



# Organisational Review of Norcross


Norwegian Agency for Development Cooperation

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ISBN 978-82-7548-353-7  
ISSN 1502-2528

Responsibility for the contents and presentation of findings and recommendations rests with the study team.  
The views and opinions expressed in the report do not necessarily correspond with those of Norad.

# FINAL REPORT

## ORGANISATIONAL REVIEW OF NORCROSS

**Oslo, 17 November 2008**



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## ACRONYMS

ECHO	European Commission's Humanitarian Aid Office
CAS	A Cooperation Agreement Strategy
NORCROSS	The Norwegian Red Cross
GRC	The Guatemalan Red Cross
IFRC	The International Federation of the Red Cross/Red Crescent
ICRC	The International Committee of the Red Cross
HIV	Human Immunodeficiency Virus
AIDS	Acquired Immune Deficiency Syndrome
NGO	Non-governmental organisation
OD	Organisational Development
NORAD	Norwegian Agency for international Assistance
UD	Norwegian Ministry of Foreign Affairs
TOR	Terms of Reference
RC/RC	Red Cross/Rd Crescent
NATIONAL SOCIETIES	National Red Cross/Red Crescent Societies, members of IFRC
PRS	National plan for poverty reduction
OA	Operational Alliances
EKI	The Department for quality assurance and internal audit
PNS	Participating National Societies



## GLOSSARY OF TERMS

A list of frequently used terms in the context of planning within the International Federation.<sup>1</sup>

**CAS:** A Cooperation Agreement Strategy is a joint strategy by which a National Society and its partners achieve more effective cooperation at country level in order to better address vulnerability while also building lasting capacity.

**Global Alliance:** A global alliance is an enabling framework designed to mobilise capacities and resources to provide harmonised effective support to National Societies for the achievement of their country programmes within the framework of the International Federation's Global Agenda.

**Global Plan:** Refers to a document prepared by secretariat staff that describes its role in supporting National Societies worldwide. It comprises both narrative and financial components.

**The Movement:** Denotes the whole International Red Cross/Red Crescent Movement, including ICRC and IFRC and member National Societies.

**Capacity building:** Actions undertaken to enhance capabilities to achieve set objectives. These should enhance the functioning and capabilities of the National Society so that it is able to scale up and/or improve efficiency.

**Participating (or Partner) National Society:** Refers to a National Society that in cooperation with one or more components of the Movement contributes to, or participates in, activities or operations outside the boundaries of its own country.

**International Federation of Red Cross/Red Crescent Societies (International Federation):** Refers to the Secretariat of all member National Societies collectively. The term Red Cross Red Crescent is used interchangeably with International Federation.

**Organisational Development:** Actions taken to adjust to a new situation or to move from one stage of development to another in a planned manner. The aim is a new or transformed state.

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<sup>1</sup> IFRC-Planning and resource mobilisation guidelines; cycle 2008-2010, p.4.

## PREFACE

The Red Cross/Red Crescent is the largest volunteer movement in the world with about 100 million members. Norcross is the Norwegian member National Society that is involved in a number of international emergency operations, both protection of human life in natural disasters through IFRC, and in armed conflicts through ICRC. Norcross has also an extensive bilateral international development cooperation with other member National Societies of the Federation, and multilateral development cooperation through the IFRC.

This Organisational Review is commissioned by Norad and is related to the international development cooperation activities of Norcross that are *funded* by Norad. The Terms of Reference of the Organisational Review is designed to capture the essence of Norcross as a channel for long term development cooperation in terms of its likely effectiveness as an instrument for Norwegian government support to developing countries. Hence the Review focuses on the quality of the system rather than on the services themselves.

The Red Cross/Red Crescent Movement is an impressive fabric of professionals and volunteers working to make the ideals and values of the Red Cross/Red Crescent movement into a reality. The Norcross 'delivery system' for services is designed to help the most disadvantaged people in the cultures where the Federation and its member National Societies are working.

However, any outside observer that becomes more familiar with the extent and depth of the work performed by the Movement will soon become aware that any Organisational Review will be inadequate when it comes to appraising the systems and performance in terms of the true value of human assistance to the people that benefit from the assistance of the Movement in different parts of the world.

The work to assess the systems underpinning the international development cooperation part of the Movement has meant many engaging meetings with a large number of people, nearly seventy in all, of dedicated personnel in Norcross in Oslo, in the headquarters of IFRC and ICRC in Geneva, as well as the staff at the Americas zone office of IFRC in Panama, Norcross office in Guatemala and representatives of the Guatemalan Red Cross both in Guatemala City and in Mazatenango and the Guatemalan government.

We would like to take this opportunity to extend sincere thanks to all involved, for their enthusiasm and the friendly open discussions.

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# 1. SUMMARY AND CONCLUSIONS

## 1.1. Bilateral and Multilateral Norcross development cooperation (Re: TOR 1.p.1. The overall system for delivery of services in development cooperation)

This Organisational Review (OR) is a study of the Norcross *system of delivery* of long term international development cooperation projects supported by Norad. Although Norcross long term development projects are interrelated with emergency response operations, the OR does not include a study of the system for emergency operations in connection with conflicts and natural disasters which are supported by the Ministry of Foreign Affairs. It is neither an evaluation of the general *results* of Norcross projects. However, Guatemala is selected as a case study to shed light on the capacity of the Norcross system to generate result achievements. Norcross projects which are supported by Norad are primarily in health, disaster management and organisational development and Norad covers 90% of project cost. The projects are located in ten countries in addition to regional and global programs (e.g. polio, malaria campaigns)<sup>2</sup>. The normal structure is that Norcross projects are either done bilaterally, or together with Participating National Societies (PNS), or together with the Federation<sup>3</sup>, *but always with the National Society in the recipient country as executing organisation.*

Norcross` multilateral cooperation model has some clear operational advantages e.g. in that growth in project volume does not create the same need for additional resources in the home organisation as an increased bilateral volume. On the other hand, it is equally true that effective planning and follow up of multilateral cooperation does require a professional and experienced staff in Norcross headquarter that has been directly exposed to the situation and the challenges in the field through bilateral cooperation. In many cases the bilateral and multilateral operational models mutually support each other. A bilateral Norcross operation tends to get off the ground at a higher speed than a multilateral operation which requires more consolidation at the planning stage. The multilateral development cooperation work of the Federation impacts the development of National Societies, and thus also the prospects of bilateral cooperation. The Federation invests resources on behalf of its members into the development and strengthening of the work of the National Societies. The two forms of international development cooperation tend to mutually support and reinforce each other also because they are coordinated within the framework of the National Plan of a National Society. Both are important for Norcross to be able to ensure satisfactory results for project and programs to reach the most vulnerable groups in developing countries.

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<sup>2</sup> China, Guatemala, Jamaica, Libanon, Nepal, Palestina, Rwanda, Sudan, Somalia, Vietnam.

<sup>3</sup> Also called the IFRC. Refers to the Secretariat of all member National Societies collectively. The term Red Cross/Red Crescent is used interchangeably with International Federation.

In the context of the cooperation within IFRC both global and regional strategies, methodologies and tool kits are developed for the members in as different areas as financial management models, fund raising methods and more program oriented areas like disaster management, HIV/AIDS. The strategies and tools are in turn contextualised to the regional situation in the IFRC zone administrations. These methodologies and toolkits are also used by Norcross to reinforce and strengthen the bilateral development cooperation operations.

The two forms of international development cooperation pursued by Norcross converge in the National Societies. Both bilateral and multilateral models of development cooperation underpin the services of National Societies as originators of plans and executing agencies of development cooperation work. Hence it is not so much a question of Norcross pursuing bilateral or multilateral development assistance, but rather a question of striking the right balance between the two, especially taking into account what is the best approach in any given situation. As Norcross seeks to relieve the pressures on National Societies dealing with several donors e.g. through forming Operational Alliances with common planning and reporting structure, this has beneficial results in the recipient country.

When the cooperation models of Norcross are coordinated well within the framework of the national plans, bilateral and multilateral development cooperation modes will tend to mutually reinforce each other because they address different needs in a National Society. The relative role each model plays will depend not only on the stakeholders ability to cooperate, but also on the structures and needs of the projects and the composition of National Societies that are incorporated in the overall program.

## 1.2. Strategic coherence, structures, capacity and results (TOR paragraph 2, p. 4)

### 1.2.1. Coherence

There is coherence on the strategic and operational level. As one moves from Norcross offices in Oslo, through IFRC offices in Geneva, the zone administrations of the IFRC and the Guatemalan Red Cross one becomes aware of the striking *coherence* in the Movement. This coherence is not only on the *strategic level*, but also on the *program* and *project* level where IFRC methodologies and toolkits are applied in a number of areas. The strategic coherence is given a clear expression in the Global Agendas and Global Alliances. These are developed by the IFRC in cooperation with the member National Societies, but a National Society decides for itself its level of participation. The coherence in methodologies and toolkits is demonstrated through partnership and cooperation in areas like HIV/AIDS, disaster management etc. In Guatemala this was evident in both the HIV/AIDS work and in the Volunteer Development project.

### 1.2.2. Structure

The structures of both Norcross multilateral and bilateral channels for long term development cooperation have changed in the face of new demands on the organisation. In Norcross, Oslo, a number of organisational changes have taken place during the last two years to improve management planning and control. Also the IFRC has been through some significant changes in the organisational structures. By moving a number of functions from Geneva to IFRC zone

administrations (including the regional administrations of the zones), the IFRC attempts to place the functions which can best be handled close to the field in the zone operations. The new system with zone administrations (seven in all) is in a transition phase, and it is yet too early to say whether the changes will lead to more efficient development cooperation. One task of the IFRC zone administrations is to *contextualise* general IFRC strategies and methodological approaches for the different regional areas like Asia, Africa, the Americas region etc. in cooperation with the National Societies. Thus e.g. the Global agenda has an Americas expression in a separate document decided upon by the 35 National Societies of the Americas region.

The National Societies are at the core of Norcross structure for bilateral and multilateral development cooperation. While this may be said to be the greatest strength of Norcross development cooperation projects, it also tends to represent the greatest project risk. The strength of a structure that gives a National Society full ownership in every respect is that the all program priorities are decided locally and that planning and implementation are done by the National Society. Thus there is a high degree of decentralisation and empowerment of National Societies. The risk, however, is that the local partner does neither have the institutional capacity to carry out the programs, nor the capacity to maintain them after foreign financial and advisory support is withdrawn. Thus it seems essential that Norcross at the appraisal stage makes much room for its own in-depth studies of the demands of projects (bilateral or multilateral) proposed by a National Society *in relation to local institutional capacity and sustainability*. There is an awareness of this risk factor in the Norcross administration. The organisational development program implemented by Norcross e.g. in Guatemala is designed to strengthen the National Society in a number of key operational areas is an example of this. Also cooperation agreements signed by both parties prior to project start are designed to mitigate the institutional risk. All programs might, however, benefit from having an organisational development cooperation component with a view to reducing the overall project risk.

*The Lessons learnt* are applied to new strategic and operational concepts to create better coordination. The development of CAS and OA (ref. Glossary, p.9), and the introduction of revised methodologies in different areas as widely apart as HIV/AIDS and financial control systems in all parts of IFRC are good examples of this.

The Organisational Review thus indicates that the ‘system for delivery services’ of the Organisation is structurally well designed to achieve satisfactory results in international development cooperation.

### 1.2.3. The Organizational Capacity

The organizational capacity of Norcross to plan and implement project is not limited to the resource base in Oslo. Norcross has access to the significant organisational capacity of the IFRC in Geneva and in the zones, and the National Societies. Mechanisms are established that ensure access to the total resource base through the ‘appeal process’ of the IFRC.<sup>4</sup> Also in

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<sup>4</sup> IFRC gives one Annual Appeal in December/January every year that specifies the needs and project priorities of National Societies.

bilateral programs the resource base of IFRC may be drawn upon, but at a negotiated price. The role of delegates from partner National Societies is for guidance and support in specific areas of operation in the local National Society.

The goals and objectives of National societies are generally based on a study of the needs and the available human resources and expected financial resources to meet those needs in connection with the development of their national plans. This approach was evident in the case of the Guatemalan National Strategic plan for 2009-2012. A recent development is a stronger focus on results and performance indicators.

In the light of the above observations the Organisational Review indicates that Norcross has the capacity to utilize its resources in order to achieve the established goals for its work in cooperation with its partners.

#### 1.2.4. Results for End users

The results for the end users of the support which emanate from the cooperation through its local partners may be illustrated by the collection of results of the programs in Guatemala. The Guatemalan bilateral project performance is indicative of the ability of Guatemalan Red Cross to carry out projects and program. The results of the Guatemalan Red Cross in the areas of HIV/AIDS, Mother and Child Care programs and Organisational Development work were quantifiable and positive (ref. paragraph 11.2.4., 11.3.3., 11.5.4.). However, as the Consultant only reviewed one country operation the results of the Guatemalan Red Cross may not be a base for a generalisation for the overall Norcross programs. On the other hand, as the systems of Norcross development cooperation are basically the same in all countries, there is a possibility that the strength of the Organisation's system and the general approach yield satisfactory results also in other regions *if they are properly contextualised*. This is, however, not always the case<sup>5</sup>. Other times it is.<sup>6</sup> The Guatemalan Red Cross is still in a consolidation phase. Other National Societies may be weaker, others stronger<sup>7</sup>. The core issues will tend to be how to contextualise the projects and to ensure sufficient institutional capacity. The projects and plans supported are generated locally, and *it is invariably the National Societies with local employees and the many more volunteers that implement the programs*.

Another more general *quantitative* illustration is the level of Norcross disbursement of budgeted Norad support. This is of course to some extent an expression of ability to implement planned activities, but it is not an indication of the level of quality of the projects. The budgeted amounts for development cooperation have utilized close to 100% each year during the present framework agreement between Norcross and Norad.

On the *qualitative* level IFRC has worked to improve measures to monitor results and achievements. A number of sets of performance indicators have been developed by IFRC, especially in conjunction with the implementation of the Global Agenda and Strategic Alliances in various areas like health etc. The performance indicator on the strategic level for

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<sup>5</sup> Report on Conflict Sensitivity of Norwegian NGOs'. Development Assistance in Nepal, p.25, Norad, Dec.2006.

<sup>6</sup> Norad Report on the work of the Red Cross in the Palestine.

<sup>7</sup> Ref. Analysis of National Societies, enclosure 7

HIV/AIDS e.g. is that every National Society that has joined the Alliance (ca. 80 in all) shall aim at taking a 10% share of the total assistance work to alleviate the epidemic in any one country. More indirect performance indicators have been developed to measure highly qualitative achievements, like ethnic tolerance etc. Better performance indicators on the level of strategy and projects could be included in Norcross reporting to Norad. This would facilitate better communication on all levels.

The Organizational Review indicates that although there is much scope for improvement and much remain undone e.g. in resource mobilisation and volunteer development, the capacity building which has taken place in Guatemala has made the National Society more independent of outside support. The Norcross bilateral project results which have been achieved in Guatemala are positive<sup>8</sup>, and there is a potential for an acceleration of the work in other provinces through volunteers. The results in Guatemala may be indicative of generally satisfactory performance in other parts of the Norcross system, but this cannot be verified in this Organisational Review.

### 1.3. Systems for Management and Control (TOR, p.5.)

The Echo HQ audit that was carried out indicates that Norcross has reporting and functional systems in the appropriate areas of Management and Control. Although audits are concerned more with 'doing things right' rather than 'doing the right things' the response by Norcross to the comprehensive questionnaire focusing on management control, as well as subsequent discussions with Norcross staff, indicate that functional organisational structure, staff policies, financial control and general management of the organisation are adequate in relation to the commitments Norcross has assumed in the area of long term international development cooperation.

Norcross has been through a number of organisational changes that have focused on management strategy and control. Some improvements have been introduced to improve the project appraisal process, e.g. by establishing a defined base line for the project implementation process that will facilitate the monitoring process. It is imperative that the recently introduced systems for project appraisal are successfully integrated in the organisation.

The main management and control instrument of Norcross for the implementation and coordination of activities with the National Societies on the program/project level is the project implementation and monitoring system of Norcross. As IFRC (zone administrations) has worked closely with a number of National Societies to develop more specific performance indicators it may become a normal pattern for bilateral as well as multilateral cooperation that Norcross incorporates performance indicators identified by the National Societies. As a result Norcross Oslo would be able to improve its own monitoring system and also the quality of reports to Norad on results.

The Organisational Review indicates that the Organisation has the required systems for management and control. The documentation of results of projects supported by Norad may

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<sup>8</sup> ref. paragraph 11.2.4.,11.3.3.,11.5.4.

be improved by the introduction of a broader range of performance indicators both on the strategic and operational level. The reports to Norad as such appear to reflect the realities in the field.

#### 1.4. Norcross Strategy and Project selection in relation to stated Norwegian priorities in international development cooperation.

Strategies and project selection tend to reflect Norwegian priorities in international development cooperation as stated in White Paper No. 35 (2003-2004) and Norad Strategy 2006-2010. (ref. paragraph 8.2.). Recent Norcross planning documents suggest that the strategy and project selection of Norcross will continue to give emphasis to the present priority areas like Disaster Management, Organisational Development and Health (HIV/AIDS, Mother and Child Care etc.).

The Rattsø report, Norad's comments to the Rattsøreport and the recent Norad document : 'Principles for Norad support to civil society' (draft) have a bearing on an Organisational Review of Norcross international development cooperation activities. In these documents there is an increased emphasis on South-orientation, local ownership of projects as well as the advantages related to having a strong local network, climate change and anti-corruption strategies. In general Norcross programs reflect such emphasis.

The cross-border utilisation in Norcross of local resources in the South is extensive (ref. paragraph 16.1).

Local ownership is a basic principle in Norcross policies in bilateral or multilateral development cooperation. The policies of Norcross and IFRC are based on using the National Societies as the sole channel for development cooperation. IFRC and Norcross programs are related to the needs and national plans that are developed by the National Societies *themselves* (ref. paragraph 5.2.3).

Norcross has strong local networks through Red Cross/Red Crescent National Societies around the world. Thus Norcross may be assumed to be better prepared to meet natural disasters than the organisation would otherwise have been.

The increased importance of issues related to climate change, environment and anti-corruption strategies have also impacted Norcross strategies and management practices (re. paragraph 16.2,16.3.).

In a recent Norad document (draft) 'Principles for Norad support to civil society'<sup>9</sup> the concept 'civil society' is defined as 'an arena separate from the family, the state and the market, where individuals voluntarily associate to advance common views and interests on their own or on others 'account'. There is a perceptible civil society impact that follows from the Norcross programs which focus on teaching and training to enhance the human capacity of local community members. The civil society impact of Norcross programs may be exemplified by the projects and programs in Guatemala e.g. by the Mother and Child program that has given the mothers in poverty stricken communities the knowledge to take health into their own

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<sup>9</sup> Principles for Norad support to civil society, October 2008



hands in order to prevent illness and death. The programs yield sustainable development results in that they become the ownership of the local community. The programs are carried on by local community members trained by and incorporated in the Guatemalan Red Cross. Also the nation wide campaign to recruit young people as volunteers, and the training programs designed to enhance the personal development of the volunteers e.g, in Disaster Preparedness, HIV/AIDS etc. have a long- term civil society impact. Norcross is also involved in long term development cooperation with civil society effects through efforts to strengthen the National Societies in recipient countries both in relation to governance, operational efficiency and self-sufficiency in key social sectors.

However, there is scope for improvement. An IFRC and Spanish Red Cross sponsored report on Red Cross National Societies in the Americas shows that there are a number of serious and unresolved issues in the area of ‘governance’<sup>10</sup>. There is a tendency that the Governing bodies are made up of mostly men, and that they often do not reflect the socio-demographic composition of the population. This tends to be the case even though one of the ten conditions for being a member National Society is that the management and the movement should be balanced in terms of ethnicity, religious affiliation, gender etc. At times improved governance has been a component in Organisational Development programs, e.g. previously in Guatemala.

As second issue related to civil society is the role that National Societies may have as agents for change. A National Society is by statute both an auxiliary to the national government and politically neutral, also in countries where there is much social injustice. The leadership of a National Society is normally recruited from the political or social elite of a society. This gives the National Society good networks, but at the same time this may leave the organisation as a lame duck as an agent for change. Thus a frequently used expression in the Movement is ‘not too close (i.e. to the government) and ‘not too remote’. In any case it is imperative that the National Society does not enforce repressive structures in a country. It might be beneficial if the National Societies with which Norcross cooperates would be encouraged to test the limits and speak on behalf of the most vulnerable groups in society, notwithstanding that the IFRC and the Red Cross/Red Crescent National Societies is the world’s largest volunteer organisation in the world, and about 100 mill. volunteers in 186 countries come together to promote the values of the Movement in their respective societies.

