

SUMMARY : Development Programme Contracts

Development Programme Contracts should respond to the priorities within the Agreements for Development Cooperation. An Operating National Society will have one Agreement for Development Cooperation in place -since it is the overview framework. However, several Development Programme Contracts may be drawn up between the Operating National Society and one or more Participating National societies and, on occasion, the League. Care will be taken to show how these Development Programme Contracts relate to the Agreement for Development Cooperation.

The complexity and scale of the particular programme will obviously play a large role in determining the complexity and detail of each Development Programme Contract. Care must be taken to prevent this mechanism becoming unhelpfully bureaucratic or burdensome. But it should clearly spell out answers to basic questions. The routine format should include the following eight points:

1. Development programme goals;
2. Development programme history;
3. Development programme profile;
4. Development programme budget;
5. Management plan for development programme;
6. Financial Management, Reporting and Audit procedures;
7. Development Programme Impact Assessment;
8. Development Programme Evaluation Procedures.

It must be emphasized that contracts should not be allowed to become too complicated. This working document is to be viewed as a 'guide' not as a 'straitjacket'. At the same time, attention should be paid to precision and consequently legal opinion should be routinely sought to ensure at least minimal necessary formalities are in place.

8. COORDINATION

A great deal has already been written about coordination in this working document. Perhaps too much. Why has coordination proven such a problem within the League? Is the League that peculiar an organization?.

First it must be said that "coordination" is quite frequently ranked by both government departments and large corporations as their single largest administrative problem. So the League is far from alone. Frequently also analysis has shown that what government and business executives are calling 'problems of coordination' can be traced back to one of two root causes. The first is the absence of clear objectives; and if goals are unclear it is inevitable different parts of any organization will go off in different directions. The second is 'departmental jealousies' and power struggles over 'turf'.

It is not unlikely that many of the 'coordination' problems faced within Red Cross and Red Crescent stem from similar origins: unclear goals quite often, and departmental/bilateral/League/ICRC jealousies. Coordination can only be effectively improved upon if such underlying difficulties are also recognized and resolved.

But, yes, Red Cross/Red Crescent is working in extraordinarily complex situations. Of course, coordination will rarely be easy. But no amount of rules and regulations can be expected to compensate for either a failure to spell out goals clearly or for situations of divisive competitiveness or 'power games' between and within organizations. The essential spirit has to be one of 'partnership in development cooperation'. That has a proud history within the Red Cross/Red Crescent Movement, even if it does sometimes get forgotten.

The essential points about "coordination" in the PRDC are :

- a) Operating National Societies should formally advise the League when they require development assistance. This can be done by telex or letter - it should be in writing for communication clarity purposes. The purpose is to enable the League to play a facilitating role. Furthermore, the League may be aware of a National Society or other source of prompt assistance for the situation that has arisen;
- b) The League will play a 'prodding' and supportive role in the process of getting Agreements for Development Cooperation compiled. In the past, many problems of coordination have stemmed from the lack of such clear framework agreements, including the analysis necessary in putting them together;

- c) The operating National Society has the primary responsibility for ensuring that development programme contracts are compiled with participating National Societies. Obviously participating National Societies will frequently contribute important inputs into any such contracts and must agree with the final documents. The League, in this situation, is something of a bystander - ready to help if asked, but primarily concerned that the contract relates to the overall Agreements for Development Cooperation and is in the spirit of the PRDC.
- d) For information purposes, the League should routinely be given copies of all development programme contracts and any key assessment and other documents relevant to the overall role of the League in facilitating development cooperation.
- e) The League has a responsibility to initiate evaluation procedures whenever such appear desirable for the overall good of the National Societies and Movement. Normally routines are essential for evaluation procedures, and dates and general schedules should be built into agreements and contracts as simply 'part of the way of doing business'. Evaluation must not be seen as a threat, but as a sound management and 'lessons from experience' practice. Evaluation procedures will obviously be required to build in a balance of outside objectivity and inside knowledge of details. Essentially it has to be a team - building process.
- f) The section in the PRDC on auditing is long enough. Obviously it is an important element in any sound management process. Efficient financial management procedures and transparency (facilitated by objective and professional audit procedures) simply have to be routine within each National Society's way of conducting business. Apart from the efficiencies that helps to encourage, it is also a necessary component for external funding arrangements.

