 would not have been possible without the contribution of regular resources from our partners. I thank them, all our National Societies and our nearly 15M volunteers for their continuing and inspiring support for the most vulnerable communities around the world.

Jagan Chapagain

Secretary General, CEO
International Federation of Red Cross
and Red Crescent Societies

#### **▼ 2021 in numbers**





#### **▼ 2021 People reached** by strategic priority

#### 55.3M Climate and environmental crises

### **7.1M**

Evolving crises and disasters

#### 60.6M

Growing gaps in health and wellbeing

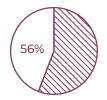
#### 2.0M

Migration and identity

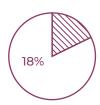
#### **5.1M**

Values, power and inclusion

#### **▼ 2021 Earmarking**



Tightly earmarked



Earmarked



Softly earmarked



## ▼ 2021 Top funding countries

CHF millions

	United States	107.7
•	Switzerland	42.4
	United Kingdom	27.7
	European Commission	26.0
	Sweden	16.9
	Netherlands	16.2
	Japan	15.9
	Canada	13.5
	Italy	12.5
*	Australia	12.2
	Others	68.6

359.6 Total

Includes regular resources and funds for emergencies and thematic programming and excludes ESSN cash assistance (CHF 359.8M)

# executive summary

The IFRC continues to support its members to become more effective, to provide and improve crucial services, and to help communities live healthier and more dignified lives.

The combined efforts of IFRC network members created more value in 2021 in support of local communities than individual National Societies could give alone.

It was more apparent this year than ever before that delivering this would not have been possible without the National Societies being fundamental parts of those local communities and the dedicated work of the millions of Red Cross and Red Crescent volunteers all over the world.

The global crisis caused by the COVID-19 pandemic and resulting restrictions were worse for many vulnerable people and put considerable strain on National Societies. Vulnerability was exacerbated in many countries that were also responding to new and ongoing disasters.

The 192 member National Societies of the IFRC continued to deliver their services and efforts to reduce vulnerabilities. The IFRC continued to support its members to become more effective, improve and provide those services, and help communities live healthier and more dignified lives.

The number of climate-related disasters worldwide has nearly doubled since the 1980s, an alarming figure, but this number is almost tripled in the IFRC Middle East and North Africa region. That statistic, with the current political and economic instability, makes this region the least peaceful in the world.

Despite this challenging environment, the IFRC, as a genuinely global network rooted in local communities, has continued to work with National Societies to deliver humanitarian aid to those in need and help people rebuild their lives and livelihoods.

The IFRC and its members were able to support population movement emergency operations in 36 countries and at sea in 2021. In August, the IFRC launched a new global route-based migration programme to provide humanitarian services to more than 2M people on the move and more than 500K people from host communities. It brought together the humanitarian services of 35 National Societies across Africa, Europe and MENA with a collective ambition.



# **Progress in 2021**

#### Global response to COVID-19 pandemic

The public health emergency caused by the COVID-19 pandemic killed 6.2M people, amplified inequalities, destabilized communities and reversed years of development gains.

While vaccine uptake has increased, hesitancy remains a severe issue. The IFRC advocated for an inclusive COVID-19 recovery with accelerated vaccine development and production alongside robust national delivery systems and community engagement.

Together, National Societies, with the support of the IFRC, assisted in national vaccination efforts to deliver risk-awareness and hygiene campaigns, providing mental health and psychosocial support services and skills development courses. They also supplied COVID-19 related goods and technical support locally in 180 countries. **More than 1B people were reached network wide.** 

The significant impact the pandemic has had on school closure in low- and middle-income countries must not be overlooked. 35 National Societies implemented education continuity activities, ensuring that students can safely return to school with IFRC support.

In close cooperation with ACAPS, global research was conducted on the socioeconomic consequences of COVID-19, that will guide long-term programming of the IFRC network.

#### Climate and environment

Scaling up climate action was a major priority for the IFRC. The IFRC enabled 19 National Societies to adapt to longer-term impacts of climate change, including sea-level rise, and others to adopt climate risk-informed and environmentally responsible values and practices.

More than 30 National Societies joined the Green Response Working Group created by the Swedish Red Cross and led by the IFRC. They are now developing an action plan to promote more environmentally sustainable humanitarian assistance that will be launched in 2022.

The Green Response initiative, involving more than 20 National Societies, establishes a clearer vision of 'greening' and how to operationalize it into humanitarian response systems.

The IFRC is committed to integrating climate and environment considerations across all its programmes and operations. One example of this is the greening of shelters and settlements, developed and piloted as part of the Global Shelter Cluster, of which the IFRC is a co-lead. The majority of the IFRC's work on climate centres on enabling the work of National Societies.

### **Evolving crises and disasters**

The IFRC enhances risk reduction and resilience, alongside community preparedness and readiness to respond to shocks. In 2021, the Disaster Response Emergency Fund (DREF) allocated an unprecedented CHF 41.7M to support 136 operations, reaching 12.6M people in 88 countries.

National Societies used the IFRC GO platform to share disaster assessments and response actions, including 30 emergency appeals, in anticipation of disasters and crises. Improvements across the network were driven by operational learning from more than 300 operations, analysis of the pandemic and the IFRC response.

In response to devastating disasters, IFRC support enabled emergency shelter, housing, and settlement for 1.2M people, and 506K people were reached with emergency multi-purpose cash to address their needs.



#### Health and wellbeing

In 2021, the IFRC focused on expanding integrated community-based health care, first aid and hygiene programming while investing in preparedness for future epidemics or pandemics.

Finding a lack of strong legislation for public health emergencies before the COVID-19 pandemic, the IFRC launched the report *Law and Public Health Emergency Preparedness and Response: Lessons learned from the COVID-19 pandemic.* This report recommends that governments legally formalize the role of National Societies as auxiliaries to public health authorities to ensure stronger preparedness and continuity of health and care services in emergencies.

Through the One WASH initiative, the IFRC encouraged National Societies to establish large-scale, long-term projects to speed up and localize responses to cholera outbreaks. This initiative aims to reduce cholera-related deaths by 50 per cent.

Providing psychosocial support to vulnerable people is as essential as providing basic needs. The IFRC worked with National Societies to develop global mental health and psychosocial support policies, reaching 540K people directly and 3.1M indirectly.

#### **Migration**

As an impartial global network, the IFRC works to ensure that all people who migrate or are displaced are safe and treated humanely and with dignity, regardless of their legal status.

The IFRC supported National Societies with technical and policy work and developed guidance to reach migrants during the COVID-19 pandemic, which disproportionately affected people on the move.

National Societies in countries of origin along increasingly dangerous migratory routes make the IFRC network uniquely placed to address migrants and displaced people's protection needs and deliver humanitarian assistance. The

IFRC's Monarch Butterfly programme supported the implementation of humanitarian service points in several countries, including Panama where children were provided with primary health assistance and nutritional screening.

National Societies implemented Humanitarian Service Points in all regions with the support of the IFRC. In July 2021, the IFRC partnered with SOS Mediterranée to provide humanitarian services aboard Ocean Viking, which conducts rescue operations in the Mediterranean. The ship saved the lives of 557 people, who received humanitarian assistance from IFRC medical professionals on board.

### Values, power and inclusion

The IFRC protects and promotes a positive change for humanity based on humanitarian values and principles.

Tackling the logistical restrictions presented by the COVID-19 pandemic presented an opportunity for radical digital transformation. This enabled rapid progress, particularly in developing education and protection, gender and inclusion programmes that will reap benefits in the long term.

National Societies' capacity to deliver their own quality humanitarian education programmes was also identified as a priority for 2021. The IFRC, therefore, began developing an e-learning course entitled "The Art of Educating Youth as Humanitarian Agents of Change" for them. The IFRC has also reached 30K staff and volunteers with its course on protecting unaccompanied and separated children.

#### **Engaged**

To better harness the strengths of the network, 36 National Societies came together to develop a strategic approach on innovative ways of working together, while a new generation of emerging leaders from 28 National Societies participated in the IFRC Future Fellows programme. The Future Fellows explored innovative approaches to resolving complex challenges within communities. The newly launched Limitless project encouraged 700 young people from 60 National Societies to create pandemic preparedness and response solutions.

The IFRC led the way in exploring innovative and transformative approaches to help National Societies share knowledge of powerful digital technologies. During Data and Digital Week, technical experts and 4K participants from 131 National Societies shared information about digital tools and approaches that have helped them achieve their humanitarian goals. In a unique initiative, 4K people from 100 countries took a virtual journey from Lamu, Kenya, to Paris, France. Audio-visual material of staff and volunteers from the Kenya Red Cross Society and the French Red Cross inspired innovative ways to anticipate and respond to community needs.

#### **Accountable**

The IFRC is one coordinated global organization, accountable to its members and the people it serves. The network can expand its ambitions to reach more people through more efficient, accountable and well-functioning National Societies.

In 2021, the IFRC worked with National Societies to introduce free and anonymous systems that encourage and protect whistleblowing. Community engagement and accountability measures were introduced into humanitarian operations, enhancing feedback mechanisms

and case management. The IFRC also launched a digital system for reporting, investigating and managing misconduct allegations called the *EQS Integrity Line*.

Training was provided for specialist field investigators and over 3K members of staff and volunteers in fraud, investigations, and the prevention of sexual exploitation and abuse – enabling them to identify cases and take appropriate action. The Capacity Building Fund supported National Societies to address integrity issues.

#### **Trusted**

The success of IFRC and National Societies is dependent on a foundation of trust within communities.

To build trust within communities, volunteers must feel secure and supported by the network. In 2021, the IFRC advanced efforts to develop volunteer data collection and management solutions for National Societies to manage volunteer-related data properly. It supported National Societies to increase volunteer and youth involvement as a way of continually encouraging positive relationships within the network and their engagement in humanitarian action.

The IFRC and 15 National Societies also tested MOTI – a leadership and motivation learning system – designed to improve the wellbeing and engagement of volunteers.

Budgetary pressure due to the pandemic made National Society management of financial resources a greater priority. The IFRC piloted a financial sustainability indicator dashboard, while a group of National Societies trialed a predictive modelling approach to long-term strategy setting. For a second year, IFRC Federation-wide reporting enabled stronger data collection from 169 National Societies, including use of funding.

# **Conclusion**

The pandemic added complexity to the 136 emergencies the IFRC responded to in 2021, while the inequalities in health, education and livelihoods that it exacerbated remain some of its greatest humanitarian challenges. The IFRC's support from headquarters and the field contributed to enhanced National Society capabilities to maintain humanitarian services throughout the year.

The impact of climate change was increasingly felt, causing disasters and crises that required urgent humanitarian assistance. Trust in the IFRC allowed it to continue long-term work with communities, helping them live healthier and dignified lives. Despite increasing needs, the IFRC continued to make significant progress in delivering essential assistance to migrants at key points in migratory routes, regardless of legal status and during increasingly volatile political climates.

The development and transformation of National Societies results in better quality services for vulnerable communities. The network has continued to deliver on its Strategy 2030, with National Societies supporting each other so they can work more directly, collaboratively, in an agile manner, enhance their capacities to engage in alliances with other local actors and influence the local and global humanitarian agenda.

The IFRC will continue to support the work of National Societies in the communities they serve. This support is needed more than ever as we all face unprecedented challenges. In 2021, the IFRC and its members were able to respond by overcoming many of those challenges and delivering on a scale as never before, because we worked together.





# OVERVIEW

## Introduction

This report will be presented in two main parts.

Part I: The IFRC 2021 report details how the IFRC supported National Societies to respond to the most pressing humanitarian challenges of 2021. It is organized by the IFRC's strategic outlook, strategic priorities and enablers. It will detail impact made in the IFRC's priority areas of work and show how we are adapting to work at scale to achieve greater impact. This will be illustrated with a strong focus on country-level action. This section will also detail specific achievements per geographic region and illustrate how global priorities are implemented in the field.

**Part II: A Federation-wide perspective**, will highlight some of the excellent work that was undertaken by the entire IFRC network in 2021. This includes the international work of member National Societies and the IFRC network's reference centres. It will also include a presentation of the funding requirements of some our member National Societies for their international work in 2022.

Together, these two sections not only highlight the amount and breadth of work being undertaken by the network to support the world's most vulnerable people, but also show the strength of of our coordination and our common ambition to bring positive change to the world.

About the IFRC

The IFRC Secretariat (IFRC) supports 192 National Red Cross and Red Crescent Societies around the world – each of which is an independent organization, carrying out humanitarian activities guided by the Fundamental Principles of the International Red Cross and Red Crescent Movement, and working as auxiliary to their public authorities in the humanitarian field.

While the IFRC is responsible for management of the organization, decisions on the direction and policy of the IFRC are made by its governing bodies that also provide a mechanism for accountability and compliance.

The IFRC's mission is to inspire, encourage, facilitate and promote all forms of humanitarian activities by National Societies, in order to prevent and alleviate human suffering.



#### **IFRC Secretariat**

The IFRC was formed to "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."

To achieve this objective, the IFRC has two primary constitutional functions:

- to provide services to National Societies, be their official representative in the international field, and serve as the guardian of their integrity and protector of their interests, and
- to undertake humanitarian activities, including to bring relief to all disasteraffected persons, and to organize, coordinate and direct international relief.

The IFRC is led by Secretary General Jagan Chapagain and is responsible for the day-to-day running of the IFRC, the promotion of its integrity, vision and principles, and ensuring that its strategic overview aligns with the network's Strategy 2030. It facilitates and coordinates partnerships and supports – and is guided by – its Governance bodies.

It consists of a Headquarters in Geneva, Switzerland, and five Regional Offices as well as a number of delegations worldwide providing close and individually tailored support to member National Societies.

The IFRC strives to place National Societies and their development at the center of what we do, to empower our volunteers and young people, and become a data-driven and digitized organization for more ambitious, timely and better coordinated humanitarian responses.

#### The role of the Secretary General

The Secretary General is the Chief Executive Officer and Head of the IFRC. The responsibilities include establishing the structure of the IFRC, appointing staff, executing the functions

of the IFRC as set out in the Constitution and the work entrusted to the IFRC, administering the approved budget and implementing the decisions of the General Assembly and the Governing Board.

#### The structure of the IFRC

The structure of the IFRC is designed to encourage National Society ownership of their IFRC, create a new business and revenue model with a more focused agenda; further strengthen humanitarian diplomacy, integrity, transparency and accountability, and to strengthen cooperation and coordination across the International Red Cross and Red Crescent Movement.

There are three Divisions and a number of Offices that also report to the Secretary General within the Headquarters in Geneva; five Regional Offices each with several Country Cluster and Country Delegations that provide direct support to National Societies to boost and promote localisation, and four Representation Offices engaged in partnership building and humanitarian diplomacy.

The matrix nature of the IFRC means that resources and support are focused on the operational and technical needs of National Societies through the Regional Offices, while ensuring coherence of the network's overall strategic direction and the implementation of decisions made by IFRC's Governance bodies.

#### Headquarters

The **Office of the Secretary General (OSG)** coordinates support to the Secretary General and his leadership teams, ensures coherence across the IFRC, and supports the overall strategic direction of the organization.

OSG leads the IFRC's performance towards excellence, organizational change and innovation, and risk management approach. It serves as the guardian of the IFRC's integrity, vision, and principles. It positions IFRC externally and ensures a safe and dignified secretariat globally,

coordinating its safeguarding efforts. It acts as the 'honest broker' by resolving problems between its members or, when necessary, refers issues to appropriate Governance bodies. It also supports its governing bodies as well as coordinates with Movement governance and the International Committee of the Red Cross (ICRC).

OSG manages the **Department of Strategic Planning**, which leads the assessment, monitoring, reporting and evaluation functions of the IFRC, and the **Global Security Unit**, which ensures that the IFRC has the security architecture in place to ensure the safety of its operations through the management of staff, training and setting up of security structures.

It also oversees the following departments and functions:

The **Office of Internal Audit and Investigations** provides oversight services, including internal and external audits, risk management activities and investigations, giving reasonable assurance on the effectiveness of the IFRC's internal control environment and making recommendations for continuous improvement.

The **Governance and Board Support Department** provides support to the Governance bodies of the IFRC Network and the ICRC. It plays a coordination role in the planning and organization of the Statutory Meetings – a General Assembly and Council of Delegates every two years, and an International Conference every four years.

The **Legal Department** is responsible for the legal risk management for the IFRC. The team provides strategic and technical legal advice, legal risk analysis and creative legal solutions to ensure compliance with the applicable legal framework covering all aspects of the IFRC's activities worldwide.

The **New York Representation Office** represents the IFRC and fulfils the functions of being the "Permanent Observer of the IFRC to the United Nations", as set out in UN General Assembly Resolution A/RES/49/2.

The **Senior Adviser to the President** provides strategic advice and support to the IFRC President in the execution of his statutory duties.

The **Ombudsperson** provides a forum for confidential and impartial discussion of workplace related concerns. These informal conflict resolution and mediation services are available for all IFRC staff.

The National Society Development and Operations Coordination Division works along the continuum from risk reduction and crisis prevention to response and recovery to build safe, healthy and resilient communities through strong National Societies, and is comprised of the National Society Development Services Department, the Health and Care Department, and the Disaster and Climate Crises Department.

The National Society Development Services Department accompanies National Societies on their transformational development journeys and works to strengthen their collective capacity as trusted, accountable and relevant local actors. The diverse functions of the team include National Society development; policy development; protection, gender and inclusion; youth and volunteering; sharing knowledge and learning, and innovation.

The **Health and Care Department** has two main pillars: health system strengthening and WASH system strengthening. It provides services and support to all National Societies in our collective commitment to ensure that everyone, everywhere has access to the health services they require, in all contexts. The team works with National Societies to expand quality and integrated community-based health, care and first aid, WASH and other programmes.

The **Disaster and Climate Crises Department** supports and coordinates National Societies' response to disasters and climate crises, and capacity building. It has teams working on emergency operations, including the Disaster Response Emergency Fund and Forecast-based Action, cash, National Society preparedness, shelter, climate, disaster risk reduction, migration and displacement.

The Division's Under Secretary General also has line management responsibility for the five Regional Directors – Africa; the Americas; Asia Pacific; Europe, and Middle East North Africa.

The Division also manages Movement and membership coordination initiatives such as Strengthening Movement Coordination and Cooperation, shared leadership, coordination of Reference Centres and integration services.

Membership coordination has been prioritised to ensure that the Secretariat and member National Societies work together with efficiency and without duplication. At the strategic level, coordination takes place through regular senior leadership discussions with National Societies, as well as the National Society Advisory Group and other network fora. At the operational level, the IFRC Secretariat has promoted a Federation-wide approach to operations while ensuring that National Societies have the central role their own countries.

The IFRC also hosts several projects in Geneva, including the Global Road Safety Partnership, the Risk-Informed Early Action Partnership (REAP) and the Steering Committee for Humanitarian Response. These projects report to the USG of this Division.

The Global Relations, Humanitarian Diplomacy and Digitalization Division is comprised of the Digitalization and Information Technology Department, the Communications Department and the Partnership and Resource Development Department. The Brussels (EU) Office, Addis Ababa (AU) Office and Gulf Cluster Office report to the Under Secretary General responsible for this division.

The **Digitalization and Information Technology Department** supports the digitalization of the IFRC and its member National Societies. It also provides IT strategy, tools, and support to the global Secretariat.

The **Communications Department** provides strong and coherent internal and external messaging to promote the work of the IFRC and its

member National Societies and to influence the global humanitarian agenda.

The **Partnership and Resource Development Department** works to build Federation-wide partnerships to strengthen the resource base of National Societies, and to facilitate the mobilization of resources to ensure a strong Secretariat able to carry out its core mandate. It also provides expertise and support in humanitarian diplomacy activities.

The Red Cross European Union (EU) Office represents the 28 National Red Cross Societies in the EU, the Norwegian Red Cross and the IFRC, coordinating relations between its members and EU decision-makers and stakeholders.

The Office of Permanent Representation to the African Union engages in humanitarian diplomacy and advocacy activities with the African Union.

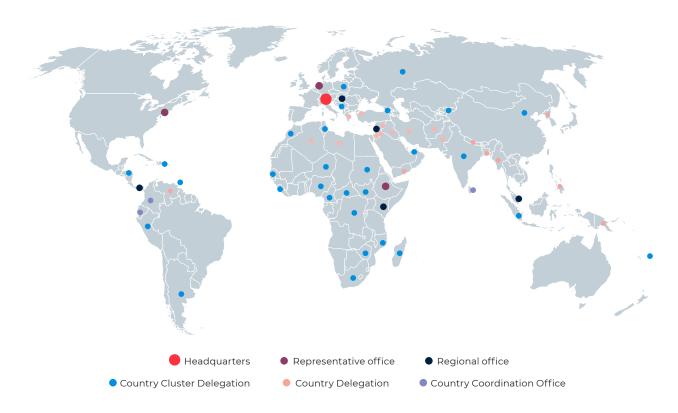
The IFRC Gulf Cluster office in Dubai focuses on partnership development.

The Management Policy, Strategy and Corporate Services Division is comprised of the Financial and Administrative Management Department, Human Resources Management Department, the Supply Chain Management Department and the Global Service Centre in Budapest.

The **Financial and Administrative Management Department** manages the budgeting, accounting, treasury, assets, financial reporting and financial services operations of the IFRC. It also delivers administration functions, including building and office services, meeting and conference services, insurance, library and archive, translation and interpretation.

The **Human Resources Management Department** provides strategic and operational advice and support to the IFRC Headquarters and field offices on human resources issues.

The **Supply Chain Management Department** focuses on the procurement and delivery of appropriate relief items at the places and



time they are needed and the management of warehousing and fleet services. The activities comprise strategic planning; supply chain services; standards and compliance; information management; and logistics development.

The **Global Service Centre** in Budapest primarily provides IT support services and logistics services to IFRC globally.

#### **Regional Offices**

There are five **Regional Offices** in the global Secretariat – in Africa (Nairobi), Americas (Panama), Asia Pacific (Kuala Lumpur), Europe (Budapest) and Middle East North Africa (Beirut).

Each one provides leadership in IFRC's operational, National Society development, humanitarian diplomacy, and strategic coordination support to its member National Societies.

The functions include strengthening National Societies through capacity building activities; supporting disaster response operations and assisting and/or providing surge capacity where needed; resource management; development of country and regional strategies; coordination of National Societies in the region; and

representation of the IFRC at the regional level (and at the country level, where required).

There are many **Country Cluster Delegations**, **Country Delegations and Country Coordination Offices** within each Region, allowing the Secretariat to provide individually-tailored support to National Societies – building their capacities, promoting their integrity, and profiling them as strong and effective local actors in line with the IFRC's support of greater localisation in humanitarian response.

These offices provide leadership in coordinating technical assistance to National Societies, providing front-line surge capacity in emergency response operations, and acting as the IFRC's primary communication link with the National Societies.

#### Managing the IFRC

The **Senior Leadership Team** comprised of the Under Secretaries General and the Director of the Office of the Secretary General supports the Secretary General in the overall management of the IFRC. This is a high-level leadership decision-making body.

The **Global Leadership Team** is comprised of the Senior Leadership Team, the five Regional Directors, and the Director of the Officer of Internal Audit and Investigations. This is a global leadership advisory and decision-making body that formulates policies, ensures effective management and accountability, oversees the IFRC's activities worldwide, and ensures timely implementation of Governance decisions working closely with member National Societies.

The **Senior Management Team** is a management advisory and coordination body in the Geneva Headquarters. It is comprised of the Senior Leadership Team, the Special Representative for COVID-19, the Directors of Headquarters departments, the Director of the Global Service Centre, the Special Advisor to the President, the Head of Global Security, the Head of Operational Membership and Movement Coordination, and the Manager of the Strategic Planning, Monitoring and Evaluation Hub.

The **Global Management Team** is a global organization-wide management advisory and coordination body. It is comprised of the Global Leadership Team, the Deputy Regional Directors, the Senior Management Team, all Heads of Delegations, and the Ombudsperson.

#### **Governing the IFRC**

The Governing Board governs the IFRC between each General Assembly and is responsible for delivering the overall direction and policy of the IFRC.

IFRC's Governance is as diverse and globally representative as the network it oversees and guides.

The Governing Board includes 20 representatives from National Societies - five from each of the IFRC's four statutory regions. Since 2019, IFRC Statutes require that, of these representatives from elected National Societies, there be at least two female representatives and two male representatives per region. It also includes a President and Vice-Presidents from each of the statutory

regions, elected by the IFRC membership, and an ex officio Vice-President from Switzerland, the host of the IFRC.

National Society representatives come from all walks of life, with wide-ranging skills and experience, and they ensure that the Governing Board is led by its members in a free and fair way. They are elected by their peers to serve a four-year term. A maximum of two consecutive four-years terms is allowed, and National Society members can be eligible again once a further four-year term has passed.

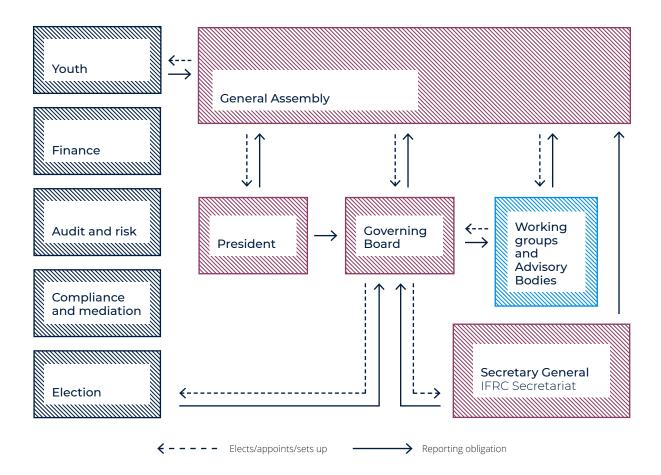
The Governing Board interprets the decisions of the General Assembly, advises the IFRC President, and supports the IFRC Secretary General in implementing the decisions of the General Assembly.

It also sets the provisional agenda of the General Assembly, appoints the Secretary General and approves the selection of candidates for Under Secretaries General and Regional Directors, and provisionally admits new National Societies to the IFRC.

The Governing Board also reviews and makes recommendations on financial and other reports presented by the Commissions and decides upon sanctions as recommended by the Compliance and Mediation Committee. It meets at least twice a year.

**The Finance Commission**, which is responsible for providing financial advice and oversight to the IFRC, is comprised of a chair and five members. The members are required to be collectively knowledgeable in the following areas of expertise: financial management including budgeting and reporting; investment management; fundraising; relevant to the IFRC; understanding of humanitarian operations; not-for-profit sector; and information technology.

**The Audit and Risk Commission** advises the Governing Board on managing the IFRC's financial and non-financial risks. It monitors and assesses the delivery of the IFRCs internal audit processes.



It reviews National Society integrity-related investigations undertaken by the Office of Internal Audit and Investigation and decides if they should be presented to the Compliance and Mediation Committee for consideration.

The current Commission includes National Society Presidents, former Big Four partners, qualified accountants, and a former director of audit for the IMF and World Bank.

# The Compliance and Mediation Committee helps the IFRC resolve any breaches of integrity

helps the IFRC resolve any breaches of integrity or disagreements involving member National Societies or any body within the IFRC network.

The Chair and twelve Committee members (three from each of the four IFRC Statutory Regions) are appointed in a personal capacity by the General Assembly on presentation of candidates by the Election Committee.

**The Youth Commission** advises National Societies and governing bodies on all matters

relating to young people. It promotes the implementation of the IFRC's Youth Policy and ensures young voices from across our network are heard and considered.

The commission is made up of young volunteers and staff from National Societies. There is a Chairperson and eight members, all under 31 years old at the beginning of their four-year term.

**The Joint Statutes Commission** reviews and provides recommendations on the legal and statutory base of National Societies and assesses the compliance of draft Statutes. It also assesses applications from new Red Cross and Red Crescent organizations for recognition by the ICRC and for admission to the IFRC, and provide recommendations to the ICRC and the IFRC respectively.

The commission has eight members – three from IFRC, four from ICRC, and an ad honorem Chairperson.

**The Election Committee** oversees all elections and appointments to the IFRC's governance bodies. It develops and monitors compliance with Electoral Standards to ensure fair and transparent electoral and appointment processes and conducts investigations into any alleged breaches.

The Election Committee is composed of one Chair and four members appointed in a personal capacity, one from each of the statutory regions, appointed by the IFRC Governing Board.

#### Risk management

The IFRC has continued to embed risk management across the organization and enhance its approach to identifying and managing risk, in line with the Agenda for Renewal and previous commitments.

The network regularly exchanges learning and best practice and the IFRC has proactively recruited and embedded risk expertise in major operations.

In 2021, based on lessons learned from internal audit work and the COVID-19 response, the IFRC launched a new risk management policy and framework to further systemize risk management and build risk maturity across the IFRC network.

The policy and framework establish a common risk terminology, set out the core principles of risk management, and ensure that risk management informs decision making. It incorporates risk identification, risk assessment, risk treatment

and response, risk escalation, and monitoring and reporting.

IFRC leadership maintains a "top ten" risk register, which brings together information from the IFRC's Regional Offices and Country and Country Cluster Delegations. In 2021, the Audit and Risk Commission further formalized its oversight of the IFRC's risk management activities through regular updates and reporting, as well as the provision of technical support and guidance.

The IFRC has prioritized a strengthened approach to safeguarding, which includes the prevention of, and the response to, sexual exploitation and abuse (PSEA), child safeguarding, ensuring a workplace free from harassment, and ensuring whistle blower protection.

A Secretariat Policy on the Prevention and Response to Workplace Harassment and Discrimination was released, and online training on this policy and on safeguarding was made mandatory for all staff.

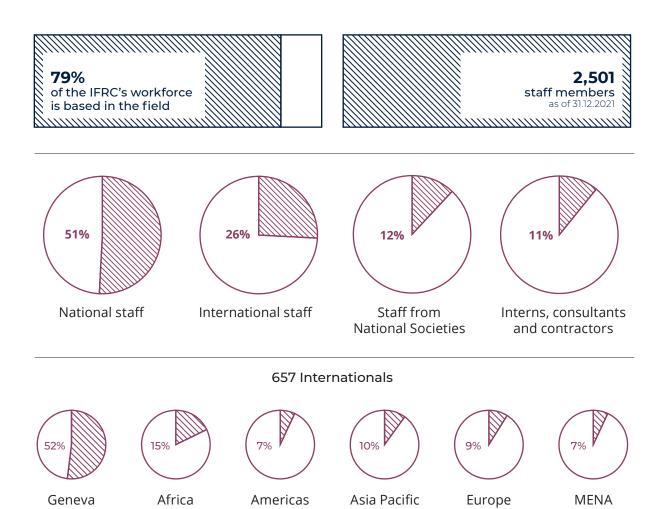
The investigations manual and triage approach to PSEA has been updated to further embed a survivor-centred approach and allow for improved caseload management.

In addition, work continues to support National Societies in developing and implementing safeguarding policies that align with good practice, and internal communications around issues such as preventing and reporting harassment and abuse have been improved.

## **IFRC** workforce

The IFRC is decentralized. Its workforce is comprised of both national and international personnel in the headquarters in Geneva, Switzerland and in regional and country/cluster

delegations globally. Staff includes international, national, staff on loan, integration agreement interns, contractors, etc.



# The IFRC's global flagships

Contributing to progress on the IFRC's strategic priorities are six IFRC global flagships. Each global flagship contributes to multiple IFRC strategic priorities, through concrete targets that will help the IFRC to focus and increase impact.

These global flagships act as catalysts for action both locally and globally to meet the world's most pressing challenges. The following section details progress made in 2021 under each global flagship. Unless otherwise stated, the targets are for 2025.

#### **Local Action: Strong National Societies**

The IFRC's flagship work to centre **local action** and **strong National Societies** included many achievements in 2021.

Twenty-seven National Societies were supported to provide **insurance** coverage for some 1.8 million Red Cross and Red Crescent volunteers, and work continues to help a further 45 National Societies ensure their volunteers are protected by an insurance mechanism.

**Financial sustainability** is a key area for National Societies. In 2021, 14 National Societies in eastern Europe were supported in fundraising for capacity development, leading to a record CHF 8.03 million being raised. Eight National Societies were enrolled in a pilot financial sustainability dashboard project, seven others applied to the Capacity Building Fund on Financial Sustainability, and three successfully applied to

the National Society Investment Alliance on commercial first aid. A further 23 National Societies were supported by the IFRC in several areas of financial sustainability work.

The IFRC has focused on complementary measures to support National Societies in their **integrity and reputation risk management** work. This includes a strong focus on policy development. Twenty National Societies have adopted a policy on Prevention of Sexual Exploitation and Abuse (PSEA) and 24 adopted a Child Protection policy. The IFRC-ICRC Joint Statutes Commission supported 47 National Societies in revising their statutes, with five completing the process. The IFRC launched its Integrity Line and provided support to some 32 National Societies in its use. On fraud prevention, 84 persons from National Societies and the IFRC were trained as Certified Fraud Examiners.

## Going to scale on humanitarian action and risk reduction

On **climate change**, some 55.3 million people were reached by the IFRC network in 2021 following work to scale up disaster risk reduction, climate change adaptation, and efforts to adopt environmentally sustainable practices in support of climate mitigation. An increased number of National Societies (30) are implementing nature-based solutions and forecast-based financing as part of anticipatory action interventions (36). A global multi-year programme focusing on climate-smart DRR and adaptation, gathering more than 80 National Societies from the most at-risk countries, was designed and made ready for implementation.

In 2021, 174 National Societies (91 per cent) supported **immunization** activities globally, assisting more than 350 million people to access vaccination services. National Society actions are focused on reaching the 25 million zero-dose children globally who do not have access to the most essential routine vaccination services. National Societies are working to address increased gaps in immunization coverage due to the COVID-19 pandemic and support the inclusion of COVID-19 vaccination in the package of routine vaccination services a country offers.

Some 110 National Societies have provided support to **migrants and displaced populations** 

during 2021, scaling up assistance and protection services. This work included establishing 381 Humanitarian Service Points, which were operated by 49 National Societies. The IFRC supported emergency operations in response to

population movements in 36 countries, including at sea. Through the launch of a three-year Global Route Based Programme, 34 National Societies are supporting up to 2.5 million people across Africa, Middle East North Africa, and Europe.

#### DREF including anticipatory funding to triple by 2025

In 2021 the **Disaster Response Emergency Fund** (DREF) continued to support National Societies with critical funding to implement early actions and respond to emergencies. In total, CHF 42 million was allocated in support of 136 operations (63 per cent of which were climate

related) and reaching more than 12 million people. During 2021, the DREF pledging conference raised CHF 32 million funding commitments allowing the IFRC network to continue to respond to emergencies.

#### **Global Cash Leadership**

IFRC's work in **global cash leadership** and National Society cash preparedness continued in 2021, with 72 National Societies supported with cash capacity development, ensuring that they can be ready to respond to emergencies in a more agile and dignified way. The use of **digital and data** technology in cash and voucher assistance – for data collection, data

management and delivering payments – has the potential to transform the ways in which we work. Investments in digital capacities across the network during 2021 through learning, the development of data protection guidelines for National Societies, and the growth of innovations in Digital ID will support the network to deliver 50 per cent of our action through the use of cash.

#### Reduce cholera-related deaths by 50 per cent

In the network's drive to **reduce cholerarelated deaths by 50 per cent**, more than 15 National Societies supported cholera preparedness and response in 2021. This work took place through initiatives such as the One WASH approach, community preparedness and Cholera Country Support Platform, and involved long term WASH projects and cholera coordination in affected countries.

# Global Health Security: Epidemic-Pandemic Preparedness and Response

**Response** remains a priority worldwide to better prepare for and respond to future crises. The work strengthens epidemic and pandemic prevention, preparedness, readiness and response grounded in resilience and capacity building at all levels – in the community, the National Society, and the society. In 2021, more than a hundred staff and 3,400 volunteers were engaged in the IFRC Community Epidemic and Pandemic Preparedness Programme (CP3)

contributing to flagship targets in seven countries. These National Societies played a key role in the COVID-19 operation, while continuing to carry out community health promotion, early detection and response to other outbreaks. They conducted a total of 447K household visits in CP3 targeted areas, and supported early response to Ebola, Marburg, measles, cholera, anthrax, and dengue outbreaks among others.

# How the IFRC is funded

The IFRC's work to support vulnerable communities is dependent on financial support from partners. The IFRC seeks to secure income that is predictable and flexible to ensure that it can best serve its network. It seeks to strengthen existing partnerships and engage with new partners.

In 2012, the IFRC established a Donor Advisory Group (DAG), which is composed of representatives of donor governments, member National Societies of those countries, and the European Union. Group members are organizations that contribute more than CHF 10M multilaterally to the IFRC annually for at least two consecutive years. There are currently nine members and four observers and the group was chaired by the EU/European Commission (DG ECHO) in 2021.

The goal of the group is to:

- Provide a forum for high-level strategic dialogue on humanitarian and development assistance, and donor trends
- Contribute to strengthening our partnerships, for the benefit of all members of the Donor Advisory Group, and ultimately for the benefit of all member National Societies of the IFRC
- Provide high-level strategic inputs to the IFRC as to how it can strengthen partnership opportunities.

#### **▼** Donor Advisory Group member country contributions 2021

Donor country	<b>Total value of voluntary funding 2021</b> * CHF millions
United States	91.0
European Commission	26.0
United Kingdom	26.2
Switzerland	23.6
Sweden	16.9
Netherlands	16.2
Japan	15.9
Canada	13.6
Norway	8.7
Total DAG members	238.1
DAG observers	
Italy	12.5
Australia	12.2
Germany	8.6
Ireland	2.8
Total observers	36.1
Total DAG members with observers	274.2

\*Includes regular resources and funds for emergencies and thematic programming pledged by governments and National Societies and, excludes ESSN (CHF 359.8M)

#### The IFRC receives funds through:

**Statutory contributions:** Each member National Society provides an annual contribution to the IFRC determined by a formula approved by the General Assembly. The contribution of each National Society varies, depending on its income and the UN quota for that country. In 2021, a total of CHF 35.8M were contributed in statutory contributions by National Societies.

**Voluntary funding:** Voluntary contributions and donations represent the largest source of income to the IFRC, although the amount varies annually. In 2021, CHF 413.4M was received from 182 donors, of which 44 are National Societies and 138 other donors, including 30 governments, ten multilateral agencies and 78 corporations. Of this, CHF 28.9M was unrestricted, which allows the IFRC the greatest flexibility to pursue its objectives.

In addition, the European Commission funded the European Social Safety Net (ESSN) in Turkey with CHF 360M during 2021.

**Supplementary Service fees:** The IFRC provides services to National Societies and other partners, such as procurement and logistics support, the provision of vehicle fleet and rental of shared office space and administrative services. The Supplementary Services of the IFRC are provided on a full-cost recovery basis. Income from Supplementary Service fees was 20.0M in 2021.

**Cost recoveries:** Expenditure associated with the implementation of the programmes

and the provision of Supplementary Services, entails direct costs, indirect costs and in some cases donor-specific costs. The indirect costs and donor-specific costs are borne by the IFRC Regular Resources budget and are recovered from the programmes and Supplementary Services budgets through the indirect and other cost recovery mechanisms.

- 1. Indirect costs are recovered at a rate of 6.5 per cent. This indirect cost recovery is lower than the average 7 per cent for United Nations and other international development agencies.
- 2. The rates of cost recovery for the provision of vehicle fleet and other logistics services are reviewed annually and apply equally to humanitarian response operations, thematic programmes, and Supplementary Services.
- **3.** Additional costs are associated with earmarking and donor specific reporting requirements. These costs are separately recovered through donor-specific cost recoveries to ensure that donors who direct funds and/or who have specific reporting requirements are not subsidized by those donors who accept standard IFRC reports.

The IFRC would like to thank its partners – Donor Advisory Group members for their long support and invaluable counsel as well as its increasing number of new partners.

## The IFRC's largest partnership

The IFRC would like to make special mention of its largest donor, ECHO. It has contributed over EUR 1.2B over the past three years.

This includes a multi-year grant committed in 2020 of nearly EUR 400M for the ESSN programme in Turkey.



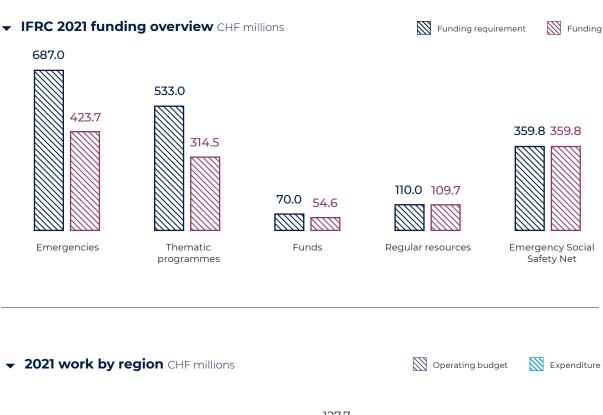
# **Funding and expenditure**

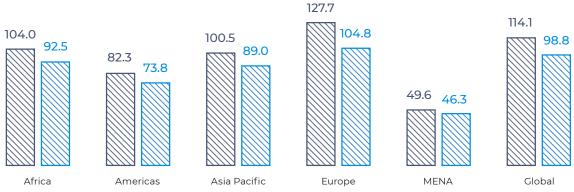
The below includes figures for the IFRC's thematic work, emergency appeals, and funds. To better reflect multi-year emergency programming, the funding requirement includes all emergency appeals active in 2021. The section focuses on voluntary contributions and donations and does not include statutory contributions, other income and cost recoveries.

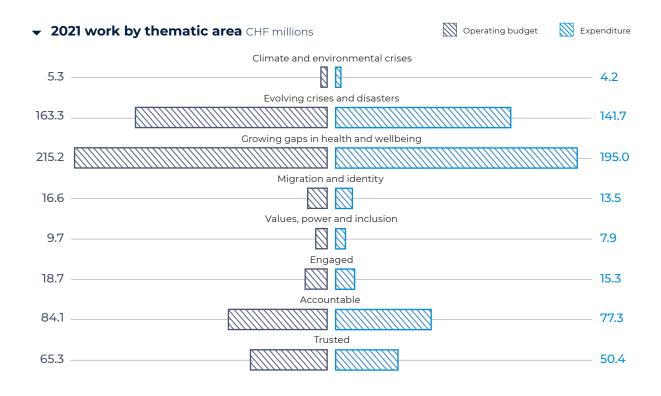
The IFRC's audited financial statements for 2021 can be viewed on its website and are available as an annex to this report.

Please note that the information is by the year the partners commit the contribution; it does not correspond to the IFRC's statutory financial reporting, including the IFRC's Consolidated Financial Statements and the IFRC's annual account.

The IFRC would like to thank all the donors that so generously contributed to its work in 2021.







#### **▼ 2021 Earmarking**







Earmarked



Softly earmarked



Unearmarked

Expenditure

#### **▼ 2021 active emergency operations** CHF millions



**Africa** 



**Americas** 



Operating budget

**Asia Pacific** 





MENA

# **▼** The IFRC's top donors and funding sources

Top 10 government funding sources	CHF millions
United States Government	83.5
Swiss Government	21.7
Japanese Government	11.2
UK Government	11.0
Italian Government	9.7
Belgium Government	9.2
Swedish Government	7.6
German Government	6.3
New Zealand Government	4.6
Republic of Korea Government	2.8

Top 10 National Society funding sources	CHF millions
British Red Cross	15.3
The Netherlands Red Cross	15.1
The Canadian Red Cross Society	13.6
Australian Red Cross	12.0
Swedish Red Cross	9.3
Finnish Red Cross	9.3
Norwegian Red Cross	8.9
American Red Cross	7.5
Japanese Red Cross Society	4.7
Danish Red Cross	4.2

Top 10 multilateral agency, IFI and ING funding sources	CHF millions
European Commission	26.0
United Nations	6.7
Islamic Development Bank (IsDB)	0.8
World Organization of the Scout Movement	0.5
Center for Disaster Philanthropy	0.2
Asian Development Bank (ADB)	0.1
Caribbean Community Climate Change Centre	0.1
Nesta	0.1
World Bank	0.1
	0.02
*Excludes ESSN (CHF 359.8M)	0.02
*Excludes ESSN (CHF 359.8M)	CHF millions
<u> </u>	
*Excludes ESSN (CHF 359.8M)  Top 10 private sector funding sources	CHF millions
*Excludes ESSN (CHF 359.8M)  Top 10 private sector funding sources  The Bloomberg Family Foundation Inc	CHF millions 5.5
*Excludes ESSN (CHF 359.8M)  Top 10 private sector funding sources  The Bloomberg Family Foundation Inc  Nestlé	CHF millions 5.5 4.2
*Excludes ESSN (CHF 359.8M)  Top 10 private sector funding sources  The Bloomberg Family Foundation Inc  Nestlé  Fondation Botnar	CHF millions 5.5 4.2 2.8
*Excludes ESSN (CHF 359.8M)  Top 10 private sector funding sources  The Bloomberg Family Foundation Inc  Nestlé  Fondation Botnar  Fernwood Group Fund	CHF millions 5.5 4.2 2.8 2.6
*Excludes ESSN (CHF 359.8M)  Top 10 private sector funding sources  The Bloomberg Family Foundation Inc  Nestlé  Fondation Botnar  Fernwood Group Fund  Bill & Melinda Gates Foundation	CHF millions 5.5 4.2 2.8 2.6 2.3
*Excludes ESSN (CHF 359.8M)  Top 10 private sector funding sources  The Bloomberg Family Foundation Inc  Nestlé  Fondation Botnar  Fernwood Group Fund  Bill & Melinda Gates Foundation  Tides Foundation	2.8 2.6 2.3
*Excludes ESSN (CHF 359.8M)  Top 10 private sector funding sources  The Bloomberg Family Foundation Inc  Nestlé  Fondation Botnar  Fernwood Group Fund  Bill & Melinda Gates Foundation  Tides Foundation  Zurich Foundation	2.8 2.6 2.3 1.8

# **Regular resources**

As a membership organization, the IFRC's purpose is to support the work and development of 192 National Societies around the world. They, in turn, save lives and bring support and hope to millions of vulnerable people each year. Their work is as varied as the communities they serve. To live up to the trust National Societies have placed in us, we must be ambitious, focused and work to scale to achieve humanitarian impact.

Flexibility in our funding is crucial for this to be possible.

Regular resources are funds that have no earmarking and can be used by the IFRC in support of multiple National Societies in parallel, when and where they are most needed.

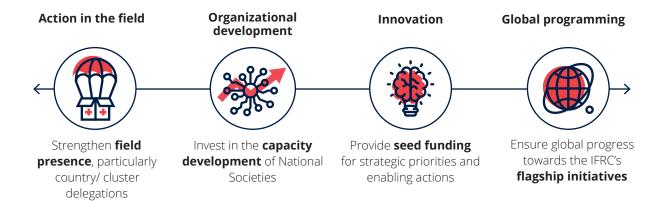
#### Allocation of regular resources

The IFRC Secretary General holds decision making authority in the regular resource allocation process with input from the Senior Management Team. The process begins with an initial analysis of planned or anticipated thematic and emergency work for the coming year and identification of gaps or difficulties to fund specific areas. This takes place at the end of the previous year and is based on the IFRC's Plan and Budget, operational plans and ongoing Emergency Appeals. When considering potential areas for allocation, priority is given to **strengthening field presence and** 

**National Society development** and strategic priorities such as digitalization.

After allocations are made, there is a regular review process. Each quarter, the IFRC reviews completed and intended spending, identifies costs savings, and analyses events that may have changed priorities. Regular resources may be re-directed at this time to reflect changing needs. Having the flexibility to reallocate these funds is another reason why regular resources are so important.

#### **▼** Priorities for allocation of regular resources



#### Importance of regular resources

#### Delivering on the IFRC's mandate

Regular resources are essential for the IFRC to deliver on its mandate. This mandate includes the following:

**National Society development.** The IFRC's principal objective is to support the work of National Societies. This means helping National Societies to become strong, effective **local organizations** that are trusted, accountable and capable to carry out programmes for vulnerable communities at scale.

**Coordination.** When crises surpass the capacity of a local National Society to respond, the IFRC coordinates the network's response when international assistance is sought. The IFRC's coordination also supports National Societies to connect with and learn from one another to capitalise on existing capacities, reduce overlap make the network stronger.

**Representation.** The IFRC represents the IFRC Network to **influence** global discussions and decisions to serve vulnerable communities. The

IFRC also engages in advocacy to advance priorities for vulnerable people and supports National Societies to engage in domestic advocacy efforts. The IFRC's status as an international organization means that we can facilitate access for National Societies to global discussions and funding. The IFRC also leverages its international organization status to facilitate resources to support National Societies that they would not normally have access to.