The overall conclusion of the Organisational Review is that Norcross together with the international partner in international development cooperation, the IFRC, and partner National Societies (PNS) has the necessary capacity and expertise to reach its stated goals, and thereby the capacity to implement Norad funded projects and programs through host National societies. (TOR, paragraph 2. p.4.).

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<sup>10</sup> El Futuro de la Cruz Roja en America Latina y en el Caribe, p. 200, ICEI, 2007.

## 2. INTRODUCTION AND BACKGROUND

The objective of this study is to undertake a Review of the performance of the Norcross system for delivery of services. The Terms of Reference (TOR, Annex I) for the Review is therefore not related to a consideration of the services themselves, but to the system that produces them. The intention of the Review is thus to assess the extent to which Norcross together with its partners may be considered to have the organizational ability and capacity to be an effective channel for Norad- financed projects and programmes. Hence the Review will be directed at the total delivery system of Norcross projects, the home organization, the international Red Cross (IFRC and ICRC) and the system of national organizations and partners.

The TOR also emphasises that the Review shall have a main focus on capacity development with the local partners and how Norcross thereby strengthens target groups and/or civil society.

Another key aspect of the TOR is that the purpose of the Review is to examine *Norcross ability to provide effective aid*, that the results are in accordance with Norwegian political priorities, that they are relevant to the final recipients, and finally that Norcross successfully achieve the goals set by the organization itself.

The TOR details the reference material upon which the Review shall be based and that constitutes the scope of the assignment. For the sake of coherence the references to Norwegian Government policies in development cooperation are mainly taken from White Paper no. 35 (2003-2004), Norad's strategy 2006-2010, The Rattsø Commission's report, Norad's response to the Rattsø Commission's report and the recently launched Principles for Norad support to civil society.

## 3. THE METHODOLOGY

The Review of Norcross development cooperation activities is done in relation to both the agreement which Norcross has with Norad and in relation to Norwegian government policies as stated in White Paper no. 35 (2003-2004) and Norad strategy 2006-2010 (re. para 3.1. above). Both documents reflect the general requirement of the Norwegian government that non-governmental organisations receiving financial support for their international cooperation programmes should satisfy certain requirements. Reference is also made to the Rattsø report and the comments to this report by the Ministry of Foreign Affairs, as well as to White Paper no.1 (2007-2008), White Paper no. 9 (2007-2008), and the evaluation initiated by Norad's Evaluation Department of the Norcross truck project.<sup>11</sup>

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<sup>11</sup> Evaluation of the effects of using M-621 Military Cargo Trucks in Humanitarian Transport Operations (Norad Evaluation Report 3/2007.

A comprehensive questionnaire (Enclosure 2) has been introduced as part of the methodology. It has been used to obtain specific data related to the organisational and management practices in Norcross. The questionnaire was previously used by ECHO and has been updated as part of the Review.

### 3.1. Norwegian government requirements

**Firstly**, the Norwegian government White Paper (St.meld. nr. 35, 2003-2004) clarifies the kind of functions which non-governmental organisations are required to adopt if they receive Norwegian government support<sup>12</sup>. This register of functions is quite diverse and includes both activities and services that meet the immediate needs of local communities and functions which endeavour to change government policies.

Some of the functions which may be applicable to Norcross include e.g. how to promote the interests of poor or marginalised groups, promote the rights of children, make contributions with respect to public health, promote respect for human rights and the combat of violence, promote good governance, delivery of important social services, contribute with information services in relation to challenges in areas like HIV/AIDS, misuse of alcohol etc., meet the immediate needs of groups affected by war or natural disasters or the break-down of normal channels for economic activity and to contribute to promoting peace locally and nationally.

**Secondly**, the Norwegian authorities also expect NGOs that receive Norwegian government support to contribute in the development of local partners, their organisations and capacity development<sup>13</sup> by the transfer of competence that strengthens the local partners and enables them to be better equipped to handle development projects on their own.

It is a general precondition for Norwegian government support that the Norwegian partner may represent such added value. The promotion of other aspects of civil society may be the promotion of welfare for women and improving the situation for the handicapped and children. It is a clear expectation from Norwegian authorities that NGOs receiving government support are actively supporting the human rights of marginalised groups either by delivery of goods or services or by promoting their rights in society.

**Thirdly**, the Norwegian government requires that NGOs which receive Norwegian government financial support, coordinate their operations with the national authorities in the countries of operation.<sup>14</sup> This coordination should take place both on the national and the local level and relate to strategies in relevant areas of the operations of the NGO.

**Fourthly**, NGOs supported by Norad are required to meet the same requirements in relation to quality and goal driven operations as other areas of international development cooperation. NGOs that are also suppliers of services must demonstrate ability and willingness to create sustainable solutions which do not collapse when the international partner pulls out<sup>15</sup>.

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<sup>12</sup> St.melding nr. 35, para 8.2., p. 167.

<sup>13</sup> Ditto, para 8.2, page 169.

<sup>14</sup> St. melding nr. 35. para 8.3 p. 169.

<sup>15</sup> White paper no. 35 p.169.

The final strategies, project selection and the actual operations of Norcross in the recipient countries have therefore been compared with the requirements and priorities of the Norwegian government for NGOs receiving support for international development cooperation.

The Rattsø Commission's report in 2006 on the role of voluntary organisations in development cooperation<sup>16</sup> has been commented on by Norad. Some of the recommendations have been controversial, but there seems to be much agreement on the need for South orientation and local ownership, the advantage of private organisations having a presence prior to disasters and on the need for Norwegian organisations to have good knowledge of local networks<sup>17</sup>. Recently Norad has circulated a draft set of 'Principles for Norad's support to civil society' which stresses the need for better indicators to measure the impact of Norad support to civil society in the South through local partners<sup>18</sup>. Norad also indicates a need for local civil society organisations to develop agendas meeting local needs and being more independent of their international donors. Also migration, climate change and environmental challenges will require attention. In Norad's principles for support to civil society it is what the voluntary organisations can do in the fight against poverty, in relation to the climate change and environmental challenges, humanitarian work and peace-making that will be decisive for Norad support.<sup>19</sup>

### 3.2. Operational requirements for an effective system for international development cooperation.

In order to achieve the purpose of the Review the Consultant has considered it necessary to examine the *entire operational project planning and implementation process in Norcross and its cooperation with its partners*. The Norcross system for development cooperation projects has been described and analysed in terms of five main elements, all of which have to function satisfactorily for Norcross to deliver services in accordance with the objectives stated in the agreement between Norcross and Norad. The main elements of a system include:

- (i)** Norcross strategy for international development cooperation.
- (ii)** Project Selection processes in Norcross.
- (iii)** Project Appraisal processes in Norcross.
- (iv)** Project Implementation and Monitoring in Norcross.
- (v)** Project Evaluation and learning.

The chosen methodology thus includes a review of Norcross strategy, project selection processes, project appraisal system, project implementation and monitoring system involving the home office and local partners, evaluation and organizational learning. This includes a review of the cooperation with the International Red Cross (IFRC and ICRC) and the National Societies and other partners. How the cooperation with and strengthening of the local partners is conducted by Norcross constitutes an important part of the Review. A successful implementation of projects requires a satisfactory institutional capacity in the recipient country which over time will enable Norcross to exit programmes and projects as national partners are being enabled to take over and operate the programmes/projects themselves.

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<sup>16</sup> Rattsø Commission's report dated 15. June 2006

<sup>17</sup> Norad's comments to the Rattsø Commission's report.

<sup>18</sup> Principles for Norad support to civil society, October 2008, p.4.

<sup>19</sup> Ditto, p.5.

## **4. THE COOPERATION AGREEMENT BETWEEN NORCROSS AND NORAD.**

The cooperation between Norcross and Norad is regulated by the Cooperation Agreement dated 13.2 2006. The indicative allocations from Norad to Norcross are stipulated to an amount of NOK 55 mill for each of the years 2006, 2007 and 2008 (paragraph 3). The annual allocations are regulated by separate agreements which also detail the specific application of the funds for each year.

One of the key premises underpinning this agreement of cooperation between Norad and Norcross is that the operations of Norcross shall be conducted in line with the principles of Norwegian development cooperation with respect to recipient orientation and objectives including Norad strategy for development cooperation 2000-2005, White Paper no. 35 (St. meld.nr.35 (2003-2004) and the political signals which have been given in St.prp. no.1 (paragraph I). It is worth noting that Norcross values have been included in the cooperation agreement in paragraph. 1.4. In the same paragraph of the cooperation agreement it is furthermore explicitly stated that the operations of Norcross shall be planned and executed in such a way as to give effective results in relation to poverty reduction and other key development objectives.

The framework agreement for Norcross programs and projects which are supported by Norad cover Organizational development/capacity building of National Societies and Program support within health areas (e.g. HIV/AIDS, mother and child health and water and sanitation programmes), and Disaster Management.

Within these areas a number of core activities are mentioned which underpin the main operational areas and which are based on local needs. Many of these activities may be directly related to the Millennium Development Goals: elimination of extreme poverty and hunger, improving equality between the sexes and enhancing the position of women, mortality reduction, stopping the spread HIV/AIDS, malaria and other illnesses, ensuring sustainable development, and furthering the development of a global partnership for development.

The Cooperation between Norcross and Norad is related to the International Federation of the Red Cross and Red Crescent Societies (IFRC) appeals, to projects based on IFRC appeals. Within this framework the sister National Societies of Norcross have responsibility for relevant activities in accordance with the national plans for poverty reduction.

In accordance with the cooperation agreement the priority of Norcross is to cooperate with sister societies in countries that are or recently have been exposed to a conflict or that are experiencing recurrent natural disasters or that are in an acute social crises. The Cooperation Agreement also includes the declared objective of Norcross that priority is given to develop the national sister societies.

The development cooperation work of Norcross is partly bilateral and partly multilateral. The bilateral cooperation is either a direct bilateral cooperation with a National Society in a recipient country, or the bilateral effort may be directed through a cooperative effort with other donor National Societies participating (PNS) in the financing of the same project. Multilaterally Norcross works with the IFRC in which it is the zone office that administers the

project with the National Society in a recipient country. Approx. 40% of the budget with Norad is channeled through the multilateral channel and 60% bilateral.

## **5. ABOUT NORCROSS AND THE INTERNATIONAL AFFILIATIONS**

### **5.1. Norcross**

The Red Cross and Red Crescent movement (later also called the Movement) is based on the Geneva conventions and the statutes of the Movement. Norcross and indeed the whole international movement is a non-profit organisation based on voluntary membership. The Movement has a special humanitarian status given by the international Society through the Geneva conventions. It is the ICRC that has the mandate (given by the UN Security Council) to maintain the Geneva conventions and the supplementary protocols. In addition each national Red Cross/Red Crescent National Society (hereafter called National Society/ties) has a separate agreement with their own national government. It follows from the status given to the Red Cross through the Geneva Convention that the Movement also has an obligation to contribute to respect for humanitarian law.

In 2007 the total expenditure of Norcross on direct relief work and long term international development cooperation totalled approx. NOK 600 mill. Support from Norad and the Ministry of Foreign Affairs totalled NOK 409 mill., from ECHO NOK 4.4 mill. and NOK 180 mill. was financed from own resources. In 2007 NOK 234 mill. was channelled through ICRC, NOK 137 mill. through IFRC and NOK 90 mill. was direct support to National Red Cross and Red Crescent Societies.

The international development efforts of Norcross is supported by a strong balance sheet. At the end of 2007 Norcross had NOK 2.880 mill. in liquid assets and a satisfactory equity base. However, the cash flow of Norcross has been impaired by the new government regulations that changed the rules for gambling automats in the country. The income from these operations has thus come down from NOK 687 mill in 2006 to NOK 332 in 2007. In 2008 the automat income is further reduced. It has therefore been an important Norcross management task to adapt the organisation to a lower income level. These endeavours have given good results and the strong equity and liquidity position of the organisation makes Norcross able to honour its own financial commitments in international development cooperation. The accounts of Norcross do not include the district or local Red Cross societies in Norway as they are independent entities with their own statutes.

Norcross has a total staff of approx. 280 employees at the head office in Oslo, including part time employees. Approx. 48 employees are engaged in the development cooperation operations of the International Department, out of which 4 are heads of sections, 26 are program coordinators and/or advisors, and 16 employees have various support functions. In addition there are 8 delegates administered from the head office in Oslo.

## 5.2. The Red Cross/Red Crescent Movement.

### 5.2.1. Brief Background

The term 'Movement' consists of three pillars.<sup>20</sup> The first being the Federation of Red Cross/Red Crescent Societies (the IFRC), the second being the International Committee of the Red Cross (ICRC), the third being the National Societies. The IFRC and the ICRC are distinctly different organisations with different mandates. Norad funds are either channelled into bilateral projects and programs with the National Societies or multilaterally through the IFRC. The IFRC is a membership organisation and is a Secretariat for the 186 member National Societies with the overriding objective of assisting and strengthening the organisations of its members that have total combined membership of about 100 mill. making the RC/RC the largest humanitarian organisation in the world. The ICRC has its mandate from the four Geneva Conventions and its Additional Protocols, and has an obligation to give humanitarian aid to victims of armed conflict. The ICRC is thus not a stakeholder in the bilateral or multilateral international cooperation projects and programs that are partly financed by funds from Norad. ICRC is thus not viewed as a direct participant in the in the system for delivery of services which is in focus in the present Organisational Review. However, in order to complete the picture of the RC/RC Movement the main functions of the ICRC is briefly described in paragraph 5.2.4. The RC/RC Movement cannot neatly be separated into different functional boxes, e.g. that only IFRC and its members pursue long term development programs. Also the ICRC does perform some long term development programs by e.g. developing the capacity of the National Societies to assist in a number of tasks related to conflicts and does not limit itself to dealing only with the immediate emergency situations arising from armed conflicts. There are also a number of areas where the IFRC and the ICRC support each other, e.g. in the international political arena by cross representation.

### 5.2.2. The Federation of Red Cross/Red Crescent Societies (IFRC).

The Federation was established in 1919 and is a membership organisation and the umbrella organisation for all Red Cross/Red Crescent societies. The IFRC is the largest humanitarian network in the world and extends support irrespective of nationality, race, religion, social or economic class or political views. As the IFRC is the Secretariat for its 186 member National Societies its main objective is to strengthen the operations of its members. The Secretariat is headquartered in Geneva with ca. 280 employees in Geneva and about 700 in the field operations. The IFRC network is comprehensive and includes also the district and local organisations of the National Societies. The highest authority in the Federation is the General Assembly where all member National Societies participate in decisions on general policy and election of top management. IFRC also represents the whole Movement in global and regional contexts.

IFRC is organised in 7 management zones that are responsible for their regional areas. Three of the zone offices are in Africa, one in Asia, one in MENA, one in the Americas and one for Europe and Central Asia. The zones are the *management units* closest to the National Societies, and the zone may have a sub-regional office and national offices with IFRC paid

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<sup>20</sup> <sup>20</sup> IFRC-Planning and resource mobilisation guidelines; cycle 2008-2010, p.4.

staff. The phrase *management zone* is used as some of the zones have other legal designations like e.g. region. The regional offices are concerned more with operational issues, and less with strategic issues, which are handled by the zone offices. As the zone structure is of fairly recent date the glossary may appear rather confusing. The IFRC through its zone management is accountable to Norcross for effective use of funds in multilaterally financed projects through National Societies.

A number of functions have recently been moved from the Secretariat in Geneva to the zones structure on the basis of the guiding principle that functions that may best be handled closest to the field should be transferred to the zone management.

Projects which are financed with Norad funds would be surveilled either by a zone office or a National IFRC office depending on the organisational strength of the National Society. IFRC establishes its own country offices in countries where the National Society requires and requests their presence. The main task of a country office is to take care of coordination with PNS when the institutional capacity of the National Society is inadequate and needs to be strengthened. The establishment of country offices may also take place in connection with major disasters both in the early and later phases of operations.

The IFRC is the channel for about 40% of Norad funds and this share is budgeted to increase to about 70% in the application from Norcross to Norad for the period 2009-2012. The IFRC, like Norcross in its bilateral programs, works through the National Societies. The implementing organisation is therefore not IFRC, but the National Society. The principle of respecting the autonomy of the National Societies is a basic IFRC policy. In order to strengthen to National Societies the IFRC works in a number of different ways. In the following is a description of the basic approach of IFRC to organisational development and methods and strategies devised to ensure that the National Societies succeed in the projects and programs they have adopted. Thus the total administrative capacity of Norcross in the area of development cooperation should be viewed in the *overall context of the IFRC (the whole organisation, the HQ and the zones)) and the National Societies that are included in programs financed with Norad funds.*

The main global challenges of the Red Cross/Red Crescent movement are addressed through the global agenda that includes four major goals; the reduction of the number of dead as a result of natural disasters, a reduction in number of deaths as a result of illnesses, the development of civil society and local institutional capacity to face the challenges to the most vulnerable groups, and finally to enhance the respect for the values of the Red Cross/Red Crescent Movement and IHL. Another key objective of the IFRC is that the National Societies shall be strengthened to enable them to develop and operate good and relevant programs to reach their target groups.

In order to achieve the overall goals the IFRC shall prioritize the organisational development of member National Societies, humanitarian values, disaster management (which includes disaster preparedness, disaster prevention and response) and preventive health work e.g. in the area of HIV/AIDS. The Secretariat of the Federation in Geneva is responsible for mobilising and coordinating RC/RC international emergency operations in connection with natural disasters, which normally would be combined with development work both in the form of programs to strengthen the National Society and in the rebuilding of civil society.



The Secretariat shall ensure that knowledge of best practice and minimum standards are maintained in all parts of the Movement to make possible a coordinated implementation of projects and programs. IFRC develops strategies and general tools, standardised operational manuals and methods within the main strategic areas of the Movement.

### 5.2.3. Cooperation mechanisms

The IFRC develops and refines concepts of cooperation with National Societies which have a direct bearing on Norcross projects financed by Norad to ensure their successful implementation and completion. The scrutiny of IFRC multilateral projects would take place on two levels: that of the National Society and at the zone level. The National Society has the initiative, and thus it has a direct ownership to any project in the country. The project would also be a part of a strategic plan. IFRC would only include a project in an Appeal if there is an agreement of cooperation with the National Society. The question of how much analytical work is done prior to an appeal is of some interest. In order to ensure better use of resources a National Society would today not normally do a full appraisal (e.g. Log frame) before a request is made to the IFRC for support. Once there is some assurance that funds will be forthcoming a full project preparation will go ahead in the National Society. This approach is of fairly recent date and has been introduced to ensure that a National Society does not waste time on projects with little likelihood of getting the necessary funds to get them off the ground. A project that shall be financed through IFRC will require a quality assessment also at the zone level to ensure that all relevant aspects have been built into the project.

Some mechanisms have been established to strengthen the National Societies and to improve the coordination of project, in particular CAS (Consolidation of Cooperation Agreement Strategy and OA (Operational Alliances).

#### Cooperation Agreement Strategy (CAS)

In the wake of a strategic plan for the activities in the country a National Society would embark upon a CAS process in order to develop a cooperation strategy that ensures that support received from partner National Societies matches the needs, capabilities and capacities and priorities of the National Society. The CAS process was launched as a mechanism for cooperation in 1999 and shall ensure that complementary capacities are used effectively to maximize collective impact.<sup>21</sup> It shall create better cooperation between participating National Societies (PNS). In the course of the CAS process the partners define common goals, and coordinate ways of supporting the National Society in order to achieve greater coherence in addressing vulnerability while at the same time ensuring that the capacity is sustainable. At the end of the process the stakeholders in the process sign a document to record the commitments made and indicators that may correctly be used in reviews of performance and progress. The CAS thus provides a good platform for attracting funding from new PNS that may need the quality assurance that the CAS agreement provides to each donor.

#### Operational Alliances (OA)

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<sup>21</sup> IFRC document 95600 09/2007 E 2,300

The other mechanism for cooperation is the Operational Alliance which is ‘*a grouping Of federation members (Secretariat and National Societies) who agree to cooperate to achieve greater program input*’<sup>22</sup>. The alliance may also if appropriate work with other partners. The establishment of OAs is an explicit move away from overlapping ad hoc projects to more targeted programme impact. Basic to the OA is that it is led by the National Society of the recipient country so there is a truly national civil society ownership to the programme. Jointly with PNS a programme is developed which utilizes a jointly developed performance management programme which also harmonizes reporting requirements and streamlining functions and eliminating duplications. As a model for development cooperation it is a response to the need for reducing the excessive waste in the global cooperation development world

The OA can operate in the absence of a CAS, but an OA naturally becomes easier if a CAS is in place. Thus the model which is encouraged by IFRC is that the National Society develops a strategy document for projects needed in the country taking into account the capacities of the National Society and that it proceeds from that basis to a CAS to ensure that the contributions of PNS match the needs, capacities and priorities expressed in the CAS document, and then the National Society and some PNS will come together to form an alliance together to efficiently execute a project.

