



annual report 2008



International Federation
of Red Cross and Red Crescent Societies



The International Federation of Red Cross and Red Crescent Societies is the world's largest humanitarian organization, providing assistance without discrimination as to nationality, race, religious beliefs, class or political opinions.

Founded in 1919, the IFRC comprises 186 member Red Cross and Red Crescent Societies – with others in formation – a secretariat in Geneva and more than 60 zone offices and representations strategically located to support activities around the world. The red crescent is used in place of the red cross in many Islamic countries. The IFRC, together with the National Societies and the International Committee of the Red Cross (ICRC), make up the International Red Cross and Red Crescent Movement.

The International Federation of Red Cross and Red Crescent Societies: a global humanitarian organization

The IFRC's mission is to improve the lives of vulnerable people by mobilizing the power of humanity. The most vulnerable people are those who are at greatest risk from situations that threaten their survival or their capacity to live with an acceptable level of social and economic security and human dignity.

The IFRC coordinates and directs international assistance to victims of natural and technological disasters, to refugees and in health emergencies. It combines its relief activities with disaster preparedness, health and development work to strengthen the capacities of National Societies and through them, individual people. The unique network of National Societies – which covers almost every country in the world – is the IFRC's principal strength. Cooperation between National Societies gives the IFRC greater potential to develop capacities and assist those most in need. At a local level, the network enables the IFRC to reach individual communities.

National Red Cross and Red Crescent Societies embody the work and principles of the International Red Cross and Red Crescent Movement. National Societies act as auxiliaries to the public authorities of their own countries in the humanitarian field and provide a range of services including disaster relief, health and social programmes. During wartime, National Societies assist the affected civilian population and support the army medical services where appropriate.

Khin Maung Myint is a volunteer with the Myanmar Red Cross Society. He used a motorcycle and a loudspeaker to warn people on Haing Gyi Island about the approaching cyclone. After Cyclone Nargis struck, he organized a rescue operation and established a small first aid post to treat those with injuries. One year on, Khin Maung Myint is still actively involved in helping survivors, organizing sessions on disaster management.

Kyaw Kyaw Win Myanmar Red Cross Society



Contents

Foreword	3
2008 at a glance	4
1. Reaching beneficiaries: the challenges	10
Legal preparedness	11
Streamlined logistics and procurement	12
Declaration of Paris 2009	12
2. The culture of prevention	13
3. Adapting to a changing climate	15
4. Building back better	18
5. Finances	20
Consolidated balance sheet as at 31 December 2008	21
Consolidated income and expenditure statement for the year ended 31 December 2008	22
Consolidated income and expenditure statement for the year ended 31 December 2008, analysed by geographical zone	23
Consolidated income and expenditure statement for the year ended 31 December 2008, analysed by type of appeal	24

Top
A member of the Ethiopian Red Cross Society interviews people affected by drought. Working within communities means that our members are able to assess beneficiaries' vulnerability and needs more effectively.

Bottom left
Red Cross Red Crescent volunteers are often first on the scene of a disaster as they live and work in the heart of the communities they serve.

Bottom right
The power of humanity – a Mexican Red Cross volunteer talks with an evacuee and his daughter at a service centre in Ramona during the Californian wildfires of 2008.

Daniel Cima/American Red Cross



Till Mayer/IFRC



Talia Frenkel/American Red Cross

annual **2008**
report





Foreword

Many of the operations in 2008 epitomized the difficulties we face when trying to reach people in need, with the humanitarian crises in Gaza and Myanmar presenting particular challenges.

The Red Cross Red Crescent is often the first to deliver assistance during a humanitarian crisis thanks to our volunteers who live in the very heart of the communities they serve. Not only are we often first on the scene, we also work behind the scenes to overcome bureaucratic barriers and problems of terrain and security. The IFRC's logistics and procurement services have been optimized so that when disaster strikes we are ready and able to reach people as quickly and as efficiently as possible.

It is equally important, however, that others are also ready – governments, donors and communities – because we know that simply responding is not enough. Everyone needs to invest time, money and effort in risk reduction and prevention – it saves lives and money.

When Cyclone Jokwe struck Mozambique in 2008, there were few casualties thanks to a community-based early warning system. In fact, it is estimated that one dollar spent on prevention today can save four dollars in emergency response tomorrow. And given the current financial context, we must make every dollar count for vulnerable people everywhere.

Despite the powerful evidence in favour of prevention, over 90 per cent of international aid is still spent on emergency response. The international community must switch its focus and commit instead to long-term investment in risk reduction and prevention.

