



Strategic Evaluation Study: Support to the development of National Societies Financial Management Capacity

Final Report



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Contents

Acronyms	iii
Executive Summary	iv
1. Introduction	1
1.1 Background	1
2. Methodology	4
2.1 Limitations	5
3. Main challenges and modalities for Financial Development support	6
3.1 Main challenges	6
3.2 Types of FD support activities	7
3.3 Modalities for delivering support	7
3.4 The challenges of achieving long term sustainability	8
3.5 Existing standards for Financial Development support	9
4. Review of NorCross experiences with FD support	12
4.1 Effectiveness of support – earlier evaluations	12
4.2 Assessment of effects of FD support in case countries	14
4.3 Recent developments	19
5. Lessons learned	22
6. Conclusion and recommendations	25
6.1 Conclusion	25
6.2 Recommendations	26

Acronyms

BOCA	Branch Organisational Capacity Assessment
BRCS	Burundi Red Cross Society
DRC	Democratic Republic of Congo
FD	Financial Development
HNS	Host National Society
HQ	Head Quarters
ICRC	International Committee of the Red Cross
IFRC	International Federation of Red Cross and Red Crescent Societies (the "Federation")
IRCS	Iraq Red Crescent Society
KPI	Key Performance Indicator
LRC	Lebanon Red Cross
NCA	Norwegian Church Aid
Norad	Norwegian Agency for Development Cooperation
NorCross	Norwegian Red Cross
NPA	Norwegian People's Aid
NRCS	Nigeria Red Cross Society
NSD	National Society Development
OCAC	Organisational Capacity Assessment and Certification
OD	Organisational Development
PMER	Planning, Monitoring, Evaluation and Reporting
PNS	Partner National Society
PRCS	Pakistan Red Crescent Society
RCDRC	Red Cross of the Democratic Republic of the Congo
RCRC	Red Cross and Red Crescent
RTM	RTM advisors, a Lebanese consulting company
SARC	Syria Arab Red Crescent
SRCS	Somalia Red Crescent Society
SSRCS	South Sudan Red Crescent Society

Executive Summary

This Strategic Evaluation Study presents an assessment and analysis of Financial Development (FD) support provided by the Norwegian Red Cross (NorCross) to Host National Societies (HNSs). The evaluation has been conducted by KPMG International Development Advisory Services, and has taken place between September and November 2018.

The objectives of the evaluation are threefold:

1. Main challenges and modalities for Financial Development support mapped and analysed
2. NorCross experiences with Financial Development support analysed
3. Implications for improved performance for NorCross Financial Development support defined

The focus of the evaluation is on support provided over the last five years. Special attention has been paid to six case countries: Burundi, South Sudan, Somalia, Lebanon, Iraq and Pakistan.

The evaluation is based on information gathered through a document review, interviews with present and past NorCross personnel and consultants, leaders of Host National Societies and representatives of peer organisations, as well as a workshop with FD Advisors arranged in Nairobi.

The evaluation has a wide scope. The quality of the available documentation also makes it difficult to conduct a standard outcome evaluation, with a detailed assessment of achieved against planned results. The case studies do therefore not present a detailed discussion of the indicators of the FD support provided for each Host National Society (HNS). The analytic focus has been on extracting lessons learned and recommendations that can be operationally useful for NorCross in its ongoing work to define its standards of Financial Development support, and its strategy for providing the support.

1. Main challenges and modalities for Financial Development support

There are two main types of challenges of financial management faced by National Societies, which are not necessarily mutually exclusive.

On the one hand there are challenges in institutionalising systems and in establishing adequate capacity. National Societies often have highly hierarchical and cumbersome procedures. There are problems in the systems of governance, often with an overlap between oversight and managerial roles. Further, there are insufficiently developed systems of financial management and low level of competence among financial staff.

On the other hand, there can also be fundamental problems of integrity. There may be weak commitment to maintain high levels of integrity and a missing commitment to change. This is particularly the case in country settings with high levels of corruption. The integrity problems are harder to deal with than the first type of challenges, and often get in the way of sustained improvement in the standards of financial management.

The NorCross modalities for delivering support are as follows:

- ✓ **Bilateral** NorCross support (often referred to as "the African model") where support is delivered directly from NorCross to the HNS, often in a demand driven and ad-hoc manner.
- ✓ **Outsourcing** ("the Lebanon model") where support is designed and delivered by an external consultant.

- ✓ **ICRC partnership** where NorCross works with ICRC to deliver FD support in countries where NorCross were not currently operating.
- ✓ **Consortia** (where NorCross delivers support in collaboration with partners)

The modalities are not mutually exclusive and there are overlaps in most existing programmes.

Long term sustainability in the humanitarian work performed by the Red Cross and Red Crescent Movement is fundamentally dependent on the emergence of strong National Societies in the countries where there is a need for humanitarian assistance. This has been the key motivation behind NorCross' long-standing efforts to support financial management in HNSs.

As shown by previous evaluations, this support has assisted the National Societies put in place key elements of good financial management. Two concerns are raised, however, relating to the sustainability of these improvements. Firstly, many National Societies appear to remain dependent on external support to maintain adequate standards of financial management. Secondly, a spate of recent corruption cases has shown flaws in the financial management, even among long-standing partners.

A brief comparative study of two Norwegian peer organisations, Norwegian Church Aid and Norwegian People's Aid show that they are facing many of the same issues as NorCross when working with partners. They have good elements for providing FD support in place, but like NorCross they do not have a systematic methodology to measure progress.

2. NorCross experiences with Financial Development support

The three African case countries - Burundi, South Sudan and Somalia - show that NorCross FD support has been instrumental to put in place a relatively functional financial management system. In all cases, this has helped strengthen the confidence of other PNSs, and has contributed to improved resource mobilisation for the National Societies.

However, all National Societies remain dependent on external assistance to use their Navision accounting systems to generate financial reports in a timely manner. The quality of financial management has not been systematically monitored, and there are no clear plans for FD support with defined milestones and exit plans. Moreover, the financial management of the National Societies remain vulnerable to corruption, evidenced by a number of ongoing forensic audits.

The case countries from MENA and Asia – Lebanon, Iraq and Pakistan – provide a different set of examples. Of these, only Lebanon has a current FD programme. The Lebanon experience is well-known, where an external consulting company was hired to temporarily take over the finance department, with strong support from top leadership. The programme was successful, and the factors for success include: Strong commitment to change; making programme conditional on a new finance director, a comprehensive plan based on a solid baseline study with clear milestones and an exit plan.

The "Lebanon model" is currently being attempted in Iraq, although it is too early to say if it will take off, owing to delays connected to the hiring of a new finance manager. The assessment has been made by the same company that implemented the Lebanon reform. Pakistan Red Crescent Society is also in a start-up phase, but will be implemented by NorCross bilaterally. Both in Iraq and Pakistan the programmes are financed in partnership with other PNSs.

There are also other current programmes supported through partnerships with other members of the Red Cross and Red Crescent Movement. These are Syria, where NorCross is leading a consortium, and Nigeria, the first country in a new partnership with ICRC. These are important examples of how NorCross can leverage international support to secure scale in its FD support.

3. Implications for improved performance for NorCross Financial Development support

The Strategic Evaluation provides six key lessons based on the assessment of NorCross' experience with FD support:

Lesson 1: The failure to develop a defined NorCross approach to FD support has resulted in a lack of efficiency and a system that does not support institutionalised learning.

Lesson 2: There has been no consistent format of reporting, which makes it difficult to assess the effectiveness of FD support.

Lesson 3: Poor information management contributes to inefficient planning and management of FD support.

Lesson 4: The issue how best to support Finance Development for branches, and whether it is realistic to start by aiming for a consolidated budget and audit are recurring themes for which there does not appear to be ready solutions.

Lesson 5: The NorCross approach to programming has been based on trust, and not sufficiently backed by controls and objective assessments of risks, which has made partnerships vulnerable to poor management.

Lesson 6: Commitment to Change is arguably the key deciding factor for success of FD support.

Lesson 7: Chances of sustained improvement in financial management improves through adopting an approach that sees it as part of wider National Society Development and through leveraging scale of support through wider partnerships in the RCRC Movement.

The following factors are considered to be key to success:

- ✓ The process by which the FD support is defined and designed
- ✓ The extent to which commitment to change has been assessed, monitored and supported over time
- ✓ The design of the programme, in particular the extent to which it is based on a clear assessment and a has defined baselines and milestones, with a stated end-date
- ✓ Continued monitoring, follow up and adjustments during implementation
- ✓ The scale of the programme and how it is linked with overall strengthening of National Society capacities

On the basis of these findings, the evaluation team makes the following recommendations:

Recommendation 1: Adopt a set process for how to develop programmes for Financial Development support.

Recommendation 2: Prioritise developing FD support programmes with scale through partnerships.

Recommendation 3: Develop and adopt a set of standardised tools.

Recommendation 4: Develop set format for progress reports and require regular reporting using Key Performance Indicators.

Recommendation 5: Develop clear criteria for the different modes of financing.

Recommendation 6: Develop models for different solutions to decentralised financial management systems.

Recommendation 7: Expand NorCross' pool of Financial Development Advisors.

Recommendation 8: Elaborate NorCross' Theory of Change.

Recommendation 9: Prepare a management response to this evaluation.

1. Introduction

This is the draft Report of the Strategic Evaluation Study: Support to the development of National Societies Financial Management Capacity. The report has been researched and prepared by a team from KPMG International Development Advisory Services. The primary focus of the evaluation is to map and assess NorCross' approach to Financial Development support, and to make an assessment of the effectiveness and Value for Money of the various approaches and modalities of support, and to provide input into NorCross ongoing work to define its approach to Financial Development (FD) support.

The report is structured as follows. The introduction presents the background and context of NorCross work on FD support. The second chapter presents the methodology of the Strategic Evaluation. The third chapter presents a mapping and analysis of the challenges and modalities for Financial Development support, including an overview of the approaches of peer organisations. The fourth chapter presents the evaluation's findings on the NorCross experience with FD support, with a focus on the six case countries. The fifth chapter presents the lessons learned, and the sixth and final chapter concludes and presents recommendations towards NorCross further development of its strategy for Financial Development support.

1.1 Background

NorCross support Host National Societies (HNS) in provision of humanitarian assistance in their countries. HNSs may have weak systems and capacities of financial management, which leads to a less sustainable organisation, impacts the implementation of humanitarian interventions and exposes the organisation to financial and reputational risk. For this reason, NorCross' provision of Financial Development support to HNS is an important part of the partner programmes.

Norad funding provides NorCross a unique opportunity to provide Financial Development and wider Organisational Development to HNS. Most other Northern Red Cross Societies, or Partner National Societies (PNS), have more pressure to ensure that the funding they receive directly goes to address humanitarian needs. This is one of the reasons why NorCross has emerged as one of the PNS that has done most work on Organisational Development and, in particular, Financial Development support. Moreover, the Organisational Development work done by most other PNS, are part of project work, rather than a separate programme area, as is the case with NorCross.

The following provides a summary timeline of NorCross Financial Development support:

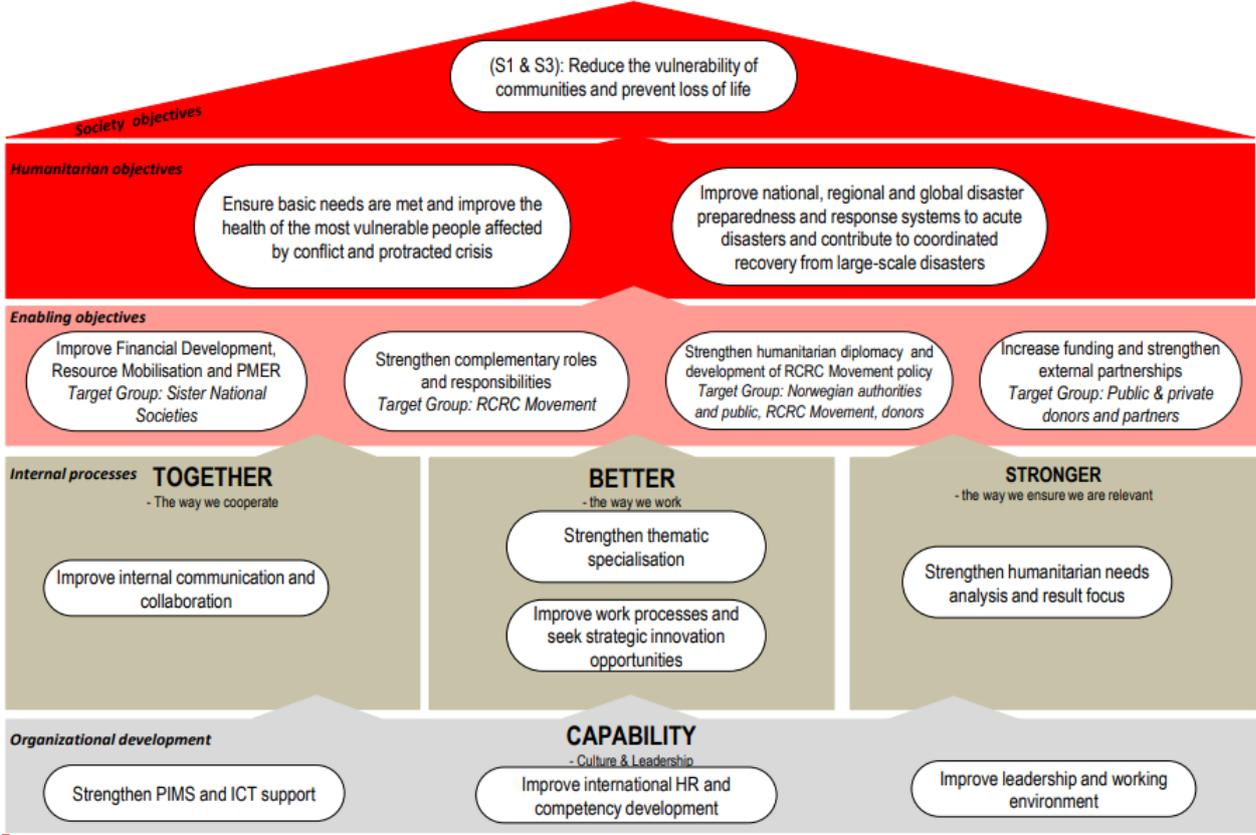
- ✓ **1996** – Start of NorCross' partnership with Mozambique Red Cross Society with a programme to strengthen financial management systems.
- ✓ **2000** – NorCross uses the Mozambique model to develop and implement a Financial Development support programme.
- ✓ **2006** – In partnership with the International Federation of Red Cross and Red Crescent Societies (IFRC), NorCross extends its FD support programme to cover the Southern Africa Zone, with support to nine more countries – Angola, Botswana, Lesotho, Malawi, Namibia, South Africa, Swaziland, Zambia and Zimbabwe.
- ✓ **2008** – Samuel Asamoah starts work as NorCross FD Advisor. In the following years, he becomes the key driver and definer of NorCross approach to FD support. His financial management assessment tool, is still used in modified forms to date.