#### 5.2.4. The International Committee of the Red Cross (ICRC).

The four Geneva Conventions and its Additional Protocols define the mandate of the ICRC. The ICRC was established in 1862 as the first institution of the Red Cross/Red Crescent Movement, and is the third pillar of the Movement in addition to the IFRC and the National Societies themselves. It is not a membership organisation like IFRC, but is a Swiss private organisation with approx. 9500 national employees in more than 80 countries and an expatriate staff of approximately 1375 employees (daily workers are not included). The Sevilla Agreement defines the ICRC as the lead organisation in the Movement in emergency operations connected to armed conflict. ICRC is thus a tightly organised emergency response organisation. Thus ICRC has a capacity to respond fast to crisis situations connected with armed conflicts, save lives and reduce suffering with its own resources. This is an ability that the IFRC to a large extent lacks as this organisation is designed to primarily work through its own member National Societies in natural disaster situations as well as in the execution of long term development projects and programs. Although ICRC leads and coordinates the operations of the Movement in immediate emergency operations in relation to wars and armed conflicts, brings relief to the suffering and in its undertakings works to increase respect for human rights and International Human Law (IHL) the organisation does also have elements of development cooperation, especially in drawn out conflicts like in Afghanistan where in addition to, or instead of distributing bread, it is considered more effective to distribute seed for the development of agriculture.

ICRC also support institutional capacity building in National Societies for emergency preparedness and emergency response related activities. Some functions are considered best

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<sup>22</sup> ditto

done by a National Society, e.g. identifying dead, finding missing persons etc. In 2007 ICRC used about SFR 80 mill. for the development of the institutional capacity of National Societies. Hence there are more convergence areas with IFRC than in the past. Also there is little doubt that the ICRC programs benefit from the disaster prevention projects of Norcross/IFRC and from the endeavours to make the National Societies more capable of running their own programs. The ICRC receives significant financial support from the Ministry of Foreign Affairs of Norway via Norcross.

## **6. NORCROSS MANAGEMENT OF THE PROJECT LIFE CYCLE**

Any effective delivery system of programs and projects in international development cooperation requires solid and professional handling of the whole project cycle. It requires a commitment to a strategy which is responsive to changes in the overall environment of the operations of the organization. It requires also that the organisation makes effective use of well structured quality systems for each of the elements of the project cycle. The decision making procedures should be clear and transparent and it should be possible to relate the evaluation of the programs to a set of parameters which are stipulated at the appraisal stage prior to top management decision to go ahead with the program/project.

International development cooperation with long term programs and projects requires a different approach from Norcross than that which is used in emergency operations. In order to strengthen the management control systems in Norcross international development cooperation some new systems have quite recently been introduced. Some changes in the organisation have also fairly recently taken place in order to adapt it to the new appraisal and control procedures.

Although the strategy development, project selection, appraisal, implementation and follow up procedures of Norcross may appear a great deal more complex than in most other organisations receiving support from Norad, every program and project which is supported by Norad goes through certain procedures for every part of the project cycle in order to safeguard the quality of the projects themselves and ensure their developmental effects. This includes cooperation with the IFRC and National Societies in the country of operation on institutional capacity building. In the light of this the following review of Norcross management and control of the project cycle is an assessment of the effectiveness of Norcross system as a vehicle for international cooperation within the framework of the agreement between Norcross and Norad.

## **7. NORCROSS INTERNATIONAL STRATEGY**

### **7.1. General aspects**

The strategy documents of Norcross and the discussions with management indicate that Norcross increasingly emphasises the value of a holistic approach in relation to the

cooperation with sister national Red Cross/Red Crescent societies. By a holistic approach Norcross means increased emphasis on direct Norcross support of organisational development in sister National Societies. Whereas the first projects supported by Norad at the beginning of the cooperation between Norcross and Norad were more related to specific action programs, the holistic approach which was adopted by Norcross in 2003 includes both program and organisational development in sister National Societies, and addresses directly the capacity issue of the national partners and how to develop their institutional capacity. The support from Norcross in the development of the National Societies is mainly related to organisational development, disaster preparedness and health.

The Norcross strategy implies different approaches in relation to development cooperation depending on the specific needs of the local situations. In 16 out of the 27 Norcross projects financed with Norad financial participation in 2008 a multilateral approach is adopted in which the Federation manages and controls the project with support from Norcross. The multilateral approach will normally be handled by the zone offices of the IFRC. Secondly, in the remaining projects with Norad participation a bilateral approach is employed in direct cooperation with the National Societies and participating National Societies.

## 7.2. Origination of Norcross International Strategies<sup>23</sup>

The international strategy of Norcross is based on a number of documents in the International Red Cross movement.

- **The Sevilla agreement** of 1997 describes the sharing of responsibilities for operations between the National Societies and ICRC and the Federation.

- **Strategy 2010** is the strategy of the Federation for the period 2000- 2010. This strategy has the function of being a guide in relation to the main thrust of development work undertaken by the National Societies. The strategy also describes which areas the Secretariat of the Federation will prioritize for further development and service. The four key areas in the Strategy 2010 document are:

- Promoting the principles and humanitarian values of the movement
- Disaster response
- Disaster preparedness
- Health and care in the local community

The Federation has approved a number of policy documents with respect to development cooperation, e.g.:

- Development Policy (1995)
  - Development Co-operation Policy (1997)
  - Characteristics of a Well Functioning National Society
  - Volunteering Policy
  - Gender Policy
  - Youth Policy (1999)
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<sup>23</sup> The text is based on an internal Norcross document: 'Styringsdokument for utviklingsarbeidet gjennom organisasjonsutvikling og programstøtte. Dated March 2008.

- Capacity Building Strategy for Africa (May 2008)
- Disaster Management Strategy (spring 2008)

- The international Red Cross conference approved in November 1999 an Action program that implies a commitment for both governments and Red Cross/Red Crescent National Societies. The following three key objectives are central to the Action Program:

- Improved health for vulnerable groups based on stronger cooperation between governments and National Societies.
- New initiatives to meet the needs of vulnerable groups and reduce discrimination and violence in society.
- Increased capacity in National Societies and effective partnership with governments and cooperation with other relevant humanitarian actors.

### 7.3. The main program of Norcross for the period 2006-2008 and future planning documents<sup>24</sup>

The main program of Norcross is approved by the national assembly every three years. The present main program covers the period 2006-2008 and is based on Strategy 2010. The program has four main objectives:

1. To further continued commitment to the values of the Red Cross movement and international humanitarian rights.
2. Norcross helps when there are accidents, severe human needs, and disasters.
3. Norcross takes care of people and assist in improving health and life quality.
4. To further the development of the organisation.

Based on Strategy 2010 and the main program of Norcross, an international strategy was developed for Norcross 2006-2008. The main focus in the strategy is on development and on the importance of contributing to the strengthening of capacity in sister National Societies with the objective to increase the degree of integrity, independence and strengthen the operations in sister National Societies also with a view to strengthen their disaster preparedness.

The international strategy for the period 2008-2011 is expected to be more focused on geographical areas and program/project areas than the present program.

An important strategic element in the development cooperation activities of Norcross is the cooperation agreement with all National Societies that are partners in a bilateral program/project.<sup>25</sup> In projects where the cooperation with a National Society takes place via the Federation this is included in the project agreement that the Federation has with the National Society. The agreements are based on the Cooperation Agreement Strategy (CAS) of the National Societies where they are effective. CAS is expected to be gradually be replaced by

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<sup>24</sup> The text is based partly on interviews with top management of Norcross and on the document 'Styringsdokument for utviklingsarbeidet gjennom organisasjonsutvikling og programstøtte.

<sup>25</sup> Standard cooperation agreement between Norcross and a National Society.

Operational Alliances (OA), a new model to strengthen cooperation internally in Red Cross/Red Crescent and with external partners.

## **8. NORCROSS PROJECT SELECTION PROCESSES**

### **8.1. General**

The strategic platforms of IFRC and that of Norcross form the basis for the subsequent project selection processes. Norcross projects financed by Norad come from the appeals of the Federation (IFRC) in Geneva or are the result of bilateral communication between Norcross and a National Society. The scrutiny of appeals also takes into account the budgetary framework which has been developed through the budgetary process. IFRC gives one Annual Appeal in December/January every year, but the concept IFRC Annual Appeals will disappear as from 2009 and projects will be proposed within a normal annual budgetary framework based on the needs and requests for assistance from National Societies.

The main Appeals are initially scrutinized by Norcross. The department responsible decides on the further process. In long term development cooperation work Norcross gives increasing priority to the contribution of financial, technical, material and professional assistance to Red Cross/Red Crescent National Societies which may enable them to develop into well functioning humanitarian organisations that can handle all types of humanitarian assistance independently. There are examples of National Societies where Norcross for that reason has been able to phase out of, e.g. Jamaica. With respect to country selection the general policy of Norcross is that countries that have been or are in conflict and countries which are particularly vulnerable to disasters are prioritized.

The above set of objectives has led to a selection of projects which comprises the following three main areas:

1. Organisational development of National Societies is related to the specific needs of a National Society and may include capacity development, effective general and financial management, strategy development, resource mobilisation, appraisal, follow up and evaluation mechanisms.
2. Health and social measures which include hiv/aids, vaccination programs, Mother and Child Care programs etc.
3. Disaster Management. This includes disaster prevention/risk reduction systems as well as disaster response systems. The development of effective disaster management is a central part of the organisational development of National Societies and may be considered a core international activity.

### **8.2. Norcross Strategy and Project Selection in relation to the objectives of the Norwegian government**

The project selection of Norcross as described is much in line with the development cooperation policies of the Norwegian government as described in paragraph 4. (Methodology). Both the strengthening of civil society and the improvement of health and the

reduction of poverty in areas that have been through a disaster, or that have been in conflict, are central components of Norcross strategy and the Norcross project/program portfolio. These are also key areas in the strategy of the Norwegian Government in international development cooperation<sup>26</sup>. Also the fight against HIV/AIDS is an important component of Norwegian development cooperation<sup>27</sup>. The key role of NGOs in the development of human rights is stressed<sup>28</sup>. 'Norwegian authorities also expect that the NGOs as suppliers of services have as key objectives to strengthen the local partner organisations and their capacity'<sup>29</sup>. The purpose of the last formulation is that it should be a clear objective that the local partners themselves over time will be sufficiently strong to be able to assume responsibility for development projects. This stated objective of the Norwegian government is reflected in the project selection strategy of Norcross as the strengthening of National Societies is given a central place. This may be exemplified by the Norcross result report for 2006-2007 describing the civil society impact to follow from the programs that focus on teaching and training to enhance the human capacity of the community members. Also the Mother and Child Care programs that have given the mothers the knowledge to take health into their own hands in order to prevent illness and death and the training programs that assist in the personal development of the volunteers have civil society impacts.<sup>30</sup> The results will be more specifically reviewed later in this document.

## **9. THE PROJECT APPRAISAL AND MONITORING SYSTEM OF NORCROSS**

### **9.1. Project Appraisal and Project Monitoring**

A more refined system for project quality control was introduced 21. April 2008 (Enclosure 4). The system has therefore not been used for projects that are included in the framework agreement with Norad for 2006-2008. It is basically an appraisal and management control system for individual projects and programs. There was a felt need to clarify the overall decision making process in the organisation, not the least as a result of some media focus on the use of M-621 military cargo trucks in relief operations that was later subject to an evaluation commissioned by Norad's evaluation department. Through the introduction of new routines for activity approval a stronger platform for project decision making and organisational responsibility has been established. These clarifications have been made effective by the introduction of a standardised 'Approval of an International Project' document (later called *Resolution Document*) which constitutes the basis for all decisions on international projects and project implementation in Norcross.

The Resolution Document is an important part of the quality assurance and control system. It is aimed at ensuring that the results of the projects may be in line with project objectives, and that the risk factors which Norcross consider as critical in connection with the implementation of projects may be highlighted and attended to in a systematic and effective manner. The

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<sup>26</sup> White Paper no.35, p.115-116.

<sup>27</sup> Ditto, p.120.

<sup>28</sup> Ditto p. 166

<sup>29</sup> Ditto p. 168.

<sup>30</sup> Guatemala organisational development, disaster preparedness, health and human values GLO 05/287-17

Resolution Document also determines the risk profile of separate projects and activities, and hence it constitutes the basis for a more comprehensive risk-control system in Norcross.

Norcross has integrated the project appraisal function in the international project monitoring system. The idea behind the monitoring part of the overall system is to make officers and management able to assess the progress since the last assessment was made, and to facilitate reporting procedures and evaluation procedures at a later stage. The introduction of the system was given high priority by the top management and has been applied to all new projects as from 2008. The integrated project appraisal and monitoring system is a significant step forward in the work to assure project quality. The base line provided by the project appraisal part of the system not only gives the base line for the monitoring system, but also for subsequent evaluations of the programmes and projects.

As for any system it is the quality of the inputs that really matter. The Resolution document for an international project shall be signed by the project officer responsible for the appraisal and countersigned by the head of department. The basis for bilateral cooperation with a National Society is documented in the Resolution document as is also the basis for the initiation of the project. The situation analysis provides the basis for formulation of realistic objectives and performance indicators. The overall goal, project objectives and expected results are based a log frame methodology. The main milestones are defined as is also value added by Norcross. There is also a procedure for evaluating the institutional capacity of the National Society and a procedure to ensure that the project is adapted to the institutional capacity available locally. In IFRC there is much experience at how to formulate performance indicators in humanitarian projects. Qualitative changes may not be easy to capture quantitatively but it is normally possible to establish performance indicators that truly indicate progress in relation to project objectives.

The Resolution document concludes a tentative budget and a funding proposal, reporting requirements, learning aspects for Norcross and a risk assessment of key factors in the project.

Project dimensions such as Environmental effects, degree of conflict sensitivity, gender and social inclusion are brought into the appraisal and is handled by professional personnel either in Norcross Oslo, in the IFRC Geneva office or in a zone or regional office. The same is true with respect to the need to involve professional assistance in the other areas of Norcross development operations whether it is health, organisational development, water/waste water etc. In relation not only to the documentation and formulations of objectives in these areas but to the whole appraisal process, the inputs to the Resolution document must to a large extent come from local partners or from the IFRC if a multilateral project. If there is a local Norcross delegate in the country of operation this will enhance the possibility to receive quality inputs in bilateral projects. In multilateral projects the data would normally come from zone administration that would have scrutinized all projects receiving IFRC support.

The Organisational review shows that Norcross has the required systems for project appraisal and monitoring for both bilateral and multilateral cooperation. These systems may be expected to perform a key function in the management and control of the overall coordination of projects and programs provided the systems are actively maintained and followed up properly in the organization.



## 9.2. Project Assessment/Evaluation<sup>31</sup>

The aim of the Resolution document is to reduce the risks in future projects and programs by ensuring that all Norcross financed activities are evaluated and areas of potential improvement are identified. Another objective is to have a system for follow up of recommendations based on lessons learnt so as to ensure their implementation in the organization by placing the institutional learning process on a solid basis.

The activity assessment includes all key data on an activity as well as a summary of recommendations, and identify responsible staff member for follow up and specify a time schedule for their implementation.

## 9.3. Organisational learning

Norcross has recently developed and launched a formal assessment and institutional learning system. The assessment is linked to the goals which were determined at the appraisal stage. It is a comprehensive system in that projects shall have an initial evaluation/review within a period of three months upon their completion. The responsibility for executing the assessment rests with the project coordinator in charge of the project. Thereupon the newly established EKI will receive a copy for a final review. This makes it possible for an independent party to assess the evaluation done by the responsible organizational unit and start a broader discussion of lessons learnt. The system also includes an assessment following up an external evaluation.

## 9.4. 'Early warning' mechanism

In Norcross the need for an early warning mechanism was felt for some time. As the projects of the organization are located in many countries and the activities are carried out both bilaterally and multilaterally the organization may be exposed to situations in which there are either significant deviations from plan, or situations that are sensitive in relation to publicity. When there are signs of major weaknesses in a project that may deter the successful completion of the activity or there are significant deviations from plan that might lead to reputation damage, the early warning procedure ensures that the management of the Division of International and National Assistance and the Secretary General are informed without delay. This new organizational feature may both improve efficiency and management responsibility, but its success depends to a large extent on the capacity of the regional sections to respond when deviations from plans do occur.

## 9.5. Norcross organizational structure and the administrative and financial capacity to manage, control, and implement the programmes

### 9.5.1. Organisational and general management control issues

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<sup>31</sup> The text is based on internal Norcross document

A questionnaire (Enclosure 2) was updated in connection with the present Organisational Review. The update includes the most recent developments in the organisation. The questionnaire has the character of being an audit covering main aspects of the organisation, compliance issues, quality control procedures, planning, financial control (extensive), staff issues, fraud and corruption policies and procurement.

**The Division of International and National Assistance** has the responsibility for international emergency operations and long term development cooperation projects. The department was reorganised autumn 2007 and the final organisational changes were made operative as from March 2008. The reorganisation was principally done in order to adapt the organisational form to program areas, but the changes were also intended to improve the management process in relation to the National Societies. The department has five sections. The main organisational change was to bring together the management of all country operations, both emergency operations and development cooperation. Thus the handling of all operations of Norcross in one geographical area is under one management. There is one for Norcross operations in Africa/MENA and one for operations in Asia/Europe/Americas. Previously development operations and emergency operations in a country were handled by different sections. The department also has a section for Mobilisation and Response, a resource mobilisation department. There are 16 program coordinators and professional advisors having different thematic or geographical competence. In addition there are a number of other functions related to emergency operations.

**The Section managers for international preparedness** are responsible for achieving the objectives set for the activities in their geographical areas of responsibility. The section managers are responsible for overall operations in their regions and the program coordinators report to them on all matters related to their activities and cooperation with National Societies and the IFRC.

**The program coordinators** represent the main organisational link between the home organisation and the projects and programs in the field as well as the contact with the 8 delegates that are stationed in some of the countries of operation.

The program coordinators have a key role in the operations of Norcross development cooperation programs for which they have operational and budgetary responsibility. The same goes for the delegates that are charged with the responsibility to monitor a designated portfolio of projects. Although technical competence is increasingly present in the National Societies the program coordinators shall both monitor Norcross bilateral projects and ensure that Norcross coordinates its work effectively in relation to participating National Societies (PNS). The program coordinators shall report on project development and use of funds including measures to prevent corruption at any level. They shall also monitor the audit of local project accounts in cooperation with the controllers in the department as well as initiate and promote the implementation of evaluations.

One key question is how the Section managers with the assistance of the coordinators may be able to monitor the implementation of programs which are all in distant parts of the world. In most countries with bilateral operations there would be a delegate with the responsibility to monitor project development. In multilateral projects the full responsibility for project monitoring would rest with the IFRC. Presently physical presence of coordinators is through project and site visits are made primarily in connection with annual partner meetings or regional meetings. The coordinators are supported in their work by the professional advisory

staff at the Oslo headquarters . Their task is primarily to assist in the process of ensuring the relevance of the programs and projects that Norcross enter into. They may also assist in monitoring and evaluations of the activities.

**The professional advisors** for international activities in the department cover the following areas: global health/development and gender (1); organisational development(1); health advisors (2); health in disaster situations (1/2); water and sanitary (1); mine and weapons (1/2); monitoring and quality control (1/2); DM (1); external resources (1).<sup>32</sup>

**The Mobilisation and Response Section** has the operative responsibility for Norcross response to disasters and for the recruitment of delegates.

**The Resource section** is responsible for cooperation with Norwegian authorities, the mobilisation of public funds and departmental economic and administrative issues.

IFRC has professional delegates in most relevant operational areas in their regional and zone offices and Norcross is free upon agreement to make use of the professional resources in these offices in addition to own Norcross resources. The location of IFRC offices in the vicinity of the countries of Norcross operations may thus facilitate the implementation of projects through National Societies.

The organisation chart of Norcross is enclosed (Annex 4).

#### 9.5.2. Recent Organisational Changes related general Norcross risks and project risk assessment.

The evaluation of the truck project which was subsequently carried out internally and by the Ministry of Foreign Affairs were partly instrumental in bringing about a thorough management study of both the structure and the management control of Norcross operations. The changes in the management and control structure include the newly introduced improvements to the project appraisal and monitoring system, evaluation system and early warning system. It also include the establishment of new departmental units like the Department for Quality Assurance and Internal Audit (EKI), The Control and Analysis Unit for governance and analysis, as well as the reorganisation of the International department.