Because efficient auditing by international standards is so important for sustained international development cooperation, the League is prepared to assume audit responsibilities (when requested) for non-League managed programmes for development cooperation of Red Cross and Red Crescent Societies.

A final comment on 'coordination'. A number of approaches have been developed over the years to respond to requests for development assistance. In some cases the League has taken on direct management responsibilities, most often in situations

where the primary characteristic was 'crisis - emergency'. Frequently the League has been responsible for 'coordination', with sometimes somewhat unclear understanding by at least some parties as to what that really required of the various contributors. Sometimes a National Society has been identified as the 'lead agency' of an international consortium of Red Cross/Red Crescent Societies with the operating National Society not always playing a very significant role in its own national setting.

While there is room undoubtedly for various approaches to effective coordination, the PRDC are very clear about several essential points:

1. Written frameworks are necessary. These are discussed already under item 7 (agreements and contracts).
2. The roles of all key parties must be spelled out clearly in writing to avoid later confusion. The approach encouraged places emphasis on the necessity for operating National Societies to play key roles and for the participating National Societies and League to see themselves as partners in the sense of facilitating the operating National Society to work out solutions for its own region's problems - often with outside financial, material and technical help.
3. Routine 'Systems' approaches are encouraged for everything from audit procedures to the processes for evaluation and information exchange.

9. EFFECTIVENESS

Red Cross and Red Crescent base their overall assessment of effectiveness firmly on the humanitarian principles of the Movement. That requires a concern for a humanitarian approach to be at the front of all Red Cross/Red Crescent actions - not as a mere appendix.

Having said that, the League and National Societies are not being responsible if they fail to undertake their work within the framework of efficient management systems. A waste of scarce resources is of no benefit to the goals of the Movement. Therefore all development actions, as well as relief activities, require sound financial and management systems in support of the work. The history of development cooperation is crowded with a legacy of white elephants and wasted endeavors because of a failure by many organizations to recognize

the importance of well-rounded management systems and well-trained personnel who are committed to results oriented management. Four key ideas have to be borne in mind:

a) Learning from the past

Here the matter of institutional memories and the effective harnessing of experience both within and from outside the Movement is important;

b) Management of change

The present resources available have to be allocated to relate to well-thought-through priorities. Often, in practice, resources are allocated as a result of archaic systems and in a manner that reflects past traditions not present goals;

c) Planning for the future

Present allocations frequently imply future commitments. For example, a building constructed in 1990 will inevitably require maintenance expenditures in future years, and so on. At the same time, effective management needs to be somewhat visionary in outlook. Unless management is forward-looking, any organization will rapidly become inefficient and uncompetitive. Red Cross and Red Crescent might not view themselves as 'in competition' with other organizations; but they are. Funds are scarce, if Red Cross and Red Crescent do not impress fund sources as dynamic, relevant to changing needs and competent - funds will be directed to other organizations and activities;

d) Development with a human face

Red Cross and Red Crescent are not, despite the needs of efficiency, guided narrowly by the kinds of commercial criteria that discipline a business. Yes, resources do have to be allocated efficiently - reflecting real costs and in quest of real benefits. But there is another dimension as an outcome of the seven principles of the Movement - that is the concern for humanity. Red Cross and Red Crescent views on development, starting right at the heart of the National Societies' and League's own staff management - and then spreading throughout their work, have to be humanitarian. Red Cross and Red Crescent development should have a 'human face'. Red Cross and Red Crescent definition of 'effectiveness' must include the human dimension.

10. LEAGUE TECHNICAL ASSISTANCE

Technical assistance has been provided between the League and National Societies over many years - supported and managed both through bilateral and multilateral programme arrangements. Some technical advisers have been staff-on-secondment from within the Movement, others have been retained from outside.

Great care has to be taken both in the choice of technical advisers and in the definition of their particular responsibilities. Job descriptions do have to be compiled with attention to detail; the advisers themselves do need to be consulted (and their views recognized) in the process - as do the National Societies involved. It is very easy - for cultural, professional and a multitude of other reasons - for misunderstandings to arise. No technical adviser should begin a project without an agreement by all parties, in writing, on the terms of reference and also on the specific financial and reporting responsibilities.

The P.R.D.C. emphasize that external technical assistance must be complementary to local expertise. It is not a substitute. Emphasis is placed on harnessing and, when needed, training local experts. Over the years a North-South routine has developed - whereby delegates from the participating national Societies (mostly in the North) travel to the operating National Societies (mostly in the South). Quite frequently there are individuals, who are equally or better trained in the South or at least who are culturally better suited to the tasks at hand, potentially available to undertake the assignments. But, for various reasons, they are not hired. Both 'Northern' and 'Southern' National Societies are frequently to 'blame' for failing adequately to build up and draw upon human resources from the local regions.