**Accountability.** The IFRC's audit and investigative functions aim to prevent fraud and corruption, while training and support helps National Societies to improve their own accountability whether through producing audited financial statements, fraud and corruption courses, or prevention of sexual exploitation and abuse, for example. Community engagement and accountability ensure stronger feedback mechanisms and better programming.

The IFRC's partners provided voluntary contributions of CHF 28.9M out of CHF 109.7M of regular resources.

#### ▼ IFRC regular resources

Needs to fulfill our mandate



Infrastructure and governance



Field support and organizational development



Logistics, fleet services and other supporting functions

Different types of **RR** 

Statutory contributions

Voluntary contributions

Cost recovery and other flexible incomes

Different types of **donors** 

National Societies

National Societies, Governments and other donors

All donors supporting our programmes

#### **Contribution to humanitarian impact**

Regular resources play a direct role in contributing to the humanitarian impact of National Societies. As the IFRC pursues an ambition to grow regular resources, it is also prioritizing their allocation to the field where the IFRC offices provide the most direct support to National Societies. Regular resources enable support through the continuum of a National Society's work. This includes:

- Strategic and operational planning to ensure effective organizations and programmes that can better assist vulnerable people.
- Needs assessments to ensure emergency services reach those most in need and have impact.
- Emergency appeals to secure international support when needed in response to disasters, so that National Societies can deliver life-saving services.

- Technical support in specific areas of programming to ensure the needs of vulnerable people can be met where a National Society may lack sufficient experience or capacity.
- Coordination within the IFRC network to ensure that the local National Society receives the support it needs in the most effective and efficient manner.

These are only a few of the areas that regular resources contribute to. Regular resources also contribute to humanitarian impact in a less direct way, in areas like volunteer management, training for volunteers and leadership, financial management and audits to ensure transparency and accountability, financial sustainability (including capacity for domestic resource mobilization), development of legal frameworks and facilitating access to funding through the IFRC's International Organization status.



#### Regular resources funding and expenditure in 2021

Regular resources funding in 2021	CHF millions
Statutory contributions	35.8
Voluntary contributions and donations	28.9
Cost recoveries	40.9
Other income	4.1
Total	109.7

Partners providing regular resource voluntary funding in 2021	CHF millions	
United Kingdom Government	11.0	
Swedish Government	7.6	
Swiss Government	3.5	
Hungarian Government	1.2	
Netherlands Government	1.1	
United Arab Emirates Government	0.8	
Panama Government	0.7	
Irish Government	0.6	
Italian Government	0.5	
Saudia Arabia Government	0.2	
Lithuanian Government	0.1	
Turkish Government	0.1	
Other donations	1.4	
Total	28.9	

#### **Expenditure**

In 2021, the IFRC reported an expenditure of CHF 93.3M of regular resources. These funds were used at global, regional and country levels in support of National Societies. They were utilized to achieve impact in ensuring sustainable field presence and supporting National Societies in their development and in emergencies. Examples of their contributions to humanitarian impact are contained in the section below.

For example, all IFRC country/cluster delegations now received funding from regular resources.

This support totaled CHF 12.6M in 2021. This funding ensures that IFRC offices can remain operational regardless of fluctuations in project funding. This is the only way to ensure a consistent presence to support National Societies throughout the year and to ensure fast scale-up when a disaster does occur.

National Society Development and Operations Coordination received CHF 13.7M in regular resources in 2021. This funding allowed the IFRC to fulfill its coordination role, supporting National Societies who faced disasters and crises that surpassed domestic capacities for responding. It also ensured that support from National Societies to another National Society

was effective, efficient and served to support the local National Society's needs. For further information, please see the Annex of this report.

Regular resources expenditure in the field	CHF millions
Country/cluster delegations	
Africa Country/cluster Delegations	3.4
Americas Country/cluster Delegations	1.2
Asia Pacific Country/cluster Delegations	2.5
Europe Country/cluster Delegations	1.4
MENA Country/cluster Delegations	4.1
Sub-total Country/cluster delegations	12.6
Regional offices	
Africa Regional Office	4.6
Americas Regional Office	4.1
Asia Pacific Regional Office	3.9
Europe Regional Office	4.3
MENA Regional Office	3.6
Sub-total regional offices	20.5
Total field	33.1

#### **Examples of the impact of regular resources for communities**

#### Lebanon

In 2021, Lebanon continued to grapple with a complex humanitarian crisis which called for a robust and coordinated response from Lebanese Red Cross (LRC), the IFRC, and Movement partners.

With support from the World Bank, and enabled by regular resources, the IFRC undertook **independent monitoring of Lebanon's COVID-19 vaccination campaign**, monitoring over **2.7M doses** of the Pfizer vaccine in 2021. The success of this initiative has led to the expansion of the IFRC-World Bank partnership for third-party monitoring of COVID-19 vaccination in **Iraq**.

The IFRC also supported localization of partnerships by facilitating a separate agreement between the Lebanese Red Cross and World Bank for LRC's direct vaccination efforts.

The IFRC leadership worked with the Lebanese Red Cross in the development of a new **multi-year strategy** and plan of action. This will not only advance National Society Development, but also provide a framework to **harmonize IFRC-wide support** to the National Society in service of the Agenda for Renewal and in alignment with Strategy 2030.

#### **Afghanistan**

In 2021, the drastic change of country context in Afghanistan resulted in the appointment of an Acting President and Acting Vice President for the Afghan Red Crescent Society (ARCS). The appointments, especially of an individual who has been listed in the UN sanctions lists since 2001, brought concerns and resulted in reduced interest to fund programmes.

Regular resources enabled the IFRC to engage constructively with the new authorities to raise concerns about the appointments and with donors to encourage a pragmatic approach that would **ensure immediate humanitarian needs were addressed** and that concerns on the leadership do not undermine the humanitarian response. These actions enabled continuity of support by some donors that allowed IFRC network to work closely with the ARCS to scale up its Emergency Appeal to increase appropriate support to people affected by multiple crises.

The IFRC coordinated closely with the ICRC, Canadian Red Cross, Norwegian Red Cross, Qatar Red Crescent, and Turkish Red Crescent – which had in-country presence in 2021 – to build synergies in delivering assistance efficiently and effectively. The IFRC also represented the network in coordination meetings with the Humanitarian Country Team, Inter-Cluster Coordination Team and the authorities. Through the capacity in-country, the IFRC reached **more than 1M people with services** – including health, food, cash, and winterization assistance in 2021.

At the same time, the IFRC engaged with the ARCS on updating its National Society statutes and legal base to strengthen good governance. This will continue in 2022, to ensure that separation between governance and management will be institutionalized. The IFRC also ensured that accountability, risk management and compliance, including reinforced screening of staff, contractors, and vendors against the UN sanctions list continue to be prioritized.

#### **Bangladesh**

The IFRC acted as cluster lead during Cyclone Yaas, ensuring coordination with partners. The IFRC and Bangladesh Red Crescent Society also contributed to a joint needs analysis by the Needs Assessment Working Group under the Humanitarian Country Task Team.

The IFRC, supported by regular resources, has been working with the Bangladesh Red Crescent Society to strength its capacity and partnerships to respond to floods. Bangladesh Red Crescent Society, the IFRC and American Red Cross supported the launching of a **national flood alert system** organized by the Ministry of Water Resource Management and A2i of the Bangladesh Government in 2021. This digital forecasting initiative uses Google's platform, regional satellites, and data, along with Bangladesh Water Development Board, Flood Forecasting and Warning Centre data hubs, to analyze river flows, rainfall levels, and other factors which will help to determine potential flood situations three days ahead.

A MoU was signed between Bangladesh Red Crescent Society and Bangladesh Meteorological Department for strengthening forecast-based financing initiatives and collaboration and coordination between the two agencies. This collaboration will strengthen the capacity of the Government of Bangladesh in response to floods.

The IFRC supported the roll out of Bangladesh Red Crescent Society's information management system in 2021. The IFRC also supported work on a digital gateway payment system that will allow the National Society to receive donations from anywhere in the world.

#### **Democratic Republic of Congo**

The IFRC assisted the Red Cross of the Democratic Republic of Congo to launch its **ambulance service for local resource mobilization**. This service will support the National Society to raise funds locally, contributing to its financial sustainability to provide services in the future.

The IFRC, with regular resources, **donated two fully equipped ambulances** to the National Society to enable them to begin the ambulance services. While the donation was provided at the end of 2020, the launching of the ambulance service began in mid-2021. The National Society has put in place a management team to ensure the operation and sustainability of the service. The ambulances are working within Kinshasa and may assist other neighbouring provinces such as Kongo Central and Kwango that are reachable by roads. While still at an early phase of the operation, the ambulance service is already contributing income that is used for the running costs of the National Society.

#### **Americas**

The IFRC is working with National Societies in the Americas to increase their engagement in **climate action**, thanks to regular resources.

The Environment and Climate Action Race, a **regional competition** organized by IFRC and supported by the Flood Resilience Alliance, determines which National Society in the Americas has the most climate and environment-related activities developed by volunteers, and award those who reached the most people through their actions.

The information collected through the action race contributed to a mapping of climate change and environmental-oriented actions in the National Societies of the Americas, a regional initiative aimed at **mapping in real time** the actions National Societies are carrying out to address the Climate and Environmental Crises. The information compiled is collated into a database to help understand where National Societies' efforts are focused, the opportunities and the gaps that exist in climate and environmental action across the Americas using field level data. The data will also be used to develop useful tools to strengthen environmental programmes

#### **Nigeria**

The IFRC and Nigerian Red Cross Society conducted an initial needs assessment and

launched an emergency appeal to enable delivery of humanitarian assistance to 200K people over 18 months to address the **hunger crises**. Under the leadership of National Society, the IFRC registered 2,100 beneficiaries for multipurpose cash. Regular resources contributed to a documented needs assessment, baseline data, registration of beneficiaries for cash voucher assistance, livelihoods and basic needs, health and nutrition, psychosocial support, WASH, Disaster Risk Reduction, Protection, Gender and Inclusion and formation of mothers' clubs.

A branch capacity assessment has revealed areas and opportunities for strengthening in the seven branches and plans of action were developed to address the gaps and further strengthen the volunteer base.

The hunger crises helped the National Society train volunteers and branch staff, mobilize and induct 90 volunteers into protection, gender and inclusion and provide training in the prevention of sexual and gender-based violence.

The Nigerian Red Cross Society has been able to continuously strengthen its position as a leader in the implementation of cash and voucher assistance programmes. The IFRC leveraged an existing financial service provider agreement to strengthen the structure for cash and voucher assistance, in the National Society including developing staff who can support any emergency and are being strengthened through the hunger crises appeal.

Partnership support has led to increased access to funding as evidenced by funding from in-country partners/donors for the hunger crises appeal in Nigeria and funded proposals across the cluster.

#### **Southern Cone, Americas**

The IFRC provided support in Argentina, Chile and Uruguay in the development of National Migration Strategies. As part of this strategy the IFRC is supporting these National Societies to transition from an emergency operation approach to a long-term migration programme.

#### Juba cluster, Africa

The IFRC is supporting National Societies in South Sudan, Uganda, and Tanzania through a Federation-wide approach working with supporting membership under a single plan based on joint needs analysis and the identified response priorities. The approach ensures linkages between all response activities (including bilateral activities and activities funded domestically) and helps to leverage the capacities of all members of the IFRC in the three countries, to maximize the collective humanitarian impact. So far, this approach is being practiced in the current flood response for 120K people in South Sudan where a reporting system was developed to ensure joint monitoring, Federation-wide visibility and coordinated implementation support to the National Society. The IFRC has for this operation, strengthened coordination and management structure from South Sudan Red Cross headquarters to the ten affected branches.

#### Global

Regular resources enable the IFRC's headquarters to provide value to its membership in relation to its four areas of core work, helping National Societies to develop and deliver effective and efficient services. Regular resources contributed to progress on each of the below examples.

**Accountability and transparency.** The IFRC is helping the network ensure safe and appropriate assistance through training on preventing fraud and corruption in humanitarian operations, enabling staff and volunteers to identify potential cases and take appropriate steps.

A leader in community engagement and accountability, the IFRC co-led with WFP the IASC Task Force on Accountability to Affected People putting forward recommendations for concrete changes within the international humanitarian system.

To protect those we work with and serve, the IFRC is supporting safe and anonymous whistleblowing systems, through a partnership with EQS to deliver "Integrity Line"- a low-cost solution for National Societies coupled with training to build investigative capacity.

**Policies.** Strong policies improve programming. In 2021, the IFRC developed a Volunteering policy; National Society Development Policy; Promoting Safe and Sustainable National Blood Systems Policy; and a Protection, Gender and Inclusion Policy. These policies can be adopted by individual National Societies directly or adapted to better fit their local needs and context.

**Digital transformation.** The IFRC is helping the network to use data and digital tools to deliver humanitarian services faster, at larger scale, with higher quality and greater relevance to people in need. This includes evaluating their digital and data capabilities through a digital maturity assessment. By the end of the year, 36 National Societies had completed the process.

**Disaster law.** Regular resources enabled the IFRC to improve legal preparedness for disasters through the adoption of new disaster-related legal instruments in three countries (Argentina, Lao and Uganda) and support to 43 National Societies engaged in legislative activities. Over 1900 people were trained in auxiliary role, disaster law and legislative advocacy in 20 countries. IFRC publications are providing valuable new recommendations including 'Guidance on Law and Public Health Emergency Preparedness and Response' and 'Enhancing normative integration between climate change adaptation and disaster risk reduction'.

#### **COUNTRY SPOTLIGHT**

## **SOUTH SUDAN**

#### **CONTEXT**

PGI

Shelter

WASH

South Sudan ranks in the top five countries most vulnerable to climate change. More than 7M people face acute food insecurity (more than half the population), despite vast potential for food production.

Health indicators in South Sudan are among the worst in the world. Almost two-thirds of the population do not have access to clean water and open defecation is practiced by 75 per cent of the population. 1.8M people are internally displaced and 2.3M are living as refugees in neighbouring countries.

#### **Emergencies Funding** Emergency appeal DREF ▼ Emergencies 5.0M 1.9M 500K Floods MDRSS010 CHF 10M Federation-wide Funding Funding Expenditure Requirement funding requirement **CHF 5M** of which is IFRC Emergency Appeal Thematic programmes 623K people affected **120K** people assisted 4.8M Areas of intervention 700K 500K DRR Cash Health Funding Funding Expenditure Requirement

#### People reached

#### 4K

Strategic priority 1

Climate and environmental disasters

#### 64K

Strategic priority 2

**Evolving crises and disasters** 

#### 1.2M

Strategic priority 3

Growing gaps in health and wellbeing

#### 200K

Strategic priority 5

Values, power and inclusion



I am 35 years old but didn't witness such floods in my life. Houses and food were destroyed. We will use the money we have received from the South Sudan Red Cross to buy food and mosquito nets.

Cash assistance recipient, South Sudan Red Cross

#### MEMBERSHIP COORDINATION

Support for the programmes and development of the South Sudan Red Cross comes from the National Societies of Canada, Denmark, Finland, Germany, Netherlands, Norway, Sweden, Switzerland and Turkey. This support covers all strategic priorities and enablers.

#### Action in the field



**50K people** in high-risk communities reached by volunteers with national meteorological warnings.



**IFRC volunteer insurance** provided for 4000 volunteers.



**50K trees**, including fruit trees, planted in a campaign engaging youth and volunteers.



**The IFRC funded kitchen** gardening in five community women's groups.



**19K people** reached on prevention of communicable diseases, especially cholera.



A data management system was set up with training for SSRC staff.



**Cash grants** provided to 8.6K households through the emergency appeal.



Ministry of Humanitarian Affairs and Disaster Management supported to develop a National Disaster Response Management Bill.

#### Partnership profiles

#### **Disaster Response Emergency Fund (DREF) partnerships**

Leading donors from around the world united on 18 October to pledge new or renewed funding to the IFRC's Disaster Response Emergency Fund (DREF). It's the quickest, most efficient and most transparent way of getting global funding directly to local humanitarian actors, both before and immediately after a crisis hits.

Climate-related disasters are occurring with increasing frequency and intensity around the world. But most go unseen – devastating lives, infrastructure and economies without attention, resources or help.

Local and rapid response is what's needed the most. But often the Red Cross or Red Crescent in disaster-hit countries lacks the resources or capacity to respond, especially if they are tackling multiple crises.

That's where the DREF makes all the difference. It's a central pot of money through which the IFRC channels global funds rapidly and directly to our National Societies for early action and immediate disaster response.

Since launching in 1985, the IFRC has supported **200M people** in crisis worldwide through the DREF.

The DREF Pledging Conference, held on 18 October and co-chaired by the IFRC and the European Union, sought to grow this life-saving and innovative fund to CHF 100M by 2025, to address the alarming rise in disasters and to support millions more people.

The following partners pledged new, or renewed, funding to the DREF during the conference: European Union, Governments and their National Societies of Australia, Belgium, Canada, Germany, Ireland, South Korea, Luxembourg, Netherlands, Norway, Sweden, Switzerland, United Kingdom, as well as Japanese Red Cross and private sector partner White & Case LLP. We would particularly like to highlight the multi-year commitment made at the conference by the Governments of Germany and the United Kingdom.

#### Pilot Programmatic Partnership with DG ECHO

The IFRC network and DG ECHO are engaging in a Pilot Programmatic Partnership (PPP) that will boost local capacities of National Societies to support affected people across the continuum of preparedness, anticipatory/early action and response.

This innovative instrument is a unique opportunity to strengthen local response to humanitarian and health crises. Through the PPP, the IFRC is leveraging its International Organization status to channel resources to the membership for more predictable funding envelopes.

Following an invitation from DG ECHO, in the inception phase, the programme was co-designed by the IFRC and EU National Societies and will include a pilot phase with ten countries before being implemented for a following three years in 25 countries across multiple regions, and with the technical assistance of the IFRC and participating EU National Societies. The funding from DG ECHO amounts to EUR 200M EUR over the coming three years, with IFRC co-financing to complement up to EUR 210M.

The PPP will match field realities of protracted crisis with longer term predictable funding, facilitating actions and processes with greater impact. It will leverage the global IFRC network's capacities and unique access to people and communities, contribute to the ambitions of EU as the biggest donor for international aid in the world and IFRC Strategy 2030.

The PPP will also contribute to increasing efficiencies through economies of scale for greater impact

#### **Countries included in implementation:**

**Africa:** Burkina Faso, Chad, Cameroon, DRC, Eswatini, Madagascar, Mali, Niger, Somalia, South Sudan, Uganda and Zambia

**Americas:** Ecuador, El Salvador, Guatemala, Honduras and Panama

Asia Pacific: Bangladesh and Cambodia

**Europe:** Kyrgyzstan, Tajikistan and Ukraine

MENA: Lebanon, Palestine and Yemen.

#### Nestlé partnership

For 20 years, Nestlé has been a close partner of the IFRC, supporting many different initiatives worldwide aiming to make communities safer. In 2020–21 with the emergence of COVID-19, Nestlé and their employees moved quickly to help. Nestlé pledged more than CHF 15M in targeted donations to National Red Cross and Red Crescent Societies around the world.

Nestlé's contributions allowed National Societies to secure vital supplies, such as personal protective equipment, food, hygiene supplies and medical equipment. These contributions allowed National Societies to serve families and healthcare workers in their communities to contain and reduce the spread. Nestlé employees also generously contributed as part of the company-

wide effort, making personal donations that were matched by Nestlé.

"Our two-decade long partnership with the IFRC truly resonates with the core of our donations activities: food access and emergency relief. It reconnects with our heritage and roots as a company and contributes to the resilience of the communities in which we are present. And while the scope of the IFRC has grown in reach and impact over years, its core idea remains the same and has never been more important: being a force for good and showing human kindness in times when people need it most. Thank you!" said Nina Kruchten, Head of Corporate Donations, Nestlé SA.



#### **Africa Centres for Disease Control and Prevention**

In August 2021, IFRC and the Africa Centres for Disease Control and Prevention (Africa CDC) launched a new collaboration to strengthen community resilience and response to public health emergencies at community level. The MoU focuses on four areas of collaboration:

- Developing programmes for epidemic / pandemic preparedness, response and assisting people affected by public health emergencies
- Building regional capacity for global health security in Africa by providing local solutions to health security threats
- Organizing and mobilizing a community health workforce to support COVID-19 response which includes: 1) Risk Communication and Community Engagement 2) Testing 3) Contract Tracing 4) Accelerating access to COVID-19 vaccines
- Collaborating and supporting governments on Universal Health Coverage and SDG goals including task shifting via Community Health Workers.

In 2021, Africa CDC launched its ground-breaking 'Saving Lives and Livelihoods' programme, funded by Mastercard Foundation (for a value of USD 39M). The programme will enable the purchase of COVID-19 vaccines for at least **65M people** and support the delivery to millions more across the continent. It will also lay the groundwork for vaccine manufacturing in Africa and strengthen the Africa CDC. African National

Societies and IFRC were selected to implement the Risk Communication and Community Engagement component of 'Saving Lives and Livelihoods' across the continent. The IFRC network will lead on enabling access to vaccines through its community network to:

- Provide two-way information through trusted channels to support safe practices and respond to concerns, rumours, misinformation, and stigma
- Collect community feedback and perceptions to understand the drivers behind fears, rumours, questions, and suggestions in communities about COVID-19 and vaccines, and use this to inform the response
- Work with communities and community influencers to identify and support community-led solutions for preventing the spread of infection, including effective immunization programming.

Africa CDC and IFRC began development of a continent-wide programme to scale up the Community Healthcare Workforce (up to 2M community health workers), in line with the July 2017 African Union Assembly Decision. The programme will be further developed in 2022 and aims to improve health outcomes for African communities through the scale up of a strengthened, people-centred, and integrated community health workforce and system.

#### IFRC funds

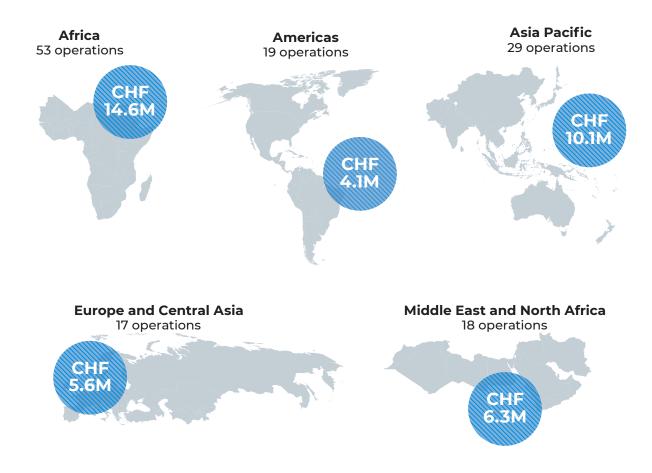
#### **Disaster Response Emergency Fund (DREF)**

Nearly CHF 42M in funding; 136 operations in 88 countries supported; 31 loans and 105 grants; 12M people reached.

In 2021 the DREF and the Forecast based Action (FbA) by the DREF supported National Societies with predictable funding to implement early actions anticipating specific risks and responding to various types of emergencies, allocating almost CHF 42M. The fund supported 136 operations through 31 loans to Emergency Appeals and 105 grants that collectively supported National Societies to reach more than 12M people.

Response to climate-related disasters makes of 63 per cent of total allocations. More than CHF 1.5M was allocated to provide assistance to the affected population of the Palestine complex emergency. The Palau Red Cross requested their first ever DREF allocation to respond to cyclone Surigea. Lithuania and Poland also requested their first DREF allocations to address the needs of migrants. CHF 1M was allocated to these three countries. Ten new Early Action Protocols were approved to be funded by the Forecast based Action by the DREF in 2021 and 2021 saw the first early action protocols approved for drought and heatwayes.

#### **▼** DREF allocations in 2021 by region



#### statistics



#### CHF 50K

was granted to the Trinidad and Tobago Red Cross Society to support Digital Transformation by the Capacity Building Fund.



#### **CHF 450K**

was granted to the Nigerian Red Cross Society by NSIA in an Accelerator Investment which supported its financial sustainability and focused on commercial first aid.



#### **CHF 26K**

in an Empress Shôken Fund grant will enable the Pakistan Red Crescent to increase the capacity of its blood donor centre to help those in need.

#### **Capacity Building Fund**

### CHF 2.2M in funding; supporting more than 50 National Societies

In line with the IFRC's Strategy 2030 and the IFRC's Agenda for Renewal, the IFRC reengineered the Capacity Building Fund to better address the emerging needs faced by the IFRC network. As a result, a new Capacity Building Fund was launched in August 2021.

The new fund injects critical resources into a National Society's development journey, accelerating transformation and change. It provides flexible funding, along priority eligibility areas, such as financial sustainability, integrity risk prevention, volunteering and youth development, systems development, digital transformation, and branch development.

Thanks to a generous contribution from the IFRC Governing Board and announced contributions from partners, the fund will play a major role to support National Societies in the transformations detailed in Strategy 2030, allowing them to strengthen the systems and structures that underpin the capacities of volunteers to deliver local action, thus contributing to better community resilience.

From August to December 2021, 16 National Societies successfully applied and got allocated a total of CHF 850K in individual grants. CHF 1.5M was invested to support over 50 National Societies in developing basic digital engagement capabilities. The IFRC predicts a substantial scale up moving forward. The fund is a concrete commitment of the IFRC to support National Societies to make a difference in local action, strengthening them to work as a strong network of local actors. National Societies who were awarded grants included Benin, Bolivia, Djibouti, Dominican Republic, El Salvador, Guatemala, Lebanon, Madagascar, Nicaragua, Palestine, Panama, Portugal, Russia, Serbia, Switzerland, and Togo.

#### **National Society Investment Alliance**

#### CHF 2M in funding; supporting nine National Societies

2021 saw the continued growth and development of the National Society Investment Alliance (NSIA), a joint initiative of the IFRC and the ICRC to support the long term, sustainable development of National Societies in high-risk contexts, at different stages of their development: Bridge awards to build National Society readiness for future larger investment; and NSIA Accelerator to support long-term organizational development and sustainability. With strengthened capacities the National Societies are better able to scale up in times of emergency and to deliver essential services to communities at risk.

In 2021 and in the third round of disbursements, nine National Societies were allocated nearly CHF 2M in three Accelerator and six Bridge grants for a total of 21 National Societies supported by NSIA. For this round, the fund sharpened its focus on National Societies operating in highrisk contexts and saw an increase in the quality of proposals to NSIA, particularly at the Accelerator stage. It was especially promising to see significant investment follow-up: the three selected Accelerator grantees had previously received and successfully implemented preparatory Bridge

grants from the NSIA. Continued investment will help the National Societies to build sustainable income generating activities like the provision of commercial first aid services and other related income generating initiatives.

The National Society Investment Alliance awarded Accelerator grants to National Societies in Armenia, Nigeria and Uganda; and Bridge grants to Ethiopia, Malawi, Myanmar, Niger, Pakistan, and Yemen.

#### **Empress Shôken Fund**

#### **CHF 475K in funding; 16 National Societies**

The Empress Shôken Fund was created in 1912 by Her Majesty, the Empress of Japan at the 9th International Red Cross Conference to promote "relief work in time of peace". It is an endowment fund and the interest revenue drawn on the capital is used to finance the grants. In recent years, the Empress Shôken Fund, jointly managed by the IFRC and the ICRC, supported projects showing innovation in addressing humanitarian challenges and strengthening National Societies.

2021 marked the fund's 100th year of awarding CHF 14M worth of grants to a total number of 170 National Societies since 1921. For this occasion, a short video was developed to highlight what the fund stands for and showcase how it has supported National Societies throughout the years.

In 2021 the Empress Shôken Fund distributed CHF 476K to fund 16 National Society projects on themes including youth engagement, disaster preparedness, National Society development and health initiatives, especially related to the COVID-19 pandemic. It continues to encourage new and innovative approaches with the potential to generate insights that will benefit the Movement. Hence, an innovation campaign was launched at the end of 2021 to further increase the awareness of the fund and how it supports innovation.

Grants were awarded to National Societies in Argentina, the Bahamas, Benin, Costa Rica, Estonia, Georgia, Iran, Kenya, Malawi, Nicaragua, Pakistan, the Philippines, Romania, South Sudan, Timor-Leste, and Viet Nam.





## STRATEGIC PRIORITIES

# climate and environmental crises

#### **Context**

In 2021, the IFRC, together with the ICRC, launched the Climate and Environment Charter for Humanitarian Organizations for National Societies and other organizations. The Charter, endorsed by the IFRC's Governing Board, sets out a clear vision and commitments to guide humanitarian action in response to the climate and environmental crises. The inclusive consultation process, involving more than 150 organizations, solidified the IFRC's leadership role on this issue, securing more than 200 signatories by the end of 2021. This is part of the IFRC's commitment to integrate climate and environment across all of its programmes and operations. The Grenada Red Cross Society was the first National Society to sign the Charter.

The IFRC also led the *Green Response* initiative, with more than 30 National Societies now involved, to establish a clearer vision of 'greening' and how to operationalize it into humanitarian response systems. The IFRC is engaged in several greening initiatives, including the Norway-funded Sustainable Supply Chain Alliance, the ECHO-funded Global Shelter Cluster greening programme, and activities in the WASH sector that will build capacity for greener faecal sludge management in urban settings and situations of mass displacement.

2021 progress

## Adapt to rising and evolving risks from climate and environmental crises

Supporting National Societies to scale up their climate action was a major priority for the IFRC in 2021. In July, the IFRC conducted a Global Climate Action and Environmental Sustainability Survey to better understand National Societies' priorities and capacities. National Societies' highest priorities included scaling up climate-smart disaster risk reduction, preparedness, and anticipatory/early action, followed by reducing the health impacts of climate change on vulnerable communities. National Societies

Reducing humanitarian impacts of climate and environmental crises and supporting people to adapt and thrive.

People reached

2.8M



also noted that they require increased knowledge, capacity, and funding to implement and scale up climate action.

The IFRC delivered a range of activities to strengthen capacity, awareness, and expertise of the climate crisis within National Societies, including webinars and training on forecast-based financing, nature-based solutions, and climate finance. It also conducted peer-to-peer exchanges, such as the Planet: Red Summit for National Societies to share their knowledge. Where it identified gaps, the IFRC developed new tools, guidance, and training, including the *Urban Action Kit*, the *Global Training Toolkit on Climate-Related Displacement*, and a new foundational e-learning course on climate change called *Red Alert*.

The IFRC contributed to the development of a Climate Resilience Measurement for Communities with the Zurich Flood Resilience Alliance to guide efforts to build community resilience to heat risks in vulnerable countries. The approach was adapted from the existing Flood Resilience Measurement for Communities.

The IFRC also increased **access to funding** for National Societies. In September 2021, the IFRC led the development of a multi-year, global

Climate Action Case for Support to enable more than 80 National Societies in many of the most climate-vulnerable countries to translate the IFRC's global climate ambitions into concrete action.

To support this scale-up, the IFRC is establishing an ambitious Global Climate Platform linking different sources of funding across the development, humanitarian, climate, and private sectors.

To highlight National Societies as valuable global partners in addressing the climate crisis, the IFRC organized and participated in several events and policy fora. The Planet: Red Summit covered a range of topics, including nature-based solutions, green response, and early warning/early action. The IFRC also contributed to more than 40 events at the UNFCCC Climate Change Conference (COP26) – the highest ever number of IFRC COP engagements. This included themes such as locally led adaptation, loss and damage, climate finance, anticipatory action, nature-based solutions, and youth engagement.

The IFRC's first global Climate and Youth Summit demonstrated the high engagement of young people in the climate crisis and the importance and value of their contributions to humanitarian response.

#### The IFRC holds first Climate and Youth Summit

The IFRC held its first-ever global Climate and Youth Summit in September 2021, involving more than 700 young people from nearly 100 National Societies. The event provided a space for young people to share knowledge and provide support to their peers as part of the IFRC's Youth-Led Climate Action Strategy.

This first summit showcased examples of youth-led innovations and featured sessions run by climate experts that aimed to improve climate change awareness on topics like health and social protection, protecting children in climate change related disasters, and climate change adaptation.

#### **Progress towards IFRC targets**

People reached with <b>clima</b>	te and environmental	activities
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Target	250.0M
Actual	55.3M

#### People better protected from heat

Target	2021– create baseline
Actual	172K

National Societies supported to adapt to longer-term impacts of climate change, including sea-level rise

Target	50
Actual	19

#### National Societies implementing **nature-based solutions**

Target	100
Actual	30

#### National Societies implementing environmental or climate campaigns focused on behaviour change

Target	100
Actual	26

(Targets until 2025 unless otherwise mentioned. National Society data provided on a voluntary basis, so may not be fully comprehensive.)

#### Adopt environmentally sustainable practices and contribute to climate change mitigation

The IFRC began developing a model Environmental Policy in alignment with the Climate and Environmental Charter (with ECHO PPP funding) to support National Societies to act on their environmental commitments. The model policy is part of an Environmental Policy Toolkit that includes further policy development guidance and implementation tools for National Societies.

The Sustainable Supply Chain Alliance, a three-year project to improve supply chain and logistics sustainability, ramped up in 2021. One of the key projects is developing a common carbon emissions measurement tool for the whole humanitarian sector. The IFRC is one of ten humanitarian organizations collaborating on developing and testing the tool to define a baseline of its carbon emissions. The IFRC will produce a detailed roadmap to reduce and neutralise emissions, measure progress from the baseline, in 2022. The tool will be freely available for National Societies.

The Sustainable Supply Chain Alliance initiative includes specifications for the procurement of more environmentally friendly relief items, research and development projects for more innovative and sustainable solutions.

More than 30 National Societies are now part of the Green Response Working Group, created by the Swedish Red Cross and led by the IFRC since February 2021. The group developed an action plan to promote more environmentally sustainable humanitarian assistance and several tools that will be launched in early 2022, including a Green Response Quick Guide for National Societies; support for integrating environmental considerations into National Society preparedness work and the Preparedness for Effective Response Approach; and an approach for the 'environmental screening' of programmes and operations.

The IFRC, as co-lead of the Global Shelter Cluster, is supporting an initiative to 'green' the shelter and settlements response through a two-year project that started in July 2021 with funding from the European Commission as part of the Enhanced Response Capacity funding line. This has helped cluster leads and partners to develop and pilot green solutions at global and country levels. Activities included the provision of surge and support capacity on environmental and advocacy issues, the development and implementation of environmentally appropriate shelter and energy solutions, and support for localization and cash-based initiatives.



The climate crisis is our present and our future. We owe it to ourselves to act and design a climate-safe future today.

Isa, 19, Philippines

#### **Action** in the field

In **Nepal**, to assess the climate and disaster risk in drinking water infrastructure, a new tool was developed and tested as part of the climate and disaster assessment for WASH that was carried out in 2021. The tool will be further refined in 2022 with support from the IFRC.

In Afghanistan, Fiji, the Maldives, Mongolia, Myanmar, Nepal, Pakistan and Timor-Leste, the National Societies published assessments of the impacts of a changing climate on health and livelihoods, with the support of the Red Cross Red Crescent Climate Centre. In Ethiopia, Kenya and Malawi, the National Societies produced similar assessments on the impacts of a changing climate on health.

In **Azerbaijan**, first aid training sessions covered the measures that need to be applied in case of overheating (sun stroke) and of very low temperatures, while an awareness-raising campaign involving distribution of water also focused on safety measures during hot weather conditions.

In **Cambodia**, the IFRC provided funds for youth activity that resulted in the planting of 1,150 trees in nine locations. In **The Gambia**, the National Society began an initiative to plant a million trees to address the climate crisis and protect people against the high winds with Government, National Youth Council and UNDP support, with Government, National Youth Council and UNDP support.

The **Colombian Red Cross** is piloting the Climate Resilience Measurement for Communities approach as part of Zurich Foundation's Climate Adaptation programming and the Resilient Cities Network.

National Societies in the **Philippines, Viet Nam,** and Jamaica are implementing the USAID-funded project, to develop nature-based solutions. In Jamaica this included piloting and identifying sites for mangrove restoration for coastal protection of communities vulnerable to coastal erosion, hurricanes and flooding.



#### **COUNTRY SPOTLIGHT**

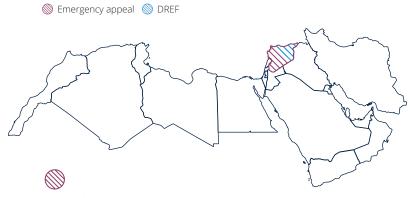
## **SYRIA**

#### CONTEXT

The Syrian crisis entered its tenth year and Syrians make up to 25 per cent of all refugees globally. 14.6M people need humanitarian assistance, the highest since 2012, and drought conditions are driving people to consume unsafe drinking water.

A lack of health facilities and qualified staff severely impede access to health care, with just 58 per cent of hospitals remaining fully functional. Exposure to violence and stress has led to a deterioration in mental health and psychosocial wellbeing.

#### **▼** Emergencies



#### **Complex emergency**

**1.8M people** reached 2012–2020 **3.8M CHF** provided in 2021



#### **Drought**

Northeastern Aleppo region **5.5M people** affected **750K CHF** provided in DREF

#### ▼ Areas of intervention





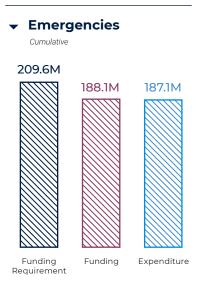


Shelter

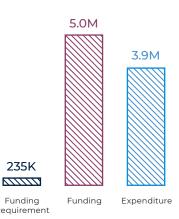


WASH

#### Funding



#### **▼** Thematic programmes





I don't exaggerate if I say that my work is a life-or-death matter... What motivates and excites me is the fact that, despite our limited capacities, we make a huge difference in the lives and the future of families.

Donia Mouin AbdAlla, first aid team, SARC

#### People reached

#### 62K

Strategic priority 2 **Evolving crises and disasters** 

#### 1.1M

Strategic priority 3 Growing gaps in health and wellbeing

#### **8K**

Strategic priority 5 Values, power and inclusion

#### MEMBERSHIP AND MOVEMENT COORDINATION

IFRC membership that supported Syrian Arab Red Crescent include the Australian, Austrian, British, Canadian, Danish, French, Finnish, German, Irish, Japanese, Netherlands, Norwegian, Swedish, and Swiss National Societies, the Government of Japan and USAID. The IFRC, ICRC, and SARC cooperate closely around humanitarian diplomacy.

#### Action in the field



**114K people** received services at SARC's health facilities, financed by the IFRC.



#### **Procurement of medications**

for SARC's health facilities ensured continued access to essential drugs for the most vulnerable.



Community-based health and first aid teams were operational in 36 communities reaching 350K people.



**Disaster management structures** strengthened in 14 branches with IFRC funding.



**7.525 volunteers** insured through IFRC's accident insurance programme.



**Approximately 50% of the** people reached are IDPs and returnees.



**35K people** reached with pre-positioned food and non-food items



**Improved information** management and analysis monitoring the impact of SARC programmes.

# evolving crises and disasters

Improving risk reduction, resilience and readiness to respond to shocks helps mitigate risks affecting the lives, the livelihoods, and living conditions of vulnerable communities.

#### **Context**

While the COVID-19 pandemic remained a major focus for the IFRC and its members, climate and other disasters continued to have devastating effects around the world. Many of the humanitarian crises faced in 2021 were complex and protracted in nature, with multiple factors adding to vulnerability and increasing the risk of vulnerable communities to the most severe impacts.

Millions of people in Africa continued to suffer from a severe food crisis, with 2.8M people in Somalia alone unable to meet their daily food requirements. Parts of South Sudan experienced their worst floods since 1962. In Afghanistan, the political situation, severe drought, COVID-19, internal displacement and conflict have been the main driving factors of humanitarian crises. Lebanon has been facing an evolving complex humanitarian crisis since late 2019 and wildfires brought severe devastation to Algeria and Tunisia.

The Philippines was hit by Typhoon Rai, which brought destruction and hardship to some of the most vulnerable communities. A 7.2 magnitude earthquake hit Haiti, killing more than 2,200 people and destroying thousands of houses.

The IFRC focuses on enhancing risk reduction and resilience with community preparedness and readiness to respond to shocks. This is the most effective way to protect communities and avoid hazards from turning into disasters.

## People reached **6.2M**



#### **2021 Progress**

## Communities increase their resilience to shocks and hazards

To increase early action to risks, the IFRC developed an Operational Framework for Scaling up Anticipatory Action, after extensive consultation within the network.

The IFRC facilitated access to international funding for National Societies, including large multilateral investments to launch early

23

#### **2021 Progress towards IFRC targets**

People reached per year for emergency response and recovery
(excluding COVID-19 response)

(excluding COVID-19 response)	
Target	50M
Actual	6.2M
National Societies engaged in <b>preparedness and c</b>	apacity building
Target	100
Actual	91
Amount of funds mobilized through the IFRC for Na disasters each year (DREF; EAs; annual plans)	ational Society <b>responses to crises and</b>
	CHF 500M (100M via DREF) by 2025
Target Actual	CHF 500M (100M via DREF) by 2025
Target  Actual  National Societies with shelter and urban strateget	CHF 1.3B
Target  Actual  National Societies with shelter and urban stratege  Target	CHF 1.3B
Target  Actual  National Societies with shelter and urban strateget	CHF 1.3B  50  18

(Targets until 2025 unless otherwise mentioned)

Actual

warning and early action projects. National Societies in the Pacific and Liberia were approved to access the Green Climate Fund (GCF) for the first time in 2021. Twenty National Societies made commitments to work on Urban Resilience Strategies as part of the global targets of the IFRC's Plan and Budget.

Working alongside National Societies in Malawi, Central Africa, the Horn of Africa and the Caribbean, the IFRC developed Climate Risk and Early Warning Systems (CREWS) guidance to ensure people-centred early warning systems benefit the most isolated communities.

## People affected by crises and disasters have access to timely, adequate assistance

#### Cash and voucher assistance

2021 saw a growing appetite for supporting people affected by crises and disasters through cash approaches as a dignified way for affected populations to address their needs. In response, the IFRC increased its support to National Societies to deliver cash programmes.

Financial services to deliver their life-saving assistance are a priority, yet many National Societies face difficulties in accessing providers. This is where support from the IFRC is imperative. There are now 75 National Societies providing cash and voucher assistance. Most is multi-purpose cash assistance to meet the basic needs of households experiencing food insecurity or whose livelihoods have been affected by

the pandemic. The growth of *digital* cash enabled the IFRC network to reach people even remotely with assistance.

The IFRC Livelihoods Resource Centre, hosted by the Spanish Red Cross, trained more than 1K people in cash and voucher assistance, livelihoods programming, and emergency and recovery livelihoods assessment.

The IFRC commissioned two pieces of research on cash and migration. One is on enabling dignified access to humanitarian services in migration using digital identities. Another captures voices and experiences from migrants on the use of cash and vouchers by people on the move.

#### Distributing cash with dignity

More than 1.5M refugees in Turkey continued to be supported with cash assistance to meet their basic needs through the Emergency Social Safety Net (ESSN) programme. This was the IFRC network's most extensive humanitarian cash programme for displaced communities in 2021 and was successfully adapted to deal with the COVID-19 lockdown period. Cards were delivered to people's homes to provide flexibility and assist people in a dignified manner.

The IFRC's #PowerToBe ESSN digital awareness campaign successfully showcased how EU funds contributed to strengthening the dignity and wellbeing of refugees in Turkey, reaching 20.2M people in Turkey and Europe.

## National Societies respond effectively to the wide spectrum of evolving crises

#### **Disaster Response Emergency Fund (DREF)**

In 2021, the DREF allocated an unprecedented CHF 41.7M to support 136 operations, targeting 12.6M people in 88 countries. This is an increase from 2020 of 28 operations, 8.5M more people and 13 additional countries. Beyond an increase in allocations, the DREF continues with its mission to support disasters that occur in silence and struggle for funding, supporting five out of the ten most under-reported humanitarian crises of 2021.

See more information on DREF in the IFRC Funds section (page 47).

#### **IFRC GO**

The IFRC GO platform is a network-wide tool for tracking and showcasing National Society projects enabling network members and partners alike to access information on emergency situations. The platform continued to grow, with 665 field reports submitted by 139 National Societies. In 2021, the Haiti earthquake page gained the most views ever for a single page, supporting a more informed and collaborative response.

#### **National Society Preparedness**

A new National Society Preparedness Framework was finalized by the IFRC after extensive consultations. It complements the IFRC Preparedness for Effective Response (PER) approach and provides practical guidance to help National Societies implement core IFRC preparedness activities, increasing capacity and improving response.

The 84 National Societies engaged were able to systematically assess, measure, and analyze the strengths and weaknesses of their response so they can take remedial actions. National Societies are supported by 240 practitioners to update their national preparedness plans.

#### Disaster law leadership

The IFRC continued to support National Societies to expand their disaster law leadership by conducting reviews to strengthen disaster-related laws and policies **in more than 30 countries**. With support from the IFRC, National Societies have enabled disaster law review processes in nine countries in Asia Pacific, three countries in Africa and four countries in the Americas.

The IFRC conducted 34 disaster law and auxiliary role trainings in Africa, the Americas and Asia Pacific. In total, 762 people strengthened their understanding of disaster law, and 470 people of the auxiliary role, helping them to work more effectively.

#### statistics



#### 506K people

reached with emergency multipurpose cash to address their needs with dignity during crises.



#### 72 National Societies

are now undertaking cash preparedness activities.



#### 1.2M people

were reached with emergency shelter, housing, and settlement.

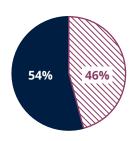
The IFRC released a new research report on domestic laws and policies for public health emergencies based on country-level research in more than 100 countries. It also launched the

IFRC Disaster Law Database – the world's most extensive collection of documents relating to disaster law and a valuable tool for all who work in the humanitarian sector.

#### **▼ 2021 Surge capacity rapid response personnel deployment**







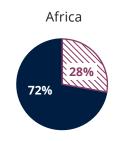
4 HEOPs deployment

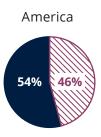
ERUs deployed

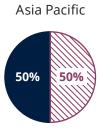
**14**Shelter Cluster deployments

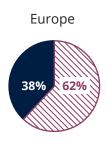
**45**Sending
National Societies

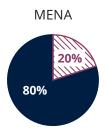
**56.5 days**Average length of deployments







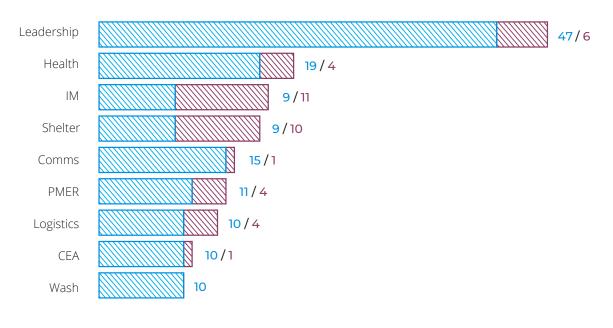




#### ▼ 2021 Most demanded sectors, on-site / remote







#### **Action** in the field

As part of a global Swiss Agency for Development and Cooperation-funded project, the IFRC supported **Bangladesh**, **Uganda**, **Nepal and Costa Rica** to better use and integrate community early warning systems as part of their Early Action Protocols. In 2021, IFRC was invited for the first time to engage in the development of Climate Risk and Early Warning Systems (CREWS) projects from the beginning. With funding from the Swiss Agency for Development and Cooperation, the IFRC partnered with the Climate Centre to support National Societies to engage in the development of CREWS projects in Malawi, Central Africa, the Horn of Africa and the Caribbean.

The IFRC responded to requests from the **Honduras Red Cross** and **Nicaraguan Red Cross** to build resilience in urban areas and roll out the participatory approach for safe shelter and settlements awareness (PASSA) and PASSA Youth methods.

The **Lebanese Red Cross** was supported on rehabilitation and neighbourhood reconstruction efforts after the Beirut port explosion.

With the IFRC's support, **Burundi Red Cross** carried out a DREF operation in response to massive floods that was almost entirely based on a cash transfer modality.

In **Nepal**, a new Municipal Risk Governance Assessment Tool, developed by the IFRC and Nepal Red Cross, was adopted by local government. Bills have also been tabled in the **Dominican Republic, Honduras and Trinidad and Tobago**.