**-General Norcross Governance.** During the last couple of years there have been some organisational changes aimed at strengthening governance. One such development is the setting up of the Section for governance and analysis. The Risk Management function is focusing on those risk factors which are considered most important in relations to the overall management operations of Norcross. The process to identify the major risks in the organisation has started, and the goal is to have an overall risk map picture by February 2009. As the risks are identified the 'ownership' to the risks will be placed with those organisational units that are best suited to address them.

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<sup>32</sup> Numbers indicate full time jobs

**The Section for governance and analysis** is also responsible for ensuring that the procurement systems function satisfactorily and that the rules governing the procurement function are adequate. However, with respect to procurement done in connection with bilateral development assistance funded by Norad, the procurement issues in relation to each international project is handled by the regional sections in Norcross as the purchases would mainly be made locally through the National Society. For multilateral projects the procurement is handled in the zone administrations of the IFRC.

**- Quality Assurance and Internal Audit.** The establishment of a department for Quality Assurance and Internal Audit (EKI) was done with a view to enhance management control of risks at the project and program level, and to ensure better management control of the evaluation and learning processes. EKI reports directly to the Secretary General. The function of EKI is directly related to the appraisal and monitoring procedures in Norcross. Every project exceeding NOK 3 mill., or that requires National Board approval, or that may represent a risk of reputational damage to Norcross is reviewed by EKI after having been approved by the head of the international department. In case EKI disagrees with the conclusion of the international department the project is brought to the attention of the General Secretary. The experience so far with this newly introduced organisational structure seems to be that it works satisfactorily, but it is still in a consolidation phase.

The Norcross organisation that has been described is considered capable of living up to its own goals along the volume dimension of project work, as disbursements are close to the budgeted targets every year during the period 2006-2008 (as per 30.9). A high level of disbursements, however, is not a certificate of quality of the programs.

The response by Norcross to the comprehensive questionnaire, as well as subsequent documentation from Norcross and discussions with the management staff in the Organisation indicate that with respect to general organisational aspects, staff policies, financial control and general management of the organisation it is reasonable to assume that Norcross has the required systems for management and control of Norad sponsored projects and programs and that the organisation is well placed to ensure a satisfactory quality level of the projects.

## **10. LINKAGES BETWEEN NORCROSS HOME BASE AND PROJECTS/PARTNER**

### **10.1. General**

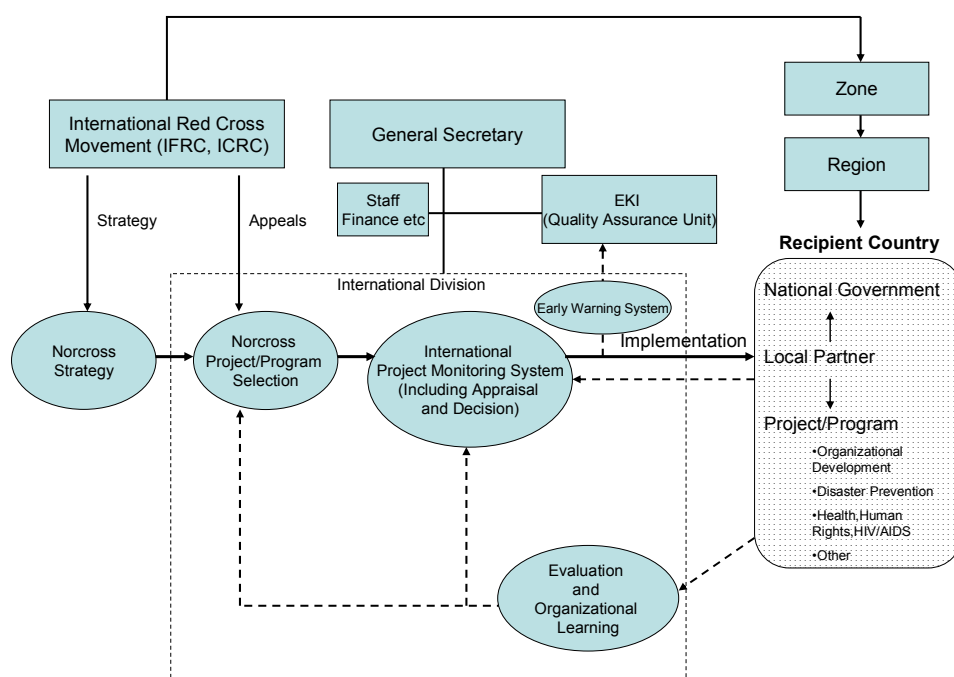
The general operational strategy of Norcross on project selection is to work either through IFRC or bilaterally through a direct cooperation with another National Society. In bilateral projects the planning, implementation and follow up is done in cooperation with the National Society, but coordinated with IFRC and preferably also with other donor National Societies. In bilateral cooperation financial support is transferred directly to the local National Society or to an account which is managed by the Norcross delegate. Efforts to ensure that the National Societies have adequate local financial systems have become a part of some of the organisational development programs that Norcross has with National Societies.

### **10.2. The functional elements of the Norcross system**

Although the home organisation is adequately structured and managed, it should be kept in mind that as with most development cooperation organisations the critical issue is how the home base is able to relate in an effective way to the projects and the local contexts thousands of kilometres from home, not infrequently under difficult circumstances. Norcross has two models of development cooperation, the bilateral model and the multilateral model.

The bilateral model requires more resources in Norcross than the multilateral model as the project assessment, monitoring and follow up has to be done by Norcross. An increase in Norcross multilateral development cooperation may thus not require the same amount of additional resources at Norcross as an increase in direct bilateral development cooperation with National Societies. In the multilateral model the functions related to project planning and implementation and monitoring (Re. the illustration below) are performed in the seven zone offices. However, it might be difficult for Norcross to be good 'partners in development' with the IFRC if Norcross concurrently did not pursue bilateral projects. The bilateral cooperation work gives Norcross a unique insight into the operations of National Societies and the potential for improved efficiency which the services of IFRC may provide. In the TOR of the Review this aspect is reflected under paragraph 4 (performance analysis) which include a review of the interaction between the Norwegian organisation and the local National Society.

#### THE FUNCTIONAL ELEMENTS OF THE NORCROSS SYSTEM



Although any attempt to conceptualize in the form of an illustration a system of development corporation as complex as that of Norcross, it may nevertheless be useful to indicate in the form of a flow diagram those areas and interactions which are the focus of this organisational review. The structure of the Norcross system of functions and the interaction between the various functional elements, and between the main stakeholders in the overall Red Cross/Red Crescent development cooperation network, are illustrated in the figure above. The Norcross system consists of a number of key *functions* all of which have to be carried out in a satisfactory way for Norcross to be able to deliver effective development assistance. The flow diagram indicates the main functional areas that have been addressed in the Review.

The Norcross system also consists of a number of different *stakeholders*. With respect to the stakeholders it is important to note the centrality of the National Societies, both in relation to Norcross bilateral operations and in relation to the multilateral development efforts of IFRC that cooperate with the National Society through its IFRC zone administration. The central role given to the National Society is also illustrated in the figure on page 39.

### 10.3. Norcross model for multilateral cooperation

In the application of Norcross to Norad for 2009-2012, Norcross seeks to channel approx.

70% of Norad funding through IFRC, up from approx. 40% today. More emphasis is placed on IFRC Global Alliance programs (e.g. health). As such the IFRC is thus growing in importance as a partner for Norcross international development cooperation.

Norcross has for a considerable period of time been financing projects that have been handled by IFRC in relation to the National Societies. IFRC is presently going through a period of organisational change, and in the new organisational model the practical project and programme cooperation with Norcross is handled by the IFRC zone offices. Thus the zone offices will be the primary point of contact for Norcross with respect to projects administered by IFRC. Although donor funds flow via Geneva and disbursements are made by the HQ in Geneva to the zone offices in accordance with budget for the operating year, the actual project management is done by the zone offices. The basic model of cooperation with IFRC is not expected to change much in the short and medium term as it has only recently been introduced. Although the ways the zones work may vary considerably the Americas zone (which was visited during the Review) may serve as an example of the system by which Norad funds channelled through Norcross are directed into development projects through IFRC.

The Americas zone consists of 35 countries each having a Red Cross National Society and in addition to IFRC involvement in the National Societies there is also a great number of National Societies having direct bilateral cooperation agreements with donor National Societies (PNS). The Americas zone has been given a number of functions that previously were handled in Geneva, e.g. finance, human resources management, resource mobilisation and a number of functions have been strengthened e.g. project evaluation and monitoring. The zone area functions include governance support, international representation, movement cooperation, planning, performance and accountability, resource mobilisation, NS integrity and development, disaster management, global agenda programming and partnerships, the promotion of fundamental principles and humanitarian values and volunteering and youth.

The zone is aligned with the New Operating Model (NOM) of the IFRC which has a strong focus on providing services to support the NS and enhanced and clear accountability for the Secretariat and the NS when it comes to scaling up the activities to deliver high quality results and being able to report them.

The overall IFRC strategy in the Inter-American plan reflects the overall IFRC goals on having a right balance between multilateral and bilateral programs. Multilateral efforts make it possible for the Americas zone to strengthen its membership base and its ability to deliver on important components of the Global Agenda. Concurrently the IFRC will provide services for the facilitation of bilateral programs and PNS will be included in information sharing planning and collective efforts to achieve the overall best results. Also increased coordination

with ICRC will contribute to better coherence in the overall strategy of the Movement in the Americas.

For each of the Global Agenda Goals the zone administration together with the National Societies have developed specific objectives for the Americas, thus adapting the four Global Agenda goals to the situation in the Americas.

The zone also works with the implementation of the targets that the National Societies of the Americas have selected as the most relevant objectives within the areas of internal improvements to enable them to deliver according to agreed strategies and achieve greater impact for vulnerable groups. The Framework for Action is related to quite specific operational issues, all of which are important when considering the effectiveness of the multilateral Norcross model for development cooperation. The targets included are 'setting a shared vision and direction for the future', 'improving planning, performance and accountability', 'cooperation and alliances' (e.g. CAS), 'delivering effective programmes and services'. It will go too far to go into any detailed contents of these targets, but the 'improving planning, performance and accountability' target may suffice as an illustration. This target is operationally the task of introducing a result-based planning and performance management including measurable targets and priorities for strategic and operational plans, *accompanied by indicators to support the monitoring and evaluation of progress, impact and results*. This latter operational system may facilitate Norcross reporting on impact on both the program and project level on Norad sponsored projects, including OD programs.

Both the adaptation of the Global Agenda to the Americas situation and the implementation of the Framework of Action is phased over the period 2008-2010. The vehicles of change will be technical support schemes designed by the zone, country plans which are more operational than the national plans and will be based on ongoing consultation with National Societies. The zone has a total in-house staff in Panama of 27 people and the head of the zone reports to the Director of Coordination and Programming Division in Geneva. The zone also has regional offices and a few national offices giving a total head-count of about 75 ex. post disaster clean up personnel. The zone office has specialised staff in a number of areas, particularly those that are most important in the national plans of the National Societies, like Health and Care, OD, DM and Resource Mobilisation.

In IFRC there are seven zone offices which have basically the same functions as the zone office for the Americas.

#### 10.4. Systems designed to strengthen National Societies' capacity

The channel for any kind of Norcross bilateral or multilateral development assistance is the National Red Cross/Red Crescent Society. The execution of the projects are thus dependent on the quality of the National Society and the support which it is given by the Federation and Norcross. Both the efforts of the Federation and that of Norcross are directed at strengthening the local National Society in which the development projects are located. The dependence on National Societies for the implementation of the projects represent both a risk and an opportunity.

The *risk* is that the assessment of the institutional capacity of a National Society for the carrying out of a project is inadequate, and in such a case a project would be expected to

encounter operative problems. It is also quite a vulnerable strategy as the National Society is much a reflection of the society in which it operates, and may thus also reflect changes that take place politically and economically e.g. in the wake of an external shock like a natural disaster, an armed conflict or a major change in the security situation of a country. Such adverse developments may negatively impact the activities of a National Society, and especially so because most of the countries that Norcross work in are countries that either are or are potentially exposed to such adverse situations.

The use of National Societies as channels for international development cooperation is related to a basic civil society issue, the capacity of the National Societies as agents for change. There is a dualism in the role of the National Societies in all the countries of operation. A National Society is an auxiliary to the national government by statute, and it is politically neutral, also in poor countries where there is much social injustice. The leadership of a National Society would normally carry much social prestige and tends to be recruited from the political or social elite of a society. This gives the National Society good networks, but at the same time this may weaken the capacity of the National Society to communicate the values of the movement within a given political framework. Thus a frequently used expression in the Movement is 'not to close (i.e. to the government) and 'not too remote'. It is not unthinkable that a passive National Society that interprets its neutrality stance too 'literally' might even contribute to the enforcement of repressive structures in a country.

*The opportunity* which the reliance on a National Society represents is a higher likelihood of achieving sustainable projects and program that may continue after the exit of donors. This will, however, depend on how successful Norcross is in contextualising the projects and assisting in the development of institutional capacity of the National Society to manage the project independently. The long term development impact and value added is ensured when a National Society may sustain a project without foreign assistance. This is probably the main 'civil society' impact of the Red Cross/Red Crescent development cooperation model. As the National Society becomes better equipped to assume more responsibility for the local activities the role of Norcross changes and becomes more that of a facilitator

The *inter-linkages and commitment* that the various stakeholders in the Movement have toward each other is a centrepiece of all the international projects. The National Societies are given a central role in the planning and implementation of local projects. *The central role of the National Societies* in the international development cooperation operations of Norcross is illustrated in the figure flowchart below. Norcross channels its support through national Red Cross/Red Crescent societies bilaterally as well as multilaterally through operational alliances (OA) facilitated by the Federation, as well as through consortiums headed by the National Society in the recipient country. Thus in the context of the Red Cross/Red Crescent movement good cooperation is defined as bringing the capacities and resources of the various partners together in a complementary fashion in an open and transparent way.

The support which is extended by Norcross to the National Societies includes both capacity building within special programs and sectors and organisational development which shall ensure an effective and goal-driven structure of the local partner shaped on the definition of a well functioning National Society.<sup>33</sup>

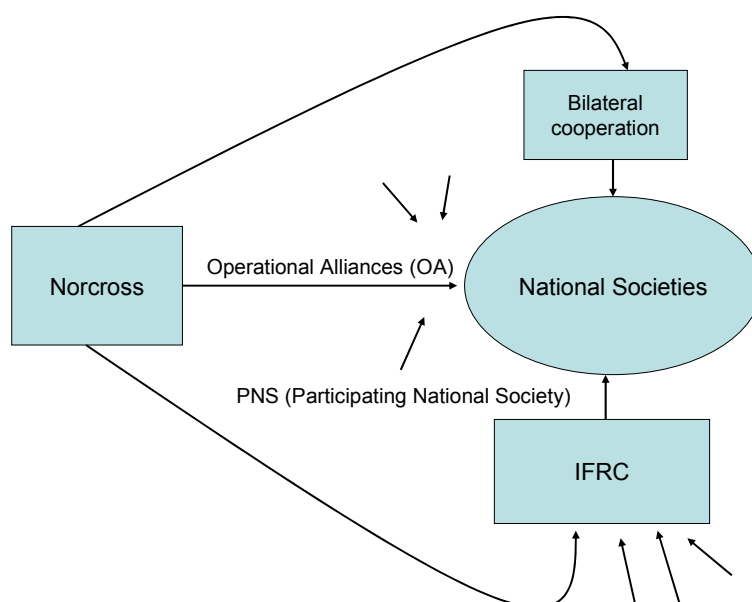
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<sup>33</sup> Definition of a well-functioning National Society of IFRC



Ideally a National Society should develop a strategic plan and subsequently use a process which is called CAS (Cooperation Agreement Strategy approach) CAS as it offers a framework to improve how the Federation and the National Societies can work effectively with other donor National Societies (like Norcross) in their own country.<sup>34</sup> A CAS process ensures that the primary needs of the most vulnerable groups in the recipient country and the strategy of the National Societies are brought into focus. Both the priorities of the National Society, the Federation and the external Partners are forged into a coordinated plan. In a sense it is a coordinated effort by the Federation and participating National Societies to ensure that the total capacities, resources and obligations are employed in the best way. There are reasons to believe that the OA/CAS approach may increase the efficiency in international development projects that are jointly done by a National Society in cooperation with other participating National Societies in liason with the IFRC. It may effectively reduce sub-optimisation resulting from several National Societies working more or less coordinated directly with a National Society.

#### **Dynamics of Norcross International Development Cooperation (with Norad)**



## **10.5. Bilateral cooperation**

### **10.5.1. Monitoring Systems of delegate offices in recipient countries**

Delegates of Norcross are employed with Norcross and works closely with the program coordinators in Oslo reporting directly to the heads of Sections. Norcross has regional or country delegates in a group of countries, especially in the countries with which Norcross has bilateral cooperation. When possible the offices of the Norcross delegates are located close to the regional office or the country office of the IFRC that through an agreement with Norcross

<sup>34</sup> CAS Guidelines and CAS Toolkit

(Service Agreement) makes available a number of practical services (available to all National Societies operating in a country). The Federation has a cooperation agreement with the government in each country of operation. The local national governments confer on the Federation its own legal status which in turn may be utilized also by other National Societies upon agreement.

An important vehicle for developing the local National Society is the Cooperation Agreement with the local partner. One of the main areas of focus has been the development of better financial management.

The Cooperation Agreements between Norcross and local National Societies would normally have as a major objective to assist the partner in their endeavours to:

- become key humanitarian operators in their countries and important contributors with respect to reaching global development goals.
- develop good governance that promote good management including satisfactory financial management systems and external audits.
- expand the capacity of the National Societies both in terms of number of employees and volunteers, stronger district organisations and better decentralisation of program activities.
- develop a solid basis for income generating activities to ensure sustainability and independence.
- create an open dialog on mechanisms of evaluation and required follow-up work.
- develop cooperation based on the criteria for a well-functioning National Society.
- maintain an critical awareness in Norcross as to the role Norcross shall have as a partner.

## **11. PERFORMANCE FIELD OPERATIONS WITH REFERENCE TO GUATEMALA**

### **11.1. Brief background**

After several years of internal turmoil in GRC and reduced capacity a new governing board came into office in 2003. The organisation was weakened with a large debt, a poor image and weakened credibility and a network of quasi-independent branches and lack of organisational coherence<sup>35</sup>. The new GRC board embarked on an emergency and institutional rescue action plan and signed a cooperation agreement with PNS with the objective to rectify the role of GRC as a force in Civil Society. A National Development Plan of the GRC was not developed till 2005 after much consultation with all branches and headquarter staff.

As from 2006 Norcross has cooperated with GRC on a bilateral basis to define the scope and ambition of the GRC community health program, as well as the areas of cooperation in the areas of organizational development of GRC.

Guatemala has a population of ca. 13 mill. and has the lowest HDI index in the Americas after Haiti. The concentrations of extreme poverty are primarily in the rural areas in the west and the south of the country. It is estimated that ca. 56% of the population lives at less than one dollar a day. Although the country is a middle income country in terms of per capita income,

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<sup>35</sup> Country operational plan-Guatemala 2006-2008, p.1.

distribution of wealth is uneven much to an inadequate taxation system, and large population groups are left in deep poverty. The country was through a destructive civil war. A peace agreement was signed in 1996, but there is still a climate of political violence. Public health in the districts is weak and nearly absent. Infant and maternal mortality rates are among the highest in the world. The present government says it has made the improvement of civil society the main priority e.g. through programs to strengthen public security and reducing absolute poverty. However, not many improvements have been seen. The country is regularly visited by draughts, earthquakes, forest fires, volcanic eruptions, major socio-economic disasters like the Mitch and the Stan hurricanes in 1998 and 2005 respectively which greatly affect the most vulnerable groups in the country.

In terms of the TOR for the Organisational Review the focus of the Review is the National Society of Guatemala (GRC), and how it functions as the *executing organisation* in Norcross system of bilateral development cooperation in the country, and indeed for all projects of PNS and the Federation. Thus there is a brief summary of all the activities of Norcross in the country and some assessment of the performance of the programs.

Norcross has an office in Guatemala (also a regional office for Central-America), but that is in the process of moving to Panama), and Norcross bilateral support is jointly controlled and administered by that office and the National Society. The role of the Norcross office is to assist the GRC to reach its objectives in the areas chosen for Norcross support, Mother and Child Care, HIV/AIDS and Organisational Development, including volunteer development and fund raising. The actual projects and programs are planned, implemented and monitored by the National Society with the guidance of the Norcross office. The performance of Norcross will thus be commented on both in relation to results achieved and in relation to how this model of cooperation with and through a National Society have a sustainable developmental impact.

