

Mid-Year report



International Federation
of Red Cross and Red Crescent Societies

Capacity building fund (CBF)

MAA00011

31 August 2011

This report covers the period 1 January 2011 to
31 June 2011.



Volunteers harvest potatoes on land donated to Muramvya provincial branch. The harvest will be split between branch and local group, supporting vulnerable people either as food or as a source of income
Burundi Red Cross, June 2011

In brief

Programme outcome: In facilitating the implementation of the Strategy 2020 of the International Federation of Red Cross and Red Crescent societies (IFRC), a core focus is on building strong National Societies¹. This is fundamental to enabling sustainable² service delivery in meeting the needs of vulnerable people worldwide. The CBF is a multi-year investment mechanism financing National Society's priority organizational development (OD) activities that do not manage to attract adequate funding.

Programme(s) summary:

Highlight of the reporting period:

"In 2005, the Burundi Red Cross Society employed four people at national level. Services around the country were limited or non-existent and based at the commune level of administration, rather than the "colline" (community) level. International Federation and Partner National Society (PNS) delegations and external support had closed down at the end of 2002 in an atmosphere of strained relations with the National Society and poor mutual confidence. The National Society had hit rock bottom. In 2011 the National Society employs about 200 people at national and provincial levels. It mobilises some 300'000 volunteers³" (See the executive summary of the evaluation in annex).

¹ "A strong National Society is one that is able to deliver country-wide, through a network of volunteer-based units, a relevant service to vulnerable people sustained for as long as needed", Building strong National Societies: Our common endeavour – A comprehensive framework, page 4, Endorsed by the 23rd Session of the Governing Board, Geneva, 13-15 April 2011.

² Sustainability: "capability to maintain core presence and essential business in all circumstances"

³ Extract of the Final evaluation of the 3 year ICB pilot project by the Burundi Red Cross

The Capacity building fund provided the following support during the reporting period:

- **Intensified capacity building (ICB):** One National Society received financial support to pursue the implementation of its ICB plan. Overall, 10 National Societies are currently implementing an ICB plan over three years, and the two pilots in Burundi and Ghana were completed.
- **Urgent OD intervention:** one grant was allocated to support a National Society facing integrity related challenges.

Five reports on grants allocated in previous years were received during the reporting period (see extracts in annex).

Financial situation: The total 2011 budget is CHF 4.4m. No contributions were received during the reporting period. Overall expenditure during the reporting period was CHF 131,500.

At the end of June 2011, 45 per cent of the fund's closing balance was already earmarked for future expenses and grants to which the CBF is committed, and CHF 1.88 million was available for launching new rounds of grants.

[Click here to go directly to the financial report.](#)

See also:

[CBF Plan 2011](#)

[National Society development support Mid-year report 2011](#)

No. of people we have reached: 38 National Societies were implementing CBF supported activities during the reporting period, and 2 grants were allocated in the first half of 2011 for a total amount of CHF 131,500.

Our partners:

Thanks to contributions from the National Societies and/or governments of Canada, Great Britain, Finland, Japan, Netherlands and Sweden, together with contributions from the Federation reserves, CHF 7.9 million was fundraised since 2007 and allowed the CBF to provide support to 49 National Societies and 4 regional programs.

In the first half of 2011, the secretariat pursued the coordination of the Global OD study with the technical and financial support of the American Red Cross, Australian Red Cross, British Red Cross, Canadian Red Cross, Finnish Red Cross, International Committee of the Red Cross, Norwegian Red Cross, Spanish Red Cross and Swedish Red Cross (See Working in partnership and OD learning).

Context

Over the years, the Red Cross Red Crescent Movement has provided a lot of OD and capacity building support to National Societies on numerous different projects, with many different approaches. Many National Societies now have revised statutes, trained staff and volunteers, developed management tools, facilities, improved skills and materials in organizational management, health, disaster management, social services, etc. Unfortunately, these efforts were often not coordinated, unevenly distributed and have often not contributed to strengthen the National Societies as independent domestic organizations providing sustainable services to the vulnerable country-wide.