In **Venezuela**, with the IFRC's support, 12 community disaster response brigades were created and trained in disaster risk reduction, first aid, and livelihoods. All the brigades drafted an action plan in response to hazards at community level.

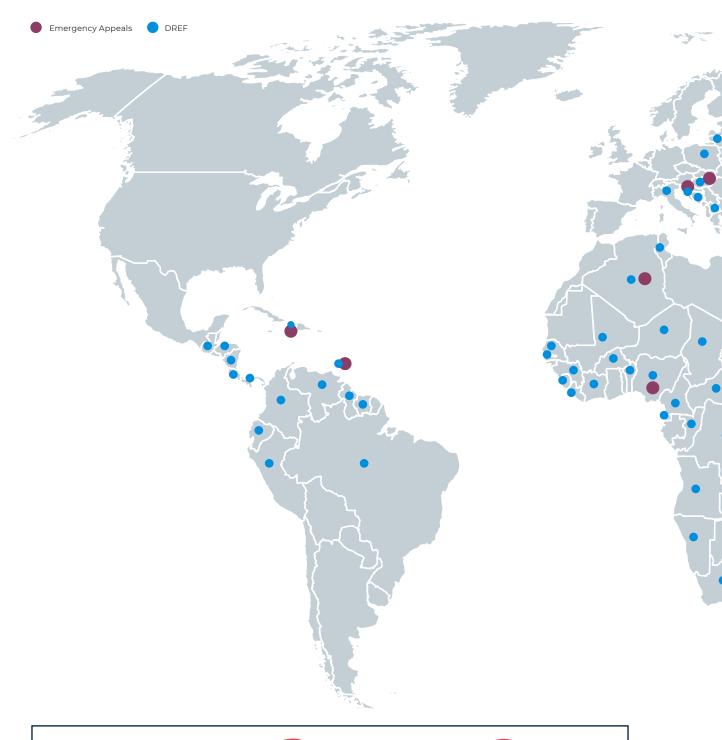
The IFRC and the **Bangladesh Red Crescent Society**, initiated a plan with Google for flood forecasting where Google will provide alerts through mobile phone messages and internet.

During the Nagorno-Karabakh conflict escalation in **Armenia** – the National Society has used cash-based assistance in its emergency response operations. The IFRC provided equipment and training to branch volunteers, equipping them with skills on provision and monitoring of cash interventions throughout the response.

The IFRC's support to **Palestine Red Crescent Society's** Emergency Appeal enabled them to respond to complex emergencies that occurred simultaneously across Gaza, East Jerusalem, and the West Bank in 2021.



#### **▼** Emergency Appeals and DREF operations launched in 2021





**41.7M** Amount allocated\*

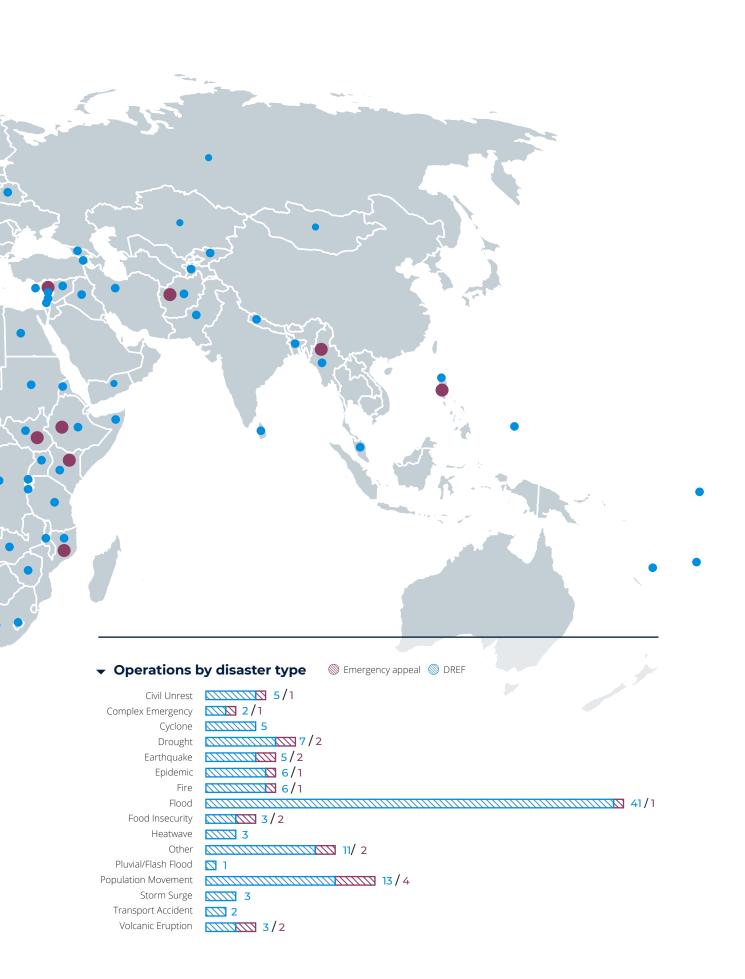


**90**National Societies supported by DREF



**2.0M** people targeted\*\*

<sup>\*</sup> Includes DREF grants and DREF loans to EA that have not been reimbursed \*\* Includes only DREF grants



#### **FOCUS ON**

## **TYPHOON RAI**

Typhoon Rai, locally known as Odette, struck the Philippines on 16 December 2021. It was recorded as one of the world's strongest storms of 2021. More than 11.9 million people were affected; 2.1M homes damaged or destroyed; and electricity, water supplies and communication networks were extensively damaged.

The immediate response by the Philippines Red Cross included the activities described below.

Ahead of the typhoon's landfall, Philippines Red Cross mobilized staff and volunteers to support evacuations. Warehouses were activated for prepositioned stocks to support immediate relief. Ambulance teams were ready for first aid and medical transport and Emergency Response Unit volunteers and rescue equipment were deployed to the disaster area to respond to emergency needs and conduct rescue and clearing operations.

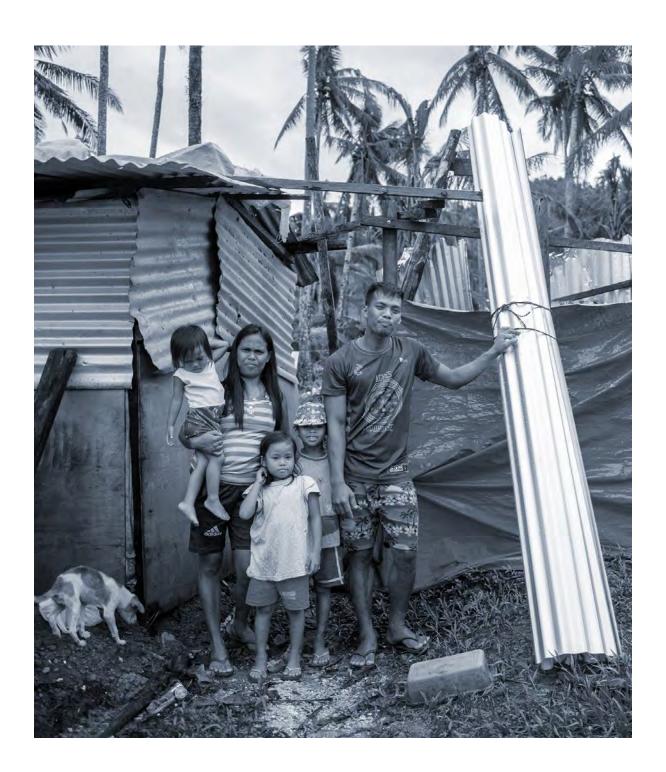
After the Typhoon struck, Philippine Red Cross teams supported communities with shelter toolkits, iron sheets, tarpaulins, kitchen sets, hygiene kits, sleeping kits and water containers. They also provided clean water, sanitation and hygiene equipment and information, and multi-purpose cash grants to support access to basic needs.

Philippine Red Cross leads the overall response to the typhoon and the coordination of support from the IFRC, ICRC and seven National Societies working in the Philippines. Philippine Red Cross is an observer in the Humanitarian Country Team, and together with the IFRC, who leads the Shelter Cluster in the country, coordinates with governmental and non-governmental agencies.

With its in-country delegation, the IFRC was there immediately to support Philippines Red Cross in their emergency response. Initial financial support was provided through a DREF allocation followed by the launch of an IFRC emergency appeal. The IFRC coordinated deployment of surge staff to give technical assistance in areas such as in shelter and livelihoods. An information management coordinator in country and remote surge information management supported a data-driven response.

As the emergency operation moves into the recovery and long-term phase, the IFRC will continue to support the Philippine Red Cross in their efforts to help people rebuild safer homes and recover their livelihoods and to strengthen the National Society capacity to respond to future disasters.

- **340K people** reached through hygiene promotion
- **70K people** reached through health promotion
- 6K families were provided with essential household items
- 124K hot meals were provided
- **5K families** received multi-purpose cash grants to address their basic needs.



We are grateful to the Red Cross for the iron sheets and the toolkit. It will help us in rebuilding. I plan to build a more resilient home so I have to work hard to be able to buy concrete and wood.

Jackson, affected person, Typhoon Rai

# growing gaps in health and wellbeing

Ensuring that all people have safe and equitable access to health, water, sanitation and adequate living conditions, through investing in epidemic and pandemic preparedness.

#### **Context**

The COVID-19 pandemic shocked health systems around the world, jeopardizing access to health care and basic needs, leading to surges in chronic and non-communicable diseases, and gaps in immunization programmes. This has contributed to a heightened risk of mental and physical morbidity.

COVID is not the only challenge. Many people lack safe and equitable access to health, water and sanitation services, and secure living conditions. Underlying vulnerabilities push millions into increasingly precarious states of poverty and ill health. Each year, some 100M people face extreme poverty due to health expenditures<sup>1</sup>, 780M people do not have access to safe water, and 2.5B people lack adequate sanitation services<sup>2</sup>.

The IFRC continues to target growing gaps in health and wellbeing, working with National Societies to increase the scale and quality of their services for communities. This includes expanding integrated community-based health care, first aid and hygiene programming while investing in preparedness for future epidemics or pandemics.



#### 2021 progress

#### Public health strategy, advocacy and policy

#### Global health security

National Societies have a pivotal role in strengthening local health systems to manage epidemic risks, assisting States in meeting their obligations to comply with International Health Regulations and emphasizing preparedness for new and growing threats.

Underlining the importance of the role of law and policy, the IFRC launched the report *Law and Public Health Emergency Preparedness and Response: Lessons learned from the COVID-19 pandemic.* Finding

<sup>1</sup> WHO (2017, December 13). World Bank and WHO: Retrieved from who.int/news 2 CDC (2016, April 11). Global WASH Fast Facts.

### **2021 Progress towards IFRC targets**

People reached b	y National Societies with	contextually appro	priate health services
------------------	---------------------------	--------------------	------------------------

respire reaction 29 materials selected with contextualing appropriate incursions.	
Target	150.0M
Actual	37.7M
People reached by National Societies with contextually <b>appropriate WASH services</b>	
Target	30.0M
Actual	18.8M
People reached by National Society <b>psychosocial and mental health services</b>	
Target	15.0M
Actual	3.6M
People trained by National Societies in <b>first aid</b>	
Target	15.0M
Actual	266K

(Targets until 2025 unless otherwise mentioned)

a lack of strong legislation for public health emergencies before the COVID-19 pandemic, the report recommends that governments legally formalize the role of National Societies as auxiliaries to public health authorities to ensure stronger preparedness and continuity of health and care services in emergencies.

The IFRC worked with National Societies to develop global policies on universal health coverage, global health security, mental health and psychosocial support, climate and displacement related health challenges, and COVID-19.

## Mental health and psychosocial support

Providing psychosocial support to vulnerable people is as essential as providing basic needs. The Movement is working together to advocate for greater emphasis on mental health and psychosocial support, such as through the World Health Assembly.

## Health and wellbeing of communities are improved through access to sustainable, affordable, appropriate, and quality health services

The IFRC has adopted a new Global Health and Care Framework. The Framework presents the IFRC network's collective priorities in health and care, illustrates a pathway for National Societies to engage with public health authorities around health and care; and links the IFRC's health and care work to the Sustainable Development Goals.

#### Care in communities

Noncommunicable diseases are the leading cause of death worldwide, particularly in low-and middle-income countries and yet are largely preventable. The IFRC developed a package of materials to support National Societies deliver evidence-based essential community health services focusing on the prevention of noncommunicable diseases. The packages have been developed working with more than 50 National Societies and external stakeholders. In 2022, the package will be field-tested in at least six National Societies, in development, emergencies and protracted crises settings.

## Risk communication and community engagement

Engaging communities is vital when working to promote healthy behaviours. The Risk Communication and Community Engagement Collective Service, co-led by the IFRC, WHO, GOARN and UNICEF, enabled Collective Service partners, including National Societies, to help communities identify and reduce health risks that ensured local leadership.

#### **Immunization**

172 out of 192 National Societies are involved in immunization related activities covering risk communication, advocacy, logistics, vaccine administration, follow-ups, and psychosocial support.

The IFRC provided National Societies with up-todate information, guidelines and experience sharing to develop capacity at the country level, to better reach vulnerable and hard to reach communities, towards equity in access and quality. This capacity development in National Societies is also an opportunity to bridge gaps in routine immunization, due to the pandemic. The IFRC continues to raise awareness to support immunization through country-level campaigns and monitoring for outbreaks (e.g., measles, polio) to support the necessary response.

## **Epidemic and pandemic** preparedness and response

The IFRC works with National Societies to prevent, detect and respond to disease outbreaks, through the provision of technical support and guidance. Since 2017, IFRC's Community Epidemic and Pandemic Preparedness Programme has been instrumental in developing and piloting tools and approaches for National Societies to take a more active role in epidemic risk management. The recently updated Epidemic Control Toolkit provides staff and volunteers with the foundational skills needed to engage in epidemic situations.

The IFRC also developed key performance indicators for Ebola virus disease response activities, which can be used by teams responding to future outbreaks to better measure and monitor impact and programmatic achievements.

#### Patient safety and quality of care

In collaboration with the ICRC, the IFRC finalized the Framework for Patient Safety and Quality of Care in 2021 to ensure quality implementation, monitoring and reporting on patient safety and quality humanitarian healthcare.

The Red Cross and Red Crescent Health Information System is in its final quality assurance development phase. It is a digital health tool for emergency response, allowing doctors, nurses and other medical personnel to effectively manage patient information and individual care. This will be an integral piece of the IFRC's future reporting of quality healthcare and treatment. It will be piloted by interested National Societies in 2022.

#### **Epidemic and pandemic preparedness**

Since 2017, the IFRC has been running a multi-country epidemic and pandemic preparedness programme called CP3, supported by funding from the U.S. Agency for International Development. Community members are the first to know when an unusual health event occurrs. CP3 therefore aims to enable, empower, and equip local action: community structures, mechanisms, and processes to prevent, detect and respond to disease threats. Enhanced community resilience and multi-hazard preparedness of local actors are essential to prevent and control outbreaks before they spread.

In 2021, CP3 was active in seven countries: Cameroon, the Democratic Republic of the Congo, Guinea, Indonesia, Kenya, Uganda and Sierra Leone – directly reaching more than 450K households with epidemic prevention and control information. Throughout the response to the COVID-19 pandemic, the programme has continued to mobilize communities to prevent and report new outbreaks and contributed to the early detection and control of polio in Guinea; dengue in Indonesia; measles in Uganda, the Democratic Republic of the Congo; and rabies and anthrax in Kenya.

The programme is supporting with the development of tools, guidance and a proof of concept for community and institutional epidemic preparedness.

#### statistics



#### 50 National Societies

contributed to the development of materials for evidence-based essential community health services.



#### **65 National Societies**

contributed to the IFRC Healthy Ageing Strategy.



#### 40 countries

have benefitted from Collective Service inter-agency hubs.

#### Increased access to affordable, appropriate and environmentally sustainable WASH services

Through emergency operations that assist millions of people, the IFRC supports National Societies in delivering improved access to WASH services to reduce risks to human health and promote dignity. To ensure the quality and timeliness of these services, the IFRC maintains a pool of trained personnel and stockpiled equipment, including technology for treating water and wastewater. Training and equipment have been enhanced to ensure capacity in both rural and urban contexts, as climate change and migration expand the geographical scope of work.

#### Increased access to affordable, appropriate and environmentally sustainable WASH services for communities at risk from pandemics and epidemics

The IFRC's One WASH initiative contributes to the goal of reducing cholera-related deaths by 50 per cent. The initiative encourages National Societies to establish large-scale, long-term projects to speed up and localize responses to cholera outbreaks. This is particularly advanced in Ghana as the first phase of this project was completed in 2021. Similar projects are taking place in Rwanda, Malawi, and Tanzania.

The IFRC's Country Cholera Support Platform extends access to affordable and environmentally sustainable WASH services to communities that are vulnerable to pandemics and epidemics. The platform was borne out of the Global Task Force on Cholera Control and aims to eliminate cholera in 20 countries by 2030. It provides operational support and advocacy, coordination, and policy guidance to help cholera-affected countries develop, fund, and implement National Cholera Plans. As a result, the governments of Nigeria, DRC, Zambia and Bangladesh developed National Cholera Plans.

#### COVID-19 outbreak 24-month update

Responding to local needs in a coordinated global manner, the IFRC network has reached one out of every ten people in the world through its COVID-19 response. The IFRC 24-month update describes the global impact of the network's response and country-level activities of 180 National Societies. These include community engagement and messaging; involvement in national vaccination campaigns; food, cash, shelter and livelihoods assistance; and strengthening protection, gender and inclusion programming. Read the full report at: https://www.ifrc.org/media/50466.

## **Action** in the field

The IFRC network has become a partner of choice in distributing vaccines supplied by the COVAX Humanitarian Buffer. The **Pakistan Red Crescent Society** received some 600K doses of COVID-19 vaccine to administer to refugees from Afghanistan, migrants and internally displaced persons who were beyond the reach of government health services.

In the Central African Republic, National Society volunteers in more than 3,200 villages supported 232 health facilities in routine immunization programmes in conflict-affected areas; this is equivalent to one-quarter of the functional health centres in the country

In the Americas, National Societies like Argentina, Bolivia, Uruguay, Guyana, Saint Vincent and the Grenadines, Venezuela, Brazil, Colombia, and Guatemala, have trained their volunteers to provide psychosocial support during the COVID-19 vaccination roll-out.

The **Costa Rican Red Cross** supported peer exchanges for 14 psychologists from **Ecuadorian** and **Argentine Red Cross** and 12 volunteers and staff from the **Bolvian Red Cross** through the regional initiative, Caring for those who care.

The **Indonesian Red Cross Society** has successfully piloted community-based surveillance, working with the Government to scale up efforts

to detect and respond to outbreaks more effectively at the community level.

The **Kenya Red Cross** has detected and controlled the spread of anthrax, thanks to close cooperation with human, animal and environmental health actors in the country.

The **German Red Cross** deployed IFRC developed technology to replace wastewater treatment plants destroyed by catastrophic flooding, an increasing problem due to climate change.

In Cox's Bazaar, in **Bangladesh**, the IFRC prioritized innovation in WASH programming, as new technology enabled the establishment of larger and more sustainable wastewater treatment plants. The IFRC now has the capacity to treat human waste that functions in challenging settings in the Global South that also meets the highest regulatory conditions. This will be critical as the effects of climate change increases needs.

In 2021 we supported vulnerable populations through WASH interventions in Rwanda, Malawi, Zambia and Ghana under One WASH funding. In **Ghana** alone, the IFRC is supporting the National Society to reach 45K people with safe drinking water in 19 villages. Other National Societies are looking to replicate the systems and experience gained in Ghana.



## **COUNTRY SPOTLIGHT**

# **VENEZUELA**

#### CONTEXT

Venezuela continues to face prolonged socioeconomic instability, with a consequent reduction of the economy, access to health services, employment, food, and education.

The health situation in Venezuela continues to be critical, with a lack of resources to maintain

a public health network, reducing capacity to provide healthcare to vulnerable people.

Migration movements continue to generate vulnerable situations and impact communities of origin, transit areas, and the host communities.

## **Emergencies Funding** Emergency appeal DREF **Emergencies** Cumulative 50.0M 14.3M 10.2M Funding Funding Expenditure Requirement **▼** Thematic programmes 15.0M Health MDRVE004 **CHF 50M** funding requirement (total appeal) 605K people reached 8.5M 7.5M **Areas of intervention** Funding Funding Expenditure Requirement

Multi-year appeal - emergency income and expenditure 2021 only

Health

## People reached

#### 3K

Strategic priority 2

**Evolving crises and disasters** 

#### 160K

Strategic priority 3

Growing gaps in health and wellbeing

#### 28K

Strategic priority 4

Migration and identify

#### **7K**

Strategic priority 5

Values, power and inclusion

#### MEMBERSHIP COORDINATION

The Venezuelan Red Cross and IFRC are implementing an ECHO-funded project in coordination with the German Red Cross to improve health and protection services in Apure, Táchira and Zulia states.



Community work teaches you a lot about human capacities and values. You learn the importance of unity and gratitude.

Victoria Parra, Volunteer, Venezuelan Red Cross

### Action in the field



**366K people** reached with health services (emergency appeal).



**12 community** disaster response brigades created and trained in DRR, first aid, and livelihoods.



**240K people** reached with WASH services (emergency appeal).



**28K migrants** and community members reached with primary health, PSS, disease prevention, sexual and reproductive health, and protection services.



**340 tons of humanitarian aid** delivered (emergency appeal).



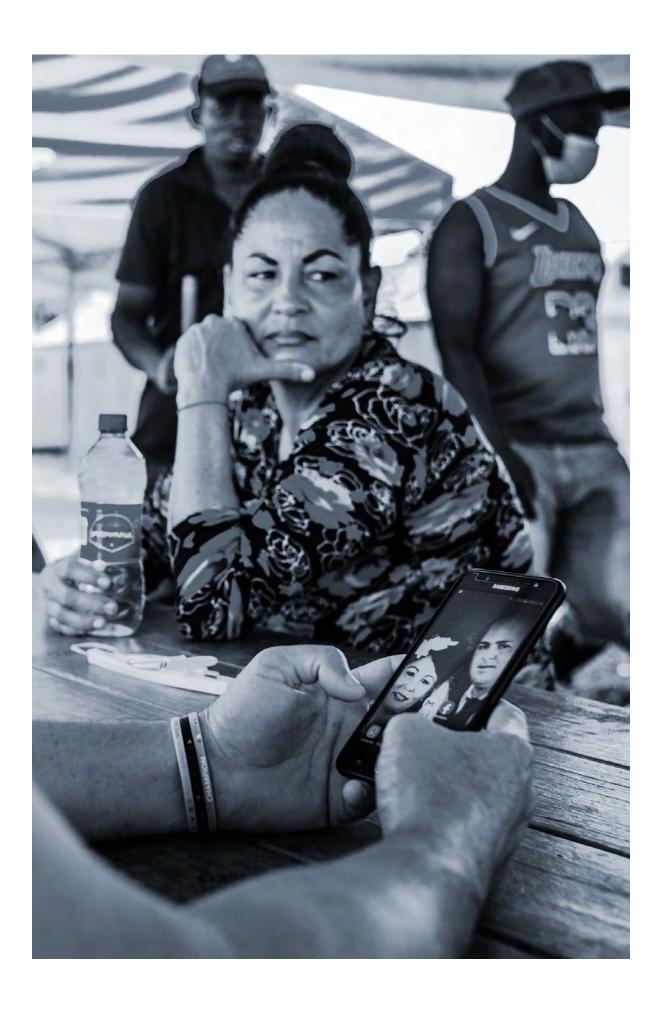
**30 school brigades** trained in disaster preparedness, first aid and psychological first aid.



**119 health facilities** supported (emergency appeal).



**85 volunteers** trained on breastfeeding, who then brought the information to communities.



# migration and identity

## **Context**

Globally, there are over 280M international migrants. For many, migration creates vital opportunities. For others, it can lead to devastating humanitarian impacts.

In 2021, more than 2K people were reported to have died or gone missing on the Central Mediterranean route and more than 1K people along routes in the Americas and Africa. The COVID-19 crisis disproportionally affected on people on the move, especially where they lacked access to healthcare, protection and humanitarian assistance. The adverse effects of climate change and disasters are redrawing the map of where people can sustainably live in safety and dignity.

The presence of the IFRC network along migratory routes, in countries of origin, transit and destination makes it uniquely placed to address the humanitarian assistance and protection needs of migrants and displaced people, wherever they may be.

The IFRC works to ensure that people who migrate are safe, are treated with dignity, and have access to assistance they need.

## 2021 progress

# Migrants and displaced persons have access to humanitarian assistance and protection at key points along migratory routes

#### Population movement emergency operations

The IFRC supported population movement emergency operations in 36 countries and at sea. This includes Emergency Appeals such as in Bangladesh; the multi-regional Afghanistan Regional Population Movement; and the Humanitarian Service Point @ Sea operation.

Humanitarian services for migrants and displaced people were reported to be provided by 110 National Societies across all five regions. The main services provided by National Societies to



## **2021 Progress towards IFRC targets**

Migrants and displaced persons reached with **services for assistance and protection** 

Target	Average of 4M people a year
Actual	2.0M

National Societies that have conducted migration and displacement needs assessment and/ or have integrated migration and displacement into their strategic planning

75% Target **Actual** 44 (23%)

National Societies who have established Humanitarian Service Points along migratory routes

All affected NS Target

**Actual** 48

(Targets until 2025 unless otherwise mentioned)

migrants and displaced people in 2021 include Restoring Family Links (RFL), psychosocial support, provision of non-food items, and information.

#### **Humanitarian Service Points**

The IFRC has provided dedicated support to National Societies to implement Humanitarian Service Points in all regions. Forty-nine National Societies are implementing 381 Red Cross and Red Crescent Humanitarian Service Points (HSPs) to provide essential services to vulnerable migrants during their journeys – irrespective of status – without fear of arrest or being reported to the authorities.

In August 2021, the IFRC launched a new global route-based migration programme that brings together the humanitarian services of 35 National Societies across Africa, Europe and MENA with the collective ambition to provide humanitarian services to more than 2M people on the move and more than 500K people from host communities.

# Effectively assess and respond to the needs of migrants, displaced people and host communities

#### **Enabling collaboration between National Societies**

In 2021, the IFRC continued to facilitate strong leadership on migration, including through the newly established Migration Leadership Group, the Global Migration Task Force and the Movement Reference Group on Internal Displacement. The IFRC established a new MENA migration network with Lebanese Red Cross and Egypt Red Crescent as the first co-chairs. In collaboration with ICRC, the IFRC also supported the establishment of a new platform for National Societies in Southern Africa involved in migration.

#### Training and research

The IFRC supported the development of online training resources on migration and displacement-related issues for National Societies and for other practitioners. The topics include a module and a guidance on migration and health, a module on climate-related displacement with the Climate Centre, a course on trafficking in persons, a course on child protection in collaboration with other partners and learning experts.

The IFRC also researched digital IDs and the needs and concerns of migrants when identifying themselves for access to humanitarian services. The resulting report: Digital Identity: Enabling dignified access to humanitarian services in migration, provides recommendations for organizations considering using digital IDs for migrants.

## statistics



#### 110 National Societies

reported providing humanitarian services for migrants and displaced people.



### 1.3M migrants

and displaced persons were reached with emergency response services for assistance and protection.



#### 48 National Societies

have established Humanitarian Service Points along migratory routes.

#### **Migration Lab**

In 2021, the recently established Red Cross Red Crescent Migration Lab published two reports: Locked down and left out? Why access to basic services for migrants is critical to our COVID-19 response and recovery and Sight Unseen: A vision for effective access to COVID-19 vaccines for migrants. The first report provides evidence of the direct and

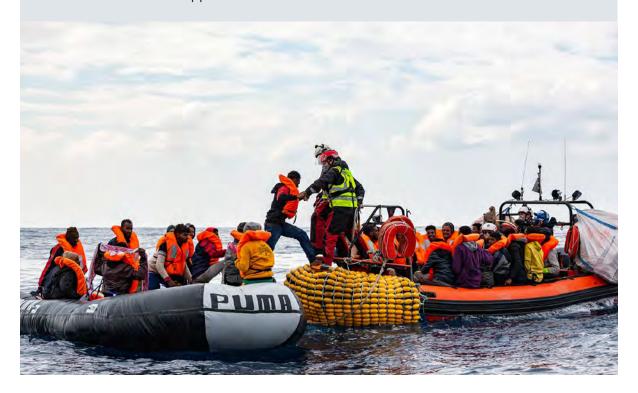
indirect impacts of the COVID-19 pandemic and related policy measures on migrants' access to basic services, including vaccines. The latter is an addendum to the initial report and aims to take stock of the current global trends with respect to COVID-19 vaccines access for migrants.

## Saving lives at sea

In July 2021, the IFRC partnered with SOS Mediterranée to provide humanitarian services aboard the ship *Ocean Viking*, which conducts rescue operations on the deadly Central Mediterranean Sea. Between September and December 2021, the Ocean Viking conducted seven operations and rescued 557 people who received humanitarian assistance from IFRC staff on board.

The IFRC provided post-rescue support – including medical care, psychological support, protection and basic necessities – to the people brought safely onboard. The IFRC team included medical doctors, a midwife and professionals who provided psychological support and assistance to vulnerable individuals needing special protection, such as unaccompanied minors and victims of human trafficking.

Finding partners to provide financial support to this operation proved challenging, not least due to the highly politicized environment in which this humanitarian support is provided. The Humanitarian Service Point at Sea operation is part of the broader global route-based Case for Support.



## **Action** in the field

The **Egyptian Red Crescent's** implementation of the IFRC's Children Red Initiative targeted 52 families of child labourers. Hygiene kits, personal protection equipment, school supplies and cash for food were provided this year.

The IFRC is supporting the preparedness efforts of National Societies of **Iran, Tajikistan and Pakistan** and response through humanitarian assistance and protection to people on the move from Afghanistan.

900K Rakhine people remain reliant on humanitarian aid to meet their everyday needs in Bangladesh. In 2021, the launch of the revised Emergency Appeal marked a new phase of the support to the **Bangladesh Red Crescent**, who is providing wide-ranging assistance including

food distribution, shelter, dignity and menstrual hygiene management kits, cash support, latrines and bathing facilities.

The **Namibian Red Cross** is providing 2.4K drought-affected people from Angola with household items, WASH and health education through DREF funds provided by the IFRC.

The **Honduran Red Cross** activated Humanitarian Service Points to provide services to migrant caravans passing the 'Dry Corridor' at the points of departure as well as along the migration route. These provided the migrants with water, face masks, prehospital care, information about safety, security and COVID-19 prevention, as well as means of communication for migrants to keep in touch with their families.



## COUNTRY SPOTLIGHT

## **AFGHANISTAN**

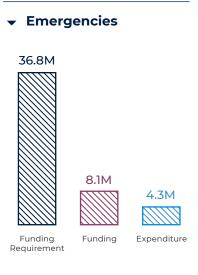
#### CONTEXT

More than a third of the population needed humanitarian assistance in early 2021 including because of a severe drought. After the change of public authorities, needs increased, driven by a near-collapse of the banking system that drove millions to despair.

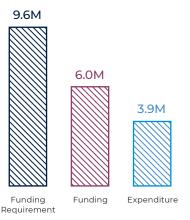
Afghanistan's already weak health system was strained after donors froze their support, affecting more than 2,300 health facilities, with most left temporarily unable to obtain essential medical supplies or to pay the salaries of health workers.

## **Emergencies** Emergency appeal DREF **Emergency Appeal for Humanitarian Crises** MDRAF007 **CHF 36M** funding requirement **560K** people reached **Floods Floods** MDRAF008 MDRAF009 Nuristan Multiple provinces **14K** people reached **4.2K** people reached 265K CHF allocated DREF 498K CHF allocated DREF Areas of intervention

## Funding



#### **▼** Thematic programmes





Multi-year appeal - emergency income and expenditure 2021 only

## People reached

#### 6K

Strategic priority 1

Climate and environmental disasters

#### 218K

Strategic priority 2

**Evolving crises and disasters** 

#### 820K

Strategic priority 3

Growing gaps in health and wellbeing

#### 841

Strategic priority 5

Values, power and inclusion



Afghans have shown remarkable resilience in the face of this latest drought... Afghan Red Crescent teams have not stopped helping people with relief and healthcare, but the vast majority of families remain unassisted.

Mawlawi Mutiul Haq Khales, Afghan Red Crescent Acting President

#### MEMBERSHIP AND MOVEMENT COORDINATION

In addition to IFRC and ICRC, other Movement partners with presence in Afghanistan are Canadian Red Cross, Norwegian Red Cross, Qatar Red Crescent and Turkish Red Crescent. National Societies supporting the ARCS from outside the country include British Red Cross, Danish Red Cross, Finnish Red Cross, Japanese Red Cross Society, and the Netherlands Red Cross.

#### Action in the field



**587K people** reached by 36 mobile health teams with health awareness and immunization.



**5K youth and volunteers** were provided protection through the IFRC insurance system.



**123K people** reached with Community-based Health and First Aid programme.



**16 public schools** with new water and sanitation facilities.



**2,200 households** received multipurpose cash grants (Red Ready Project).



**4K schoolgirls** provided with hygiene kits.



**5 Branch Disaster Response Teams** (comprising 125 members) equipped and trained.



**873 households** received saplings to plant through a project funded by the Japanese Red Cross Society.

# values, power and inclusion

The IFRC promotes positive changes for humanity, based on humanitarian values and principles.

## **Context**

2021 saw an increase of the IFRC's programmes and training reach. Online courses on protecting unaccompanied and separated children reached nearly 30K frontline staff and volunteers globally, illustrating how programmes have been successfully scaled up to meet growing demands.

The logistical restrictions of COVID-19 and subsequent lockdowns required the IFRC to undertake a radical digital transformation of training and resources. As a result, National Societies have access to more support than ever before and are making rapid progress, particularly in developing education and protection, gender and inclusion programmes.

The IFRC achieved several milestones in 2021, developing its work from a public and internal perspective. Its programme, Youth as Agents of Behavioural Change, is a notable example.

## 2021 progress

# Humanitarian values and fundamental principles, focusing on youth

The IFRC made significant progress in creating positive change in communities focusing on young people. Its programme Youth as Agents of Behavioural Change (YABC) was implemented and scaled up through its distribution online. This made it possible to partner with the Qatar 2022 World Cup on the project 'Uniting through the Power of Football'. The project uses football to mobilize vulnerable at-risk young people and communities to prevent violence, improve access to education and employment, ensure better social inclusion and build resilience. The project made progress in Argentina, Iraq, Myanmar and Uganda and was later awarded the Peace and Sport Award 2021 in the Humanitarian Organization of the Year category.

'Limitless', the IFRC's Youth Innovation Programme, was also launched in 2021 to cultivate innovative youth-led action. The

People reached **8.0M** 



## **2021 Progress towards IFRC targets**

## # of people reached with Values, Power and Inclusion **activities**

Target	baseline
Actual	3.9M

#### # of people reached by Red Cross and Red Crescent educational programmes

Target	2021: baseline
Actual	4.1M

## # National Societies that actively implement the IFRC **Gender and Diversity Policy**

Target	100 NS
Actual	42

(Targets until 2025 unless otherwise mentioned)

programme equips young people to develop solutions to problems in their local communities caused by COVID-19 lockdowns.

The 2021–2025 ASEAN Work Plans on sports and youth include several programmes and activities in which the IFRC is either leading or supporting, including the Sports for Inclusion, Health and

Disaster Risk Reduction Project with the National Society in Indonesia, Special Olympics Indonesia, Ministry of Youth and Sports of Indonesia, and Healthy Lifestyle for YOUth – Prevention of Noncommunicable Diseases Programme in collaboration with the National Society in Lao and the Ministry of Education and Sports of Lao PDR.

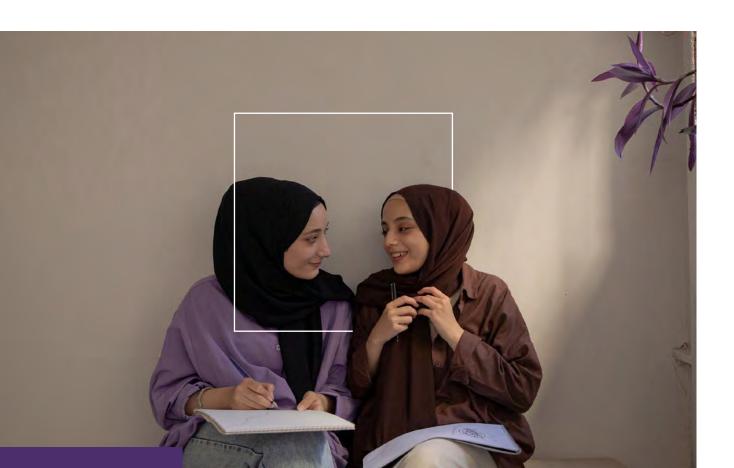
## **Equitable access to quality education**

Technical support to National Societies for the provision of education and ensuring safe access to education is a priority area for the IFRC in humanitarian settings. It provides technical support to integrate education in response efforts and has developed new minimum standards, guidelines and indicators for education in emergencies. Education has also been highlighted in IFRC emergency response processes, including its operational strategy templates.

The development of the programme Education Plus continued to create a coherent approach to education initiatives across the IFRC network. The programme's first phase was implemented in Armenia, Azerbaijan, Bosnia and Herzegovina, Croatia, Portugal, Qatar, Tajikistan, and Ukraine.

To address the educational needs of conflict-affected children and youth, the IFRC developed and piloted a Movement approach to education in Armenia, Azerbaijan and Ukraine in collaboration with the ICRC and with the support of the Norwegian Red Cross. This Movement approach seeks to identify the complementarity of all Movement components in the provision of education.

The IFRC increased access to education to tackle child labour linked to the COVID-19 pandemic in Ecuador, Egypt, Nepal and The Gambia. To do this, it developed a framework and toolkit on Education in Emergencies with the Child Protection in Humanitarian Action and Education in Emergencies Advisory Group.



### Protection, Gender and Inclusion in programming

2021 was a defining year for the adoption of a comprehensive protection, gender and inclusion approach in the IFRC network. The approach focused on policy and strategy development, improved programmatic integration and institutional reform.

The IFRC developed the protection, gender and inclusion policy with an operational framework that will be submitted for approval at the IFRC General Assembly in 2022. The policy clarifies the IFRC approach to protection and is the first time that the IFRC network has defined and integrated protection into policy.

Integration in programmes and operations focused on water, sanitation and hygiene programming, preparedness for effective response, and collaboration with community engagement and accountability on COVID-19 vaccination roll-out. Ethiopia's Tigray crisis and the Democratic Republic of the Congo volcano operation required significant attention.

In Iceland, the IFRC and the National Society continued to collaborate on strengthening the capacity of Icelandic civil society to integrate a protection, gender and inclusion approach into emergency and recovery programming. This work was funded by the Government of Iceland

and allowed the IFRC to pilot the toolkit in Somalia, Malawi and Sierra Leone.

The central sexual and gender-based violence operational focus for the IFRC remained on safeguarding. The IFRC developed its first global safeguarding action plan, child safeguarding policy and support processes. The IFRC developed a safeguarding self-assessment framework for the National Societies and supported those in Belarus, Ukraine and Tajikistan to draft or adopt Prevention and Response to Sexual Exploitation and Abuse (PSEA) and child safeguarding policies.

The IFRC has reached 30K staff and volunteers with its course on protecting unaccompanied and separated children. The partnership 'It's a Penalty' is being developed to address trafficking related to sports events. The organization also supported people vulnerable to trafficking through new online resources accessed by almost 3K people.

This attention to child protection has increased IFRC support to National Societies for child participation, child marriage, child labour, and migration as part of the COVID-19 response. It completed studies in the Caribbean, Asia and Africa on local and anticipatory action to address the impacts of climate change on children, led an

## The IFRC wins Peace and Sport Award 2021

Young people must be able to drive positive change in communities. In 2021 the IFRC collaborated with the Qatar 2022 World Cup to develop its Youth as Agents of Behavioural Change (YABC) programme into a joint project, using sport as an educational and social tool for sustainable peace.

The programme was hugely successful and had notably positive impacts on people's lives in Argentina, Iraq, Myanmar and Uganda.

The programme was awarded the 'Peace and Sport Award 2021' in the 'Humanitarian Organization of the year' category. The award recognizes the value of scaling up the YABC programme and provides a milestone in furthering its reach in the future.

## statistics



#### **30K**

frontline staff and volunteers globally were reached through online courses on protecting unaccompanied and separated children.



### 8.5K people

participated in an online leading diversity event.



#### **1,252** youths

were supported through 74 micro-projects in Argentina, Myanmar, Iraq and Uganda.

interagency working group on child protection, and collaborated with UNICEF and the Child Protection Area of Responsibility on local coordination in emergencies.

The IFRC scaled up its efforts to restore family links by increasing its integration in emergency response operations. A partner-ship between the IFRC and the Special Olympics supported the inclusion of people with intellectual disabilities in the COVID-19 vaccination programme, the Football for Development and YABC programmes, and future mental health and psychosocial support programming.

In response to increasing deaths in the Mediterranean Sea, an innovative deployment ensured PGI concerns were addressed in the search and rescue collaboration between IFRC and SOS Méditerranée.

### Leading by example

Work to develop the IFRC's approach to protection, gender and inclusion was promoted through live events in a new series of advocacy activities. The event attracted 300 people, and a further 8.5K people participated in the online Leading Diversity event.

The IFRC continues to provide technical support and guidance on incorporating a survivor-centred approach in the IFRC's PSEA measures and procedures.

The IFRC targeted gender and diversity through the Americas' regional strategy for gender equity in the leadership of emergency operations. Partnerships and advocacy in Africa were increased through the IFRC and UNICEF's joint study on gender-responsive disaster risk management, launched in November 2021.



## **Action** in the field

8.6K people were reached by PGI messages and activities in the **Democratic Republic of Congo**, of whom 84 survivors of sexual and gender-based violence were referred to specialized health centres.

In **Peru**, Community micro-projects focused on first aid, health promotion and healthy eating promoted the social inclusion of migrants and refugees within their host communities, reaching 1.1K people.

Within the Eta and Iota operations, National Societies in **Honduras and Guatemala** have been trained on PGI. For the Honduras team, through a PGI deployment and with their field team, staff and volunteers have received trainings on child protection, minimum standard

commitments and protection risks such as gender-based violence.

In **Indonesia**, risk communication and community engagement was integrated into COVID-19 response for elderly people through SMS blasts targeting 80K people in the districts of Java Island.

The **Armenia Red Cross Society** contributed to the implementation of Movement education strategies through its child resilience programme that reached 12.5K people, with a focus on children and youth affected by armed conflict.

An anti-trafficking assessment was completed that provides the **Libyan Red Crescent** with the technical knowledge to plan its anti-trafficking activities and integrate them in its migration work.





# **ENABLERS**

## engaged

## **Context**

The IFRC and National Societies must be respected and recognized as neutral, impartial humanitarian actors to effectively support and promote humanitarian action, principles, values and policies. In 2021, the IFRC worked with National Societies to strengthen their auxiliary role and increase engagement with partners within and outside the network at a local, regional and global level. The IFRC network continued to build a strong public profile to effectively advocate, influence public behaviour and policy change and pursue a strategy of digital transformation. The IFRC also supported National Societies to seek innovative approaches to anticipate and address the needs and aspirations of vulnerable people and communities around the world.

Ensuring that the IFRC network is respected, effectively positioned, and able to mobilize support for the world's most vulnerable.

## 2021 progress

## Strengthened engagement with partners

The IFRC provided opportunities for increased engagement between its members in 2021. In new leadership peer exchange forums, 21 National Societies exchanged information on development and operations, gaining insight into how others achieved humanitarian goals. They used this new knowledge to strengthen their auxiliary roles and better serve their communities.

The IFRC continued to leverage its position as the co-chair of in the Global Shelter Cluster, with UNHCR, to improve policies, standards and the coordination of shelter response activities in Bangladesh, Haiti, Honduras, Indonesia, Mozambique, Nepal, the Philippines and Viet Nam. It strengthened shared leadership of shelter cluster preparedness with the Australian Red Cross and the Canadian Red Cross.

The IFRC deepened engagement with governments and companies for effective logistics and supply chain solutions. Several external partners – including the **EU**, **DHL**, **UPS**, **Airbus and the Dubai International Humanitarian City – provided humanitarian** 



**flights to deliver vital supplies**, such as COVID-19 personal protective equipment, to vulnerable people.

As part of its Agenda for Renewal, the IFRC piloted common plans and programmatic approaches for country coordination teams in 14 National Societies to ensure greater coordination.

### Effective advocacy, influencing and policy change

The IFRC advocated for vaccine equity and inclusive COVID-19 recovery at the UN Security Council and G7 Summit. The IFRC and the ICRC presidents published two joint impact statements on the need to accelerate vaccine development and production while developing strong national delivery systems and community engagement. The IFRC also advocated for global epidemic and pandemic preparedness and response reform, supporting the creation of an international body to develop a new pandemic treaty or legal instrument.

IFRC reports investigated the socioeconomic impacts of the pandemic, including *One Light, One Tunnel* and *Locked Down and Left Out*. The reports describe how the livelihoods, protection and mental health of women, migrants and urban communities were particularly affected. *Drowning Just Below the Surface: The Socioeconomic Consequences of the COVID-19 Pandemic*, detailed the IFRC network's support of vulnerable people. The report influenced pandemic recovery policy-making decisions.

The IFRC led negotiations on the Grand Bargain 2.0 framework, in which it promoted localization and support for locally led humanitarian activities. In May, it collaborated with the ICRC to produce the Climate and Environment Charter for Humanitarian Organizations. By the end of the year, it had 200 signatories and the support of the governments of Switzerland, Norway and the USA. At COP26, the IFRC promoted the needs of vulnerable people and advocated for local action to address climate change.

The IFRC led a social media campaign in the run-up to World Habitat Day 2021, raising awareness of the need for a green shelter response. It also joined the 16 Days of Activism campaign to highlight the need for incorporating gender-based violence risk mitigation in shelter programming. The IFRC's strong public profile on social media enabled it to influence public opinion, raise funds for urgent appeals and foster relationships between humanitarian networks.

## Climate change campaign raises the global alarm

Greta Thunberg spearheaded the IFRC's flagship campaign #ClimateChangedMe in October 2021. 127M people engaged with the campaign, which raised awareness of the climate crisis by showing the impact of climate change on people's lives around the world.

Thunberg said: "The climate crisis isn't some unknown problem we can postpone. It is here now and has already had catastrophic impacts on people's lives. In every region of the world, people are already feeling the impact of climate change on their daily lives, but those living in the most affected areas are being disproportionately hit, despite being the ones contributing to it the least. We want this campaign to spread awareness and inspire people to get involved, talk to and put pressure on their leaders."

## **2021 Progress towards IFRC targets**

National Societies increasing participation in <b>government</b> -	led platforms
Target	100
Actual	20
National Societies with strategy for strongthoning their au	viliary rolo
National Societies with strategy for strengthening their <b>au</b>	<u> </u>
Target	80
Actual	44
National Societies participating in IFRC-led campaigns	
Target	50%
Actual	46%
Intergovernmental outcome documents or decisions that r	mention the <b>IFRC network</b>
Target	Create baseline
Actual	12
National Societies showing progress in <b>digital transforma</b>	tion
Target	50% progress at least one level
Actual	40%

(Targets until 2025 unless otherwise mentioned)

### Innovation to better anticipate and adapt to challenges

The IFRC sought innovative approaches to the supply of COVID-19 related products while facing global market shortages and widespread transportation disruption. It supported National Societies by supplying goods and technical support at a local level and enabled National Societies to help each other. For example, the Turkish Red Crescent supplied Afghanistan with oxygen units, while the Singapore Red Cross donated units to 17 National Societies in Africa and procured 417 more for the MENA region.

Emerging leaders from 28 National Societies participated in the IFRC Future Fellows programme. They generated ideas and explored innovative approaches to resolve complex challenges within their communities. The IFRC also launched the Limitless project, which encouraged 700 young people from 60 National Societies to create pandemic preparedness and response solutions.

The IFRC network utilized powerful digital technologies to help National Societies share knowledge and nurture partnerships. During a Data and Digital Week, technical experts and 4K participants from 131 National Societies shared

information about digital tools and approaches that have helped them achieve their humanitarian goals. Examples include the use of digital technology to help ambulances arrive faster and for tracking online rumours on COVID-19 so that risk information could be prioritized to relevant audiences.