The disaster statistics may be gloomy, but the future does not have to be. Whilst the number of weather-related disasters continues to increase year on year and millions of people have to deal with the impact of climate change, there are also countless positive outcomes, some of which are highlighted in this report.

Nina Khadgi, a volunteer with the Nepal Red Cross Society, holds a two-year-old girl who is waiting to be vaccinated against measles. In December 2008, the second phase of a measles follow-up campaign started with the aim of vaccinating 4 million children aged between nine months and five years throughout Nepal.



Juan M. Suárez del Toro R.



IFRC

Post-disaster recovery offers the greatest opportunity to build back better and to build back safer. By doing so, not only can we improve the lives of people affected by disasters today, but we can also improve the chances of those affected by disasters in the future.

Within our own organization, we bade farewell to Secretary General Markku Niskala, who retired after a lifetime's service within the Red Cross Red Crescent. On behalf of the whole Red Cross Red Crescent family, we wish him well in his retirement.

And finally, we once again extend our deepest thanks to all Red Cross Red Crescent volunteers, many of whom were affected by disasters themselves. It is their commitment and dedication that really makes the difference to millions of people worldwide.

Juan M. Suárez del Toro R.
President

Bekele Geleta
Secretary General

2008 at a glance



January

A series of earthquakes struck Kyrgyzstan at the end of 2007 and the beginning of 2008 affecting 5,000 people. The Red Crescent Society of Kyrgyzstan, supported by the IFRC's Disaster Relief Emergency Fund (DREF), distributed relief to those affected.

Southern Africa was hit by heavy rains, which caused severe flooding in Zimbabwe, Mozambique, Zambia, Malawi, Lesotho, Swaziland and Madagascar. The IFRC launched an emergency appeal to help Red Cross Societies respond to the crisis.

The IFRC warned that climate change is fundamentally altering the entire humanitarian agenda, increasing the vulnerability of millions of people around the world.

The coldest winter in 25 years left thousands of elderly people in Tajikistan vulnerable. The Red Crescent Society of Tajikistan, with support from the IFRC, provided food support to more than 5,000 people over six months.



February

According to UN estimates, up to 6 million Iraqis are in dire need of help as a result of years of violence and economic hardship. The IFRC launched an emergency appeal for US\$ 1.9 million to support the Iraqi Red Crescent Society in providing assistance to 1 million socially vulnerable and disabled people.

The flooding crisis in southern Africa worsened with more than 334,000 people in the region affected. Food insecurity threatened and the IFRC increased its emergency appeal to US\$ 10.3 million.

Thousands of people fled to Cameroon to escape the fighting between rebel and government forces in Chad. The IFRC launched an international appeal to support the Cameroon Red Cross Society assist 10,000 refugees over six months.

Eastern Africa is severely affected by HIV with over 5 million people living with the virus, including more than 500,000 children. The IFRC launched an appeal to fight HIV and AIDS in the region over three years. The programme aims to reach 17 million people with information on prevention, and to provide care and support to nearly 30,000 people living with HIV, and 130,000 orphans and vulnerable children.

Cyclone Ivan hit Madagascar causing severe damage to crops and buildings. The Malagasy Red Cross Society mobilized its resources to assist the 322,000 people affected.



March

Cyclone Jokwe struck Mozambique and damaged over 10,000 houses leaving more than 55,000 people homeless, compounding the crisis caused by floods earlier in the year. The Mozambique Red Cross mobilized volunteers to provide emergency shelter and distribute relief supplies. Despite the widespread destruction, the cyclone early warning system played a major role in reducing deaths and injuries.



April

An epidemic of dengue fever broke out in Brazil affecting 50,000 people. The Brazilian Red Cross worked with the public authorities to carry out prevention campaigns.

The IFRC launched a new five-year strategy to scale up food security programmes in 15 African countries. It aims to further develop food security programmes such as sustainable farming, micro-finance projects, small-scale irrigation schemes and community-based food security monitoring systems. The programmes will target 2.25 million people.



May

Some 85,000 people were killed and 54,000 were reported missing after Cyclone Nargis hit Myanmar, making it the deadliest storm to strike Asia since 1991. Thousands of Myanmar Red Cross Society volunteers worked around the clock to reach those affected. As the full extent of the humanitarian crisis became clearer, the IFRC revised its appeal to help 100,000 families for 36 months.

China's Sichuan province was hit by an earthquake measuring 7.8 on the Richter scale. China's worst earthquake in 30 years left 69,200 people dead, 375,000 injured, 1.5 million displaced and 5 million homeless. Staff and volunteers from the Red Cross Society of China carried out rescue and relief operations. The IFRC launched an international appeal that was increased as the scale of the disaster became apparent.