The decision of IFRC's Governing Board, at their 2007 meeting in Addis Ababa to upgrade the CBF, was followed by the taking up of significant measures to utilize the fund more effectively⁴, towards a more strategic approach to OD support to National Societies. In addition, measures were

⁴ See 2006-2007 report: <http://www.ifrc.org/docs/appeals/annual06/MAA00011r0607.pdf>

taken to improve the fund's management as per recommendations of the external review published in 2006.

The Capacity building fund offers the following types of support:

- Intensified capacity building: This is the secretariat's main National Society development strategy and global support modality. Its aim is to enable National Societies to strengthen their capacity for sustainable service delivery to vulnerable people countrywide, through self-commitment, ownership and a holistic approach to National Society development. More specifically, focus is on building organizational capabilities, designing and implementing self-development plans needed to scale up countrywide service delivery. Assistance is provided through three-and-a-half year rounds.
- Specific OD support: It addresses specific development initiatives, particularly for National Societies that are not receiving ICB support. Assistance is provided through zone offices for targeted OD activities, limited in range, time and budget. The zone offices and OD delegates in the field work with staff of National Societies to facilitate the building of capacities for programme and organizational sustainability.
- Urgent OD interventions: IFRC makes available special, one-off small-scale and rapid response funding and technical support to help address organizational challenges, such as integrity cases, faced by National Societies. Urgent OD interventions have fast-track application procedures, and result in small disbursements of cash from the CBF, which are used by zone offices as start up capital, until the IFRC develops a plan of action to handle the specific case.

Progress towards outcomes

Targeted outcomes⁵

- *Intensified Capacity Building* support is provided to 60 National Societies. Fifty to 65 per cent of the fund's resources are allocated to ICB.
- *Specific OD support* is provided through zone offices to 20 National Societies who do not receive ICB support, and do not have the adequate funding for the targeted transformation needed.
- When needed, *Urgent OD interventions* by zone offices to National Societies are possible with the necessary funding available under short notice through a fast-track application procedure.
- Fifty per cent of the fund's resources go to Africa.

Achievements

Intensified Capacity Building support

During the reporting period, **81% percent of CBF resources went to the ICB program**. This high figure is due to the fact that only two allocations were made during the reporting period.

- ICB 2nd round: Colombian Red Cross (second year of implementation)
- An Urgent OD intervention (name of the National Society is kept confidential).

Overall, **29 National Societies have so far benefitted from technical and financial support to prepare development plans**, as well as receiving recommendations and advice to improve themselves (the National Societies of Benin, China, Comoros, El Salvador, The Former Yugoslav Republic of Macedonia, Morocco, Yemen, Zambia, Belarus, Brazil, Colombia, Kiribati, Malawi, Moldova, Namibia, Seychelles, Tajikistan, Cambodia, Central African Republic, Democratic Republic of the Congo, Ethiopia, Kyrgyzstan, Mongolia, Montenegro, Philippines, Liberia, Uzbekistan, Ghana and Burundi). This represents 48 per cent of the three-year target fixed by the

⁵ 3 year objectives as per Governing Board's decisions in 2007, Addis Ababa

Governing Board in 2007. The discrepancy is due to the lack of financial contributions to the CBF in the last 4 years (see Constraints or Challenges).

Among the 29 National Societies listed above:

- Two pilot projects in Ghana and the Burundi Red Cross Societies have completed the implementation and show **significant impact and learning (e.g. in Burundi: community units delivering sustainable services with local resources were created in 97% of the country villages and mobilised around 300,000 volunteers).**
- **Ten others were selected for full support** (National Societies of Liberia, China, El Salvador, The Former Yugoslav Republic of Macedonia, Yemen, Central African Republic, Colombia, Namibia, Seychelles, Montenegro), and benefit from technical and financial support for the implementation of the ICB plan over three years.