- ✓ **2011** – The first evaluation of NorCross work with Financial Development is conducted. It finds the FD support to be effective, but recommends the development of a more structured and standardised approach.
- ✓ **2012** – After a change in leadership in Mozambique RCS, management deteriorates sharply, and a number of corruption cases appear. At this stage, the NorCross FD support programme has already ended.
- ✓ **2014** – The Lebanese FD programme is developed using a radically different approach developed and implemented by an external consultant (RTM).
- ✓ **2016** – The second system-wide evaluation of NorCross FD support is conducted. The findings are largely similar to the one from 2011. Concluding that FD support has been effective, but that there is a need for standardisation. The evaluation commends NorCross approach to partnerships: *"The NorCross approach was a «breath of fresh air» in comparison to other initiatives as it's structured on equal partners relationships."*
- ✓ **2016** – NorCross establishes a four person team at HQ overseeing the work on National Society Development.
- ✓ **2017** – Samuel Asamoah ends his work with NorCross and goes to IFRC.
- ✓ **2017** – Corruption is uncovered in Madagascar RCS. Audits uncovers systemic corruption in the organisation. NorCross support is suspended.
- ✓ **2017** – Restructuring and decentralisation in NorCross. NSD team disbanded. One person takes over oversight role for all NSD activities, with direct technical responsibilities for FD support transferred to Regional FD Advisors.
- ✓ **2017** – "Lebanon model" adopted in Iraq.
- ✓ **2018** – Corruption allegation and subsequent forensic audits in Burundi and South Sudan, with support temporarily suspended.
- ✓ **2018** – ICRC partnership established for *Strengthening National Societies' Finance Systems and Management*, targeting Nigeria, DRC, Burkina Faso/Ivory Coast/Liberia (sub regional) and Libya.

As part of its 2017 – 2020 strategy, NorCross developed a results framework, or a theory of change. This was subsequently revised for its new 2018-2020 strategy. This theory of change situates the FD support activities in a global results framework. It identifies "Improve Financial Development, Resource Mobilisation and PMER", with target groups as "Sister National Societies", as one of four Enabling Objectives. The other three enabling objectives are targeted at a strengthening of the overall Red Cross and Red Crescent Movement. The enabling objectives feed into two humanitarian objectives of ensuring that basics needs are met, and of improved disaster preparedness. The humanitarian objectives in turn feed into the higher level "Society objective" to "Reduce the vulnerability of communities and prevent loss of life. The figure below, shows the overall NorCross theory of change".

Figure 1: Norwegian Red Cross Theory of Change

Norwegian Red Cross
International Strategy map 2018-20



The detailed results framework lists a number of indicators of Improved Financial Development, but does not explain how this will lead to the achievement of the Humanitarian objectives.

2. Methodology

The Strategic Evaluation is based on a document review, interviews with NorCross personnel, leaders of Host National Societies, a member of IFRC and peer organisations. A complete list of interviews is provided in Appendix 1. A list of documentation provided by NorCross to the evaluation team is in Appendix 3. Where the evaluation makes direct references to the specific documents, this is noted in footnotes in the text. But the evaluation has also reviewed a large number of the other documents provided.

A key part of the review was the Global Technical Meeting on Finance Development, conducted in Nairobi from 29 October to 2 November. The evaluation team participated in the first three days of the meeting. Particularly important was the last half of the first day, where the team facilitated a workshop to get input into 1) the mapping and assessment of past performance, and 2) recommendations for the road ahead – defining NorCross strategy for Financial Development.

The evaluations sought to answer the following objectives and questions:¹

Objective 1: Main challenges and modalities for Financial Development support mapped and analysed

1. What are the main persistent challenges faced by National Societies in financial management in target countries for this study?
2. What are the most critical financial management challenges to address to ensure improved humanitarian impact through National Societies in the target countries for this study?
3. What are the main different modalities that have been used to support National Societies with Finance Development by RCRC Movement partners and which ones are more likely to provide Value for Money?
4. How can long-term sustainability of financial development support be ensured while allowing for time bound interventions and investments?
5. What are, if any, the established standards for financial development support that ensure improved humanitarian impact?

Objective 2. NorCross experiences with Financial Development support analysed

6. To what extent have financial development support by NorCross been implemented according to established standards?
7. What are the planned and unplanned effects of financial development support provided by NorCross in (selected) target countries?

Objective 3. Implications for improved performance for NorCross Financial Development support defined

8. What are the most effective interventions of financial development that NorCross should aim to support in National Societies in areas of conflict and protracted crisis?
9. What are the criteria for successful financial development interventions of NorCross in countries of conflict and protracted crisis?

¹ For the full Terms of Reference, see Appendix 2.

10. What changes must NorCross do to be able to fulfil the requirements of the new criteria?
11. What concrete actions should NorCross take to fulfil the requirements (skillsets, standards, organisation, sustainability etc.)?
12. What should be the role of NorCross and what can be sourced from local, regional and international consultancy firms and/or NorCross corporate/institutional partners such as PwC? I.e. what capacity and resources does NorCross need and what can be more effectively sourced through consultancies or external partnerships?

The evaluation focused its analysis on 6 case countries – Burundi, South Sudan, Somalia, Lebanon, Iraq and Pakistan. The focus of the evaluation is on the last five years of FD support.

2.1 Limitations

The evaluation has a very wide scope. The quality of the available documentation also makes it difficult to conduct a standard outcome evaluation, with a detailed assessment of achieved against planned results.

The case studies do therefore not present a detailed discussion of the indicators of the FD support provided for each Host National Society. Rather, the focus has been on identifying common trends and issues. The analytic focus has been on extracting lessons learned and recommendations that can be operationally useful for NorCross in its ongoing work to define its standards of Financial Development support, and its strategy for providing the support.

Although the original plan was to conduct skype interviews with the leadership of all six case National Societies, it was only possible to make arrangements for and conduct interviews with three of the National Societies. This is not considered to have had a significant negative impact on the evaluation.

3. Main challenges and modalities for Financial Development support

We start by discussing the main challenges of financial management faced by National Societies in the target countries of this study, and we continue by presenting the types of FD support activities. Further this chapter looks at the different modalities for delivering support and describes the challenges of achieving long term sustainability. Lastly, we are looking at existing standards for FD support and the approach of peer organisation to finance development and partnerships.

3.1 Main challenges

3.1.1 Challenges

There are two main types of challenges, which are not necessarily mutually exclusive.

On the one hand, Host National Societies often struggle to **institutionalise systems of financial management and develop adequate capacity** among its financial staff.

- ✓ Procedures are often very centralised and cumbersome. Even small procurements often require several layers of approvals that go all the way to the top
- ✓ Poorly defined systems of governance, in some cases with board performing implementing duties
- ✓ Insufficient technical competence among finance staff
- ✓ Missing policies and procedures (finance manual, anti-corruption and fraud policies, etc.) and/or the lack of implementation of these
- ✓ Lack of knowledge to operate the accounting system and dependency on external support
- ✓ Lack of connectivity to the accounting system (infrastructure, Wi-Fi) and branches are very often not connected
- ✓ Difficult to find and retain qualified staff

On the other hand, there can also be fundamental problems of **integrity**:

- ✓ Weak or missing commitment to change – "tone at the top" – this is highly person-dependent, and where there is commitment to change, it can be vulnerable to leadership changes.
- ✓ Fundamental integrity challenges wherein personnel at all levels pursue personal gains
- ✓ Recruitment not based on skills/competencies

The former are issues that can be directly addressed by FD support. The latter are more critical, and can undermine the long term benefits and the impact of FD support. They cannot be easily addressed directly, and may require a more political approach.

3.2 Types of FD support activities

NorCross has developed a wide range of activities to support National Society Development), in general, and Financial Development (FD), in particular. FD related activities are the concern of this Strategic Evaluation has also been the core of NorCross support to National Society Development.

The FD support can be usefully grouped into the following types of activities:

- ✓ **Technical advice on overall systems and governance structures.** The entry point has often been bilateral discussions between NorCross advisors and National Society leadership. NorCross developed its FD approach in collaboration with IFRC in the earlier days of support in Southern Africa, but increasingly the support has been contracted bilaterally. The NorCross technical FD support was to a large extent delivered directly by the then head of Financial Development and also by the Federation regional FD advisor.
- ✓ **Assistance in installing and operationalising an accounting software.** This has been a key activity in most countries supported in Africa. Almost all countries have opted for the Navision system. NorCross has supported the procurement and installation of the software, and has supported training of staff in its use. In Africa, NorCross has facilitated ongoing support from Vega Software Ltd., a Nairobi-based company that specialises in providing support in the use of the Navision software package.
- ✓ **Drafting of systems and policies.** NorCross has provided technical assistance for putting in place key elements of a well-functioning financial management system. Most importantly, a number of National Societies have received support to develop and/or update their Financial Management Guidelines/manuals. Several National Societies have also received support to develop policies and procedures against corruption and fraud.
- ✓ **Ongoing mentoring and coaching.** More ad-hoc technical support has been provided on an ongoing basis to a number of National Societies, particularly where there have been in-country NorCross delegates with FD competence. This has been the case in, for example, Burundi, South Sudan and Zimbabwe.
- ✓ **Systematic overhaul of entire Finance Department.** This is an approach that has been adopted in recent years. Lebanon RCS was the first National Society to receive this type of systemic support, and it is currently being replicated in Iraq and, to some extent, in Syria. Some of the FD programmes implemented in partnership with ICRC may also fit best under this category.

3.3 Modalities for delivering support

Modalities for delivering support refers to how the FD support is delivered, and who is responsible for the deliverables. NorCross' original modality for delivering FD support was "born in" Africa, and is commonly referred to as the *African model*. This simply refer to a modality of delivering FD support where the support is mainly delivered directly by NorCross.

The *Lebanon model* presents a very different modality of delivering support. This is where support is outsourced to a consultant. And where the design and delivery of the support is handed over to the consultant company. In Lebanon, the contracted consultant company took over the administration of the Host National Society's finance department for a specific period of time

A still newer modality is presented by the *partnership with ICRC*, where NorCross is providing the technical FD support through the ICRC, often in countries where NorCross currently does not have any bi-lateral presence and where ICRC has the mandate and access to operate. In addition, there is an increasing use of *consortia*, where NorCross delivers FD support to NSs in collaboration with other Partner National Societies.

The types of modalities and their respective characteristics and geographic coverage are summarised in the table below.

Modality	Characteristics	Geographic coverage include
Bilateral NorCross support ("the African model")	<ul style="list-style-type: none"> ✓ The support is typically the result of conversations between NorCross and the HNS ✓ The most common interventions have been installation and operationalisation of Navision, and development of a Financial Manual ✓ Support has been given both remotely (Burundi, Somalia) and through in-country technical support (South Sudan 2012-13) ✓ Effectively, no set exit date, often few defined milestones 	<p>Historically: Mozambique, Zimbabwe, Zambia, Rwanda, South Africa, Lesotho and Madagascar (albeit this was not strictly bilateral as it was delivered with IFRC).</p> <p>Currently: Burundi, Somalia, South Sudan, Myanmar and Pakistan.</p>
Outsourcing, delivering through consultant ("the Lebanon model")	<ul style="list-style-type: none"> ✓ The financial management function is effectively outsourced to an external consultant, who revamps the system, advices on hiring, typically replacing the management of the Finance Dept. for a specific period of time. ✓ Responsibility gradually transferred back to the NS with support and mentoring ✓ Set end-date of support, with defined milestones 	Lebanon and Iraq
ICRC partnership	<ul style="list-style-type: none"> ✓ Programmes initiated by ICRC in countries where NorCross are not working. NorCross is invited to partake due to their position as the Movement's leading provider of FD support ✓ ICRC is lead, and NorCross work along with their procedures 	Nigeria (since 2018) DRC and Libya (starting up) Burkina Faso and Ivory Coast (planned)
Consortia (NorCross supporting in collaboration with other RCRC Movement members)	<ul style="list-style-type: none"> ✓ This modality is becoming more used, and can be used in combination with any of the ones above. There are two, not mutually exclusive, versions: <ol style="list-style-type: none"> 1. Co-financing of an FD programme 2. Bundling of programmes, with NorCross providing FD support as part of a wider NSD programme, and other NPSs doing other components (e.g. British RCS doing HR in Syria), and often in partnership with IFRC and/or ICRC. 	Syria and Iraq

3.4 The challenges of achieving long term sustainability

Long term sustainability in the humanitarian work performed by the Red Cross and Red Crescent Movement is fundamentally dependent on the emergence of strong National Societies in the countries where there is a need for humanitarian assistance. As is stated in the Red Cross Framework for National Society Development:²

"In particular, external support which is not rigorously geared to supporting a National Society in developing its own domestically sustainable core services is likely to have little or no positive long-term impact on National Society development, and may actually weaken the National Society in

² IFRC. 2013. *National Society Development Framework*, P. 28.

the long run. Such support often can be neither multiplied nor sustained over time, so has minimal impact on vulnerable people at comparatively large expense.

Finally, it is also important to recognize that complex change takes time, is risky and may take unexpected directions. Any actor wishing to support change within a National Society must be prepared to be patient, be flexible and make allowances for genuine learning processes and evolutions of thinking."

The point that the development of strong National Societies is key to long term sustainability is a strong and obvious one. At the same time, it is also clear that in order for National Society Development to have a lasting impact, it is important to have a long term perspective and an approach based on realism, with a clear exit strategy and national ownership.

Questions are increasingly being raised on the sustainability of the FD support. The concerns over the sustainability of the FD support has two main sources.

Firstly, there is the concern that NSs that have received FD support over a long period of time continue to depend on external assistance to perform basic financial management tasks. One example is Burundi RCS, which has received support since 2006, but which continues to require support to use Navision to produce financial reports. Similar problems are observed in South Sudan, where Navision was originally set up in 2013, while they still continue to be heavily dependent on support from the VEGA consultants.

The continued need for technical support for the use of Navision needs to be put in context. The agreement for continued technical support from VEGA, is part of the licensing requirement from Microsoft (who supplies the software). Although the need for this support on its own, should not necessarily be seen as a sign of weak sustainability, the issue here is of the HNS' ability and willingness to take over the ownership of the operation of the system. The cost of licensing is obviously a factor, and something that needs to be considered when selecting software.

