



NSIA Annual Report 2023

Emerging impacts in fragile contexts



**The National Society Investment Alliance (NSIA)
A joint investment fund of the IFRC and the ICRC**

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Cover image: NSIA supported the Myanmar Red Cross in enhancing the capacities of local branches to better support their communities.

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Foreword



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Over a third of Red Cross and Red Crescent National Societies operate in extremely fragile contexts. They deliver vital humanitarian aid to vulnerable communities in the most difficult circumstances, ranging from conflict and internal displacement to extreme weather and natural disasters, as well as serving as auxiliaries to their governments. The global humanitarian system relies on them to access communities safely, ensure immediate response to crisis, deliver aid effectively and transparently, and continue once international aid phases out, particularly in very challenging protracted crises.

Yet National Societies in fragile contexts also struggle to access funding to develop their core capacities. They often have limited means to raise their own resources, to improve their management processes, or to recruit and retain volunteers. These capacities are the backbone of locally-led humanitarian action: they maximise preparedness and enable an organised, efficient and rapid response to any crisis at local level. However,

while donors are ready to fund emergency operational responses, they are less prone to support development of core capacities.

The **National Society Investment Alliance (NSIA)** addresses this gap by proactively supporting the development of the National Societies in fragile contexts. NSIA is an IFRC and ICRC initiative to support these National Societies on their journey towards sustainability. It is a strategic fund to enhance National Society preparedness and contribute to localisation, enabling a better locally-led humanitarian response in fragile contexts. NSIA is part of a larger National Society development effort to support National Societies to fulfil their potential as effective local humanitarian actors. This is achieved by investing in their long-term development and in programmes tailored to contexts, priorities and needs.

In its first five years, NSIA has supported 51 National Societies to carry out 65 initiatives, investing over



Zimbabwe The Zimbabwe Red Cross Society aims to use NSIA funds to develop a sustainable business plan, upgrade the Red Cross High School, and expand health centers. © Anette Selmer-Andresen / IFRC

CHF 13 million. NSIA investments reach where they matter most. Of the **15 countries** with the highest risk scores, **11 have received NSIA funding for their National Societies**, including four in 2023, and four have received two rounds of funding. To mitigate the risks of investing in such fragile contexts, NSIA has strong risk management policies and high integrity standards.

NSIA has many success stories to tell. In this report, you will find several examples showcasing the impacts that National Societies are achieving through NSIA investments. National Societies like the Colombian Red Cross (CRC) have developed their own digital fundraising tools, enabling them to become more financially self-sufficient and less reliant on external donations. By strengthening its fundraising and donor management systems, the CRC has raised CHF 385,000 through NSIA-supported activities since 2020; almost double NSIA's initial investment. Meanwhile, the Somali Red Crescent Society has constructed a new headquarters, saving rental costs and

streamlining its processes – enabling a more effective response to humanitarian needs, such as the widespread flooding in 2023.

Furthermore, NSIA's reach extends beyond the individual initiatives it funds. It is also facilitating learning among National Societies, with successful initiatives being documented and key lessons shared. The Uganda Red Cross Society adopted best practices from peer National Societies, resulting in a 38% rise in income from commercial first aid and ambulance services in 2023.

NSIA now aims to go even further. We want to help National Societies multiply the humanitarian impact at a lesser cost, and we want to do this at scale. To achieve this ambitious aim, it needs continued support from donors and partners. **We call for additional funding and assistance for NSIA** as it strives to assist National Societies to develop their capacities, and ultimately to maximise their potential as key local humanitarian actors.

Investing in local actors in fragile contexts

A flexible funding model for better prepared and more sustainable National Societies

In 2023, a record 339 million people were in need of humanitarian assistance (source: Global Humanitarian Overview). This is due to a rise in violent conflicts, forced displacement and food insecurity. Climate change is also contributing to humanitarian crises worldwide, both directly through climate-related disasters, and indirectly, for example by aggravating acute food insecurity. These trends will be exacerbated in the near future, as the frequency, intensity and duration of humanitarian crises increase. This global landscape characterised by expanding humanitarian needs is complicated by rising operational costs and contraction of the humanitarian space.

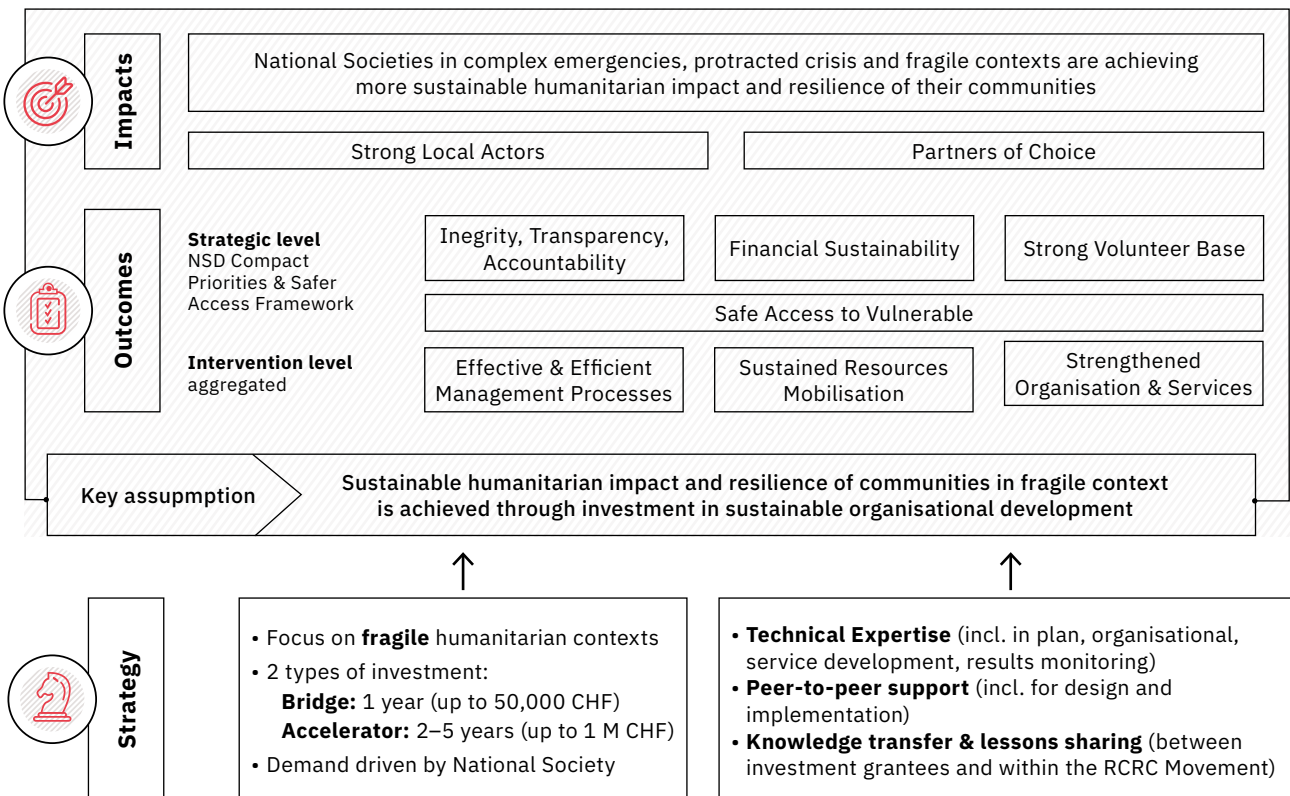
The Red Cross and Red Crescent Movement can provide a unique contribution to address these complex challenges, through its unique network of 191 members, 197,000 local branches and over 16 million volunteers. This extended network provides an effective local response to global issues.

The Red Cross and Red Crescent National Societies are the backbone of the Movement. They are strategic local humanitarian actors that already play a fundamental role in responding to emergencies and protracted crisis. However, the humanitarian impact of National Societies could be further multiplied by helping them become structurally stronger and more financially independent.

The National Society Investment Alliance (NSIA) supports National Societies in fragile contexts by investing in their long-term sustainable development. A joint initiative by IFRC and ICRC, NSIA enables the National Societies to reach more people, be better prepared for crisis, and function more effectively and transparently. By working in partnership with them, NSIA investment supports National Societies to achieve and/or maintain a level of organisation that consistently and effectively delivers vital services to vulnerable people and communities.

NSIA theory of change

NSIA supports National Societies in fragile contexts to become more effective humanitarian actors, by investing in their core institutional capacities and accelerate their journey towards sustainability.





Ukraine The first service center of the Red Cross of Ukraine, where people are provided with medical, pharmaceutical and social assistance. © Ukrainian Red Cross Society

“ Without NSIA’s timely investment, the Ukrainian Red Cross Society would have been paralyzed at the start of the escalation of the international armed conflict in February 2022. We would have had to wait for international funds to arrive before much of our work could have started.