Specific OD support:

Twenty eight National Societies were implementing activities under the specific OD support modality in the reporting period to start, pursue or finalise their projects (Belarus, Bosnia & Herzegovina, Guyana, Malta, Moldova, Nicaragua, Peru, Solomon Islands, Russia, Timor Leste, Uruguay and Uzbekistan), including 16 National Societies of the Caribbean region through a volunteering development project.

Urgent OD interventions:

The Asia and Pacific zone office received funding to solve an urgent OD situation faced by a National Society (an update on this situation can be provided upon request).

Constraints or Challenges

Lessons learned from the 2007-2011 period

Recent evidence⁶ demonstrates that the Intensified Capacity Building modality can have significant impact in strengthening National Societies, and brings a clear added value compared to other kinds of support from various programs and Movement partners.

In contrast, the specific OD support modality had difficulties in positioning itself amidst the other support provided to National Societies by zone offices and Movement partners. It was often misunderstood and misused. Such a fund can only have significant success if it has a clear identity, focus, and added value compared to other support modalities and, if it has demonstrated impact. Only then is it possible to raise and keep the interest of contributors and their back donors.

Overall, the CBF has been very useful, as perceived by its beneficiaries, and it has definitely benefitted a range of National Societies in tackling specific capacity issues. But its different modalities or separate windows, as currently constructed, make it increasingly inflexible, slow, and fragmented in the context of a changing world where National Society development support needs do not necessarily fit neatly into separate boxes. The CBF needs to be modernised and streamlined (See "Looking ahead").

Contributions to the CBF

At its meeting in Addis Ababa in 2007, the Governing Board urged National Societies to make financial contributions to the CBF. Only one new donor has made a single contribution since 2008. In addition, one traditional partner increased its annual contribution while two others stopped supporting the fund. The primary reasons identified to explain the difficulty in securing sustainable funding is that it is often difficult to demonstrate the long lasting impact of the projects financed, that partners increasingly choose to finance programs directly at zone or country level and that many of their back donors are reluctant to provide non-earmarked funding.

To overcome this funding challenge, the three year projects in Burundi and Ghana are being evaluated and the initial successes and learning of the other National Societies implementing ICB were surveyed through the Global OD study involving 30 National Societies, the Federation

⁶ The Final report of the Global OD study, and the final evaluation of the pilot project in Burundi.

secretariat and the ICRC (See Working in partnership and OD learning). It is foreseen that the results of this multi-stakeholder Global OD study, successes from the ICB implementation plans of National Societies (Burundi, China, etc.), together with the recently approved Framework for building stronger National Societies will demonstrate the added value of non-earmarked global funding for National Society development, and contribute to raising interest and attracting new partners. Discussions are already being held with several partner National Societies who are interested in contributing to the CBF based on the successes of ICB and other OD modalities (e.g. the Belgium Red Cross recently committed to providing financial support for the continuation of the Burundi Red Cross OD for an amount of €50,000).

Financial situation

At the end of June 2011, 45 per cent of the fund's closing balance was earmarked for future expenses and grants to which the CBF is committed (i.e. multi-year projects approved between 2007 and 2010, management and evaluation costs till mid 2013). In view of the requirement to keep a minimum balance of CHF 1 million in the fund at all times, a total of CHF 1.88 million was available at the end of June 2011 for launching new grants.

June 2011 Fund Balance (CHF)	5.2m
2011 commitments	1.1m
2012 commitments	0.46m
2013 commitments	0.1m
Management and evaluation costs till mid 2013	0.66m
All time reserve	1m
Amount available for future grants distribution	1.88m

A detailed table of committed and planned expenses is available upon request.

Working in partnership

Thanks to contributions from the National Societies and/or governments of Canada, Great Britain, Finland, Japan, Netherlands and Sweden, together with contributions from the Federation reserves, CHF 7.9 million was fundraised since 2007 and allowed the CBF to provide support to 49 National Societies and 4 regional programs.