Secondly, a number of corruption cases has occurred over the last years. Seeing that a primary objective of FD support is to ensure that finances are managed with professionalism and integrity, this has obviously raised some level of doubt about the impact of FD support and its sustainability. Notable cases are among the longest standing recipients of FD support, namely Mozambique and Madagascar. More recently, forensic audits have also been initiated in Burundi and South Sudan, and financial support has been suspended in both countries. The fact that there were not any reported cases earlier, should not be taken as an indication that there were no cases of corruption before. It is more likely that there were similar cases earlier, but that they were not detected. In that sense, the recent reports of corruption, may be a sign that the system of detecting corruption has become better.

Both the apparent shortcomings when it comes to making FD support bring about lasting effects, and incidence of financial malpractice, can be traced back to the quality of leadership in the National Societies and the extent to which they assume ownership of the support process. A key finding that emerges from this evaluation, is that sustainability depends to a large extent on the HNS' commitment to change, and the existence of a clear exit strategy with defined milestones. This will be discussed in further detail in the following sections.

3.5 Existing standards for Financial Development support

For any organisation operating in the humanitarian sector, strong finance systems and procedures are key to improve humanitarian impact:

- ✓ Budgeting and monitoring is important to ensure best use of resources
- ✓ Accounting and documentation is important to make sure that there is an audit trail to track how funds are spent
- ✓ Internal control, reporting and audit is important for mitigating corruption risks and for creating trust from donors, partners, beneficiaries and the public in general

Creating a common framework and standards to which all parties in an organisation must adhere to, will enhance good performance and ensure quality.

The Finance Development program has been running for about 20 years, but so far, no common standards have been established. In 2018, NorCross initiated the process of creating FD standards, which will be in place by the end of this year. This framework will be an important tool, not only within NorCross, but also for the RCRC movement as such.

The motivation to establish these standards, spring from a need to:

- ✓ Streamline and have a more efficient approach to FD Support
- ✓ Have a clear definition of the FD Support program and narrow the scope
- ✓ Ensure quality in the FD Support program

The FD standards should be based on:

- ✓ International accounting standards
- ✓ Institutional donor requirements
- ✓ Best practice in the sector

The standards should clearly define NorCross' approach and in addition, create a common understanding of FD standards within the movement.

Are there any established financial standards in the humanitarian sector?

There are no universal financial standards for organisations operating in the humanitarian sector as such. National laws on accounting and accounting standards, being the Norwegian GAAP (Generally Accepted Accounting Principles) or IFRS (International Financial Reporting Standards) will bind any registered organisation, pending on where the organisation operates. In addition, any organisation receiving funding from institutional donors will be bound by the requirements set out in the grant agreement. This implies that the institutional donors to a large extent are defining the standards for both accounting, financial management, as well as procurement. Best practice will very often be aligned with the requirements from the largest institutional donors (ECHO; EuropeAid, UN agencies, sovereigns). As many of the NS are partnering with several PNS, they often have to adhere to requirements from a number of institutional donors.

To support organisations, actors such as "Humentum" (previous Mango, Inside NGO and Lingo), has developed a "Guide to Financial management", which is being adopted by many NGOs and INGOs working in the humanitarian field.

What approaches do peer organisations have to financial development and to partnership agreements?

For the purpose of the evaluation, Norwegian Church Aid and Norwegian People's Aid have been interviewed. Both organisations work mainly through partners, social movements, small or large NGOs, in context similar to NorCross. They are facing similar challenges in regards to financial management. Both organisations are mentioning lack of qualified staff and lack of competitive salaries, and they see capacity building as a key element in their relationship with the partners.

Norwegian People's Aid (NPA) operates in about 20 countries around the world, either through social movements or through NGOs. There is a clear distinction between the two mentioned categories. The social movements very often has a lack of structure and systems in the organisation, their growth is measured through the number of members and they do not have the capacity to absorb large sums of money.

The cooperation requires close follow-up and monitoring by NPA. The social movement receives a working advance and provides NPA with documentation for expenditures, which again are accounted and audited in the books of NPA. On the other side, the NGOs are often more professional organisations. The type of cooperation with the NGOs is based on an assessment conducted before entering into a partner agreement. NPA assesses the financial management capacity of the organisation by using the "Partner Financial Assessment tool (PFAT)". There are currently no minimum requirements defined for entering an agreement, but these are in the process of being developed.

The cash modality and the level of follow-up and monitoring will depend on the rating of the organisation in the PFAT. The PFAT includes an action plan to mitigate identified risks and addresses weaknesses. NPA has not yet identified indicators to monitor progress, but they are planning to have these in place soon.

For NPA, it is important that partners demonstrate transparency, ability, and motivation for cooperation. NPA focuses on close monitoring where the risk of mismanagement of funds is high. The cost of potential fraud and corruption is considerable, compared to the cost of close monitoring. One initiative to improve monitoring, has been a tighter cooperation between finance and program staff in the field, to make the monitoring of partners a joint effort. NPA also invests time in explaining to the partner why control measures are important as part of the cooperation.

Norwegian Church Aid (NCA) is operating through partners in about 30 countries. They have two types of partner agreements, "Bilateral" and "Accompanied". The accompanied partnership includes a high degree of support and close follow-up, as the organisation is less professional in terms of systems and procedures. For the accompanied partnership, NCA is using working advance. NCA receives the original documentation for expenses and does the accounting. For the bilateral agreements, the partner receives a cash advance in two tranches, some partners in three, throughout the year; the partner does the bookkeeping and provides an audit report at year-end.

NCA is using a partner assessment tool to assess the capacity of the partner before entering into an agreement. This tool assesses four key areas:

1. Organisational capacity
2. Accountability capacity
3. Advocacy capacity
4. Financial capacity

The assessment gives a score and a traffic light for each of the areas (0-1 =red, 2-3 yellow, 4=green). The assessment results in an action plan for capacity building, which may include training, purchase of accounting software, introduction or strengthening of policies and procedures, etc. When reassessments are being performed, the new rating will demonstrate the progress achieved by the partner. The frequency of reassessments might vary from one country office to another. Although there are common tools and guidelines within NCA, the practice among the country offices varies. This is one of the reasons why NCA this year launched the "Country office assessment program" looking at how the offices comply with NCA policies and procedures and how the country office can improve its performance. With a decentralized model, NCA has seen a need to streamline and to monitor compliance.

To reach their mission and to deliver humanitarian assistance, both NPA and NCA see a need to invest in capacity building of their partners. Both organisations have an efficient approach to assessments before entering into partnership, but there is no systematic methodology to measure progress. However, a common tool for assessment of the partners is key to decide on cash modality and the type of support that should be provided.

4. Review of NorCross experiences with FD support

4.1 Effectiveness of support – earlier evaluations

The effectiveness of NorCross' FD support has been the object of a system-wide evaluation twice, previously. These are the 2011 evaluation – *Finance Development: A Five-Year Review of Progress*, by Roberta Bensky, and the 2016 evaluation – *Finance Development Evaluation Report For Support To National Societies: East Africa and Guatemala in Americas*, by Rhoem Consulting. Both evaluations conclude that NorCross' support to Financial Development has yielded positive results.

Their findings are summarised in the table below.

	2011 evaluation	2016 evaluation
Scope and method	Evaluation builds on case studies of 12 National Societies, with document reviews and interviews with National Societies.	Evaluation builds on case studies of 5 National Societies, with document review, participatory outcome mapping, focus groups and interviews.
Key findings	<p>Positive results in terms of:</p> <ul style="list-style-type: none"> - Improved financial planning, budgeting and monitoring processes - Increased awareness in NSs of importance of sound financial management - Enhanced cooperation within National Societies and with their partners <p>Less positive in terms of:</p> <ul style="list-style-type: none"> - Not clear to whether FD support tailored to needs and capacities of each NS – particular questions on the suitability of Navision for NSs with weak capacities - No systematic use of baselines and indicators - With evolution of FD programme, a weakening of coherence of approach and coordination was observed - NSs still struggle to implement and sustain organisational change 	<p>Positive results in terms of:</p> <ul style="list-style-type: none"> - Improved financial policies and procedures - Strengthened internal controls - Improved governance and risk management - Increased awareness of importance of resource mobilisation - Improved organisational structures and awareness of importance of FD <p>Less positive in terms of:</p> <ul style="list-style-type: none"> - Need for clear plan to mobilise FD support from PNSs and IFRC - Lack of systematic follow-up of assessments, progress reports and requests from NSs for assistance
Observations on NorCross approach to partnerships	No mention	"The NorCross approach was a «breath of fresh air» in comparison to other initiatives as it's structured on equal partners relationships."

	2011 evaluation	2016 evaluation
Importance of commitment to change	<p>"Engaging commitment from National Society governance structures (e.g., Boards) and, in some cases, senior management is a challenge. ... Within the National Society, engagement and commitment in implementation of the programme is key to the programme success." (p. 14)</p> <p>"In those National Societies that had a key person (a "driver") promoting and monitoring finance development efforts within the organisation, the level of awareness, understanding and commitment of staff at all levels was high." (page 16)</p> <p>"With a few exceptions, there is an overall weakness in the capacity of members of National Society governance structures, especially at local level, to understand the importance of and commit to finance development efforts. This lack of commitment and capacity at the highest levels can severely hinder progress within the National Society." (p. 16)</p>	<p>"[FD] is a long-term process that is dependent on country contexts, social aspects as well as the willingness and commitment of the National Societies." (p. 2)</p>
Observations on systematic use of FD standards	<p>No systematic use of standards. A fragmentation of the programme and inconsistent reporting against baselines and targets. Reports not allowing for comparison over time and between countries.</p>	<p>"There is no clear and systematic way of ensuring that initial assessments that determine the type of support NSs require are followed up as there is no defined ownership, the implementation has been more of a reactive vs. proactive approach." (p.5)</p>
Issues relating to corruption	<p>No mention of corruption in the programme level review.</p> <p>One mention of an isolated case of fraud in the case study of the Zimbabwe Red Cross Society.</p>	<p>Evaluation does not refer to any identified cases of corruption or alleged corruption. The only discussion of corruption is in reference to the need for anti-fraud / corruption policies.</p> <p>" Assisting the NSs in the modification and dissemination of the fraud and anticorruption policy has led to a more risk aware culture leading to high standards of integrity, ethical values, transparency and accountability" (p. 12)</p>
Issues relating to sustainability	<p>Achievements are not yet rooted in organisations. Recognition that</p>	<p>"Finance Development is a long term process while the expectations of the results are short term" (p. 3)</p>

	2011 evaluation	2016 evaluation
	"change takes time and constant review and adjustment" (p. 5)	NorCross' approach to partnership (see above) seen to be supportive of sustainable capacity building.
Recommendations	<ul style="list-style-type: none"> - Review logical framework to ensure that all aspects of FD captured and up-to-date - Prepare format for a common assessment, and use this for developing trackable baselines and indicators - Develop a comprehensive Finance Development Handbook - Develop centralised and decentralised models for financial management and assist each NS to choose the one that is most suitable for them - Ensure that gender aspects are included in terms of reference for all reviews 	<p>Wide range of detailed recommendations including:</p> <ul style="list-style-type: none"> - Need to embed FD in NS programme activities - Use third parties for assessments and strengthen tools - Scale up governance and risk component - Strengthen NorCross organisational set up for delivery and follow up of FD support - Develop different financial management models according to risk rating - Develop structured models for training - Continue to engage and involve IFRC and PNS in FD Programme and develop a clear plan of action defining roles and responsibilities - Develop a comprehensive FD Handbook

As can be seen, there are clear similarities between the two evaluations, both relating to method and findings. They are based on in-depth case studies of National Societies, and their overall findings on the effectiveness of NorCross' approach to FD support are to a large extent based on the positive responses by the National Societies. Also, the documented effects are to a large extent based on outputs, not outcomes.

Put differently, the evaluations documented that systems had been put in place, such as Financial Management Guidelines and electronic accounting systems, but had less solid documentation on whether these systems were actually effectively used. This reflects a by now commonly observed phenomenon in international development assistance on *form versus function*. That is the relative ease of putting systems in place (*form*), versus the much more challenging task of ensuring that they are actually used as intended (*function*).³ As we will argue, this is connected to national ownership of FD activities and commitment to change. These are points that we will continue to return to throughout the evaluation.

Both evaluations also note a lack of systematic use of baselines and indicators, and recommend that NorCross develop a comprehensive FD Handbook to set define the approach and set unified standards for Financial Development.

4.2 Assessment of effects of FD support in case countries

The scope of this evaluation includes an assessment of FD support over the last five years. The following assessment is based on a higher level review of documentation of programme documents and interviews. It has not been possible to produce a detailed analysis of goal achievement based on

³ See, for example, Pritchett, Lant, Michael Woolcock and Matt Andrews (2012). "Looking Like a State: Techniques of Persistent Failure in State Capability for Implementation," CID Working Paper No. 239, Centre for International Development at Harvard University.

programme targets and indicators, as the programme has not set quantifiable targets against which it has reported. This, of course, is a finding in itself.

Instead, we focus on identifying factors at the programme level, including the extent to which the programme has been delivered according to clearly defined standards and on the modalities for delivering support. Particular attention is paid to the value for money aspect, sustainability of the support and documentable impact on delivery of humanitarian support.

The assessment presented uses the six selected case countries as reference points. They are divided into two main groups. Firstly, the African National Societies, Burundi, Somalia and South Sudan, whose support are aligned with NorCross' longer standing approach to FD. Secondly, the case countries from Middle East and North Africa (MENA) and Asia, Lebanon, Iraq and Pakistan, where the support in recent year have dramatically changed in its modality of delivery, in the case of Lebanon and Iraq, or is still in the start-up phase, in the case of Pakistan.

The African National Societies

All three of the African case studies have been covered by previous evaluations. Burundi was covered by both the 2011 and 2016 evaluations, and Somalia and South Sudan, where support started later, were covered by the 2016 evaluation.

Burundi Red Cross Society (BRCS) has been highlighted as one of the success stories of NorCross' support to National Society Development. When the NorCross included BRCS in an Africa scale-up of NDS in 2006, the National Society was weak and not well functioning. By 2011, its core budget had increased 10-fold, and number of core staff more than 5-fold.⁴ Most impressively, BRCS has managed to mobilise a cadre of more than 600.000 volunteers.⁵

Financial Development support has made up a relatively small part of NorCross' support to BRCS since 2011, averaging at about 3% of total support.⁶ Much of this has gone to establishing Navision at HQ and supporting the roll-out of Navision to branch offices, and for continuous support to the HQ for the operation of Navision. Before NorCross started supporting the establishment of Navision, the NS did not do accounting. Financing of the BRCS programme is through Cash Transfer.