In October, 3K Movement stakeholders met online for the three-day Planet: Red summit. Participants discussed climate change, pandemics, the critical threats facing humanity, and the power of local response.

In a unique digital initiative, 4K people from 100 countries took a virtual journey from Lamu, Kenya, to Paris, France. The audio-visual material of staff and volunteers from the Kenya Red Cross Society and the French Red Cross was used to inspire innovative ways to anticipate and respond to the needs of communities. The Cameroon and Nepal Red Cross Societies participated in another creative experiment to show how artificial intelligence could be used to anticipate and address future humanitarian challenges.

#### **▼ IFRC publications**



### The IFRC network undergoes a digital transformation

The IFRC Governing Board formally approved a digital transformation strategy in May. National Societies then set about evaluating their digital and data capabilities through a digital maturity assessment tool provided by the IFRC. By the end of the year, 36 National Societies had completed the process, while others engaged in the new strategy by following a series of themed workstreams.

To support the strategy, the IFRC approved a governance model for collective digital initiatives. It appointed a Director of Digital Transformation, and the Global Services Centre in Budapest recruited staff to strengthen the IFRC's capacity to prevent and respond to cyberattacks.

The IFRC focused on streamlining the delivery of digital solutions for the management of volunteer data. It identified 46 National Societies that would benefit from additional support in their digital transformations – allocating CHF 1.5M from the Capacity Building Fund to analyse needs and develop customized support packages for stronger virtual communications such as videoconferencing and internet connectivity.

The IFRC strengthened its IT infrastructure and reduced the cost of global IT services by migrating its data centre services to the Claranet Frankfurt Datacentre in 2021. It also started a value case analysis for an online marketplace to leverage the combined purchasing power of the Movement and make it easier for National Societies to make purchases.



## Refugees telling their own stories

In Turkey, an innovative project helped give refugees the skills and resources to tell their stories with their own voices. Ten refugee storytellers received training on photography, videography, social media and storytelling. They were then paired with leading professionals in the field, who provided mentoring – improving their social media and storytelling tactics to share issues that matter to them. Instagram takeovers of IFRC global accounts allowed them to share their stories with global audiences.

## **Action** in the field

Within the IFRC's global partnership with UNICEF, **the Armenia Red Cross Society** established and enhanced its cooperation with UNICEF and in 2021 ensured the access of those affected by the conflict escalation in Nagorno-Karabakh to the protective learning spaces via the establishment of temporary learning centres in host communities.

The IFRC supported **Kenya Red Cross Society** in documenting the drought effects in the North-eastern counties of Kenya. The CP3 programme supported training of County Officials, KRCS teams and local journalists to understand how to collaborate and send one health message during disasters and emergencies.

In **Georgia**, the IFRC is supporting the National Society to accumulate valuable data for evidence-based advocacy. An Impact study of COVID-19 on older people and caregivers in Georgia revealed significant gaps in the older

people's access to important services, as well as their increased levels of isolation and anxiety.

In **Colombia**, the IFRC provided a data analytics certified workshop for 158 staff and volunteers to improve their capacities in Information Management.

The IFRC helped to establish a Central Data and Information Management System in **Bangladesh**, improving the National Society's capacity for data informed decision-making.

The **Peruvian Red Cross**, with the IFRC, implemented the "Red Cross Line", which is a hotline service that uses the WhatsApp for business platform to help disseminate messages on disease prevention and protection.

The **Kazakhstan Red Crescent** launched a chatbot that provides accurate information about COVID-19 prevention, vaccination and other important topics.



## accountable

## **Context**

The IFRC is one coordinated global organization, accountable to its member National Societies and to the vulnerable people and communities that it serves. It is committed to building increasingly efficient management systems and processes and supporting the transformation of National Societies. In 2021, the IFRC worked with National Societies to introduce systems that eliminate fraud and corruption and encourage and protect whistleblowing. It created and strengthened strategic partnerships all around the world, securing the resources required for National Societies to achieve their humanitarian objectives.

One IFRC network to reach more people in need, through efficient, accountable and wellfunctioning National Societies.

## 2021 progress

## Working as one organization globally, as effectively and efficiently as possible

Accountability and trust are fundamental aspects of the IFRC's Agenda for Renewal, so it encourages a culture of 'speaking up' at the local, national and regional levels. In 2021, the IFRC supported National Societies to implement localized whistleblowing systems that are scalable, safe, anonymous and free to use. It launched the EQS Integrity Line – a digital system for reporting, investigating and managing misconduct allegations – and provided access and training to 32 National Societies. The Nigerian Red Cross was the first National Society to implement the Integrity Line, increasing its capacity to build accountability and trust within the community.

The IFRC supported National Societies to prevent and combat fraud and corruption, which damage public trust and threaten the stability of the network, its institutions and fundamental values. The IFRC trained 3.1K members of staff and volunteers in fraud, investigations, and the prevention of sexual exploitation and abuse – enabling them to identify cases and take appropriate action. It also trained an additional 14 specialist field investigators, bringing the total across the network to 75.



As part of the overall Global Safeguarding Action Plan, roll-out of the IFRC Prevention of Sexual Exploitation and Abuse policy (PSEA) and operational manual was conducted in each region through online sessions and integration into face-to-face training and orientation, for IFRC staff and for National Societies. Sessions focused on collective responsibility of IFRC and National Societies staff and volunteers, and specifically IFRC support to National Societies in developing safeguarding policies and plans of action – an essential step in ensuring that mechanisms are in place to ensure our programmes do no harm to those we seek to assist.

IFRC supported 44 National Societies in the development of a PSEA policy, through the regional sub-regional and country teams, with support from Geneva where needed. Nineteen National Societies have now adopted a PSEA policy that IFRC has reviewed and that aligns with IFRC's principles and prohibitions.

4.3K National Society staff or volunteers took one or more of the courses (cumulative total 10.3K), online orientation or training courses on the PSEA manual or policy.

National Societies around the world continue to use the GO platform to share disaster assessments and response actions, and in anticipation of disasters and crises. During 2021, IFRC GO introduced operational learning from more than 300 operations to drive improvements across the network and pulled together analysis of the pandemic, and the IFRC response. In addition, work continued on the building of a new impact-based forecasting system and integrating the DREF appeal process. Both these features are set to launch on the platform the first half of 2022.

The IFRC uses the GO platform to capture, analyse and share information about disasters. GO facilitates learning and informed decision-making in the field, enabling staff and volunteers to better understand unfolding crises and meet the needs of affected people.

The IFRC's learning platform provided a robust catalogue of 650 learning resources, including

courses, documents, videos and webinars, to more than 300K active users across the IFRC network. The platform hosted virtual learning programmes and delivered training and information to the IFRC, along with staff and volunteers in all 192 National Societies. In addition, the IFRC hosted the Risk-informed Early Action Partnership (REAP). The partnership aims to encourage 80 National Societies to take early anticipatory action by 2025, by identifying synergies and connections across the humanitarian sector.

The IFRC is committed to improving efficiency and effectiveness in its offices, while reducing unnecessary bureaucracy and duplication in its processes. It developed the ForeSEE project to address internal bottlenecks in systems, policies and procedures. Having a more streamlined organizational approach enables the IFRC to maximize its resources to reach more people in need.

In 2021, the IFRC reviewed its Global Humanitarian Services and Supply Chain Management department, to provide a more coordinated, agile and efficient service to National Societies. The Global Services Centre in Budapest reviewed its systems and activities too, with a focus on process simplification and cost effectiveness. The IFRC aims to consolidate demand for goods and services across the network by leveraging its combined annual purchasing power, for example, it has launched global tenders for widely-used items such as mosquito nets, jerry cans and kitchen sets.

The IFRC's fleet of more than 100K humanitarian vehicles is the biggest in the world. It has developed a new fleet business model to establish global framework agreements with key manufacturers, which will improve access to vehicles and help reduce costs. The model aims to enable National Societies to lease, buy and manage their vehicles more efficiently, while accessing innovative finance options and minimizing their environmental impact.

The IFRC reviewed and developed policies on a wide range of topics in 2021, including

## **2021 Progress towards IFRC targets**

National Societies that have a Protection of Sexual Exploitation and Abuse (PSEA) police	Зу
and action plan	

29
16
ntion training
100%
83%
at least 40% of E-graded positions and above are filled by women
35%

National Societies with **feedback mechanisms** 

Target	150
Actual	35

(Targets until 2025 unless otherwise mentioned)

## statistics



#### **58 National Societies**

engaged in an active process of reviewing and revising their statutes.



## 3.1K people

across the membership trained in preventing fraud and corruption in humanitarian operations.



# 14 specialist investigators

across the IFRC network were trained in 2021.

parental leave, flexible working arrangements, volunteering, child safeguarding and first aid. It designed an inclusion and diversity strategy and strengthened awareness of sexual harassment and abuse across the network. The IFRC also reviewed its internship guidelines in order to bring more young people from all backgrounds into the workplace and developed a new strategy for building a pipeline of future leaders. These activities help create the right conditions for the IFRC and National Societies to achieve their collective ambition to reach more people in need.

## The IFRC has a renewed partnership with its members

The IFRC introduced a new way of working together under one contract for Financing the Future. The IFRC successfully negotiated a three-year funding agreement for a total of EUR 210M with ECHO for the Pilot Programmatic Partnership (PPP) that was developed jointly with European National Societies. The agreement covers activities in up to 25 countries, with the IFRC acting as a global fundraising platform for its members by leveraging its status as an international organization. (More information on page 44)

The IFRC held its first-ever pledging conference that it co-chaired with ECHO in support of the DREF. Twelve governments and a company pledged financial support totaling nearly CHF 32M in commitments for 2021. (More information on page 44)

A Memorandum of Understanding (MoU) was signed by the IFRC and Africa Centre for Disease Control and Prevention in August 2021. The MoU includes a joint programme to develop up to 5M trained community healthcare workers in Africa over five years. This has helped to move the IFRC partnership with the African Union Commission to one that increases operational engagement across all AU Member States. (More information on page 46)

The IFRC also continued to develop its relationships with international financial institutions such as the Islamic Development Bank, World Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank and African Development Bank.

## **Action** in the field

In **Somalia**, the IFRC provided funding to reconstruct the National Society's Mogadishu Coordination office that had been severely damaged by a bomb explosion in 2017.

In **Bangladesh**, the IFRC supports the Movement coordination forum, chaired by the Bangladesh Red Crescent Society, including coordination for COVID-19, other emergencies and National Society Development.

In **Antigua and Barbuda**, a preliminary assessment of financial management was completed and a more detailed analysis on implementing plans to improve the financial systems was developed.

The **Nepal Red Cross** has been supported to hire a Resource Mobilization Manager to assure financial sustainability with a long-term vision.

After adopting the IRaiser platform, in partnership with the IFRC and Swiss Red Cross, USD 39K were raised through the online donation platform by the end of the year.

In **Turkey**, audit and assurance processes for ESSN included three key components:

- An annual internal audit plan (comprising 6–7 audits annually)
- Quarterly financial verification
- Quarterly household verifications

In **Burundi**, the IFRC supported the National Society to develop commercial first aid services. These services will contribute to bringing in domestic resources and help to ensure the National Society's financial sustainability.



## trusted

A principled network that is trusted by local communities, owned and supported by its membership.

## **Context**

The IFRC and National Societies need to be trusted by their communities, partners and volunteers because this enables them to effectively and efficiently achieve their humanitarian objectives. In 2021, the IFRC supported National Societies' ongoing development, increased volunteer and youth involvement, and implemented community engagement and accountability initiatives in all regions. It also continued to improve membership and Movement coordination, which are critical components of a trusted and effective humanitarian network. At the end of the year, it launched a three-year action plan for child safeguarding and preventing sexual exploitation and abuse.

## 2021 progress

# National Societies supported in their development

The IFRC deepened its branch development work in 2021 because a network of well-functioning branches forms a strong National Society with the capacity to meet local humanitarian needs. It relaunched the Capacity Building Fund in August 2021 – an agile development funding mechanism open to all National Societies.

Supporting National Societies to manage their financial resources is a priority for the IFRC. It developed several initiatives at regional and sub-regional levels, including in Latin America, South Africa and the Caribbean. The Asia Pacific region piloted a financial sustainability indicators dashboard, while a group of National Societies trialled a scenario-based predictive modelling approach to long-term strategy setting. This trial confirmed the need for a risk management tool. The IFRC also supported National Societies with core costings, asset management and fundraising.

The IFRC continued to support National Societies with their efforts to prevent, manage and mitigate the risk of integrity breaches. It developed a safeguarding self-assessment framework,



## **2021 Progress towards IFRC targets**

National Societies with <b>revised statutes</b>	
Target	100%
Actual	44%
National Societies reached in line with NSD <b>compact principles</b>	
Target	96
Actual	45
National Societies with One National Society Development <b>country plan</b>	
Target	60
Actual	45
National Societies that have strengthened their integrity and reputational <b>risk me</b>	chanisms
Target	192
Actual	18
National Societies with <b>youth engagement strategies</b>	
Target	96
Actual	44
National Societies that cover health, accident and death <b>compensation</b> for all of their volunteers	•
Target	96
Actual	77
Large-scale emergencies that use a single planning and <b>reporting framework</b>	
Target	70%
Actual	100
Actions in Strengthening Movement Cooperation and Coordination 2.0 workplan	achieved
Target	100%
Actual	70
National Societies with <b>Community Engagement and Accountability</b> integrated	
Target	50
Actual	35

(Targets until 2025 unless otherwise mentioned)

demonstrating its commitment to protecting people from harm caused by the misuse of power. The framework consists of 16 standards against which IFRC offices and National Societies can assess their safeguarding capacities.

By the end of 2021, 42 per cent of National Societies had either started or completed the process of revising their statutes and Red Cross and Red Crescent laws. This includes all the governance functions they perform, including holding meetings, making decisions, conducting audits and following disciplinary procedures. Being administratively organized, compliant and consistent in their governance enables National Societies to operate more efficiently and nurture deeper trust within their communities.

The IFRC works to enhance capacity of IFRC operations and National Societies to establish sound operational security management structures and procedures via increased security training, adequate security management and offices and operations, and support to the National Societies to incorporate security into their operational plans. In 2021, a revision of the IFRC Minimum Security Requirements was carried out. These procedures describe the Minimum Security Requirements for the implementation of security management within all IFRC structures and operations. A new Stay Safe e-learning version (Stay Safe 2.0) was launched in 2021, to increase the security awareness, skills and capabilities of IFRC and National Societies. On the IFRC Stay Safe website, the IFRC also developed an Online Guide to a Safer Mission supporting safer work in the field.

### Volunteering development and youth action

The IFRC developed a volunteering vision for the network, which sets out how National Societies can attract and engage a substantial and diverse volunteer base. This will ensure that the IFRC stays rooted in and guided by the communities it serves. The vision led to a new volunteering policy that guides National Societies on how to implement it locally.

The IFRC launched the v-community application, enabling volunteers to connect with each other. It also developed a global volunteering alliance framework, which gives National Societies the tools they need to improve the motivation and retention of their volunteers while protecting their safety and wellbeing. Within this framework, the IFRC supported a Spanish Red Cross Society volunteer learning initiative and a post-pandemic volunteering workshop hosted by the Turkish Red Crescent Society.

The proper management of volunteer-related data helps build trust within communities, so the IFRC established a working group to develop volunteer data collection and management solutions for National Societies. The IFRC and 15 National Societies tested MOTI – a leadership and

motivation learning system designed to improve the wellbeing and engagement of volunteers.

Young people are the world's future humanitarian actors. The IFRC remains committed to understanding their needs and encouraging youth-led action. It supported 100 young leaders from National Societies to attend the Global Youth Summit – part of the Global Youth Mobilisation initiative of the Big 6. They explored projects initiated during the COVID-19 pandemic to inspire and mobilize more locally driven youth-led action. The IFRC also co-organized the annual Compact for Young People in Humanitarian Action meeting with the United Nations Populations Fund, where 60 organizations attended to set priorities for 2022.

To mark International Youth Day in August, the IFRC published *On the COVID-19 Pandemic Frontline*, which analysed the negative impacts of COVID-19 on children, adolescents and young adults. This discussion paper outlined how National Societies, youth networks, partners and policymakers can be more responsive to their needs, rights and vulnerabilities. The IFRC also launched Limitless, a youth innovation



## A Movement approach in Ethiopia

In 2021, millions of vulnerable people in Ethiopia had a wide range of humanitarian needs resulting from conflict, drought, displacement, food insecurity, trauma, the loss of livelihoods and the ongoing socio-economic impacts of the COVID-19 pandemic. The IFRC took a Movement coordination approach with its support of the Ethiopian Red Cross Society. Working closely with the ICRC and member National Societies, it provided emergency shelter, food, cash, healthcare, water, sanitation and hygiene items to people in need of assistance.

programme designed to support young people's innovative solutions to COVID-19 problems in their local communities. Limitless is part of the broader Global Youth Mobilization Initiative of the Big 6.

## Membership Coordination is a core part of the IFRC work

The IFRC prioritized the strengthening of its membership coordination at strategic and operational levels.

Building on the COVID-19 response framework learning, the IFRC has continued to implement the Federation-wide Framework in its operations. The Federation-wide approach positions National Societies as partners of choice in

their countries. It demonstrates the value and universality of the IFRC network and highlights the global solidarity among its members. The approach helps to leverage the capacities of all partners to maximize the collective humanitarian impact and ensure linkages between all response activities centred around the needs of the operating National Society. The approach includes a standardized Federation-wide

monitoring and reporting framework to ensure accountability and transparency. This includes reporting on National Societies' activities, standard indicators, and financial information. Timely and consistent key messages and communication packages were sent to all National Societies for each emergency response operation. The data collected through this process is shared on the GO platform with public visibility and draws a global picture of the response.

The IFRC also developed, with the informal consultative group of National Societies cooperating internationally, A New Way of Working Together as IFRC – a two-year programme to ensure unity of action, with the needs and sovereignty of host

National Societies at the centre. Fourteen pilot countries were chosen (Afghanistan, Armenia, Bangladesh, Central African Republic, Colombia, Ethiopia, Honduras, Kyrgyzstan, Lebanon, Malawi, Myanmar, Niger, Venezuela and Yemen) and committed to being part of this programme.

The IFRC promoted coordination and shared leadership with its members. It revised and signed framework integration agreements with several partner National Societies. These agreements will facilitate the ability of National Societies to work outside of their countries when needed, with the full legal capacity to operate within the IFRC structure.

## The IFRC will deliver on its priorities for Movement Coordination and Cooperation

The IFRC engaged more than 50 National Societies in its Strengthening Movement Coordination and Cooperation (SMCC) initiative despite challenges in implementing principles and best practices at the operational level. It provided SMCC training to all IFRC managers in the field, and the SMCC toolkit has been regularly updated. Tools to support Movement coordination were used in all the major emergencies in 2021, building on the

strong Movement cooperation demonstrated during the response to the COVID-19 pandemic.

The IFRC organized a virtual summit with the ICRC for the leadership and operational management of all Movement components in November. This raised awareness of SMCC and demonstrated how it could enhance the Movement's global impact.

## People vulnerable to and affected by crises are empowered to influence decisions affecting them

In 2021, the global IFRC community engagement and accountability team supported initiatives in 43 National Societies across all regions. The initiatives were linked to different programmatic areas, including equitable COVID-19 vaccination deployment. The Movement response to COVID-19 reached nearly 900M people through interventions that were inclusive and focused on the needs of local communities.

The IFRC is recognized as a thought leader in community engagement and accountability. With the World Food Programme, it co-led the Inter-Agency Standing Committee Task Force on Accountability to Affected Populations – recommending improvements to the international humanitarian system.

## **Action** in the field

In **Burundi**, community feedback mechanisms were established, using qualitative community data to inform the COVID-19 response and reporting.

The IFRC provided technical, logistical and financial support to **Kenya Red Cross Society** to carry out a branch organizational capacity assessment in all its 47 branches. This including training 32 KRCS facilitators who then undertook the assessment in all the 47 branches.

In **Ecuador**, a comprehensive financial sustainability strategy was approved. This tool will be useful to build capacities in resource mobilization, financial risk management, decision making, assessment, accountability, auditing, and leadership in financial capacities.

**Antigua and Barbuda** enrolled in the IFRC Business Incubator Programme. As a result, a business plan for commercial first aid was created and roll out has begun, with five new potential corporate clients expected to receive training.

In **Bangladesh**, the IFRC supported development of a solidarity fund for staff and volunteer to cover insurance. IFRC has contributed CHF 30K, Canadian Red Cross CHF 5K, Danish Red Cross CHF 29K, and Swedish Red Cross CHF 28K.

The IFRC provided computer hardware, finance software, and finance training to branch finance staff to build the **Red Crescent Society of Tajikistan's** financial management capacity.

4.5K **Yemen Red Crescent** volunteers were insured under the IFRC Global accident insurance policy.













# REGIONS

#### africa

#### **Context**

Floods were the most common type of disaster in the IFRC's Africa Region in 2021, followed by droughts, food insecurity and tropical storms. Hunger continues to be an urgent problem in many areas of Africa. 346.4M people are facing severe food insecurity and 452M people are facing moderate food insecurity.

The IFRC supported 72 emergency operations in 39 countries, most of which were climate-related. The IFRC and its members in Africa also responded to Ebola virus disease and dengue outbreaks, and the crisis in Tigray, Ethiopia.

The IFRC and National Societies in Africa made substantial efforts to increase the speed and agility of response operations. They also integrated community engagement and accountability, protection, gender, and inclusion, prevention of exploitation and sexual abuse, and green response approaches across all programmes and activities.

Despite significant efforts, low funding levels remained a considerable challenge and continued to affect National Societies' abilities to support people in need.

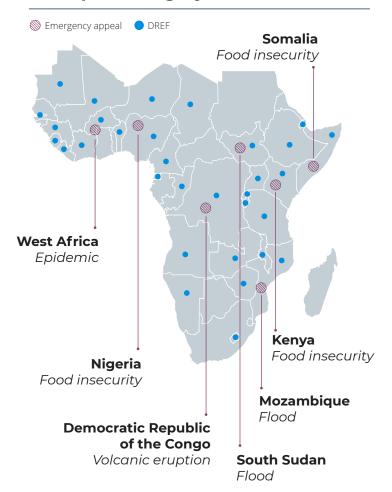
**Pan-African Initiatives** 

Following consultations with National Societies in Africa in 2019, the IFRC launched Pan-African Initiatives that focused on the most pressing challenges in the region, including National Society development, tree planting and care, Red Ready and zero hunger initiatives. Throughout 2021, the IFRC supported African National Societies to incorporate these initiatives into their National Plans as they relate to their respective priorities and vulnerabilities within their communities.

The IFRC's new Pan-African Initiatives target the most pressing challenges in the region, including National Society development, tree planting, Red Ready and zero hunger initiatives.

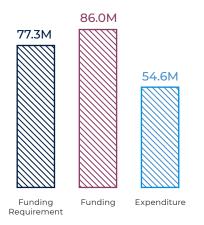


#### **▼** Top funding by location

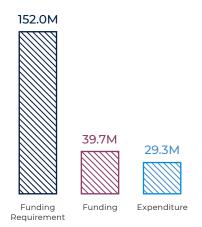


#### **▼** Funding

#### **▼** Emergencies



#### **▼** Thematic programmes



#### ▼ Top funding by location



Central African Republic



Regional programmes



Central Africa



Southern Africa



Sahel



Other

#### ▼ People reached by thematic area

2.6M

Climate and environmental crises

1.3M

Evolving crises and disasters

41.4M

Health and wellbeing

164.0K

Migration and identity

**2.4M**Values, power and inclusion

#### 2021 progress

#### Climate and environmental crises

In 2021, the IFRC supported National Societies in Africa to build knowledge and awareness of climate change and become more resilient with technical support and information sharing across Movement and non-Movement platforms.

As part of this, the IFRC supported the Somalia Red Crescent Society to develop integrated community resilience plans and natural resource management training for staff and volunteers. This enabled the National Society to distribute drought-resistant trees and nutritional seedlings

in target communities, rehabilitate degraded land through soil and water conservation projects, and engage and mobilize communities in environmental protection programmes.

The IFRC and the Belgian Red Cross also supported the Pan-African Tree Planting and Care Initiative in Kenya. As a result of this support, the Kenya Red Cross Society established 20K tree seedlings while maintaining at least 10K more trees. National Societies planted more than 4M trees in Africa in 2021 through this initiative.

#### **Evolving crises and disasters**

The IFRC provided technical support to African National Societies for the development of Early Action Protocols on the response to evolving crises and disasters in 2021. This empowered National Societies in Ethiopia, Kenya, and Uganda to receive funding for the management of flooding while enabling the Red Cross Society of Niger to receive funding for the management of droughts. There are now 14 countries implementing Anticipatory Action and nine approved Early Action Protocols covering floods, drought, and cyclones.

The IFRC ensured that people affected by humanitarian emergencies and crises can receive timely and appropriate cash and voucher assistance so they can meet their needs and access assistance in a timely and flexible way and strengthens their agency. 51 per cent of DREF operations and 80 per cent of Emergency Appeals in the Africa region included cash or voucher assistance in 2021. This includes a DREF Operation carried out by the Burundi Red Cross that was almost entirely based on cash transfers. The IFRC supported around 1K households with cash and voucher assistance in response to massive flooding. Similarly, it reached some 16K people with cash and voucher assistance as part of zero hunger-related initiatives in Somalia. The IFRC's collaboration with National Societies in Africa also provided nearly 135K people with multi-purpose cash through emergency operations and 657.6K people with cash and voucher assistance through their COVID-19 operations.

#### Growing gaps in health and wellbeing

The Red Cross of the Democratic Republic of the Congo coordinated home visits with support from the IFRC to reach 4M people with health information and advice. That support also enabled the National Society to reach an additional 1M people in 2021 through its community epidemic and preparedness programme, and trained 4.1K volunteers on vaccination, nutrition, community

engagement and accountability initiatives while carrying out health risk mapping activities.

There has been a significant increase in the number of people reached by National Societies. In 2021, more than 21.7M people were reached through long-term health programmes compared to 2.9M in 2020. In the Democratic Republic

of the Congo the number of people reached was 3.9M, and in Nigeria it was 3.4M people.

The IFRC also assisted eight National Societies in Africa with funding and technical advice to increase access to safe drinking water, resulting in around 37K people being able to access permanent safe water supplies across the continent.

The IFRC also supported 120 sanitation facilities and 944 handwash facilities, which benefitted some 4K pupils in Malawi and Rwanda, among many others. These initiatives contributed to reducing water-borne illness and improved health and education outcomes.



The recent developments in Tigray have compounded other existing vulnerabilities in Ethiopia and in neighbouring Sudan and Djibouti. Even before the fighting, the region was dealing with acute food insecurity, an invasion of desert locusts, drought and the COVID-19 pandemic.

Mohammed Mukhier, Regional Director for Africa at IFRC



#### Migration and identity

Throughout 2021, despite challenges presented by the COVID-19 pandemic and funding cuts, the IFRC and National Societies successfully reached vulnerable migrants across Africa. They provided relevant and appropriate assistance while working to maintain the dignity of people on the move. The IFRC supported the National Societies in Ethiopia and Niger to create displacement strategies and the Red Cross Society of Guinea to integrate its displacement strategy within its national strategy.

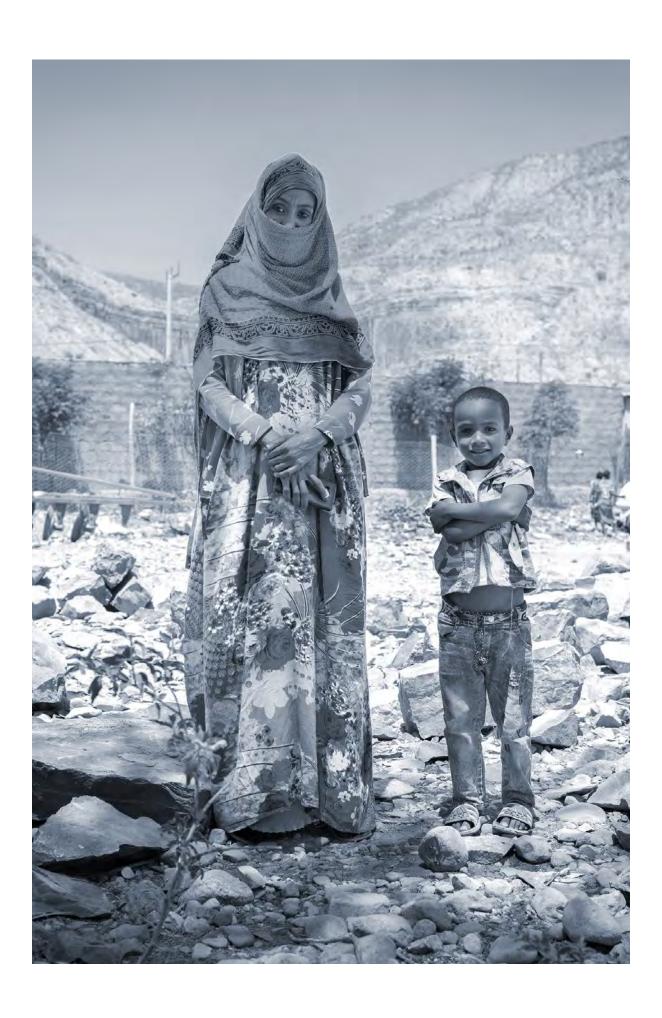
The IFRC has also launched new research with the Movement Migration Lab, *Migration Perspectives – Building Trust in Humanitarian Action Related to Migration*. The Gambia Red Cross Society, the South African Red Cross Society, the Zambia Red Cross Society, the Sudanese Red Crescent, and the Red Cross Society of Niger have all confirmed their interest in joining. They will receive a total of CHF 30K for the five National Societies from the IFRC Migration Lab and the Danish Red Cross to support their efforts.

Before the eruption of Mount Nyiragongo in May 2021, the Red Cross of the Democratic Republic of the Congo had begun strengthening its volunteer capacity and ability to conduct needs assessments with support from the IFRC. This ensured that when the volcano erupted, the National Society could provide timely and appropriate humanitarian assistance to 55.5K people who were displaced by lava flows.

#### Values, power, and inclusion

In 2021, the IFRC held monthly online learning sessions on protection, gender, and inclusion to increase capacity in Africa by learning from best practices. These sessions focused on integrating protection, gender and inclusion in emergencies

and protection responses, the prevention of sexual and gender-based violence, and the prevention and response to sexual exploitation and abuse.



The IFRC launched a manual on preventing and responding to sexual exploitation and abuse in Africa. The manual provides guidance on preventing and responding to sexual exploitation and abuse. It ensures that all staff and volunteers across the National Societies and the IFRC are aware of the principles and critical preventative actions. The IFRC also provided technical support to the Nigerian Red Cross Society and the

Uganda Red Cross Society in developing their policies and action plans.

Through IFRC support and increased awareness, the Red Cross of the Democratic Republic of the Congo was able to help survivors of sexual and gender-based violence through specialized health centres, while also reaching 8.6K people with activities and messaging related to protection, gender and inclusion.

#### **Engaged**

In 2021, IFRC National Society development efforts in Africa focused on ensuring that governance and leadership were sound while improving financial sustainability, risk management and Movement coordination. The IFRC also endeavoured to enhance localization, engage in digital transformation, and integrate more youth and volunteers in the Movement across Africa.

As part of this, 11 African National Societies (Malawi, Namibia, Botswana, Lesotho, Uganda, Kenya, Madagascar, Ghana, Nigeria, Eswatini and Benin) established risk management frameworks. The IFRC also provided training on

good leadership and governance to 12 National Societies (Namibia, Malawi, Zimbabwe, Zambia, Eswatini, Madagascar, Mauritius, Comoros, the Democratic Republic of the Congo, Tanzania, Nigeria, and Lesotho).

In Kenya, the IFRC supported the National Society by documenting the effects of drought in the north-eastern counties, enabling more in-depth risk assessment and early action planning. The IFRC also supported disaster mitigation efforts in Kenya by training Kenya Red Cross Society teams, county officials and local journalists on collaboration and health messaging in emergencies.



#### **Accountable**

The IFRC developed and revitalized several important partner-ships in 2021 to ensure sustainable and multi-year funding for the benefit of National Societies in Africa. These include a partnership with the Africa Centre for Disease Control and the Mastercard Foundation, which will encourage the growth of a community healthcare workforce across the continent, and a partnership with the Ecobank Foundation to support the Pan-African Initiatives. The IFRC also continues to receive valuable support for its work in Africa from the governments of Iceland, Japan, Switzerland, and the USA

Securing these partnerships and other funds enabled the IFRC to support the Somali Red Crescent Society to reconstruct its coordination office that was severely damaged by a bomb explosion in 2017.

The IFRC also supported the Burundi Red Cross by providing accounting training for finance staff. Similarly, the IFRC provided training for project managers on budgeting and Movement-wide financial and logistical practices. Together, these local capacity-building investments demonstrate increasing accountability to donors and beneficiaries.

#### **Trusted**

The IFRC and Movement partners have been assisting the Sudanese Red Crescent in its organizational transformation through reforms in governance systems, human resources, branch development, and information and data management. The Sudanese Red Crescent has also made efforts to improve audit, investigative, and logistical capacities while advancing procurement and supply chain management.

In addition to the IFRC pledge of CHF 350K for this transformation, the Arab Red Cross and Red Crescent Organization donated equipment and CHF 40K to establish the Sudanese Red Crescent Society Operation Centre. The Netherlands Red Cross also provided technical support to strengthen the Sudanese Red Crescent Society's data management system.

#### statistics



#### **4M trees**

were planted in Africa as part of the Pan-African Tree Planting and Care Initiative in 2021.



#### 55.5K people

provided with humanitarian assistance following the eruption of Mount Nyiragongo in the Democratic Republic of the Congo.



#### 4M people

were reached with health information and advice through home visits coordinated by the Red Cross of the Democratic Republic of the Congo.



#### 37.0K people

were accessing permanent safe water supplies across the continent.

#### americas

The IFRC network responds to complex humanitarian needs from sudden onset and also cyclical disasters while focusing on climate change as a main driver of current and future crises.

#### **Context**

The IFRC Latin America and the Caribbean region is the second most disaster-prone in the world. An estimated 152M people were affected by 1.2K disasters between 2000 and 2019, of which there were 26.4M people in need in 2021. Although many are cyclical in nature, those most likely to require a major humanitarian response in the region are sudden onset disasters such as earthquakes, hurricanes, and floods. The collective impact of recurring climate crises, particularly prolonged droughts followed by seasonal floods, also leads to complex humanitarian needs.

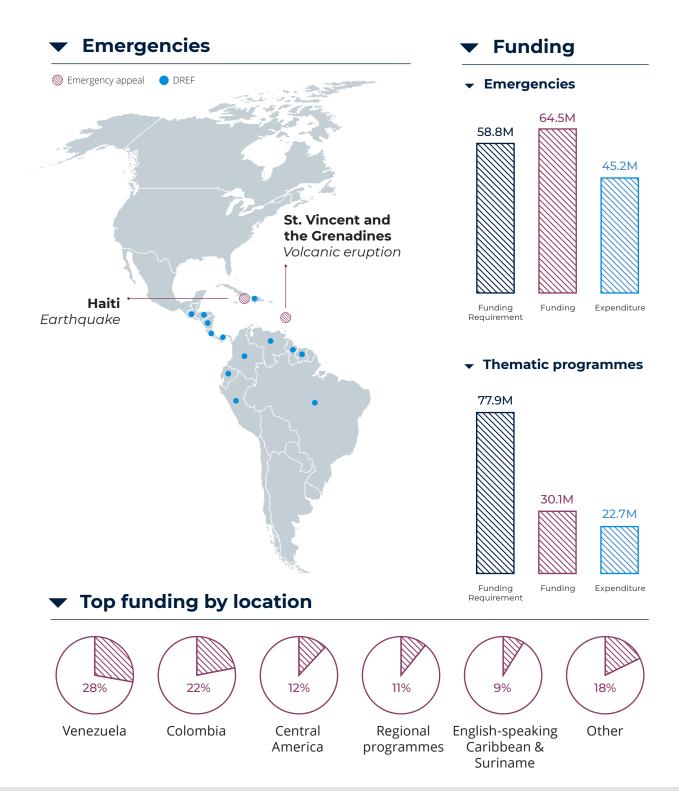
The increase in the number of people in need is partly due to the rising frequency and intensity of sudden-onset disasters and recurrent climate shocks, and challenging socioeconomic conditions. 800K people were affected by the earthquake in Haiti in August 2021 and 7.5M people were affected by hurricanes in the region in 2021. Despite only 8.4 per cent of the world's population living in the region 18.5 per cent of global COVID-19 cases and 30.3 per cent of all deaths occurred in the region making it the world's most severely affected. Together, these factors have left 287M people in poverty or extreme poverty and moderate-to-severe food insecurity affected 267M people. Other significant challenges included gender-based violence towards women, child protection, growing internal displacement flows, and migration.



#### 2021 progress

#### Climate and environmental crises

Hurricanes bring the most significant risk to island communities in the region. The Bahamas Red Cross Society launched the Resilient Islands project in collaboration with The Nature Conservancy for communities affected by Hurricane Dorian. Global support from the IFRC saw the programme rolled out in numerous islands, including Grenada and Jamaica. The project uses Climate Change Adaptation and Ecosystem-based Approaches in targeted communities to understand vulnerabilities and build resilience.



#### ▼ People reached by thematic area

**6.5K**Climate and environmental crises

1.1M Evolving crises and disasters **3.6M**Health and wellbeing

**1.4M**Migration and identity

**186.0K**Values, power and inclusion

#### statistics



# 7.1K prepaid visa cards

mobilized with a recharge value of CHF 1.5 million.



#### **CHF 14M**

was managed through the Americas procurement unit.



#### 918 tons of goods

were dispatched to support emergency operations and programmes. In Colombia, the IFRC supported the National Society to develop and reach 1,300 people with reference materials for strengthening the adaptation of agricultural programmes to climate change, such as urban food production gardens.

#### **Evolving crises and disasters**

The IFRC supported the Venezuela Red Cross Society to create and train 12 community disaster response brigades in disaster risk reduction, first aid, and livelihoods. An action plan was drafted in each response brigade specific to hazards faced by the community.

In addition, the IFRC initiated the transition process for Venezuela's health emergency and regional population movement operations.

#### Growing gaps in health and wellbeing

Survivors of human trafficking accessed mental health and psychosocial support in Colombia under the IFRC's Comprehensive Care Programme. The IFRC also provided family and specialized medical services in partnership with the Government of Colombia.

In Peru, the IFRC provided almost 5K medical services through primary health care services in five hosting and transit cities through humanitarian service points.

#### Migration and identity

Migration is a significant issue in the region. The IFRC's Monarch Butterfly programme supported the implementation of humanitarian service points in several countries and promoted community-based activities in transit and host communities.

In Panama, 3.4K children were provided with primary health assistance and nutritional screening through the National Society's humanitarian service points on the border with Colombia.

In 2021, projects for migrants in the border states of Venezuela reached 28K with primary health care, psychosocial services, disease prevention and health promotion, sexual and reproductive health activities, and protection services.

#### Values, power and inclusion

The IFRC implemented micro-projects for more than 1.1K people in Peru to promote the social inclusion of migrants and refugees. The projects focused on first aid, health promotion and healthy eating.

Since 2020, the IFRC has supported the Colombia Red Cross Society to implement an integral assistance project for survivors of human trafficking and become a regional reference in the humanitarian approach to human trafficking. The project has helped 48 survivors and strengthened the National Society's anti-trafficking and sexual and gender based violence capacity, reaching 529 people by December 2021 and promoting learning spaces with other National Societies in the Americas.

Venezuelan migrants were forced to use informal routes due to increasing risks and vulnerabilities and closed borders in Colombia and Brazil. The IFRC supported the Venezuela Red Cross Society to adapt the Protection, Gender and Inclusion toolkit for volunteers and project teams to use in emergencies.



In 2021, Red Cross teams not only responded to the COVID-19 pandemic and complex population movements but to the greatest challenge of our generation: the climate crisis. We are particularly proud of the work done by a historically high number of women leading disaster response in the region. The sheer scale and scope of what they undertake and achieve is truly remarkable.

Martha Keays, IFRC Regional Director for the Americas



The IFRC supported the Peruvian Red Cross Society to develop micro migration projects in five regions in the country following successful interaction with local government representatives. The IFRC and the National Society also implemented the Red Cross Line hotline service to disseminate messages on disease prevention and protection.

#### **Accountable**

The Americas Global Humanitarian Services and Supply Chain Management Unit supported the response to 20 operations in 34 countries. A total of 918 tons of goods were dispatched to support emergency operations and programmes.

7.1K prepaid visa cards were dispatched to emergency operations and programmes across the region.

#### **Trusted**

The IFRC supported the Ecuador Red Cross Society to implement minimum community engagement and accountability commitments in programmes to leverage effective community engagement for greater participation and feedback.

# asia pacific

Asia Pacific is the most disaster-prone region in the world. The IFRC network ensures that the right assistance reaches those in need while reducing risk to future crises.

#### **Context**

The Asia Pacific region is home to more than 4.6B people, accounting for almost 60 per cent of the world's population. 77 per cent of the world's disaster-affected population live in the Asia Pacific region. As the region adapted to the long-term effects of the COVID-19 pandemic and its impact on economies and health services last year, the IFRC's humanitarian work remained as vital and effective as ever.

The region hosted 3.7 million internally displaced people and 4.4M refugees in 2021 due to the continuing crises in Afghanistan and Myanmar. Many countries in the region were affected by larger and more intense climate disasters and extreme weather events than ever before.

Fear, stigma, and disinformation contributed to widespread misconceptions and threatened the success of its COVID-19 vaccination programmes. In response, the IFRC supported National Societies in their auxiliary roles to help governments prepare for and engage people in the vaccination rollout.

In total, the IFRC supported 51 emergency operations in the Asia Pacific region in 2021, reaching 3.9M people across 16 countries.



#### Climate and environmental crises

In the Maldives, the IFRC provided the Maldivian Red Crescent Society with a grant to strengthen its WASH activities by developing a training module for staff and volunteers to increase capacity and knowledge and supporting the National Society to carry out hygiene promotion activities in migrant communities.

The IFRC supported the Red Cross Society of the Democratic People's Republic of Korea to construct closed-cycle production greenhouses and food processing equipment in three communities to help improve the diet of local people.

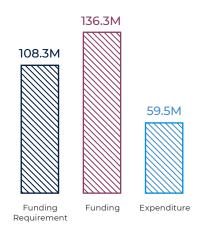


#### **▼** Top funding by location

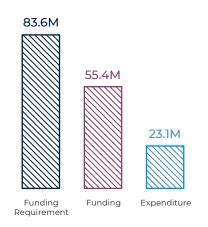


#### **▼** Funding

#### **▼** Emergencies



#### **▼** Thematic programmes



#### **▼** Top funding by location



Regional programmes



China



Nepal



Afghanistan



Indonesia



Other

#### **▼** People reached by thematic area

165.0K

Climate and environmental crises

1.5M

Evolving crises and disasters

8.5M

Health and wellbeing

77.0K

Migration and identity

**2.2M**Values, power and inclusion



To assess the climate and disaster risks of drinking water infrastructures, the IFRC developed and tested a new tool with the Nepalese Red

Cross Society to assess the climate and disaster aspects of WASH activities in 2021. The tool will be further refined in 2022 with IFRC support.

#### **Evolving crises and disasters**

Due to the country's vulnerability to extreme weather events, the IFRC worked with the Bangladesh Red Crescent Society to implement a forecast-based action mechanism and flood and cyclone early action protocols, funded by CHF 700K from the Disaster Response Emergency Fund. The mechanism provides vital early and anticipatory actions that communities can use to combat the effects of extreme weather events, reaching 90K people.

The IFRC and the Bangladesh Red Crescent Society collaborated with Google to develop a

plan for flood forecasting in 2021. Google will provide alerts through mobile phone messages and internet communications. The National Society also assisted more than 58K households with cash assistance.

In Indonesia, the IFRC supported the Indonesian Red Cross Society to provide water facilities and pipelines to 370 households to help with their recovery from earthquakes. The initiative enabled these households to access vital clean water and sanitation facilities and reduce the potential spread of disease.

#### Growing gaps in health and wellbeing

In Laos, the IFRC provided the Lao Red Cross Society with first aid equipment, comprising ten sets of first aid mannequins. This enabled 1K people to receive life-saving first aid training. The IFRC also provided a vehicle for blood donation campaigns across the country, supporting healthcare services' ability to provide efficient and effective treatment to patients.

The IFRC supported the Bangladesh Red Crescent Society to implement hygiene promotion activities, including COVID-19 risk communication

and community engagement. These initiatives reached almost 80K people with vital information on good hygiene in vulnerable communities, reducing the spread of disease, and the risks of COVID-19 infection.

In the aftermath of Cyclone Yaas, the IFRC supported the Bangladesh Red Crescent Society to install 100 rapid latrines for the affected communities. The initiative provided immediate clean, safe, and equitable access to sanitation facilities for those affected.

#### Migration and identity

To promote the mental and physical wellbeing of migrant communities in the Maldives, the Maldivian Red Crescent Society established a helpline to provide support and services to migrants. This nationwide toll-free service is the first of its kind in the country.

The IFRC supported the Philippine Red Cross Society to participate in research facilitated by

the Global Migration Lab. The research provided evidence of the direct and indirect impacts of the COVID-19 pandemic on migrants' access to basic services and was conducted by National Societies in Australia, Colombia, Egypt, Ethiopia, the Philippines, Sudan, Sweden, and the United Kingdom.

#### statistics



# 30 new emergency operations

launched in Asia Pacific in 2021, including 26 DREFs and four Emergency Appeals.



#### 7M people

volunteer for National Societies in Asia Pacific.



# 38 National Societies

contributed to the FDRS.

#### Values, power and inclusion

The Indonesian Red Cross Society integrated risk communication and community engagement activities into its COVID-19 response, targeting 80K elderly people through SMS blasts. The IFRC and the National Society also developed a protection, gender, and inclusion work plan for the period 2021–2024.

As part of its reform process, the IFRC supported the Nepalese Red Cross Society to ensure that its governance and management are diverse and inclusive.

#### **Engaged**

The IFRC supported the Indonesian Red Cross Society to participate in the Sports for Inclusion, Health Promotion, and Disaster Risk Reduction project, implemented with the Special Olympics Indonesia, and the IFRC, with endorsement from Indonesia's Ministry of Youth and Sport for Future Continuity.

In Nepal, the IFRC supported the National Society to strengthen its coordination and collaboration on community-based disaster risk reduction and resilience, bringing together ministries, authorities, the UN system, academic institutions, and the private sector.

#### **Accountable**

The IFRC supported the Nepal Red Cross Society to adopt the iRaiser platform for financial sustainability. In 2021, the online donation platform raised USD 39K.

As part of its organizational transformation, the IFRC supported the Indonesian Red Cross Society to participate in knowledge sharing within the Virtual Fundraising Hub and adopt the iRaiser platform.

#### **Trusted**

The IFRC supported the Indonesian Red Cross Society to insure 6.4K volunteers, so that frontline workers and their families are protected.

The IFRC also supported the development of a solidarity fund to cover insurance costs for staff and volunteers of the Bangladesh Red Cross Society. Several National Societies also contributed to the fund, totalling CHF 62K.

Fifteen youth volunteers from the Bangladesh Red Cross Society were selected for the IFRC Limitless Contest Award which enables young people to implement initiatives that support their communities to recover from the impact of COVID-19.

#### europe

#### Context

In addition to the continuing migration crisis, stemming from an influx of migrants mainly from Africa and MENA risking their lives to come to Europe, conflict in Eastern Europe has been another dominant factor affecting people in the Europe region. This situation is even more exacerbated today with the ongoing conflict in Ukraine. Countries including Greece, Armenia, and Poland support large numbers of migrants entering the country in need of urgent care and safety. In addition to the humanitarian needs of the migrants themselves, which may include food, healthcare, psychosocial support and support to access services, many of the host communities have been overwhelmed and need support as well.

The second half of 2021 saw the continuation of migration in highly volatile situations. At the end of August, the evolving situation in Afghanistan required significant support from the IFRC and National Societies, while the humanitarian needs in Belarus and neighbouring countries also increased.

At the same time, Europe continues to face the challenges of an aging population and a rise in non-communicable diseases.

The IFRC network in Europe continues to respond to a historical migration crisis, focusing on the capacities of the National Societies to deliver life-saving and life-changing services.