— Olena Stokoz, Deputy Director General, Ukrainian Red Cross Society

In order to achieve its strategic objectives, NSIA places National Societies in the driving seat. National Societies identify their own priorities and then plan and implement NSIA initiatives. However, an examination of past and present grants shows that National Societies’ priorities addressed with NSIA investments can be grouped under three thematic areas, pursuing the following intended overall outcomes:

- Investing in financial sustainability through sustained **resource mobilisation** increases National Societies’ strategic flexibility, while making them less reliant on external donors and, eventually, financially self-sustainable, even in the most fragile contexts. Investing in resource mobilisation is strategic for NSIA, because it promotes the sustainability of National Societies’ core capabilities. This enables them to address humanitarian needs rapidly and according to their priorities, rather than waiting for international support when a crisis hits.
- More efficient, consistent and transparent **management processes** contribute to reinforcing National Societies’ core institutional capacities and to their becoming more effective humanitarian partners. Better management processes also benefit local communities: by improving their processes at branch level, National Societies can operate more locally, foster relationships with other local actors and address needs where they matter the most.
- Strengthening the **organisation and its services** is key to successful humanitarian actions. NSIA has supported National Societies to develop organisational strategies, improve their legal and statutory base, revise policies and reinforce volunteering. These initiatives enable National Societies to become more organisationally sustainable, and thus stronger local actors.

NSIA’s theory of change, its approach, and their operationalisation as shown by the three main themes, are aligned with the Red Cross and Red Crescent Movement’s collective commitments and priorities. As set out in the National Society Development Compact, these are: volunteering; integrity, transparency and accountability; and financial sustainability. NSIA’s approach is also aligned with, and contributing to, the Safer Access Framework: this provides specific guidance to National Societies on securing and maintaining safe humanitarian access in sensitive and insecure contexts.

Investing effectively where it matters the most

NSIA focuses on about 80 National Societies operating in fragile contexts, such as complex emergencies or protracted crises.

NSIA's support for the core institutional development of these National Societies is based on a flexible investing model. It includes **two funding streams**, known as **"Accelerator"** and **"Bridge"**. These two options ensure that all eligible National Societies can access funding arrangements that are suitable for their needs and existing capacities.

- ▶ **Accelerator** initiatives may receive up to CHF 1 million and run for two to five years. They support long-term organisational development and contribute to National Society sustainability. Accelerator initiatives range from developing novel income-generating activities, such as commercial first aid, to constructing new buildings and introducing financial management systems.
- ▶ **Bridge** projects may receive up to CHF 50,000 and run for one year. They are preparatory ventures, intended to build the National Society's readiness for an Accelerator or other larger investment. They are not stand-alone projects but often cover initial exercises like assessments, market studies or strategy development.

This approach is backed by strong risk management.

NSIA accepts risks, because it aims to continue funding National Societies through major disruptions whenever possible, whereas other funds would typically cease funding until the crisis is over. In fact, NSIA support continues amid the eruption of conflicts, coups d'état,

institutional crises, and other challenging situations. This is possible thanks to NSIA's multi-layered risk assessment and risk management systems. All proposals are carefully assessed through a multi-stakeholder process, which includes field operations staff and technical experts in the different NSD components. It continues across all phases of planning and implementation through monitoring, reporting and constant interface with key stakeholders. NSIA also sets more stringent standards for Accelerator initiatives: for example, it asks National Societies awarded with Accelerators to complete an IFRC due diligence process called the Capacity Review and Risk Assessment (CRRRA) before signing their agreement. Furthermore, the fund operates under the highest integrity standards: National Societies with open integrity cases are not allowed to apply to NSIA, or to continue accessing a NSIA grant, unless integrity issues have been addressed. This approach has been further reinforced in 2023–2024 through an enhanced emphasis on results-based management and impacts management at all stages of a NSIA initiative.

NSIA's strong focus on fragile contexts complements other National Society Development (NSD) services and funds.

These include the Capacity Building Fund (CBF), which is open to all National Societies year-round, and the Empress Shôken Fund (ESF) that favours innovation and learning. It also integrates with other NSD expertise and tools. For example, many NSIA initiatives stem from the Organisational Capacity Assessment & Certification (OCAC) and/or the Branch Organisational Capacity Assessment (BOCA) and/or the Safer Access Framework, all of which identify strategic institutional gaps that NSIA contributes to filling.

NSIA investments reach where they matter most. For example, out of 15 countries with the highest scores on the INFORM Risk Index, 11 have received NSIA funding for their National Societies.

NSIA’s first five years: 2019–2023

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With the right long-term investments, the Somali Red Crescent Society can become more financially sustainable. Greater financial sustainability means that we can respond better and more rapidly to crises and be less dependent on external support.

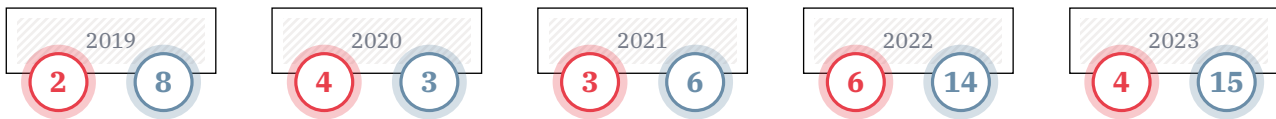
– Mohamed Abdi Warsame, Executive Director, Somali Red Crescent Society

• **65 initiatives / CHF 13.4M** •

51 individual National Societies supported to date

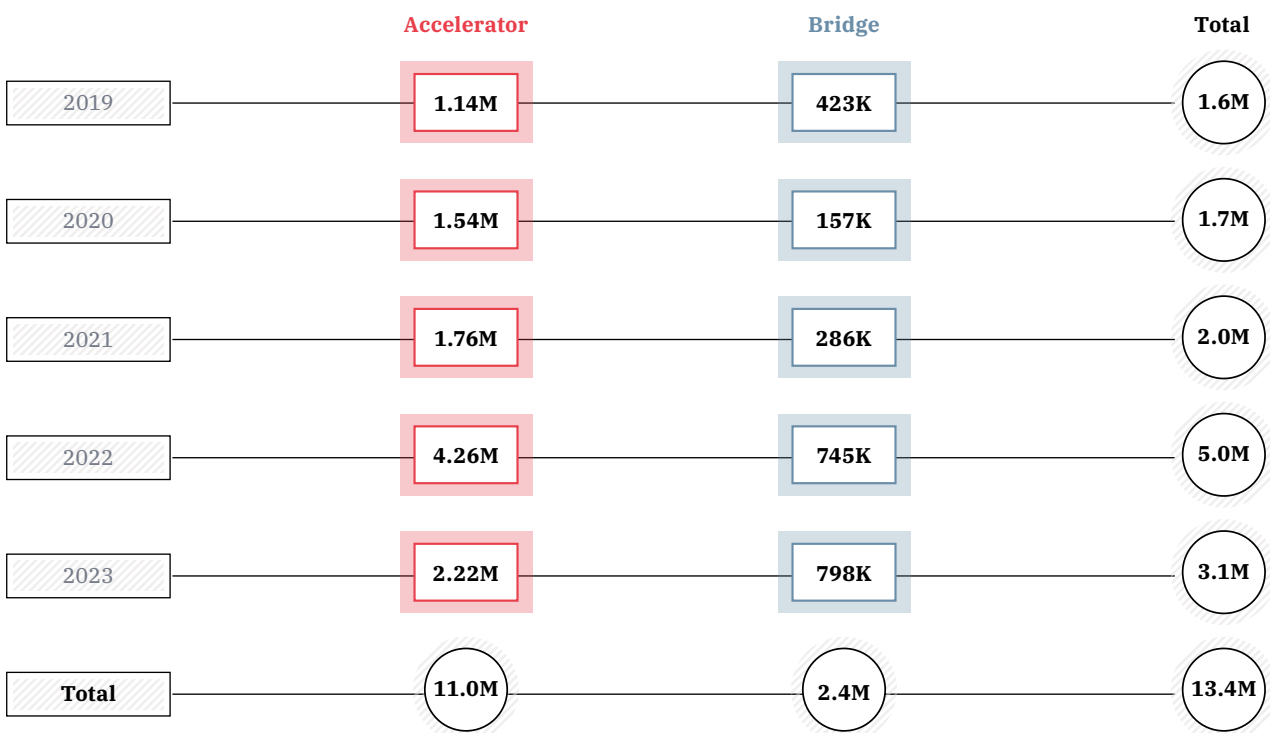
Number of initiatives funded by NSIA per year