The Global OD study

After three years of technical and financial support to the National Societies in Burundi and Ghana through an innovative investment strategy and following subsequent investments in eight additional National Societies through the ICB program in the past two years, it was felt that a study was needed to evaluate the effectiveness of ICB and capture best practices in OD in order to contribute to increasing knowledge and streamlining Movement support to National Society development. In order to gather as much knowledge as possible, the study was expanded to look at National Societies beyond those that had participated in ICB.

The study was initiated in 2009 with the financial support of the American Red Cross, which was later supplemented by additional support from other Movement partners as the study developed (Australian Red Cross, British Red Cross, Canadian Red Cross, Finnish Red Cross, International Committee of the Red Cross, Norwegian Red Cross, Spanish Red Cross and Swedish Red Cross). Following a global search, Root Change, a North American based consulting group, was selected to develop the study methodology and analyze the results.

The study aims focused on identifying the conditions, elements and inputs that have led to the development of strong National Society capacities for service delivery through answering five questions:

- Which capacity building investments yield the highest returns?
- How do elements of the Movement understand capacity development, and how do they believe that capacity is best developed?
- How is capacity built at a local level?
- Why do perceived capacity strengths and weaknesses exist?
- How can weaknesses best be addressed, and how can strengths best be leveraged?

The study methodology developed by Root Change, in consultation with the Secretariat of the International Federation, American Red Cross and other Movement actors, comprised three components:

- the Capacity Building Assessment Rubric (C-BAR, an evidence-based, peer-validated self-assessment),
- an Organizational Network Analysis (ONA) survey
- and an evaluative survey for countries that participated in the ICB program (the ICB survey).

An online version of the C-BAR tool (known as C-BAR Lite) was also developed.

Findings from the study are scheduled to be published in September 2011 and contribute to the development of the framework and principles for building strong National Societies and the various tools provided by the IFRC secretariat to facilitate sustainable development of National Societies.

Contributing to longer-term impact

The CBF aims at improving the use of resources and increasing the long-term impact and sustainability of National Society development. Priority is given to organizational change processes to create or strengthen a National Society's ability to deliver relevant services to vulnerable people in a sustainable way and for as long as needed.

National Society development knowledge, generated through the CBF and particularly through the ICB, is collected, analyzed, discussed and shared with zone OD staff and partners. It also feeds into the development of global model approaches, principles and strategies for sustainable National Society development. It is expected not only to help individual National Societies greatly improve and expand their organization and work, but also to inspire and encourage further development in a growing number of National Societies, through knowledge sharing and the dissemination of success stories and key learning.

The final results and recommendations from the Global OD study and the evaluations of the pilots in Burundi and Ghana will contribute to global knowledge on strengthening National Society development and facilitate a Movement framework for building strong National Societies, ensuring optimisation of resource sharing and ultimately greater and longer-term impact.

Looking ahead

In 2011 and 2012, the CBF will prioritise communications and knowledge generation and sharing of past and current successes along the lines of the principles of the Framework for building strong National Societies.

Building on past CBF as well as complementary OD provision experience, the Federation Secretariat is currently undertaking a consultation process with the various Movement actors of National Society development on the possible updating of the CBF to a broader National Society development facility aligned with the directions of *Strategy 2020* and our common Framework for Building Strong National Societies.

How we work

All Federation assistance seeks to adhere to the [Code of Conduct for the International Red Cross and Red Crescent Movement and Non-Governmental Organizations \(NGO's\) in Disaster Relief](#) and is committed to the [Humanitarian Charter and Minimum Standards in Disaster Response \(Sphere\)](#) in delivering assistance to the most vulnerable.