The IFRC's Global Health and Care Forum focused on the growing impact of long-term health programmes implemented by Red Cross Red Crescent volunteers and the need to further increase access to primary healthcare.

Some 40,000 people faced starvation in Ethiopia as a result of poor rains over two seasons. The Ethiopian Red Cross Society, supported by the IFRC, distributed food rations and water.

Bekele Geleta was appointed as the IFRC's new secretary general following Markku Niskala's retirement.



June

The Sudanese Red Crescent Society faced an acute watery diarrhoea epidemic affecting the south of the country. Supported by the IFRC, the National Society assisted 360,000 people.

The *World Disasters Report 2008* focused on the challenge of HIV in disasters and crises. The report recommends that all humanitarian programmes should integrate the complexity and long-term nature of HIV and AIDS in order to effectively tackle the epidemic.

Typhoon Fengshan struck the Philippines destroying over 75,000 houses, seriously damaging a further 200,000 and affecting at least 2.5 million people across the country. The Philippine National Red Cross assisted 6,000 families over 12 months.



July

The IFRC appealed for US\$ 20.6 million to assist five National Societies: Burkina-Faso, the Central African Republic, the Democratic Republic of the Congo, Guinea and Nigeria. The new community-based programme aims to reach 950,000 vulnerable people, including 10,000 orphans, 49,000 people living with HIV and 13,000 sex workers.

The United Nations Population Fund (UNFPA) and the IFRC signed a letter of cooperation in which they agreed to extend their collaboration in health promotion programmes around the world. The agreement fulfils a recognized need to collaborate more effectively to reach populations affected by natural disasters or other crises such as epidemics.



August

It was predicted that as many as 5 million people in Zimbabwe would face chronic food shortages by the beginning of 2009. In response, the IFRC launched an international appeal to enable the Zimbabwe Red Cross Society to assist over 260,000 particularly vulnerable people for nine months with monthly food distributions.

Following the worst floods in 200 years in Ukraine and Moldova, the IFRC launched an appeal to support operations by the Ukrainian and Moldovan Red Cross Societies to provide emergency help to 60,000 vulnerable people for eight months.

The Nepal Red Cross Society provided shelter and relief items to 7,000 of the most vulnerable families affected by flooding in the country.



September

2008 witnessed one of the most active hurricane seasons ever. Thousands of Red Cross volunteers worked relentlessly as hurricanes and tropical storms battered the region. Hurricanes Gustav, Hanna and Ike were particularly deadly and destructive with Haiti and Cuba bearing the brunt. The IFRC launched four international appeals totalling US\$ 22.2 million during the season.

The heavy rains and floods of July worsened in Cameroon and Chad prompting the IFRC to launch an appeal to assist over 21,000 beneficiaries.

October

The 7th Pan African Conference took place in Johannesburg and culminated with the Johannesburg Commitment. The document commits the continent's National Societies to intensify cooperation and dialogue with governments and other partners. The commitment also places communities at the forefront of designing and delivering effective solutions to the increasing number of humanitarian challenges in Africa.

The IFRC launched its 'Believe in Africa' campaign in a bid to reverse the negative media image of the continent. It called on journalists and other humanitarians to better publicize African success stories such as the huge drop in measles deaths and the progress in fighting malaria and HIV.

Moroccan Red Crescent staff and volunteers carried out search and rescue operations as torrential rains washed away homes, roads, crops and livestock. The Red Crescent operation demonstrated the benefit of well trained volunteers and pre-positioned relief supplies, but concern mounted as more rain was forecast.



November

The IFRC estimated its operating needs for 2009 at US\$ 225 million to support Red Cross Red Crescent Societies in reaching 150 million people in need worldwide. The focus of its work is on 'early warning, early action', which means using existing knowledge and resources to better identify risks and to act before disasters happen.

The IFRC appealed for an additional US\$ 4.5 million to help those affected by the Sichuan earthquake in China.

The IFRC launched a new procurement services portal with funding from the European Commission Humanitarian Aid Office (ECHO). As an ECHO-accredited humanitarian procurement centre, the IFRC is expanding the procurement services it already provides to National Societies. The portal is available at www.ifrc.org/procurement.

Heavy rains in Kenya caused severe flooding and triggered landslides, hampering access to those in need. Entire communities were displaced and 71,000 people were at risk of cholera. Red Cross volunteers and staff worked tirelessly to limit the health impact of contaminated water.

The humanitarian crisis in Zimbabwe deteriorated as an outbreak of cholera spread across the country. Red Cross volunteers reached 11,000 people with cholera kits, water purification tablets and prevention messages.