The Guatemalan National Society is accepted by and integrated in the civil society of Guatemala, and GRC is also an auxiliary to the government. This gives the National Red Cross a broad platform for action.

The bilateral projects in Guatemala which are financed by Norcross from Norad funds started in 2006 and consist of a Mother and Child Care program (MCCP), a HIV/AIDS program and a program for Organisational Development that include a special program for development of the GRC volunteer work. Until 2008 there was also a water and sanitation component in the MCCP which has been transferred to the Health in Emergency Program which is financed by the MFA. The latter program has therefore not been a part of the Review.

The cooperation between Norcross and GRC has a long term nature.

## 11.2. HIV/AIDS

### 11.2.1. The Global Alliance

Guatemala Red Cross is one of the 80 National Societies that have become part of the Global Alliance and which follow the strategy of the global agenda for HIV/AIDS. In 2006 the IFRC proposed a common platform for dealing with hiv, aids which was accepted by the member National Societies. Any one National Society may join the Red Cross/Red Crescent alliance

on HIV/AIDS. A manual has been worked out that provides a platform for each participating member National Society which includes both the methods and the tools on how to proceed successfully. The objective of the Federation is that the activities of a National Society member shall achieve a 10% reduction in the overall HIV/AIDS occurrence in a country. The manual is called the “seven ones”. One of the chosen methodologies of the global agenda is ‘together we can’. This was first developed by the Jamaican Red Cross and applied with success in the Caribbean. The methodology was later adopted by the Federation.

#### 11.2.2. HIV/AIDS methodology and expected results

The work in the HIV/AIDS in Guatemala is an expression of the general policy of the Federation (which has been decided upon by the National Societies) to create sustainable programs in Civil Society in this humanitarian area.

The GRC program thus reflects the general IFRC methodology on HIV/AIDS as the programs are integrated into the profile of the country and are not considered isolated from poverty, violence etc. It is also a part of an IFRC global health and care strategy that the programs have a community approach. The programs are thus linked to the capacity of the community itself, and is a long term development program as HIV/AIDS is chronic and will continue to be a challenge for a long time.

There are four expected results of the Global Alliance, improved prevention, the provision of treatment facilities, reduction of stigma and discrimination, and increased capacity of the National Red Cross/Red Crescent member Societies. These activities have been embraced by the Guatemalan Red Cross. Some of the tools are developed by the IFRC and used by the GRC, like the ‘together we can’ methodology. The ‘together we can’ program is targeting young people and is based on a peer group approach. The GRC volunteers work directly with young people where they are found; schools, sport clubs etc. and recruit other young people in the various groups to take the responsibility of addressing the HIV/AIDS issues to other members of the peer group. After a specified time period there is a ‘before and after’ test which detects the extent to which the message has been internalised by the young people that have gone through the information sessions. The ‘together we can’ work is well documented and some preliminary results are positive.

#### 11.2.3. The Strategy of GRC

The global alliance has been adapted to the Guatemalan situation and the general objective of the program is to reduce the impact of HIV/AIDS on young people and population groups prioritized because of their greater vulnerability. The focus is on prevention measures with high impact and intensive information programs aimed at reducing the stigma and discrimination which is prevalent in the Guatemalan population against those population groups that are affected.

The strategy is threefold;

Firstly, the HIV/AIDS program is run in both the cities and the village communities in 5 provinces that are in or in the vicinity of the main epidemic corridor; Cusatepec, El Palmar, Retalhuleu, Tecun Uman, Mazatenango. The program shall improve the capacity of

population groups in those areas to protect themselves. In order to maximize the impact the program is also coordinated with the Mother and Care program.

A second objective is to improve the capacity of the five provinces selected for the program to be able to respond to emergencies and create direct access to the centres of reference and attend rapidly to those affected, Thus volunteers would go into the various communities and educated the village people on how to protect themselves and their children against the HIV/AIDS The program is run by volunteers from the GRC branch headquarter in each of the provinces. These provinces were chosen because they are in or near the transit are for migrating groups to and from Mexico and on the general international through roads. In these transit areas have the highest incidences of hiv, aids.

Thirdly, GRC pursues the formation of alliances with other organisations and public authorities in information campaigns aimed at increasing general knowledge and awareness of this epidemic disease and reduce the stigma and discrimination<sup>36</sup>

A considerable number of people would also come to the sessions on aids at the local branch headquarter where there also are pre-test consultations, the tests themselves and post test counselling.

#### 11.2.4. Results

The programs commenced in the course of 2006. This is reflected in the growth figures indicated below:

Number of young people benefiting from 'together we can' methodology in the five provinces:

2006: 333

2007: 3225

2008 (as per 1.7): 2546

In addition to the 6104 young people approx.26.000 women and men have been included in the information program. 42% of the communities that are included in the AIEPI program have benefited from the HIV/AIDS program. 70% of the parents of young people in the program have attended information meetings. 25 volunteers have been recruited and received qualifying training so far for the execution of the program, 5 volunteers per branch.

### 11.3. The Mother and Child Care Program (AIEPI)

#### 11.3.1. Brief background

The Mother and Care program is implemented by five GRC branches in South-West. It was initially started by the American Red Cross and a pan-American health organisation. Norcross decided to support the GRC to continue to carry on the program that have shown good results.

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<sup>36</sup> Report of GRC on HIV/AIDS of July 2008

There were initially no specific result indicators in the strategy, but later some activity related indicators have been used. In the 2008 strategy there are impact related indicators, e.g. how many villages are self-sustaining with services as a result of the work, how many children grow well etc. The introduction of clearer performance indicators came much as a result of a mid-term evaluation that indicated a need to make the results more transparent to all stakeholders in the program.

#### 11.3.2. Program Strategy

The Norcross supported program is run in 5 provinces; Cualepec, El Palmar, Retalhuleu, Tecun Uman, Mazatenango. The selection of the communities have been done *in coordination with* the Ministry of Health. The program is run from the GRC branch headquarter in each of the provinces. Hence for example the Mother and Care program in Mazatenango would include 65 communities. In each of the communities the work is based on volunteers coming in from a long distance, up to 3 hours driving on rough roads, recruiting local community volunteers that belong to the village, training them. The local community volunteers are designated 'social volunteers' and are a part of the GRC volunteer movement. The training they receive is both related to the values of the Movement, and to the specific social tasks that they will be doing in their local communities.

When the local community is self-sustaining with their own social volunteers after approx 1-2 years the GRC exits the villages first chosen and make a move to incorporate more of the ca. 300 very poor villages in the province. Through this rather explicit Exit Strategy a momentum is maintained in the program. There are 19 provinces in Guatemala, and the long term strategy is to move to other provinces upon completion of those initially chosen for the Mother and Child Care program.

The water and sanitation program was closely related to the Mother and Care program. The program is now a part of Public Health in Emergencies Program that is funded by MFA).

#### 11.3.3. Results

The programs started up in the course of 2006. This is reflected in the growth from 2006 to 2008.

The AIEPI (Mother and child care program).

The GRC has successfully recruited 48 volunteers as per today to carry out the AIEPI program, 20 of which are in Coatepeque and the other provincial branches have 7 volunteers each. The number of people having benefited from the program has developed as follows:

2006: 56 communities: 6076 people (children 1665)  
2007: 59 communities: 9293 people (children 2539)  
2008: 63 communities: 15490 people (children 4536)

In each of the communities social volunteers have been recruited and trained by GRC to sustain the program as the regular volunteers leave and incorporate new local communities in the program.

## 11.4. Contribution of AIEPI and HIV/AIDS toward the Millennium Goals

Both the AIEPI program and the HIV/AIDS programs contribute in different ways to the millennium goals:

1. *Promotion of gender equality*: Gender balance is generated by the ‘together we can’ methodology and the recruitment and training of volunteers of both sexes that support the program.
2. *Reduction in infant mortality*: By preventing HIV/AIDS, especially the vertical transmission from mothers to children before or after birth) contributes to a reduction in infant mortality.
3. *Improvement in maternal health*: the education in sexual health and reproduction that the volunteers transmit to the mothers at the community level, the information about sexually transmittable diseases in general and HIV/AIDS and unplanned pregnancies and contraceptives constitute the main contributions to achieve this millennium goal.
4. *Reduction in HIV/AIDS and other diseases*: The work of the GRC is directly related to this millennium goal through the programs on HIV/AIDS.

## 11.5. Organisational development (OD)

The OD program has three main components:

### 11.5.1. Improving Resource mobilisation capacity of GRC

One of the key factors which to a large extent will determine the exit plans of PNS from GRC is the ability of GRC to finance its own activities. There is today not much income from Guatemalan sources although the government has recently made some contributions to specific programs. In order to establish a platform for an effective resource mobilisation program a communication platform is being developed with Norcross funding. Thereafter a funds mobilisation program will be developed with the assistance of Norcross and the IFRC (Americas zone administration). The IFRC will specifically assist by providing tools that have been successfully employed in other parts of the Movement.

### 11.5.2. Financial Management

In the beginning of 2008 an audit indicated that the financial management and control system of GRC was inadequate. Norcross agreed to finance a program to improve the overall financial management system by involving an international audit company that is presently developing a ‘financial systems handbook’ and a new financial system.

### 11.5.3. The development of the volunteer work in GRC

The volunteer work constitutes the basis for the Mother and Child Care program and the HIV/AIDS program and is one of the most important modes in the GRC work to improve civil society structures. In order for GRC to expand the programs as planned to embrace more communities in the 5 chosen provinces and as GRC plans and include 4 more provinces in the programs there is a need to successfully recruit and train more volunteers. Norcross has

assumed a major role in the development of the GRC volunteer programs, also because this task is directly related to the future development of the HIV/AIDS and the Mother and Child Care programs in the communities. The coordinator for the volunteer programs is on GRC payroll but is refunded by Norcross. The IFRC has assisted in the OD of the volunteer work specifically through providing a standard data base system for volunteers (Registry of Volunteers) that maps the respective skills of the volunteers enabling the GRC to make a call to the right personnel both in case of emergencies and health issues. New volunteers are taught Red Cross values and trained in the essentials areas of operation. This also include preparation for emergency situations. The volunteer work has three official cores; Youth, Rescue, Ladies- and in addition there is a social volunteer core that does not have any voting rights but nonetheless is an essential and important part of the volunteer movement. The three primary cores have a governing board. All branches have the three cores. At the national level leaders are elected for each core that is responsible for organising the planning of the separate cores at the national level.

#### 11.5.4. Organisational development results and impact on Civil Society

There are a number of developments that are clearly indicative of positive results of Norcross measure implemented, some are, however, of a more qualitative nature:

- **A local ownership to strategies and budgets.** After several years of much assistance from PNS in all phases of planning processes, the GRC has developed entirely on its own its strategy for 2009. This document is the basis for the definition of what kind of support GRC will request from other National Societies and the IFRC. The *realism of a strategy built on the use of entirely local expertise* and the *development of indicators* the local organisation itself is committed to monitor will tend to be more realistic than a process that has been led by foreign nationals who try to relate to a local context which would normally be more or less unfamiliar to them. The GRC led planning process might also tend to reduce the risks related to a bilateral program supported by Norcross as the projects, after having been through a local planning process, would also be wetted by Norcross, but only after national ownership to the project and the goals of the projects are established.

- **The previous dysfunctionality of the Governing Board** has been amended, and the Governing Board is today a broader and more representative body.

- **Government financial support.** This may be viewed as a quantitative performance indicator. The Guatemalan government support is given for the first time this year to specific GRC programs, and may be viewed as an indication of a tangible civil society development results of the OD. It is also an indication of progress in public image in view of the severely impaired image of mismanagement and disintegration that the GRC had not so long ago. The OD program has done much to repair this image by focusing on governance and financial issues like anti-corruption strategies, as well as the volunteer development work that now underpins the HIV/AIDS and Mother and Child Care programs in which the government expressed particular interest.

- **The volunteer movement in GRC.** The Volunteer work has been expanded the last two years after the entrance of Norcross. The governance that previously was considered quite unsatisfactory has improved. There is now a coordinator for the volunteer work which has its own governing board where the three core volunteer groups are represented. The number of



volunteers has developed from approx. 700 volunteers in 2006 to 810 in 2007 and approx. 1500 in 2008. The volunteer movement also reflect a number of different ethnic groups.

The Guatemalan Red Cross was the object of an in-depth study a couple of years back, focusing mainly on governance issues, mismanagement and disintegration after the hurricane Mitch, and indications of suppression of women in GRC. Today the president is a woman, the majority of the national coordinators are women. Several of the weaknesses of GRC mentioned in the comprehensive study would still be relevant for Guatemala Red Cross, but as has been indicated above there has been a positive OD process which have given documented results.

## 11.6. Conclusion

The results of the organisational review of Norcross operations in Guatemala may not be representative of results of the overall program of Norcross development cooperation work. It is however worth keeping in mind that because the systems of Norcross development cooperation are basically the same in all countries, it is plausible that the strength of the Organisation's system and the general approach yield satisfactory results also in other regions *if they are properly contextualised*. This is, however, not always the case<sup>37</sup>. The Nepal study indicated an absence of context and conflict analysis. At other times it is, as is shown by the study of Norcross programs in Palestine.<sup>38</sup> The Guatemalan Red Cross is still in a consolidation phase. A comprehensive study of Latin American Red Cross National Societies indicates that some National Societies may be weaker, others stronger<sup>39</sup>. The study indicates that there is much scope for improvement in many areas of governance, adherence to the principles and values of the Movement etc. The percentage of NS for which each recommendation has been made is indicated in the tables in appendix 8. The core issues confronted by Norcross as they work through National Societies will thus tend to be how to contextualise the projects and to ensure sufficient institutional capacity. The projects and plans supported are generated locally, and *it is invariably the National Societies with local employees and the many more volunteers that implement the programs*.

## 12. OTHER FOCUS AREAS IN NORCROSS DEVELOPMENT COOPERATION OPERATIONS

### 12.1. South – South Cooperation within the International Red Cross/Red Crescent movement

There are a number of specific examples of National Societies drawing on each others' resources. In Central America there are a number of recent examples, e.g. between the RC movements in Guatemala and El Salvador in disaster prevention. In Africa, Kenya has used M-621 military cargo trucks to assist in Uganda in the flooding of 2006, Mozambique Red Cross has supported Angola, Lesotho and Swaziland Red Cross in Financial systems

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Report on Conflict Sensitivity of Norwegian NGOs'. Development Assistance in Nepal, p.25, Norad, Dec.2006.

<sup>38</sup> Norad Report on the work of Norcross in Palestina.

<sup>39</sup> Ref. Analysis of National Societies sponsored by IFRS and the Spanish Red Cross.2007.

development, Lesotho has supported South Africa in developing programs for children. The Palestine Red Crescent has sent Arabic speaking employees to Sinkat, East Sudan to help in developing reporting systems, doctors from Kenya Red Cross have gone to Somalia to assist the local Red Crescent National Society there. In Asia employees in Nepal has worked in East Timor because their background was relevant.

The alternative to a South –South action program would in most cases have been either that no assistance would have been forthcoming, or to recruit much more expensive personnel from Europe.

## 12.2.Climate Change

In poor developing countries in a period of climate change, environmental projects are often the most effective way to reduce the vulnerability of the poor. Climate change mitigation and adaptation measures in poor developing countries include a wide range of project categories, like early warning systems, wave protection barriers and higher and more solid piers. IFRC has developed an agenda within climate change. It has its own climate centre in Holland and has launched an ‘International Federation Climate Guide. It is particularly in relation to climate related disasters where the Federation and its members may continue to play an important role by introducing measures in civil society that increase the preparedness of local communities for meeting climate change related disasters.

Risk reduction programmes have been introduced for example in the Sinkat project that started as early as mid nineteen eighties. It is the local presence in disaster zones all over the world that has given the Red Cross/Red crescent movement a unique role. Although the Movement cannot prevent that natural disasters have a negative effect on local societies, it is also true that the effect could be much reduced through better information, warning systems and in particular local preparedness. The National Societies in the various regions are related through a close network and a global agenda on climate change. This also involves a flexible use of human resources in the regions, like in the Americas where there is a reference centre in El Salvador and Costa Rica. Furthermore the Region organises and prepares for effective use of personnel from the whole region in cases of natural disasters. There are also climate change components in programs that have another main objective than climate change. E.g. a climate change component is in the Public Health in Emergency Program in Mazatenangu in the South West of Guatemala. People who live in vulnerable areas are taught 10 topics on key practices to be better prepared for climate change.

## 12.3.Anti-corruption measures

The financial management systems that incorporate anti-corruption strategies are different in the bilateral and the multilateral systems, and they are a blend of preventive and post-disbursement control measures.

In the *bilateral* system disbursements to projects in countries where Norcross has a delegate the financial control is the responsibility of the delegate in cooperation with the management of the National Society. In Guatemala there is a co-signing practice that requires a signature from both the Norcross delegate and the assigned representative of the management of the GRC on any disbursement. The disbursements are required to follow the budget, and a project progress control procedure is in place. For procurements of project components exceeding a certain amount it is required that there are three quotes from local suppliers.

When procurement is handled out of Oslo, the procurement is done by the procurement officer and approved by the project coordinator that controls that the planned procurement is in accordance with budget. The controllers have a post-disbursement control function, and the procurement policy officer is responsible for checking that the procurement regulations are adhered to by the departments.

For *multilateral* development cooperation projects the disbursements from Norcross would go to IFRC in Geneva that would credit the account of the respective zone administration that is responsible for the implementation of the project. The zone office may initially withdraw from IFRC Geneva a certain percentage of the annual budget. The projects that are implemented by the IFRC zone administration in cooperation with different National Societies would normally receive a partial pre-payment dependent on the clearance from the responsible project officer for the project in the zone administration. The request for disbursement would come from the National Society responsible for the implementation of the project. The project officer in the zone administration is also responsible for monitoring the development of the project in cooperation with the National Society. Prior to any further disbursements to the project from the zone administration, the National Society shall forward evidence, including copies of all expenses, showing that the disbursement has been directed to the intended purposes.

Both Norcross and IFRC have thus developed systems that may be expected to deter corruption, and the financial management control systems both in Norcross and the IFRC seem adequately structured to ensure satisfactory economic control. It is, however, a general experience with corruption that the capacity of a system to actually stop corruption from ever happening is limited. One reason for this is that corruption prevention mechanisms are more difficult to design than corruption control mechanisms, and when corruption is identified, then the money is normally gone too. In this Organisational Review the focus is on whether normal anti-corruption policies and mechanisms are in place. An in-depth study of its corruption prevention potential is outside the scope of this Review.

#### 12.4. Conflict Sensitivity

The issues related to Conflict sensitivity, including the 'do no harm' principles are handled by the ICRC which is the organisation within the Movement that handle issues related to armed conflicts. The international development cooperation projects whether multilateral or bilateral are not related to conflict situations, but are long-term development projects, although some times implemented in the wake of conflicts, but at the time of the conflicts themselves. The Movement has a long standing record in maintaining a neutral stance in conflict situations and neutrality is one of the core values of the Movement.

### 13. CONCLUSIONS AND RECOMMENDATIONS

#### 13.1. Conclusions

With reference to the Terms of Reference (p.56 of this report) the major conclusions of the Organisational Review of Norcross are as follows:

**Firstly**, the Organisation has the required systems for management and control of its own activities and is able to develop and apply systems for documentation of results. However, the documentation of results of projects supported by Norad may be improved by the introduction of a broader range of performance indicators both on the strategic and operational level. This being said the reports to Norad as such appear to reflect the realities in the field.

**Secondly**, the review of bilateral and multilateral Norcross development cooperation also indicates that the ‘system for delivery services’ of the Organisation is structurally well designed to achieve satisfactory results in international development cooperation. Norcross international development cooperation projects benefit from being a part of a strong international Movement with a significant professional resource base. Norcross may be considered to have the capacity to utilize its resources in order to achieve the established goals for its work in cooperation with its partners.

**Thirdly**, there is coherence on the strategic and operational level. The coherence in the movement is not only on the *strategic level*, but also on the *program* and *project* level where IFRC methodologies and toolkits are applied in a number of areas. The strategic coherence is given a clear expression in the Global Agendas and Global Alliances whose aims are reflected in the development agenda of Norcross. The review concludes that the Organisation is thus able to adapt the means and goals to each other so as to ensure efficient use of the total resource base of the Movement in relation to the goals set by Norcross. This is further facilitated by the flexible use of bilateral and multilateral development cooperation methods.