<p>The IFRC's vision is to:</p> <p>Inspire, encourage, facilitate and promote at all times all forms of humanitarian activities by National Societies, with a view to preventing and alleviating human suffering, and thereby contributing to the maintenance and promotion of human dignity and peace in the world.</p>	<p>The IFRC's work is guided by Strategy 2020 which puts forward three strategic aims:</p> <ol style="list-style-type: none"> 1. Save lives, protect livelihoods, and strengthen recovery from disaster and crises. 2. Enable healthy and safe living. 3. Promote social inclusion and a culture of non-violence and peace.
<p>Contact information</p>	
<p>For further information specifically related to this report, please contact: At the secretariat in Geneva: Jean-Etienne Brodier, Senior Officer, Funds Management; email: je.brodier@ifrc.org; phone; +41 22 730 4339; and fax +41 22 733 0395.</p>	

Annex

Updates on CBF - funded initiatives

(Extracts from the 5 National Society updates and reports received during the reporting period, in their own words)

Full reports or more detailed updates can be made available upon request

ICB pilot – Burundi Red Cross Society – year 3 of 3: “Building sustainable local capacities in Africa” - Executive summary of the final evaluation (by IFRC, Burundi and Finnish Red Cross societies)

“In 2005, the Burundi Red Cross Society employed four people at national level. Services around the country were limited or non-existent and based at the commune level of administration, rather than the “colline” (community) level. International Federation and Partner National Society (PNS) delegations and external support had closed down at the end of 2002 in an atmosphere of strained relations with the National Society and poor mutual confidence. The National Society had hit rock bottom.

In 2011 the National Society employs about 200 people at national and provincial levels. It mobilises some 300’000 volunteers, the vast majority of whom are themselves vulnerable, on a weekly basis to identify and deliver services to other, more vulnerable people at community level. Services are typically based on simple activities that are well understood by large groups of people: digging fields, building and mending houses etc. In addition, many local groups take initiatives to get vulnerable people to hospital and pay for their medicines when needed, and carry out disaster risk reduction activities such as reforestation and terrace building. This capacity to mobilise people to carry out relevant services attracts financial and material resources at colline, commune, provincial branch and national levels, from individuals, local governments and Movement and other partner organisations.

At the heart of this change is a belief that poverty and vulnerability are not a barrier to hundreds of thousands of Burundians organising themselves to address the needs of the most vulnerable people in their communities.

The National Society has focused on mobilising people at the community level in line with cultural norms and traditions of mutual aid that had been destroyed by the civil war of the mid 1990s and previous ethnic violence. In doing so the National Society has had to challenge a dependency culture in local populations brought about by years of external aid. Initially identified as “another NGO” come to hand things out, the National Society has succeeded in becoming identified as an organisation that catalyses and supports locally owned community action rather than a provider of external resources. In doing so it has had to develop its own local accountability mechanisms and focus the activities of intermediary and national structures on supporting the work of community volunteers”.

SOS – Uzbekistan Red Crescent Society – year 2 of 3 “OD and capacity building in headquarters and branches”

- “Outcome 1: Effective governance and management structures.
- Outcome 2: Effective and transparent human resources management and financial management systems.
- Outcome 3: Proper and effective financial management in line with clear procedures, guidelines and leadership commitments.

Achievements

An induction/refresher course, organized in cooperation with the ICRC regional delegation in Tashkent in December 2011, reached 25 new and more experienced staff from the headquarters

and branches. The agenda included the history of the Movement, the history of the Uzbekistan Red Crescent Society, its structure, current activities and partners, and methods of work with volunteers. Induction sessions were also held in branches for new volunteers and mainly covered basic information about the Red Crescent and volunteer role in the National Society activities. The second general induction course for newly recruited staff of the National Society was planned for the first half of 2011; induction sessions for new volunteers were planned in branches as well.

The OD programme coordinator was hired by the Red Crescent Society in March 2011. The induction courses for branch leaders and staff continued in May: two courses have been held to date for the Karakalpakstan, Khorezm, Bukhara, Navoi, and Samarkand branches. More courses were planned for June.

Challenges

Since January 2009 the Uzbekistan Red Crescent faced difficulties to access its funding in foreign currencies. Despite strong efforts of the leadership the National Society gained access to its foreign currency bank account only in August 2010. The same month the National Society de facto re-launched its activities and programmes after 1.5 years of semi-dormant status. However, access to finances and bank accounts remained a concern in terms of timing for processing withdrawal claims and submitting support documentation package. The lengthy process hampers the programming in general and capacity-building initiatives in particular”.