Our world is in a mess.
It's time to make your move.
ourworld-yourmove.org

December

As 2009 marks the 150th anniversary of the battle of Solferino and the 60th anniversary of the four Geneva Conventions of 1949, the Movement launched a joint campaign – with the slogan Our world. Your move. – that calls on people throughout the world to make a difference in the lives of vulnerable people everywhere.

Heavy rain in Panama and Costa Rica caused flooding and landslides, which left 28,000 people in temporary shelters and many without access to safe water.

The IFRC launched an international appeal for the worsening cholera crisis in Zimbabwe. The appeal supported the Zimbabwe Red Cross Society to help 1.5 million people in need over seven months.

Soaring food prices and crippling drought led to an appalling food crisis in the Horn of Africa. The IFRC launched an urgent appeal to meet the immediate needs of more than 2.2 million people.

Tackling violence is one of the IFRC's global priorities and it convened a high-level meeting to develop a global strategy to address the social culture of violence. The strategy will focus on violence prevention and mitigation, with particular emphasis on young people and children.

The Palestine Red Crescent Society mobilized its emergency teams and volunteers as the humanitarian situation in the Gaza Strip worsened when hostilities escalated.



Reaching benefi

During emergencies, the need to respond quickly and efficiently is vital if the maximum number of lives are to be saved and if livelihoods are to be safeguarded. However, reaching the people who need help most is not always easy. Operations in 2008 were no exception with particular challenges in Gaza and Myanmar.

Reaching beneficiaries may be problematic for a number of reasons: but security, terrain and bureaucracy are the most common factors.

In the first case, relief workers may be endangered by the very disaster they are responding to – the hazards of conflict, flash floods or aftershocks can halt relief operations without warning.

In the second case, it may be a country's geography that presents a challenge – mountains, rivers and remoteness may all conspire against those working against the clock – or it may be poor transport infrastructure that hampers the relief effort.

In the third case, access to beneficiaries may be hindered by bureaucratic procedures or political agendas. The government or authorities may prevent or impede humanitarian workers from reaching beneficiaries, either deliberately or unintentionally. Bureaucratic, legal or political problems with visas, customs clearance and recognition of medical qualifications can all lead to

The Myanmar township of Labutta was devastated by Cyclone Nargis in May 2008. The cyclone and a large tidal wave travelled up the Irrawaddy River, washing away roads and bridges. It was only possible to reach many beneficiaries in remote and scattered communities using boats.



ciaries: the challenges

delays in reaching beneficiaries. These unnecessary bureaucratic barriers make humanitarian aid slower, more expensive and less effective than it should be. So how do we overcome these obstacles?

The Red Cross Red Crescent is often the first on the scene of a humanitarian crisis.

The Red Cross Red Crescent is often the first on the scene of a humanitarian crisis. The reason is at the core of our organization: our community-based volunteers and their National Societies. In many cases, the first people to provide assistance are the Red Cross Red Crescent volunteers who live in the very heart of the communities they serve.

As auxiliaries to government, National Societies already have an established relationship with their national authorities. In the case of both Gaza and Myanmar – where access was restricted to most international aid agencies – it was the Palestine Red Crescent Society and the Myanmar Red Cross Society that were best placed to reach beneficiaries.

The sealing of the Gaza Strip by Israel in June 2007 resulted in a humanitarian crisis for Gaza's people as the closure of the border restricted the movement of people and goods. In 2008, the humanitarian situation degenerated after hostilities escalated. The Palestine Red Crescent Society – already working

within the Gaza Strip and supported by the International Committee of the Red Cross (ICRC) – mobilized its emergency teams and volunteers. However, the Palestine Red Crescent Society was severely hampered from carrying out its humanitarian mission to assist civilians as relief supplies were blocked and staff, hospitals and vehicles were caught in the crossfire.

When Cyclone Nargis devastated Myanmar in May 2008, the national authorities were unwilling to allow international organizations access to the country. It was the Myanmar Red Cross Society that shouldered the burden of responding to the dire humanitarian situation.

Thousands of Red Cross volunteers – many directly affected by the disaster themselves – worked relentlessly with limited resources.

Thousands of Red Cross volunteers – many directly affected by the disaster themselves – worked relentlessly with limited resources. As time started to run out for many survivors and the authorities insisted no outside help was needed, frustration grew among both the international community and Red Cross volunteers.

As the examples of Gaza and Myanmar highlight, the nature and scale of a disaster may mean that

international intervention and different strategies are needed to reach people in need. We are continually working on effective strategies to overcome bureaucratic, legal and logistical obstacles.

Legal preparedness

The International Disaster Response Law programme (IDRL) is a legal preparedness programme to help governments prepare before disaster strikes. Essentially, it is about moving people and goods into the disaster zone as quickly and as efficiently as possible. The reality is that very few governments have satisfactory legal mechanisms for facilitating or regulating international assistance.