**Fourthly**, the Organizational Review indicates that although there is much scope for improvement and much remain undone e.g. in resource mobilisation and volunteer development, the capacity building which has taken place in Guatemala has made the National Society more independent of outside support. The Norcross bilateral project results which have been achieved in Guatemala are positive<sup>40</sup>, and there is a potential for an acceleration of the work in other provinces through volunteers. It is plausible that the strength of the Organisation’s system may yield satisfactory results also in other countries if they are properly contextualised, although this cannot be verified in this Organisational Review.

**Fifthly**, The overall conclusion of the Organisational Review is that Norcross together with the main international partner in international development cooperation, the IFRC, and partner National Societies (PNS) has the necessary capacity and expertise to reach its stated goals, and thereby the capacity to implement Norad funded projects and programs through host National societies.

The recommendations in the subsequent paragraph are given with a view to placing Norad in a better position to guide the Organisation in its further work on the development of its capacity.

## 13.2. Recommendations

**1. Improved Performance Indicators.** The projects supported by Norad are all development cooperation projects and there is a need for enhanced quantitative performance indicators. It is

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<sup>40</sup> ref. paragraph 11.2.4.,11.3.3.,11.5.4.

feasible to obtain adequate support within IFRC for the task of formulating performance indicators on both the strategic and the operational project and program levels. It is recommended that Norcross should strive to ensure that adequate performance indicators are established in the new framework agreement that may give a meaningful indication of the overall progress and performance of both strategies, programs and projects.

**2. Improved Reporting System to Norad.** There are indications that the reporting system is too broad-based and activity focused, and not sufficiently result orientated. More reporting on key performance indicator may improve the reporting quality. It should also be explored whether a reporting system that is linked more to the progress relative to an ex ante formulated base line from the recently introduced Resolution document, and to the project implementation and monitoring system, would facilitate more effective reporting to Norad.

**3. Improved Coherence in Norwegian Government Monitoring.** Both Norad and MFA support Norcross projects and programs with IFRC. The long term development projects of Norcross are supported by Norad, whereas the emergency operations are supported by MFA. However at times the dividing lines are blurred, e.g. in Guatemala the long term Disaster Management program is funded by MFA. In other regions it is funded by Norad. It may be helpful for effective follow-up of the projects which are supported by the Norwegian government that the areas of responsibility for Norad and MFA are structured consistently.

**4. Improved funding structure.** Much of the long term development cooperation work done by Norcross is based on Global Agendas and Alliances in the key areas of assistance. These tend to have a duration of four years. Long term development work requires stable funding structures. Hence it may be conducive to effective promotion of strong National Societies and their programs that the agreements are at least of 4 years duration.

**5. Reduce project risk by regular use of organisational development components.** The projects and plans which Norcross support are generated locally, and *it is invariably the National Societies with local employees and the many more volunteers that implement the programs.* This is both the greatest risk and the greatest opportunity represented by the Norcross development cooperation model. The core issue in relation to ensuring good results is related to institutional capacity and how well the projects are contextualised. It is therefore recommended that the appraisal of these issues is enhanced in Norad supported projects and that all Norcross cooperation programs with National Societies that receive Norad support should have an organisational development cooperation component with a view to reduce the overall project risk.





organisation. It is the “*performance of the system for delivery services*” that is to be analysed, not the services themselves. An assessment of the partners’ capacity may, however, be illustrated by results with end-user of the partners’ services.

**The context** at home influences the Norwegian organisation in Norway; the context abroad influences the organisation and partners in their joint work. By context is meant framework conditions which the organisation cannot influence itself, factors it can influence as a result of prolonged purposeful efforts, and factors in its surroundings which it can readily influence.

The organisational review will normally start with a description of the services delivered at different levels in the organisational chain. The description shall be related to the context in question. It shall also provide an overview of the distribution of resources in the organisational chain. As the analysis of the organisation’s and partners’ services progresses, the causes of the conditions that are uncovered will be examined in more depth, both factors of an organisational nature (**the square box I**), the partners’ roles and resources, and factors that can be attributed to the context in which the work is done.

It is important not just to examine the results (**Circle III**) among partners. Also possible consequences of the organisation’s and partners’ work for other groups in the immediate environs and the local community may be examined. As illustrated by the arrows in the figure, there is continuous interaction between the organisational chain and the surroundings. In this interaction a great deal of communication and learning takes place at different organisational levels between the Norwegian organisation, partners and recipients, which is important to performance.

The capacity analysis of this organisational system shall assess both the services delivered and the quality of the ongoing interaction processes, which will require the use of different kinds of indicators.

The **square (I)** contains the actual description of the organisation, including the organisation’s platform, organogram, strategic coherence, human and financial resources and procedures/tools, evaluation and learning.

The analysis of the organisation’s ability, together with its local partner, to make use of its resources in order to achieve results takes place in the **triangle (II)**. **The analysis of performance is the most important part of the organisational review.**

**The circle (III)** contains the results which the organisation achieves together with its partners with respect to the development of the partners’ capacity and aid to final recipients. The results are divided into two parts in order to illustrate that most organisations have the twofold goal of strengthening local partners and thereby strengthening special target groups and/or civil society. The review shall focus on capacity development with the partner. Results with the end-user may serve to illustrate the partners’ capacity, but is not subject to separate analysis. In addition to observations, interviews and the material available in the organisation’s reports to Norad, the country visits will show whether the results among partners are actually in accordance with the picture painted by the organisation in its reports.

An organisational review shall thus assess an organisation’s ability to achieve effective aid given its available financial, human and professional resources and work methods. The main question is whether the organisation – together with its partners – has the capacity and



professional expertise required to achieve its goals and implement the measures and programmes supported by Norad or which Norad will support. This presupposes that the organisation is familiar with the socio-cultural context in which it operates and that it has a realistic ambition level for its work. Other important aspects include examining to what extent and how the organisation coordinates its work with other organisations, locally and in relation to the national authorities, and whether it is familiar with and utilises the same guidelines and standards in its work as other players do.

The team's assessment shall take account of Norad's experience of dialogue with the organisation, the annual meeting, country visits, the organisation's follow-up of previous grant letters, participation in various national and international forums etc.

After an overall assessment, Norad should be able to:

Determine whether the organisation has the required system for management and control of its own activities, including expertise with respect to developing and applying methods and systems for the documentation of results and long-term effects.

Determine whether the organisation's reports to Norad give a true picture of partner(s), and provide Norad with an adequate basis on which to assess further support.

Determine whether the organisation is capable of adapting goals and means to each other, and adapting means and goals to the situation and the context.

After the review the organisation should be able to:

Decide the direction of the organisation's further work on development of its capacity.

## 2. Background

The work of the Red Cross movement builds on three pillars: The first consists of the International Federation of Red Cross and Red Crescent societies (the Federation/IFRC), which is present in 186 countries and is the world's largest organisation. The 186 national societies make up the second, while the International Committee of the Red Cross (ICRC), the mandate of which is constituted by the Geneva Conventions, makes up the third pillar.

Norad and the Norwegian Red Cross (hereinafter Norcross or the Organisation) have a long-standing co-operation concerning Norcross' longer-term development assistance, notably through the Federation and the national societies.<sup>41</sup> Norad's three-year agreements with Norcross constitute the framework for this support. The current three-year agreement will expire at the end of December 2008. The review will form the basis for the consideration of a new co-operation agreement between Norad and Norcross.

The co-operation between Norad and Norcross is focussed around five key thematic areas:

Organisational development and capacity building

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<sup>41</sup> In addition, Norcross receives support from the Norwegian Ministry of Foreign Affairs (MFA) over the humanitarian budget.

Emergency preparedness  
Climate change and environmental issues  
Health – incl. hiv/aids and preparedness  
Gender

The review team (hereinafter the Team) shall consist of one external consultant (as Team leader) and one Norad representative. The selection of the consultant shall be determined on the basis of a mini-competition between institutions with a framework agreement with Norad.

The study shall consist of a document review as well as interviews at headquarters level in Oslo, as well as (a) team visit(s) to one or two countries that are central to the Norad-funded work conducted by the Organisation. In accordance with the above description of the model (section I), the review shall contain an assessment of the following main elements: (I) Structural factors regarding the Organisation including its mandate, platform, organigram, strategic coherence, resources (human, administrative and financial) and capacity for self-evaluation and learning; (II) The Organisation's capacity, together with its local partners (the national societies) to utilize its resources to achieve the established goals for its work; (III) The results emanating from the Organisation's work through its partners. This will consist in two main elements: (a) *capacity building* of local partners, and (b) *results for the end users* of the support. However, for the purposes of the review, this latter point will primarily be important in order to shed light on the Organisation's capacity for results achievement. The review shall thus answer the extent to which the Organisation, together with its partners (national societies) has the necessary capacity and professional expertise to reach its stated goals, and thereby the capacity to implement Norad-funded projects and programmes.

### 3. Purpose

The purpose of the organisational review is to examine the Organisation's ability to provide effective aid. By effective aid in this context is meant:

Cost-efficient use of funds  
Results that are in accordance with Norwegian political priorities  
Relevance to final recipients  
Ability to achieve the Organisation's own goals

The review shall assess the Organisation's professional, financial and administrative capacity to – together with its partners – carry out programmes that implement its Norad-financed measures and programmes. This presupposes that the Organisation is familiar with the socio-cultural context in which it operates and that it has a realistic ambition level for its work. Other important aspects include examining the Organisation's collaboration with national societies and other relevant partners, including governments and non-governmental organisations at country level. Another relevant issue is whether the Organisation is familiar with and utilises the same guidelines and standards as other players.

The team's assessment shall take account of Norad's experience of dialogue with the Organisation, the annual meetings, country visits, the Organisation's follow-up of previous grant letters, participation in various national and international forums etc.

After completion of the review, **Norad** should be able to:

Determine whether the Organisation has the required system for management and control of its own activities, including expertise with respect to developing and applying methods and systems for the documentation of results and long-term effects.

Determine whether the Organisation's reports to Norad give a true picture of the Organisation and its local partners (national societies), and provide Norad with an adequate basis on which to assess future support.

Determine whether the Organisation is capable of adapting goals and means to each other, and of adapting means and goals to the context.

After completion of the review, *Norcross* should be able to:

Decide the direction of the Organisation's further work on development of its capacity.

#### 4. Scope of the assignment

The review shall be based on the following reference material:

The Organisation's cooperation agreement and contract with Norad, its policy and strategy for aid work, reviews, annual reports, website and applications, as well as research-based literature aimed in particular at the areas within which the Organisation works, and documents with reference to 'best practices'

Applicable guidelines for grants to civil society (2001)

White paper no. 35 (2003-2004)

The grant letter for the year 1

The report of the Rattsø committee (summer 2006) and the response by the Working Group (MFA and Norad) based on responses by Norwegian civil society organisations (autumn 2006)

Norad's strategy for the period 2006-2010

Other relevant documents

The review shall form the basis for a general assessment of both Norcross' reporting to Norad and the quality of the Organisation's internal communication. The analysis shall also include an assessment of the head office's organisational structure and dimension in relation to its own functions and tasks. In this regard, the review shall include an assessment of the recent institutional changes, both at Norcross headquarters in Oslo and in the field (i.e., IFRC's establishment of zones, replacing the former regions). The review shall cover the whole organisational chain from Norcross' head office through IFRC's (and ICRC's) headquarters in Geneva to national societies. It should also consider how the replacement of regions with a zone system influences the Organisation's work at headquarter and country level. The work will consist of studying, analysing, concluding and presenting recommendations and proposals for follow-up. An non-exhaustive overview of relevant issues to study is presented below.

Most of the following points involve questions that cannot be answered in chronological order once and for all, but are more recurring questions that will follow the Team in its assessments throughout all the phases of the work up until the final report.

Description of the Organisation

The Organisation's catchments area, platform and structure:  
 In Norway and abroad  
 Remit, policy and strategy(-ies)  
 Governing bodies, organisational structure and work methods  
 An organigram indicating the place of the international work  
 Strategic coherence between the goal, strategy and action levels  
 The Organisation's partners (national societies)  
 The Organisation's procedures for (a) monitoring and (b) formalised dialogue/collaboration with its local partners (national societies, local authorities, non-governmental organisations) in the South  
 Capacity and professional competence  
 Procedures/tools for Organisation management, financial management and the measurement of results  
 Risk analysis of human, professional and financial resources  
 Evaluation and learning  
 Other aspects of the Organisation which either Norad or the Organisation wish to shed light on.

Performance analysis

Of the Norwegian Organisation:

Policy, strategy and action programme for building partners' capacity:  
 How and on the basis of what principles does the Organisation choose its partners?  
 To what extent and how does the Organisation contribute to strengthening partners?  
 How does it contribute to the development of partners' knowledge (e.g. it may have good ideas but poor systems for ensuring their realisation)  
 How does the Organisation endeavour to measure and monitor the attainment of goals?  
 What success indicators has it established/does it establish?  
 How is capacity relating to the Organisation's work being checked?  
 To what extent are partners included in decision-making and strategy processes?  
 What other roles do the partners have in relation to the Norwegian Organisation?  
 How does communication function between Norcross headquarters, IFRC (and ICRC) in Geneva and the field, national societies and other local partners?  
 What is the timeframe for partnerships? To what extent is an exit strategy being prepared with a view to the partner standing on its own feet in the end?

Of local partners:

The quality of the partner's planning and implementation process:  
 To what extent are national societies, other local partners and target groups included in the planning and implementation phase?  
 To what extent are local expertise and resources being mobilised in programmes?  
 How realistic are goals and planned results/outcomes?  
 How are indicators being used in the planning phase?  
 Are risk analyses carried out, and how, in the planning phase?

Of both the Norwegian Organisation and local partners:

Reporting and evaluation of capacity-building results:

What indicators and other instruments are used to report goal attainment at different levels?

What are the reporting requirements and how are they followed up?

What feedback is given to reports from partners?

What guidance is triggered by feedback on reports?

Learning in the Organisation and by local partners

The quality of communication when:

A failure takes place in terms of quality and delivery date in relation to contractual obligations

Conflicts and corruption occur

Results achieved among national societies / local partners

What has been achieved in terms of building partners' capacity that can be attributed to the Norcross' programme activities? This may be illustrated by results at end-user level

How has this contributed to strengthening civil society?

How are results documented at end-user level?

What is the level of the results (input, output, outcome, impact)?

To what extent are indicators used in reporting?

How is the risk situation handled during the programmes?

To what extent is the target group involved in the reporting of goals?

## 5. Work process and method <sup>42</sup>

An important part of the review will be carried out in Norway, where the Organisation has its head office. This will be supplemented by a visit to IFRC and ICRC headquarters in Geneva at the start of the field visit. The Team will also visit the zone headquarters in Panama and the national society in Guatemala.

### General information about the collection of data/information

The review shall be based on document studies and interviews at Norcross headquarters. A self-evaluation form might also be developed by the review Team as a tool to gain knowledge about the organisation, and to ensure the Organisation's active participation in the process. The self-evaluation form would be used by board members and employees at head office and country level and possibly others.

Interviews, which should be based on an interview guide developed by the Team, can be conducted with a sample of persons at all levels in the Organisation, including partners (and possibly target groups or other stakeholders).

### The study and documentation phase

The first part of the review will consist of an in-depth study of the documents concerning the Organisation and its cooperation with and reporting to Norad.

The provisional results from this phase shall be presented to Norad and the Organisation (and when applicable to the reference person in Norad). The inception report shall propose (a) focal point(s) for the country visit.

### Country visits

The country visits will assess the quality of the partnership and the Organisation's capacity to deliver results through the national societies / local partners. The team will visit IFRC and ICRC headquarters in Geneva on their way to the field.

The field work will focus on the Organisation's programmes and projects in the Americas, notably including: (1) Regional programmes (health and organisational development); (2) Guatemala (organisational development, disaster preparedness, health and humanitarian values). A third focus area would be (3) the Organisation's work in the Caribbean (youth and hiv/aids). The field work will include a visit to IFRC's zone headquarters in Panama as well as to Guatemala. The Guatemala visit should include meetings with the national society in Guatemala city as well (a) visit(s) to the field in Guatemala.

In addition to conversations with project/programme employees, the review team will speak with people who are independent of the Organisation, such as peers (i.e., other players who work within the same field in the same country), and local players, such as local residents (non-beneficiaries) in the area of implementation.

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3) Two good reference documents as regards Organisational analysis are Stein-Erik Kruse's "How to Assess NGO Capacity: A Resource Book on Organisational Assessment", 1999, Bistandsnemnda and "Institutional Assessment and Capacity Development: Why, What and How", produced by EuropeAid for the European Commission, September 2005.

The Team shall hold (a) debriefing(s) with the Organisation and its partners at the end of the country visit(s).

#### Interpretation of the data and observations

The consultant's subjective standpoint shall be explicitly stated in the report, as shall the methodological approach. The latter shall be systematic and analytical. As far as possible, conclusions shall be based on triangulation, i.e. elucidation of the same question from several angles using data from composite source material. The document studies and interviews shall be organised in a manner that ensures representativeness, and so that the analysis provides a basis for drawing tenable conclusions.

#### Analysis and conclusion

All assessments of the reliability and relevance of the management of the undertaking and its finances shall be based on relevant documentation.

#### Recommendation and follow-up

The review shall provide Norad with concrete, actionable recommendations regarding the direction of Norad's further cooperation with the Organisation. This will include proposals for improvements on which Norad should focus in its follow-up work.

The recommendations shall also contain proposed measures to improve Norcross' organisational structure in order to optimise its aid activities. Other relevant recommendations furthering the objective of the review may be added.

The Team leader is responsible for the final report; however, any internal disagreement about its conclusions and recommendations should be stated in the report.

## 6. Reporting

#### Inception report

The Team shall deliver an inception report to Norad (which will distribute to the Organisation) outlining its findings based on the document study, questionnaire(s) and interviews at Norcross headquarters, as well as its plan for conduct of the country visits (including focal points), by 29 September 2008.

#### Draft final report

In order to allow an opportunity for comment and for correction of any factual errors and misunderstandings, the Team will present its draft final report to Norad (which will distribute to the Organisation) no later than 31 October 2008, with a deadline for responses to the Team two weeks later (14 November 2008).

#### Final report

The final report will be structured in accordance with the Terms of Reference, and shall be delivered to Norad (and the Organisation) no later than by 17 November 2008. It shall be written in English, contain a summary of approx. 3-4 pages and be maximum 40 pages long. Appendices may be added. Ten printed copies of the final report shall be sent to Norad in addition to an electronic version of the report.

The Organisation may on its own or on partners' behalf request that information that is considered particularly sensitive to the life and safety of staff be included in separate appendices with restricted access.

Information, presentation and publication

In order to ensure that the report constitutes a good basis for follow-up, the team shall keep Norad's case administrator and (when applicable) the reference person informed about the progress of the work and include them in discussions about important findings, topics and issues before the start of the field visit, as well as during the concluding phase of the work.

At the request of the Organisation or Norad, the Team leader shall be available for discussions about recommendations and follow-up points.

As part of the assignment, the Team leader and/or consultant shall make two presentations of the final result within two (three) months of the report's completion (see the time schedule, below). One of the presentations will be made at Norcross' head office or other expedient venue, while the other will be conducted as a half-day seminar for Norcross, Norad and Ministry of Foreign Affairs personnel.

The report will normally be published on the internet. In special cases, and subject to relevant legal provisions, parts of the report may be exempted from general publication.

## 7. Time schedule and budget

Time schedule

The review will take place during the period 1 September – 14 November 2008.

**Phase I: 29 August – 29 September (7 days):** Document study from 29 August. Interviews on 29 August, and 22-27 September at Norcross headquarters. Telephone interviews. Writing of the inception report to Norad, including an assessment of the document study and interviews and outline of the field work.

By 29 September: ***Inception report*** delivered to Norad.

By 3 October: Norad and Norcross to read and comment on the inception report, with possibilities for adjustments to the planned field work.

**Phase II: 6 - 17 October (10 days): Field work:** Geneva (IFCR and ICRC HQ); Panama (Zone HQ); Guatemala (Country Office). Team debriefing(s) with the Organisation in the field before return to Norway. Telephone interviews with former staff to supplement the field interviews.

Phase III: 20 - 31 October (9 days): Report writing.

By 31 October: The ***draft final report*** will be presented to Norad.

31 October - 14 November (two weeks): Norad and Norcross read and comment on the draft report.



**Phase IV: 14 - 17 November (3 days):** The review team makes final adjustments to the report based on input from Norad and Norcross.

By 17 November: The *final report* to be presented to Norad.

By 30 January 2009: Half-day seminar for Norcross, Norad and Ministry of Foreign Affairs personnel based on the report's conclusions and recommendations.