○ Accelerator ○ Bridge

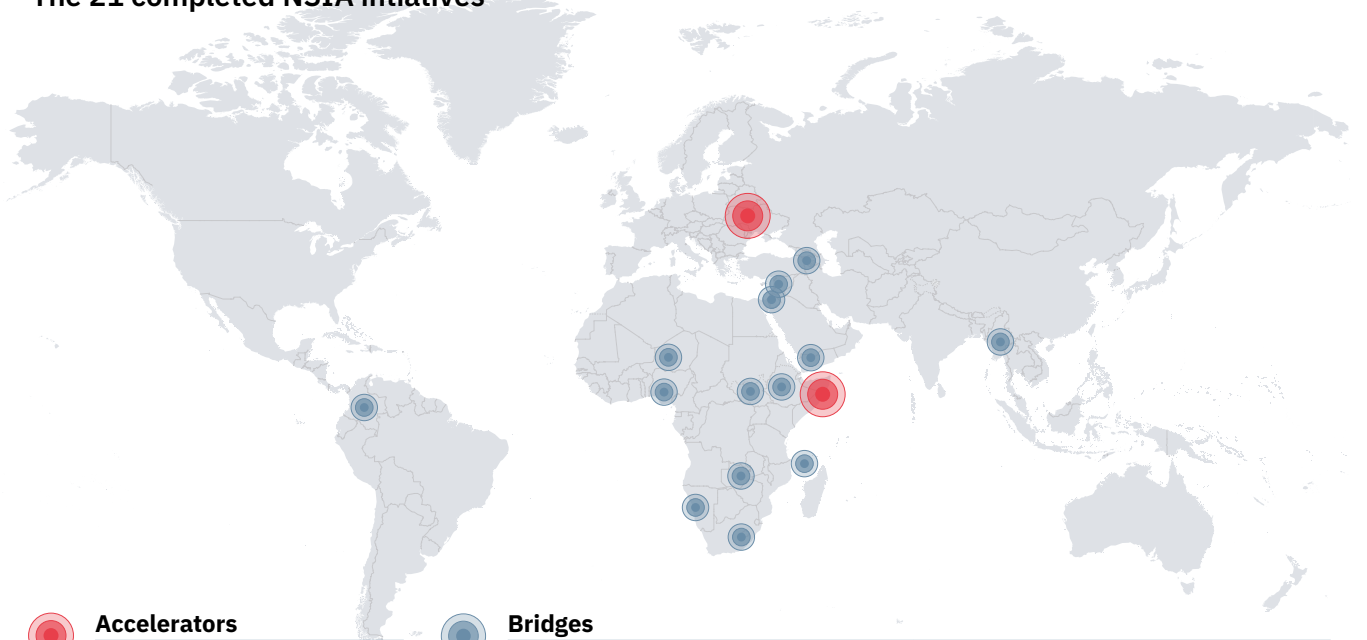


NSIA has increased its annual disbursement in the last two years

Money disbursed by NSIA per year 2019–2023 in CHF, including IFRC indirect cost recoveries



The 21 completed NSIA initiatives



Accelerators

- Ukrainian Red Cross Society
- Somali Red Crescent Society



Bridges

- The Comoros Red Crescent
- Armenian Red Cross Society
- Malawi Red Cross Society x2
- Namibia Red Cross
- Nigerian Red Cross Society
- Zambia Red Cross Society
- Colombian Red Cross Society
- Uganda Red Cross Society
- Lesotho Red Cross Society
- South Sudan Red Cross
- Syrian Arab Red Crescent
- Ethiopian Red Cross Society
- Red Cross of Niger
- Yemeni Red Crescent Society
- Myanmar Red Cross Society
- The Palestine Red Crescent Society
- Pakistan Red Crescent

NSIA initiatives aim to support National Societies in developing in diverse ways

Core thematic areas addressed by **Accelerators**



14 Resource mobilisation
eg: comerial first aid



01 Management processes
eg: enterprise resource planning - ERP



05 Organisation and services strengthening
eg: HQ construction, volunteer management

Core thematic areas addressed by **Bridges**



31 Resource mobilisation
eg: development of business case



08 Management processes
eg: IT development, internal policies development



16 Organisation and services strengthening
eg: branches development, volunteers management

Completed NSIA initiatives by thematic area

Resource mobilisation



Management processes



Organisation and services strengthening



Launching new investments in 2023

A large, stylized number '2' is rendered in a light red color, serving as a background graphic. The '2' is composed of several overlapping shapes: a large circle at the top, a curved line forming the middle, and a rectangular base at the bottom. The overall design is clean and modern.



El Salvador The Salvadorean Red Cross is one of 19 National Societies supported by NSIA in 2023. © Salvadoran Red Cross

New initiatives funded by NSIA in 2023

 Accelerator  Bridge

Red Cross of Niger

Togolese Red Cross

Burkinabe Red Cross Society

Red Cross Society of Côte d'Ivoire

Liberian Red Cross Society

Bolivian Red Cross

Honduran Red Cross



Salvadorean Red Cross Society

Ecuadorian Red Cross

2023 NSIA-funded projects grouped by thematic

11  
Resource mobilisation

02  
Management processes

08  
Organisation and services strengthening

Six forms of resource mobilisation supported in the 2023 NSIA initiatives



2 Paid services



5 Strategy development



1 Asset management



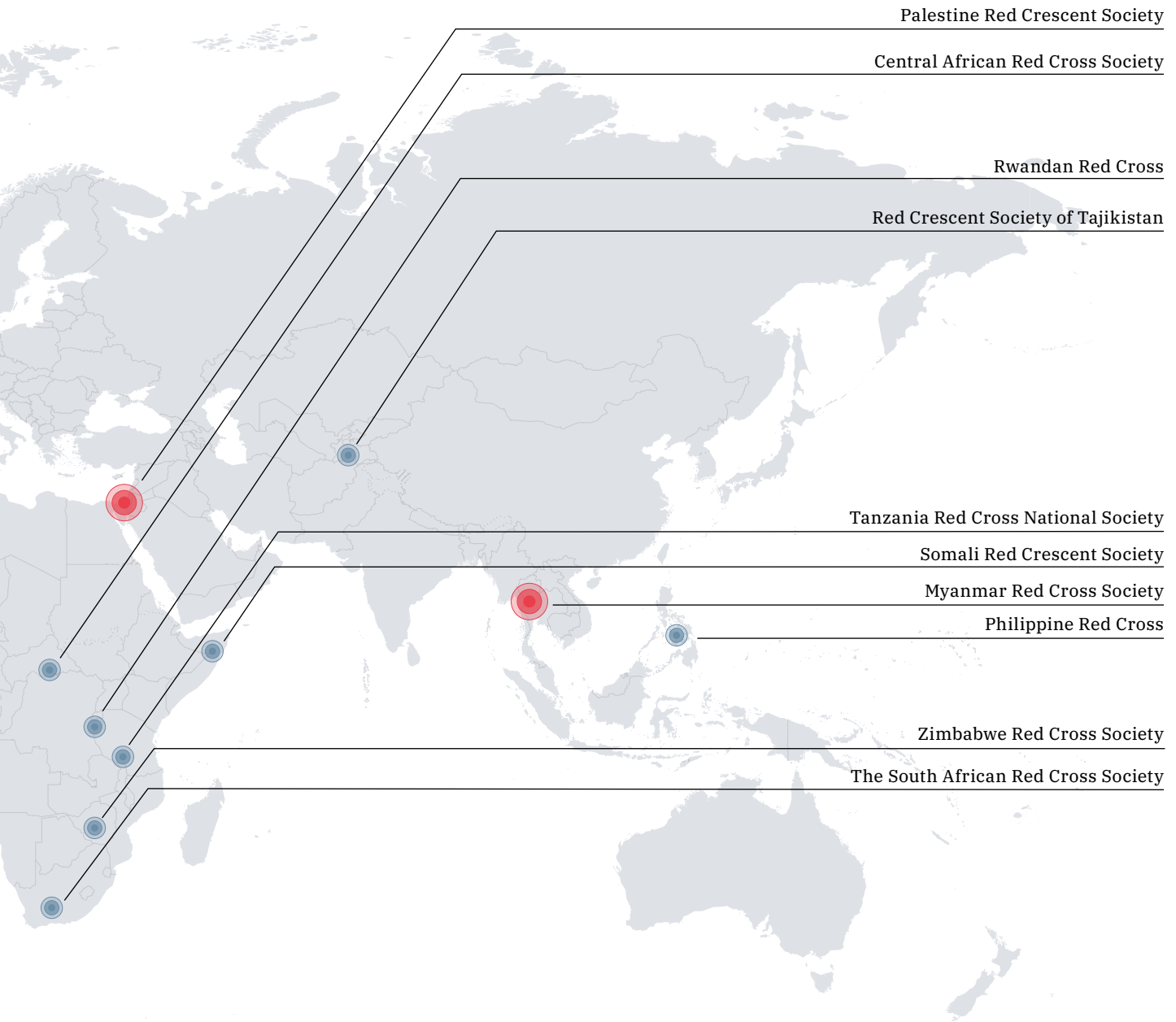
1 Property renovation and development



1 Income generation



1 Market study



Four forms of organisation and service strengthening supported by NSIA in 2023



2 Branch development



1 Governance



1 Health services



3 Volunteers & youth

In 2023, NSIA funded 19 initiatives in the most fragile contexts

In 2023, NSIA supported 19 new initiatives and disbursed CHF 3.1 million, consolidating its approach as a viable long-term proposition. These resources funded four Accelerators, at an average of CHF 581,000 each, and 15 Bridges.