The programme, which has drawn upon research, case studies, consultations and a global survey on existing regulatory frameworks, has proved the importance of legal preparedness for disasters. The result is a set of guidelines – the 'Guidelines for the domestic facilitation and regulation of international disaster relief and initial recovery assistance' – that are the result of a collaborative process involving National Societies, United Nations agencies, NGOs and governments. They offer recommendations to governments for solving the most common legal problems in international disaster relief operations through domestic legislation and institutional arrangements.



Volunteers from the Myanmar Red Cross Society were the first to respond to the devastation caused by Cyclone Nargis. Up to 10,000 volunteers were active at the height of the relief operation, many of whom were themselves affected by the disaster.

Streamlined logistics and procurement

To ensure that beneficiaries receive help as quickly as possible, we have streamlined our logistics and procurement services so that they are optimized for fast delivery of relief goods.

We have stocks of relief items that are strategically pre-positioned around the world. Additionally, agreements are in place with suppliers so that large quantities of standard relief goods are always guaranteed at short notice, should disaster strike.

The logistics machine swung into action when Cyclone Nargis struck Myanmar. A humanitarian lifeline was established with flights reaching the capital, Yangon, from the IFRC's logistics hub in

Kuala Lumpur. The IFRC used both cargo space in commercial flights and chartered aircraft to get supplies into the country.

Logistics experts also explored other ways of getting aid into Myanmar as the main ports were closed. Overland freight companies in the region were reluctant to try routes from Bangladesh because of the poor road infrastructure, whilst routes from Bangkok were at risk of looting.

Reaching people in the Irrawaddy Delta was equally challenging as roads and bridges were destroyed, and vast areas of land were under water. Thousands of Myanmar Red Cross Society volunteers delivered emergency supplies that had been pre-positioned in Red Cross warehouses.

Declaration of Paris 2009

Whatever the obstacles may be, everyone – governments, donors, aid agencies – has a responsibility to reach the people most in need in the fastest and most effective way possible.

This was formally adopted by the IFRC as a paragraph in the Declaration of Paris in May 2009. ■

“We call on states to broaden our humanitarian space by creating the conditions for more favourable access to people in need, which is a primary challenge when it comes to organizing a sustainable response. We also call upon all governments, as well as all donors, to assure a predictable and regular flow of resources adapted to the operational needs of their National Societies.”



The culture of prevention

Our organization is the world's largest disaster response organization and yet we know that simply responding is not enough. We need to foster a culture of prevention and encourage others to do the same.

To maximize our impact on the lives of vulnerable people around the world we need to identify risks where they exist, plan ahead and prepare. Using local knowledge to empower the very communities most likely to be affected when disaster strikes can reduce the risk of them being affected in the first place.

Prevention saves lives.

One of the most striking examples from 2008 of the efficiency of the early warning, early action concept is Mozambique. Cyclone Jokwe was extremely destructive, but the number of deaths and injuries was low thanks to the community-based disaster management programme. An early warning system using colour codes is activated when there is an alert for floods or a cyclone. Community members are then able to implement contingency plans.

One of the most impressive examples of the early warning, early action concept in action is in Mozambique. The number of deaths and injuries was low following Cyclone Jokwe thanks to the community-based disaster management programme. Here, community members listen attentively to a Red Cross briefing on early warning.

Prevention reduces the number of people affected by disasters.

A review of emergencies in 2008 shows that the number of people affected was staggering: over 15 million in China, 360,000 in Sudan, 322,000 in Madagascar and so on. It's easy for these numbers to become nothing more than humanitarian statistics, but the scale of these crises is astounding.

Look behind the numbers and there is a multitude of humanitarian needs: perhaps a family that has lost its livelihood or home, a whole community that has lost its crops and livestock, or a child that has been orphaned by disaster or disease. Millions of people around the world made vulnerable by disaster or disease struggling to recover – until the next crisis hits them.

This is why prevention is so important. Vulnerable people need to be empowered to withstand the next crisis.

The *Five-year strategic framework on food security for Africa* was launched in April 2008. Its aim is to reduce food insecurity and develop local agriculture in 15 African countries through programmes such as sustainable farming, microfinance projects and small-scale irrigation schemes. This five-year strategy is designed to make communities more resilient – better equipped to cope with price increases and to avoid future food shortages.



Prevention is better than cure. In South Sudan, mothers take their babies to a health clinic to receive their DTP vaccination.

Tommas Bertelsen/Danish Red Cross

Prevention is a cost-effective investment.