## Enclosure 2: ECHO updated in connection with Norad Organisational Review

### *HQ ICQ 2008*

#### 1. Organisation

2.18. How are the activities of the NGO supervised?

No formal supervisory body

Supervisory board (self-appointed)

Supervisory board appointed by election of members

2.19. Does the NGO maintain a formal organisation chart (including the names of key personnel), which has been updated in the last 6 months?

No Organisation Chart

Organisation chart not updated in last 6 months

Yes

2.20. Does management have a formal process for reviewing the organisational structure?

No formal process

Review on an irregular basis

Formal review at regular intervals

2.21. How would management describe their current adequacy of financial staff?

There is a need to increase financial staff

Some overtime must be worked at peak periods

Full reporting can be performed within normal working hours

2.22. Do finance staff have recognised accountancy qualifications?

No

Yes, some

Yes, all

2.23. Does the NGO have a formal IT plan including recovery and back-up where necessary?

Yes

2.24. How often is the IT plan formally reviewed?

No regular review

Yearly

Every 6 months or more frequently

2.25. Does the NGO have single members of management who carry out a number of key roles/ functions?

Yes

No

2.26. Have other donor organisations carried out financial audits of the NGO in the last year?

No

Yes – Echo revisjon

2.27. Does the NGO have an Audit Committee?

No

Yes

2.28. Does the NGO have a Risk Committee?

No

Yes

2.29. Does the NGO have a Remuneration Committee?

No

Yes

2.30. Does the NGO use local partners in field?

Local partners only

Local partners and ECHO partners

ECHO partners only

2.31. How often does management find it necessary to override established controls?

Frequently; the urgent nature of the NGO's work means formal controls cannot realistically be implemented in many cases

Sometimes; certain projects require unusual action to achieve objectives

Rarely; controls can generally be easily adhered to

2.32. Does the NGO maintain: A written 'code of conduct' regarding ethics, conflicts of interest?

No

Yes

2.33. Does the NGO regularly prepare a written report on adherence to the code of conduct?

No

Yes

2.34. Is the NGO a member of an umbrella organisation/lobbying group?

Umbrella

National

International

## 2. Compliance

- 2.35. Does the NGO have a contractual compliance officer responsible for ensuring the FPA requirements are met?

No

Yes

- 2.36. Does the NGO perform written evaluations of completed projects on a systematic basis?

No systematic evaluation procedures

For a defined selection of projects - selected Norad financed projects

For all projects – ny quality assurance routines require that all projects be evaluated upon completion.

- 2.37. Does the NGO maintain: A list of directors' other positions and activities and is this regularly reviewed and updated?

No such list is maintained

The list is maintained but no formal review

The list is maintained and independently reviewed

## 3. Quality

- 2.38. Has management adopted Quality standards (e.g. ISO)?

No

Field standards (e.g. Sphere)

HQ/ Management

Management and field

- 2.39. Is there a specific management committee or department with responsibility for monitoring the use of internal or external quality standards?

No

Yes (from 01.01.2008)

- 2.40. How often are written formal reviews of management's achievement of operational and financial objectives against plan carried out by the board of directors/ trustees?

Not performed

Yearly

At least 6 monthly (from 01.01.2008)

#### 4. Planning

2.41. Does the NGO have a formal, approved strategic plan for its activities?

No

Yes

2.42. Is there a formal written comparison of outcomes to the strategic plan (eg in annual report)?

No

Yes

2.43. Does the NGO carry out risk assessments which document (and quantify) regulatory, financial and operational risks?

No (under development)

Yes – Risk Manager position from March 2008. Risk assessment currently under way.

2.44. If yes to 4.3 (risk assessments) how frequently is this carried out?

N/A

Annually – will be annually updated

More frequently

2.45. Is field planning based on written formal needs assessments?

No

Yes

2.46. Are organisation-wide short-term plans (budgets) drawn up?

No

Yes

## 5. Financial Control

2.47. Has the NGO established budgetary control across the entire organisation?

No Budgetary control

Budgetary control exists only at HQ

Budgetary control exists at HQ and SOME local offices

**Budgetary Control exists at HQ and ALL local offices**

2.48. How are Head Office budgets approved?

No budgets

Informally (e.g. as part of proposal process)

**Formally by Senior management only**

2.49. How are Field budgets approved?

No budgets

Informally (e.g. as part of proposal process)

**Formally by Senior management only**

2.50. How often do management review budget to actual reports for HQ?

No budgets

6 monthly/ Yearly

**Quarterly (tertiary)**

Monthly or more frequently

2.51. How often do management review budget to actual reports for field operations?

No budgets

6 monthly/ Yearly

Quarterly

**Monthly or more frequently**

2.52. What type of accounting system is used at HQ?

Single entry

Double entry cash accounting

**Double entry accrual accounting**

- 2.53. Does the NGO maintain formal mandates and authority limits for approval of financial transactions by officers?
- No  
**Yes**
- 2.54. Does the NGO maintain a chart of accounts enabling strict project accounting on a category by category of expense type basis?
- No project accounting  
Yes but categories not distinguished  
**Yes**
- 2.55. Does the NGO use dedicated accounting software which prevents alteration by non-authorised personnel etc?
- No Accounting Software  
Accounting Software exists only at HQ  
Accounting Software exists at HQ and SOME local offices  
**Accounting Software exists at HQ and ALL local offices**
- 2.56. Has the Accounting Software been updated in the last 2 years?
- No  
**Yes**
- 2.57. Is project accounting integrated with general accounting?
- Not integrated with accounting and manually input  
Specific accounting for ECHO projects  
**Project accounting integrated with accounting and easily separable**
- 2.58. Describe the accounting standards used by the NGO:
- Significant variations from national/IAS standards  
Certain variations from national/IAS standards  
**National/ IAS standards are used with no variation**
- 2.59. Does the NGO operate separate fund accounting to separate donations restricted for specific uses?
- No  
**Yes**



- 2.60. What type of accounting system is used in the field?
- Single entry  
Double entry cash accounting  
**Double entry accrual accounting** (except Nairobi that has single entry)
- 2.61. How often is an explicit line-by-line comparison made to the contract budget and FPA?
- None. Please describe any other procedures or processes used.  
At project end  
**For each interim report**
- 2.62. How often is explicit approval given by the authorising manager that the transactions have been checked for compliance with the contract?
- None. Please describe any other procedures or processes used.  
At project end  
**For each interim report**
- 2.63. Are field offices regularly visited by HQ Finance staff?
- No**( not regular, but sporadically based on needs and available resources)  
Yes
- 2.64. Are field offices regularly visited by HQ operational staff?
- No  
**Yes**
- 2.65. Are field offices regularly visited by: Internal auditors of the NGO?
- No – not yet as internal audit function is currently under development. However this will be prioritized in the future.**  
Yes
- 2.66. Where are foreign exchange differences posted?
- Project accounting codes**  
Non project accounting codes

2.67. How often are foreign exchange differences posted?

N/A

Yearly

Quarterly

Monthly

Weekly or more frequently

2.68. Are there formal procedures for cash handling in the field and limits of cash to be held in field offices?

No

Yes

2.69. How often are inventory checks and reconciliations performed and documented?

Not done

Yearly

Quarterly

Monthly or more frequently

2.70. How often are documented creditors/ debtors reconciliations performed?

Not done

Yearly

Quarterly

Monthly or more frequently

2.71. How often does the NGO have a formal bad debt review?

Never

Yearly

Quarterly

Monthly or more frequently

Not applicable (only commence work when cash received)

2.72. How often are accruals/ prepayments/ cut off reviewed?

Not done

Yearly

Quarterly

Monthly or more frequently

2.73. How often does the NGO prepare a formal cash flow projection?

Never

**Yearly**

Quarterly

Monthly or more frequently

2.74. Length of (cashflow) projection?

Not applicable

**Yearly**

Quarterly

Monthly

2.75. Does the NGO have internal rules regarding the amount of reserves which must be maintained (e.g. no of weeks of HQ operating costs)?

No

**Yes**

2.76. Does the NGO prepare annual statutory accounts?

No

**Yes**

2.77. Do the annual statutory accounts contain a Balance Sheet?

No statutory accounts

No

**Yes**

2.78. Do the annual statutory accounts contain a Statement of Income and Expenses?

No statutory accounts

No

**Yes**

2.79. Do the annual statutory accounts contain Detailed notes to the Accounts?

No statutory accounts

No

Yes

2.80. Do the annual statutory accounts contain a Cash Flow Statement?

No statutory accounts

No

Yes

2.81. Do the annual statutory accounts contain the signature of senior directors/ management?

No statutory accounts

No

Yes

2.82. How frequently does the NGO prepare consolidated management accounts for the organisation?

No consolidated management accounts

6 monthly/ Yearly

Quarterly

Monthly or more frequently

2.83. Do the consolidated management accounts contain a Balance Sheet?

No consolidated management accounts

No

Yes

2.84. Do the consolidated management accounts contain a Statement of Income and Expenses?

No consolidated management accounts

No

Yes

2.85. Do the consolidated management accounts contain a Detailed notes to the Accounts?

No consolidated management accounts

No

Yes

2.86. Do the consolidated management accounts contain a Cash Flow Statement?

No consolidated management accounts

No

Yes

2.87. How often do field units report to HQ for the purposes of preparing consolidated financial reports?

6 monthly/ Yearly

Quarterly

Monthly or more frequently

2.88. How many field units report financial data for consolidated accounts purposes to HQ?

Input number: \_\_\_\_\_ 5 \_\_\_\_\_

2.89. Do financial reports from the field contain a commentary on the monthly results?

No

Yes

2.90. Do financial reports from the field contain a variance analysis between the actual results and budget estimates?

No

Yes

2.91. Does the NGO have an Internal Audit Function?

No

Yes

2.92. How many full time equivalent staff work in the Internal Audit Function?

Input number: \_\_\_\_\_ 1 \_\_\_\_\_

2.93. What are the qualifications of Internal Auditors?

No Internal Audit

Internal auditors do not have auditing/ accounting qualifications

Internal auditors have formal auditing qualifications

Internal auditors are qualified accountants

2.94. Who do the internal auditors report directly to?

No Internal Audit

Finance director

Chief executive

Board member/committee

2.95. Number of Internal Audit Reports in the Year?

Input number: \_\_\_\_\_ N/A \_\_\_\_\_ Avdelingen er under etablering \_\_\_\_\_

2.96. Does the Internal Auditor prepare a Plan For Future Activities?

No Internal Audit

No

Yes - Dette er planlagt men ikke gjennomført arbeid siden avdelingen er under etablering.

2.97. Does the Internal Auditor prepare a yearly summary of activities?

No Internal Audit

No

Yes - Dette er planlagt men ikke gjennomført arbeid siden avdelingen er under etablering

2.98. Does the Internal Auditor prepare a systematic follow-up of internal audit activities?

No Internal Audit

No

Yes - - Dette er planlagt men ikke gjennomført arbeid siden avdelingen er under etablering

2.99. Do the annual statutory accounts receive an audit opinion from independent qualified auditors?

No external audit

Negative opinion

Positive opinion - minor problems

Positive opinion

2.100. Are the annual accounts subject to audit in accordance with recognised International Standards of Auditing?

No formal, recognised standards applied

Internally developed standards applied

National standards (based on country of domicile)

ISAs applied, as appropriate

2.101. Are field offices regularly visited by: local/ European-based External statutory auditors?

No

Local external auditors

European-based external auditors

2.102. Are field offices regularly visited by the appointed external auditor/SAI? (IOs Only)

No

Yes on non-systematic random sample basis

Yes on systematic/targeted basis

If systematic, describe cyclical frequency and sample selection criteria:

2.103. Does the NGO use timesheets to allocate staff to projects in the field?

No

Yes, in some field locations

Yes, in all field locations

2.104. Is there formal field forecasting of the project costs?

None. Please describe any other procedures or processes used.

Quarterly or less frequently

Monthly

2.105. Total income?

Input number: \_\_\_\_ NOK 1.050.000.000 \_\_\_\_

2.106. Revenue (institutional donors)?

Input number: NOK 430.000.000 \_\_\_\_

2.107. Revenue (non-institutional donors)?

Input number: \_\_\_\_ NOK 620.000.000 \_\_\_\_\_

2.108. Recurring/ fixed HQ costs?

Input number: \_\_\_\_ NOK 3000.000.000 \_\_\_\_\_

2.109. Revenue from the EU (included in above)?

Input number: \_\_\_\_ NOK 4.2000.000 \_\_\_\_\_

6. Personnel

2.110. Does the NGO have a manual of remuneration practices and personnel policies?

No

Yes

2.111. How are HQ and Expat salary levels approved?

No formal approval

By management

By supervisory board/ trustees

2.112. Are all staff given written legal contracts (i.e. not a simply a letter of appointment)?

Some HQ and some field staff work without contracts

For all HQ staff, but some field staff are employed without contracts

Yes for all staff

2.113. Does the NGO have written controls/ policy to ensure staff are hired according to objective criteria?

No written procedures exist

Written procedures exist but they do not include controls designed to prevent favouritism etc (for Field personnel do job description indicate objective criteria)

Full written procedures including a system to ensure 'arm's length hiring'

2.114. How are HQ and expat staff appraised?

No documented evaluation

Evaluated formally when contract is renewed



Evaluated formally on a fixed time period basis (e.g. every 6 months)

2.115. Are members of the management team formally appraised on a regular basis?

No formal appraisal process takes place

Management are appraised by written project objectives at least annually

Management are appraised by numerical targets decided in advance at least annually

2.116. How are local staff appraised?

No documented appraisal

Appraised formally when contract is renewed

Appraised formally on a fixed time period basis (e.g. every 6 months)

2.117. Describe NGO's training policy:

Training given on an 'ad hoc' basis (for special subjects)

Regular training but not formalised

Formal documented regular training

2.118. How many (formal/ written) disciplinary actions have been taken in the last financial year?

Input number: \_\_\_\_\_3\_\_\_\_\_

2.119. HQ headcount for the latest year figures are available:

Input number: \_\_\_\_\_303\_\_\_\_\_

2.120. Field headcount for the latest year figures are available:

Input number: \_\_\_\_\_52 (01.02.08)\_\_\_\_\_

## 7. Procurement

2.121. Does the NGO have written procurement procedures?

No

Yes

2.122. Does the NGO establish segregation of duties regarding purchasing?

No (the NGO is too small)

Yes at HQ but not always possible in the field

Yes at HQ and in the field

2.123. How often are purchasing procedures overridden?

Frequently

Sometimes

Rarely (only disaster operations)

Never

2.124. At what value does the NGO require written authorisation of senior management for a purchase (value EUR)at HQ?

Input number: \_\_\_\_\_ EUR 625 \_\_\_\_\_

2.125. At what value does the NGO require written authorisation of senior management for a purchase (value EUR) in the field?

Input number: \_\_\_\_\_

2.126. Does the NGO use framework agreements with suppliers after an open selection process has taken place?

No

Yes

2.127. Does the NGO use a restricted list of favoured suppliers after an open selection process has taken place?

No

Yes

2.128. Does the NGO use humanitarian procurement centres?

No

Yes

2.129. How frequently are favoured suppliers' arrangements reviewed?

Up to every two years

Less frequently

N/A - no favoured supplier arrangements in place

2.130. Does the NGO regularly check 'market' prices for goods purchased from HPCs?

Not applicable

No

Yes

2.131. Are the NGO's procurement procedures generally stricter or broader than those required by Article 20 of the Framework Partnership Agreement?

Less strict

Same

More strict

2.132. Does the NGO have formal guidelines and procedures in place to assist in identifying and monitoring potential conflicts of interest situations with potential suppliers/procurement agents?

No procedures

Procedures not formalised, reviewed and monitored informally by management and then dealt with on a case by case basis

Formalised procedures and guidance, and proactively monitored by management

2.133. Does the NGO have any formal guidelines or procedures for imposing sanctions on personnel and otherwise responding to instances of identified, negligent or deliberate mis-procurement?

No procedures

No formal procedures, dealt with by management on a case by case basis

Formal procedures and guidelines in place

## 8. Fraud and Corruption

2.134. Does the partner have a fraud and corruption policy available to:

No policy

Staff at HQ

Staff at HQ and in the field (implemented summer 2008)

Staff, consultants and local partners

2.135. Is the policy a simple statement of no-tolerance or does it include more formal guidance and steps that individuals can and should take when confronted with such issues?

N/A

Simple statement of fact

Detailed manual of procedures and other guidance (under development at HQ)

2.136. Does the partner have specific training programmes for the identification and assessment of fraud and corruption risk?

No training programmes

For expat staff in the field

For expat and local staff in the field

2.137. Does the Partner have a plan for how a suspected fraud would be investigated?

No (under development at HQ. Field personnel yes)

Yes – new routines implemented summer 2008

2.138. Are references always taken and checked for expat staff?

No

Yes

2.139. Are references always taken and checked for local staff?

No

Yes

Does the partner have a 'whistle blowing policy' whereby staff can report suspicions or fraud or corruption to a person other than their line manager?

No

Yes - fully implemented for both field staff and HQ summer 2008

## 9. Field Operational Practices

2.140. Are construction projects overseen by engineering or quantity surveying staff to monitor and report on progress?

N/A

No

Yes (hired consultants with required expertise)

2.141. Does the partner use shared warehousing facilities?

N/A

No

Yes

2.142. Are food and other distribution programmes monitored by staff or consultants who are independent of programme implementation staff?

N/A

No

**Yes** (in principal yes, but we have NS partner with necessary knowledge and skills to oversee this themselves. We only do sporadic checks)

2.143. Does the partner involve local populations in the identification of beneficiary groups for aid and the management of aid programmes?

No

**Yes**

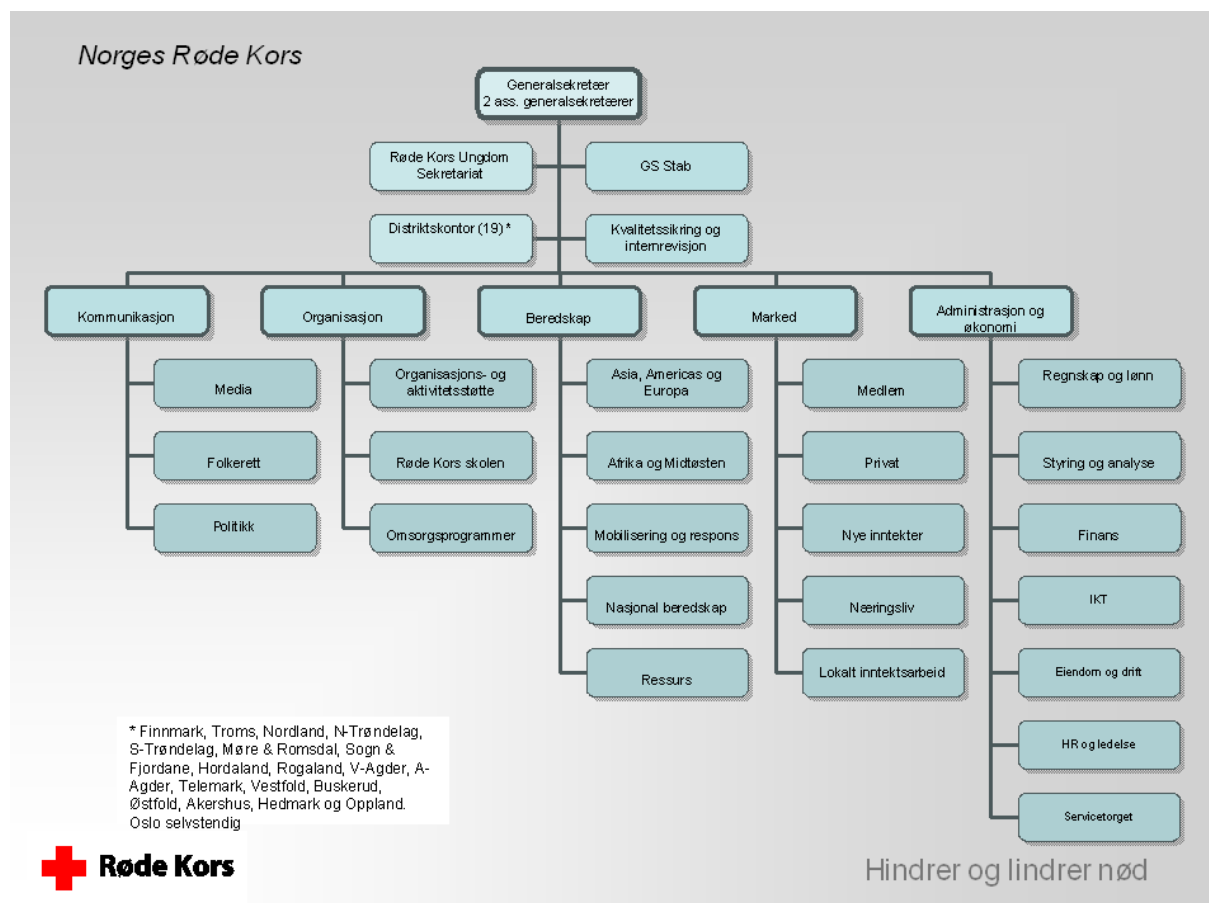
2.144. Does the partner have a complaints procedure for use by beneficiaries?