The results of blindly sending Northern technicians to the South are often most unsatisfactory. Dependency attitudes are fostered; experts in the South tend to feel either frustrated or to become part of the 'brain drain' to the North. Regional strength is not encouraged. Neo-colonial attitudes are sometimes re-inforced.

A basic principle behind the PRDC is the need to strengthen the capacity of National Societies. The strengthening of regional capabilities (involving several National Societies in a geographic area) is an important way of reinforcing the process and also of encouraging appropriate specialization and sharing of resources.

The League's role as a coordinator of technical assistance should not be seen as a 'control' process, as distinct from a 'facilitating' process. Care has to be taken for efficient and open information sharing to enable the best use to be made of resources; the League has to be assisted to perform an information exchange role for the betterment of resource sharing by the Movement. This requires genuine support from National Societies.

PRIORITIES AND CONCERNS FOR DEVELOPMENT ASSISTANCE

11. PRIORITIES FOR DEVELOPMENT

The League has always had major difficulties in knowing how best to allocate scarce resources. This problem will never go away. Historically assistance has been easier to raise for events that gained media attention, somewhat regardless of 'merits' in any overall context of disasters or some theoretical world-wide scale of real human needs. The League is not a passive organization, but however pro-active it may seek to be - there genuinely is a difficulty of finding a reasonable balance between projects that are readily fundable and projects that may be extremely worthy (based on all Red Cross criteria of need and merit), but which simply are not 'attractive' from the vantage point of donors. All NGOs face this kind of problem. In the case of Red Cross/Red Crescent, the PRDC commit the League to identifying frameworks for clarifying where the greatest needs for development assistance are and according to what criteria.

A useful start has been made by the Development Commission - with a paper written by Gunnar Hagman on "National Societies most in need of improving Their Capacity" (April, 1990). This work is being refined by Mr. Hagman for the Commission: it focuses on definitions of 'needy societies', not so much in terms of their 'bank balances', as in terms of the demands placed on them because of the socio-economic/disaster prone characteristics of their country. At this stage, National Societies can only be urged to work together to balance their own political and traditional priorities and perceptions of their individual goals, with recognition of the importance for the Movement of sharing scarce resources in as fair a manner as possible to help those most vulnerable to disasters and in greatest need.

12. CONCERNS OF SPECIAL INTEREST

The emphasis throughout the PRDC is on the need to clarify goals and to be as specific as possible about target groups - not just in a general fashion but also, where practicable, in a precise quantitative manner so that the dimensions of problems can be recognized, and appropriate resource levels obtained to make a genuine contribution. In the PRDC almost all categories are listed in a general way (women and development, youth, children, the elderly and handicapped). In different situations, weight will have to be placed often on one group or another - simply in order to be effective contributors in a world of scarce

resources. This was, for example, the case in Romania - where the League decided to focus on such groups as orphans. Given the fact that in many situations there are other NGOs as well as government and UN bodies contributing, it is clearly important for Red Cross/Red Crescent to be transparently clear to all as to what it is seeking to do and precisely for whom - so that other organizations can better plan their own assistance too.

ORGANIZATION AND PREPARATION AT THE NATIONAL LEVEL

13. NATIONAL SOCIETY DEVELOPMENT PLANS

Detailed guidelines have been designed for Agreements for Development Cooperation. Many of the points are pertinent for National Societies' own development plans. The PRDC emphasizes the need to take into account the plans of the public authorities and to include disaster preparedness as a key component. Those are 'bare bone' guidelines. Care must also be taken to collaborate closely with other NGO bodies.