In 2023, NSIA funding remained strongly targeted to the regions where humanitarian need is greatest. The two National Societies operating in countries with the highest INFORM Risk Scores – the Central African Republic and Somalia – both received NSIA funding in 2023. In addition, the largest number of projects went to Africa, which received 11 disbursements, followed by MENA. Nonetheless, in 2023 NSIA was able to intervene in key fragility contexts in all five regions, and to distribute Accelerators evenly among regions.

In 2023, National Societies received funding for a diverse range of initiatives. Many of them are also multi-purpose, strengthening several of a National

Society's core capacities at once. Yet, of the 19 funded initiatives in 2023, **11 have elements of resource mobilisation.** The most popular form of resource mobilisation initiative in 2023 was strategy development: five National Societies received Bridge funding for this, reflecting the intended use of short-term Bridge funding to develop longer-term plans. **Two National Societies are developing paid services in the form of commercial first aid.** This model should create a reliable and local income stream for the National Society, boosting their financial sustainability – as well as enhancing their reputation as a first aid provider.

A wide range of initiatives focused on organisation and service strengthening are also being supported. Examples include developing sustainability plans or enhancing National Societies' governance with the aim of boosting financial sustainability. **Finally, the two 2023 initiatives that focused on management processes** are both engaged in digital transformation.



Philippines The NSIA bridge grant supports the Philippine Red Cross to develop a strategic plan for building capacity, enhancing relevance, and ensuring sustainability. © Alecs Ongcal / IFRC



Niger A Red Cross volunteer conducting a post distribution monitoring survey in Maradi, Niger. © Zouloukalleyni Dourfaye

The **Red Cross Society of Niger** (RCSN) has used two tranches of NSIA funding to improve its financial autonomy and boost volunteerism. The RCSN faces a highly complex context, with chronic food insecurity, seasonal epidemics, severe weather events like droughts and armed conflict. To enable the RCSN to respond more effectively, it used 2021 Bridge funding to develop a humanitarian response plan. This included steps to assess the efficacy of its interventions and plans to boost the volunteer base. In 2023, RCSN obtained Accelerator funding of CHF 450,000 over three years. This will enable a three-pronged initiative. One activity stream will boost the capacities of branches to mobilise internal resources. A second will strengthen the National Society's network of volunteers by providing training and equipment, digitizing the volunteer database and establishing Red Cross clubs. The RCSN is also boosting youth engagement by training young people in green jobs like planting and maintaining trees for reforestation programmes.

The NSIA pipeline continues to thrive

The Accelerator and Bridge funding streams provide a pipeline for sustainable development of National Societies in fragile settings. In 10 cases to date, National Societies have first obtained short-term Bridge funding and used it to build organisational capacity, then leveraged their newfound capacities to secure the more long-term Accelerator funding. **In 2023 alone, three National Societies obtained an Accelerator after having previously received Bridge funding.** This pipeline enables National Societies to undertake

significant development while reducing risk. The initial Bridge funding is often used for scoping work and to develop plans on the basis of robust analyses, laying the groundwork for the larger and longer-term Accelerator initiatives.

The continued flow of National Societies through this pipeline demonstrates its value. Put simply, the pipeline enables National Societies to develop flexibly in ways that suit their contexts, needs and priorities.





From Bridge to Accelerator: Enhancing branch sustainability through commercial first aid in Myanmar



Bridge
Project



CHF 50,000
Amount



2021
Year funded



2022
Year completed



Very high
Risk level



Accelerator
Initiative



CHF 333,820
Amount



2023
Year funded



Ongoing
Year completed



Very high
Risk level

The Myanmar Red Cross Society (MRCS) used the knowledge it gained from a NSIA Bridge grant to inform a larger NSIA investment in commercial first aid.

“Currently, 90% of MRCS funding comes from international partners,” says May Sanda Myo, Head of the Resource Mobilisation Department in MRCS. “Our long-term aspiration is for this figure to decrease as we generate further income through our own efforts. Strengthening our commercial first aid programme is a significant step in this direction.”

MRCS used NSIA Bridge funding to explore how it might scale up and better coordinate its existing commercial first aid activities, which are carried out by branches and headquarters. The initiative produced a market survey conducted in 10 potential target regions and a business model, which provided the basis for longer-term investment planning.

The end result was a good evidence base that guided MRCS’s subsequent investments in commercial first aid.

“It helped us to look at each region to see what the opportunities might be, like specific market sectors,” says Sanda Myo. She emphasises that taking branches through the process was crucial, because many had existing commercial first aid programmes, so including them helped MRCS work out how to coordinate more effectively. For example, MRCS is developing a standardised first aid certificate for all branches to use.

The Bridge grant also enabled MRCS to re-assign roles and responsibilities among its resource mobilisation and first aid departments. This ensured that commercial first aid provision would not interfere with the provision of first aid in humanitarian contexts. The National Society also learned that it needed to foster the financial management, business and marketing skills of its branches, in order to strengthen accountability at all levels.

These learnings were all incorporated into MRCS’s much more wide-ranging Accelerator proposal, which aims to make commercial first aid sustainable at the branch level.

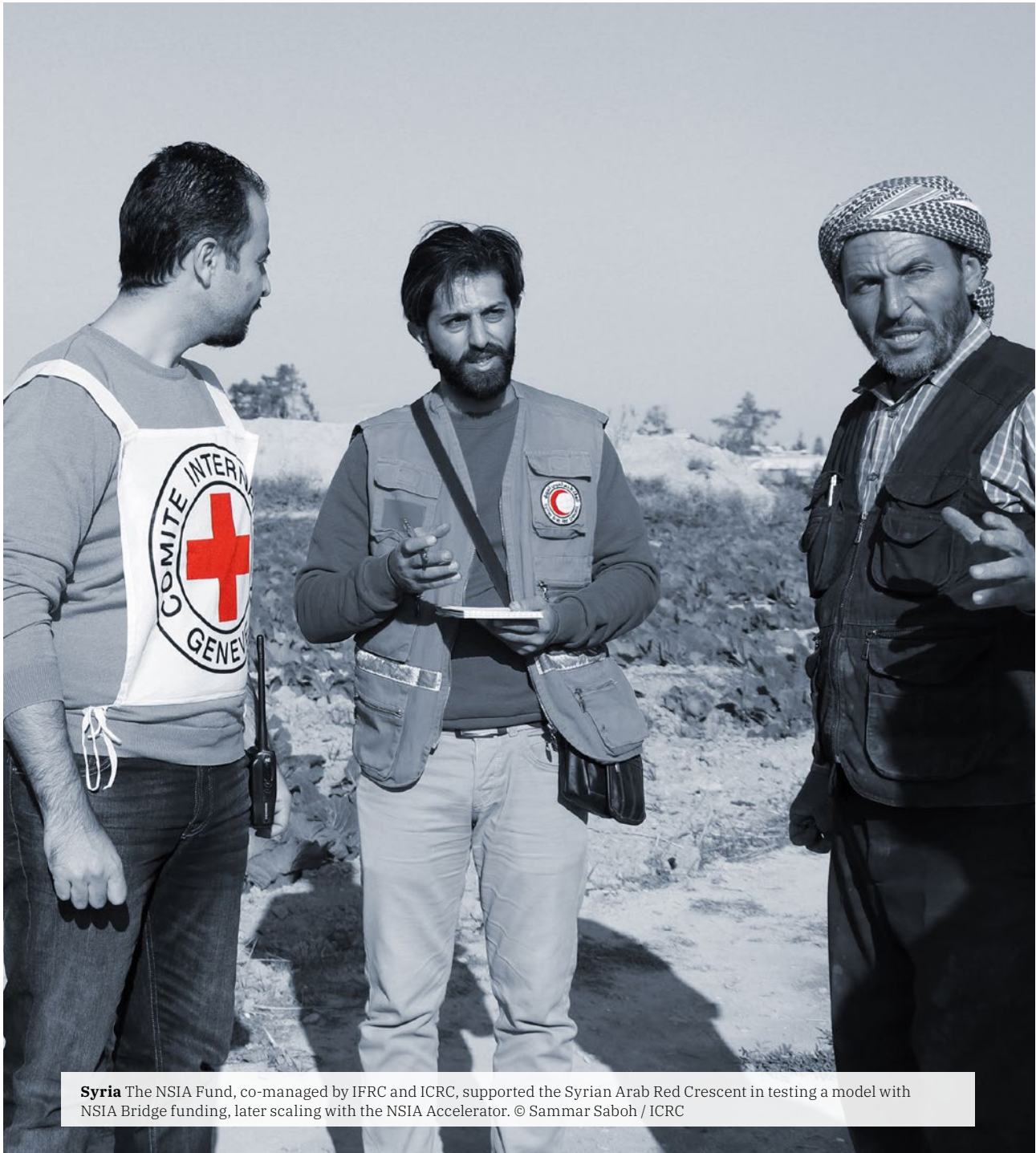
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Increasing the income we can generate ourselves is critical, as it enables the Myanmar Red Cross Society to maintain our humanitarian operations and structures at national and local level. Branch development and decentralisation are core objectives of the Myanmar Red Cross Society. First aid services provide a recognised entry point to engage communities, as well as an opportunity to develop sustainable income streams.