SOS – Belarus Red Cross Society – year 2 of 3 “OD and capacity building in headquarters and branches”

“Project achievements/impact and relevance

The project provided over 1,625 young people with structural means and opportunities to practice active citizenry through involvement in volunteering services in the local communities and in governance and management decision making within an organization. As the result of participation young people strengthened their human and social capital thus reducing vulnerability of young people. The vulnerability of young people reduced, the young people increased their employability and built their civic mindset.

Empowered by the project, young people served as a key agent of changes, organizational development and capacity building. In particular, young people influenced on:

- Improved BRC sustainability and capacities.
- Improved public image of BRC.
- Improved BRC sustainability and capacities in local fundraising.
- Strengthened cooperation and networking.
- Improved volunteer management.
- Improved the process of decision making by volunteers.

The activities of youth volunteers contributed to social change in the local communities. In particular:

- improved the quality of life and strengthened capacities and integration of over 13,258 young and vulnerable people that benefited from volunteer activities;
- strengthened capacities of vulnerable people through involvement into volunteering and developing small initiatives themselves: the vulnerable people become volunteers and help their peers. Stigma toward vulnerable people in the local communities is reduced”.

ICB – Montenegro Red Cross Society – year 1 of 3: “With development towards the Goal”

“Intensified Capacity building Plan (ICB) of Montenegro Red Cross 2009-2011 is targeted towards development of material and technical capacities and the human resources of all Red Cross organizations. Quality and efficiency of the services provided to the beneficiaries will be improved by the increased networking of relevant stakeholders, partners and beneficiaries in the work of Red Cross at all levels.

According to the findings from numerous analyses that preceded the creation of ICB plan, the following Core areas for improvement 2009–2011 are:

1. Improvement of strategic governing and management
2. Development of human resources
3. Fundraising
4. Communication improvement

The participation of the complete management and governing structure of Montenegro Red Cross, local Red Cross branches, HQ of Montenegro Red Cross, advisory bodies and committees, was evident in the first year of reporting period of the ICB process, showing firm commitment and support to undertake the activities which would contribute to the capacity building efforts of Montenegro Red Cross.

However, besides good planning and commitment of all structures within the organization, all the activities foreseen by the Plan have not been realized. This is the first time that the National Society deals with such complex and extensive project, and a lot of components had to be taken into consideration (starting with human resources and then adequate weather conditions) in order to implement every planned activity. Due to that reason, two trainings (Project management for EU funds and Mountain rescue) will be implemented at the beginning of next year, and with proper planning, organization of these trainings will not affect regular organization of already planned activities for 2011”.

SOS – Peruvian Red Cross – year 2 of 2 “Reconstruction of the Peruvian Red Cross”

“Support from the Capacity Building Fund to the Peruvian Red Cross (PRC), has contributed to the re-institutionalization of the National Society from 2008 to 2011. The main focus during this period has been on preparations for the holding of elections in order to bring the National Society back to institutional normality. Support has also focused on ensuring an adequate organizational structure is in place within the PRC. Furthermore legal support has been continuous during this period in order to strengthen the legal base of the National Society, through the drafting of internal rules, an internal system and *arbiter tribunal* to solve any possible future discrepancies, and an assessment of the application of the National Society’s Statutes. Simultaneously to this assessment, a strategic planning process was started in 2010. Both processes – the revision of the legal base and the drawing up of the new Strategic Plan of the PRC – will continue in 2011. In December 2009, the PRC elected a new National Council, thereby allowing the judge to terminate the legal process. In February 2011, the judge made the decision to discontinue the term of the then National Transitional Council (NTC) and allow five members of the new National Council (NC) to take on these functions. The IFRC has been supporting the NTC and the NC in this transition process and ensuring the ongoing organizational development support to the National Society”.