#### 2021 progress

#### Climate and environmental crises

Increased temperatures are causing dangerous conditions across the region. The IFRC supported the Azerbaijan Red Crescent Society with its community-based initiatives to promote safe behaviour outdoors. Posters and brochures on the risks associated with heat were distributed in 28 regions.

Kyrgyzstan and Tajikistan Red Crescent Societies tested early actions for heat and cold waves to increase survivability and protect livelihoods, notably during the cold wave in Tajikistan.

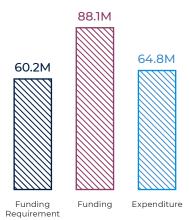


#### **▼** Top funding by location

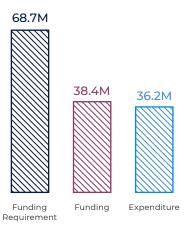
# Europe Complex emergency Croatia Europe Complex emergency

#### **▼** Funding

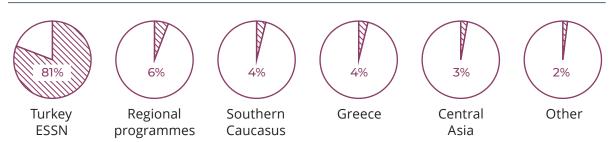
#### ▼ Emergencies



#### **▼** Thematic programmes



#### **▼** Top funding by location



#### People reached by thematic area

**58.0K**Climate and environmental crises

**2.1M**Evolving crises and disasters

**2.5M**Health and wellbeing

**408.3K**Migration and identity

**157.0K**Values, power and inclusion

#### **Evolving crises and disasters**

The IFRC continues to facilitate the largest cash response programme in the world. The Emergency Social Safety Net (ESSN), implemented with the Turkey Red Crescent Society, delivered humanitarian assistance to approximately 1.5M people. New pilots will begin with the Red Crescent Society of Kyrgyzstan.

2021 saw the completion of the IFRC's partnership with UNHCR to provide the Cash Transfer Programme in Greece. The IFRC team supported 14.3K people with refugee-related inquiries and issued cash cards to new arrivals in 19 locations. The Government of Greece has now taken over the successful programme.

#### Growing gaps in health and wellbeing

The IFRC supported the Georgia Red Cross Society as part of the Health in Emergencies project, with financial support from the USAID Bureau for Humanitarian Assistance. The National Society trained almost 1K volunteers in first aid, disaster management, community-based surveillance, and WASH, and 35K local people were provided with vital information on health in emergencies. This initiative followed a country-wide consultation on Universal Health Coverage with vulnerable communities.

More than 10K people in Azerbaijan received psychosocial support and referrals to hospitals and specialised services.

#### Migration and identity

The IFRC partnered with the Armenian Red Cross Society, the ICRC, UNHCR and other partner National Societies to provide humanitarian assistance to migrants fleeing the 2020 escalation in conflict in Nagorno-Karabakh. The support included the provision of emergency food, non-food items, winter clothes, first aid training and cash assistance.

#### Values, power and inclusion

12.5K children affected by the conflict in Armenia were supported by the IFRC's Child Resilience programme in Armenia. The programme, also supported by the ICRC, targeted inclusive and quality education for children from Nagorno-Karabakh.

In Greece, a Sexual and Gender Based Violence Pocket Guide for Hellenic Red Cross first line practitioners and volunteers was developed and widely disseminated across the operations and branches. This will help volunteers and staff to better identify risk and to implement protections into programming.

#### statistics



#### **EUR 1.2B**

in total contributed by ECHO for the ESSN programme.



#### 12.5K children

affected by the conflict in Armenia supported by the Child Resilience programme.



#### 28 regions

in Azerbaijan were sensitized to heat risk.



#### 7 Emergency Appeals

were active in Europe in 2021 and 15 DREF operations.

#### **Engaged**

The IFRC supported an innovative project in Turkey that gave refugees the skills and resources to communicate their migration experiences through storytelling. In this way, they could effectively convey their realities and the issues that mattered to them. Ten participants were paired with media professionals to share their experiences with global audiences via the IFRC's social media accounts.

With the support from the IFRC, the Georgia Red Cross has been accumulating valuable data for evidence-based advocacy with an impact study of COVID-19 on the elderly and caregivers in Georgia, revealing significant gaps in the older people's access to important services, as well as their increased levels of isolation and anxiety.

#### **Accountable**

The IFRC awarded the Armenia Red Cross Society an NSIA Accelerator grant to develop commercial first aid in the country. The project will last five years, provide new income for the National Society, and will support the increased numbers of migrants in the country.

Audit and assurance processes for ESSN in Turkey have included three key components:

- An annual internal audit plan (comprising 6–7 audits annually)
- Quarterly financial verification
- Quarterly household verifications.

#### **Trusted**

The Azerbaijan Red Crescent Society improved its community engagement and accountability with financial support from the ICRC and IFRC. They also supported the Red Crescent Society of Tajikistan to increase its financial management capacity.

The IFRC provided computer hardware, finance software, and finance training to branch finance staff to build the Red Crescent Society of Tajikistan's financial management capacity.



# middle east and north africa

#### **Context**

People in the Middle East and North Africa (MENA) region faced unrelenting complex and protracted humanitarian crises in 2021. 400M people living in the MENA region are affected by humanitarian crises, 79M people are estimated to have needed humanitarian assistance and noncommunicable diseases account for 74 per cent of all deaths. The MENA region is one of the largest migration transit areas in the world with more than 40M migrants and more than 11M internally displaced persons. In Iraq, Libya, Palestine, Syria, and Yemen, political and economic instability caused basic services to deteriorate and left vulnerable people unprotected. In Lebanon, the effects of the 2020 Beirut explosion were an accelerator of the country's economic crisis, and increased poverty and food insecurity. Further, sanctions, imposed on several countries are unintentionally, yet directly affecting children, women, and families, and affecting the scope and efficacy of our humanitarian response, notably in terms of critical logistic pipelines and financial channels. This is clear from our experience working in communities.

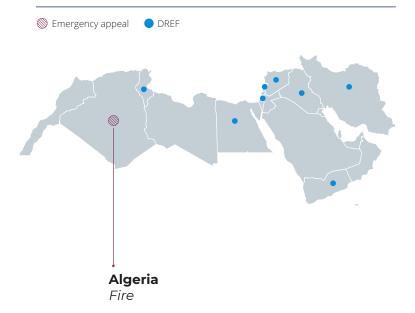
While the number of climate-related disasters around the world has nearly doubled since the 1980s, it has almost tripled in the MENA region. More than 40M people have been affected during the past 25 years. The impact of the COVID-19 pandemic has also exacerbated the situation for people already living in vulnerable situations. Water scarcity is a major issue for people in the region, with 11 of the 17 most water-stressed countries in the MENA region.

The MENA region is also the least peaceful region in the world. As a result of ongoing conflicts, people in Syria, Yemen, Iraq, and Palestine are suffering from depleted health systems resources and a lack of experienced and educated health professionals.

Protracted crises plague the MENA region. The IFRC network brings services to people in areas that no one else can, saving lives and bringing hope.

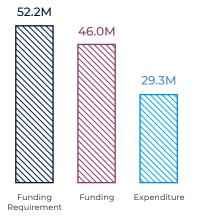


#### Top funding by location

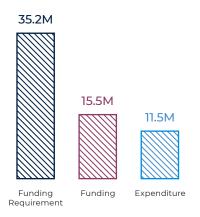


#### **Funding**





#### **▼** Thematic programmes



#### Top funding by location





Yemen



Regional programmes



Lebanon



Iraq



Other

#### People reached by thematic area

**5.7K** 

Climate and environmental crises

1.2M

**Evolving crises** and disasters

4.5M

Health and wellbeing

18.0K

Migration and identity

120.5K

Values, power and inclusion

#### 2021 progress

#### Climate and environmental crises

The Palestine Red Crescent Society became the first in the MENA region to pledge its commitment to the global climate crisis response when it signed the Climate and Environment Charter for Humanitarian Organizations in 2021.

In Yemen, the IFRC supported the National Society to preposition relief supplies as part of the global COVID-19 response. They reached between 200 and 300 households in each of 15 locations across the country with 3.1K

non-food item kits, 4.7K hygiene kits, and 5.6K food parcels distributed.

When devastating floods hit Yemen in August 2021, the IFRC supported the National Society to distribute emergency supplies to 2.7K affected households, including 10.8K blankets, 2.7K kitchen sets and 2.7K hygiene kits. The response helped 18.9K people to start rebuilding their lives and livelihoods.

#### **Evolving crises and disasters**

The Algerian Red Crescent provided humanitarian assistance to those affected by earthquakes and floods, including the replenishment of relief supplies. The response also presented an opportunity for the National Society to preposition stock, analyse the needs of the affected people, and improve its anticipation of potential future crises. The IFRC had provided support to the National Society through accessing DREF, which allowed them to respond and replenish the stock used during the emergency response operations. Both the floods and the earthquake operations were supported by the DREF.

The IFRC MENA Cash Centre of Excellence was launched in October 2021, hosted by the Lebanese Red Cross. The centre will facilitate knowledge sharing in the region and contribute

to a better understanding and use of cash and voucher assistance.

IFRC together with the Cash Hub and the Lebanese Red Cross continue to work closely following a clear plan of action developed to deliver the agreed milestones in the Terms of Reference. The IFRC continues to promote the Centre's role as part of the Cash Agenda aspirations in the region.

Palestine Red Crescent Society worked with the IFRC to assist more than 3K people affected by small- and large-scale emergencies in 2021. It was also able to respond to emergencies occurring simultaneously across Gaza, East Jerusalem, and the West Bank with IFRC financial support for its 2021 Emergency Appeal.

#### Growing gaps in health and wellbeing

The IFRC covered the costs of health workers, medicines, and primary healthcare services in two health facilities run by the National Society in Yemen in 2021. The IFRC's investment contributed to improving the access to health services for 6.6K people. The IFRC also supported the provision of medical supplies for seven National Society-led primary healthcare centres, reaching 40.4K people with vital healthcare services and medical items.

In Yemen, IFRC supported the Yemen Red Crescent Society to rehabilitate and construct water and sanitation and handwashing facilities in four schools in Amran and Dhamar governorates and trained teachers, volunteers and students in these schools on basic hygiene. A total of 10.2K individuals benefited from this intervention.

With funding from the Government of Japan, the Jordan Red Crescent reached over 10K people with vital mental health and psychosocial support services with full coordination and technical support of IFRC. These activities included dealing with stress, overcoming anxiety and fear, and managing psychological trauma and societal stigmas.

In Lebanon, IFRC with the support of the World Bank, launched a directly implemented project for Third-Party Monitoring of Pfizer vaccinations in Lebanon. A total of 2.8K monitoring visits to

the 54 vaccination sites were conducted, 3.5K interviews were conducted with health care providers and 8.0K interviews conducted with vaccine recipients, in addition to 1.4K visits to the vaccination sites done by the Environmental and Social Specialist.

As a part of the community-based health project funded by the Swiss Red Cross, the Libyan Red Crescent Society distributed a total of 2.5K hygiene kits that were procured for migrant men, women, and children in Detention Centres in or around the five areas targeted by the project.



You don't have to explain what you are doing here,
I trust your vest. I feel secure and taken care of once
I see someone wearing the vest.



Female vaccine recipient interviewed through the COVID-19 Third-Party Party Monitoring Project in Lebanon

#### Migration and identity

In 2021, the IFRC MENA Regional Office promoted the establishment of the Red Cross and Red Crescent MENA Migration Network (MENA-MN). The MENA-MN, which consists of 15 National Red Cross and Red Crescent Societies, the IFRC, and the ICRC, aims to strengthen and share expertise and experiences to work with and for migrant and refugees, their families, and host communities. The MENA Migration Network is a regional space for better coordination and interaction on migration with Movement partners and other relevant organizations, UN Agencies, local and international NGOs.

Following the formal establishment of the MENA-MN, the first regional assessment of Red Cross and Red Crescent activities on migration and displacement took place, led by the IFRC. The aim of the assessment was a better understanding of the real involvement of MENA

National Societies in migration and displacement. The assessment has been officially published in November 2021. Twelve out of 15 MENA National Societies participated in the mapping exercise – that is 80 per cent of MENA-MN National Societies.

In the second quarter of 2021, the IFRC MENA Regional Office developed a multi-year Initiative to support the children on the move in the region. The overall goal of "The Children Red Initiative" is to guarantee access to protection and humanitarian assistance to all children on the move, irrespective of their legal standing, age, gender, or health status. A pilot project has been launched in Egypt where in the period between October and December the Egyptian Red Crescent supported more than 50 families and 300 children.

#### Values, power and inclusion

The Yemen Red Crescent, with the technical support of IFRC WASH team, delivered the WASH in School project in 2021, enabling the construction of accessible latrines in schools for people with disabilities. The activities also reduced the risk of violence against girls and girls with disabilities by providing safe and equitable access to sanitation facilities inside the school.

In Egypt, the National Society provided support to 52 survivors of child labour and their families with basic protection services and humanitarian assistance through the IFRC's Children Red Initiative. It also conducted an analysis of the root causes of child labour in Egypt and identified other potential services, such as the provision of child-friendly spaces.

#### **Engaged**

The IFRC supported the National Society in Libya to engage with public authorities and reinforce its role as an auxiliary to the government. The IFRC also helped procure digital tablets for the National Society for its transitions from paper-based to digital data collection.

The Palestine Red Crescent Society was supported by the Japanese Red Cross Society, and the IFRC Regional and Country teams to develop a Health Management Information System to improve infrastructure for hospitals on the Gaza Strip. Improved access to patient information for healthcare professionals will shorten diagnostic and treatment times, leading to better outcomes for patients.

#### **Accountable**

The IFRC provided National Societies with technical guidance to improve their likelihood of successful funding applications. This resulted in an increase in applications from National Societies in the MENA region and a better understanding of the different funding tools. Accordingly, several National Societies were enabled to apply for more funding opportunities regionally and globally. The IFRC also advocated with new donors including the World Bank, Islamic Development Bank and several United Nations Agencies.

#### **Trusted**

The IFRC supported the National Society in Yemen to insure 4,514 volunteers under the IFRC Global Accident Insurance Policy, to provide reassurance and protection for volunteers and their families.

#### statistics



#### 19K people

affected by floods in Yemen received humanitarian assistance.



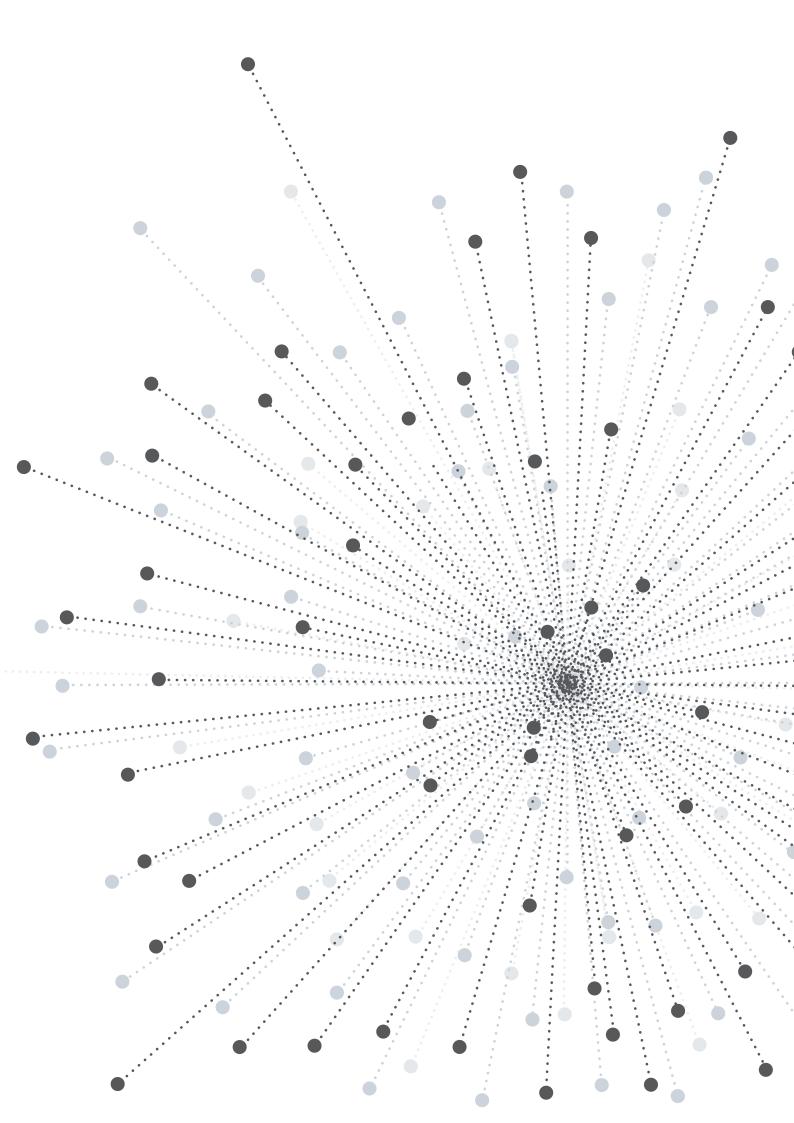
# 4.5K National Society volunteers

were protected under the IFRC's Global Accident Insurance Policy.



#### 10K people

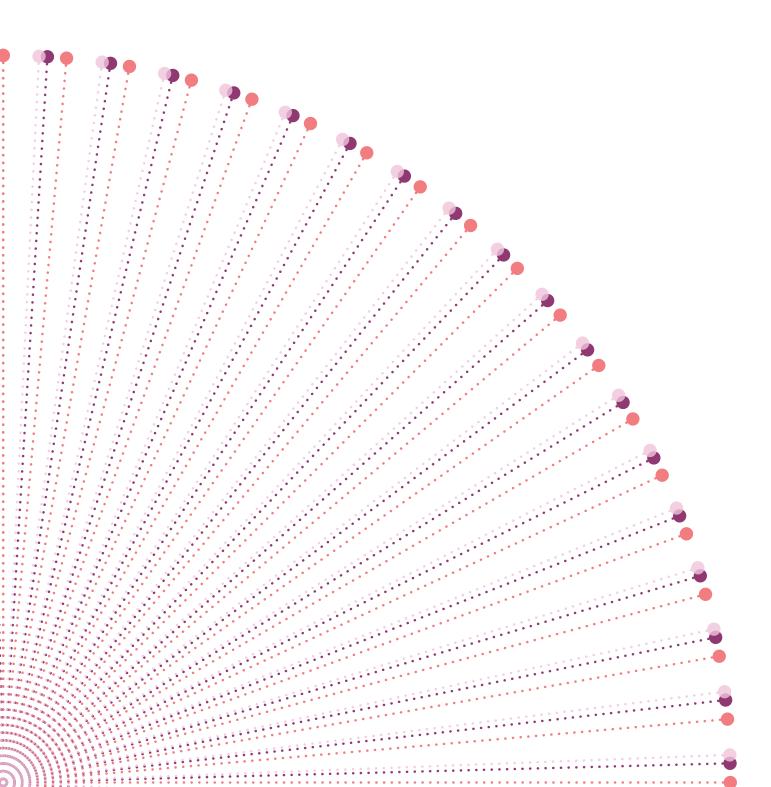
in Jordan received mental and psychosocial support.



# NETVVORK PERSPECTIVE

The global impact of National Societies and examples of their work

# EVERYONE COUNTS DATA



# A NOTE ABOUT THE NETWORK-WIDE PERSPECTIVE

National Societies do amazing work each year, both domestically and internationally. They count upon the IFRC and other National Societies when they need extra support for their programming or development, or to learn from the experience of others in the network.

This section highlights their work, their achievements and the way they work together.

Much of the information in the beginning of this section comes from IFRC's Everyone Counts report.

In the National Societies working internationally section, the information comes from voluntary data provided by 17 National Societies and focuses on the support they provided in 2021 to 124 countries around the world.

The final sections of the network-wide perspective focus on the work and 2021 progress of Red Cross Red Crescent Reference Centres and finally, examples of National Society work that have been voluntarily provided by National Societies around the world.

#### **Everyone Counts 2022**



The *Everyone Counts* report is a publication of the IFRC. It is primarily based on the data we collect from our network of 192 National Societies, an annual process undertaken since 2012. Over the past nine years, it has enabled us to establish a unique database on the IFRC's humanitarian capacity, resources and activities worldwide. We rely on the efforts of National Societies to report their data on the key indicators that are best able to

convey the global overview of the IFRC network, allowing us to conduct analysis and better inform our decisions as an organization.

This year's *Everyone Counts* report analyses the bigger picture of our network, and an additional edition, expected to be published later in 2022, will be devoted to our National Societies' response to COVID-19.

In line with the data collection for the *Everyone Counts* report, please note the data in the infographics from page 150–159 is from the year 2020.

# **ACTIVITIES**

### 650.2 million

People reached DIRECTLY by disaster response and early recovery services

## 131.5 million

People reached DIRECTLY by long-term services and development programmes





12.4 million

People trained in first aid



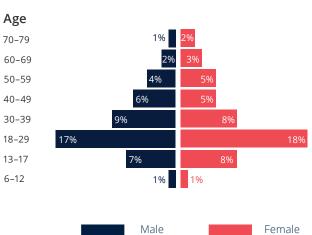
22.8 million

People donating blood



# **VOLUNTEERS**

#### Volunteers by age and sex



# 14.9M

people have given their time voluntarily for at least four hours during 2020. About 20 National Societies have more than 100k volunteers and collectively represent 86% of the total number of volunteers (over 14.9 million).

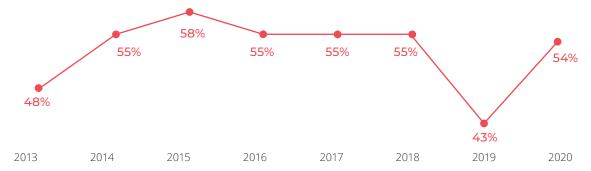
National Societies reporting: 171

Disaggregated by sex: **116** Disaggregated by age: **90** 

#### Number of volunteers by year

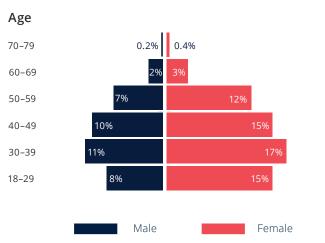


#### Percentage of female volunteers



# **STAFF**

#### Staff by age and sex



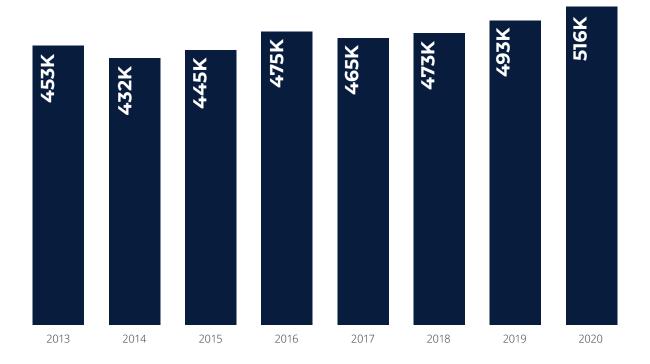
# 516K

people who are contracted by National Societies for at least three months in 2019 and are remunerated. 37 reported engaging more than 1000 paid staff, representing 94% of the total.

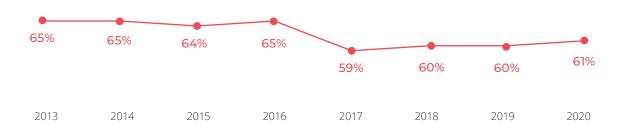
National Societies reporting: 165

Disaggregated by sex: **141** Disaggregated by age: **112** 

#### Number of staff by year



#### Percentage of female staff -



## **NETWORK**

National Societies reporting supports links among them, i.e. who provided support and who received support, helping us map collaborations within the IFRC network, whether financial, human, or technical. The chart below shows the aggregation of this information by regions. The left side of the graph contains the "origin" of the support and the right side its "destination". For example, most of the support originated by the Americas in 2019 (35 links) was directed to the region itself, however, the majority of the support received by the region (89 links) came from Europe. The table at the bottom of the page provides additional details.

#### **Support links between National Societies**

Origin Destination

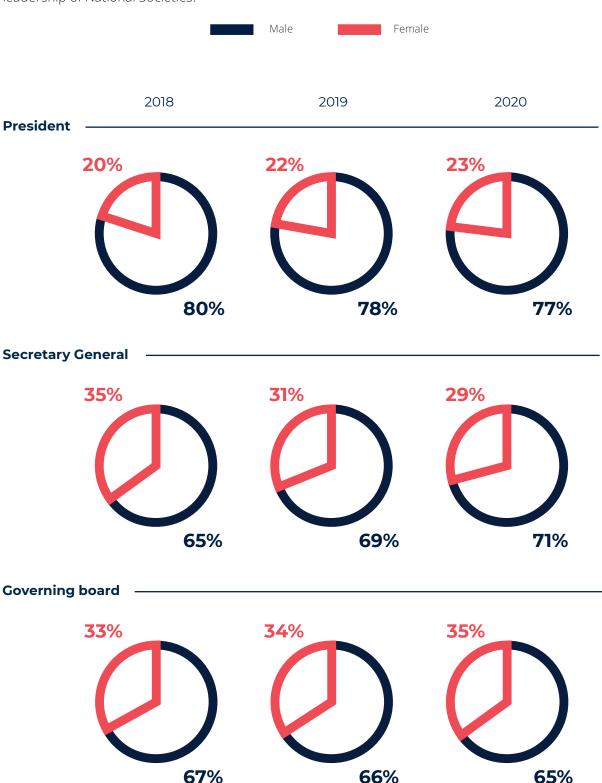


#### Number of support links between National Societies

		Destination				
		Europe and Central Asia	Africa	MENA	Americas	Asia Pacific
Origin	Europe and Central Asia	209	195	71	77	103
	Africa	16	26	0	0	3
	MENA	20	25	19	5	20
	Americas	14	9	4	56	17
	<b>Asia Pacific</b>	23	19	19	10	134

# **GOVERNANCE**

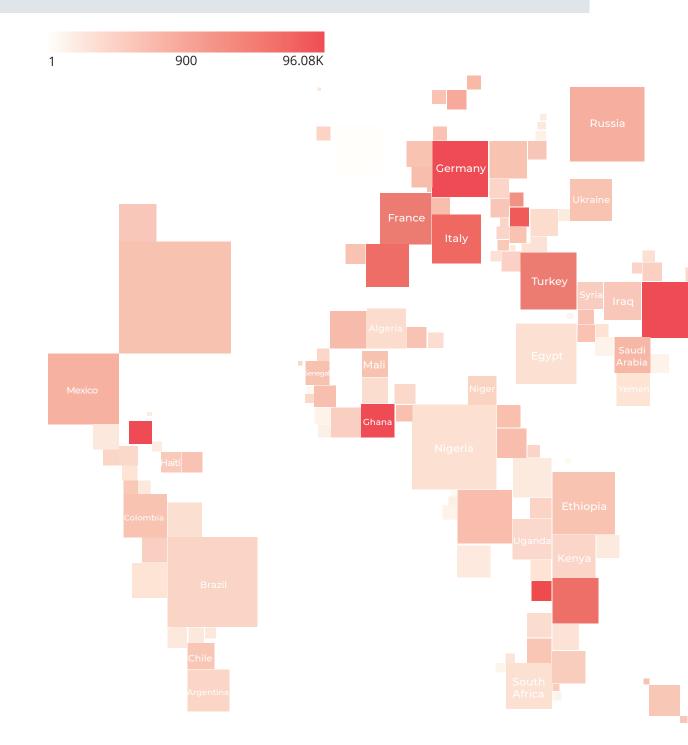
The FDRS collects data about National Societies' leadership structure. This data is disaggregated by sex, allowing us to provide an overview of the proportions of males and females among the leadership of National Societies.



# **LOCAL UNITS**

180.9K

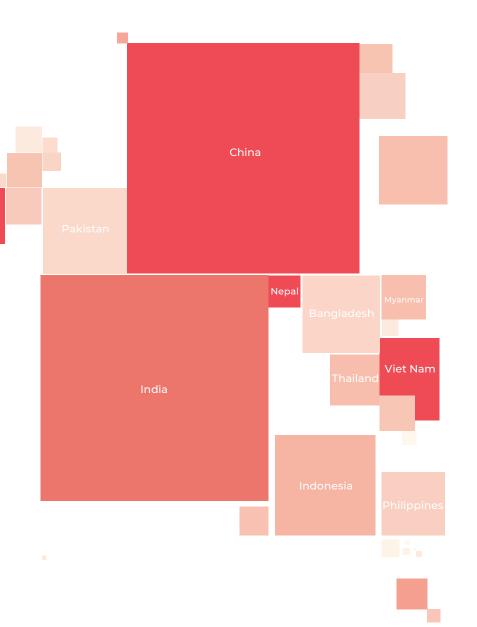
This visual is a choropleth cartogram and each square's size is proportional to the country's population. The colours represent the number of local units per National Society. Only 16 National Societies have more than 1000 local units – representing 89% of the total.

















#### **Documents**

The FDRS also collects key documents from National Societies (annual reports, strategic plans and audited finanical statements) on an annual basis. The availability of these may depend on internal processes of National Societies, which might not coincide with the FDRS data collection cycle and thus can be reported in following years. In 2020, the FDRS received:

**110** annual reports

**137** strategic plans

**98** financial statements (of which **74** were audited)

# **EXPENDITURE**

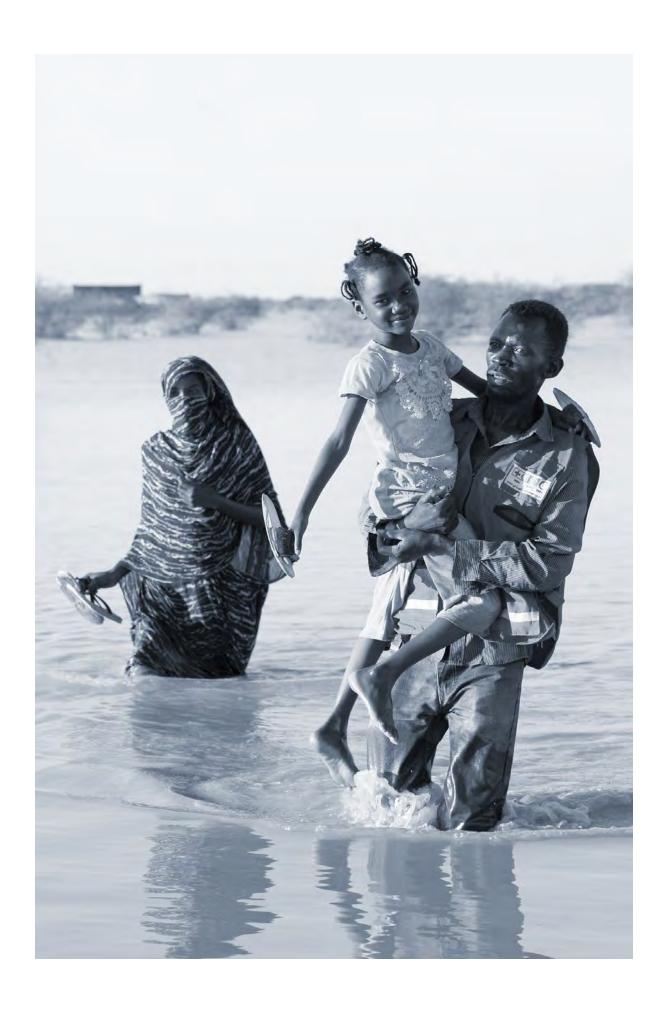




**INCOME** 

The Everyone Counts report contains data collected from our network of 192 National Societies, an annual process undertaken since 2012. Over the past nine years, this has enabled us to establish a unique database on the IFRC's humanitarian capacity, resources and activities worldwide.

View the Everyone Counts Report here.



# **NATIONAL SOCIETIES WORKING INTERNATIONALLY**

National Societies support one another in a number of ways. This can include financial resources or goods, as well as personnel, expertise and technical guidance. Some National Societies provide this support remotely, while some have offices in other countries where their support is needed on a regular and enduring basis.

The information below has been provided on a voluntary basis by some National Societies in the IFRC network. While it is not exhaustive, it does show the breadth of this support. It is a sample of what you can find on the IFRC's Federation-Wide Databank and Reporting System (FDRS). For more information, please visit this interactive platform where the information provided below can be viewed in a variety of ways, including by country.

A special edition of Everyone Counts will also be published later in 2022, that will be devoted to our National Societies' response to COVID-19.

50.5M

People reached

**CHF 360.2M** 

**Total expenditure** 

**National Societies reporting** 

**Countries of implementation** 

# Implementing countries information

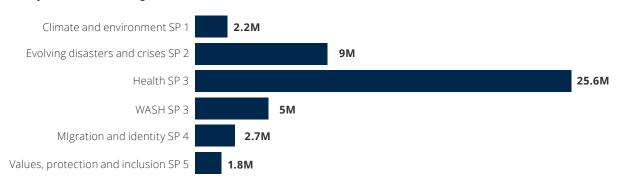
There are more than 120 implementing countries. The below is only a small sample of the interactive data available on the IFRC's FDRS website available here https://data.ifrc.org/fdrs/.

	Syria	Bangladesh	Colombia
Total people reached	5.8M	2.6M	683K
Health	3.4M	1.0M	168K
Disaster response and early recovery	615K	715K	153K
Values, protection and inclusion	791k	43K	29K
Climate and environment	-	99K	198K
WASH	707.1K	116K	116K
Migration	380K	401K	19K

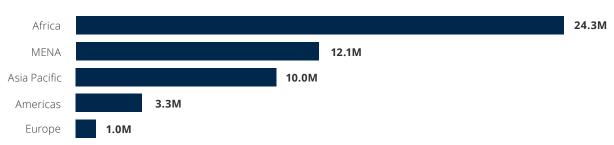
# **National Societies providing support**

National Society	Expenditure (millions)	People reached (millions)
Danish Red Cross	77.6	3.5
German Red Cross	53.8	2.5
Qatar Red Crescent Society	39.1	6.1
Norwegian Red Cross	35.1	5.5
Spanish Red Cross	23.4	6.6
The Republic of Korea National Red Cross	20.4	.3
The Netherlands Red Cross	18.6	2.3
Turkish Red Crescent Society	17.3	8.5
Austrian Red Cross	11.5	-
Belgian Red Cross	17.8	7.3
Finnish Red Cross	10.2	.7
The Canadian Red Cross Society	9.3	4.5
British Red Cross	9.3	.8
Swedish Red Cross	6.3	1.1
Italian Red Cross	4.7	.7
Australian Red Cross	2.3	-
Japanese Red Cross Society	2.4	0.4
Red Cross of Monaco	1.0	0.05

# People reached by thematic area



# People reached by region -



# **RED CROSS RED CRESCENT** REFERENCE CENTRES

# IFRC global reference centres

#### **Climate Centres**

#### Hosted by the Netherlands Red Cross

The Climate Centre welcomed the incorporation of the Movement Ambitions on Climate Change and the Environment and Climate Charter into annual plans, projects and proposals around the world.

In 2021, we conducted several important attribution studies of the role climate change played in extreme events, such as the World Weather Attribution that showed that the 2021 record-breaking heatwave in North America would have been "virtually impossible" without human-caused climate change. This research is a powerful input to dialogue on policy and climate action.

Alongside the strong traction across COP 26 gained by the Risk-informed Early Action partnership and its ambition to make a billion people more resilient, our continued advocacy contributed to an increasing number of humanitarian donors willing to provide financial aid before a disaster happens. A Climate Centre report compiled for the Adaptation Research Alliance, formally launched at COP 26, affirmed calls to strengthen the climate resilience of health systems.

National Societies around the world continue to develop Early Action Protocols for extreme events. For instance, the Ethiopian Red Cross Society – with support from the IFRC, the Netherlands Red Cross and its 510 data team, and the Climate Centre – finalized a new EAP using a DREF allocation of CHF 350K with floods as the priority hazard.

Numerous new tools have been developed in 2021, together with the IFRC and the ICRC, such as for social protection, conflict and climate, health, extreme heat and more, all part of the online Climate Training Kit. These tools are the result of research projects and collaboration with research partners and National Societies and help International Red Cross and Red Crescent Movement components move from research to practice. Additional infographics that can be found here.

#### The Global First Aid Reference Centre

#### Hosted by the French Red Cross

The Global First Aid Reference Centre worked closely with National Societies to facilitate knowledge sharing and promote quality first aid education through its harmonization pack launched in 2021 which includes:

- International first aid, resuscitation and education guidelines, the reference for first aid manuals and training
- International First Aid Attestation
- Platform www.globalfirstaidcentre.org

Several tools were disseminated such as the commercial first aid guide, posters on trainings during the COVID 19 pandemic, the pack for World First Aid Day on first aid at school.

"Repositioning First Aid at the Centre of IFRC Strategy 2030" has begun with the establishment of working groups with 50 National Societies and the objective to update the IFRC's first aid policy and develop its first aid vision 2030, both to be adopted at the General Assembly 2022.

## **Global Disaster Preparedness Centre**

#### Supported by the American Red Cross

In 2021, the Global Disaster Preparedness Centre (GDPC) continued to support the IFRC network with knowledge management, technical assistance and innovation. Development of microsites and toolkits on PrepareCentre.org was expanded to include the Alert Hub Initiative, Humanitarian Service Points Toolkit, and the Heat Toolkit. The Universal First Aid App supported 108 National Societies in areas of blended learning and first aid emergency instruction for mobile app users. Through the Business Preparedness Initiative, GDPC established a joint effort with PIRAC for the READY Together programme in the Caribbean to support small and medium sized businesses in the region. As a steering member of RC3, GDPC is committed to expanding the evidence base of the network. The GDPC has been a key contributor to the development of the IFRC Alert Hub initiative, which seeks to expand the reach and effectiveness of government hazard alerts using the Common Alerting Protocol and Red Cross and Red Crescent actionable messages. Partnerships have been established with the Climate Centre, the Zurich Alliance and Google to support implementation. Work is ongoing in 18 National Societies in the Caribbean, Africa and Europe regions.

#### **Livelihoods Resources Centre**

#### Supported by the Spanish Red Cross

In 2021, Livelihoods Resources Centre services in the field were partially resumed (training and technical assistance), and remote support has continued to increase:

Fifty-four instances of technical Assistance provided to 25 National Societies and the IFRC. For example, in Syria a labour market analysis was conducted in four regions with Danish Red Cross; in Mauritania a selection of income-generating activities for ten Mother's Clubs; in Niger, food security and livelihoods toolkit with British Red Cross.

Twenty-seven courses were delivered with 702 participants from more than 20 National Societies and the IFRC. Of these, seven were in-person training delivered in Syria, Niger and Chad. Specific training on employability for migrants developed for three National Societies in Central America.

Thematic resources to respond to the pandemic, such as child labour in the context of COVID-19 and assessment tools were developed.

The centre has also been involved in the process of drafting the *IFRC Food Security and Livelihoods Strategic Framework*, expected to be launched in 2022.

#### The IFRC Shelter Research Unit

#### Supported by the Luxembourg Red Cross

The IFRC Shelter Research Unit works to improve the capacities of National Societies in shelter response. A workshop was organized in Niamey to discuss about a new shelter solution through a nexus approach, offering a semi-sustainable construction to vulnerable people affected by disasters (30 participants from five countries and 12 different organizations). A shelter construction training took place in Ouagadougou to provide a uniform level of competence to ensure overall quality in the shelter projects. The participants were evaluated and ranked according to the skills they had acquired to create a roster of shelter experts for Africa (25 Movement participants from six African countries). A Kobo training was carried out in N'Djamena to improve National Societies staff capacities for data collection, evaluation, and analysis (25 participants from six countries).

Integrating environmental impact mitigation measures into shelter responses is a priority and a comparative study of the different shelter models implemented by l'Aide Internationale de la Croix-Rouge luxembourgeoise has been carried out in Niger, with the intention of extending the evaluation to other countries in the future and of integrating the environmental study into all shelter interventions.

# IFRC regional reference centres

#### **Asia Pacific Disaster Resilience Centre**

#### Hosted by the Republic of Korea National Red Cross

As the only IFRC Reference Centre in Asia Pacific, APDRC focuses on developing and introducing innovative tools for disaster risk reduction training including the introduction of Virtual Reality games. In 2021, APDRC developed a board game "Problem solving expedition" applying design thinking process. It is designed to build resilience among a community to find a solution by identifying the root cause of the problem. Another board game called "Surviving on the earth" was developed by APDRC. It integrates disaster response, climate change and psychosocial support. An animation contest was hosted on disaster resilience with the renowned Bucheon International Animation Festival.

APDRC also organized resilience focal points in 24 National Societies out of 38 in the region, to raise public awareness on DRR and strengthen community resilience.

## Red Cross Caribbean Disaster Risk Management (CADRIM)

Hosted by IFRC Trinidad and Tobago Delegation for the Dutch and English-speaking Caribbean

CADRIM works to build resilience against disasters and emergencies related to climate change and variability while also innovating the digital landscape by providing virtual global training and event coordination.

In 2021 activities included:

• 65 individuals across St. Vincent & the Grenadines, St. Lucia, Antigua & Barbuda, Dominica, and the British Virgin Islands trained in 15 thematic areas including WASH, information management in emergencies, mental health and psychosocial services, and livelihoods

- 5 national knowledge, attitude and practices surveys sampling more than 3900 individuals in climate change knowledge across The Bahamas, Trinidad & Tobago, The Dominican Republic, Saint Kitts & Nevis, and Belize. Through this, 120 staff and volunteers were trained in quantitative and qualitative data collection methodologies
- Converting face-to-face courses such as the Legislative Advocacy Toolkit to online facilitator-led modality, and supporting the coordination of the 1st online NSD global event and the Africa Region Disaster Law web series.

## **Reference Centre in Disaster Preparedness**

The Reference Centre focuses on knowledge management and support to the development of National Societies, coordinating actions in education, research, systematization of lessons learned, development of educational structures, online education, diversification of learning, platform management, inclusive learning and disaster risk reduction.

Our scope is linked to IFRC's Strategy 2030 and the five global challenges: climate change, disasters and crises, migration, values, power and inclusion, within the quality system with ISO 9001 certification; these are addressed from the work axes: training, knowledge generation, development of instruments and tools, technical assistance and virtual education.

During 2021 we worked with 22 National Societies, trained 2.5K people, developed 7 new training courses and studies related to Strategy 2030; we had the support of 42 National Society facilitators and certified 28 new facilitators, and reached 2.9K people through the webinar platform in 43 countries.

## **Interamerican Centre for Volunteering Development**

The ICVD is grounded in the idea of creating a safe and humane world through volunteering action. It focuses on volunteer learning, innovation and research, revolving around the focus areas of the Movement and the Volunteering Development Framework in favour of volunteers across the Americas. Its accomplishments include the development and use of the Volunteering Development Platform, a website dedicated to supporting National Society development through three components: knowledge management, volunteering and projects, and an interactive volunteering map that showcase the humanitarian actions of volunteers.

ICVD hosts a Network of Experts, who offer specific support to National Societies according to their areas of expertise. In 2021, a Working Group on Diversification of Volunteering was launched to strengthen the diversification of opportunities the Red Cross offers volunteers in the Americas region. Additionally, in 2021, the ICVD also launched the Volunteer Laboratory: Digital Creatives, focusing on the ideation of narratives and multimedia content oriented to humanitarian work. It has developed strategies that promote engagement and public communication, co-designed by volunteers themselves.

# **National Society reference centres**

#### **Centre for Evidence-Based Practice**

Hosted by Belgian Red Cross

The Centre for Evidence-Based Practice (CEBaP) provides scientific support to identify (cost)-effective humanitarian activities and achieve maximum impact.

In 2021 our updated evidence-based first aid manual for Flanders and Sub-Saharan Africa was published. A study about the effectiveness of involving simulated patients in first aid training in the occupational setting was also finalized. The centre also updated the evidence-based guidance for volunteers on choosing the right didactical approach for supporting vulnerable children in school. Relevant to the COVID-19 pandemic, we developed a rapid review about the effect of hand hygiene promotion during outbreaks of respiratory infections.

We provide active support in Blood Service. We reviewed the (cost-)effectiveness of using Erythro-Stimulating Agents and/or iron therapy in patients with preoperative anemia undergoing an elective surgery. We also conducted a systematic review about the impact of disasters on the rates of blood donation and transfusion transmitted infections in donated blood.

More details on the centre's 2021 achievements can be found here: https://www.cebap.org/ projects-completed/2021/

## **Belgian Red Cross Foundation**

#### Belgian Red Cross

The Science Foundation of the Belgian Red Cross mission is to generate reliable evidence on (cost) effectiveness of humanitarian action.

We had initially been active in research mostly in the field of public health and pre-hospital care but are now broadening our scope to also include economic, sociologic and ethical elements. The reason being that for many important health issues, people cannot be convinced by just providing them with more scientific data (vaccination is a recent example, but the same goes for the exclusion of gay men as blood donors, etc.).

Given the paucity of empirical research on such topics, we are setting up a new research centre addressing this. We for instance embarked on a study to quantify the relationship between the size of societal volunteering and the impact of COVID-19 in that society. Countries with more volunteering have been less affected by COVID-19, even after accounting for differences in demographics, GDP, health care investments and vaccination rates. Furthermore, a study by the University of Leuven was funded, addressing the impact of paid versus unpaid donation not only on safety, but also ethically and on donor willingness.

#### **Transfusion Research Centre**

#### Belgian Red Cross

The Transfusion Research Centre (TReC) is a biomedical research laboratory that operates in the field of transfusion medicine. One key pipeline product is a novel method for making platelet lysates. Lysates are increasingly used as growth supplements in tissue culture media to feed lab grown cells that in turn are deployed as cytotherapeutics. It is prepared from platelet concentrates expired for transfusion, thereby avoiding waste of precious donor material. Our method is particularly quick, inexpensive and compatible with clinical applications. In 2021 the method took its first steps from prototype to routine use, as it is being tested by multiple biotech developers within the field of cytotherapy. TReC also contributed to fighting COVID-19 in 2021 by developing a novel method for measuring inhibitory antibodies in donor plasma. In addition, TReC is an active contributor to the SUPPORT-E consortium that collates European data on plasma collection of COVID-19 recovered donors. Finally, TReC launched a new project to develop an innovative clinical intervention to prevent transmission of airborne viruses, focusing on SARS-CoV-2 first.

## **Red Cross and Red Crescent Partnership on Substance Abuse**

#### Hosted by the Italian Red Cross

Main activities carried out by the Red Cross and Red Crescent Partnership on Substance Abuse in 2021:

**Publications:** Substance abuse interventions in emergency contexts; Harm reduction interventions among migrants, included in the IFRC Guidelines on migrants' healthcare; Module on overdose intervention in collaboration with the Global First Aid Reference Centre.

**Training:** Development and translation of the online training course on substance abuse, on the IFRC e-learning platform; organization of a face to face training course on substance abuse for National Societies; organization of a Webinar for the International World Drug Day.

Advocacy: during the UNODC 64th CND, organization of a side event co-sponsored by UNODC and participation at a UNODC/WHO side event; participation at the UNODC meeting on the Role of Law Enforcement in providing Alternative Measures for Drug Offenders; participation at the IFRC Health and Care Conference; participation at the 5th European Harm Reduction Conference. Implementation of the project "Provision of harm reduction, treatment and care for drug users in Iran" in collaboration with Iranian Red Crescent, funded by European Commission. Implementation of the project "Reducing the harm of drug use in Lamu" in collaboration with Kenya Red Cross, funded by Italian Red Cross.

# **Indian Ocean Regional Intervention Platform PIROI Centre**

## Hosted by the French Red Cross

South-West Indian Ocean islands and coastal areas are among the most at risk from the effects of climate change, with significant material losses and impact on population development.

Acting as a regional centre of expertise that encourages, collects and disseminate knowledge, the PIROI Centre conducted three regional studies in 2021:

- A consultancy on Cash and Voucher Assistance (CVA) providing a clear action plan for the implementation of CVA programmes in terms of capacity building
- Impact of the COVID crisis in terms of MHPSS on volunteers of the Comoros Red Crescent
- Study on Protection, Gender and Inclusion: mapping of existing solutions and programmes, recommendations to improve existing programmes.

The PIROI Centre also developed specialized training packages and tools to strengthen National Societies and National Disaster Response Teams:

- PIROI Centre Training catalogue
- A Risk Reduction toolbox for small island developing states.

Finally, and for the second year, the PIROI Centre developed a Master's degree on 'Risk and Environment' in partnership with the University of Reunion.