Many National Societies have developed their own formats for their national development plans. Some at least may decide to include the following topics (many of which relate closely to the outline for Agreements for Development Cooperation). The idea is to dovetail as much together as possible, so the planning process becomes more streamlined and systematic. National Societies will find that the suggested formats for the annual appeal, for applications for assistance from the Shôken Fund and from the Development Fund etc. contain many of the same headings. This is likely to become even more so over time as efforts to streamline and standardise are reinforced. Points to consider including are :

- a) A profile of the National Red Cross/Red Crescent Society: history, structure, key directions taken over past decade, key reference documentation;
- b) Regional Economic and Social Situation and Forecasts;
- c) Summary of key 'disaster' records in country over past decade and anticipated key 'risk areas and types of events';
- d) Summary of any Early Warning Systems in place;
- e) Priorities for Red Cross/Red Crescent Development;
- f) Strategic Red Cross/Red Crescent National Society Plan for the next 5 years;
- g) Summary of Red Cross/Red Crescent National Society Programmes and Key Projects for next five years :
 - (i) assuming no foreign assistance;
 - (ii) assuming current level of foreign assistance;
 - (iii) assuming more foreign assistance;

- h) Priorities for receiving assistance from other Red Cross/Red Crescent National Societies;
- i) Priorities for giving assistance to other Red Cross/Red Crescent National Societies;
- j) Financial Plan for next five years; include audit procedures summary also;
- k) Management plan for next five years;
- l) Human Resource Development Plan for next five years:
 - (i) Staff;
 - (ii) Volunteers;
 - (iii) Other categories e.g. youth, women and development, handicapped, etc.
- m) Evaluation schedule and approaches for next five years;

Items 14, 15

In the present PRDC should not really be numbered, it is a typographical error in the numbering of the paragraphs. The points they make are self - evident, namely care must be taken to strengthen both headquarters and regional/branch offices, and also the National Societies must always pay attention to their capacity to manage and implement programmes and projects, whether the funding comes from within the country or from outside.

16. MANAGEMENT OF THE DEVELOPMENT PLAN

Plans on paper, however refined, don't mean much unless they are translated into action. How is that to be accomplished? Each National Society Development Plan should contain a management plan that is a central part of the Development Plan. (See item 13 (1) above). This should include a clear outline of what resources will be allocated to the plan's implementation, a critical path schedule to indicate what is to be done and when, an action programme to strengthen the management capacity if this is deemed necessary, and an outline of the administrative structure that is to be followed. The compilation of the management plan should not be left until the end, but rather preliminary drafts should be compiled for review as the National Society's development plan is being put together. This process will allow an ongoing assessment of existing capacity and key future requirements to be undertaken as the plan is being compiled, ensuring a balance is being kept between capability and aspirations.

While the headquarters of the National Society should be primarily responsible for the design and overall implementation of the management plan, a strong feature of Red Cross/Red Crescent experience has been the effective participation at local levels. At the project level, implementation should not be over-centralised: local participation and local management decision-making responsibility is of critical importance. Management plans should always include branch development plans.

17. SUSTAINING THE DEVELOPMENT PLAN

Plans require constant review and considerable discipline in an open and participatory management environment. Funds and financial controls are critical ingredients for successful plans, but so too is a 'team-building' management environment. If this is not treated seriously and effectively, the Plan will not be sustainable and staff discontent will result in constant and expensive changes.

RESPONSIBILITIES FOR INTERNATIONAL DEVELOPMENT ASSISTANCE

18. THE ROLE OF OPERATING NATIONAL SOCIETIES

The PRDC are very clear that, in the context of international development cooperation, the operating National Society is intended to be in the 'driving seat'. Outside National Societies, the League or ICRC may sometimes genuinely believe 'they know best' and, indeed, there may be occasions when they actually do. However, at the risk of some waste on occasions, the emphasis of the PRDC is unequivocally that the operating National Society has the primary responsibility for identifying its own priorities, designing the various plans and agreements and assuming overall management responsibilities. When outside help is given - be it in the form of advice, technical assistance, management skills, and so on - it must be within the overall umbrella of the operating National Society holding ultimate responsibility both for requesting it and for overall control. Obviously the operating National Society may delegate much of the implementation work and seek very strong support from a participating National Society and/or the League on occasions. But respect for the autonomy of the operating National Society in its own territory is of great importance.

19. THE ROLE OF PARTICIPATING NATIONAL SOCIETIES

The PRDC goes into considerable detail on the role of participating National Societies in development cooperation, because of some past problems stemming from confusion of role. Some participating National Society representatives have been known to be over - aggressive, dogmatic and - often for very understandable reasons - have assumed operating National Societies' responsibilities without being formally asked to do so. This obviously can both lead to resentment and also to paternalistic/dependency relationships. That is completely against the directions identified by PRDC as appropriate in the Red Cross/Red Crescent family.

The rest of section 19 requires no further comment.