There are no clear milestones set for the FD support. Available documentation does not provide an overview of key indicators such as timeliness of financial reporting or availability of clean or qualified audits. Information gathered through interviews of NorCross staff, however, suggest that the quality of financial management has not continued to improve in recent years:

- ✓ HQ continue to depend on external support to operate Navision
- ✓ There seems to be little commitment to "own" the FD support from the side of BRCS. As a case of example, a previous NorCross Regional FD Advisor found that key staff would be absent at the time of his scheduled visits (to the point to which he started making unannounced visits in order to increase his chances of getting to consult with the relevant staff)
- ✓ Following reports of alleged financial misdemeanour, a forensic audit is currently underway and support from Norad to BRCS has been suspended
- ✓ The BRCS Secretary General, in interview with the evaluation team, stated the board and senior management experience challenges in performing their control role, as they have limited capacity to understand the financial reporting

⁴ Samuel Asamoah (2011). "Baseline: Burundi Red Cross Society. Financial Management," Norwegian Red Cross.

⁵ See, for example, IFRC (2018), "Burundi Country Support Plan. March 2018).

⁶ Calculated from budget data provided by NorCross, see Appendix 4.

There is currently no clear strategy on FD support for Burundi, and support is provided in a reactive manner. On the question on what impact the FD support has had on the effectiveness of humanitarian support in Burundi, interviewed NorCross staff answer that they have no way of knowing.

Somalia Red Crescent Society (SRCS) has received Financial Development support from NorCross since 2013. The support started from a very low level of financial management capacity. SRCS did not have own financial systems or qualified finance staff. Support started with an initial assessment that produced a Plan of Action with about 60 activities, of which all but two were given a "High" priority.⁷ The Plan of Action did suggest indicators, but did not provide clear baselines and milestone, and it has not been used to track progress in a systematic manner since. In average, NorCross FD support has been at about 2% of total programme support.⁸

A new plan was developed in 2016. This was led by the Regional Finance Development Advisor for Africa. The model for assessment was adapted for the purpose, loosely based on previous templates and IFRC material. The plan developed did not contain clear baselines and milestones.⁹

The FD support has assisted SRCS to put in place core systems and capacities for financial management. According to the interviewed NorCross staff reporting timeliness has improved, a core budget has been established and it is likely that partner confidence has increased. The National Society remains highly dependent, however, on external support for financial management, particularly in the continued operation of Navision. NorCross' mode of financing for SRCS is Working Advance.

It is likely that the FD support has contributed to strengthen the delivery of humanitarian aid to Somalia. It has contributed to improve the level of trust from other PNSs. Perhaps tellingly, to the question of whether the FD support has helped the delivery of humanitarian aid in Somalia, a previous delegate responsible for Somalia responded that nobody had asked him this question previously.

South Sudan Red Crescent Society (SSRCS) has been supported by NorCross since its establishment after the birth of South Sudan in 2012. Support has been granted to SSRCS for putting financial management systems in place, training of staff, support to adapt and operationalise Navision at HQ and in branches. At average, NorCross FD support has been at about 3% of total programme support.¹⁰ NorCross is providing financing to SSRCS through cash transfers.

The FD support has been important in terms of putting in place basic practices of financial management, but the National Society remains dependent on continued external support. The National Society continues to experience technical issues with Navision, and is dependent on support from external consultant to use Navision to operate the system.¹¹ There is no clear plan in place for ending the dependence on external support.

There is currently a forensic audit underway in South Sudan, and support to SSRCS has been temporarily suspended. NorCross has assisted SSRCS in a place an anti-corruption policy and is currently supporting its dissemination at branch level. A NorCross advisor who has worked with the SSRCS FD programme observes that there has not been sufficiently close follow up of the National Societies activities on the ground, and that there continues to be clear need for close follow up, both to strengthen capacities of the National Society, and to ensure proper financial management.

The three African case countries present a number of common features:

⁷ SRCS (2013). "Proposed Shared Plan of Action 2013-2014 - by the team", Financial Management Meeting – 19.01-20.01.2013 Hargeisa, Somaliland

⁸ Calculated from budget data provided by NorCross, see Appendix 4

⁹ Interview previous Finance Development Advisor for Africa.

¹⁰ Calculated from budget data provided by NorCross, see Appendix 4

¹¹ The technical support for operating Navision, is provided by Vega, a Nairobi based company.

- ✓ NorCross FD support has been instrumental in all cases to put in place a relatively functional financial management system that is capable of producing financial reports in a reasonably timely manner
- ✓ This has in all cases helped strengthen the confidence of other PNSs, and has contributed to improved resource mobilisation for the National Societies
- ✓ Although there are no clear way of documenting this, it is likely that the FD support has contributed to improved delivery of humanitarian assistance by the supported National Societies

The above points, clearly point to a positive effect of NorCross' FD support, even in the more challenging contexts. At the same time, there are also a number of less positive features that are equally clear:

- ✓ All National Societies remain dependent on external assistance to use their Navision accounting systems to generate financial reports in a timely manner. It is not necessarily the case that it would have been less challenging using any other accounting system, although it could be easier for the NSs to take ownership of a system with lower licensing costs.
- ✓ The quality of financial management has not been systematically monitored, and there are no clear plans for FD support with defined milestones and exit plans. Somalia RCS and South Sudan RCS both have Plans of Actions with a number of baselines and targets, as of 2017, but there is not yet evidence that these have been used to monitor progress.
- ✓ The financial management of the National Societies remain vulnerable to corruption, evidenced by the ongoing forensic audits in Burundi and South Sudan.

MENA and Asia

The case countries from MENA and Asia – Lebanon, Iraq and Pakistan – provide a different set of examples of NorCross FD support. These cases were not covered by the 2011 and 2016 evaluations.

Lebanon Red Cross (LRC) has emerged as the clearest success story of NorCross FD support, and provides a very different model from the ones previously used by NorCross. The Lebanese case is well known:¹²

- ✓ By 2013, the Syrian refugee crisis had reached its peak, and the demand for LRC's services was increasing dramatically with a massive budget increase
- ✓ Increased pressure revealed dysfunctional finance department with long payment delays and poor timeliness and quality of financial reports, and failed audits
- ✓ Lebanon got a new Secretary General who saw the seriousness of the situation and was committed to do what it would take to put matters right
- ✓ Following discussions with NorCross, it was decided to hire a consulting company – RTM - to first take over the finance department, oversee the hiring of new Finance Director, and support with gradual handover of duties back to LRC according to set milestones

The approach is commonly acknowledged as a success. LRC now has a new functioning system in place, with qualified staff, and provides financial reporting on time. Payments are made on time, no longer causing delays in the delivery of humanitarian aid. The visible improvements in financial management has also helped LRC to raise significant financing from national contributors, thus aiding their financial independence.

¹² Documentation on the LRC FD support described include Forcault, H. (2017) "Case study Partnership Project: Financial Development at the Lebanese Red Cross, Norwegian Red Cross, and LRC (2017). "Lebanese Red Cross Society. OD and FD", presentation at NorCross regional meeting 26 Oct. 2017, Beirut.

LRC are now delivering good quality financial reporting independent of external assistance. However, they still receive funding from NorCross to cover cost salaries for financial staff.

Iraq Red Crescent Society (IRCS) had received FD support from NorCross previous to the approach described here, but that had not managed to convince the organisation to modernise a financial system that was based on manual reporting. Many of the organisation's accountants were not computer literate. NorCross provided IRCS with a custom made accounting software some years but it had never implemented it.

A turning point came when failure to deliver financial reports had a direct impact on the IRCS President, who consequently decided that there was a need for a comprehensive overhaul of the Society's finance department. Following initial discussions with NorCross, contact was set up between the IRCS President and the Secretary General of Lebanon Red Cross. This led to a decision by IRCS to request NorCross to hire RTM to implement the same model reform in Iraq as the one done with such success in Lebanon.

Following this decision, RTM was hired for the preparatory phase. Before start-up, RTM asked NorCross to commit to a budget for the reform of USD 1,5m.¹³ This triggered a wider discussion with other PNSs, and as a consequence of this a consortium was set up to secure sufficient scale of the funding. NorCross has committed 61% of the budget, and ICRC, and Red Cross Societies of Denmark, Sweden, Finland and Germany have committed the other 39%.

The expected start- was in February, but the project is still stalled. This is partly due to problems finding a sufficiently qualified director for the finance department. Those interviewed, also inform the evaluation team that there is considerable resistance against reform at all levels below the President. This has contributed to the delayed start up. It is therefore much too early to say anything about the likelihood of success in Iraq. The key factors of interest to this evaluation are:

- ✓ The importance of support from the very top to get the process started
- ✓ The use of a tested reform as a model
- ✓ The use of preconditions relating to commitment from Host National Society (ensuring key personnel are in place), and from the funders (ensuring sufficient financial commitment), before rushing to start

Pakistan Red Crescent Society (PRCS) is a new FD partner for NorCross. Preparations for the FD programme were started by the new Regional FD Advisor for Asia, in 2017. An assessment was conducted by the Regional FD Advisor in 2017, based on an assessment tool that he adopted specifically for the task.¹⁴ The tool was partly modelled on the one used in Lebanon.

There is no plan to do a comprehensive overhaul of the Finance Department. Rather, the approach will be to develop tools and processes on demand. The developed Plan of Action is comprehensive, and includes more than 100 activities, under 14 outputs and 6 objectives.¹⁵ The expectation currently is that the project will start by January 2019. According to the Project Concept, the focus will be on "improving PRCS's internal controls and building capacities of its staff to ensure efficiencies and effectiveness in operations".¹⁶

The indicative budget commitment from NorCross is NOK 500,000 per year. The planned project will be financed and implemented by a consortium led by NorCross, with contributions from German Red Cross and ICRC. The total indicative budget is for NOK 4,3m over 2 years (approx. USD 500,000). The start of the project has been delayed to due to political uncertainty connected to the recent termination of the Secretary General's tenure. NorCross' programmes in Pakistan are implemented

¹³ Interview with RTM consultants, 30 October, 2018.

¹⁴ Norwegian Red Cross (2017). *Assessment Financial Management of the Pakistan Red Crescent NHQ in connection with the partnership review*, Norwegian Red Cross Asia Region Finance Office, May 2017.

¹⁵ "FD LFA and POA," non dated excel sheet provided by FD Regional Advisor for Asia.

¹⁶ Norwegian Red Cross (2017). "NorCross Project Concept Note", 6.10.2017.

through Direct Procurement, which means that procurements are made directly by NorCross, with no funds being transferred to PRCS.

Of the MENA case countries, only Lebanon has an operational FD programme, but this is also the one programme that is most distinctive of all of NorCross' country programme and which is attracting most attention. As can be seen, the Lebanon case seems to have avoided many of the problems that we see in the African cases – as for example, continued dependence on technical support to produce financial reports and vulnerability to corruption, although it may still be too early to say if these will be lasting improvements.

Most consulted NorCross staff defined "the Lebanon model" by its modality of implementation – an FD programme implemented by a consulting company temporarily taking over the finance department. Looking closer, there are a number of other factors that stand out:

- ✓ The programme had strong support from the top of the organisation
- ✓ The start of the programme was made conditional on having a competent head of finance in place
- ✓ The programme was based on a thorough baseline study
- ✓ The programme had clear milestones
- ✓ The programme was time-bound with a clear exit strategy
- ✓ There was permanent, on-site technical support
- ✓ There was a significant budget dedicated to the FD component
- ✓ The FD support was combined with wider range of OD support with other components being supported by other PNSs, as well as parallel activities provided bilaterally by NorCross, such as support to strategy development, OCAC, Branch Organisational Capacity Assessments (BOCA) and roll out of financial systems to branches.

These factors are not necessarily dependent on a modality where the programme is implemented by an external consultants.

4.3 Recent developments

In addition to the case countries, there are other recent development that merit consideration. These are the FD support programme being developed for Syria, and the new programmes being developed in partnership with ICRC, where work has started in Nigeria and DRC.

NorCross' current Financial Development support of the Syria Arab Red Crescent (SARC) started in response to request from a recently appointed Finance Manager. SARC had been offered FD support five years ago, but, according to a respondent, were not ready to receive it then.

NorCross started by doing a complete review of SARC's processes, which was done using the NorCross tool for National Society Assessment which had been developed by the previous Global FD Advisor. The assessment was conducted by NorCross' regional advisors. It included a Change Readiness assessment, which was developed specifically for the purpose.

The assessment identified and documented a number of gaps at the organisational level. On the basis of the assessment, NorCross developed a comprehensive Action Plan in collaboration with the National Society. This plan was subsequently shared with other stakeholders in a 2 day workshop.

The outcome of the workshop was considerable buy-in where PNSs picked up different components of the programme:

- ✓ British Red Cross: Human Resources component
- ✓ Norcross: Accounting Software
- ✓ IFRC and NorCross: Financial Management Manual
- ✓ ICRC: Financing of roll-out and training of staff

On the basis of this division of labour, the programme is now being implemented as separate projects under one programme, in a consortium led by NorCross.

A strategic collaboration with ICRC has been set up, where ICRC has requested NorCross to lead Financial Development in countries affected by complex emergencies or conflict. This has provided an opportunity to engage in countries where NorCross has currently no bi-lateral presence and where ICRC has a mandate and better access, which is seen as a valuable opportunity for NorCross. Accepting ICRC's request for support may also consolidate NorCross as the leading PNS in the area of Financial Development support.

The ICRC programme is planned to include 6 countries, in two phases. Phase one will include five countries in Africa: Nigeria and Democratic Republic of Congo (DRC); and Ivory Coast / Burkina Faso / Liberia in a sub-regional initiative, and one country in MENA, Libya. Based on a review of the results in phase one it might be decided to expand the support to additional countries in phase two.. So far, the programme in Nigeria has started implementation, whereas initial discussions/scoping missions have been taking place in the other countries.

The support to Nigeria Red Cross Society (NRCS) started with a joint scoping mission with ICRC in 2018. The National Society was seen to show willingness and commitment to change. An FD Assessment was subsequently done, and a Plan of Action is now also in place and being implemented. NorCross seconded a Financial Development Delegate to ICRC work with the NRCS.

This is clearly a valuable opportunity to contribute to Financial Development in a new setting, but there are also some indications that there can be some challenges with going into a new partnership constellation without a clear set of criteria for how support should be planned and implemented. This evaluation has not done a detailed study of the Nigeria case but some observed issues merit mention:

- ✓ The role of the NorCross Financial Delegate does not appear to be clearly defined. Is the FD Delegate leading the FD programme or providing technical assistance on demand?
- ✓ How thorough was the assessment of leadership commitment? Some interviewees mention that the commitment of the NRCS Finance Manager has been questioned, and that it is uncertain how this may impact on the success of the FD support and whether this is an issue that is likely to be addressed by NorCross/ICRC/NRCS.

The support to Red Cross of the Democratic Republic of the Congo (RCDRC) has is currently in the planning phase. A joint scoping mission has been conducted together with ICRC. A preliminary assessment was done as part of the scoping mission. The assessment was based on an updated version of what had been developed by the previous Global FD Advisor. The next step will be to develop a draft Plan of Action and budget.