# 510 (the Data and Digital initiative of the Netherlands Red Cross)

#### Hosted by The Netherlands Red Cross

510 is the data and digital initiative of The Netherlands Red Cross and aims to improve speed, quality and cost-effectiveness of humanitarian aid by using data and digital tools. This enables humanitarian workers and decision-makers to make informed decisions to prepare for and respond to disasters and crises. 510 has supported 35 National Societies in 2021 by providing data and digital services for Anticipatory Action, Cash Aid, Digital Transformation and Emergency Support through the methodologies of human-centered design, digital CEA, and data and digital responsibility. Read more about what 510 does here.

After a collective effort of the IFRC network, the Typhoon Trigger Model developed by 510 has reached its next stage of maturity. Since 2021 the model not only triggers the Disaster Response Emergency Fund (DREF), but also the UN's Central Emergency Respond Fund and Anticipatory Action funds of other NGOs in the Philippines. 121 is a Cash Information Management platform that we co-designed with people affected and aid workers. It aims to support National Societies to scale up their cash programmes. The platform was launched in 2021 to support undocumented migrants in the Netherlands and is now being scaled up internationally.

# Hubs, labs and other initiatives

## **Global Road Safety Partnership**

Throughout 2021 the Global Road Safety Partnership (GRSP) continued expanding its role in creating and supporting multi-sector road safety partnerships with National Societies and other key stakeholders around the globe.

- Our Road Safety Grants Programme celebrated its tenth year so far having supported 120 grantees in 18 countries with 172 grants totalling USD 15M
- Our Road Policing Team has trained more than 12K enforcement staff through over 350 workshops across Asia and Africa on topics ranging from strategic enforcement to leadership in road policing
- Our Botnar Child Road Safety Challenge has issued grants totalling US\$10M in 13 cities across seven countries aiming to improve road safety for children at the city level
- Our VIA Child Road Safety Education Project expanded to 25 countries including partnering with 12 National Societies to reach over 90K students with structured road safety education
- Our Global Road Safety Leadership Course moved digital in 2021 to continue providing critical road safety leadership training to National Societies, NGOs and government representatives around the globe.

#### Cash Hub

## Hosted by the British Red Cross

The Cash Hub aims to accelerate the use and increase the scale-up of Cash and Voucher Assistance (CVA) in the Movement to improve the effectiveness and efficiency of humanitarian action, whilst helping people to overcome crisis with dignity and exercise choice.

The Cash Hub supports a programme of activities, in collaboration with Movement partners, which focuses on three strategic priorities:

- Cash Ready National Societies: supporting National Societies to be strong and recognized leaders in CVA through investment in cash preparedness activities, creation of CVA tools, resources and research, and provision of CVA technical support.
- Cash School: growing cash capacity at scale by investing in National Society expertise, professional development and best practice through the delivery of a development programme which provides practitioners with tailored learning plans of mentoring, training and deployments.
- Cash Hub Platform: providing a multi-lingual platform for knowledge sharing and learning, enabling CVA networks and communities of practice, and promoting the role of Red Cross and Red Crescent CVA in action.

# **Risk-Informed Early Action Partnerships (REAP)**

REAP brings together actors across the climate, humanitarian and development communities to make 1 billion people safer from disaster by 2025. REAP was launched at the UN Climate Action Summit in 2019 by 38 partners (15 Member States and 23 non-State organizations), and in 2021 grew to a total 61 partners. Guiding the complementarity of approaches to addressing the impacts of climate change, REAP published its Strategic Vision and Framework for Action in 2021.

Financial commitments to support scaled-up early action in 2021 included the UK (GBP 120M) and Germany (EUR 125M) committed funding towards REAP (and InsuResilience Global Partnership) targets at the G7. At COP26, the UK (GBP 33M), Finland (EUR 30M), the US (USD 100M) and Canada pledged funding towards early action. Countries contributing to the CREWS Initiative, a key REAP partner, announced commitments for new investments of USD 20M for early warning systems in Africa, and additional financing for the Caribbean region. The START Ready fund was launched by the START Network, with commitments of up to GBP 3M.

In 2021, REAP published ten country-specific case studies which examine factors that create an enabling environment for anticipatory/early action. REAP has connected regional bodies in Africa with experience dealing with drought, with organizations in the Caribbean who are newly experiencing similar challenges. Through research and active partner engagement, REAP has effectively facilitated technical support, capacity building and investment to scale up early action.

## **Red Cross Red Crescent Global Migration Lab**

#### Hosted by the Australian Red Cross

The Red Cross Red Crescent Global Migration Lab is a Movement-wide initiative involving the IFRC, the ICRC and National Societies. Hosted by Australian Red Cross, the Lab operates alongside the Global Migration Leadership Group and Global Migration Task Force and provides partners, governments and the Movement with recommendations to influence the structural factors that give rise to vulnerabilities experienced by migrants around the world. The Lab develops insights into migration trends, policies and good practice responses while building the capacity of National Societies to undertake and utilize research on migration. It aims to ensure the voices, expertise and experience of migrants and the communities in which they live, work and transit are amplified to guide and inform policy. The Lab's flagship reports on COVID-19 and access to basic services, including vaccines, for migrants have influenced policy discussions and humanitarian diplomacy at the national, regional and global level. The Lab's current research project on migrants' trust in humanitarian action involves over 15 National Societies worldwide. More information: globalmigrationlabe@redcross.org.au

# **Global Advisory Panel**

#### Hosted by the Australian Red Cross

The Global Advisory Panel on Corporate Governance and Risk Management of Blood Services (GAP) ensures that National Societies have access to specialist advice and support for blood programme risk management and governance. Our programmes have helped to connect Red Cross and Red Crescent blood programmes throughout COVID-19, facilitating connections and experience sharing to strengthen National Society responses.

In 2021 we saw new barriers to blood donation, particularly with recruiting and retaining blood donors. GAP provided timely virtual support to address these and other pandemic-related challenges. We analysed industry guidance for relevance to National Society blood programmes and established a comprehensive repository of tools and resources - all designed to educate and empower blood services.

GAP also delivered targeted blood donor recruitment training to Tanzania, Rwanda, Bangladesh and Nepal to help address sufficiency challenges.

Support for countries affected by disasters also continued. GAP successfully completed programmes in Nepal and Indonesia following natural disasters in these countries. These programmes helped to rebuild damaged blood centres and strengthen blood programme capacity, as well as provide disaster preparedness planning for future resilience.

# **Anticipation Hub**

#### Hosted by the German Red Cross

In June, the Anticipation Hub launched its 2021-2024 strategy developed by German Red Cross, IFRC and the Climate Centre as initiators of the Hub in consultation with our partners. The Strategy presents our shared vision, aims, values and strategic priorities for the Anticipation Hub's first three-year. It aims to support practitioners, scientists and policymakers, to do more anticipatory action, do it better and do it together, to jointly embed a culture of anticipatory action inside and beyond the humanitarian sector. By the end of the year, the Anticipation Hub has brought together 81 partner organizations from the Movement, UN, NGOs, government, think tanks, academia and network initiatives.

Anchored in the growing experience and expertise of the IFRC network on forecast-based financing currently being developed in 35 countries, the Hub brought together more than 2500 participants from over 130 countries to learn and exchange on the science, policy and practice of anticipation through its virtual edition of the Global and Regional Dialogue Platform on Anticipatory Action in 2021. Our online platform also launched databases on trigger, early action and evidence. To foster the growing community of experts and practitioners, the Hub has set up a community directory.

Responding to the demand to advance on various thematic areas, the Hub organized working groups on earth observation, risk financing, conflict, health, gender and child protection co-led between experts from the IFRC network and partner organizations such as NASA, FAO, UNFPA, InsuResilience Global Partnership and REAP.

# **EXAMPLES OF NATIONAL SOCIETIES' WORK**

The IFRC often communicates about the power of the network and the important work that National Societies carry out on the ground – saving lives and changing minds. The following section provides examples from just a few of our member National Societies. These examples very clearly show the difference they are making locally and globally. Each National Society works within a distinct context, facing different challenges and responding to different needs. The IFRC would like to thank the National Societies presented here who agreed to provide this insight into their work. It is important to note that these examples may cover 2020 and 2021. For examples of National Society responses to COVID-19, please visit the COVID section in Part one of the report, starting on page 51.

# **AFRICA**

## Madagascar

#### In 2021, 538K people were reached with an expenditure of CHF 1.1M.

The year 2021 was marked by food insecurity in the South due to drought. The National Society, with the support of several partners, was able to provide responses in the Anosy Region in the Communes of Ambatoabo, Anlilivalo and Behara, including supporting 1.2K children with nutritional support, 14.9K people with cash and voucher assistance, 8.2K people with food, 2.3K displaced people with assistance and protection services, and 1.9K households with WASH kits.

#### **South Sudan**

#### 1.5M people reached in 2021.

South Sudan Red Cross (SSRC) continuously supports vulnerable communities to reduce and mitigate their risk to environmental crises brought on by climate change and civil strife. In 2021, SSRC worked with eight communities in low lying areas to plant 2K fruit trees. Not only do these trees provide protection from storm winds, the presence of fruit trees also supports improved livelihoods.

At the same time, SSRC is working closely with the government and other stakeholders to adopt environmentally friendly policies and practices that reduce risk and protect the most vulnerable people, such as investment in early warning system, supported by Danish Red Cross with funding from European Union and increased communication and coordination with communities.

# **AMERICAS**

#### **Argentina**

The National Society worked in two phases of response to the migration crisis, first by responding in border areas (Misiones and Jujuy) with food assistance, shelter and humanitarian transport. Then in the reception of migrants in large cities through the network of branches in the country with activities of community integration, psychosocial support and temporary accommodation. Activities included:

- Humanitarian transport: Given the risks of gender-based violence, trafficking or human smuggling, the National Society supports the transfer of migrants and refugees from border areas to urban centres. Target: 160 people
- **Remote Tele-assistance:** Through a mobile application and remote assistance, key information was provided for the insertion of migrants or refugees in the host country, as well as a WhatsApp line that channels queries and promotes community feedback. Target: 963 people
- Assistance to Transgender Migrants and Sex Workers: Target: 1700 kits delivered: Services have been provided in access to identity documentation, access to health and education, sensitization of health personnel to reduce the stigma, hygiene kits, STD workshops and re-establishment of family contacts.

#### Chile

#### In 2021, 58K people were reached with an expenditure of CHF 1.5M.

Chilean Red Cross is leading the humanitarian response to people on the move, focusing on migrants and refugees from Venezuela. The National Society focused its domestic humanitarian response to provide basic services to migrants and host communities at cross border areas and the capital city Santiago. From 2020, more services were incorporated as the pandemic worsened the vulnerability of the people. Among the new services, health and psychosocial support, health, multipurpose and livelihoods cash transfer programmes, Community Engagement and Accountability activities and bilateral feedback channels and Restoring Family Links.

The implementation of Humanitarian Services Points, both fixed and mobile, have been very useful to reach the most vulnerable in inaccessible areas. The intervention has been supported with a multi-partner approach (UNHCR-ECHO-PRM) and among the services provided: health and psychosocial support, trainings about prevention of COVID-19 and other diseases, water, food, winter and hygiene kits, information regarding the route and geographical conditions in Chile, RFL, materials for parents to help manage the stress and anxiety of children, CEA activities among others.

#### Colombian Red Cross and Venezuela

40K people reached (30K in Colombia and 10K in Venezuela) with an expenditure of CHF 892K.

Migration from Venezuela continues to be the second international migration crisis worldwide.

In 2021, the Colombian Red Cross and Venezuelan Red Cross implemented the **Monarch Butterfly Programme** in seven states to address the protection risks and health needs of migrants traveling by foot, on their journey. More than 39K 'caminantes' and vulnerable people from destination, transit,

and origin communities were supported through Humanitarian Services Points and community activities. A total of 70.4K services were provided as follows:

- 38.4K Heath services (first aid, medical consultations, health promotion, COVID-19 kits and psychosocial support)
- 5.4K WASH services (hygiene kits, water jerry cans and filters)
- 26.6K protection services (RFL and key messages on self-care and safe route).

#### Haiti

#### 15.9K households were reached in 2021.

The Haiti Red Cross Society has reached nearly 16K households within six months following the August 2021, 7.2-magnitude earthquake, mainly through the distribution of non-food items and providing water-related services. The IFRC deployed 77 rapid response staff and five Emergency Response Units in logistics, relief, Information Technology and Telecom. The basecamp and the Red Cross Emergency Hospital were activated for this operation.

Cash Voucher Assistance (CVA) aims to reach 1770 families for retrofitting and medium repair of damaged houses and provide multi-purpose cash grant for livelihoods and basic needs. As part of the rapid response personnel, a member of the Women and Leadership programme that promotes equity in emergency operations was deployed.

## **Uruguay**

The National Society has worked to respond to the migration crisis in the country in major cities and at border crossings with Brazil, with vulnerability exacerbated by the pandemic. Activities included the provision of food, clothing, shelter, advice for job search and legal advice for documentation procedures.

#### Peru

#### Over 6K people reached with an expenditure of CHF 915K.

By December 2021, more than 1.2 million Venezuelan migrants were registered in Peru, the second country with the most significant number of Venezuelan migrants worldwide. However, the political instability after the National President's withdrawal in 2018 and the effects of the COVID-19 pandemic since 2020 has made it more difficult for migrants to access public social services.

In 2021, the Peruvian Red Cross implemented the Human Mobility Project supported by UNHRC and the IFRC.

The National Society worked in five regions, providing health and psychosocial services and fostering social inclusion of migrants in host communities through microprojects. As a result, the project reached:

- 6.1K people with medical consultations
- 1.6K people with psychosocial support
- 1.5K people through cash-based assistance for families with chronically ill members or protection issues
- 3.5K people received key messages on health promotion, prevention and vaccination against COVID-19.

# **ASIA PACIFIC**

## **Bangladesh**

More than 812K people were reached in camp and host communities (674K in camps and 139K in host) with an expenditure of CHF 24M (including CHF 14M through the IFRC emergency appeal).

Around 670K displaced people from Rakhine state of Myanmar fled into Cox's Bazar, Bangladesh were provided with basic shelter, health, WASH, livelihood, DRM, protection and community engagement service. BDRCS with support from IFRC and IFRC's members in country has been one of the key humanitarian actors to support them.

In 2021, BDRCS continued to manage camps 11 and 12, for shelter and WASH interventions and camps in 13 and 19 for MHPSS support. For healthcare service, BDRCS has its presence with 14 health facilities, located in 14 camps, comprising seven health posts, six primary health care centres and one field hospital. BDRCS, with support from IFRC, continues to have a leading role in establishing Disaster Risk Management structures across all 33 camps mobilizing 3.4K camp volunteers from the displaced population including small scale mitigation as part of the response to multi-hazard in the camp settlement.

In this multi-sectoral programming, BDRCS has undertaken Protection, Gender and Inclusion (PGI) and Community Engagement and Accountability (CEA) approaches through three community centres in camps and 27 feedback and complain collection and response points. In terms of host community affected by the influx, BDRCS with support from IFRC continues to provide unconditional cash grant to the most vulnerable households and strengthen the existing DRM mechanism.

#### **Myanmar**

#### In 2021, 32K people were reached with an expenditure of CHF 4.5M.

Since Myanmar's military intervention on 1 February 2021, the country has remained in a state of crisis.

Despite the context challenges, MRCS continues to provide emergency first aid and medical assistance, address gaps in primary healthcare access, deliver immediate relief assistance, and early recovery support to reduce socio-economic vulnerability.

As of 31 December 2021, a total of 14,348 people – 45 per cent female and 55 per cent male – have received MRCS emergency First Aid. With the emergency ambulance services, a total of 8,060 referrals were provided and 156 birth patients were assisted for urgent medical help using 173 regular ambulances and almost 170 localized transport arrangements at township level, including boats and motorbikes. A total of 5,672 patients were provided with clinical health care through MRCS mobile health clinic. MRCS provided multi-purpose cash to 158 households, non-food items (warm clothes, blanket, mosquito nets, kitchen set, hygiene kits) to 802 households.

# MENA

## **Egypt**

The Egyptian Red Crescent (ERC) has responded swiftly in all disasters that took place in 2021 in an agile, accountable and transparent approach, fulfilling its axillary role to the Government of Egypt. The prompt and effective response from the emergency team at ERC to implement innovative ways to reach the affected populations during COVID-19 pandemic included scaling up ERC's Emergency Response Centre infrastructure, human capacities and equipment and designing two online platforms, a COVID-19 Clinic and a Psychosocial Support Unit, to assess and provide remote support to the most affected communities. ERC has also strengthened its volunteer database through the "Volunteer in every street" initiative, which enabled the Emergency Response Centre to track disasters, in real time, and deploy nearby volunteers immediately.

# **Syria**

#### In 2021, 5.9M people were reached.

In Syria, more people than ever before need humanitarian assistance in one of the world's largest and most complex crises. In 2021, the Syrian Arab Red Crescent (SARC) continued to play a pivotal role in delivering life-saving humanitarian assistance in a challenging environment with access and security constraints.

SARC reached more than 5.9 million people, providing them with basic living necessities, relief, and food items, supporting their economic initiatives through livelihood programmes so that they can secure a sustainable source of income and achieve self-sufficiency, either in-kind or through cash and voucher assistance. Through its hospitals, clinics, health points, first aid centres, physiotherapy and prosthesis services, and mobile medical teams, SARC provided 1.8 million people with free medical services and medication and continued to work to enhance the stability of returnees to their areas, by rehabilitating infrastructure, especially water and electricity, and renovating homes, schools and health centres.

Its 11.7K active volunteers and 5.8K staff, united in a belief in humanitarian duty, exerted tremendous efforts, and provided their maximum capabilities to meet the needs of the most vulnerable people across Syria and support them to restore their lives.

#### Yemen

## In 2021, 14.3K people were reached.

In 2021, the Yemen Red Crescent Society established the Emergency Response Fund to support rapid mobilization of resources during the early phase of emergency response. The ERF fund also supports critical assessments and early warning activities for impending crises as well as conducting basic first aid, medical transport for injured people, search and rescue operations, and distribution of relief items to people affected by disaster.

Supported by Movement partners and managed by the Yemen Red Crescent Emergency Operations Centre, the Emergency Response Fund began disbursement in February 2021, responding to shelter and hygiene needs of 132 families in Al-Mahrah governorate; this was followed by response to a

spate of flood response operations in Al-Dhale, Hadramaut, Amran, Sana'a city, Sana'a and other governorates throughout the country from May through August 2021.

Throughout 2021, with support of the fund, the National Society was able to respond quickly to 19 different emergencies including floods and rockfalls around the country, supporting around 14,300 people, including some residing in camps, with relief items, first aid and other essential rapid response actions. Following these actions, post-distribution monitoring and community feedback discussions were conducted, and findings shared with donors, partners, management and other key stakeholders.

# ANNEX

FINANCIALS

# Funding compared to funding requirements

CHF millions

	Funding requirements	Funding
Emergencies	687.0	423.7
Thematic programmes	533.0	314.5
Funds	70.0	54.6
Regular resources	110.0	109.7
ESSN	359.8	359.8
Total	1 759.8	1 262.3

# Expenditure compared to operating budget

CHF millions

Expenditure by geographical area	Operating budget	Expenditure
Africa	104.0	92.5
Americas	82.3	73.8
Asia Pacific	100.5	89.0
Europe	127.7	104.8
MENA	49.6	46.3
Global	114.1	98.8
Total	578.2	505.2
Expenditure by strategic priorities and enablers		
Climate and environmental crises	5.3	4.2
Evolving crises and disasters	163.3	141.7
Growing gaps in health and well-being	215.2	195.0
Migration and identity	16.6	13.5
Values, power and inclusion	9.7	7.9
Engaged	18.7	15.3
Accountable	84.1	77.3
Trusted	65.3	50.4
Total	578.2	505.2

Top 20 donors pledging cash contributions	CHF millions
Donor name	Funding
United States Government	83.5
European Commission	26.0
Swiss Government	21.7
British Red Cross	15.3
Netherlands Red Cross	15.1
The Canadian Red Cross Society	13.6
Australian Red Cross	12.0
Japanese Government	11.2
British Government	11.0
Italian Government	9.7
Swedish Red Cross	9.3
Finnish Red Cross	9.3
Belgium Government	9.2
Norwegian Red Cross	8.7
Swedish Government	7.6
American Red Cross	7.5
United Nations	6.7
German Government	6.3
The Bloomberg Family Foundation Inc	5.5
Japanese Red Cross Society	4.7
Other donors	64.5
Total	359.6

#### Regular resources expenditure CHF millions **Regular Resources Expenditure in 2021** Expenditure Global 60.2 Africa Regional Office 4.6 Americas Regional Office 4.1 Asia Pacific Regional Office 3.9 Europe Regional Office 4.3 Middle East and North Africa Regional Office 3.6 Delegations 12.6 **Total** 93.3

Funds	CHF millions
Disaster Response Emergency Fund (DREF) and Forecast	Based Assistance (FBA)
DREF funding requirement	50.0
Opening balance	19.3
Income	33.1
Total funding	52.4
Allocations (grants and loans)	-41.8
Fund administration	-1.2
Loan reimbursements	8.6
Closing balance	18.0
	Allocations
Africa	15.1
Americas	4.2
Asia Pacific	10.5
Europe	5.7
Middle East & North Africa	6.3
Total	41.8
National Society Investment Alliance (NSIA)	
NSIA funding requirement	10.0
Opening balance	1.3
Income	2.7
Total funding	4.0
Allocations (grants and loans)	2.0
Fund administration	0.3
Closing balance	1.7
	Allocations
Africa	1.3
Americas	-
Asia Pacific	0.1
Europe	0.6
Middle East & North Africa	0.03
Total	2.0

Capacity Building Fund (CBF)	
CBF funding requirement	10.0
Opening balance	0.3
Income	14.4
Total funding	14.7
Allocations (grants and loans)	-2.2
Closing balance	12.5
	Allocations
Africa	0.3
Americas	0.3
Asia Pacific	-
Europe	0.2
Middle East & North Africa	-
Global initiatives	1.5
Total	2.2
Empress Shoken Fund (ESF)	
	Allocations
Africa	0.1
Americas	0.1
Asia Pacific	0.1
Europe	0.09
Middle East & North Africa	0.03
Total	0.4



# International Federation of Red Cross and Red Crescent Societies, Geneva

Independent Auditors' Report
to the President of the
International Federation of Red Cross
and Red Crescent Societies
on the Consolidated Financial Statements 2021



#### **KPMG SA**

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Independent Auditor's Report to the President of the International Federation of Red Cross and Red Crescent Societies on the Consolidated Financial Statements 2021, Geneva

#### Report on the Audit of the Consolidated Financial Statements

#### **Opinion**

As independent auditor, we have audited the accompanying consolidated financial statements of the International Federation of Red Cross and Red Crescent Societies ("the Federation"), which comprise the consolidated statement of comprehensive income, the consolidated statements of financial position, statement of reserves and cash flows and notes for the year ended 31 December 2021.

In our opinion, the consolidated financial statements for the year ended 31 December 2021 give a true and fair view of the consolidated financial position of the Federation, its consolidated results of operations and its consolidated cash flows in accordance with International Financial Reporting Standards (IFRS).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Federation in accordance with the requirements of the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

# Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Federation's financial reporting process.



#### International Federation of Red Cross and Red Crescent Societies, Geneva

Independent Auditor's Report to the President of the IFRC on the Consolidated Financial Statements for the year ended 31 December 2021

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the
  disclosures, and whether the consolidated financial statements represent the underlying transactions and
  events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business
  activities within the Group to express an opinion on the consolidated financial statements. We are responsible
  for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit
  opinion.



#### International Federation of Red Cross and Red Crescent Societies, Geneva

Independent Auditor's Report to the President of the IFRC on the Consolidated Financial Statements for the year ended 31 December 2021

We communicate with Management and those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG SA

Hélène Béguin Licensed Audit Expert Steven Gras

Geneva, 30 May 2022

#### Enclosure:

- Consolidated financial statements (statement of comprehensive income, statement of financial position, statement of reserves, statement of cash flows and notes)

#### **CONSOLIDATED FINANCIAL STATEMENTS 2021**

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# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER

	Note	Restricted 2021 CHF 000s	Unrestricted 2021 CHF 000s	Total 2021 CHF 000s	Total 2020 CHF 000s
OPERATING INCOME Statutory contributions		_	34,582	34,582	36,432
·		07.220			
Voluntary contributions Voluntary contributions to Covid-19 Appeal	5	87,230 35,652	118	87,348 35,652	105,420 113,975
Total Voluntary contributions	6	122,882	118	123,000	219,395
·	Ü				
Donations Donations to Covid-19 Appeal	5	141,286 90,471	28,768	170,054	126,691
Total Donations	5 6	231,757	28,768	90,471 260,525	90,954
Services income	7	62,835	56	62,891	65,258
Other income	_	1,744	592	2,336	2,681
Total OPERATING INCOME	-	419,217	64,117	483,334	541,411
OPERATING EXPENDITURE					
Humanitarian response	_	119,472	-	119,472	149,450
Humanitarian response Covid-19	5 _	140,298 259,770		140,298 259,770	135,826
Total Humanitarian response			-		285,276
Thematic Other resources (Programmes)	8	153,311 413,081		153,311 413,081	121,847 407,123
		*	-		
Supplementary services	8	20,102	-	20,102	25,952
Regular resources	8	-	52,436	52,436	29,261
Total OPERATING EXPENDITURE	-	433,184	52,436	485,619	462,336
NET SURPLUS FROM OPERATING ACTIVITIES	-	( 13,966)	11,681	( 2,285)	79,075
FINANCE INCOME AND EXPENSE					
Finance income	9	-	11,021	11,021	5,875
Finance expense	9 _	(618)	(4,993)	(5,611)	( 655)
NET FINANCE INCOME	-	(618)	6,028	5,410	5,220
NET SURPLUS FOR THE YEAR	-	( 14,584)	17,709	3,125	84,295
OTHER COMPREHENSIVE INCOME Items that will not be reclassified subsequently to income or expenditure Actuarial gains / (losses) on defined benefit plans	21	14,946	25,870	40,816	(3,591)
Items that are or may be reclassified subsequently to		,,		,010	(3,0,1)
income or expenditure Cash flow hedges	10	-	68	68	29
Total OTHER COMPREHENSIVE INCOME	_				
FOR THE YEAR	-	14,946	25,938	40,884	(3,562)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		362	43,646	44,008	80,733
Attributable to:					
Restricted reserves	22	362	-	362	39,389
Unrestricted reserves	-	-	43,646	43,646	41,344
		362	43,646	44,008	80,733

There were no discontinued operations during the year.

The notes on pages 8 to 49 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

	Note	2021 CHF 000s	2020 CHF 000s
ASSETS			
Current Assets			
Cash and cash equivalents		90,260	102,963
Cash and cash equivalents - ESSN Project	11 _	124,056	100,692
Total cash and cash equivalents	12	214,316	203,655
Investments	13	188,179	237,193
Receivables	14	171,705	150,210
Prepayments and contract assets	15	5,126	7,237
Prepayments - ESSN Project	11	16,112	26,608
Total Prepayments and contract assets	_	21,238	33,845
Other current assets		2,973	2,340
Total Current Assets	_	598,411	627,243
	_		
Non-Current Assets			
Investments	13	90,000	48,000
Receivables	14	53,081	61,846
Property, vehicles and equipment	16 17	115,818	119,109
Intangible assets Total Non-Current Assets	1/_	14,338 273,237	6,663
Total Non-Current Assets	_	273,237	255,016
Total ASSETS	=	871,648	862,861
LIABILITIES AND RESERVES			
Current Liabilities			
Accounts payable and accrued expenses		33,016	31,999
Short-term employee benefits		9,926	5,736
Provisions	18	41,199	39,601
Liabilities - ESSN Project	11	140,167	127,300
Deferred income and contract liabilities	19 20	178,149	191,122
Loans and borrowings  Total Current Liabilities	20 _	3,673 406,130	3,246
Total Current Liabilities	_	400,130	377,004
Non-Current Liabilities			
Deferred income	19	39,836	44,432
Loans and borrowings	20	62,235	63,710
Post-employment defined benefit liabilities, net	21 _	21,275	57,551
Total Non-Current Liabilities	_	123,346	165,693
Total LIABILITIES	_	529,476	564,697
Reserves			
Restricted reserves	22	223,697	209,391
Unrestricted reserves		99,968	71,137
Designated reserves	23	18,507	17,636
Total RESERVES	_	342,172	298,164
Total LIABILITIES and RESERVES	- -	871,648	862,861

The notes on pages 8 to 49 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF RESERVES FOR THE YEAR ENDED 31 DECEMBER

2021	Notes	Restricted CHF 000s	Unrestricted CHF 000s	Designated CHF 000s	Total CHF 000s
Balance at 1 January	-	209,391	71,137	17,636	298,164
Transfers to/from reserves	22				
Net surplus for the year		(14,584)	17,709	-	3,125
Other comprehensive income for the year	10, 21	14,946	25,938	-	40,884
Total comprehensive income for the year	_	362	43,646		44,008
Used during the year	23	14,450	85	( 14,535)	-
Allocations during the year	23	(506)	( 14,900)	15,406	-
Balance at 31 December	22, 23	223,697	99,968	18,507	342,172
2020	Notes	Restricted CHF 000s	Unrestricted CHF 000s	Designated CHF 000s	Total CHF 000s
Balance at 1 January	_				
•		170,487	45,059	1,885	217,431
Transfers to/from reserves	25	170,487	45,059	1,885	217,431
·	25	170,487 40,847	45,059	1,885	217,431 84,295
Transfers to/from reserves	25 10, 21	ŕ	,,,,	1,885	
Transfers to/from reserves Net surplus for the year		40,847	43,448	1,885	84,295
Transfers to/from reserves  Net surplus for the year  Other comprehensive income for the year		40,847 (1,458)	43,448 (2,104)	1,885	84,295 (3,562)
Transfers to/from reserves Net surplus for the year Other comprehensive income for the year Total comprehensive income for the year	10, 21	40,847 (1,458) 39,389	43,448 (2,104) 41,344		84,295 (3,562)
Transfers to/from reserves Net surplus for the year Other comprehensive income for the year Total comprehensive income for the year Used during the year	10, 21	40,847 (1,458) 39,389 71	43,448 (2,104) 41,344 74	- (145)	84,295 (3,562)

The notes on pages 8 to 49 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER

	Notes	2021 CHF 000s	2020 CHF 000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Net surplus for the year		3,125	84,295
Adjustment for non-cash items:			
Depreciation and amortisation	16, 17	10,401	10,260
In-kind assets	16	(3,262)	(2,620)
Increase in provisions	18	1,598	(1,594)
Other non-cash items		6,970	6,081
Finance costs	9	(10,681)	(8,269)
	_	5,026	3,858
Changes in working capital	_	_	·
Receipt in advance ESSN	11	12,867	(17,602)
Receivables, net	14	(12,730)	(37,322)
Prepayments and contract assets	15	12,607	(27,243)
Advance pension contribution	21	-	(21,000)
Payables		1,084	2,300
Deferred income and contract liabilities	19	(17,638)	80,126
Other	_	3,809	( 125)
Net change in working capital	-	(1)	( 20,866)
NET CASH GENERATED FROM OPERATING ACTIVITIES		8,150	67,287
CASH FLOWS GENERATED FROM/ (USED IN) INVESTING ACTIVITIES			
Interest and dividends received	9	2,452	1,985
Proceeds from sale of property, vehicles and equipment	16	1,085	3,483
Proceeds from sale of investments	13	20,897	1,588
Acquisition of property, vehicles, equipment and intangibles	16, 17	(12,020)	(9,710)
Acquisition of investments	13	(10,000)	( 123,500)
NET CASH GENERATED FROM/ (USED IN) INVESTING ACTIVITIES	_	2,413	( 126,154)
CASH FLOWS (USED IN) FINANCING ACTIVITIES			
Loan repayments	20	(1,415)	(1,416)
Lease payments	25	(3,084)	(2,865)
NET CASH (USED IN) FINANCING ACTIVITIES	-	(4,499)	(4,281)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		6,064	( 63,148)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		203,655	264,549
Effect of exchange rate fluctuations on cash held		4,597	2,254
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	12	214,316	203,655

The notes on pages 8 to 49 are an integral part of these consolidated financial statements

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1. Activities and organisation

Founded in 1919, the International Federation of Red Cross and Red Crescent Societies (IFRC) is a membership organisation comprising 192 member Red Cross and Red Crescent societies governed by a Governing Board and with management support provided by a Secretariat with more than 60 delegations strategically located to support activities around the world. The IFRC secretariat headquarters' address is 17, Chemin des Crêts, Petit-Saconnex, 1209 Geneva, Switzerland.

The IFRC's mission is to improve the lives of vulnerable people by mobilising the power of humanity. Working in support of its 192 member National Societies, the IFRC acts before, during and after disasters and health emergencies to meet the needs and improve the lives of vulnerable people. It does so with impartiality as to nationality, race, gender, religious beliefs, class and political opinions.

In 1996, the IFRC concluded a Status Agreement with the government of Switzerland which recognised the IFRC's international personality and reconfirmed its exemption from all Swiss taxes. The IFRC acts under its own constitution with all rights and obligations of a corporate body with a legal personality. The IFRC is solely responsible, to the exclusion of its member National Societies, for all its transactions and commitments.

The IFRC together with national Red Cross and Red Crescent Societies (National Societies) and the International Committee of the Red Cross (ICRC) make up the International Red Cross and Red Crescent Movement. The General Assembly, composed of delegates from member National Societies, is the supreme governing body of the IFRC. The Governing Board, elected by and from the members of the General Assembly, has authority to govern the IFRC between meetings of the Assembly, including decision authority on certain financial matters. The Finance Commission, comprising five members and a Chair elected in a personal capacity by the General Assembly, gives advice on financial matters affecting the IFRC. The Audit and Risk Commission, comprising five members and a Chair elected in a personal capacity by the General Assembly, gives advice on audit and risk matters affecting the IFRC.

The bi-ennial plan and budget of the IFRC is approved by the General Assembly. Once the plan and budget has been approved, the IFRC's Secretary General and senior management are responsible for securing the projected income and delivering on the plan's objectives.

The activities of the IFRC, as approved in the plan and budget for the years 2021 and 2020 comprise:

<b>Budget Category</b>	Activity	Description
Other resources (Restricted) activities	Programmes: - Humanitarian response - Thematic activities	Support National Societies in their: - programmes to support disaster affected and vulnerable people; - individual organisational development.
	Supplementary services	Provide cost-effective, relevant and demand driven services to individual and groups of National Societies
Regular resources (Unrestricted) activities) <sup>1</sup>	Governance and Secretariat activities	Fulfil the IFRC's constitutional role as the permanent body of liaison and coordination amoung National Societies representing the Red Cross and Red Crescent globally and providing network wide services

Performance against approved (unaudited) budget, Expenditure by Results against approved (unaudited) budget, and Expenditure by Structure against approved (unaudited) budget are shown in notes 29 to 31 to these consolidated financial statements.

These financial statements of the IFRC for the year ended 31 December 2021 are consolidated to include the International Federation of Red Cross and Red Crescent Societies at the United Nations, Inc. (IFRC at the UN Inc.), as well as activities of the Geneva secretariat, all IFRC delegations, the General Assembly, the Governing Board and statutory commissions, including the Audit and Risk Commission, the Compliance and Mediation Committee, the Election Committee, the Finance Commission and the Youth Commission. For the purpose of these financial statements, the IFRC accounts for its interests in certain jointly controlled operations by recognising and measuring the assets and liabilities and related revenues and expenses related to the IFRC interest in the joint operations. The consolidated financial statements presented do not include the results of the member National Societies. Each of these has its own legal status separate from that of the IFRC and the IFRC exercises no control over them.

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<sup>&</sup>lt;sup>1</sup> The IFRC may occasionally receive resources for activites undertaken as part of the Regular resources budget which have certain restrictions. These amounts are presented as 'Unrestricted' in these financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 2. Statement of compliance and basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and are presented in accordance with the IFRC's Financial Regulations. The consolidated financial statements were authorized for issue by the Audit and Risk Commission on 25 May 2022.

IFRS do not contain specific guidance for non-profit organisations and non-governmental organisations concerning the accounting treatment and the presentation of financial statements. Where IFRS is silent or does not give guidance on how to treat transactions specific to the not-for-profit sector, accounting policies selected are based on the general principles of IFRS, as detailed in the IASB Conceptual Framework for Financial Reporting.

The consolidated financial statements have been prepared under the historical cost convention, except where otherwise indicated. Details of the IFRC's accounting policies, including changes during the year, are included in note 32 of these consolidated financial statements.

# 3. Functional and presentation currency

The functional and presentation currency of the IFRC is the Swiss Franc. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

# 4. Critical accounting estimates and judgements

Preparation of the consolidated financial statements requires the use of judgements, estimates and assumptions that affect the application of IFRC's accounting policies, the recognition and reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

All significant accounting judgements, estimates and assumptions specific to one note are described in that note or the associated accounting policy. In particular:

# Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 32C Income from voluntary contributions and donations: whether a voluntary contribution is fully under the control of the IFRC and its accounting treatment;
- Note 32C Income from the provision of services: whether services income is recognised over time or at a point in time.

# Estimates and assumptions

Information about assumption and estimation uncertainties that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year is included in the following notes:

- Note 32H ESSN project: key assumptions used to estimate the value of the financial asset and financial liability associated with the delivery of cash to beneficiaries under component B of the agreement with ECHO.
- Note 21 Post employment defined benefit plans: key actuarial assumptions;
- Note 32C Fair value of in-kind contributions and donations: key assumptions used to estimate value of in-kind contributions and donations.
- Note 32N Recognition and measurement of provisions and contingencies: key assumptions about likelihood and magnitude of resource flows.

# 5. COVID-19 Pandemic

On 31 January 2020, the IFRC launched an Emergency Appeal seeking CHF 3 million to enable the IFRC to support its membership in delivering assistance and support to communities affected or at risk of being affected by the novel coronavirus outbreak. In further response to the increased scale and scope of the crisis, this appeal was revised a number of times and on 28 May 2020, the IFRC published a revised appeal seeking CHF 450 million and extending the timeframe to 31 December 2021. The funds raised for this revised Emergency Appeal cover both allocations to IFRC's member National Societies and funding to support the work of the IFRC Secretariat. It includes allocations to the five regions (CHF 370 million) and to the Geneva Secretariat (CHF 30 million), as well as CHF 50 million to be managed as flexible funding to respond to the changing nature and focus of the pandemic. The increased appeal funding will enable the IFRC network to be able to respond to developing hotspots, second waves and deepening social and economic impacts, that affect the lives and dignity of people and communities in specific countries.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

On 2 February 2021, the appeal was further revised to include an immunisation annex to the Covid-19 response increasing the total appeal amount to CHF 550 million until 31 December 2021, whereby the additional CHF 100 million is planned to address a pressing need to support Covid-19 global vaccine roll-out. On 24 March 2021, the appeal timeframe was extended to 30 June 2022. Subsequently, on 18 December 2021, the appeal was further extended until 31 December 2022 and funding was increased to CHF 670 million to continue supporting National Societies' work as auxiliaries to their governments to tackle the continued effects of the pandemic, support the integration of Covid-19 into regular programming and remain flexible in responding to new variants of concern, hotspots and new waves.

The Covid-19 Pandemic appeal is a global effort by the membership of the IFRC to address the immediate, medium and long-term impacts caused by the pandemic. It is unprecedented in terms of its magnitude, financial value and global reach with the IFRC planning to simultaneously support more than 160 National Societies in one action. The IFRC is funding the domestic appeals and plans of National Societies with support primarily being provided by IFRC remotely. As at 31 December 2021, a total of 162 (2020: 159) National Societies had received funding allocations from the IFRC Covid-19 Emergency Appeal. Income and expenditure figures related this emergency appeal are disclosed separately in the Consolidated Statement of Comprehensive Income. Additional details are provided below:

	2021	2020
ODED ATING INCOME	CHF 000s	CHF 000s
OPERATING INCOME	25 652	112 075
Voluntary contributions Donations	35,652	113,975
Total OPERATING INCOME	90,471 126,123	90,954
TOTAL OPERATING INCOME	120,123	204,929
OPERATING EXPENDITURE		
Humanitarian Response		
Employee benefits	19,322	13,564
Relief supplies, transportation and storage	23,995	29,923
Contributions to National Societies	74,094	71,034
Supplementary services cost recoveries	4,254	3,522
Other costs & allocations	10,229	9,628
Total direct costs	131,894	127,671
Indirect cost recovery	8,404	8,155
Total OPERATING EXPENDITURE	140,298	135,826
NET SURPLUS / (DEFICIT) FROM OPERATING ACTIVITIES	(14,175)	69,103
Finance expense, net	15	180
NET (DEFICIT) / SURPLUS FOR THE PERIOD	(14,190)	68,923
FUNDS HELD FOR OPERATIONS		
Brought forward	68,923	-
Reallocation from other IFRC appeal	15	-
Net (deficit)/ surplus for the period	(14,190)	68,923
FUNDS HELD FOR OPERATIONS	54,748	68,923

At the end of 2021, the IFRC had received voluntary contributions and donations of CHF 58,337k (2020: CHF 66,274k) which are not recognized as income in the Consolidated Statement of Comprehensive Income, but are included within deferred income in the Consolidated Statement of Financial Position.

At the end of 2021, the IFRC had outstanding receivables from donors of CHF 52,779k (2020: CHF 31,765k) that are included in the Consolidated Statement of Financial Position related to the Covid-19 Pandemic Appeal.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 6. Voluntary contributions and donations

				2021	2020
		Cash	In-kind	Total	Total
		CHF 000s	CHF 000s	CHF 000s	CHF 000s
National Societies		115,819	7,181	123,000	219,394
Governments		155,340	3,416	158,756	155,996
Multi-lateral agencies		72,779	-	72,779	23,343
Corporations		20,233	-	20,233	26,522
Others	_	6,987	1,771	8,758	11,785
	_	371,158	12,368	383,526	437,040
7. Services income					
		2021	2021	2021	2020
		Restricted	Unrestricted	Total	Total
	Note	CHF 000s	CHF 000s	<b>CHF 000s</b>	CHF 000s
Services income		20,248	-	20,248	21,425
Services income - ESSN Project	11 _	42,370		42,370	39,534
Total Services income from contracts with customers		62,618	-	62,618	60,959
Lease income		217_	56_	273	4,299
<b>Total Services income</b>		62,835	56	62,891	65,258

Included in Services income above is CHF 10,910k (2020: CHF 11,212k) related to Administrative services, CHF 5,012k (2020: CHF 6,579k) related to Fleet services, and CHF 3,016k (2020: CHF 2,985k) related to Logistic services.

Receivables, contract assets and contract liabilities from contracts with customers are as follows:

		2021 Opening balances CHF 000s	2021 Closing balances CHF 000s
Contract assets	15	3,355	1,280
Contract liabilities	19	(18,407)	(23,035)
Receivables from Customers	14 _	7,204	6,638
	_	(7,848)	(15,117)
		2020	2020
		Opening	Closing
		balances	balances
		CHF 000s	<b>CHF 000s</b>
Contract assets	15	2,086	3,355
Contract liabilities	19	(20,730)	(18,407)
Receivables from Customers	14 _	9,430	7,204
	_	( 9,214)	(7,848)

In 2021, there were no assets recognised from the costs to obtain or fulfil a contract (2020: Nil), and there were no variable contract considerations that reduced transaction prices for service income recognised (2020: Nil). The amount included within the contract liability opening balance is fully recognised as income during the accounting period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 8. Operating expenditure

462,336			51,523		10,260	113,802	106,183	180,568	Total OPERATING EXPENDITURE 2020
1	485,619	1	71,440		10,401	109,051	109,733	184,994	Total OPERATING EXPENDITURE 2021
29,261	52,436	(30,261)	4,545	1,338	5,678		758	70,378	Total UNRESTRICTED
29,261	52,436	(30,261)	4,545	1,338	5,678	-	758	70,378	Regular resources
433,075	433,184	30,261	66,896	(1,338)	4,723	109,051	108,975	114,616	Total RESTRICTED
25,952	20,102	727	9,854	( 16,410)	3,946	93	2,433	19,459	Supplementary services
407,123	413,081	29,534	57,041	15,072	777	108,958	106,542	95,157	Total Other resources (Programmes)
121,847	153,311	13,941	32,887	7,288	451	26,510	26,454	45,780	Thematic
285,276	259,770	15,593	24,154	7,784	326	82,448	80,088	49,377	Humanitarian response
Total 2020 CHF 000s	Total 2021 CHF 000s	Indirect cost recovery CHF 000s	blementary (d) rvices cost Other costs recoveries & allocations CHF 000s CHF 000s	Supplementary (d) services cost Other costs recoveries & allocations CHF 000s CHF 000s	Depreciation & amortisation CHF 000s	Contributions to National Societies CHF 000s	(b) (a) (c) Relief supplies, ployee transportation enefits & storage F 000s CHF 000s	(a) (c) Employee benefits CHF 000s	

In keeping with the IFRC's principle of full cost recovery, the direct costs of programmes and services are subject to a standard indirect cost recovery to fund the costs of providing indirect support services, essential to the success of operations. The support for 2021 amounted to CHF 30,261k (2020: CHF 27,959k) and is added to unrestricted reserves.