— May Sanda Myo, Head of the Resource Mobilisation Department, Myanmar Red Cross Society

NSIA's emerging impacts





Syria The NSIA Fund, co-managed by IFRC and ICRC, supported the Syrian Arab Red Crescent in testing a model with NSIA Bridge funding, later scaling with the NSIA Accelerator. © Sammar Saboh / ICRC

After five years of NSIA investments in 65 initiatives across 51 National Societies in fragile contexts, we are beginning to see significant results. The following stories from National Societies implementing NSIA initiatives showcase some of these emerging positive impacts. They highlight that NSIA investments have focused on developing and enhancing the capacities and competencies of these National Societies in areas they identified as high-priority. These can be clustered around the following themes: financial mobilisation,

process improvement, and organisational strengthening. The stories below also confirm that the NSIA model, centred on the sustainable organisational development of National Societies in fragile contexts, is effectively empowering these Societies to become robust local actors. One common denominator emerges from these stories. The National Societies implementing NSIA initiatives are increasingly capable of addressing complex humanitarian challenges, at a lower cost and with increased effectiveness.

Enabling resource mobilisation for capacity development and timely responses to humanitarian crisis





Enabling the Ukrainian Red Cross Society to quickly mobilise financial resources to respond to a crisis



Accelerator
Initiative



CHF 392,210
Amount



2019
Year funded



2023
Year completed



Very high
Risk level

The Ukrainian Red Cross Society (URCS) rapidly raised hundreds of thousands of dollars and launched a nationwide response within days from the escalation of the international armed conflict in February 2022.

This swift and comprehensive response was enabled by prior investment from NSIA. In a matter of hours, URCS sent funding to its local and regional branches. This enabled them to stock up on first aid and trauma kits, and to respond to the crisis. In the first 100 days from the escalation of the international armed conflict, URCS distributed 16,725 tonnes of humanitarian aid, including 1,038,881 food kits and 707,117 hygiene kits.

While other funds took weeks, URCS online fundraising appeals launched within hours and raised hundreds of thousands of dollars in the first day. This income enabled URCS branches to respond immediately.

Of URCS's 2023 budget of CHF 200 million, CHF 40 million (20%) was covered through its own efforts. The money raised was mostly unearmarked, allowing URCS to plug gaps in operational budgets: in particular, to resource core organisational capacities that enabled it to deliver effectively.

“When we applied to NSIA in 2018, we realized that URCS’s approach to fundraising was unsystematic,” says Olena Stokoz, Deputy Director General of URCS. Donor interest was waning, and branches were threatened. “We knew that we needed to finance and develop a new business model in order to continue to be present at community level into the future.”

“It took us two years to put the main building blocks of a resource mobilisation system in place,” says Stokoz. URCS had to develop donation pages, install fundraising tools, and recruit and teach a team to use them. “Technical support from IFRC and Swiss Red Cross was critical during this period.” By the end of 2021, URCS had launched a face-to-face fundraising campaign and begun recruiting donors. The new systems were starting to yield results in February 2022 when the conflict escalated.

Despite its success, URCS is not resting. With partners, it is developing an endowment fund targeting CHF 30 million, to be invested in Swiss securities. Interest from the fund will support URCS’s core costs and development activities. URCS also plans to restart face-to-face fundraising, using an in-house team supported by the Swedish Red Cross.

By the end of 2022, the Ukrainian Red Cross Society had mobilized CHF 68 million from national and international corporate and individual giving – over 150 times the initial outlay from NSIA. This fundraising success was enabled by NSIA’s investment in the Ukrainian Red Cross Society’s resource mobilisation systems.



Colombia The NSIA investment enabled the Colombian Red Cross to mobilize extra resources for humanitarian operations.
© Luis Carlos Rosero / IFRC



From dependency to self-reliance: Promoting cultural change through digital resource mobilisation in the Colombian Red Cross



Accelerator
Initiative



CHF 255,600
Amount



2020
Year funded



Ongoing
Year completed



High
Risk level

The Colombian Red Cross (CRC) has developed a new resource mobilisation channel. This is projected to become the National Society's largest source of income generation.

Previously, CRC relied heavily on three sources of income: the Blood Bank, the Red Cross Lottery, and resources from international cooperation. Most of this income was used for humanitarian projects, leaving little for long-term organisational development. National humanitarian organisations in Colombia did not conduct local fundraising campaigns, because the social and economic conditions meant there was a weak culture of donation to humanitarian causes. However, this is starting to change.

In response, CRC used NSIA investment to renew and expand its fundraising strategy, and to implement the necessary tools and processes. The National Society implemented tools to attract and communicate with donors, as well as a customer relationship management system to help retain the donors.

CRC's plans were put to the test by the torrential rains and floods in the winter of 2022–2023, caused by La Niña, which affected communities across the country. With NSIA support, CRC raised more than CHF 180,000 from local people and private companies through a virtual donation platform. This strengthened the delivery of food

kits, hygiene kits, and mobile health care units in the affected communities.

In addition to emergency donations, CRC has secured regular donors. More than 3000 donations were garnered by an individual giving program. In total, CRC has raised CHF 385,000 through NSIA-supported activities since 2020, almost double NSIA's initial investment.

At branch level, CRC's resource mobilisation team has taught branches how to develop their own initiatives to raise unrestricted resources. While some branches have limited capacity, they are beginning to develop local fundraising campaigns, with training and support from the National Society. Others are approaching local private sector organisations to generate partnerships that strengthen branches' financial and development capacity.

Currently, 80% of the regular income collected through the NSIA-supported fundraising initiatives is reinvested in promoting CRC's actions, strengthening its fundraising potential. Face-to-face fundraising will begin in 2024, as will a telemarketing centre and fundraising events. CRC aims to connect with more than 1,000 donors in 2024, and to secure 600 regular contributors. This expansion will mean that, by 2025, CRC will reinvest a smaller percentage of its income in fundraising. It will then be able to invest more in humanitarian programmes, including livelihoods, safe water, restoring family links and first aid.

“

What we are seeing through implementation of NSIA investment is a change of mentality within the Colombian Red Cross. Strengthening different aspects of fundraising will strengthen institutional sustainability and enable us to continue to fulfil our humanitarian mission.

— Sergio Iván Rojas Cubillos, National Coordinator of Resource Mobilisation and New Business, Colombian Red Cross

Enabling a stronger humanitarian response by **boosting efficiency and accountability**





Connecting local branches to the internet in South Sudan



Bridge
Project



CHF 50,000
Amount



2020
Year funded



2022
Year completed



Very high
Risk level

South Sudan is a humanitarian context of very high vulnerability. To operate effectively in this large and insecure context, the South Sudan Red Cross (SSRC) needs modern communication technologies – which are expensive to install, run and maintain.

SSRC used NSIA support to install internet connections in 4 of its 21 branches, plus videoconferencing facilities in its head office in Juba. The NSIA investment complemented a wider programme of technical, financial and logistical support to SSRC IT development from ICRC, Netherlands Red Cross, Canadian Red Cross and Icelandic Red Cross.

The challenges of the context quickly became evident. Initial assumptions about equipment transport costs and availability of electric power proved flawed. Nevertheless, internet was successfully installed, and is changing how the SSRC functions in two key ways.

Firstly, prior to internet installation, internet usage was through favours from local partners, or through expensive solutions on the local market. Both solutions required staff time. Efficiency of work, for example timely reporting from all four branches, has improved since project completion.

Secondly, the video conferencing facility allowed SSRC to move some trainings online and to attend online meetings and briefings. This has reduced the need for expensive and time-consuming face-to-face trainings and meetings, liberating resources for better supporting local communities.

The internet connections have also created new opportunities. SSRC can now digitise core systems like finance, logistics and procurement, making them faster, more accountable, better coordinated and more transparent. Communications with donors could also be streamlined. Currently, some donors require physical vouchers to be transported from branches to Juba, and from Juba to their capital before SSRC can be reimbursed. This is a significant administrative effort that could be easily digitised with appropriate equipment and training, enabling more donor funding to reach vulnerable people.

The SSRC is still working to ensure long term sustainability to its IT systems. Branch-level internet connectivity costs from CHF 270 to CHF 815 per month: these costs are challenging for some branches. Also, the growth in IT usage and the potential for future development means SSRC must invest more in IT support – and refine its approach.

Through NSIA grants, the South Sudan Red Cross can digitize core systems like finance and logistics, enhancing speed, accountability, and transparency. This reduces administrative costs and enhances efficiency, allowing more donor funding to reach vulnerable people.