No procedures at all

**Yes, but only informal**

Yes and formalised

### Enclosure 3: Norcross organisational structure



Enclosure 4: Approval of an International Project. The Resolution Document.

## 14. APPROVAL OF AN INTERNATIONAL PROJECT

### 14.1. Part 1: Project data

Activity name	
Activity category - development or relief	.....
Department	International & National Assistance
Activity no (in Agresso)	
Country and/or geographic area	
Expected start date	
Expected end date	
Project Manager	
Deputy ("Overlapper")	
Requires National Board approval?	.....

### 14.2. Part 2-1 Background information

#### 14.2.1. Project information

Main partner(s)			
Continuation of former project; Project no			
Relation to NorCross strategy			
Appeal no		Appeal amount in CHF	
Initiation of project:			

#### 14.2.2. Documentation received

Date

☐ Complete project document

☐ Revised project document

☐ Appeal

☐ Preliminary appeal

Date

☐ FACT report

☐ UNDAC report

☐ Other assessment

☐ No information received      If other, specify

### 14.3. Part 2-2 Description of the project

#### 14.3.1. Situation analysis

Describe the major points of the situation analysis. Identify issues that need to be addressed.

#### 14.3.2. Overall description

Give an overall description of the project. Any overlapping and/or related activities should be named.

#### 14.3.3. Project components and resource persons

Specify the most important project components, identify the resource persons that will contribute and mark if their participation is ad hoc or permanent.

Project components & Key functions	Advise received from resource persons or expertise
Project Component 1	
Project Component 2	
Project Component 3	
Project Component 4	

Other information about resources persons and the team

#### 14.4.Part 2-3: Execution plan

##### 14.4.1. Execution plan and milestones

Milestone	Date

#### 14.5.Part 2-4: Objectives and performance indicators

##### 14.5.1. Objectives and performance indicators

Objectives	Performance indicators & Expected results

##### 14.5.2. Project rationale and policy conformity

Assess the project rationale and policy conformity. Identify issues that need to be addressed.

##### 14.5.3. Overall goal, project objectives and expected results

Assess the quality of the log frame or plan of action. Identify issues that need to be addressed.

##### 14.5.4. Define the value added by NorCross

#### 14.6.Part 2-5 Social and economic effects

##### 14.6.1. Impact and possible (side)effects

Assess the most important expected social and economic (side)effects on the local community. Identify issues that need to be addressed

##### 14.6.2. Conflict sensitivity



Assess the conflict sensitivity of the project. Identify issues that need to be addressed.

#### 14.6.3. Gender

Assess to what extent gender and social inclusion is a part of the project. Identify issues that need to be addressed.

#### 14.6.4. Youth and children

Assess how youth and children are included and affected by the project. Identify issues that need to be addressed.

### 14.7.Part 2-6.a Institutional sustainability

#### 14.7.1. Local communities

Assess how the project contributes to building sustainable local communities. Identify issues that need to be addressed.

•

#### 14.7.2. Implementing partner

Assess the institutional capacity of the partner and how the project contributes to improved capacity. Identify issues that need to be addressed.

#### 14.7.3. NorCross

Assess the capacity and competence of NorCross related to the project. Identify issues that need to be addressed.

#### 14.7.4. Coordination with other actors

Describe the coordination with other actors and their roles. Identify issues that need to be addressed.

#### 14.7.5. Obligations due to the project

Describe obligations that follow as a consequence of this project.

### 14.8.Part 2-6.b Technical sustainability

#### 14.8.1. Technical sustainability

Describe the main issues with regard to technical sustainability. Identify issues that need to be addressed.

### 14.9.Part 2-6.c Economic sustainability

#### 14.9.1. Economic sustainability

### **Assess the economic sustainability of the project**

#### 14.9.2. Economic obligations due to the project

Describe obligations that follow as a consequence of this project

#### 14.10. Del 2-7 Exit Strategy

##### 14.10.1. Exit strategy

Describe NorCross' exit strategy for the project. Identify issues that need to be addressed.

#### 14.11. Del 2-8 Environmental effects

##### 14.11.1. Environmental effects

Describe the environmental effects. Identify issues that need to be addressed.

Category: The potential effects are: .....

#### 14.12. Part 1 Risk assessment

##### 14.12.1. Risk assessment

Risk assessment	Level of risk
Give an overall risk assessment based on the analysis above.	

#### 14.13. Internal administration

##### 14.13.1. Tentative budget and funding

Is the funding according to the annual budget of the International and National Assistance division? .....

Source	Amount (NOK)	Probability of funding
NorCross	0	Probability      Funding source
Norad	0	Probability
MFA	0	Probability
EU	0	Probability
Other	0	Probability Specify
Total	0	

Comment funding strategy

##### 14.13.2. Learning for NorCross

- Describe NorCross' learning opportunities in this project. Highlight any innovative aspects

##### 14.13.3. Internal reporting requirements

Role	Oral	Written	On demand
Role			
Role			
Role			

14.13.4. Project approval

Yes/No	Role	Signature	Date
	Project manager		
	Controller		
	Head of Dept.		
	Director of Int. Assistance		
	EKI (when required)		

Comments

## Enclosure 5: Activity assessment and institutional learning system.

**Within three months of completion all activities**, both internal and external, should be **evaluated and reviewed**, independently of the activities value. No exception is given for ICRC activities where Norcross' only contribution is financing, and where Norcross has little or no ability to influence outcomes.

The activity leader (project leader/coordinator) is responsible for activity assessment and for completion of the activity assessment schema. When there are pre-existing assessments made of the activity, the activity assessment schema can be based these and no new assessment/evaluation needs be prepared. If there is no pre-existing assessment, one must be prepared by the activity leader.

An activity assessment should include as a minimum:  
an overall summary of the activity.  
an analysis of the activity's economy (budget vs. actual revenues and costs).  
a comparison of results achieved against activity aims/goals.  
any areas of potential improvement with recommended actions to be taken.

Within **1 month** of completion of the final activity assessment, an activity assessment schema must be submitted to the department for quality assurance and internal audit (EKI). In the activity assessment schema the responsible department should list suggestions given and/or weaknesses addressed in the assessment(s), give the departments recommendations for actions to be taken to address these issues, name the person(s) responsible and a deadline for implementing recommendations. The department's recommendations should be adequate to hinder reoccurrence and insure institutional learning.

Any earlier existing evaluations (for example real time evaluations, terms of reference, and interim evaluations) should also be enclosed, and EKI should be invited to all "lessons learned" sessions. The department's recommendations in the activity assessment schema should be adequate to address any issues taken up in earlier evaluations and/or lessons learned sessions.

EKI sign off on the activity assessment schema when recommendations given are considered adequate to satisfactorily address weaknesses addressed in the assessments/evaluations and/or lessons learned sessions.

The completed and signed activity assessment schema, with all enclosures, must be sent to the central archives for scanning and filing under Portalen. An integral part of the system is that EKI

subsequently will perform random checks to insure that proposed recommendations are satisfactorily carried out within given time frames.

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An activity assessment should include as a minimum:

an overall summary of the activity.

an analysis of the activity's economy (budget vs. actual revenues and costs).

a comparison of results achieved against activity aims/goals.

any areas of potential improvement with recommended actions to be taken.

Within **1 month** of completion of the final activity assessment, an activity assessment schema must be submitted to the department for quality assurance and internal audit (EKI). In the activity assessment schema the responsible department should list suggestions given and/or weaknesses addressed in the assessment(s), give the departments recommendations for actions to be taken to address these issues, name the person(s) responsible and a deadline for implementing recommendations. The department's recommendations should be adequate to hinder reoccurrence and insure institutional learning.

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The completed and signed activity assessment schema, with all enclosures, must be sent to the central archives for scanning and filing under Portalen. An integral part of the system is that EKI subsequently will perform random checks to insure that proposed recommendations are satisfactorily carried out within given time frames.

## Enclosure 6: Documentation

The Consultant circulated a request for a number of documents which were considered necessary related to address the various phases of the Review. The structure of the documentation request also served as a basis for the initial interviews with Norcross management.

Considerable work has been undertaken with respect to a study of the comprehensive background information that has been made available by Norcross to the Consultant.

6.1. Documentation on projects done with funding from Norad and the Ministry of Foreign Affairs (UD) under the present framework agreement. Documentation related to the use of funds includes:

- Name of projects and their location. Information on each project indicating:
- Total project amount, size of amount disbursed.
- Size of Norad/UD financial support on above projects and disbursement.
- Copy of the 3 year framework agreement between Norcross and Norad expiring in 2008.
- Project completion reports.

6.2. Documentation related to the objectives and the strategies of Norcross.

- Policy and strategy for long term development assistance, reviews and last 3 years annual reports.
- Copy of Norcross reports to Norad during 2006 - 2008.

6.3. Information on the IFRC and the ICRC

- General information about IFRC and the ICRC, including information on IFRCs establishment of zones.
- Documentation about the nature and extent of the cooperation of IFRC and the ICRC with Norcross in international developmental projects.
- IFRC and ICRC project selection, appraisal, implementation and evaluation procedures.

6.4. Norcross Management and Control of own activities in international development cooperation.

- A description of Norcross organisation (incl. Organigram) related to international development projects, also reflecting the capacity of the organisation in various project areas/regions, including name and background of key staff in the project departments.
- A description of Project selection procedures.
- A description of Project appraisal procedures
- A description of Project implementation and evaluation/monitoring procedures.

6.5. Local partners and work methods.

- Principles of cooperation with local partners. Guidelines and standards.
- Procedures for follow up of local partners, and capacity development.
- Procedures for cooperation with other aid organisation operating in the same geographical location.

## 6.6. Organisational learning.

- Methods for organisational learning and applying lessons learnt on new projects.

## 6.7. Norcross programmes and projects in Americas.

- Key documentation on Regional programmes for Health and Organisational development.
- Work in Guatemala (organisational development, disaster preparedness, health and humanitarian values)
- Work in the Caribbean (youth and hiv/aids)

Documents received from Norcross in connection with the Organisational Review.  
The list of documents received in the following is not exhaustive.

Documentation on Norad projects:

Samarbeidsavtale NorCross – Norad 2006 - 2008

Framework application 2006-2008 – inkl. budsjetter

Tilsagnsbrev 2005

Tilsagnsbrev 2006

Tilsagnsbrev 2007

Finance 2006 – fordeling Norad bevilgning, totalt budsjettgrunnlag 2006, statistikk.

Finance 2007 - fordeling Norad bevilgning, totalt budsjettgrunnlag 2007, statistikk

Finance 2008 - fordeling Norad bevilgning.

Norcross objectives and strategies

Complete Norcross Report to Norad for 2005

Complete Norcross Report to Norad for 2006 – incl audit report.

Complete Result Report to Norad for 2006 – 2007 – incl. audit report.

NorCross Annual Report 2005

NorCross Annual Report 2006

NorCross Annual Report 2007

IFRC and ICRC

ICRC

Strategy 2007 – 2010

Discover the ICRC

Annual report 2006

Annual report 2007

Emergency Appeals 2007

Emergency Appeals 2008

IFRC

Code of Conduct

Programme and Appeals 2008-2009

IFRC Annual Report 2006

Strategy 2010

IFRC Gender Policy

Presentation – New Operating Model

Better Planning Initiative  
Disaster response and contingency planning guide  
Change strategy for the Secretariat  
Federation of the Future  
Handbook for monitoring and evaluation  
BPI summary  
Minimum Contents of a Cooperation Agreement between and National Society and the Federation Secretariat.  
Operational framework for evaluations  
Strategy for the International Red Cross and Red Crescent Movement Monitoring the Implementation by the National Societies  
Taking Volunteers Seriously

Norcross Management  
Activity Approval Schema – Instructions (Norcross)  
Kvalitetssikring av aktiviteter (Norcross)  
Organigram Secretariat Norcross  
Organigram Division of National and International Assistance  
Project Selection – Appeller  
C Donor Monitoring Report (presentation on IFRC electronic, financial reporting)  
Monitoring International Project (Norcross)  
Styringsdokument for utviklingsarbeidet (draft)

Local Partners and work methods  
Characteristics of a well-functioning National Society  
Characteristics of a well-prepared National Society (checklist)  
Co-operation Agreement (template)  
Co-operation Agreement - Annex 1 - Annual update  
Mission Report – template

Organisational Learning  
Activity Assessment Schema – incl. instructions (NorCross)

Norcross in Americas  
Norcross in Americas in general  
Avance estudio America  
Guayaquil Commitment  
Highlights Americas study  
IAP  
Informe NS America nov 2007  
Invitation to PNS  
Presentation Americas  
Summary IA Plan  
NorCross Americas Plan 2009-2011, DRAFT  
Internal memo, lessons learnt, RMD delegate  
Project overview  
Reiserapport Americas march 2007 (overview of financial and admin procedures in Guatemala and other countries, “baseline”)

NORAD



## Guatemala

Formato Narrativo Trimestral, Anual o Final

Informe anual 2006 – voluntariado

Informe anual 2007 – voluntariado

Informe anual 2006 – VIH

Informe anual 2007 – VIH

Informe Anual. 2006 Cruz Roja Guatemalteca –AIEPI

Informe final de actividades realizadas durante el 2006

Why Guatemala, memo on country choice.

TOR Suzanne Belliveau

Monitoring system, format.

MoU GRC-NorCross

Draft new MoU

## IFRC Regionals

Americas Structures 2007

Americas News – Hiv/Aids

Dominica Faces Mural

Evaluation HIV Centroam 2007

IFRC Faces Campaign

Informe Costa Rica TWC 1st Q 2007

Informe Costa Rica TWC 2nd Q 2007

TWC Evaluation Report

Summary IFRC Plan Americas 2008-2009

Brief overview of Central American regional program.

## Jamaica

Budget and Expenditure JAM 2Q

Evaluation Report 2003-2005

Jamaica Faces Campaign

Jamaica Faces PoA Budget

Report PoA

Revised Logframe 2006-2008

Norway Report Mars 08

## Norcross Organisation

Conditions of Employment

Handlingsprogrammet del 1

Handlingsprogrammet del 2

Innkjøpshåndboka

Personalhåndboka

VOVV

## Various

SPHERE Handbook

IFRC Staff Code of Conduct (2007)

## Enclosure 7: Analysis of National Societies

### ANALYSIS OF NATIONAL SOCIETIES

An analysis of NS by NS was done. Main recommendations are summarized below reflecting the percentage of NS for which each recommendation has been made. Please take into account that recommendations in the Study are sometimes more concrete than the ones highlighted below but in order to be able to provide an overview some recommendations have been grouped.

RECOMMENDATIONS	% NS
<b>GOVERNANCE, STATUTES, LEADERSHIP</b>	
Clearer separation between governance and management.	25%
Statutes renewal.	27%
Planned renewal of leadership (with recruitment plan, training of new leaders).	27%
Ensure representation of women, indigenous groups and socio-economic diversity of the country in governance and senior management.	42%
Elaborate / Update Development / Strategic Plans.	18%
<b>BRANCHES</b>	
Develop branch network, decentralization, training, capacity building of branches.	30%
Improve headquarters – branch coordination.	12%
<b>MANAGEMENT SYSTEMS</b>	
Strengthen financial and accounting system, audit system and advance to a more transparent and accountable management system.	33%
Adopt a results based management system with clear indicators and evaluations of programme and interventions.	24%
<b>VOLUNTEERS, STAFF AND YOUTH</b>	
Develop a volunteer management system, including recruitment, motivation and training.	80%
Develop a human resource management system.	36%
Consolidate Red Cross Youth, ensure youth representation at governance bodies and develop specific plans and interventions addressed to youth.	52%
<b>COMMUNICATION, ALLIANCES AND RESOURCE MOBILIZATION</b>	
Improve internal communication, knowledge and <b>apropiamiento</b> of Statutes, National / Strategic Plans, dissemination of programmes.	27%
Facilitate the elaboration and implementation of a communication strategy, including the web page. Improve NS image, moving from an emergency and <b>asistencialista</b> image to a community focused one.	65%
Encourage and develop alliances with governmental institutions, civil society and the private sector.	73%
Elaboration and implementation of a resource mobilization strategy diversifying sources of funding and reducing dependence.	70%

<b>COOPERATION</b>	
Participate more in networks and regional cooperation initiatives. Work in a more coordinated manner with NS from the region, ICRC, PNS and the Federation secretariat.	42%
Develop a Strategic Planning Approach. Work to ensure better alignment of cooperation with National Development/ Strategic Plans.	12%
Develop cooperation mechanisms with other NS where a leading role can be played.	6%
<b>FOCUS IN THE COMMUNITY</b>	
Develop an approach more focused on the Community. Foster new lines of work with communities (HIV and AIDS, community health, violence prevention, migrant population). Develop and implement community participation and empowerment approach, methodologies and tools.	24%
Develop and implement a gender strategy and provide technical staff and volunteers with tools to promote gender equity inside the institution and in communities.	52%
Advance in the development of community integrated programmes.	21%
<b>RISK REDUCTION</b>	
Need to adopt / develop further a more integral approach in disaster response, from reactive vision to a proactive approach, focused also on preparedness and prevention at community level. Develop a Risk Reduction Plan taking into account different factors of vulnerability in the community.	45%
Continue working, expand and strength community risk reduction actions with focus on the AVC.	48%
Advocacy for a National Disaster Reduction Plan and international disaster response law.	15%
Improve information management in disasters.	33%
<b>HEALTH AND CARE</b>	
Elaboration of a National Strategy in Community Health, and implement programmes with focus on primary health care and sexual and reproductive health in line with public plans. Extend community health interventions to all branches as mainly just focused in some.	73%
Continue working, expand and strength HIV and AIDS prevention and the promotion of non-discrimination and fight stigma of the people living with HIV and AIDS.	48%
Start to work in care and support of people living with HIV and AIDS.	18%
<b>PRINCIPLES AND VALUES</b>	
Scale up in Dissemination of Principles and Values, promotion of tolerance, non-violence, the rights of migrants, displaced people and minorities and non-discrimination (internally and externally).	70%

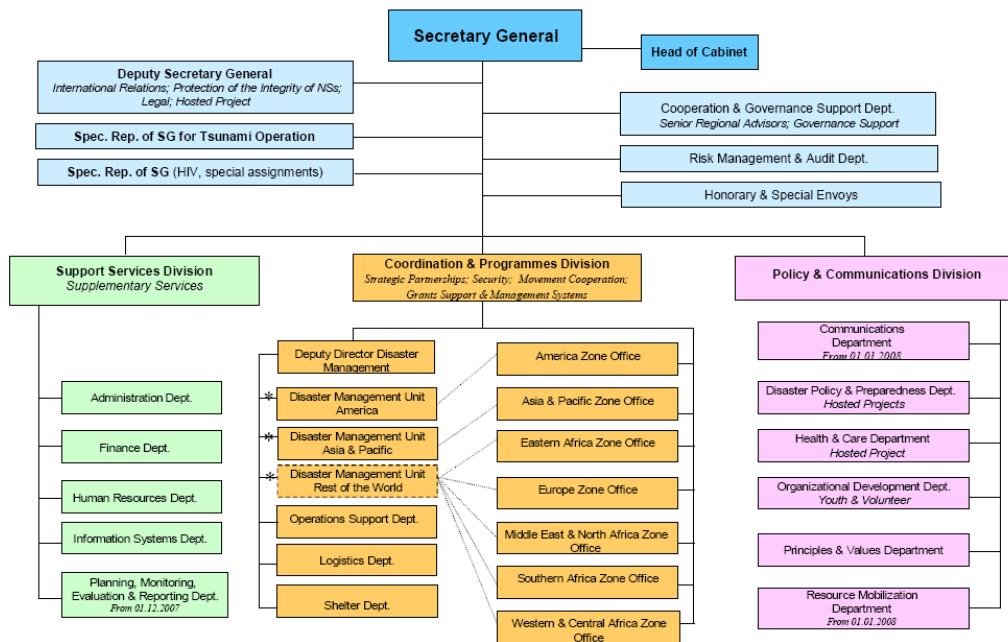
## Enclosure 8: The International Federation



### International Federation of Red Cross and Red Crescent Societies

(Phase II of consolidating the secretariat structure in the new Federation-wide operating model)

3 October 2007



\* DMUs reporting lines still to be reviewed end of 2008

Original version: English

**Norad**

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