Included within Other costs & allocations is an amount of CHF 1,252k (2020: 13,740k) for the provision for unpaid statutory contributions, see note 14.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 8(a) Employee benefit costs

	2021	2021	2021	2020
	Restricted	Unrestricted	Total	Total
	CHF 000s	CHF 000s	CHF 000s	CHF 000s
Wages and salaries	95,530	57,473	153,003	151,579
Contributed services	6,704	245	6,949	6,917
Termination benefits	704	(440)	264	(549)
Social security costs	3,269	1,327	4,596	3,575
Pension costs - defined benefit plans	8,409	11,773	20,182	19,046
	114,616	70,378	184,994	180,568

# 8(b) Relief supplies, transportation and storage

	2021 Restricted CHF 000s	2021 Unrestricted CHF 000s	2021 Total CHF 000s	2020 Total CHF 000s
Relief supplies	97,876	-	97,876	92,096
Transportation & storage	11,099	758	11,857	14,086
	108,975	758	109,733	106,182

# 8(c) In-kind expenditure

In-kind contributions and donations are recognised as both income and expenditure in accordance with the accounting policy outlined in note 32C. The following in-kind contributions are included within total expenditure:

	2021 CHF 000s	2020 CHF 000s		
Employee benefit costs	6,949	6,857		
Relief supplies	2,089	1,480		
Land and buildings depreciation	2,372	2,618		
Leasehold property operating costs	875	926		
Transportation & storage	70	432		
	12,355	12,313		
8(d) Other costs & allocations				
	2021	2021	2021	2020
	Restricted	Unrestricted	Total	Total
	CHF 000s	CHF 000s	CHF 000s	CHF 000s
Vehicles and equipment	9,460	275	9,735	13,012
Administration, office and general	10,853	2,672	13,525	12,454
Consultancy fees	10,080	1,147	11,227	8,153
Workshops & training	7,899	189	8,088	6,897
Travel	4,283	906	5,189	5,130
Information	3,833	641	4,474	4,213
Other costs and allocations	20,489	(1,285)	19,202	1,664
	66,897	4,545	71,440	51,523

Other costs and allocations include provisions for operations, where there was an increase in the value of operational advances that have not been reported on by the reporting date (see note 18). There are no other specific, material, or unusual amounts included within Other costs and allocations.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 9. Net finance income

7. Net imance income	2021 Restricted CHF 000s	2021 Unrestricted CHF 000s	2021 Total CHF 000s	2020 Total CHF 000s
Interest income on bank deposits	-	7	7	1
Dividend income on global equity fund	-	695	695	600
Interest income on global bond fund	-	1,750	1,750	1,384
Gains on disposal: global equity fund and global bond fund	-	255	255	-
Net change in fair value of financial assets at fair value through profit or loss		8,314	8,314	3,890
Finance income	<del>-</del> -	11,021	11,021	5,875
Net foreign exchange losses on revaluations of assets & liabilities	(618)	135	(483)	(515)
Losses on disposal: global equity fund and global bond fund	-	(152)	(152)	(17)
Net change in fair value of financial assets at fair value through profit or loss	-	(5,127)	(5,127)	-
Net realised losses from cash flow hedge		151	151	(123)
Finance expense	(618)	(4,993)	(5,611)	( 655)
Net finance income	(618)	6,028	5,410	5,220
10. Other comprehensive income				
	2021	2021	2020	2020
Cash flow hedges	CHF 000s	CHF 000s	CHF 000s	CHF 000s
	Hedge Contract value	Fair value balance	Hedge Contract value	Fair value balance
Forward exchange contracts in Euros	4.000	7/	3,834	
	4,302	76	3,834	-
Forward exchange contracts in United States Dollars	3,086	(9)	975	
Forward exchange contracts in United States Dollars	3,086	(9)	975	2020
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be reclassified to Income or Expenditure in subsequent period	3,086 7,388	(9)	975	2020 CHF 000s
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be	3,086 7,388	(9) 68 2021	975	
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be reclassified to Income or Expenditure in subsequent period Cash flow hedge - effective portion of changes to fair value	3,086 7,388	(9) 68 2021 CHF 000s (68)	975	CHF 000s - (29)
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be reclassified to Income or Expenditure in subsequent period Cash flow hedge - effective portion of changes to fair value Amount reclassified from Other Comprehensive Income to	3,086 7,388	(9) 68 2021 CHF 000s (68)	975	CHF 000s
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be reclassified to Income or Expenditure in subsequent period Cash flow hedge - effective portion of changes to fair value Amount reclassified from Other Comprehensive Income to	3,086 7,388	(9) 68 2021 CHF 000s (68) - (68) Hedge Contract	975 4,809	CHF 000s - (29)
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be reclassified to Income or Expenditure in subsequent period Cash flow hedge - effective portion of changes to fair value Amount reclassified from Other Comprehensive Income to Operating Income and Expenditure statement	3,086 7,388	(9) 68  2021 CHF 000s (68) (68)  Hedge Contract cash flows	975 4,809	CHF 000s (29) (29) Hedge Contract cash flows
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be reclassified to Income or Expenditure in subsequent period Cash flow hedge - effective portion of changes to fair value Amount reclassified from Other Comprehensive Income to Operating Income and Expenditure statement  Expected cash flows in subsequent period	3,086 7,388	(9) 68 2021 CHF 000s (68) - (68) Hedge Contract	975 4,809	CHF 000s (29) (29) Hedge Contract
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be reclassified to Income or Expenditure in subsequent period Cash flow hedge - effective portion of changes to fair value Amount reclassified from Other Comprehensive Income to Operating Income and Expenditure statement  Expected cash flows in subsequent period  Forward exchange contracts used for hedging	3,086 7,388 2021 CHF 000s Carrying value	(9) 68 2021 CHF 000s (68) - (68) Hedge Contract cash flows CHF 000s	2020 CHF 000s Carrying value	CHF 000s (29) (29) Hedge Contract cash flows CHF 000s
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be reclassified to Income or Expenditure in subsequent period Cash flow hedge - effective portion of changes to fair value Amount reclassified from Other Comprehensive Income to Operating Income and Expenditure statement  Expected cash flows in subsequent period	3,086 7,388 2021 CHF 000s Carrying value (7,388)	(9) 68 2021 CHF 000s (68) - (68) Hedge Contract cash flows CHF 000s	975 4,809 2020 CHF 000s Carrying value (4,809)	CHF 000s (29) (29) Hedge Contract cash flows CHF 000s
Forward exchange contracts in United States Dollars Total cash flow hedges  Movement in Other Comprehensive Income that may be reclassified to Income or Expenditure in subsequent period Cash flow hedge - effective portion of changes to fair value Amount reclassified from Other Comprehensive Income to Operating Income and Expenditure statement  Expected cash flows in subsequent period  Forward exchange contracts used for hedging - Ouflow	3,086 7,388 2021 CHF 000s Carrying value	(9) 68 2021 CHF 000s (68) - (68) Hedge Contract cash flows CHF 000s	2020 CHF 000s Carrying value	CHF 000s (29) (29) Hedge Contract cash flows CHF 000s

In 2021, the IFRC entered into foreign currency forward exchange contracts, with final maturities of 31 March 2022, in order to hedge the foreign exchange risk of receiving statutory contributions of CHF 4,302k in Euros and CHF 3,086k in US Dollars. The hedges were designated as cash flow hedges for hedge-accounting purposes. Amounts recycled to Operating Income and Expenditure amounted to CHF Nil (2020: CHF 29k). The settlement of the 2020 foreign currency forward exchange contracts resulted in a net realised gain of CHF 151k (2020: net realised loss of CHF 123k).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 11. Emergency Social Safety Net (ESSN) project

### 11(a) Initial contract

The ESSN project is part of ECHO's Facility for Refugees (FRIT) that provides cash to vulnerable refugee families in Turkey. On 2 October 2019, the IFRC and European Civil Protection and Humanitarian Aid Operations (ECHO) entered into a 500,000k Euro agreement (approximately CHF 543,000k) for the ESSN project in Turkey with an implementation timeframe of 26 months until 31 October 2021. The IFRC is implementing the agreement with Turkish Red Crescent Society (TRC). There are three basic components to the ESSN project:

Component A: Beneficiary identification

Component B: Provision of timely cash support to beneficiaries to meet basic needs

Component C: Comprehensive monitoring, evaluation, accountability and learning

The delivery of cash to beneficiaries under Component B above accounts for 448,620k Euro (approximately CHF 487,201k) of the initial contract value. In accordance with IFRC's accounting policies (Note 32H(c)), the delivery of cash to beneficiaries under component B above does not constitute a performance obligation under the ESSN agreement. The IFRC is redistributing cash provided by ECHO to designated beneficiaries. This portion of the contract is recognised as a financial liability in the Consolidated Statement of Financial Position. It is not recognised in the Consolidated Statement of Comprehensive Income.

# 11(b) Revised contract

On 21 December 2020, the IFRC and ECHO revised this agreement increasing the value to 900,000k Euro (approximately CHF 976,400k) and extending the implementation timeframe to 38 months until 31 October 2022. This revision increased Component B of the contract to a total of 806,989k Euro (approximately CHF 875,493k). This contract modification is accounted for as a separate contract under IFRS 15.

The balances related to the delivery of cash to beneficiaries are disclosed separately in the Consolidated Statement of Financial Position and are summarised below:

Cash and cash equivalents- ESSN project (see note 12)

Included in cash and cash equivalents is the amount of CHF 124,056k (2020: CHF 100,692k) held with Citibank and Credit Agricole Indosuez for the onward distribution to beneficiaries under the ESSN. This balance is distinguished from other cash and cash equivalents in the Consolidated Statement of Financial Position.

For the ESSN project, the Finance Commission of the IFRC has agreed a waiver to its Investment Guidelines which normally limit the holding with any one financial institution to 25% of the IFRC's total cash and investment holdings at any one time.

Prepayment– ESSN project (see note 15)

Included in prepayments is an amount of CHF 16,112k (2020: CHF 26,608k). This is the balance of funds held by TRC for onward distribution to beneficiaries under ESSN (component B). This shall either be distributed to beneficiaries by TRC or returned to IFRC. This balance is distinguished from other receivables in the Consolidated Statement of Financial Position.

Liabilities - ESSN project

The liabilities on the ESSN project comprise two parts:

- Included in liabilities is an amount of CHF 52,878k (2020 CHF 94,373k). This reflects the estimated amount to be paid to beneficiaries who are already in receipt of a payment card under the initial ESSN contract (component B).
- Included in liabilities as at 31 December 2021 is an amount of CHF 87,290k (2020 CHF 32,927k). This relates to funds received from ECHO in excess of the amount to be paid to beneficiaries. This amount shall be distributed as part of the revised contract.

These liabilities on the ESSN project are distinguished from other liabilities in the Consolidated Statement of Financial Position. Included within Services Income (Note 7) is an amount of CHF 42,370k (2020: CHF 39,534k) related to the other portions of the ESSN contract. At the end of 2021, the IFRC had received CHF 18,167k (2020: CHF 15,670k) service income in advance from ECHO in relation to the other portions of the ESSN contract. This is recorded under Contract liabilities.

Expenditure related to the other portions of the ESSN contract is included within Thematic expenditure.

# 11(c) Second revision

In May 2022, the IFRC was in the process of negotiating a further revision extending the contract to October 2023 and increasing the value to EUR 1,225,000k. For the purposes of income recognition, the IFRC expects to treat the further extension as a separate contract consistent with treatment of the first contract extension. The new extension will not impact amounts of income, expenditure, assets and liabilities disclosed in these financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 12. Cash and cash equivalents

	2021 CHF 000s	2020 CHF 000s
Cash in hand	321	390
Cash at bank	203,991	203,265
Bank deposits (original maturities < 3 months)	10,004	
	214,316	203,655

The cash at bank balance above includes CHF 124,056k (2020: CHF 100,692k) for the delivery of cash to beneficiaries under Component B of the ESSN project (see note 11).

# 13. Investments

	2021	2020
	CHF 000s	CHF 000s
Bank deposits measured at amortised cost (see note 12)		
Short-term investment (maturities > 3 months)	59,000	98,000
Long-term investment (maturities > 1 year)	90,000	48,000
Total bank deposits measured at amortised cost	149,000	146,000
Financial assets measured at fair value through profit and loss		
Global bond fund	91,086	98,864
Global equity fund	38,093	40,329
Total financial assets measured at fair value through profit and loss	129,179	139,193
Total Investments	278,179	285,193
1 out investments	270,177	203,173
Current investments	188,179	237,193
Non-current investments	90,000	48,000
Total Investments	278,179	285,193

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 14. Receivables

	2021 CHF 000s	2020 CHF 000s
Accounts receivable		
Statutory contributions	28,262	29,684
Provision for estimated credit losses (ECL) on statutory contributions	( 14,415)	( 15,944)
	13,847	13,740
Voluntary contributions	172,658	162,377
Provision for ECL on voluntary contributions	(2,209)	(1,720)
	170,449	160,657
National Societies receivables	36,467	34,829
Provision for ECL on National Societies receivables	( 564)	(1,909)
	35,903	32,920
Other receivables (see note below)	994	1,112
Provision for ECL on other receivables	(8)	(9)
	986	1,103
Total accounts receivable	221,185	208,420
Other receivables	3,601	3,632
Total Receivables	224,786	212,052
Current receivables	171,705	150,210
Non-current receivables	53,081	61,846
Total Receivables	224,786	212,056

The movement in Provision of Estimated Credit Losses (ECL) are as follows:

	Provision for voluntary contributions receivable CHF 000s	Provision for national societies receivable CHF 000s	Provision for unpaid statutory contributions CHF 000s	Provision for other accounts receivable CHF 000s	Total CHF 000s
2021					
Balance at 1 January	1,720	1,909	15,944	9	19,582
Changes to provision for ECL	2,535	253	1,800	7	4,595
Write offs during the year	(750)	(926)	-	-	(1,676)
Unused provisions reversed	(1,296)	(672)	(3,329)	(8)	(5,305)
Balance at 31 December	2,209	564	14,415	8	17,196
2020					
Balance at 1 January	3,304	1,192	31,493	3	35,992
Changes to provision for ECL	1,957	787	(11,450)	17	(8,689)
Write offs during the year	(2,841)	-	-	(10)	(2,851)
Unused provisions reversed	(700)	(70)	(4,099)	(1)	(4,870)
Balance at 31 December	1,720	1,909	15,944	9	19,582

The provisions for ECL above includes impairment of CHF 300k (2020: CHF1,447k) for receivables and contract assets that relate to contracts with customers (see Note 7).

The provision for unpaid statutory contributions is based upon the IFRC's assessment of the probability of payment. At 31 December 2021, the IFRC revised its assessment of CHF 106k of statutory contribution receivables from at risk to likely to be paid (31 December 2020, CHF 13,740). Provision of statutory contribution receivables does not invalidate the obligation of National Societies to pay amounts due.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Receivables ageing	Not past due CHF 000s	Past due 1-60 days CHF 000s	Past due 61-90 days CHF 000s	Past due more than 90 days CHF 000s	Total CHF 000s
2021					
Gross carrying amount	196,267	3,435	4,140	38,140	241,982
Provision for ECL	<u> </u>	<u>-</u>	<u>-</u>	( 17,196)	(17,196)
Receivables	196,267	3,435	4,140	20,944	224,786
	Not past due CHF 000s	Past due 1-60 days CHF 000s	Past due 61-90 days CHF 000s	Past due more than 90 days CHF 000s	Total CHF 000s
2020					
Gross carrying amount	181,491	5,835	2,588	41,724	231,638
Provision for ECL	<u></u>	<u> </u>	<u> </u>	( 19,582)	(19,582)

5,835

2,588

22,142

212,056

# 15. Prepayments and contract assets

Receivables

	2021 CHF 000s	2020 CHF 000s
Prepayments	3,846	3,882
Prepayments - ESSN	16,112	26,608
Total Prepayments	19,958	30,490
Contract assets	1,280	3,355
Total prepayments and contract assets	21,238	33,845

181,491

The prepayments balance includes CHF 16,112k (2020: 26,608k), which is the balance of funds held by Turkish Red Crescent Society (TRC) for onward distribution to beneficiaries under ESSN (component B). This shall either be distributed to beneficiaries by TRC or returned to IFRC (see note 11).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 16. Property, vehicles and equipment

Property, ve	hicles	and e	guipment
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	Land and buildings CHF 000s	Work in Progress CHF 000s	Vehicles CHF 000s	Other equipment CHF 000s	2021 Total CHF 000s	2020 Total CHF 000s
Cost						
Balance as at 1 January	114,016	-	24,981	4,629	143,626	145,400
Additions	7,175	7	3,447	189	10,818	7,675
Transfer from Work in progress	-	-	-	-	-	-
Disposals and write offs	(2,815)	-	(4,419)	(222)	(7,456)	(8,641)
Reclassification to intangible assets	-	-	-	-	-	-
Reclassifications to/from assets held for sale, net	<u> </u>	_	(1,486)		( 1,486)	(808)
Balance at 31 December	118,376	7	22,523	4,596	145,502	143,626
Accumulated depreciation and impairment						
losses						
Balance at 1 January	(11,396)	-	(10,117)	(3,004)	(24,517)	(18,891)
Depreciation charge for the year	(7,079)	-	(2,590)	(334)	(10,003)	(10,022)
Disposals and write offs	1,873	-	2,593	214	4,680	4,175
Impairment loss	-	-	68	-	68	77
Reclassifications to/from assets held for sale, net	-	-	88	-	88	144
Balance at 31 December	( 16,602)	-	( 9,958)	(3,124)	(29,684)	(24,517)
Net book value at 31 December	101,774	7	12,565	1,472	115,818	119,109
Net book value at 1 January	102,620	-	14,864	1,625	119,109	126,509

Other equipment primarily includes computer equipment, generators, rubhalls and office equipment.

Property, vehicles and equipment include right-of-use assets of CHF 4,486k (2020: CHF 4,247k) related to leased properties and equipment (see note 25).

Included in the additions of Land and buildings is the renewal of the Dubai lease for 5 years which amounts to CHF 3.3 million (donation in kind from the Government of the United Arab Emirates).

Included in the depreciation of property, plant and equipment is CHF 3,247k (2020: CHF 2,684k) related to depreciation of right-of-use assets and CHF 2,376k (2020: CHF 2,622k) related to assets received as donations in-kind.

The IFRC took occupation of its new headquarters office premises in Geneva during 2019. Depreciation of the associated assets has been applied from the point they were in the location and condition necessary for them to be used in the manner intended by management.

Property, vehicles and equipment include the following amounts that have been received as in-kind donations:

	Land and buildings	Other equipment	2021 Total	2020 Total
	CHF 000s	CHF 000s	CHF 000s	CHF 000s
Gross carrying amount	47,143	242	47,385	45,877
Accumulated depreciation	(5,818)	( 197)	(6,015)	(4,572)
Net book value	41,325	45	41,370	41,305
Depreciation charge for the year	( 2,340)	(36)	( 2,376)	(2,622)

The Gross carrying amount of Land and buildings includes CHF 45,935k (2020: CHF 44,428k) that have been received as non-monetary in-kind donations from host country governments, for right-of-use premises in Dubai, Budapest, Geneva and Panama City.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 17. Intangible assets

	Computer software CHF 000s	Computer software under development CHF 000s	2021 Total Computer software CHF 000s	2020 Total Computer s oftware CHF 000s
Cost				
Balance at 1 January	8,179	6,405	14,584	11,916
Additions	227	7,846	8,073	4,432
Transfers	2,280	( 2,280)	-	-
Disposal and write offs	(1,980)	<u> </u>	( 1,980)	(1,764)
Balance at 31 December	8,706	11,971	20,677	14,584
Accumulated amortisation and				
impairment losses				
Balance at 1 January	(7,921)	-	(7,921)	( 9,447)
Amortisation charge for the year	(398)	-	(398)	(238)
Disposals	1,980		1,980	1,764
Balance at 31 December	(6,339)		( 6,339)	(7,921)
Net book value at 31 December	2,367	11,971	14,338	6,663
Net book value at 1 January	258	6,405	6,663	2,469

Included within Computer software under development is CHF 11,777k (2020: CHF 6,273k) related to the implementation of an Enterprise Resource Planning (ERP) system.

# 18. Provisions

	Operations CHF 000s	Pledge and services deficits CHF 000s	Redundancy CHF 000s	2021 Total CHF 000s	2020 Total CHF 000s
Current provisions					
Balance at 1 January	32,172	7,251	178	39,601	41,195
Additional provisions	35,959	1,167	1,304	38,430	34,552
Unused amounts reversed	-	(1,246)	(230)	(1,476)	(1,939)
Used during the year	( 32,172)	( 2,033)	(1,151)	( 35,356)	( 34,207)
Balance at 31 December	35,959	5,139	101	41,199	39,601

All provisions are current, and the IFRC expects to incur the liabilities within the next year. The ultimate outflow of economic benefits arising from project deficits will be determined by the IFRC's ability to cover the unfunded project expenditure through fund-raising activities.

The provision for operations includes the estimated cash working advances with National Societies that have not been reported at the reporting date, along with estimated costs of other operational liabilities that have incurred at the reporting date, where the timing or amount is uncertain.

The provision for pledge and services deficit includes the estimated costs of covering expenditure on individual pledges and services, where expenditure exceeds income recognised at the reporting date.

The redundancy provision includes the costs of known redundancies that were announced in 2021 and will be settled within the next twelve months.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 19. Deferred income and contract liabilities

Current liabilities	2021 CHF 000s	2020 CHF 000s
Deferred income	154,894	172,541
Contract liabilities	23,035	18,407
Statutory contributions received in advance	220	174
	178,149	191,122
Non-current liabilities	2021 CHF 000s	2020 CHF 000s
Deferred income	39,836	44,432

Included within Deferred income above is CHF 41,338k (2020: CHF 41,269k) related to non-monetary in-kind donations from host country governments (see note 16). Included within Contract liabilities above is CHF 18,167k (2020: CHF 15,670k) related to service income received in advance for the ESSN project (see note 11).

The IFRC is not in a position to reliably determine in which future periods donations, that are deferred due to specific contractual obligations under the accounting policy set out in note 32C, will be recognised as income in the Consolidated Statement of Comprehensive Income. Accordingly, all amounts deferred consistent with that accounting policy are included in current liabilities, although some amounts may ultimately be recognised as income more than one year after the period end date. Non-current liabilities include voluntary contributions and donations that are earmarked for use in a future period, more than one year from the period end date.

# 20. Loans and borrowings

Current liabilities	2021 CHF 000s	2020 CHF 000s
Loans for building	1,415	1,415
Lease liabilities	2,258	1,831
	3,673	3,246
Non-current liabilities	2021 CHF 000s	2020 CHF 000s
Loans for building	60,331	61,746
Lease liabilities	1,904	1,964
	62,235	63,710

# Loans for building

On 3 September 1998, the IFRC and the *Fondation des Immeubles pour les Organisations Internationales* (FIPOI) entered into an agreement for an unsecured loan for up to a maximum of CHF 12,061k, at 0% interest, for the construction of an extension to its then existing office building at the Geneva headquarters. Against this loan facility, in 1998, the IFRC borrowed a total of CHF 11,347k. This amount is being repaid with one instalment of CHF 220k in 1998 and 49 equal annual instalments of CHF 227k starting in 1999. The remaining loan balance as at 31 December 2021 amounted to CHF 5,904k (2020: CHF 6,131k).

On 30 May 2016, the IFRC and the *Fondation des Immeubles pour les Organisations Internationales* (FIPOI) entered into a loan agreement for a maximum of CHF 59,406k, at 0% interest, for the construction of a new IFRC office building at the Geneva headquarters. The loan is unsecured, and is being repaid in equal annual instalments of CHF 1,188k starting in 2019. The remaining loan balance as at 31 December 2021 amounted to CHF 55,842k (2020: 57,030k).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# Reconciliation of movement of liabilities to cashflows arising from financing activities

	2021	2020
	CHF 000s	CHF 000s
Balance at 1 January	66,956	69,415
Changes from financing cash flows:		
Repayment of borrowings	(1,415)	(1,415)
Payment of lease liabilities	(3,084)	(2,865)
Total changes from financing cash flows	(4,499)	(4,280)
Other liability related changes	3,451	1,821
Balance at 31 December	65,908	66,956

# 21. Post-employment defined benefit liability, net

The IFRC operates two pension plans, the Base Pension Plan and the Supplemental Pension Plan, for expatriate field staff and all headquarters staff. The pension plans are funded plans. They provide retirement benefits based on a participant's accumulated account balance. They also provide benefits on death, disability and termination. Subject to certain conditions, members of the pension plans are also eligible to receive contributions towards the cost of health insurance during retirement.

# 21(a) Amounts in the Consolidated Statement of Financial Position

The amounts recognised in the Consolidated Statement of Financial Position are determined as follows:

	2021	2020
Post-employment defined benefit liabilities, net	CHF 000s	CHF 000s
Pension plans	(11,538)	(43,894)
Retirees' health insurance	(9,737)	(13,657)
	(21,275)	( 57,551)
	2021 CHF 000s	2020 CHF 000s
Present value of obligations	( 354,303)	( 352,619)
Fair value of plan assets	333,028	295,068
Liabilities per Consolidated Statement of Financial Position	(21,275)	( 57,551)
Change in defined benefit obligations during the year:		
	2021	2020
	CHF 000s	CHF 000s
Defined benefit obligations 1 January	352,619	330,157
Net current service cost	19,508	17,711
Interest cost on Defined Benefit Obligation	171	480
Employee contributions	9,333	8,809
Net benefits paid	(18,974)	(16,523)
Loss due to experience	17,434	6,067
(Gain) due to demographic assumption changes	(12,590)	-
(Gain)/loss due to financial assumption changes	(13,198)	5,057
Special termination benefits	-	253
Past service costs	-	608
Defined benefit obligations 31 December	354,303	352,619

The breakdown of the Defined Benefit Obligation between active members and retirees is as follows:

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

		2021 CHF 000s	2020 CHF 000s
Defined Benefit Obligations for active members		232,534	231,022
Defined Benefit Obligations for retirees		121,769	121,597
		354,303	352,619
Change in pension plan assets during the year:			
		2021	2020
	Note	<b>CHF 000s</b>	CHF 000s
Fair value of plan assets at 1 January		295,068	259,479
Employer contributions - regular contributions		15,642	14,764
Employer contributions paid in advance	21 (g)	, -	21,000
Employee contributions	,	9,333	8,809
Net benefits paid		(18,974)	(16,523)
Actual administration expenses paid		(650)	(634)
Interest income on plan assets		147	387
Return on plan assets excluding amounts included in interest income		32,462	7,533
One-off employer contribution to finance special termination benefits		-	253
Fair value of plan assets at 31 December		333,028	295,068
Reconciliation of net defined benefit/(liabilities):			
		2021	2020
		CHF 000s	CHF 000s
Net liabilities at 1 January		( 57,551)	(70,678)
Total (charge) recognised in employee benefits operating expenditure		(20,182)	(19,299)
Total remeasurements recognised in other comprehensive income		40,816	(3,591)
Employer contributions		15,642	35,764
One-off employer contribution to finance special termination benefits		<u> </u>	253
Net liabilities at 31 December		(21,275)	( 57,551)

# 21(b) Amounts in the Consolidated Statement of Comprehensive Income

The amounts recognised in the Consolidated Statement of Comprehensive Income are as follows:

	2021 CHF 000s	2020 CHF 000s
Service cost	19,508	18,572
Net interest on the net defined benefit liability	24	93
Administration expenses	650	634
Total included in employee benefits expenditure	20,182	19,299

# 21(c) Details of approved Pension Fund changes

To ensure the continued future financial stability of the pension fund in light of anticipated lower long-term investment returns and demographic changes, notably, increasing life-expectancy, on 28 October 2020, the Pension Fund Board adopted new regulations for the Pension Fund. The main changes were to:

- lower the conversion rate used to convert members' accumulated funds into pensions upon retirement;
- increase the monthly credit to members' accounts.

Effective from 1 January 2021, the changes also include transitional measures for qualifying active members, notably including a one-off payment to compensate for reduced pensions resulting from the lower conversion rate.

As the regulation changes became effective on 1 January 2021 and led to a significant reduction in the Defined Benefit Obligation, amendment accounting was performed at 31 December 2020. The net defined benefit liability was remeasured using the fair value of plan assets at 31 December 2020 and the 2020 actuarial assumptions reflecting:

- the benefits offered under the plan before the new regulations were adopted; and
- the benefits offered under the plan after the new regulations were adopted.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The resultant reduction in the Defined Benefit Obligation was largely offset by the cost of the transitional arrangements, notably the one-off payment to compensate for reduced pensions resulting from the lower conversion rate. The overall impact was a net increase in the 2020 Defined Benefit Obligation of CHF 608k, that was recognized in past Service cost.

Apart from the above, there were no plan amendments, settlements or curtailments, as per IAS 19, during either the year ended 31 December 2021, or the year ended 31 December 2020.

# 21(d) Amounts in Other Comprehensive Income

The amounts recognised in Other Comprehensive Income that will never/not be reclassified subsequently to income or expenditure, are as follows:

	2021	2020	
	CHF 000s	CHF 000s	
Defined benefit obligation (gains) due to changes in demographic assumptions	(12,590)	-	
Defined benefit obligation (gains)/losses due to changes in financial assumptions	(13,198)	5,057	
Defined benefit obligation losses due to experience, net	17,434	6,067	
Return on pension plan assets excluding amounts included in interest income	( 32,462)	(7,533)	
Total included in Other Comprehensive Income	( 40,816)	3,591	

Results under IAS 19 can change significantly depending on market conditions. The Defined Benefit Obligations are discounted using a rate linked to yields on Swiss corporate bonds and assets are measured at market value. Accordingly, changing markets can lead to volatility in both Defined Benefit Obligations and the fair value of plan assets, and therefore lead to volatility in the funded status of the Pension Plans.

In 2021, the pension plans' assets returned more than assumed leading to a gain on assets of CHF 32,462k (2020: CHF 7,533k).

The discount rate was increased from 0.05% in 2020 to 0.3% in 2021, resulting in a defined benefit obligation gain of CHF 13,732k (2020: loss CHF 5,512k). Changes to other financial assumptions generated defined benefit obligation losses of CHF 899k (2020: CHF 714k), which means that the total liability actuarial gain on financial assumptions is CHF 12,833 (2020: loss CHF 2,735k). During the year, the IFRC changed the discount rate methodology from Swiss yield curve to Swiss+ yield curve. The impact of this change led to a discount rate higher by around 10 basis points, decreasing the 2021 Pension Fund fund benefit obligation by CHF 5,600k (2020: CHF Nil) and the Retirees' health insurance defined benefit obligation by CHF 150k (2020: CHF Nil).

In 2021, the IFRC implemented new Swiss demographic tables and conducted an experience study to update demographic assumptions. This resulted in actuarial gains amounting to CHF 10,873k (2020: CHF Nil); experience losses on pension plan liabilities were CHF 19,447 (2020: CHF 6,067k), which means that there was a total liability actuarial gain of CHF 4,259k (2020: loss of CHF 10,865k).

In these consolidated financial statements, the risk of the above-mentioned volatility is shared across the restricted and unrestricted reserves in proportion to the IFRC's contributions to the pension plan.

A sensitivity analysis has been carried out to illustrate how the results change when the main assumptions (discount rate, interest crediting rate and mortality rates) change. The results of this analysis are included in the disclosure details below.

In May 2021, the IASB published a decision regarding the attribution of defined benefit cost to periods of service. In light of this decision, the IFRC has changed its accounting policy to attribute the cost of providing benefits earned under the Retirees' health insurance scheme to the last 15 years of service instead of attributing to the first 15 years of service. The result of this change was a reduction in the post-employment benefit liability for Retirees' health insurance of CHF 2,978k which is included in Defined benefit obligation losses due to experience (2020 CHF Nil). These consolidated financial statements do not include the disclosures required by IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors as the impact is not material.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 21(e) Significant assumptions

The significant actuarial assumptions used in valuing the Pension Fund related defined benefit obligation were as follows:

	2021	2020
Discount rate	0.30%	0.05%
Underlying consumer price inflation	1.00%	0.80%
Rate of future compensation increases	1.25%	1.05%
Rate of pension increases	0.00%	0.00%
Interest rate credited to account balances	2.00%	2.00%
Increase in maximum lump sum death benefit	1.00%	0.80%
Change life associations at nation and a constality sets)	LPP 2020	LPP 2015 CMI
Change life expectancy at retirement age (mortality rate)	CMI LTR1.5%	2016 LTR1.5%

The significant actuarial assumptions used in valuing the Retirees health insurance defined benefit obligation include discount rates of 0.3% in 2021 and 0.05% in 2020 and future mortality rates is based on Swiss published statistics LPP 2020 CMI LTR 1.5% for 2021, and for LPP 2015 CMI 2016 LTR 1.5% for 2020.

For a pensioner retiring at age 65, the assumptions regarding mortality rates translate into an average life expectancy of between 21.9 and 25.5 years in 2021 and between 21.9 and 25.8 in 2020 for both the Pension Fund and the Retriees' health insurance scheme.

As per IAS 19 paragraph 144, the IFRC considers the discount rate, the interest rate credited to account balances and the mortality rate to be significant actuarial assumptions used to determine the present value of the defined benefit obligation of the post-employment retirement benefit plans.

The sensitivity of the Pension Fund related defined benefit obligation to changes in the significant actuarial assumptions is:

Impact on the defined benefit obligation	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	Decrease by 7.2% CHF 24,809k	Increase by 8.2% CHF 28,254k
Interest rate credited to account balances	0.50%	Increase by 1.7% CHF 5,858k	Decrease by 1.6% CHF 5,513k
Change life expectancy at retirement age	1 year	Increase by 2.8% CHF 9,648k	Decrease by 2.8% CHF 9,648k

The sensitivity of the Retirees' health insurance related defined benefit obligation to changes in the significant actuarial assumptions is:

Impact on the defined benefit obligation	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	Decrease by 6.9% CHF 672k	Increase by 7.7% CHF 750k
Life expectancy at retirement age	1 year	Increase by 4.9% CHF 477k	Decrease by 4.9% CHF 477k

The above sensitivity analyses for both the Pension Fund and Retirees' health insurance scheme defined benefit obligations are based on a change in one assumption whilst, in each case, holding all other assumptions constant. In practice, this is unlikely to occur as changes in some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant assumptions, the same method has been applied as when calculating the post-employment benefit liabilities recognised in the Consolidated Statement of Financial Position.

# 21(f) Asset-liability matching

The Pension Fund has not adopted any asset-liability matching strategies.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 21(g) Plan assets

At 31 December 2021, the fair value of Pension Fund plan assets was CHF 333,028k (2020: CHF 295,068k). In December 2020, as permitted by Swiss law and the Pension Fund regulations, the IFRC advanced CHF 21,000k to the Pension Fund to fund future employer contributions. This amount is included in the fair value of plan assets at 31 December 2021 and 31 December 2020.

The proportion of Pension Fund plan assets invested in each major asset category was:

	2021 Proportion	2021 Of which quoted in an active market	2020 Proportion	2020 Of which quoted in an active market
Cash and cash equivalents	7.40%		8.9%	
Equity securities	39.30%	42.3%	42.3%	42.3%
Debt securities	21.30%	21.0%	21.0%	21.0%
Real estate	18.50%	17.0%	17.0%	17.0%
Other	13.50%	_	10.8%	
Total	100.0%		100.0%	

As stated in note 27, the IFRC does not have capital as defined by IFRS. Accordingly, the IFRC does not have its own transferable financial instruments, such as equity or debt securities, and the plan assets do not include any such financial instruments. The plan assets also do not include any property occupied or used by the IFRC.

The Pension Fund has its own investment policy. The primary objective is to ensure the security of funds. Other objectives include ensuring appropriate distribution of risks and obtaining sufficient return on investment to achieve the Pension Fund's objectives. The Fund's assets are managed by investment managers, based on investment rules produced by the Investment Committee and approved by the Pension Fund Board. These rules are compliant with the requirements of Swiss law.

The retirees' health insurance scheme is unfunded and, as such, does not have any plan assets.

# 21(h) Characteristics of the Plans, funding obligations, Swiss legal requirements and risks

# Pension Fund

Pension obligations are covered by an independent fund which is held in a single, separate legal entity. The Pension Fund of the International Federation of Red Cross and Red Crescent Societies (hereafter "the Pension Fund") is a foundation, as defined in articles 80 to 89 "bis" of the Swiss Civil Code (Swiss law). The Pension Fund is registered with the Swiss supervisory authority in the Canton of Geneva and the Swiss pension guarantee fund. As such, it must comply with the compulsory insurance requirements established by Swiss Federal law on Occupational Retirement, Survivors and Disability Pension Funds (LPP to use the French acronym) and its activities are overseen by both the Geneva Cantonal and the Swiss Federal pension oversight authorities. The Pension Fund has the objective to comply with the requirements of the LPP and for foreign employees to replace the state retirement plan ("premier pilier"). It is fully funded through payments, as determined by periodic actuarial calculations, in accordance with Swiss law. The Pension Fund undertakes to respect at least the minimum requirements imposed by the LPP and its ordinances. If the Pension Fund is underfunded according to Swiss Law, the Pension Fund Governing Board (see below) decides measures that will allow the coverage ratio to get back to 100% within an appropriate time frame, typically five to seven years.

The Pension Fund Governing Board is responsible for the Fund's management. It comprises three representatives appointed by the IFRC, three representatives elected by the Pension Fund's participants and two supplemental members.

According to the Pension Fund rules, the IFRC must make contributions of 16% (2020: 16%) of contributory salary for the Base Pension Plan and 5% (2020: 5%) of contributory salary for the Supplemental Pension Plan, for each covered participant. In the event that the Pension Fund becomes underfunded according to the requirements of Swiss law, the IFRC could be requested to make additional contributions. Whilst it is possible that the IFRC makes contributions in excess of the amounts specified in the Pension Fund rules, the IFRC usually only makes contributions as per the Pension Fund rules and the IFRC does not anticipate making additional contributions within the foreseeable future.

As explained above, pension obligations are covered by independent pension fund assets which are held in a single, separate legal foundation that is governed by Swiss law. Pension benefits due, including lump sum payments and annuities, are calculated and paid in accordance with the requirements of Swiss law. According to the latest actuarial calculations, in accordance with Swiss legal requirements, the pension obligations were more than 125.7% funded at 31 December 2021 and

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

117% funded at 31 December 2020. The difference in the underfunded position shown in the Consolidated Statement of Financial Position and the more than fully funded position according to Swiss law, arises due to the use of different actuarial valuation models to estimate the likely pension liabilities. Under Swiss law, the Pension Fund Board is primarily responsible to ensure that the independent pension fund's assets are sufficient to meet pension obligations as they fall due, without legal recourse to the IFRC as employer to improve any underfunding situation. Accordingly, pursuant to Swiss law, the IFRC had no further financial obligations to the independent pension fund's foundation at either 31 December 2021 or 31 December 2020.

With a diversified investment portfolio, full funding according to the requirements of Swiss law, and no legal recourse to the IFRC in the event of under-funding, management considers that, whilst the IAS 19 valuation shows a net liability position, the Pension Fund does not expose the IFRC to any unusual, specific or significant concentrations of risk, especially as a significant element of the net liability position is due to unusually low Swiss interest rates used to discount the pension liabilities (see note 21 (e) for a sensitivity analysis regarding the impact of the discount rate).

### Retirees' health insurance

Depending upon service at retirement and subject to having both worked a minimum of five years and taken an annuity upon retirement, retirees receiving a pension from either the Base Pension Plan and/or the Supplemental Plan receive a contribution towards the cost of health insurance. Retirees, who are members of the IFRC's collective health insurance plan, receive a contribution between CHF 50 and CHF 400 per calendar month, depending on service. Retirees, who have selected their own health insurance plan, receive a maximum of 66.67% of the basic premium or the benefit they would have received had they participated in the IFRC's collective health insurance plan.

Whilst the IFRC is under no legal obligation to make these contributions towards the cost of retirees' health insurance, the IFRC currently plans to continue making these contributions for the foreseeable future. As contributions are fixed at flat rates with no obligations to change the amounts, the arrangement does not expose the IFRC to any unusual, specific or significant concentrations of risk.

# 21(i) Indication of the effect of the defined benefit plans on the IFRC's future cash flows

The expected value of employer contributions to be paid in 2022 is CHF 14,431k (2021: CHF 13,173k). The weighted average duration of the DBOs at the end of the current financial year are:

Pension plans	15.5 years
Retirees' health insurance	14.6 years

# 22. Restricted reserves

# Funds held for operations

	2021 CHF 000s	2020 CHF 000s
Operations with temporary deficit financing	(15,717)	(8,457)
Temporarily unfunded defined benefit pension obligations recognised in Other Comprehensive Income	(556)	(15,503)
Donor-restricted contributions	239,970	233,351
	223,697	209,391

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 23. Designated reserves

2021	Self insurance CHF 000s	Statutory meetings CHF 000s	Specific projects CHF 000s	Major works CHF 000s	Total CHF 000s
Balance at 1 January	1,998	866	14,400	372	17,636
Used during the year	(50)	(85)	(14,400)	-	(14,535)
Allocations during the year	163	900	14,000	343	15,406
Balance at 31 December	2,111	1,681	14,000	715	18,507
2020	Self insurance CHF 000s	Statutory meetings CHF 000s	Specific projects CHF 000s	Major works CHF 000s	Total CHF 000s
Balance at 1 January	1,856	-	-	29	1,885
Used during the year	(71)	(74)	-	-	(145)
Allocations during the year	213	940	14,400	343	15,896
Balance at 31 December	1,998	866	14,400	372	17,636

As explained in note 32O, in the event that there is an operation with expenditure in the year in excess of CHF 50,000k, and the total amount of indirect cost recovery charged for the year exceeds the total amount of indirect costs incurred during the year, the excess is allocated to a Specific projects reserve, pending a Governing Board decision regarding use of the excess recovery. In 2021 and 2020, expenditure on the Covid-19 Pandemic operation was in excess of CHF 50,000k. At the end of 2021, the balance on the Specific projects reserve was CHF 14,000k (2020: 14,400k).

# 24. Financial instruments – Fair values and risk management

# 24(a) Measurement and Fair values

Financial instruments are measured either at amortised cost or at fair values. The financial assets measured at fair values are categorised into three hierarchy levels, where each level reflects the transparency of the inputs used to measure the values. The classification, hierarchy levels and carrying values as at 31 December are:

Financial asset/liability	Note	Measured at	Fair value level	Carrying amount 2021 (CHF 000s)	Carrying amount 2020 (CHF 000s)
Investments - global bond funds	13	Fair value through profit or loss	1	91,086	98,864
Investments - global equity funds	13	Fair value through profit or loss	2	38,093	40,329
Foreign exchange forward contracts	10	Fair value- hedging instrunents	2	68	
Investments -bank deposits	13	Amortised cost		149,000	146,000
Cash and cash equivalents	12	Amortised cost		214,316	203,655
Receivables <sup>2</sup>	14	Amortised cost		222,669	209,947
Payables		Amortised cost		33,016	31,999
Liabilities -ESSN project	11	Amortised cost		140,167	127,300
Loans and borrowings	20	Amortised cost		65,908	66,956

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of fair value hierarchy are recognised at the date of the event or change in circumstances that caused the transfer. There were no transfers between levels in 2021 (2020: none).

<sup>&</sup>lt;sup>2</sup> Financial instruments include accounts receivable and sundry receivables only

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

For financial assets and liabilities not measured at fair value, the carrying value is a reasonable approximation of fair value.

# 24(b) Risk management

The IFRC is exposed to a variety of financial risks, namely market risk, credit risk, and liquidity risk. The IFRC actively seeks to minimise potential adverse effects arising from these exposures as detailed below.

The Secretary General has overall responsibility for the establishment of the IFRC's risk management framework. In consultation with the Finance Commission, the Secretary General has established the IFRC's Investment Guidelines, which sets out the overall principles and policies for the IFRC's management of financial instruments. The Finance Commission has oversight responsibility to ensure the management is adherent to the Investment Guidelines and to report to the Governing Board and the General Assembly. The Governing Board has established an Audit and Risk Commission to provide advice on risk matters affecting the IFRC, particularly the advice on risk identification, evaluation, measurement, monitoring, and the overall risk management processes of the IFRC.

### (i) Market risk

This includes foreign exchange risk, price risk, and interest rate risk.

# Foreign exchange risk

The risk arises primarily from bank deposits and pledge receivables in currencies other than Swiss Francs, revalued against Swiss Francs over the period between the pledge date and the settlement date. Foreign exchange risk on these assets is naturally mitigated by the foreign exchange risk on accounts payable that are denominated in currencies other than Swiss Francs. The main currencies influencing foreign exchange risk are the Euro, Canadian Dollar, Pound Sterling, Swedish Kronors, and United States (US) Dollar. The IFRC maintains the net exposure within acceptable levels by buying or selling foreign currencies at spot rates to meet short-term needs. The following table shows the main currencies influencing IFRC's foreign exchange risk.

0	Cash & Cash				Liabilities-		
	Equivalents	Investments	Receivables	Payables	ESSN project	2021	2020
Currency	CHF 000s	CHF 000s	CHF 000s	CHF 000s	CHF 000s	CHF 000s	CHF 000s
Swiss Franc	82,528	278,179	44,781	(16,379)	-	389,109	406,006
Euro	125,972	-	36,437	(3,101)	(140,167)	19,141	12,327
United States Dollar	4,592	-	133,189	(6,016)	-	131,765	113,403
Great Britain Pound	-	-	2,583	(170)	-	2,413	5,402
Swedish Kronor	-	-	548	(40)	-	508	5,206
Canadian Dollar	-	-	720	(77)	-	643	970
Other currencies	1,224	-	6,528	(7,233)	-	519	(1,709)
	214,316	278,179	224,786	(33,016)	(140,167)	544,098	541,605

At 31 December 2021, if the Swiss Franc had strengthened by 5% against the aforementioned currencies, with all other variables held constant, the net surplus result and total comprehensive income for the year would have increased by CHF 7,724k (2020: CHF 6,939k), primarily as a result of foreign exchange gains/losses on translation of pledge receivable balances and bank balances held mostly in Euros and US Dollars.

Foreign exchange risk also arises on statutory contributions settled by certain National Societies in either Euros or US Dollars. The IFRC hedges this foreign exchange risk by entering into offsetting foreign exchange forward contracts with a bank to sell the foreign currencies it receives, in exchange for Swiss Francs at pre-agreed exchange rates. The differences between the market rates and the forward rates constitute hedge foreign exchange gains and losses and are recognized in the consolidated financial statements using hedge accounting.

The ESSN project includes equivalent Euro assets and Euro liabilities related to the delivery of cash to beneficiaries under Component B. Accordingly the associated foreign exchange risk is mitigated.

### Price risk

This relates to price risk on investments measured at fair value through profit and loss (FVTPL). In order to manage the risk arising from investments in securities, the IFRC diversifies its investment portfolio, which is managed by external investment managers, in accordance to the IFRC's Investment Guidelines.

The global bond funds are measured at FVTPL and are held in a listed fund indexed to the Citigroup World Government Bonds Index. A 5% increase in this Index at the reporting date would have increased the global bond funds, the net surplus result, and total comprehensive income for the year by CHF 4,554k (2020: CHF 4,943k). An equal change in the opposite direction would have decreased the global bond fund investment, the net surplus result, and total comprehensive income for the year by CHF 4,554k (2020: CHF 4,943k).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The global equity funds are measured at FVTPL and are held in a global equity trust fund that is not listed. This equity trust fund invests in actively traded equity securities to mirror the listed MSCI World Index. A 5% increase in the MSCI World Index at the reporting date would have increased the global equity funds investment, the net surplus result and total comprehensive income for the year by CHF 1,905k (2020: CHF 2,016k). An equal change in the opposite direction would have decreased the global equity funds investment, the net surplus result and total comprehensive income for the year by CHF 1,905k (2020: CHF 2,016k).

There was no exposure to commodities price risk at either 31 December 2021 or 31 December 2020.

### Interest rate risk

There is no significant short-term exposure to changes in interest rates, as cash and cash equivalents are held as cash in hand, on-demand deposits, or in short-term deposits with original maturities of three months or less, and there are no interest-bearing liabilities. Short-term investments with maturities of more than three months and long-term investments have fixed interest rates for the terms of the investments.

On 15 January 2015, the Swiss National Bank (SNB) discontinued its minimum exchange rate of CHF 1.20 per Euro and introduced a negative interest rate on certain Swiss franc deposits. The IFRC maintains the majority of its deposits in Swiss francs and to 31 December 2021 had avoided significant exposure to such negative interest rates.

# (ii) Credit risk

Credit risk arises primarily from holding receivables that may not be settled and from holding cash balances with financial institutions that may default.

The IFRC's principal receivables are with member National Societies, donor governments, and other international organisations where credit risk is considered to be low. A breakdown is provided below:

Receivables credit exposure	2021 CHF 000s	2020 CHF 000s
National Societies	67,339	66,963
Governments	112,463	94,572
Corporations	3,352	2,938
Multi-lateral agencies	29,663	29,899
Others	11,969	17,684
	224,786	212,056

Each category and class of receivable has its own definition of default, and provisions of estimated credit losses are made on the probability of credit losses occurring over the expected lives of the receivables. The movement in estimated credit losses is disclosed in note 14.

The IFRC's Investment Guidelines allow only investment in liquid securities and deposits with counterparties that have investment grade or better credit ratings, limiting the holding with one financial institution to 25% of the IFRC's total cash and investment holdings at any given time. The Finance Commission of the IFRC has agreed a waiver to this policy in relation to the ESSN project (see note 11) whereby funds related to component B are held in two financial institutions. The IFRC reviews the credit ratings of all financial institution counterparties on a regular basis.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Details of cash and cash equivalent holdings by credit ratings of financial institution are provided below:

	2021 CHF 000s	2020 CHF 000s
Fitch ratings	CHF 0008	CHF 0008
Investment grade (AAA to BBB-)	211,544	201,743
Non-investment grade (BB+ and below)	447	147
Unrated	1,004	375
Other ratings: current account - ZKB AA+ (Glarner KantonalBank)	1,000	1,000
Cash in hand	321	390
	214,316	203,655
Short-term investments (see note 13)		
Fitch ratings Investment grade (AAA to BBB-)	29,000	78,000
Other ratings: ZKB AA+ (Banque Cantonale Fribourg)	10,000	-
Other ratings: S&P A- (Cembra Money Bank AG)	20,000	20,000
	59,000	98,000
Non-current investments (see note 13)		
Fitch ratings Investment grade (AAA to BBB-)	40,000	28,000
Other ratings: ZKB AA+ (Banque Cantonale Fribourg)	20,000	20,000
Other ratings: S&P A- (Cembra Money Bank AG)	30,000	,
•	90,000	48,000

As investments are measured at FVTPL, they do not require additional impairment for credit losses. In locations where rated financial institutions are not operational, the IFRC maintains banking relationships with certain unrated financial institutions. At year end, the value of assets held with such institutions was CHF 1,004k (2020: CHF 375k). Other positions are not material or are covered by provisions.

# (iii) Liquidity risk

This concerns the risk that the IFRC will encounter difficulty to meet the obligations associated with its financial liabilities that are settled by cash or another financial asset.