Emergency response is extremely costly. It is estimated that every dollar spent on prevention today saves four dollars in emergency response tomorrow. There is no economic sense in spending money on emergency response alone. Years of investment can disappear in minutes if risk reduction and prevention are ignored.

Prevention also applies to health. Prevention is better than cure may be an old adage, but it really is the case. In Nepal, an effective HIV prevention programme is underway. Red Cross peer educators are trained to spread the word on safe sex practices and the importance of HIV testing. Community-based volunteers also work to reduce stigma and discrimination by providing accurate information about HIV and its transmission.

Reducing the burden of malaria is a key priority. Malaria kills almost 1 million people a year, mostly children under five, but is a completely preventable disease. More than 289,000 malaria deaths have been

averted and 17.5 million people have been protected as a result of Red Cross Red Crescent mosquito net distribution campaigns and activities to ensure high net usage rates. Malaria prevention is succeeding where communities own the response to this deadly killer. Rwanda has reduced malaria cases and deaths by 66 per cent in two years (between 2005 and 2007) by ensuring people have access to effective prevention and treatment.

Of particular concern is the re-emergence of some diseases that had almost disappeared, showing us that prevention measures must be of consistent high quality and reach all target populations. A resurgence in wild poliovirus cases in Nigeria in 2008 and 2009 caused re-infection in a number of African countries that had been polio free for more than a decade. In response, the IFRC intensified its support for polio eradication and issued an emergency appeal for 17 African countries.

Measles is also a good example of the need to remain vigilant despite considerable progress. Between 2000 and 2007, measles deaths in Africa fell dramatically by 89 per cent – a remarkable achievement. Global

measles mortality was reduced by 74 per cent during the same period. At the heart of these major steps forward in disease reduction is preventative routine immunization.

Despite the strong evidence in favour of prevention, over 90 per cent of international aid is still being channelled into emergency response. To move away from focusing solely on emergency response and move towards investment in risk reduction and prevention is a compelling financial argument.

Early warning and early action brings significant savings and is an effective use of donations.

The IFRC has integrated this focus on early warning, early action into its plans for 2009/2010. As Secretary General Bekele Geleta notes, “early warning and early action brings significant savings and is an effective use of donations”. We urge donors to increase their investment in prevention and risk reduction.

One such partnership is the five-year agreement between the IFRC and Z Zurich Foundation. The partnership will enable sustained support for both emergency response operations and long-term risk reduction programmes. The foundation will support our work in mitigating the impact of natural disasters through contributions to our Global Alliance for Disaster Risk Reduction, which aims to build safer and more resilient communities.

To really make a difference – a long-term difference – a culture of prevention must be adopted throughout the humanitarian sector. ■

3 Adapting to a changing climate

More than decade ago, international debate focused on global warming and how to reduce greenhouse gas emissions. Today, not only has the Kyoto Protocol entered into force – the international agreement that sets binding targets on emissions – but the debate has moved on.

Mitigation and climate adaptation are now on the international agenda. Why? Because climate change is a global problem with a local impact.

The vast majority of disasters – over two-thirds – are weather related and the number of localized weather-related disasters continues to increase year on year. Millions of people around the world are dealing with the effects of climate change right now.

It is not just the increase in the magnitude or frequency of weather events that is a cause for concern; it is also the variations in what were predictable weather patterns and the emergence of weather-related disasters in previously unaffected areas.

Residents of Tanjung Benoa village on the island of Bali, Indonesia, take action against climate change by planting mangroves to help stop coastal erosion. The Red Cross planted a total of 10,000 mangroves in the village – one for every participant at the UN Climate Change summit held in Bali.



Cyclone Nargis is a case in point. In Myanmar, cyclones are expected along the western seafloor and, as such, disaster preparedness and response measures have always focused on this area. Then in 2008, Cyclone Nargis made its way along Myanmar's coastal delta region before moving inland – a significant change in the usual cyclone trajectory. Not only did the cyclone's path take people by surprise, but so did its intensity. With wind speeds of up to 194 kilometres per hour and a storm surge between 3.5 and 7 metres high, it was one of Asia's deadliest storms.

The Intergovernmental Panel on Climate Change (IPCC) in Asia has established that climate change will intensify tropical cyclones. It explains: "Based on a range of models, it is likely that future tropical cyclones (typhoons and hurricanes) will become more intense, with larger peak wind speeds and more heavy precipitation associated with ongoing increases of tropical sea surface temperatures."

It is the combination of human vulnerability and a hazard that combine to create a disaster.