20. THE ROLE OF THE LEAGUE

This section is clear about the role of the League in development cooperation. The emphasis is on its role as facilitator and overall coordinator. The League is not an implementing body, in so far as the direct management of projects is normally concerned. That is not to say that

there may not be exceptions made to this general approach, but they should be deliberately so and not by default.

For the League to be effective it obviously both needs adequate and realistic volumes of resources and the support of the National Societies concerned in a genuine way and not merely with token words.

The League, throughout the PRDC, is identified both to have a responsive, guiding and coordinating role in the field of development cooperation, and also a leadership, 'ideas-generating', pro-active role.

Increasingly the League can be expected to operate through regional frameworks, encouraging more regional cooperation among National Societies, and providing supporting services more from regional bases.

21. THE ROLE OF THE ICRC

"The ICRC shall assist National Societies in their development activities, within those areas of competence defined in statutory instruments and the Agreement between the ICRC and the League", (of October 1989). The main tenor throughout the PRDC is to encourage cooperation between all parties involved in the promotion, guidance and operations of the Movement.

A spirit of cooperation has to infuse all aspects of ICRC/League work. When this breaks down, the whole Movement is the poorer. There is no place for petty rivalries. As a general approach, the League has tended to operate more from a 'bottom-up' process - whereby strategies and goals are a by-product of countless grass-root activities, blessed periodically by General Assembly endorsements. The ICRC, on the other hand, has tended to be characterized more by a rigid 'structured' approach - linked to a 'top-down' or 'centre-periphery' procedure. The PRDC argues for a blending of both approaches and not for one or other extreme. League and ICRC roles and priorities should normally and routinely be expected to be clarified in each Agreement for Development Cooperation, as well as in all National Society plans.

22. HUMAN RESOURCE DEVELOPMENT

National Societies, the League, ICRC and their various training institutions have a huge task ahead of them. At the heart of being effective in the Red Cross/Red Crescent Mission is the requirement to maintain a large cadre of staff and volunteers. This is as true for the development role as for the relief one. It is far from easy for many

reasons well known to all: funding availability, keen salary competition from other employers, the inevitable dangers and difficulties that come with some aspects of the work. However, Red Cross/Red Crescent also can offer enormously stimulating and an increasingly satisfying variety of work opportunities. Yet, quite often, not enough care has been taken to take full opportunity of the potential the Movement has to offer by National Societies, the League and ICRC.

A lengthy discussion on human resource development would be inappropriate for this paper. Six points : only will be made here:

- 1) Development cooperation should focus on human resource development from two vantage points:
 - . helping those vulnerable to become less vulnerable and to have access to more options for fuller lives;
 - . enabling Red Cross/Red Crescent staff and volunteers to gain skills and relevant experiences as part of the Movement's goals to build a strong and versatile set of organizations in pursuit of the fundamental principles;
- 2) Management skills require constant upgrading and strengthening in order to generate the good working environments so necessary for effective performance;
- 3) All development cooperation activities must constantly take account of their impacts on the human resources available and on those supposed to be the beneficiaries of programme activities;
- 4) A genuine participatory environment is to be encouraged in all facets of the Movements' work; minorities, handicapped and others 'left somewhat out in the cold' must be welcomed into Red Cross/Red Crescent as participating members;
- 5) The training institutions need to be constantly re-evaluated and viewed in a holistic way as a part of the Red Cross/Red Crescent human resource development enterprise. Also they must not be seen in isolation from other non-Red Cross/Red Crescent institutions which might frequently perform key training roles more effectively and more cheaply;

- 6) Research for development, including the strengthening of the institutional memory, information exchange systems and application of research lessons in practical situations, must be constantly integrated into Red Cross/Red Crescent development cooperation practice.

23. SPECIAL CASES

"The carrying on of development activities in a country where there is war, civil war or internal disorder shall be regulated by the provisions of the ICRC and League Agreement". There is no way to legislate good will or genuine cooperation. That has to be generated by all involved. It is inevitable that there will be 'grey' situations, especially prior to the out break of hostilities of various kinds. Both the ICRC and the League have a responsibility to strengthen National Societies in such a manner that they can respond as effectively as practicable to disorders of various kinds. In designing National Society Plans, Agreements for Development Cooperation and Programme Development Contracts and, of course, in their implementation - potential civil disorder and even war situations have to be prepared for as appears most appropriate in each particular setting.

Such special cases inevitably require the closest working cooperation between all instruments of the Movement.