Boosting National Societies' **organisational capacities** to reinforce their core services





The Syrian Arab Red Crescent learns how to strengthen its branches, then scales up



Bridge
Project



CHF 50,000
Amount



2020
Year funded



2021
Year completed



Very high
Risk level

The Syrian Arab Red Crescent (SARC) faces a highly challenging context, largely due to protracted conflict that has left millions in need of humanitarian assistance and infrastructure heavily degraded. To be effective, SARC is strengthening its processes. “We know that none of our partners has the intention to leave SARC in a weak position as international humanitarian aid phases out, so we need to benefit from this goodwill and start working on our long-term future now,” says Dr Maaly Alddin Alayoubi, Unit Manager for National Society Development and Strategic Planning for SARC.

As a first step, SARC branches conducted IFRC Preparedness for Effective Response self-assessments. This highlighted the need to strengthen common administrative standards, particularly in human resources, financial management and volunteer management.

SARC then used NSIA Bridge funding to develop human resources and financial management in its branches. “Thanks to this support, our partners have reported standardised financial and human resource management processes across the 14 branches,” says Dr Alayoubi.

Simultaneously, the Bridge allowed SARC to test its assumptions about the best ways to support organisational change. “What we learned was that the most efficient way for us to strengthen branch capacities was to bring them together for different thematic workshops, to

obtain their insights, share experiences, and strengthen internal communication and coordination,” says Dr Alayoubi. “Having developed and tested this approach through the Bridge grant, we brought this learning into our subsequent NSIA Accelerator application.”

In 2022, SARC was approved for a four-year Accelerator. It is:

- Strengthening branch foundations, plus finance and administration functions
- Reinforcing programme performance and accountability through integrated planning, programming, and adherence to quality standards and learning
- Improving financial sustainability through resource mobilisation, donor engagement and mapping, and partner coordination, and
- Enhancing SARC’s human capital through volunteer management and development, especially better retention, motivation, and enhanced internal coordination.

By strengthening branch capacities, SARC will enable them to respond to local needs in a consistent and coordinated manner. “This investment will allow us to use future funding more effectively, meaning we have the capacities in place to reach more people at lower cost,” says Dr Alayoubi.

“

Compared to the costs of a 3-month food distribution programme, this is a small investment, but it will make the Syrian Arab Red Crescent a more sustainable, accountable and effective organisation in the longer term.

– Dr Maaly Alddin Alayoubi, Unit Manager for National Society Development and Strategic Planning, Syrian Arab Red Crescent



Somalia The NSIA grant contributed to support the Somali Red Crescent Society in supporting communities across the country.
© Annalisa Ausilio / IFRC



A new building cuts costs and improves communications and outreach in Somalia



Accelerator
Initiative



CHF 426,000
Amount



2020
Year funded



2023
Year completed



High
Risk level

The Somali Red Crescent Society (SRCS) used NSIA funds to construct a new office building in Mogadishu. This removed rental costs, freeing up money for humanitarian work. It also improved facilities for staff and the quality of work and made SRCS more visible to partners.

SRCS's previous Coordination Office building was destroyed by an explosion in 2017, so staff had to work in hired space. Costing over CHF 5000 per month, the rented space drained funding from humanitarian activities. It was also far from central Mogadishu, making SRCS less visible to key governmental and international partners.

NSIA investment, with other Movement partners, contributed to a new office building. It has space for resource mobilisation activities, including training space rental and retail space. Co-designed with SRCS workers, the new offices are high-quality and wheelchair accessible. They reflect the needs of SRCS's mostly female workforce with well-separated washrooms, separate rest rooms for female cleaning staff, and space to provide women with privacy.

The new building has cut monthly costs, freeing money for humanitarian work. Having radio masts, stores and office on one site makes communication and operation more effective. SRCS is also more visible in central Mogadishu, so it can more readily interact with and host key partners. Currently, SRCS is moving to a new phase focused on resource mobilisation. NSIA is again backing SRCS, through a Bridge grant that aims at expanding a training centre for youths.

The new Coordination Office enables SRCS's extensive operations: it is the largest local humanitarian organisation in the country. Due to gaps in health service provision created by the ongoing conflict, SRCS provides 85 primary healthcare centres, first aid and prehospital care services, community-based surveillance, a surgical hospital, and three rehabilitation centres in strategic locations. The primary healthcare centres are mostly located in remote districts and main villages, which other humanitarian organisations struggle to access.

Visibility and communication are key to SRCS's initiatives. Accessing affected communities in Somalia requires ongoing dialogue with multiple political groupings, national authorities and disaster management agencies. When floods affected riverine communities in November-December 2023, SRCS was the only humanitarian agency with access to boats with which to rescue and support isolated communities, plus the relationships and credibility to operate.

SRCS will keep building its financial sustainability. In Mogadishu, this means developing the retail area, with support from ICRC, the IFRC Capacity Building Fund and other Movement partners. A 2023 Bridge grant is being used to develop and test the market for humanitarian training. Elsewhere in the country, dialogues with local authorities have led to gifts of land to be developed for offices, warehouses or income generation, if investment is available.

“

To have access to vulnerable communities, we need to be credible to local political groups as well as national authorities. This means having stable organisational staffing, and national and regional offices that allow the Somali Red Crescent Society to present itself as a credible humanitarian partner and build long-term relationships with local and national actors.

— Mohamed Abdi Warsame, Executive Director, Somali Red Crescent Society

A soft impact: NSIA is **facilitating learning**

National Societies are learning from each other and from partners, with contributions from NSIA.

Today the fund also enables National Societies to share experience and access best practices and strategies to address recurrent challenges. This is done at zero extra cost. When possible, NSIA also connects National Societies with key Movement partners that support them and transfer key capabilities, such as the Netherlands Red Cross for commercial first aid and the Swiss Red Cross for private sector fundraising.

For Accelerator grantees, NSIA organises a review session at the end of each implementation year.

These sessions are an opportunity for the National Society to reflect and learn from its experiences. They are also an opportunity to change course if necessary: plans and budgets can be adjusted based on learning and/or change of context.

As of 2023, NSIA is also connecting National Societies to “communities of practice” and “learning groups”.

For example, the first learning group that was created is focused on commercial first aid, with the aim of bringing together National Societies that have been supported by different funding mechanisms (e.g. NSIA, CBF, ESF) and which are implementing initiatives around commercial first aid. The National Societies are encouraged to share learning, experiences and best practices. The objective is to identify common challenges and potential solutions, establish a network of National Societies and promote peer sharing.

By connecting with these initiatives, NSIA, together with other NSD funds (CBF and ESF) and other NSD services, is facilitating the dissemination of essential organisational and humanitarian knowledge and amplifying impacts.





The Uganda Red Cross Society learns from others how to optimise its commercial first aid



Bridge
Project



CHF 50,000
Amount



2019
Year funded



2020
Year completed



Very high
Risk level

The Uganda Red Cross Society (URCS) has successfully developed commercial first aid and ambulance services, with NSIA support. Learning from their peers has been crucial, leading to a 38% rise in income from commercial first aid and ambulance services in 2023.

“We have participated in peer learning through the IFRC Learning Group on Commercial & Workplace First Aid (LGCFA), and from individual contacts with colleagues in other National Societies,” says Joan Kataike Okello, Resource Mobilisation and Partnership Management, URCS. These experiences led to three direct impacts on project implementation.

URCS developed its first aid training school using NSIA Bridge funding. However, they had little experience of digital marketing. They learned what works well from the American Red Cross website and implemented the lessons in their new website and marketing materials.

The Kenya Red Cross Society (KRCS) showed them how to be more commercially minded. “We had been waiting

for people to call us for commercial ambulance services, but from KRCS we learnt the importance of marketing through websites, booklets, flyers and social media,” says Kataike. URCS is also registered on a national database of oil and gas suppliers, enabling them to reach additional customers.

Thirdly, URCS changed how it trained first aiders. This was initially done face-to-face, but for many people two days of such training was infeasible. “Following discussion with the Belgian Red Cross, we are in the process of introducing a blended learning offering,” says Kataike. Participants will receive online training, only attending in person to learn hands-on skills.

URCS is now teaching others, sharing its experiences with other National Societies at the monthly Learning Group on Commercial First Aid meetings. “For some, the idea of marketing first aid services via social media was new,” says Kataike. “For others, a key question was how to price ambulance services. It was great that we could share our learning to benefit others.”

“

We must continue to learn from one another. We need to be realistic before we invest, and benchmarking with peers helps us to understand what is possible.

— Joan Kataike Okello, Resource Mobilisation and Partnership Management, Uganda Red Cross Society

The way forward for NSIA



After five years of operation, NSIA is building upon its learning by focusing on two main areas.

First, **NSIA is supporting the National Societies to enhance the results-based management of their initiatives.** To enable this, in 2024 the online application form has been revised. The new form is built upon industry standards for planning, budgeting, management and monitoring. The NSIA team is also streamlining reporting and boosting the monitoring of key performance indicators, in collaboration with implementing National Societies and IFRC and ICRC focal points at country level. This will enhance both the accountability of the initiatives and their operational flexibility, which is a key element – especially in fragile contexts.