There was no structured assessment of the commitment to change by the leadership of (RCDRC). This was assessed through the dialogue with the leadership. The mapping of personnel and competencies has not yet been done. NorCross will pay for the FD Delegate and second to the National Society, but the delegate is not yet recruited.

Although the scoping mission and assessment were done in collaboration with the National Society, it seems likely that the process going forward to draft a plan of action has been too rushed to secure a solid buy-in from RCDRC. NorCross did suggest to ICRC that there may be limits in the commitment to change from RCDRC, but ICRC insisted that the support needed to be provided regardless. This may not be the optimal solution for securing sustainable change.

ICRC's demand for technical assistance in the area of FD support will continue to increase as the programmes are expanded to more countries. At its present level of capacity, NorCross will struggle to meet this demand. This means that if the level of ambition indicated by the ICRC partnership is to be maintained, NorCross would need significantly to strengthen its FD support capacity. This is recognised by the NorCross FD team. However, there may also be a need for NorCross to define a much clearer approach to FD support.

Mention should also be made of IFRC. They do not currently play a key role in any of the NorCross programmes covered by this report. There is a perception that IFRC could have played a more active and effective role in recent years in terms of their role as natural coordinator within the Movement for NSD. They do have a presence with FD Advisors in most if not all regions. The IFRC regional FD Advisor has played a role, for example, in NorCross' support to FD in Myanmar. IFRC did have a much more prominent role in earlier years, when NorCross worked closely with the Federation in the development of its FD support approach in Africa. It could be important for the Red Cross Red Crescent Movement to have the Federation increase its role in defining global standards for Finance Development, and aligning FD as part of NSD more broadly. NorCross could consider to more actively have this dialogue with the Federation again in the regions where it works

5. Lessons learned

On the basis of the case studies and the examples from the recently started ICRC partnership, a number of lessons learnt can be extracted. These lessons are further backed up by the findings of previous evaluations and interviews with NorCross staff.

Lesson 1: The failure to develop a defined NorCross approach to FD support has resulted in a lack of efficiency and a system that does not support institutionalised learning. There are a number of models for assessment and tools for providing FD support, but there has never been one set standard that has been used. While Samuel Asamoah was the lead NorCross advisor on FD, he did develop, among other things, an FS Assessment tool, but this was not formally adopted as the tool to use, and it has also been updated and modified on numerous occasions.

The lack of a standardised approach has a number of implications:

- ✓ There is no system whereby NorCross can made decisions on whether or not to support, scale of support or type of support and financing modalities (i.e. whether to use Cash Transfer, Working Advance or Direct Procurement) in a structured manner
- ✓ Considerable resources are used to develop and/or adapt tools in each case
- ✓ The approach becomes highly person-dependent and does not enable efficient building of an institutional memory

NorCross is currently working on developing a set of standards for Financial Development support. This will be touched upon again under the recommendations.

Lesson 2: There has been no consistent format of reporting, which makes it difficult to assess the effectiveness of FD support. This makes it challenging to assess the effects of FD support. It particularly makes it difficult to track developments over time. The lack of standardised reporting is makes it difficult for NorCross to maintain oversight over progress and the status of country programmes.

Recent Plans of Action, as for example that of Somalia and South Sudan, do have a number of indicators, with baselines and targets. There is evidence that the indicators have been tracked,¹⁷ but there is no evidence that this is presented in standardised periodic reporting, that would allow monitoring of results at a higher level. Also, using the example of South Sudan, different documents use different formats of logframes and indicator tables.¹⁸

The lack of systematic tracking of results at the country level obviously affects the reporting at the higher programme level. The majority of FD support activities are funded through the Norad agreement. In the Narrative report for the 2017 (the first year of the new 2017 – 2020 programme), under *Outcome 3; The National Society has sound financial management and predictable financial resources*, one "NorCross NDS indicator" is stated for number of prioritised branches that have a resource mobilisation plan.¹⁹ The number is not provided. On the case of South Sudan, the results framework with indicators provided in the Report's annex, is different from the ones referred to in the previous paragraph.

¹⁷ A summary of updates on indicators for South Sudan, for example, has been provided to the evaluation team. The source given is a document titled "ITT NSD SS".

¹⁸ The document "Organisation Development Log frame_finaldraft" does not provide values for baselines and targets, and has fewer indicators than the summary table referred to in the previous footnote.

¹⁹ Norwegian Red Cross (2018). *2017 Progress Report, Cooperation Agreement between the Norwegian Agency for Development Cooperation and the Norwegian Red Cross*.

It should be noted that NorCross is well aware of the challenges in systematic reporting. In the Norad 2017 Progress Report (Annex 1), there is a logframe for the Outcome "There is a global, coordinated, harmonised and evidence based National Society Development Approach. One of the indicators is "# of target NS that report having used NSD guidelines, tools or materials." The baseline for 2016 is given as "0". The indicator for year 1 (presumably 2017), however, gives a result of 4, over the target of 2. It is not stated which four NS this refers to.

Lesson 3: Poor information management contributes to inefficient planning and management of FD support. Several respondents referred to a problem of poor document management and archiving. FD staff finds it difficult and time-consuming to track down historical documentation on FD support. This is also connected to the issues referred to above, with a lack of system in approach and documentation.

Respondents cited the existence of a very large amount of information, but that this is "not processed or organised". Decisions tend to be based on personal choices, and the basis for decisions are often not documented.

The evaluation team experienced the challenge of documentation first hand, when we upon our request of receiving the most essential documentation received approximately 700 documents. The current NorCross work on information management will be an important contribution to the work to strengthen approaches to FD support. A possible challenge that needs addressing is that the new information management system – PIMS – is organised in projects. The system does not have an overall thematic organisation, where information relating to Financial Development support can be tracked.

Lesson 4: The issue how best to support Finance Development for branches, and whether it is a realistic to start by aiming for a consolidated budget and audit are recurring themes for which there does not appear to be ready solutions. The need for more structured options for centralised and decentralised financial system has been identified in both previous evaluations. It is not clear that any further progress has been made in this area.

Lesson 5: The NorCross approach to programming has been based on trust, and not sufficiently backed by controls and objective assessments of risks, which has made partnerships vulnerable to poor management. NorCross FD approach originates from Southern Africa, where FD programmes were built up around close collaboration between the lead NorCross FD Advisor, IFRC and Host National Societies. Many respondent to this evaluation cited the choice of the mode of financing as an example of NorCross approach being based on trust to a too high degree. Cash Transfer has consistently been the preferred modality of financing. The rationale for this has been that only by allowing the NS to handle its own finances, could it develop capacities in an organic manner. It appears that this basis for this decision has been more ideological than based on objective assessments of risk.

An unintended effect of this might have been to overload the HNS financial capacities and exposed them to risks for which they were not equipped to handle. It may have been preferable to adapt a more gradual approach, where capacities for good financial management are put in place first, and the responsibility associated with Cash Transfer be transferred to the HNS at a later stage.

The current move to strengthen controls by appointing permanent NorCross Finance Officers to support NorCross Country Managers in monitoring the use of NorCross funds will provide controls to mitigate (some of the) risks.

Lesson 6: Commitment to Change is arguably the key deciding factor for success of FD support. There are both positive and negative lessons on the importance of Commitment to Change for success in FD support. The importance of strong and committed leadership was underscored by the experiences in Mozambique and Madagascar, where in both places, a change in leadership led to an unravelling of practices and uncovering of systemic corruption which has ended collaboration with NorCross. Somewhat less dramatically but equally significant for the purposes of this evaluation, there are signs that weak commitment and leadership in countries like Burundi and South Sudan, is hindering a more sustained improvement in financial management.

The positive example is, of course, provided by Lebanon, where the appointment of a Secretary General who was willing to make hard decisions and handle strong internal resistance, and was key to a successful intervention which delivered sustained improvement over a relatively limited time-span.

The consulting company that implemented the Lebanon programme has repeatedly stressed the importance of assessing Commitment to Change and to make it a precondition for support. Much could be gained by adopting a more structured approach to assessing commitment to change.

Lesson 7: Chances of sustained improvement in financial management improves through adopting an approach that sees it as part of wider National Society Development and through leveraging scale of support through wider partnerships in the RCRC Movement. The recent examples of Iraq, Syria and Pakistan, show how partnerships with other PNSs can enable more systematic and longer term approaches to FD and NSD. Although scale in itself is no guarantee of success, using NorCross FD competence to leverage support from more partners can achieve significant economies of scale, and hinder fragmentation of NSD support. This may involve higher transaction costs up-front, and take longer to set up, but is likely to pay off in the longer term.

Moreover, the chances of a more collaborative and coordinated approach to be more effective would be further increased in the presence of a more clearly defined NorCross approach to FD support, with clear criteria for support and processes for assessment, planning, implementation, reporting and learning.

6. Conclusion and recommendations

6.1 Conclusion

The picture that emerges from this evaluation is one of NorCross still searching for its approach to Financial Development support. NorCross has emerged as the lead PNS in the Movement on FD support, both due to the nature of the funding – Norad having capacity building of southern partners as a priority – and due to the pioneering work NorCross has delivered in FD support in the last 20 years.

However, the work has been highly person dependent and at no stage has NorCross developed set standards for FD support. The lack of a standardised system has led to an increasingly fragmented approach which has not maximised opportunities for learning, and a lack of structure in reporting, which has led to inefficient information management and little systematic monitoring and reporting of effects.

Both earlier system-wide evaluations have recommended standardisation and the development of a NorCross manual for FD support. The work on common FD standards has now started, and this is therefore an opportune moment to also look at the overall strategy of delivering FD support.

As discussed above, the NorCross partnership model has often been described as a one based on trust. The confidence in this approach has recently been shaken, with incidents of corruption detected in a number of countries. Strengthening control over the use of funds from NorCross is seen as a priority, and questions are being asked whether this is best supported by a narrower approach to FD support, where direct control of funds is seen to be more effective than a longer-term approach of strengthening Host National Societies' own control of the use of resources.

At the same time, the Lebanon success has presented a new model for delivering FD support. This model stands in sharp contrast to what is often referred to by many NorCross staff as the "African model" in NorCross. While the "African model" is flexible and based on close personal follow up, the "Lebanon model" is a highly structured methodology, with clear milestones and an end-date. It is also delivered by consultants, who come with their own defined methodology, and who function as a buffer between NorCross and the Host National Society. The choice between the two models has to a large extent been seen as the choice between modalities of providing support, between the bilateral "African model" and the use of a consultant in the "Lebanon model".

This evaluation suggests that this comparison is partly misleading, and that that it may be more useful to consider the following factors:

- ✓ The process by which the FD support is defined and designed
- ✓ The extent to which commitment to change has been assessed, monitored and supported over time
- ✓ The design of the programme, in particular the extent to which it is based on a clear assessment and a has defined baselines and milestones, with a stated end-date
- ✓ Continued monitoring, follow up and adjustments during implementation
- ✓ The scale of the programme and how it is linked with overall strengthening of National Society Development

The "modality" for providing the FD support is also, obviously relevant, but we suggest that this is a secondary consideration. The final section provides recommendations suggesting how this can be achieved.

6.2 Recommendations

Recommendation 1: Adopt a set process for how to develop programmes for Financial Development support. The time has come to define the NorCross Financial Development support approach. The advantages of having a set process include:

- ✓ It provides predictability and assurance of quality
- ✓ It provides defined tools and processes, thus enabling a quicker and more efficient start and implementation of planning and design

The process should ensure a systematic approach to scoping the need for FD support, doing an assessment, developing a project, through to implementation and exit. A suggested structure is provided in the table on the next page.

The process has been based on the best practices of the Regional FD Advisors and the team from RTM (the Lebanese consultants).²⁰ The value of requiring that the development of all new country programme go through each of these steps, is that it ensure a minimum standard in terms of the consultative process. This serves the twin-purposes of strengthening buy-in and quality assurance.

This is arguably particularly important when engaging in partner-driven processes, such as the current partnership with ICRC. If partners argue for a "streamlined process" in order to expedite the planning process, the risk is that one gets sub-optimal buy-in from the Host National Society, and that the quality of the subsequent plans are compromised.

Having a set process, and making support conditional on following the process puts NorCross in a stronger position up front. In turn, this will put NorCross in a stronger position in terms of ensuring that it can deliver on its commitments.

It is recognised that there may be cases that call for more ad-hoc assistance, particularly where it is directed towards strengthening controls of the use of NorCross programme resources. Such support may be ad-hoc training of finance or programme staff in the sister organisation,

In cases where there is not sufficient commitment from the Host National Society to ascertain buy-in for reform objectives, it is not recommended that any subsequent support is classified as Financial Development support. It could also be misleading to classify any such support as Capacity Building, as capacity building is a term that denotes an aspect of longer term strengthening of organisational capacities.

In cases where management support is too weak to consider setting up an FD support programme, it would be doubtful whether any shorter term support, such as training, would be likely to lead to sustained improvements. Therefore, ad hoc support provided with the primary objective to strengthen oversight of NorCross programme resources, should be seen as a part of the NorCross general programme support, and not a stand-alone FD support programme.

²⁰ The basic structure was developed through the Financial Development Workshop in Nairobi, 28 October 2018.

Table 1 Recommended steps for a standard NorCross process for Financial Development support programming

	1	2	3	4	5	6	7
Step in process	Scoping mission	Diagnostic	Option analytic workshop	Pre-plan	Proposal	Implementation	Closure
Outputs	<ul style="list-style-type: none"> ✓ Meeting with HNS ✓ Meeting with RCRC partners ✓ Preliminary assessment of commitment to change 	<ul style="list-style-type: none"> ✓ Participatory self-assessment ✓ Change management diagnostic 	<ul style="list-style-type: none"> ✓ Workshop for HNS and RCRC partners 	<ul style="list-style-type: none"> ✓ Concept note circulated with HNS and RCRC partners 	<ul style="list-style-type: none"> ✓ Project Document 	<ul style="list-style-type: none"> ✓ Implementation of plan ✓ Regular reporting on KPIs ✓ Mid-term review 	<ul style="list-style-type: none"> ✓ End report ✓ Evaluation / End review
Purpose	<p>Ensures that the whole context is considered, and that there is a platform for possible further collaboration</p> <p>Also provides a basic overview of issues to be considered, and will give some insight into commitment to change</p>	<p>Produces the required gap analysis to give an overview over priority areas for support</p> <p>Gives insight into commitment to change, an important requirement for support</p>	<p>Providing options for reform for consideration, this strengthens ownership and commitment to reform</p> <p>Also a valuable opportunity to explore options for co-financing and collaboration with other PNSs</p>	<p>Another iteration of planning process to ensure buy-in and commitment</p>	<p>A complete plan for implementation with baseline and targets (KPIs)</p>	<p>Regular reporting shall be against KPIs and required updating and adjustment of plans</p> <p>As far as possible, should include information on the status of quality of NS financial management and risk assessment.</p> <p>A Mid-term review should be done for programmes running three years</p>	<p>End report to show whether intended results have been delivered and changes in quality of financial management</p> <p>Independent evaluation for additional quality assurance</p>

Recommendation 2: Prioritise developing FD support programmes with scale through partnerships. NorCross should build further on its recent experiences in Syria and Iraq, by achieving scale in programmes through partnerships with other PNSs, ICRC and the Federation. Value for money can be achieved when there is sufficient scale to develop holistic programmes with sufficient resources to cover the key areas, while ensuring that there is technical capacity available for support and oversight (whether directly by NorCross, through consultants).