However, weather events in themselves do not create disasters. It is the combination of human vulnerability and a hazard that combine to create a disaster. This is why climate change has a disproportionate effect on the world's poor. Many poor communities rely on agriculture or fishing for income – livelihoods that are dependent on the weather. When a day's work means a day's food, losing one's livelihood can have grim consequences.

The statistics speak for themselves. Globally, about 98 per cent of those affected are from developing countries and more than 90 per cent of deaths occur in developing countries. Whilst climate change may be a global problem, there are local solutions. Small-scale action rarely makes the news, but it can make a big difference. There are numerous examples of practical Red Cross Red Crescent action at a local level that ranges from protecting wells before heavy rain to planting trees to prevent landslides or desertification. Simple solutions like building cyclone or flood shelters, establishing local disaster management committees and training in first aid all help to save lives when the time comes.

The Guatemalan Red Cross is strengthening local capacities and taking action against climate change. In communities in south-eastern Guatemala, they are planting trees to keep the local streams in place, vital water sources for whole communities.

On a larger scale, the Red Cross of Viet Nam has planted several hundred square miles of mangroves to prevent coastal flooding from periodic storms and high tides.

In West Africa, the Red Cross is collaborating with government meteorological services to interpret scientific information on weather patterns. This information is then communicated to communities so that they can prepare for heavy rainfall.

Much of this valuable work and experience has been collated by our Red Cross Red Crescent Climate Centre. The centre, which is based in The Hague, has produced guidance notes to help National



Societies and others undertake preparedness and adaptation planning. They have also produced a climate guide, which is an essential tool for communities looking for the most appropriate ways to address climate change in their situations.



Denis Jean Colo is one of 150 specially trained members of the Haitian National Red Cross Society, who has been trained by the IFRC and the National Society in disaster preparedness. He visits vulnerable communities to make them aware of how they may be affected by natural disasters and what to do when disaster strikes.

What is clear is that we must work together at the international, national and local level to deal with the consequences of climate change. If we are serious about saving lives and livelihoods, we must invest much more in disaster risk reduction as part

of climate change adaptation. Investment must be predictable, long term and systematically planned. Extreme weather events cannot be prevented, but they do not always have to lead to devastating disasters.

This was clearly demonstrated in January 2008 when the worst seasonal floods for nearly a decade swept along Mozambique's Zambezi valley. The Mozambique Red Cross Society mobilized 500 volunteers who worked in round-the-clock rescue operations. Hundreds of thousands of people were evacuated to safety.

There were successful evacuations in the Caribbean too, as a particularly active 2008 hurricane season got underway.

There were successful evacuations in the Caribbean too, as a particularly active 2008 hurricane season got underway. No fewer than 17 storms and hurricanes hit the Caribbean in quick succession, but the loss of lives was minimized as early warning systems and pre-emptive evacuations swung into action.

So how does disaster risk reduction mitigate the impact of climate change?

From the Red Cross Red Crescent perspective, it means helping communities to better understand the environmental hazards around them. It means helping communities be better prepared to cope with predicted disasters by learning what to do and

by having contingency plans. This can be as simple as moving firewood or cattle to higher ground. Of course, early warning systems are also vital if communities are to receive as much advance notice as possible of an impending disaster.

There is no greater example of early warning being used effectively than in Bangladesh during Cyclone Sidr in 2007. Volunteers from the Bangladesh Red Crescent Society used megaphones to alert and advise people what to do when the cyclone was imminent. Although 4,500 people died, this was considerably lower than the 138,000 deaths in a cyclone of similar intensity in 1991.

As our secretary general, Bekele Geleta, highlights, it is our volunteers who are key to the success of our work to address the impact of climate change. "The volunteers who are called upon to carry out Red Cross Red Crescent disaster preparedness and risk reduction programmes – including those focused on climate change mitigation – live and work within the affected communities. They are there before, during and after a crisis. Nobody has a greater interest or investment in the success of our climate change mitigation efforts." ■



4 Building back better

The phrase 'building back better' is now in common parlance within the humanitarian and development community, but it was actually coined by former US President Bill Clinton following the 2004 Asian tsunami. Building back better became the slogan for the tsunami recovery process, the aim of which was not only to replace what had been lost, but to build better housing, schools, healthcare facilities, infrastructure and livelihoods.

Whilst disasters bring death, destruction and devastation, if the principle of building back better is applied, it means they can also bring hope. Building back better is not just about rebuilding better houses, it is about rebuilding lives.

When a large-scale disaster occurs, it is important to plan the recovery process as carefully as possible in order to maximize the impact of the investment for beneficiaries. Humanitarian agencies need to resist the temptation to spend donors' money as quickly as possible on short-term solutions, however great the pressure to do so.