Second, **NSIA is strengthening its assessment of the impacts of initiatives by introducing systematic impacts management.** Impacts management will help in determining intended and unintended impacts. It will also help identify which initiatives work and what factors underpin that success, as well as which initiatives do not work and their key challenges. The aim is to identify, share and integrate key learnings to further increase positive impact and reduce negative impacts. The aim is to further NSIA's ultimate goal: for National Societies in fragile contexts to become strong local humanitarian

actors and partners of choice that achieve sustainable humanitarian impact and resilience of their communities.

For NSIA to fulfil its potential as a robust, cost-effective funding mechanism to promote National Societies' sustainable development in fragile contexts, in 2024 the IFRC and ICRC are appealing for CHF 10 million for NSIA. Financial contributions to the NSIA result in direct, meaningful support to National Societies operating in fragile contexts. In fact, in the current appeal, around 90% of requested funds will flow directly to National Societies for implementation. A small percentage of the funds will be used to support the NSIA Office, which manages the day-to-day operations of the fund.

NSIA has received generous support from the Swiss and United States governments, the Netherlands Red Cross and the Norwegian Red Cross. Both IFRC and ICRC also allocated resources. This combined backing has enabled NSIA to prove its value to National Societies and to expand its activities over the last two years.

We call on partners to provide the additional financial support needed to grow this approach to enhancing local capacity. By working together, we can provide predictable support for the development of local humanitarian actors and enhance the capacities of responders in some of the world's most challenging contexts.



South Sudan Thanks to a NSIA Bridge reinforcing its IT systems, the South Sudan Red Cross has more resources to support local communities. © IFRC

Annexes





South Africa The South African Red Cross Society aims at leveraging NSIA funds to enhance its financial sustainability
© David Chancellor / IFRC

Annex 1

Financial information

INCOME

INCOME IN 2023	CHF	DONOR'S CURRENCY
ICRC	2,201,122	
IFRC	1,000,000	
Swiss Government	1,000,000	
Norwegian Red Cross	120,133	NOK 1,470,544
US Government	679,273	USD 740,000
Netherlands RC	302,887	EUR 319,500
Returns of unused funds during 2023	18,697	
Forex difference on unpaid pledges (revaluation)	(105,544)	
Total new income in 2023	5,216,568	
Opening balance from 2022 (already allocated for 2022 initiatives)	2,340,110	
Total budget 2023 (income and already allocated opening balance)	7,556,678	

ALLOCATIONS AND EXPENSES

ALLOCATIONS TO NATIONAL SOCIETIES INVESTMENTS IN 2023*	
Allocations – Bridge grants	
Honduran Red Cross	53,250
Zimbabwe Red Cross Society	53,250
Bolivian Red Cross	53,203
Tanzania Red Cross National Society	53,205
Salvadorean Red Cross Society	53,250
Red Cross Society of Côte d'Ivoire	53,250
Philippine Red Cross	53,250
Red Crescent Society of Tajikistan	53,250
Somali Red Crescent Society	53,250
Croix Rouge Centrafricaine	52,854
Liberian Red Cross Society	53,250
Togolese Red Cross	53,250
The South African Red Cross Society	53,250
Burkinabe Red Cross Society	53,250
Rwandan Red Cross	53,250
Total allocations – Bridge grants	798,262

Allocations – Accelerator grants	
Myanmar Red Cross Society	333,820
Ecuadorian Red Cross	479,250
Red Cross of Niger	452,625
The Palestine Red Crescent Society	1,059,782
Total allocations – Accelerator grants	2,325,476
Total allocations to National Societies in 2023	3,123,738
OTHER ALLOCATIONS – GENERAL EXPENSES (2023)	
Fund Management	414,118
Total allocation 2023 (allocations to National Societies and other allocations)	3,537,856

* The National Society grant amount is made of National Society allocation plus IFRC indirect cost recovery at 6.5%.

PREVIOUS YEARS ALLOCATIONS*	CHF
Allocations – Bridge grants	
2019	
Bridge	423,119
Accelerator	1,143,035
Total 2019	1,566,154
2020	
Bridge	156,875
Accelerator	1,541,415
Total 2020	1,698,290
2021	
Bridge	286,240
Accelerator	1,757,250
Total 2021	2,043,490
2022	
Bridge	744,706
Accelerator	4,263,468
Total 2022	5,008,174
Total allocations to National Societies 2019/2022	10,316,108
2023	
Bridge	798,262
Accelerator	2,325,476
Total 2023	3,123,738
Total allocations to National Societies 2019/2023	13,439,846

* The National Society grant amount is made of National Society allocation plus IFRC indirect cost recoveries at 6.5%

Annex 2

NSIA Funding in 2023

NATIONAL SOCIETY	REGION	FUNDING TYPE	FUNDING YEARS	TITLE	TOTAL ALLOCATION BUDGET (CHF)*
Myanmar Red Cross Society	Asia Pacific	Accelerator	5	Improving MRCS Branch Development and Financial Sustainability through Decentralisation of Commercial First Aid (CFA) to States and Regions	CHF 333 820
Ecuadorian Red Cross	Americas	Accelerator	2	Energy transition of the Ecuadorian Red Cross towards a photovoltaic energy generation system to promote climate action and ensure the sustainability of operations in the National Society	CHF 479 250
Red Cross of Niger	Africa	Accelerator	3	Strengthening the financial autonomy and volunteerism of the CRN	CHF 452 625
The Palestine Red Crescent Society	MENA	Accelerator	3	Health Management Information System for PRCS Hospitals	CHF 1 059 782
Honduran Red Cross	Americas	Bridge	1	Strengthening the capacities of the Honduran Red Cross in digital transformation and climate change.	CHF 53 250
Zimbabwe Red Cross Society	Africa	Bridge	1	ZRCS Business Plan- Clinic and Red Cross College	CHF 53 250
Bolivian Red Cross	Americas	Bridge	1	Development of a sustainability plan for the Bolivian Red Cross	CHF 53 203
Tanzania Red Cross National Society	Africa	Bridge	1	Business plan for building of Humanitarian center.	CHF 53 205
Salvadorean Red Cross Society	Americas	Bridge	1	Enabling Opportunities	CHF 53 250

NATIONAL SOCIETY	REGION	FUNDING TYPE	FUNDING YEARS	TITLE	TOTAL ALLOCATION BUDGET (CHF)*
Red Cross Society of Côte d'Ivoire	Africa	Bridge	1	Cité de l'enfance	CHF 53 250
Philippine Red Cross	Asia Pacific	Bridge	1	One PRC Plan	CHF 53 250
Red Crescent Society of Tajikistan	Europe	Bridge	1	Improving Volunteering Management and Youth Engagement	CHF 53 250
Somali Red Crescent Society	Africa	Bridge	1	Volunteer and Resource Mobilization Development	CHF 53 250
Croix Rouge Centrafricaine	Africa	Bridge	1	Strengthening the capacities of the Central African Red Cross in the establishment of a quality first aid training system	CHF 52 854
Liberian Red Cross Society	Africa	Bridge	1	Strengthening LNRCS Financial Sustainability	CHF 53 250
Togolese Red Cross	Africa	Bridge	1	Establishment of a modern medical analysis laboratory in the Catalunya Medical Center at the headquarters of the Togolese Red Cross.	CHF 53 250
The South African Red Cross Society	Africa	Bridge	1	Enhancing financial sustainability of National Society	CHF 53 250
Burkinabe Red Cross Society	Africa	Bridge	1	Burkinabe Red Cross Organizational Development Strengthening Project	CHF 53 250
Rwandan Red Cross	Africa	Bridge	1	Improved National Society's readiness for scaling-up its investment development at RRCS HQs, Kigali, Rwanda	CHF 53 250

* The allocated amount is made of National Society allocation plus IFRC indirect cost recoveries at 6.5%.

Annex 3

How NSIA works

How the NSIA fund is managed

The NSIA is jointly managed by the **ICRC** and the **IFRC**. Day-to-day management is carried out by a small **NSIA Office** with three staff, hosted by the IFRC in Geneva. The NSIA Office works closely with IFRC and ICRC country and regional staff that support National Societies, and with NSD experts based in Geneva, ensuring continuous support to National Societies. Through all phases of initiatives, NSIA supports National Societies to actively manage the risks associated with developing capacity in fragile contexts.