Recommendation 3: Develop and adopt a set of standardised tools. To back up the standard process of programme development and implementation, NorCross should adopt a set of standard tools. The tools should not be seen as static, and be open to adaptation as needed, and continuous improvement. At a minimum the tools should include:

- ✓ A participatory self-assessment to produce a holistic gap analysis, covering both financial management and wider governance issues
- ✓ Change management diagnostic, to assess the commitment to change

The tools should be part of an accessible tool-kit. It is further recommended that all adaptations of the tools and all completed reports be made available in one dedicated archive.

NorCross has already made a good start in putting in place tools to standardise its approach to the technical aspects of Financial Development support. NorCross has shared with the evaluation team draft standards for Budgeting, Accounting, Accounting Software, Compliance, Financial Reporting, Internal Control, Auditing, and Finance HR structure and management.²¹ The standards are comprehensive and covers all main financial activities. Going forward it is important that NorCross places the standards in the context of an overall FD manual that situates the standards in an operational context. There needs to be a clear process for how the standards will be applied and used in FD support programming.

It will also be important to assess the key indicators thoroughly, as some seem very challenging to measure. In general, the number of indicators could be reduced and NorCross should keep only those that are fit for purpose. This is further discussed in recommendation 4.

Recommendation 4: Develop set format for progress reports and require regular reporting using Key Performance Indicators. Developing a set standard of reporting will enable tracking implementation of planned activities and outputs in each country. Reporting should also include key outcome indicators capturing the quality of financial management by each supported National Society. Relevant indicators could include:

- ✓ Timeliness of financial reporting
- ✓ Timeliness and status of audits
- ✓ Consolidated budgets and audits
- ✓ Resource mobilisation (both from PNSs and national private and corporate donations)

By capturing these indicators over time, it would be possible to track the development of financial management in supported National Societies over time. There is presently not a system in place to do this. It may be useful to liaise with the Federation, which has developed a "Control room" showing key data for each National Society.²²

²¹ "FD standards draft November 2018 consolidated document".

²² This was demonstrated to the evaluation team by the IFRC FD Advisor during an interview with the evaluation team in Nairobi, 31 October 2018.

Summaries of key indicators would form the basis for aggregated programme reporting. This would be particularly relevant to reporting to Norad for the programme that provides the majority of financing for FD support.

Recommendation 5: Develop clear criteria for the different modes of financing. Currently the standard mode of financing for programmes delivered through National Societies have been Cash Transfer. The recent increase in cases of corruption has raised concerns that too much trust has been placed in the systems of National Societies and that there has not been sufficiently strong follow up from NorCross. At the same time, it is also clear that Cash Transfer is the system that is most efficient when the National Society has sufficient capacity, competence and integrity to handle it.

It is recommended that minimum criteria are defined for the use of Cash Transfer and Working Advance. In cases where the National Society does not meet the minimum criteria for Cash Transfer, clear milestones could be set that would enable the National Society to qualify for receiving Cash Transfer.

Recommendation 6: Develop models for different solutions to decentralised financial management systems. Most HNSs have particular challenges with aligning their branches' financial systems with the centralised system. There may be significant gains by developing an option of solutions that can be offered as alternatives to the overall aim of having consolidated budgets and audits.

Recommendation 7: Expand NorCross' pool of Financial Development Advisors. The demand for NorCross' technical expertise on FD support is currently increasing. It is recommended that NorCross urgently explores options for hiring more full-time FD Advisors or establishes a pool of available FD Advisors on an assignment basis. There is a need to expand the core of permanent staff. It may also be considered if there is a need to have a Global FD Advisor who has the capacity to oversee and coordinate the Regional FD Advisors, and oversee reporting and the use and development of tools at a global level.

This will require more resources for FD support, but this may be necessary for NorCross to maintain its position as the leading Red Cross Society in this area. An increase in resources would also be a welcome signal that NorCross' leadership is committed to further strengthening the work on FD support.

Consultants may be used to supplement competencies and capacities, but it is likely to be more cost-efficient to build in-house capacities. An exception may be the use of established partnerships such as RTM, but this is not likely to be relevant for more than one or at most two countries at the time.

With the caveat that the evaluation has not comprised a comprehensive review of NorCross existing FD staff, it is suggested that the most pressing need is for staff with a combination of financial management skills and development programming skills. Particularly, there could be considerable benefits from hiring a Global FD Advisors, while still maintaining FD Advisors for all regions. FD Advisors should continue to have the overall programming responsibility, while the responsibility for delivering services such as training, could more easily be outsourced to consultants.

Another consideration regarding prioritising NorCross own capacity strengthening, is that in terms of National Society Development, there may be a case to be made for first focusing on one area, rather than spreading scarce resources over several areas. NorCross is currently aiming to provide support in the areas of FD and PMER. It may be argued that FD answers a more pressing organisational need, and that it may be strategically wise to first concentrate NorCross' efforts on FD support, and then consider adding PMER as a priority at a later stage.

Recommendation 8: Elaborate NorCross' Theory of Change. As noted in the background section, NorCross theory of change does place FD support in its results framework, and does provide indicators. How strengthened FD management by Host National Societies will contribute to humanitarian aid, however, is not explained by the model. It was also obvious from the interviews with FD Advisors, that this was an issue that has not been much discussed. It may be beneficial to revisit the theory of change, to explore exactly how the FD support is expected to contribute to humanitarian aid.

Recommendation 9: Prepare a management response to this evaluation. Some of the recommendations in this evaluation echoes the ones from previous evaluations, notably when it comes to the need to develop more unified standards. It is not clear how those evaluations were treated by NorCross, and this evaluation has not been able to trace any management responses to those evaluations. Our final recommendation is therefore to prepare a management response, where the plans for implementing the recommendations are presented or where reasons are given for not accepting them.

Appendix 1 Interview list

The following interviews were conducted:

Dates	Interviewees	Location
15.10.2018	Madelon Schneiders, NSD Coordinator, NorCross Torgeir Vasaasen, Team Leader Program Support, NorCross Lars André Skari, Head of Strategy and Results, NorCross	Oslo HQ
17.10.2018	Marte Fremstad, Head of Finance and Grants Unit, NorCross Tørris Jæger, Director of International Programs and Preparedness Department, NorCross	Oslo HQ
19.10.2018	Anselme Katiyunguruza, Secretary General, BRCS	Skype
22.10.2018	Dr Yassin Abbass ,President, IRCS Anthony Wani, Deputy Secretary General, SSRCS	Skype
26.10.2018	Rana Kablan, Regional Representative, MENA, NorCross	Skype
30.10.2018	Leo Otieno, Regional FD delegate, CM Burundi, NorCross David Okello, Regional Finance Manager, MENA, NorCross Omar Kayani, Regional Finance Manager/FD Advisor, Asia, NorCross	Nairobi
31.10.2018	Joanna Radziukiewicz, Regional Representative, Africa, NorCross Ingrid Kristiansen, Regional Finance Manager/Deputy Regional Representative, Africa, NorCross Samuel Asamoah, IFRC	Nairobi
01.11.2018	Linda Brox, Controller, Norwegian People's Aid Per Bondevik, Head of Global Finance, Norwegian Church Aid	Oslo

Appendix 2 Terms of Reference

Terms of Reference (TOR) for NorCross Strategic Evaluation

Study on:

“Support to the development of National Societies Financial Management capacity”

1. Summary

Purpose: The evaluation will identify from existing literature and operations which activities are likely to contribute to improved humanitarian delivery through finance development support. In addition, the evaluation will inform NorCross internal capacity building on FD and the development of FD cooperation with the ICRC and partnerships with Movement-external actors.

Audience: Norwegian Red Cross and RCM partners will use the insight from the evaluation to improve results from financial development programming and further develop technical competencies in this field.

Commissioners: This study is being commissioned by NorCross International department, section on Strategy and Evaluation”

Reports to: Head of Strategy and Evaluation

Duration: Maximum 40 working days, not including the overall management of the evaluation.

Timeframe: September to November 2018

Methodology summary: Primarily desk study of relevant documentation, combined with semi-structured interviews with individuals in institutions with a high degree competency in Financial Development in countries with conflicts and protracted crisis

Location: Desk-study combined with visits/interviews/workshops with leading expert communities in Community Health Promotion in Africa and Asia

Application requirements: Broad experience from Financial Development Support to civil society (incl RCM) in countries in conflict and protracted crisis.

2. Background

Norwegian Red Cross (NorCross) aims, as part of its international strategy, at improving the Financial Management of National Society partners as part of National Society Development (NSD) to enable improved humanitarian impact.

As part of the present Norad funding-cycle to 2020 NorCross is supporting 12 NS partners in the area of Financial Development: Burundi, Somalia, South-Sudan, Afghanistan, Pakistan, Iraq, Lebanon, Palestine, Colombia, El Salvador, Guatemala and Honduras. In the overall NorCross results framework FD-support is defined under the enabling objective “Improve Financial Development, Resource Mobilisation and PMER” and the underlying outcome “The NC financial management and financial resources enables efficient and effective humanitarian results”. Indicators of achievement of NS-support for this outcome are: *consolidated annual budgets, established mitigation routines to prevent fraud and corruption, consolidated annual financial report and Annual income and surplus raised domestically from individual/corporate donors and from income generating activities*. Under the enabling objective: “Strengthen complementary roles and responsibilities” one of the indicators is *RCRC Movement standards for Financial Development established and published*. Under the enabling objective: “Strengthen complementary roles and responsibilities” one of the indicators is *RCRC Movement standards for Financial Development established and published*.

The FD intervention area is characterized by challenges in demonstrating lasting change and impact across partners from the supported interventions. NorCross wants to assess what types of interventions works where and why, to use this information to improve their overall strategic approach in the area. This evaluation will therefore go beyond stock-taking of immediate and medium- term results of NorCross support to NS in the areas (outputs and outcomes). The aim is to conduct a strategic learning-exercise by mapping and analysing what mechanism successfully cause

activities/interventions to trigger desired changes to NS-practice, and to use these insights to articulate changes in future FD interventions.

With this background, tasked by the Strategic Management Team April 2018, Norwegian Red Cross will prioritize to develop a better understanding of best practices and define technical standards for financial development interventions. This would aim to increase objective fulfilment of its international strategy.

This learning process will include collaborative work amongst technical experts during June 2018 – June 2019 and entails an evaluation of finance development interventions which again will inform program designs during 2019 onwards.

3. Evaluation Purpose & Scope

Purpose (overall objective). The evaluation will identify from existing literature, operations and leading expertise what activities in Finance Development (FD) support to National Societies are likely to contribute to improved humanitarian delivery. In addition, the evaluation will inform NorCross internal capacity building on FD and the development of FD cooperation with the ICRC and partnerships with Movement-external actors.

The audience of the evaluation, Norwegian Red Cross and RCM partners will use the insight from the evaluation to improve results in their financial development programming and further develop technical competencies in this field.

Scope. This scope of this strategic evaluation is

- **Geographic and organisational scope:** Experiences with PNS in countries in conflict or protracted crisis in Mena, Africa or Asia having received financial development support from NorCross or other RCM donor national societies and peer organisations the last 5 years
- **Thematic scope:** Assess value for money of relevant modalities of financial development support, particularly the model where FD support cover a broad range of activities over a longer period of time (such as in Africa) vs support to a few key activities over shorter period of time with the aim to meet short term goals (such as Lebanon, Iraq etc.).

4. Evaluation Criteria – Objectives - Questions

Evaluation criteria

The primary evaluation criteria for this study is **Value for money** defined as the optimal use of resources, given restrictions and constraints, to achieve the intended outcomes. Definition of optimal: The most desirable possible given expressed or implied restrictions or constraints (see UK National Audit Office cited in British Red Cross Value for Money Workshop, GVA April 2016). Value for Money is comprised of two core elements:

- effectiveness: what are the intended outcomes,
- efficiency: how to achieve the intended outcomes

The aim of the evaluation is to answer a set of questions (although not limited to), organised under three main objectives

Objective 1: Main challenges and modalities for Financial Development support mapped and analysed

1. What are the main persistent challenges faced by National Societies in financial management in target countries for this study?
2. What are the most critical financial management challenges to address to ensure improved humanitarian impact through National Societies in the target countries for this study?
3. What are the main different modalities that have been used to support National Societies with Finance Development by RCRC Movement partners and which ones are more likely to provide Value for Money?
4. How can long-term sustainability of financial development support be ensured while allowing for time-bound interventions and investments?

5. What are, if any, the established standards for financial development support that ensure improved humanitarian impact?

Objective 2: NorCross experiences with Financial Development support analysed

6. To what extent have financial development support by NorCross been implemented according to established standards?
7. What are the planned and unplanned effects of financial development support provided by NorCross in (selected) target countries?

Objective 3. Implications for improved performance for NorCross Financial Development support defined

8. What are the most effective interventions of financial development that NorCross should aim to support in National Societies in areas of conflict and protracted crisis?
9. What are the criteria for successful financial development interventions of NorCross in countries of conflict and protracted crisis?
10. What changes must NorCross do to be able to fulfil the requirements of the new criteria?
11. What concrete actions should NorCross take to fulfil the requirements (skillsets, standards, organization, sustainability etc)?
12. What should be the role of NorCross and what can be sourced from local, regional and international consultancy firms and/or NorCross corporate/institutional partners such as PwC? I.e. what capacity and resources does NorCross need and what can be more effectively sourced through consultancies or external partnerships?

5. Evaluation Methodology

This strategic evaluation will be a meta-study of relevant international experiences in Financial Development support in National Societies in relevant countries in conflict or protracted crisis. The resources and time available for this study does not provide the opportunity to conduct traditional results-oriented program/project evaluations or evidence-based evaluations. Its objective requires a broader approach to data collection to collect lessons learned from a variety of relevant program and projects, to be used in the overall NorCross learning process.