Liquidity risk is minimised by maintaining sufficient funds as cash in hand, on-demand bank deposits or short-term bank deposits with original maturities of three months or less, to meet short-term liabilities. A maturity analysi of financial liabilities is provided below:

# Maturity analyis of financial liabilities is provided below:

	•	Loans for	Lease	Liabilities-		
	<b>Payables</b>	building	Liabilities	ESSN project	2021	2020
	<b>CHF 000s</b>	<b>CHF 000s</b>	<b>CHF 000s</b>	CHF 000s	<b>CHF 000s</b>	<b>CHF 000s</b>
Less than one year	(33,016)	(1,415)	(2,258)	( 140,167)	(176,856)	(162,545)
One to five years	-	(5,660)	(1,904)	-	(7,564)	(7,624)
More than five years	_	(54,671)	-	-	(54,671)	(56,086)
	(33,016)	(61,746)	(4,162)	( 140,167)	(239,091)	(226,255)

The IFRC anticipates meeting annual loan repayments from short-term liquid funds (see note 20). In addition, investments are all in liquid securities which can easily be sold to meet longer term cash flow needs, including annual loan repayments should the need arise. No significant contractual payments are due on financial investments, including financial assets at fair value through profit or loss, short-term and long-term investments.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 24(c) Capital risk management

By its very nature, the IFRC does not have capital as defined by IFRS. Unrestricted reserves may be considered to have similar characteristics to those of capital, the intention of which is to maintain a sound financial position to ensure that the organisation is able to continue its operations and thereby fulfill its mission. The unrestricted reserves are available to mitigate a broad range of financial risks including working capital, non-current receivables and settlement of non-current liabilities. The governing bodies' policy is to maintain a strong level of reserves so as to maintain stakeholder and donor confidence. The balance of the unrestricted reserve at 31 December 2021 was CHF 99,968k (2020: CHF 71,137k). The unrestricted reserves are not subject to any externally imposed capital requirement. As further explained in Note 32O, the IFRC holds restricted reserves that are subject to the earmarking requirements of donors.

# 25. Leases

# (a) IFRC as a lessee (IFRS 16)

# (i) Short term and low value lease

The IFRC leases assets of property and equipment. Due to the nature and duration of IFRC's programme activities, the majority of IFRC leases have a lease term of 12 months or less, or are leases where the underlying asset is of low value. The IFRC recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2021	2020
	CHF 000s	CHF 000s
Expenses related to short-term leases	2,795	2,916
Expenses related to low-value assets, excluding short-term leases of low value assets	33	64
	2,828	2,980

# (ii) Leases that have been recognised as right of use assets

At lease commencement date, the IFRC assesses whether it is reasonably certain to exercise lease extension options. Some leases contain extension options that have not been reflected in the IFRC's assessment of the lease term as they are not reasonably certain. The IFRC is unable to assess the potential future lease payments that may be made should the IFRC exercise these options.

Right-of-use assets related to leased properties and equipment are presented as property, vehicles and equipment (see note 16).

	Property CHF 000s	Equipment CHF 000s	2021 Total CHF 000s	2020 Total CHF 000s
Balance at 1 January	4,041	206	4,247	5,004
Additions	3,506	33	3,539	2,397
Derecognition of right-of-use assets	(53)	-	(53)	(470)
Depreciation charge for the year	(3,173)	(74)	( 3,247)	( 2,684)
Balance at 31 December	4,321	165	4,486	4,247

# Leases of property

The IFRC's property leases include leases of offices, residential apartments and warehouses.

At the end of 2021, the IFRC had capitalisable leases for 45 office premises in 38 locations from which it conducts its business around the world. The IFRC also had capitablisable leases for 42 residential apartments in 17 locations around the world. Generally, employees are responsible for arranging accommodation at their own cost, however in certain duty stations, this responsibility lies with the IFRC. In these instances, the IFRC will sign the accommodation lease and make the necessary arrangements with the landlord. Finally, the IFRC has one capitalisable warehouse lease, while the rest of warehouses are on a short-term contract basis. Warehouses are used for the strategic pre-positioning of emergency supplies to allow the IFRC to deliver aid to people in need more quickly and at minimum cost. They also allow the IFRC to provide warehousing and handling services to National Societies and other humanitarian agencies.

# Leases of equipment

The IFRC leases printers for use by staff in its head office in Geneva and in 5 of its regional and country offices.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Lease liabilities recognised in the Consolidated Statement of Financial Position

	2021 CHF 000s	2020 CHF 000s
Current lease liabilities	2,258	1,744
Non-current lease liabilities	1,904	2,051
	4,162	3,795

# Amounts recognised in the Consolidated Statement of Cash flows

	2021 CHF 000s	2020 CHF 000s
Payment of lease liabilities	3,084	2,865

The total cash outflow for leases including short term leases, low value leases and right of use assets in 2021 is CHF 5,912k (2020: CHF 5,845k).

# (b) Leases in which the IFRC is a lessor (under IFRS 16)

The IFRC leases vehicles to third parties under operating leases. The leases, which run for periods of up to five years, are cancellable upon one month's notice, at any time during the lease period. Leases, for periods of less than five years, may be renewed, however, the maximum lease period is five years. The IFRC retains the right to receive proceeds from disposal of the leased vehicles. The lease contracts contain a number of provisions to manage the IFRC's risk associated with the rights it retains in the underlying vehicle assets, including the following:

- lessees must return the vehicle to the IFRC at the end of lease period;
- lessees must use and manage the vehicles in accordance with the requirements of the IFRC's fleet management procedures;
- vehicle modifications can only be made with prior IFRC approval;
- lessees are required to meet certain minimum insurance standards, and the IFRC self-insures collision damage (see note 320).

The following amounts have been recognized as income in the Consolidated Statement of Comprehensive Income:

	2021 CHF 000s	2020 CHF 000s
Rental of vehicles to third parties	2,993	3,619
Leases of office / residential premises	273	600
	3,266	4,219

Vehicles (see note 17) include the following right-of-use assets which are subject to leases as lessor:

	2021 CHF 000s	2020 CHF 000s
Gross carrying amount	7,398	8,595
Accumulated depreciation	(3,271)	(3,481)
Net book value	4,127	5,114
Depreciation charge for the year	846	1,025

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	2021	2020
	CHF 000s	CHF 000s
Less than one year	2,131	2,313
One to two years	1,419	2,515
Two to three years	170	414
	3,720	5,242

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 26. Capital commitments

Capital expenditure contracted for at 31 December 2021, but not yet incurred, amounted to CHF 2,306k (2020: CHF 6,556k), of which CHF 1,037k (2020: 5,655k) related to the implementation of the ERP project (see note 17).

# 27. Contingencies

# 27(a) Contingent assets

The IFRC sometimes receives donations where receipt of the funding is conditional and contingent upon uncertain future events not wholly within the IFRC's control. Such donations are treated as contingent assets:

Donor	Nature of contingent asset	2021	2020
	Trature of contingent asset	CHF 000s	CHF 000s
USAID	Contingent upon USAID funds	58,777	34,982
British Red Cross	Contingent upon DFID funding allocation	3,662	5,326
Australian Government	Contingent upon acceptance of workplans	1,211	1,213
ЕСНО	Contingent upon additional conditions	-	1,080
Others	Contingent upon performance/report/audit	985	484
Total Contingent assets		64,635	43,085

# 27(b) Contingent liabilities

From time to time, usually as part of a restructuring plan, the IFRC terminates staff contracts prior to agreed upon contract end dates. Terminated staff sometimes bring actions against the IFRC for amounts over and above the amounts paid by the IFRC upon termination. Whilst liability is not admitted, the IFRC is defending a number of such actions. Based on legal advice, the IFRC's management does not expect the outcome of these actions to have a material impact on the IFRC's consolidated financial position.

In the interest of not prejudicing the outcomes of these actions, these consolidated financial statements do not disclose all of the information required by IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

# 28. Related parties

# 28(a) Identity of related parties

Parties related to the IFRC include the individuals that represent their National Societies as members of the General Assembly or the Governing Board, together with close members of their families or households.

Other parties related to the IFRC include the Standing Commission and its individual members including close members of their families or households; the IFRC's joint arrangements, key management personnel; and the IFRC's post-employment benefit plans, which are independent funds that constitute separate legal entities.

The Standing Commission comprises representatives of the IFRC, the ICRC and National Societies. Its principal activities include organising the next International Conference and the next Council of Delegates. In between the International Conferences, the Commission works to encourage and further the implementation of the Conference's resolutions.

Key management personnel are persons having authority and responsibility for planning, directing, and controlling the activities of the IFRC. This includes the Secretary General, as noted above, Under Secretaries General, Regional Directors, the Director, Finance and Administration and the Director, Human Resources. Close members of their families or households are also parties related to the IFRC.

The International Conference of the Red Cross and Red Crescent (the International Conference) is the supreme deliberative body of the International Red Cross and Red Crescent Movement. The Council of Delegates is the body where representatives of all components of the Movement meet to discuss matters that concern the Movement as a whole. Neither the International Conference nor the Council of Delegates are parties related to the IFRC.

National Societies are not parties related to the IFRC.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 28(b) Key management compensation

The salaries and benefits of the Secretary General, Under Secretaries General and Regional Directors of the IFRC are set by the Governing Board. Their total benefits amounted to CHF 3,303k (2020: CHF 2,934k), comprised as follows:

	2021 CHF 000s	2020 CHF 000s
Short-term employee benefits	2,736	2,349
Post-employment benefits	567	413
Termination benefits		172
	3,303	2,934

During 2021, the IFRC received full repayment of a CHF 300k advance that had been made to an IFRC Director in 2020 and secured against the Director's pension assets. No other salaries or benefits (e.g. fringe benefits or loans) were granted to any members of the IFRC's key management personnel.

The IFRC has a Code of Conduct for all Staff, including members of the Governing Board and other statutory bodies, including the Finance Commission and the Audit and Risk Commission, as well as the Secretary General and other key management personnel. Under the Code of Conduct, staff are required to disclose any potential conflict of interest to the Human Resources Department or the Office of Internal Audit and Investigation.

# 28(c) Transactions with related parties during the year

Related Party	Nature of transaction	2021 CHF 000s	2020 CHF 000s
Pension Fund	Service income related to services provided to pension fund	412	438
	Outstanding receivable due from pension fund	83	109
G. 1:	Service income related to services provided to the Standing Commission	232	215
Standing Commission	IFRC contribution to Standing Commission operating costs	156	154
	Outstanding receivable due from Standing Commission	1	61
Federation Foundation	Transfer of Net Assets from Federation Foundation upon its liquidation	-	973

All transactions were made on terms equivalent to those that prevail in arm's length transactions. As at 31 December 2021, none of the amounts due to the IFRC have been provided for as the expected credit losses arising on the balances are considered immaterial (2020: Nil). None of the balances are secured and all mature within 6 months after period end.

Other than compensation arising in the ordinary course of business as disclosed above, there were no transactions with key management personnel. During the year, individual members, of the General Assembly and Governing Board, received reimbursement for expenses properly incurred in the conduct of their duties as members of those bodies. Neither they, nor any other person related or connected by business to them, have received any remuneration from the IFRC during the year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 29. Performance against (unaudited) budget

2021	Budget (unaudited)	Actuals	Actuals on a comparable basis	Performance Variance (unaudited)
ODED A TENIC INCOME	CHF 000s	CHF 000s	CHF 000s	CHF 000s
OPERATING INCOME Statutory contributions	36,500	34,582	35,800	(700)
Voluntary contributions and donations	420,000	383,525	442,200	22,200
Services income	40,000	62,891	20,800	(19,200)
Other income	3,500	2,336	4,300	800
Total OPERATING INCOME	500,000	483,334	503,100	3,100
OPERATING EXPENDITURE				
Regular resources	110,000	52,436	93,300	(16,700)
Other resources	385,000	413,075	411,900	26,900
Supplementary services	40,000	20,102	20,800	(19,200)
Cost recoveries	(35,000)	-	(40,900)	(5,900)
Total OPERATING EXPENDITURE	500,000	485,613	485,100	( 14,900)
NET SURPLUS FROM OPERATING ACTIVITIES	-	(2,279)	18,000	18,000
FINANCE INCOME/(EXPENSE)				
Finance income	-	11,021	3,400	3,400
Finance expense		( 5,611)		-
NET FINANCE INCOME/(EXPENSE)	<del>-</del> -	5,410	3,400	3,400
NET SURPLUS FOR THE YEAR	-	3,131	21,400	21,400
2020	Budget (unaudited)	Actuals (restated)	Actuals on a comparable basis	Performance Variance (unaudited)
2020			comparable	Variance
OPERATING INCOME	(unaudited) CHF 000s	(restated) CHF 000s	comparable basis CHF 000s	Variance (unaudited) CHF 000s
OPERATING INCOME Statutory contributions	(unaudited) CHF 000s 36,500	(restated) CHF 000s 36,432	comparable basis CHF 000s	Variance (unaudited) CHF 000s
OPERATING INCOME Statutory contributions Voluntary contributions and donations	(unaudited) CHF 000s  36,500 630,000	(restated) CHF 000s 36,432 437,040	comparable basis CHF 000s  36,400 481,400	Variance (unaudited) CHF 000s (100) (148,600)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income	(unaudited) CHF 000s  36,500 630,000 30,000	(restated) CHF 000s 36,432 437,040 65,258	comparable basis CHF 000s  36,400 481,400 25,300	Variance (unaudited) CHF 000s (100) (148,600) (4,700)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income	(unaudited) CHF 000s  36,500 630,000 30,000 3,500	(restated) CHF 000s  36,432 437,040 65,258 2,681	comparable basis CHF 000s  36,400 481,400 25,300 3,600	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income	(unaudited) CHF 000s  36,500 630,000 30,000	(restated) CHF 000s 36,432 437,040 65,258	comparable basis CHF 000s  36,400 481,400 25,300	Variance (unaudited) CHF 000s (100) (148,600) (4,700)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE	(unaudited) CHF 000s  36,500 630,000 30,000 3,500  700,000	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411  29,261 407,123	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300) (35,000) (191,800)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources Supplementary services	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000 30,000	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200 25,800	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300) (35,000) (191,800) (4,200)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources Supplementary services Cost recoveries	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000 30,000 (47,000)	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411  29,261 407,123 25,952	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200 25,800 (25,000)	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300) (35,000) (191,800) (4,200) 22,000
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources Supplementary services	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000 30,000	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411  29,261 407,123	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200 25,800	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300) (35,000) (191,800) (4,200)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources Supplementary services Cost recoveries	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000 30,000 (47,000)	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411  29,261 407,123 25,952	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200 25,800 (25,000)	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300) (35,000) (191,800) (4,200) 22,000
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources Supplementary services Cost recoveries	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000 30,000 (47,000)	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411  29,261 407,123 25,952	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200 25,800 (25,000)	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300) (35,000) (191,800) (4,200) 22,000
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources Supplementary services Cost recoveries Total OPERATING EXPENDITURE	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000 30,000 (47,000)	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411  29,261 407,123 25,952 - 462,336	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200 25,800 (25,000) 491,000	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300) (35,000) (191,800) (4,200) 22,000 (209,000)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources Supplementary services Cost recoveries Total OPERATING EXPENDITURE  NET SURPLUS FROM OPERATING ACTIVITIES FINANCE INCOME/(EXPENSE) Finance income	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000 30,000 (47,000)	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411  29,261 407,123 25,952 - 462,336	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200 25,800 (25,000) 491,000	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300) (35,000) (191,800) (4,200) 22,000 (209,000)
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources Supplementary services Cost recoveries Total OPERATING EXPENDITURE  NET SURPLUS FROM OPERATING ACTIVITIES FINANCE INCOME/(EXPENSE) Finance income Finance expense	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000 30,000 (47,000)	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411  29,261 407,123 25,952 - 462,336  79,075  5,875 (655)	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200 25,800 (25,000) 491,000  55,700  3,900 -	Variance (unaudited) CHF 000s  (100) (148,600) (4,700) 100  (153,300)  (35,000) (191,800) (4,200) 22,000  (209,000)  55,700  3,900
OPERATING INCOME Statutory contributions Voluntary contributions and donations Services income Other income Total OPERATING INCOME OPERATING EXPENDITURE Regular resources Other resources Supplementary services Cost recoveries Total OPERATING EXPENDITURE  NET SURPLUS FROM OPERATING ACTIVITIES FINANCE INCOME/(EXPENSE) Finance income	(unaudited)  CHF 000s  36,500 630,000 30,000 3,500  700,000  117,000 600,000 30,000 (47,000)	(restated) CHF 000s  36,432 437,040 65,258 2,681  541,411  29,261 407,123 25,952 - 462,336  79,075 5,875	comparable basis CHF 000s  36,400 481,400 25,300 3,600  546,700  82,000 408,200 25,800 (25,000) 491,000	Variance (unaudited) CHF 000s (100) (148,600) (4,700) 100 (153,300) (35,000) (191,800) (4,200) 22,000 (209,000)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 30. Expenditure by Results against (unaudited) budget

	2021 Budget	Actuals on a comparable basis	Performance Variance	Actuals on a comparable basis
	CHF 000s	CHF 000s	CHF 000s	CHF 000s
Strategic Priorities				
Climate and environmental crises	39,000	4,000	(35,000)	2,700
2. Evolving crises and disasters	88,000	127,000	39,000	136,300
3. Growing gaps in health and well-being	145,000	181,700	36,700	165,500
4. Migration and identity	38,000	12,600	(25,400)	23,400
5. Values, power and inclusion	10,000	7,400	(2,600)	7,300
Total Strategic Priorities	320,000	332,700	12,700	335,200
Approaches to enable National Societies				
Engaged, with renewed influence, innovative and digitally transformed	29,000	15,500	(13,500)	17,500
2. Accountable, with an agile and efficient management	98,000	79,600	(18,400)	88,900
3. Trusted, owned and valued by the membership	53,000	57,300	4,300	49,400
Total Approaches to enable National Societies	180,000	152,400	(27,600)	155,800
Total expenditure by results	500,000	485,100	( 14,900)	491,000

# 31. Expenditure by Structure against (unaudited) budget

	2021	2021	2021	2020
	Budget	Actuals on a	Performance	Actuals on a
		comparable	Variance	comparable
		basis		basis
	CHF 000s	CHF 000s	CHF 000s	CHF 000s
Governance meetings and support	6,000	4,200	(1,800)	4,600
Office of Secretary General	10,000	9,600	(400)	7,200
National Society Development and Operations Coordination	37,000	33,300	(3,700)	32,800
Global Realtions, Humanitarian Diplomacy and Digitalization	19,000	14,800	(4,200)	16,600
Management Policy, Strategy and Corporate Services	26,000	13,100	(12,900)	16,500
Africa	98,000	89,100	(8,900)	101,400
Americas	63,000	69,100	6,100	62,900
Asia Pacific	100,000	87,200	(12,800)	91,000
Europe	65,000	95,000	30,000	88,400
Middle East and North Africa	60,000	49,800	(10,200)	51,400
Hosted projects	8,000	8,900	900	7,500
Depreciation and amortisation	6,000	13,700	7,700	10,300
General Provision	2,000	(2,700)	(4,700)	400
Total expenditure by structure	500,000	485,100	( 14,900)	491,000

Budgets in the tables above refer to the budget approved by the General Assembly pursuant to the Plan and Budget 2021 - 2022, which informs the presentation for consolidated income and expenditure by results and structure.

Income and expenditure as reported under notes 29 to 31 are not audited and are presented for information purposes only.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 32. Significant accounting policies

In the preparation of these consolidated financial statements, the IFRC has consistently applied the following accounting policies that are consistent with those of the previous financial year.

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow.

A.	Basis of consolidation	38
B.	Foreign currency transactions	39
C.	Income	39
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E.	Leases	43
F.	Taxes	44
G.	Finance income and expense	
Н.	Financial instruments	44
I.	Inventories	45
J.	Property, vehicles and equipment	46
K.	Intangible assets	46
L.	Impairment	
M.	Employee benefit costs	46
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# Changes in significant accounting policies

A number of new standards and amendments are effective from 1 January 2021 but they do not have a material effect on these consolidated financial statements.

### A. Basis of consolidation

The financial statements of the IFRC are consolidated to include the International Federation of Red Cross and Red Crescent societies at the United Nations, Inc. (IFRC at the UN Inc.), as well as the activities of the Geneva Secretariat and all IFRC delegations.

IFRC at the UN Inc. is a wholly-owned subsidiary of the IFRC. The IFRC controls the IFRC at the UN Inc. by virtue of having power over the entity, which gives the IFRC the ability to affect returns from the entity. The assessment of the IFRC's control over the IFRC at the UN Inc. includes an examination of all facts and circumstances. The IFRC at the UN Inc.'s accounting policies are consistent with those adopted by the IFRC.

# Joint arrangements

During the year ended 31 December 2021, the IFRC had interests in the following hosted programmes under joint arrangements, where the activities of the programmes are in accordance with the IFRC's principal activities: Global Road Safety Partnership; National Society Investment Alliance; Steering Committee Human Response; REPAIR Consortium; Risk-informed Early Action Partnership. The IFRC's assessment of the nature of each joint arrangement includes an assessment by the IFRC of its rights and obligations, the structure and legal form of the arrangement, the contractual terms agreed to by the parties to the arrangement, and other relevant facts and circumstances.

The IFRC accounts for these joint arrangements as joint operations, as the IFRC has joint control of the arrangements, giving the IFRC rights to the assets and obligations for the liabilities, relating to these arrangements. The IFRC accounts for its interests in these joint operations by recognising and measuring the assets and liabilities and related revenues and expenses related to the IFRC's proportional interest in the joint operations. The joint operations' accounting policies are consistent with those adopted by the IFRC.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# B. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into Swiss Francs using the exchange rate at the reporting date. Foreign currency transactions are translated into Swiss Francs using actual rates that were applied to transactions or rates which approximate the prevailing rate at the date of the transactions. Exchange gains and losses resulting from the settlement of foreign currency transactions and from translation are included under Net finance income in the Consolidated Statement of Comprehensive Income, with the exception of realised and unrealised exchange gains and losses on voluntary contributions and donations, which are included under Voluntary Contributions and Donations, net in the Consolidated Statement of Comprehensive Income.

The principal rates of exchange against the Swiss Franc are shown below:

	Closing rate of exchange		Average rate of exchange		
	2021	2020	2021	2020	
EUR	1.04	1.08	1.08	1.07	
USD	0.92	0.86	0.91	0.94	
GBP	1.23	1.20	1.26	1.20	
SEK	0.10	0.11	0.11	0.10	
CAD	0.72	0.69	0.73	0.70	

### C. Income

Income comprises statutory contributions and voluntary contributions in cash or in-kind from member National Societies, donations in cash or in-kind from donors, and income from services and leases.

# (a) Statutory contributions

Statutory contributions are fixed by the General Assembly, the supreme governing body of the IFRC, and are recognised in the year they fall due.

The carrying amounts of the IFRC's assets are reviewed at each period end date, in order to determine whether there is any indication of impairment.

Statutory contributions receivable may be subject to appeal and subsequent adjustments.

# (b) Voluntary contributions and donations

Voluntary contributions and donations are recognised when a signed agreement (pledge) has been received from the National Society or other donor. In the absence of a signed agreement, the contribution is recognised upon receipt of cash.

Government grants for specific projects and donations that are subject to specific contractual obligations similar to government grants, are reported as deferred income and recognised as income when expenditure is incurred and contractual obligations are fulfilled. Government grants that are neither for specific projects nor identifiable assets, and are both earmarked (see below) and managed at appeal level, are recognised when a confirmed written pledge has been received from the donor and accepted by the IFRC.

Donations where receipt of funding is conditional and contingent upon uncertain future events not wholly within the IFRC's control are not accounted for but are disclosed as contingent assets.

Changes to Voluntary Contributions and donations are recognised as additions to, or reductions of income, in the period in which the change is agreed. The IFRC is unable to evaluate the impact of such changes on the income reported in these consolidated financial statements.

Voluntary contributions and donations are mainly received in cash but may be received in-kind (relief supplies, inventories or tangible assets) or as services (staff, transport or property operating costs including rent). The fair value of in-kind goods, assets and property operating cost donations, is taken as the value indicated by the donor. This value is tested for reasonableness by comparing it to the cost that the IFRC would incur if it were to buy in the open market similar goods, assets or property services, for the same intended use. If the market value is found to be significantly different to the value indicated by the donor, the value is revised to the market value. The fair value of in-kind staff is taken as the average cost that would be incurred by the IFRC, if it were to directly employ a person in a similar position.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

In-kind contributions are recognised at their estimated fair value in accordance with the following table:

In-kind contribution category	Income recognition	Expenditure recogntion	
Relief supplies	Recognised on date of receipt equally	as both income and expenditure.	
Tangible assets	Recognised on date of receipt.	Depreciation and impairment recorded in the same way as for purchased fixed assets.	
Services	Recognised on date of receipt equally as both income and expenditure		
Inventories	Recognised on date of receipt.	Expensed on date used.	
Government grants – building operating costs	Recognised on date of receipt equally	as both income and expenditure.	
Government grants – right of use Land and buildings, and other equipment	Reported as deferred income and recognised as revenue as the associated expense is incurred.	Depreciation recorded on a straight line basis over the durations of the grant agreements or the useful life of the asset.	

# Earmarking of voluntary contributions and donations

Voluntary contributions and donations are identified according to the level of earmarking (see also note 320 *Donor-restricted contributions and donations*):

Unearmarked	Can be used for any purpose to further the objectives of the IFRC.  Amounts are recognised within unrestricted income.			
Earmarked	Unspent amounts included within unrestricted reserves at the end of the accounting period.  Fully under the control of the IFRC  Can be restricted in terms of nature, timeframe or subject matter.  Amounts are recognised within restricted income.  Unspent amounts included within restricted reserves at the end of the accounting period.  Not fully under the control of the IFRC			
	Amounts are recognised as deferred income in the current period.  Amounts are recognised within restricted income in the future period for which they are earmarked.	Subject to specific contractual obligations, similar to government grants  Amounts are recognised within restricted income as expenditure is incurred and contractual obligations are fulfilled.  Amounts received but not recognised are included in deferred income.		

# (c) Income from the provision of services

Income from the provision of services comes from supplementary services priced on a cost-recovery basis to National Societies, including fleet services, logistics services, and administrative services in countries where National Societies are working bi-laterally with the local National Society, rather than multi-laterally with the IFRC and the local National Society. The IFRC provides contracted services, in the form of grant and programme management services, to other humanitarian actors. Priced on a cost-recovery basis, income from these services is included under Services income in the Consolidated Statement of Comprehensive Income.

Income from the provision of services is within the scope of IFRS 15 Revenue from Contracts with Customers, except for rental of vehicles under operating leases and leases of property that are within the scope of IFRS 16 Leases.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Income recognition policies for services income from contracts with customers are described below:

Type of	Timing of	Income recognition policy
services income	income	
	recognition	
Administrative	over time	Income is recognised as and when monthly chargeable services are delivered.
Contracted	over time/	Income is recognised based on contractual performance obligation, which could
	at a point in time	be over time or at a point in time.
Logistics	over time/	Income is recognised over time for recurring services such as warehousing, and
	at a point in time	at a point in time for distinct services such as procurement and transportation.
Fleet	at a point in time	Income is recognised at a point in time for sale of vehicles.

Where income is recognised at a point in time, this point is determined as the point when the goods or services are received by the customer.

The ESSN agreement between IFRC and ECHO (see note 11) falls within the scope of IFRS 15. Revenue related to the agreement is disclosed as Services Income in the Consolidated Statement of Comprehensive Income. All services rendered relate to cash distributions to beneficiaries and are accounted for as a single performance obligation. As ECHO receives the benefits of IFRC's performance as cash distributions are made to beneficiaries, the IFRC's performance obligation is satisfied over time and revenue is recognised accordingly. The ESSN agreement is pre-financed by ECHO up to 98% of the contract value. Pre-financing is disbursed in instalments subject to a declaration from IFRC that the previous instalment has been consumed. An amendment to the ESSN agreement was made on 21 December 2020. The contract modification is accounted for as a separate contract under IFRS 15.

Judgement is applied in assessing whether service income is recognised over time or at a point in time. Where income is recognised over time, fulfilment of performance obligations is measured using the output method, which is a direct measurement of value to the customer for goods or services transferred. Where income is recognised at a point in time, fulfilment of performance obligations is measured based on the customer's written confirmation of receipt of control over the goods and/or services. For the provision of services across accounting periods, income is recognised when performance obligations have been satisfied, by reference to services performed to date.

Services performed in advance of income being received are classified as Contract assets. Consideration received in advance for services to be performed is classified as Contract liabilities.

Income recognition policies for services income from leases are described below:

Type of	Timing of	Income recognition policy
lease income	income recognition	
Administrative	over time	Income is recognised as and when monthly chargeable services are delivered.
Fleet	over time	Income from the provision of vehicles under operating leases is recognised on
		a straight-line basis over the lease term.

Payment terms for services income are generally 30 days from date of invoice.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# D. Expenditure

All expenditure is accounted for on an accruals basis. Judgement has been applied to classify expenditure under functional expense categories that aggregate the costs related to each category (see below).

(a) Functional expenditure categories

Expenditure	Activity	Description
Category		
Other resources	Programmes:	Support National Societies in their:
(Restricted	- Humanitarian response	- programmes to support disaster affected and vulnerable people;
activities)	- Thematic activities	- individual organisational development.
	Supplementary services	Provide cost-effective, relevant and demand driven services to individual and groups of National Societies.
Regular resources	Governance and	Fulfil the IFRC's constitutional role as the permanent body of liaison
(Unrestricted	Secretariat activities	and coordination among National Societies representing the Red Cross
activities)		and Red Crescent globally and providing network wide services.

### (b) Costing principles

The costing principle of the IFRC is one of full cost recovery, therefore, each functional expense category includes all associated direct costs, indirect costs, and pledge fees.

### Direct costs

Direct costs are those costs that can be readily and specifically identified with a particular project or service. These include costs recovered from operations for the provision of specific supplementary services.

### Indirect costs

The direct costs of programmes and services are subject to standard indirect cost recovery rate to fund the costs of providing indirect support services, essential to the success of operations. Such indirect support services include management and leadership, information and communication technology and professional and services functions in the areas of programme quality, reporting, resource mobilisation, finance, information technology and human resources.

# (c) Provisions for operations and contributions to National Societies

In implementing its activities in the ordinary course of its business, the IFRC provides funds to member Red Cross and Red Crescent National Societies. Two mechanisms are used – cash working advances and contributions to National Societies.

# *i)* Cash working advances - Provisions for operations

The IFRC provides cash working advances to National Societies for them to implement activities on behalf of the IFRC. Amounts advanced are recognised as receivables until such time as recipient National Societies report to the IFRC on their use of the funds. A provision is recognised for the value of working advances which has not been reported on by the recipient National Societies, and the related expense is recorded in Provisions for operations. When recipient National Societies report on their use of the funds, the provision is reversed, and the expense is reclassified according to its nature.

# ii) Contributions to National Societies

The IFRC makes cash contributions to fund the activities of member National Societies. Such contributions are recognised as operational expenditure as they are incurred.

# Cash Transfers

Cash transfers are made to National Societies that have been risk-assessed by the IFRC to have the organisational capacity and internal controls to effectively manage funds received from the IFRC to meet project objectives and satisfy stakeholders' accountability requirements. The recipient National Society manages the use of the funds based on its internal regulations and reports its use of the funds back to the IFRC without the need to submit detailed supporting documentation for individual expenses incurred. National Societies operating under Cash Transfer are subject to periodic audits of their use of funds transferred.

# Cash Advances

The IFRC provides cash contributions to National Societies for them to implement Covid-19 Pandemic Appeal activities. Such contributions are recognised as operational expenditure as they are incurred. However, as the IFRC has not formally assessed the risk that recipient National Societies have the organisational capacity and internal controls to effectively manage the funds received to meet project objectives and satisfy stakeholders' accountability requirements, the IFRC maintains additional verification controls over National Societies' use of funds transferred. These include the IFRC verifying supporting documents, invoices, receipts etc for the expenditure incurred by the National Societies, and validating that expenditure has been incurred in accordance with agreements signed between the IFRC and the implementing National Societies.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### E. Leases

The IFRS 16 Leases defines a lease as "a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration". At inception of a contract, the IFRC uses judgement to assesses whether the contract is, or contains a lease. To assess whether a contract conveys the right to control the use of an identified asset, the IFRC uses the definition of a lease in IFRS 16.

For leases where the IFRC is a lessee, the IFRC has elected not to separate non-lease components and to account for the lease and non-lease components as a single lease component.

For leases where the IFRC is a lessor, the IFRC allocates the transaction price in accordance with the amount of consideration it expects to receive for each component of the contract.

### As a lessee

The IFRC recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost. This comprises:

- the initial amount of the lease liability;
- adjusted for any lease payments made at or before commencement date;
- plus any initial direct costs incurred;
- plus an estimate of costs to dismantle and remove the underlying asset or the costs to restore the asset, or the site on which it is located, to the condition required by the lease;
- less any lease incentives received.

Using the straight-line method, the right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset, or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, vehicles and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured as the value of the lease payments that are not paid at the commencement date. The IFRC applies judgement in determining the reasonably certain lease term. The IFRC has elected not to measure its lease liabilities on a discounted basis because the effect of discounting is not material.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price of a purchase option that the IFRC is reasonably certain to exercise, lease payments in an optional renewal period if the IFRC is reasonably certain to exercise an extension option, and penalties for early termination of a lease, unless the IFRC is reasonably certain not to terminate early.

After the commencement date, the lease liability is measured by:

- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect:
  - o a change in future lease payments arising from a change in an index or rate;
  - a change in the IFRC's estimate of the amount expected to be payable under a residual value guarantee; or
  - o a change in the IFRC's assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

IFRC presents right-of-use assets in Property, vehicles and equipment and lease liabilities within Loans and borrowings in the Consolidated Statement of Financial Position (see note 20).

# Short term leases and leases of low value assets

The IFRC has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases where the underlying asset is of low value. The IFRC recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### As a lessor

Where the IFRC acts as a lessor, it determines, at inception, whether each lease is a finance lease or an operating lease. To classify each lease, the IFRC makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of this assessment, the IFRC considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The IFRC has no interest in finance leases as a lessor.

When the IFRC is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the IFRC applies the short-term lease exemption described above, then it classifies the sub-lease as an operating lease.

Lease income from operating leases is recognised as services income in the Consolidated Statement of Comprehensive Income on a straight-line basis over the lease term.

### F. Taxes

The IFRC is exempt from taxes in Switzerland and most countries in which its delegations are based.

# G. Finance income and expense

The net finance result is comprised of interest and dividends received on funds invested, realised foreign exchange gains and losses on pledge settlements, realised and unrealised foreign exchange gains and losses on revaluations of foreign currency denominated assets and liabilities, and realised and unrealised gains and losses on units held in global equity and bond funds.

Interest income is recognised in the Consolidated Statement of Comprehensive Income, as it accrues taking into account the effective yield on the asset.

# H. Financial instruments

# (a) Financial assets

The IFRC's financial assets are made up of cash and cash equivalents, investments, receivables, contract assets, cash flow hedges and financial assets associated with the ESSN project (see below). Under IFRS 9, the financial assets that are measured at amortised cost are impaired using an 'expected credit loss' (ECL) model. This impairment model does not apply to investments that are classified and measured at FVTPL. The ECLs are calculated based on change in credit risks and measured at an amount equal to the lifetime of the financial assets.

# (i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank and bank deposits with original maturities of three months or less from the acquisition date, that are subject to insignificant risk of changes in their fair value.

# (ii) Investments

Short-term investments are initially recognised at fair value, and subsequently measured at amortised cost. They include short-term bank deposits with original maturities of more than three months, but less than one year.

Long-term investments are recognised and subsequently measured at fair value through profit or loss, and comprise units held in a global bond fund and units held in a global equity fund. Both funds are classified as financial assets. The fair value of the units is fully determined by reference to published price quotations in an active market. Purchases and sales of units are recognised on the trade date, which is the date that the investment managers commit to purchase or sell the asset, on behalf of the IFRC. Realised or unrealised gains and losses arising from changes in the fair value of financial assets are included in the Consolidated Statement of Comprehensive Income under Net finance income, in the period in which they arise

Investments with maturities of more than twelve months after the reporting period are classified as non-current assets.

# (iii) Receivables

Accounts receivable comprise statutory contributions due but not yet received, outstanding voluntary contributions and donations not yet received from National Societies and donors respectively, and amounts due from National Societies and other customers for the provision of services.

Other receivables include advances to National Societies and employees, amounts due for reimbursable taxes, sundry receivables, fair value of cash flow hedges, and contract assets.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Trade receivables are initially recognised when they are originated. A trade receivable without a significant financing component is initially measured at the transaction price and subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Receivables are impaired based on the ECL model, which is a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the IFRC in accordance with the contract and the cash flows that the the IFRC expects to receive).

Receivables, where the recovery will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the IFRC, are not recognised as receivables in the Consolidated Statement of Financial Position but are disclosed as contingent assets (see note 30). If the effect is material, the fair value of contingent assets is determined by discounting the expected future cash flows that reflect a current market assessment of the time value of money.

# (iv) Cash flow hedges

Hedge instruments are used to mitigate foreign exchange risk associated with receiving statutory contribution payments in foreign currencies. These are supported by hedge accounting to avoid an accounting mismatch, whereby the effects of the changes in fair values of both hedge items and hedge instruments are appropriately measured, matched, and recognised in the same period in the income and expenditure statement.

When a derivative is designated as a cash flow hedging instrument, the effective portion of the changes in the fair value is recognised in the Other Comprensive Income and accumulated in a hedge reserve. An ineffective portion of changes in fair value is recognised immediately in Statement of Comprehensive Income. The amount accumulated in hedge reserve is also reclassified to Statement of Comprehensive Income in the same period during which the hedged item or forecast cash flows affect income and expenditure.

### (b) Financial liabilities

The IFRC's financial liabilities are made of payables, loans and borrowings and financial liabilities associated with the ESSN project (see below). These represent liabilities to third parties, which are initially recognised at fair value and subsequently measured at amortised cost.

# FIPOI building loans

It is common practice that international organisations have access to interest free loans for building improvements from the Government of Switzerland through the Fondation des Immeubles pour les Organisations Internationales (FIPOI). As such, a market for such loans exists and the market rate of interest for them is 0%. The amortised cost of the financial liability is equal to the actual costs of the financial liability as recorded in the IFRC's accounts, and there is no in-kind benefit from a below-market interest.

# (c) ESSN project

The cash support to beneficiaries provided under Component B of the ESSN agreement between IFRC and ECHO (see note 11) does not constitute a performance obligation, as the IFRC is redistributing cash provided by ECHO to designated beneficiaries. The cash distributions are not recognised in the Consolidated Statement of Comprehensive Income.

A financial liability is recognised to reflect the estimated amount to be paid to beneficiaries already in receipt of a payment card to the end of March 2022. This is the original timeframe for the cash payments to beneficiaries (component B) under the initial ESSN contract.

# I. Inventories

Inventories of prepositioned relief items, which have not been committed to a project, are stated at the lower of cost or net realisable value. Cost is determined using the weighted average cost method, and comprises cost of purchase and other costs directly attributable to acquisition. In-kind donations of prepositioned relief items are included in inventories and their fair value is included in the calculation of weighted average cost. Net realisable value is the estimated selling price, in an arms length transaction, less attributable selling expenses. Inventories are included in expenditure once they have been committed to a project.

Relief and other items acquired for specific projects are expensed at the time of receipt, and are not included in inventories.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# J. Property, vehicles and equipment

Property, vehicles and equipment are stated at historical cost less accumulated depreciation. Contributed and donated assets received in-kind are accounted for using the same principles as used for purchased assets, with acquisition costs being determined on the basis of donor values. Depreciation is calculated on the straight-line method to write off assets to their estimated residual values over their estimated useful lives as follows:

Land and buildingsup to 50 yearsHeavy vehicles10 yearsLight vehicles4 - 5 yearsComputer equipment3 - 4 yearsOther equipment2 - 10 years

When the carrying amount of an asset is greater than its estimated recoverable amount, the asset is immediately written down to its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with net carrying amounts, and are recognised in the Consolidated Statement of Comprehensive Income.

Subsequent expenditure is capitalised only when probable future economic benefits will flow to the IFRC and the cost can be measured reliably. Repairs and maintenance costs are recognised in the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred.

# K. Intangible assets

Acquired computer software is capitalised on the basis of the acquisition costs, and costs incurred, including own labour costs, to bring the specific software into use. Amortisation is calculated on the straight-line method to write off assets to their estimated residual values over their estimated useful lives – 7 years for the IFRC's Enterprise Resource Planning system and 3 to 5 years for other intangible assets. Costs associated with maintaining software are recognised in the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred.

# L. Impairment

In order to determine whether there is any indication of impairment, the carrying amounts of the IFRC's assets, other than financial assets at fair value through profit or loss and inventories (see note 32H), are reviewed periodically to ascertain the amounts that may not be recoverable.

An impairment loss is recognised in the Consolidated Statement of Comprehensive Income whenever there is a shortfall between the carrying amount of an asset and its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there is an upward revision of the recoverable amount. An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

# M. Employee benefit costs

# (a) Post-employment benefit plans

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

The IFRC operates two pension plans, the Base Pension Plan and the Supplemental Pension Plan, for expatriate field staff and all headquarters staff. The pension plans are funded plans. They provide retirement benefits based on a participant's accumulated account balance. They also provide benefits on death, disability and termination. Subject to certain conditions, members of the pension plans are also eligible to receive contributions towards the cost of health insurance during retirement.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

For the purposes of these consolidated financial statements, both plans that comprise the Pension Fund are considered and accounted for as a single defined benefit plan in accordance with the requirements of IAS 19 Employee benefits and the contributions to the cost of retirees' health insurance are accounted for as a separate defined benefit plan.

The amount recognised in the Consolidated Statement of Financial Position in respect of the defined benefit plans is the present value of the defined benefit obligations at the period end date less the fair value of the pension plans' assets. The retirees' health insurance scheme is unfunded and, as such, does not have any plan assets. The defined benefit obligations are calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows, using interest rates on high quality corporate bonds that have terms to maturity approximating to the terms of the related post-employment benefit liabilities, and are denominated in Swiss Francs, the currency in which the benefits will be paid. In determining the present value of the defined benefit obligations and the related service cost for the pension plans, the IFRC attributes benefit to periods of service on a straight-line basis to decrement, eg retirement, death or disability. For the retirees' health insurance scheme, benefit is attributed on a straight-line basis over 15 years, representing the period of service after which no further material amount of benefits is earned by employees.

The IFRC recognises all actuarial gains and losses immediately in Other Comprehensive Income. Expenses related to defined benefits are included as Employee benefits operating expenditure.

Staff employed locally by the delegations receive social benefits in accordance with the legislation of the countries concerned and the local collective staff agreements. The cost of such benefits is recognised on an accruals basis in these consolidated financial statements.

### (b) Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date, contract completion date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

Termination benefits are recognised on the basis of a formal committed plan to terminate the employment of current employees, or are provided as a result of an offer made to encourage voluntary redundancy.

In certain legal jurisdictions, the IFRC has obligations to calculate and pay termination benefits in accordance with the requirements of local law, regardless of the reason for an employee's departure. IAS 19 considers such benefits as post-employments benefits. The accrued obligations are included within Provisions for operations and the expense is included in Employee benefits in these consolidated financial statements. The IFRC has elected not to calculate these liabilities using the projected unit credit actuarial method because the effect is not material.

# N. Provisions

Provisions for redundancy costs, operations, project deficits and restructuring are recognised when there is a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate of the amount can be made.

If the effect is material, provisions are determined by discounting the expected future cash flow that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability.

# (a) Provision for redundancy costs

Provision is made for the estimated cost of known redundancies, which are normally paid out within the next twelve months. A redundancy is known when the decision to make the employee redundant has been taken and communicated.

# (b) Provision for operations

The provision for operations primarily represents the value of working advances made to National Societies which the recipient National Societies have not reported on by the period end date. Detailed breakdowns of the expenditure incurred by the National Societies are not, therefore, known at the period end date, but are normally reported shortly thereafter.

# (c) Provision for pledge and services deficits

A provision for pledge and service deficits is maintained for restricted activities where expenditure has exceeded income and the IFRC considers future funding is unlikely to be forthcoming. If additional funding is not received within twelve months following the period end date, the deficits are written off unless there is objective evidence that additional funding is may still be received.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### O. Reserves

# (a) Restricted reserves

These represent the cumulative excess of income, over expenditures for Other resources activities. Restricted reserves include the following:

# Funds held for operations

Donor-restricted voluntary contributions and donations

The cumulative excess, of earmarked voluntary contributions and donations over expenditure, is recorded as Funds held for operations within restricted reserves. In the event that the funds cannot be spent, the IFRC obtains agreement from the National Society or other donor for a reallocation of those funds for a different use, or reimburses them to the National Society or other donor, in which case they are recognised as liabilities until the effective repayment takes place.

# Operations with temporary deficit financing

Expenditure on individual projects may temporarily exceed the amount of income allocated to those projects at reporting dates. This excess of expenditure over income is separately reflected within Funds held for operations as Operations with temporary deficit financing, so long as management considers that future funding will be forthcoming. When the IFRC considers that future funding is unlikely to be forthcoming, the deficit is reclassified as unrestricted expenditure, and reflected as a reduction in unrestricted reserves, through the provision for pledge and services deficits.

### (b) Unrestricted reserves

Unrestricted reserves are not subject to any legal or third party restriction and can be used as the IFRC sees fit. Unrestricted reserves may be designated by the IFRC for specific purposes, to meet future obligations or mitigate specific risks.

# (c) Designated reserves

Designated reserves include the following:

# Self-insurance reserve

The IFRC self-insures its vehicles against collision, loss or other damage. Based on an assessment of risk exposure, this reserve is established to meet approved insurance claims as they fall due.

# Statutory meetings reserve

Funds are set aside to meet the anticipated costs of future statutory meetings and Governing Board initiatives as and when the events take place.

# Specific projects

As explained in note 32D, in keeping with the IFRC's principle of full cost recovery, the direct costs of programmes and services are subject to 6.5% indirect cost recovery to fund the costs of providing indirect support services, essential to the success of operations. In the event that there is an operation with expenditure in excess of CHF 50,000k and the total amount charged for a given year exceeds the total amount incurred, the excess is allocated to projects according to a Governing Board decision. Pending the Governing Board decision, the excess is allocated to a designated reserve.

# Major building works reserve

In March 2016, the IFRC signed an agreement with FIPOI for a 50 year interest free loan to be used by the IFRC to construct new office premises. Under this agreement, the IFRC has an obligation to undertake regular building maintenance and is required to set up a designated reserve for major building works upon acceptance of the new building. An annual allocation shall be made by the IFRC corresponding to 0.75% of the building works value. Usage of the reserve is restricted to:

- planned obsolescence including major renovation and replacement works;
- emergency repairs.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

# 33. New Standards, Amendments and Interpretations

The following Standards, Amendments and Interpretations have been issued, but are not yet effective. They have not been applied early in the preparation of these consolidated financial statements. Based on assessments conducted by IFRC's management, the expected impact of each Standard, Amendment and Interpretation is presented below.

Standards, Amendments and Interpretations to existing standards that are not yet effective and are relevant to IFRC operations:

Standard / Amendment	Effective date	IFRC planned application	Anticipated impact
Annual Improvements to IFRS Standards 2018–2020	1 January 2022	Reporting year 2022	Not material / applicable
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022	Reporting year 2022	Not material / applicable
Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022	Reporting year 2022	Not material / applicable
Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022	Reporting year 2022	Not material / applicable
Amendments to IFRS 17	1 January 2023	Reporting year 2023	Not material / applicable
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023	Reporting year 2023	Not material / applicable
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023	Reporting year 2023	Not material / applicable
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023	Reporting year 2023	Not material / applicable
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	1 January 2023	Reporting year 2023	Not material / applicable

# THE FUNDAMENTAL PRINCIPLES OF THE INTERNATIONAL RED CROSS AND RED CRESCENT MOVEMENT

# **Humanity**

The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

# **Impartiality**

It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

# Neutrality

In order to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

# Independence

The Movement is independent. The National Societies, while auxiliaries in the humanitarian services of their governments and subject to the laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

# Voluntary service

It is a voluntary relief movement not prompted in any manner by desire for gain.

# Unity

There can be only one Red Cross or Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

# Universality

The International Red Cross and Red Crescent Movement, in which all societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.



The International Federation of Red Cross and Red Crescent Societies (IFRC) is the world's largest humanitarian network, with 192 National Red Cross and Red Crescent Societies and around 14 million volunteers. Our volunteers are present in communities before, during and after a crisis or disaster. We work in the most hard to reach and complex settings in the world, saving lives and promoting human dignity. We support communities to become stronger and more resilient places where people can live safe and healthy lives, and have opportunities to thrive.

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