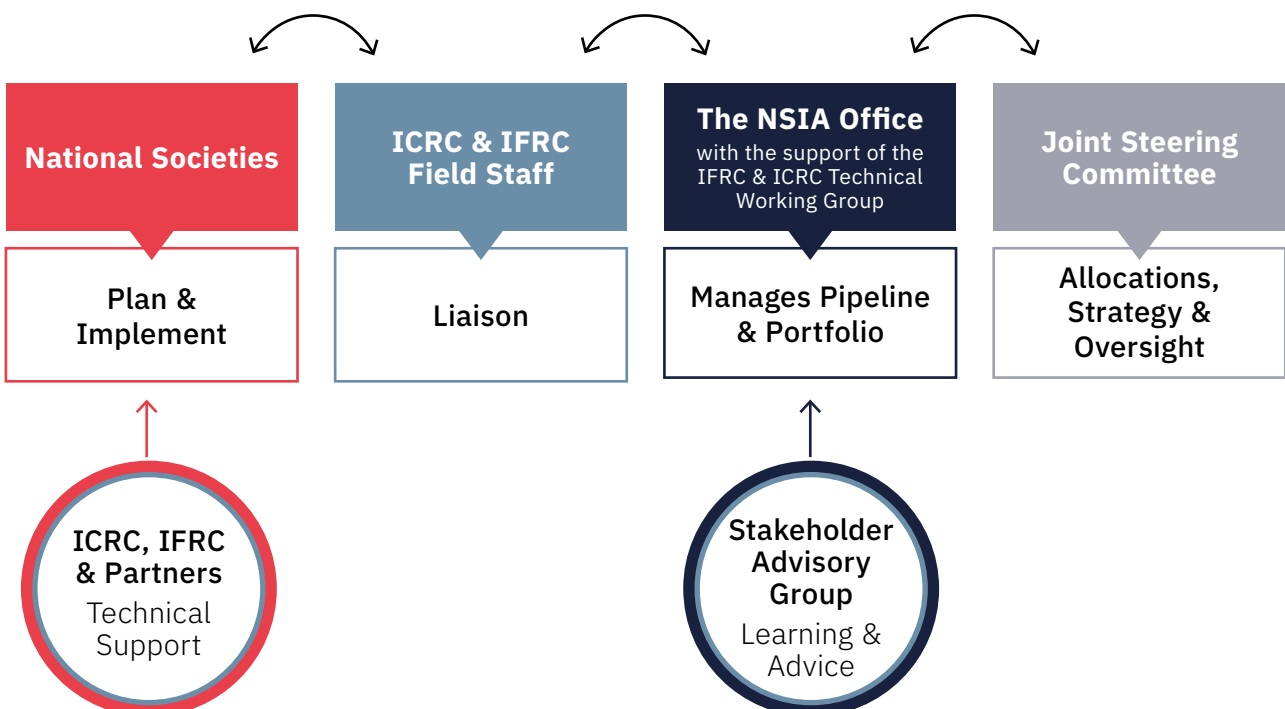
The fund is overseen by a **Steering Committee** of senior IFRC and ICRC representatives. The Committee provides strategic direction, supports the funding strategy, approves grants, and ensures the accountability of the fund.

NSIA’s activities are driven by the **NSIA Technical Working Group**, under the guidance of the NSIA Fund Manager. The Technical Working Group is comprised of seven IFRC and ICRC staff based in Geneva. All have expertise in National Society Development, including

financial sustainability. The Technical Working Group advises the NSIA Steering Committee on all technical and strategic issues. It also finalises the assessments of all initiative proposals, providing the basis for final decisions by the Steering Committee.

This is complemented by a **Stakeholder Advisory Group (SAG)**. The SAG engages with and draws on the experiences of the International Red Cross Red Crescent Movement. In 2023, the SAG included representatives of nine National Societies, including Canada, Germany, Kenya, Lebanon, and Switzerland.

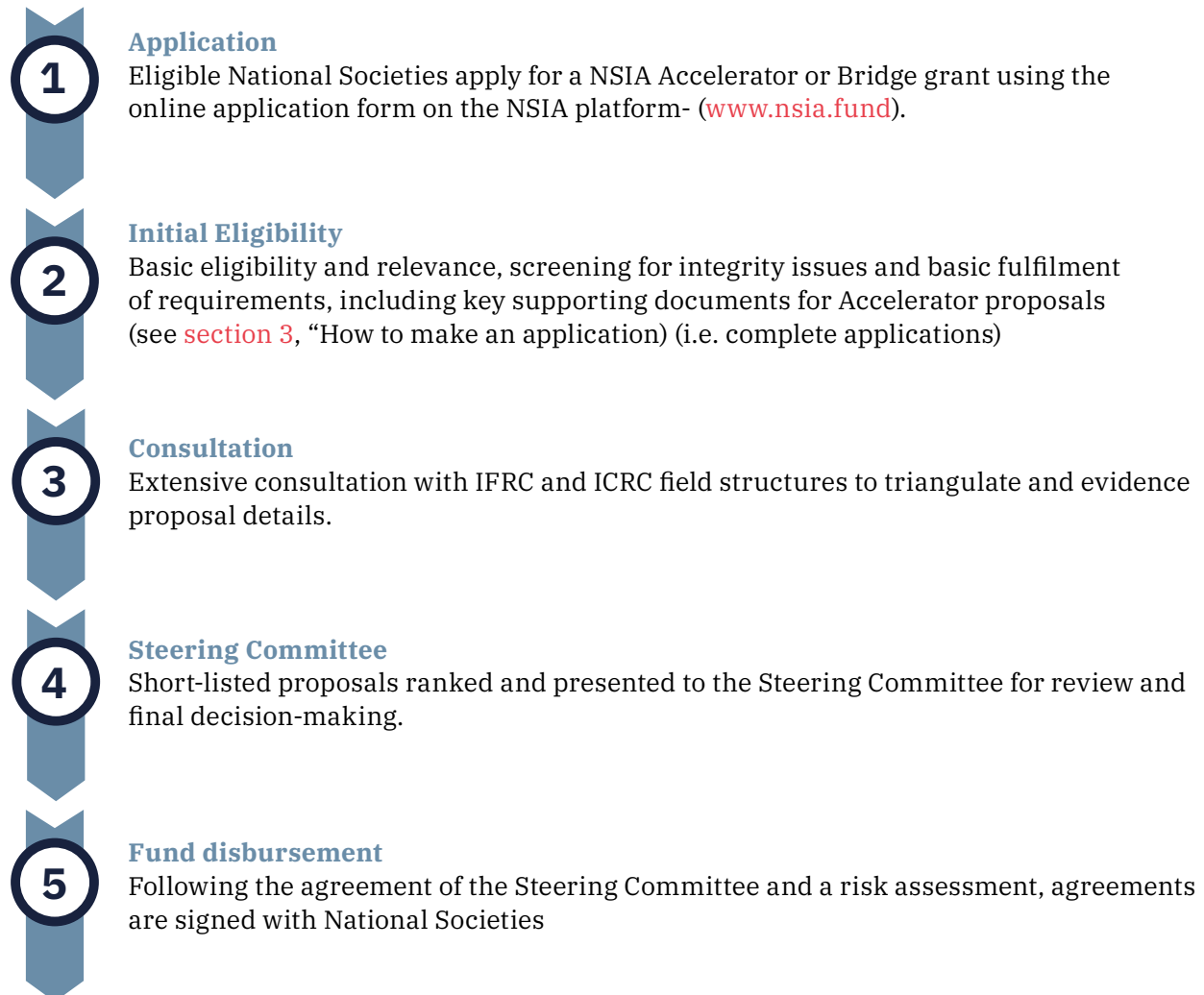
In 2023, NSIA finalised its strategy and long-term vision. The NSIA Office and Working Group developed a revised strategy that determines NSIA’s targets. This has been approved by the NSIA Steering Committee. The team has clarified the levels of risk NSIA is prepared to accept when funding initiatives, specified the eligibility criteria for National Societies, and refined assessment criteria to ensure better support to National Societies in need.



How to apply for NSIA funding

NSIA issues an annual call for applications for Accelerator and Bridge funding. Eligible National Societies should apply using the online application form on the NSIA platform (www.nsia.fund). The application form has been revised for the 2024 call, with the aim of smoothing the application process by eliciting detailed information early. National Societies develop their own priority areas for investment, provide evidence for their decision, and outline how the proposed investment will lead to a sustained increase in capacity and impact. **The 2024 call was released in April.**

Applications follow a multi-layered, multi-stakeholder review process. This includes analysis of the proposals by the NSIA Office; consultation with in-country IFRC and ICRC staff; engagement of the NSIA Working Group; and interviews with National Society leaders. National Societies must adhere to high standards of integrity. Risks are also identified and mitigated. The merit of each individual proposal is then evaluated by the NSIA Working Group, advised by IFRC and ICRC staff from the relevant delegations, against a set of objective criteria. The Steering Committee undertakes the final evaluation of the proposals and approves the projects.





With special thanks to our donors, the governments of Switzerland, the United States, Norway and the Netherlands, and the Norwegian Red Cross and the Netherlands Red Cross. IFRC and ICRC also committed funds to support NSIA. Without this support it would not be possible for the NSIA to provide investment to National Societies in order to build their capacities and increase their resilience as strong local actors operating in some of the world's most challenging humanitarian settings.



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

**Swiss Agency for Development
and Cooperation SDC**



Norwegian Red Cross



**The Netherlands
Red Cross**



Norway



ICRC



IFRC