Key data sources

Secondary data will be the main data sources for this study, and will include evaluations, reviews and studies on Financial Development Support within the defined scope. This means much of this study will be a desk-review of:

- NorCross projects in Financial Development Support, with focus on M&E-data (baseline study, midterm evaluations, regular monitoring reports, etc)
- Evaluations, reviews, assessments, reports and studies on Financial Development Support conducted by or for other RCRC PNS (such as Sweden, Denmark and UK), peer institutions and relevant companies having worked with National Societies or corresponding organizations.

Data sources are also expected to include interviews with individuals in institutions with a high degree of insight and expertise in the focus areas of the study. In addition to NorCross itself, this may include RCM members, relevant consultancy companies, and peer organizations. It is expected that this will be further defined in an Inception Report.

6. Deliverables (or Outputs)

- ***Inception report*** with a detailed description of methodology to be used, a data collection plan, information sources and solutions to identified challenges.
- ***Draft report*** in English including background, findings, conclusions, lessons learned and recommendations
- ***Lessons Learnt workshop*** in Oslo to present and discuss the initial findings, conclusions, and recommendations from the draft report before revision and final approval of the final report.
- ***Final report*** in English of max 30 pages (excl. Executive Summary and Annexes) within 24 November 2018 including:
 - Executive summary – max 3 pages

- Background
- Evaluation methods and limitations
- Findings
- Conclusions
- Lessons learned
- Recommendations
- Appropriate appendixes

7. Proposed Timeline (or Schedule)

Time Schedule	Activities	Deliverables
Week 1 By Sept. 14	<ol style="list-style-type: none"> 1. Desktop study: review intervention documentation, and related primary/secondary resources for the evaluation. 2. Development of detailed inception report, or data collection/analysis plan and schedule, draft methodology, and data collection tools. 	1. Inception report, data collection/analysis plan and schedule, draft methodology, and data collection tools. To be approved by NorCross.
Week 2-5	<ol style="list-style-type: none"> 1. Data collection in target groups according to data collection schedule. 	1. Communities completed according to data collection plan.
Week 6 By Nov. 17	<ol style="list-style-type: none"> 1. Prepare draft evaluation report. 	1. Draft version of evaluation report.
Week 7 By Nov. 24	<ol style="list-style-type: none"> 1. Present Lessons Learnt Workshop of initial findings, conclusions, and recommendations before revision and final approval of the final report. 2. Address feedback with revisions in report where appropriate. 	1. Lessons Learnt Workshop.
Week 8 By Nov 31	<ol style="list-style-type: none"> 1. Revise and submit final evaluation report. 	1. Final version of evaluation report.

8. Evaluation Quality & Ethical Standards

The evaluators should take all reasonable steps to ensure that the evaluation is designed and conducted to respect and protect the rights and welfare of people and the communities of which they are members, and to ensure that the evaluation is technically accurate, reliable, and legitimate, conducted in a transparent and impartial manner, and contributes to organizational learning and accountability. Therefore, the evaluation team should adhere to the evaluation standards and specific, applicable process outlined in the [IFRC Framework for Evaluation](#). The **IFRC Evaluation Standards** are:

1. **Utility:** Evaluations must be useful and used.
2. **Feasibility:** Evaluations must be realistic, diplomatic, and managed in a sensible, cost effective manner.
3. **Ethics & Legality:** Evaluations must be conducted in an ethical and legal manner, with particular regard for the welfare of those involved in and affected by the evaluation.
4. **Impartiality & Independence:** Evaluations should be impartial, providing a comprehensive and unbiased assessment that takes into account the views of all stakeholders.
5. **Transparency:** Evaluation activities should reflect an attitude of openness and transparency.
6. **Accuracy:** Evaluations should be technical accurate, providing sufficient information about the data collection, analysis, and interpretation methods so that its worth or merit can be determined.
7. **Participation:** Stakeholders should be consulted and meaningfully involved in the evaluation process when feasible and appropriate.
8. **Collaboration:** Collaboration between key operating partners in the evaluation process improves the legitimacy and utility of the evaluation.

It is also expected that the evaluation will respect the seven **Fundamental Principles of the Red Cross and Red Crescent**: 1) humanity, 2) impartiality, 3) neutrality, 4) independence, 5) voluntary service, 6) unity, and 7) universality. Further information can be obtained about these principles at: www.ifrc.org/what/values/principles/index.asp”

9. Evaluator/s & Qualifications

- At least five years of direct full-time experience with different modalities of **financial development support** to civil society organisations in complex and fragile settings required, preferably with RCM movement
- Excellent knowledge of **finance management standards** and familiarity with trends and developments in the field
- Practical experience with **auditing** of projects managed by civil society organisations in complex and fragile settings required, preferably with RCM movement
- Insight into **organisational development** is an advantage
- Experience with efforts to reduce **fraud and corruption** in in complex and fragile settings
- Minimum qualification of a **Master in business** and administration or equivalent.
- Proven track record of conducting **similar strategic evaluations** or meta-studies required.
- Strong interpersonal and communication skills.

10. Application Procedures

Proposals will be ranked according to how they fulfil the three following requirements:

- Team qualifications (50%)
- Methodological approach (25%)
- Price (25%)

Interested candidates should submit their application material by August 12 to:

- Øivind Hetland ovind.hetland@redcross.no with copy to
- Lars-Andrè Skari Lars.Skari@redcross.no

Application materials should include (note evaluations do not always require each of these items – this is only a list of examples to consider):

1. **Curricula Vitae** (CV) for all members of the team applying for consideration.
2. **Cover letter** clearly summarizing your experience as it pertains to this assignment, your daily rate, and three professional references.
3. A brief **description** of your firm or institution (for applicants other than individual contractors).
4. **Technical proposal** not exceeding five pages expressing an understanding and interpretation of the TOR, the proposed methodology, and a time and activity schedule.
5. **Financial proposal** itemizing estimated costs for services rendered (daily consultancy fees), accommodation and living costs, transport costs, and any other related supplies or services required for the assignment.
6. At least one example of a strategic **evaluation report** most similar to that described in this TOR authored by the proposed team members.

Application material are non-returnable, and we thank you in advance for understanding that only short-listed candidates will be contacted for the next step in the application process.

Appendix 3 Literature list

The document list below provides Document names of files NorCross has shared with the team. It is not exhaustive, as approximately 300 documents that did not appear equally relevant were excluded in an early sorting.

Doc.Number	Document Name
1	Finance Development Evaluation Report for Support To National Societies - BURUNDI
2	Appeals Near and Middle East ICRC 2018
3	Appeals2018_Iraq_Final
4	Appeals2018_Lebanon_Final
5	2019 Budget ICRC Grants
6	Grant 2018 ICRC Operations Appeals
7	Grant agreement ICRC 2018
8	ICRC 2018 allocation through MoU
9	ICRC 2018 Appeal MFA letter
10	Norwegian Red Cross - Global cooperation Agreement between the MFA and Norwegian Red Cross
11	Annex 1 NorCross guideline for Preventing Fraud and Corruption
12	Annex 10 Overview of quality standards
13	Annex 11.10 Pakistan
14	Proposal: Global and regional preparedness and response
15	NorCross application for Global Cooperation Agreement 2018 - 2020
16	Partnership approach and guidelines
17	Partnership agreement 20xx - 20xx
18	The Norwegian Red Cross Grant Application: Cooperation agreement between NORAD and the Red Cross 2013 - 2016
19	Finance Development: A Five-Year Review of Progress
20	Finance Development Evaluation Report for Support To National Societies - SUDAN
21	Financial Development at the Lebanese red cross
22	Core cost Charts
23	Finance Development and prevention of fraud and corruption workshop: Beirut, Lebanon 2014
24	Project Framework Financial Development
25	Annex to the FD Framework document
26	Draft overview of FD standards, see sphere standards for inspiration
27	Draft overview of step-step guideline for FD, example (31.05.2018)
28	Fraud & Corruption Risk of Funding Modalities
29	Risk Management: NorCross Global FD Team Meeting
30	National Society Core Cost Model
31	Corporate Governance: Financial Crisis
32	Finance Manual: Key Areas
33	What is financial management?
34	Sustainability & Strategic Cost Cutting Measures
35	Budget Template

36	Project Logical Framework and PoA template
37	Finance and Accounting manual (FAM)
38	Mapping of Partners' Administrative and Financial Procedures
39	PARTNERSHIP AGREEMENT 20XX – 20XX (Partner long) AND THE NORWEGIAN RED CROSS
40	NorCorss Checklist on Corruption and Fraud
41	Operational Manual for Norwegian Red Cross' Field Offices and bilateral delegates and Norwegian Red Cross International Department
42	Job Discription: Country Finance and Administration officer
43	International programmes and preparedness: Mandate for Country Officer
44	Job Discription: Country Programme Manager
45	International programmes and preparedness: Mandate discription for the department
46	International programmes and preparedness: Mandate discription for the Programmes Units
47	International programmes and preparedness: Mandate discription for the Regional Office
48	Africa Regional Framework 2018 - 2020
49	NorCross Internal annual results report for Africa region
50	Plan of Action: Africa Region
51	NorCross Quarterly Regional Report Africa Region – Q2 (April-July 2018)
52	Asia Pacific Framework Document 2018 - 2020
53	NorCross Quarterly Regional Report Asia – Q2 (April-June 2018)
54	Plan of Action: Asia Region 2018
55	MENA Regional Framework 2018 - 2020
56	NorCross Quarterly Regional Report MENA – Q2 (April-July 2018)
57	NorCross internal annual results report For the MENA Region
58	Plan of Action: MENA Region 2018
59	The reorganisation of NorCross' international department 2015
60	International Plan of Action 2018
61	Norwegian Red Cross partnership Status and changes 2012- 2020
62	International Strategy 2015-2020
63	NorCross Result Framework - internrational portfolio
64	NorCross results framework 2018-2020
65	Organizational Chart int. dept. incl Field Structure
66	Strategy Implementation - Ambition 2020
67	Strategic objectives overview - FD
68	Burundi Country Support Plan
69	Final ITT
70	Internal Assessment and Approval of Project
71	Annual Project Agreement between NorCross and the Burundi Red Cross Society

72	Report and Cash Request NORAD - Actual vs. Budget per Activity
73	Burundi Red Cross Society financial review November, 28-02 December, 2006, Bujumbura, Burundi
74	Financial Review of the Burundi Red Cross Society, 2006
75	Burundi RC Travel Report, Yngve Stokke
76	Terms of Reference: Review of the financial and administrative routines of the Burundi RCS
77	Burundi RC Project Agreement 2007
78	BRCS Organizational Development Analysis
79	Progress Report on Navision Implementation in BRCS
80	BRCS Mission Report, 2008
81	Progress Report on Navision Implementation in BRCS (2)
82	Finance Development Baseline for Burundi RC
83	Note on the Evolution of the Financial System (Navision) in BRCS from 2005-2009
84	Cooperation between the NRC and the BRC
85	Budget, Burundi RC, 2011-2012
86	Baseline BRCS, Financial Management
87	BRCS 2012, one pager
88	Budget, Burundi RC, 2012
89	Burundi RC 2012 FD, Internal Audit ToR draft
90	Burundi RC 2012, Authorisation, use of consultant
91	Monitoring Document, Burundi RC 2012, Project Mission Report, February
92	Monitoring Document, Burundi RC 2012, Project Mission Report, November
93	Monitoring Document, Burundi RC 2012, Project Mission Report, June
94	Monitoring Document, Burundi RC 2012, Project Mission Report, August
95	Burundi RC – One-pager: Organisational development and role in civil society
96	Burundi RC Development Finance Budgetarie 2013
97	Core costs of the BRC
98	Burundi RC Development Finance Budgetarie 2013, Revised Budget (Utdatert)
99	Budget and Planification des Activites Pour L'Exercice 2013
100	Approval VEGA Consultancy (<i>Anmodning om konsulenttjeneste</i>)
101	Signed Agreement VEGA (1)
102	VEGA, Invoice before first visit
103	VEGA, Second invoice
104	Microsoft Dynamics Navision Accounting System, VEGA (<i>One-pager</i>)
105	Burundi Red Cross Society - Navision Accounting System Consultancy, Visit Report August 2012
106	Budget Overview including VEGA costs paid from Nbo
107	Burundi Red Cross Society - Navision Accounting System Consultancy, Visit Report March 2013
108	VEGA, Third invoice (<i>Invoice phase 2</i>)
109	VEGA, Fourth invoice
110	VEGA, Reimbursal expenses for Final Invoice
111	Fixed Assets and Decentralisation for Burundi Red Cross Society
112	Summary, VEGA ToR Checklist - Burundi Field Visits 2012-2013

113	Finance Development Report for Rwanda and Burundi, July 2008
114	Burundi Mission, December 2008
115	Consultancy Contract, Norwegian Red Cross East Africa Regional Office, Nairobi
116	Pilot project: Building sustainable local capacity in the branches of the BRCS
117	Mission Report: Burundi RC partnership meeting October 2011
118	PMER Capacity Self-Assessment, BRCS
119	PMER Assessment BRC
120	Burundi Country Brief, 2018
121	Burundi Country Framework, Final
122	Burundi Monitoring Document
123	Burundi Q2, NRC Quarterly Country Report
124	Partnership memo BRC, October 2016
125	Partnership memo BRC, February 2017
126	BRC, Brief General Assembly
127	Burundi Country Framework, Final (2)
128	Evaluation of the "Model Household Approach" of BRC
129	Hva har vi oppnådd med faddermidler i Burundi siden 2013?
130	NorCross Annual Country Report Burundi, 2016
131	NorCross internal annual results report 2017
132	Partnership Agreement, BRC and NRC
133	Plan of Action 2018, Burundi og Mali
134	NorCross Quarterly Country Report, Q1 2018 Burundi & Mali
135	Estimated Budget for IRCS Financial Software Development
136	Diagnostic Assessment of Finance Department
137	Technical Evaluation Table for IRCS Financial Software
138	The Financial and Accounting Policies and Procedures Manual for the Iraq Red Crescent Society
139	Presentation on RTM's mission
140	Iraq Country Framework
141	NorCross Quarterly Country Report, Q1 2018 Iraq
142	NorCross Quarterly Country Report, Q2 2018 Iraq
143	Partnership Agreement, IRCS and NRC
144	Iraq Country Framework 2018-2020, Summary
145	NorCross Internal annual Results Report, Iraq
146	Plan of Action 2018, Iraq
147	Plan of Action 2017, Iraq
148	NorCross Finance Development & Fundraising/Comms project updates Q1 2018, 12th of August 2018
149	Case Study: <i>Financial Development at the Lebanese Red Cross</i>
150	Budget for Finance Development Project - NorCross Support
151	Internal Assessment and Approval of Project, Lebanon
152	Budget for Finance Development Project - NorCross Support (Extended)
153	Presentation: Lebanese Red Cross Society
154	Request for Proposals, Accounting Services for Lebanese Red Cross Branches
155	Mapping of partners' administrative and financial procedures

156	NorCross Quarterly Country Report, Q1 2018 Lebanon
157	Lebanon Country Framework, 2018-2020
158	NorCross Quarterly Country Report, Q2 2018 Lebanon
159	Lebanon Country Framework, 2018-2020, Summary
160	Partnership Progress Status, July 2018, LRC and NRC
161	Partnership Agreement, LRC and NRC
162	NRC Country Strategy, Lebanon, 2017-2020
163	Plan of Action 2018, Lebanon
164	Finance Department Planning 2017
165	Finance Department Report 2017 and POA 2018
166	Proposal for Consolidating Accounting at Branch Level
167	Case Study: <i>Building Fundraising Capacity</i>
168	Questionnaire: <i>Financial Management Assessment of PRC</i>
169	Assessment Financial Management of the PRC NHQ
170	NorCross Project Concept
171	NRC NS Reimbursement Process and Guidelines
172	Pakistan Country Framework, 2018-2020
173	Partnership Review PRCS
174	External Evaluation of NRC Supported PRC Programmes in Sindh
175	NCP - Fact Sheet
176	NorCross Internal Annual Result Report: Pakistan
177	NorCross Monitoring Document
178	NorCross in Pakistan
179	Pakistan Annual Country Report, 2017
180	NorCross Quarterly Country Report, Q1 2018 Pakistan
181	NorCross Quarterly Country Report, Q2 2018 Pakistan
182	Partnership Agreement, PRCS and NRC
183	Plan of Action 2018, Pakistan
184	Financial Development Annual Report, SRCS
185	Annual Project Agreement between NorCross and the SRCS (Norad funded projects)
186	Finance Development Evaluation Report for support to National Societies- East Africa and Americas
187	Internal Assessment and Approval of Project, Somalia
188	Minutes of the FD Task Force meeting for Somalia, July 5, 2017
189	Minutes of the FD Task Force meeting for Somalia, March 15, 2017
190	Minutes of the FD Task Force meeting for Somalia, January 24, 2018
191	Minutes of the FD Task Force meeting for Somalia, May 25, 2017
192	Minutes of the FD Task Force meeting for Somalia, April 26, 2017
193	Minutes of the FD Task Force meeting for Somalia, September 27, 2017
194	Annual Project Agreement for (MFA/Norad funded projects) between NorCross and SRCS
195	SRC Budget Programme: Health & NSD, 2017-2021
196	Result Framework Somalia NSD Programme 2017-2021
197	Finance Development Annual Report, 2017

198	Financial Development Activities in 2017
199	SRCS Organizational Development Report, 2017
200	SRCS physical rehab and OD Project/programme plan 2017-2021
201	Minutes of Hargeisa April 2013 (meeting and some notes)
202	SRCS Financial Management Meeting, January 2013
203	SRC Finance Development Budget 2013/2014
204	SRCS Finance Policies and Procedures Manual
205	Financial Manual Questions
206	SRCS, Finance Development Consultant
207	Monthly Progress Report of Finance Development for SRCS 2013
208	Finance Development Workshop, 2013
209	Terms of Reference: Financial Development Programme - SRCS
210	Monitoring Document, International Projects/Programmes SRCS
211	Core Cost Budget Format
212	SRCS - Financial Management Meeting, January 2013
213	SRCS - Internal Financial Control Supervision Guide
214	SRCS Fraud Corruption and Whistle Blowing Policy
215	Job Description; NRC FD/OD Delegate
216	List of participants, Workshop
217	SRCS - Accounting and Administration Manual
218	Terms of Reference: Financial Management Review Sudanese RCS, South Sudan
219	Humanitarian and Political Situation in Somalia
220	Final Project Report, Drought in Baligubadley
221	SRCS, Briefing Note,
222	NorCross Annual Country Report, Somalia 2016
223	NorCross Internal Annual result Report: Somalia
224	NorCross Strategy for Somalia 2016-2020, Concept paper
225	Partnership Agreement 2017-2021, SRCS and NRC
226	Partnership Memo, SRCS 2017
227	Multiyear Project Agreement
228	Somalia Budget Programme Rehab, OD 2017
229	Somalia Country Brief
230	Somalia Country Framework, Final
231	Somalia Monitoring Document
232	SRC, Briefing Note IFRC General Assembly, 2017
233	Mid-Term review of the Finance Development Program in South Sudan.
234	Finance Development programme with South Sudan Red cross, Mission Report 2013
235	Monitoring Documents
236	Finance Development Programme Annual Progress Report, 2014
237	Status Report, Microsoft Dynamics NAV Support to South Sudan
238	South Sudan Red Cross Finance Development
239	Organisation capacity & Finance Development, NoRAD 2017-2020
240	Annual Project Agreement between NorCross and South Sudan Red Cross
241	Project/programme plan
242	Internal Assessment and Approval of Project, South Sudan

243	South Sudan Red Cross Fraud and Corruption Prevention and Control Policy
244	VEGA, Status Report August 2016
245	VEGA, Status Report August 2017
246	VEGA, Status Report March 2017
247	VEGA, Status Report January 2017
248	VEGA, Status Report November 2017
249	Country Framework, South Sudan, 2018-2020
250	ITT NSD SS
251	NorCross internal annual results report South Sudan
252	Plan of Action, South Sudan 2018
253	Partnership Agreement SSRC and NRC
254	NorCross Quarterly Country Report, Q1 2018 South Sudan
255	South Sudan Country Brief
256	NorCross Quarterly Country Report, Q2 2018 South Sudan
257	SSRC Briefing Note
258	Audit report 2015 Burundi - signed opinion
259	Audit report 2015 Burundi
260	Audit report 2017 Burundi Annexe 1 Etats financiers 2017
261	Audit report 2017 Burundi Annexe 2 Rapprochement Bancaire BANQUE BRB
262	Audit report 2017 Burundi
263	Burundi Audit 2014 C-R Norv, gionne version anglaise
264	Burundi Audit 2014 C-R Norv, gionne version française
265	Burundi RC 2010 - audit
266	Burundi RC 2011 audit CRN
267	Burundi RC 2013 2012 audit
268	Burundi, audit report 2012
269	M0902022-Lebanon
270	M0909039-Lebanon
271	M1002046 - Lebanon interim
272	M1002046 - Lebanon
273	Audit report 2011 Lebanon
274	Audit Report 2011 PRCS Lebanon C4 Financial statement
275	Audit Report 2011 PRCS Lebanon C6 Required reporting of results
276	Audit Report 2011 PRCS Lebanon C8 Internal control and risk of fraud
277	Audit Report 2011 PRCS Lebanon C9 Management Letter
278	Audit Report 2011 PRCS Lebanon Management Letter PoA signed
279	Audit Report 2011 PRCS Lebanon Management Letter PoA
280	Audit Report 2011 PRCS Lebanon OD
281	Audit report 2011 PRCS Lebanon
282	Audit Report 2015 PRCS Lebanon Organizational Development
283	Audit report 2016 Lebanon Finance Management incl internal
284	Audit report 2016 Lebanon Finance Management
285	Audit Report 2016 Lebanon Quality Control incl internal
286	Audit Report 2016 Lebanon Quality Control
287	Management letter 2016 Lebanon Financial management

288	Audit Report 2011 PRCS Lebanon Primary Health Care
289	Audit report 2012 Lebanon DM Component auditor confirmation
290	Audit report 2012 Lebanon DM Management Letter
291	Audit report 2012 Lebanon DM Questionnaire
292	Audit report 2012 Lebanon DM
293	Audit report 2012 Lebanon Questionnaire
294	Audit report 2013 Lebanon Medico Social - final report
295	Audit Report 2013 Lebanon MEDICO SOCIAL
296	Audit Report 2013 Lebanon SAR and DRR
297	Audit report 2013 Lebanon SAR and DRR - final version
298	Audit report 2014 Lebanon EMS training
299	Audit report 2014 Lebanon Health Centres
300	Audit report 2014 Lebanon Mobile Clinics - correct version
301	Audit report 2014 Lebanon Mobile Clinics
302	Audit report 2014 Lebanon SAR
303	Audit report 2014 Lebanon WASH
304	Audit Report 2015 Lebanon EMS
305	Audit Report 2015 Lebanon EMT-B
306	Audit Report 2015 Lebanon HCID
307	Audit Report 2015 Lebanon Mobile Health Clinics
308	Audit Report 2015 Lebanon SAR
309	Audit Report 2015 Lebanon WASH
310	Audit Report 2015 PRCS Lebanon CBHFA
311	Audit report 2016 Lebanon EMS incl internal
312	Audit report 2016 Lebanon EMS Quality Improvement incl internal
313	Audit report 2016 Lebanon EMS Quality Improvement
314	Audit report 2016 Lebanon EMS
315	Audit report 2016 Lebanon EMT-B training incl internal
316	Audit report 2016 Lebanon EMT-B training
317	Audit report 2016 Lebanon HCID incl internal
318	Audit report 2016 Lebanon HCID
319	Audit report 2016 Lebanon MMU incl internal
320	Audit report 2016 Lebanon MMU
321	Audit report 2016 Lebanon Operational Support incl internal
322	Audit report 2016 Lebanon Operational Support
323	Audit report 2016 Lebanon Search and Rescue incl internal
324	Audit report 2016 Lebanon Search and Rescue
325	Audit report 2016 Lebanon WASH incl internal
326	Audit report 2016 Lebanon WASH
327	Management letter 2016 Lebanon EMS Quality Improvement
328	Management letter 2016 Lebanon EMS
329	Management letter 2016 Lebanon EMT-B training
330	Management letter 2016 Lebanon HCID
331	Management letter 2016 Lebanon Mobile Medical Units
332	Management letter 2016 Lebanon Operational support

333	Management letter 2016 Lebanon Quality Control
334	Management letter 2016 Lebanon Search and Rescue
335	Management Letter 2016 Lebanon WASH
336	Audit Report 2011 Pakistan
337	Audit report 2012 Pakistan C-4
338	Audit Report 2012 Pakistan
339	Audit report 2013 Pakistan - part 1
340	Audit report 2013 Pakistan - part 2
341	Audit report 2014 Pakistan
342	Audit report 2015 Pakistan
343	Audit Report 2016 Pakistan office
344	Management Letter 2013 Pakistan
345	Management Letter 2014 Pakistan
346	Management Letter 2015 Pakistan
347	Management Letter 2016 Pakistan-Afghanistan NorCross
348	Pakistan 2012 Transaction Quiries for C-4 2 - 2012
349	M1008098 Pakistan
350	M1105054 Pakistan Monsoon
351	M1105054-Pakistan-interim
352	M1110058 PAK11029 Pakistan
353	M1409116 Pakistan
354	Audit report 2010 Somalia Red Crescent
355	Audit Report 2012 Somalia
356	Audit report 2013 Somalia
357	Audit report 2014 Somalia interim
358	Audit report 2014 Somalia
359	Audit report 2016 Somalia
360	Audit report 2017 Somalia NorCross
361	Interim Audit Report 2013 Somalia - centres breakdown
362	Interim Audit report 2013 Somalia
363	Management Letter 2011 Somalia Red Crescent
364	Management Letter 2012 Somalia
365	M0901094-Somalia
366	M0901095-Somalia
367	M1004040 - Somalia interim
368	M1004040 - Somalia Norad
369	M1004041 - Somalia interim
370	M1004041 - Somalia OD
371	M1103106 Somalia Tørke SOM11070
372	M1103106 Somalia
373	M1109136 Somalia Tørke (innsaml)
374	M1204025 Somalia interim
375	M1204025 Somalia
376	M1204026 Somalia final
377	M1204026 Somalia interim

378	M1305059 Somalia
379	M1403044 Somalia health
380	M1403046 Somalia OD
381	M1504024 Somalia
382	M1605011 end feb 18 Somalia
383	M1605011 Somalia
384	M1708042 Somalia health
385	Audit Report 2011- South Sudan Red Cross Society
386	Audit Report 2012 South Sudan Audited Accounts
387	Audit Report 2012 South Sudan Management Letter
388	Audit report 2012 South Sudan
389	Audit report 2013 South Sudan - Nairobi
390	Audit Report 2013 South Sudan CBHFA
391	Audit report 2014 South Sudan CBHFA
392	Audit report 2014 South Sudan FD
393	Audit report 2014 South Sudan interim
394	Audit report 2014 South Sudan
395	Audit report 2015 South Sudan CBHFA
396	Audit report 2015 South Sudan FD
397	Audit Report 2015 South Sudan NorCross Office Final
398	Audit report 2016 South Sudan CBHFA
399	Audit report 2016 South Sudan FD
400	Audit Report South Sudan for 2012 Finance Development
401	Interim Audit Report 2013 South Sudan
402	IP ICRC 2014 South Sudan
403	Management Letter 2011 - South Sudan Red Cross Society-Rumbek
404	M1107054 South Sudan
405	M1112107 South Sudan SDN11014
406	M1312102 South Sudan
407	M1410094 South Sudan Interim
408	M1502114 South Sudan

Appendix 4 Financial data – NorCross

Burundi

	FD budget (USD)	FD budget (NOK)	Total expenditure (all programs) (NOK)	FD support as %age of total programme support
2012	52 738	294 409	5 179 643	5,7 %
2013	75 000	458 884	6 556 437	7,0 %
2014	32 704	243 195	6 268 271	3,9 %
2015	9 677	84 648	7 999 716	1,1 %
2016	25 000 (estimate)	215 445	9 694 227	2,2 %
2017	18 556	152 368	9 449 441	1,6 %
Average 2012 - 2017		286 869	8 067 011	3,6 %

Somalia

	FD budget (USD)	FD budget (NOK)*	Total expenditure (all programs) (NOK)	FD support as %age of total programme support
2011	0	0	91 954 644	0,0 %
2012	0	0	9 328 445	0,0 %
2013	60 000	353 341	11 078 126	3,2 %
2014	143 500	1 067 100	43 800 103	2,4 %
2015	80 000	699 790	40 181 194	1,7 %
2016	80 000	689 425	21 997 368	3,1 %
2017	86 000	706 168	76 329 061	0,9 %
Average 2013 - 2017		703 165	38 677 170	1,8 %

South Sudan

	FD budget (USD)	FD budget (NOK)*	Total expenditure (all programs) (NOK)	FD support as %age of total programme support
2012	142,551	795 790		
2013	172,642	1 056 300	39 372 762	2,7 %
2014	117,224	871 708	52 345 950	1,7 %
2015	248,383	2 172 700	23 617 224	9,2 %
2016	70,728	609 520	42 542 899	1,4 %
2017	335,338	2 756 386	59 990 919	4,6 %
Average 2013 - 2017		1 493 323	43 573 951	3,4 %

Based on budget data provided by NorCross.



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