When the tsunami struck, an unprecedented amount of money was donated and, for the first time ever, the majority was donated by individuals rather than governments. The Red Cross Red Crescent raised a staggering 3.1 billion Swiss francs through appeals and developed a ten-year recovery plan to ensure the money was spent wisely.

Building back better is also about building back safer. This approach means we can improve the lives of people affected by disasters today and ensure that future generations are better able to face the disasters of tomorrow.

etter

Four years on and our tsunami programmes are supporting communities to rebuild their own lives and to cope with future threats. So far, we have reached more than 4 million people with new or rebuilt houses, improved water and sanitation, healthcare and livelihoods. Of the money raised, 73 per cent has been used to build stronger, more resilient communities.

For the Red Cross Red Crescent, building back better has long been the central strategy of recovery planning in all operations.

For the Red Cross Red Crescent, building back better has long been the central strategy of recovery planning in all operations. Post-disaster recovery is an opportunity to improve existing infrastructure, such as water and sanitation, and it can help to eliminate poverty by improving schools, education and livelihoods.

Hurricane Mitch, which hit Central America in 1998, made more than one and a half million people homeless. Over 2,600 homes equipped with electricity, drinking water and sanitation were built as a result of Red Cross Red Crescent recovery programmes. Beneficiaries played an active role in designing and building their homes and worked together to create new communities.

The hurricane destroyed schools and blighted the future of many young people. Poverty and a lack of education presented a real threat, with a consequent increase in street violence. The Red Cross implemented various projects to educate and train young people. María Eugenia Raxuleu from Guatemala was 13 years old when she lost almost everything to the hurricane. A decade later, she has a stable livelihood as a dressmaker selling garments to tourists and she is president of the Txumil Association of Craftswomen, a Red Cross initiative to promote the professional development of women.

However, building back better is also about building back safer.

In order to achieve real, long-lasting impact, building back better must be integrated with wider disaster risk reduction and disaster preparedness measures.

In order to achieve real, long-lasting impact, building back better must be integrated with wider disaster risk reduction and disaster preparedness measures. Rebuilding a house where it once stood is a poor use of money if the house is in an area liable to flooding, even if the new house is flood resistant. This may mean negotiating and securing access to land so that houses and whole communities can be built on safer ground.

Empowering communities to take ownership of the solutions is a fundamental element of the building back better principle. Devika Fernando lost her home to the tsunami and now lives in a new owner-driven housing settlement in Sri Lanka's Kalutara district. The settlement is some distance from a mains water connection, so the community is using its funds to build a well. To minimize the risk of flooding, they are also building two drainage channels to cope with the monsoon rains.

Building back better not only improves the lives of people affected by disasters today, it is also a long-term investment for future generations. ■



5 Finances

In 2008, the IFRC received 455 million Swiss francs of voluntary donations in response to its annual and emergency appeals, combined with other operational income of 54 million Swiss francs, making a total of 509 million Swiss francs. Total operational expenditure for the year was 465 million Swiss francs.

Asia Pacific continued to be the region with the largest income and expenditure with a total of 279 million Swiss francs and 244 million Swiss francs respectively. This represents a significant increase on the 2007 figures of 229 million Swiss francs and 155 million Swiss francs for income and expenditure.

Income and expenditure for emergency operations also increased notably in 2008, with income of 269 million Swiss francs – a substantial rise compared with the 115 million Swiss francs received in 2007. Similarly, expenditure on emergency operations almost doubled from 98 million Swiss francs in 2007 to 195 million Swiss francs in 2008.

These increases are not surprising given that the number of localized weather-related disasters continues to rise and the vast majority of these occur in the Asia Pacific region.

Food distribution in the village of Buge in Ethiopia during September 2008.

The basic infrastructure cost of running the secretariat was 60 million Swiss francs for 2008, the same level as in 2007. In 2008, there was an overall deficit of 10 million Swiss francs on the

basic infrastructure budget. The unrestricted reserves are down from 72 million in 2007 to 62 million Swiss francs in 2008. ■

Consolidated balance sheet as at 31 December 2008

All figures in thousands of Swiss francs (CHF)					
	2008 CHF	2007 CHF			
Assets			Liabilities and reserves		
Current assets			Current liabilities		
Cash and cash equivalents	265,549	256,449	Accounts payable	21,539	25,673
Financial assets at fair value through profit or loss	87,981	98,885	Provisions	14,957	16,101
Accounts receivable and pre-payments	172,536	184,806	Employee benefit liabilities	3,993	4,805
Inventories	2,822	1,563	Accrued expenses, deferred income and prepaid contributions	81,310	39,919
Other assets	206	197	Total current liabilities	121,799	165,228
Total current assets	529,094	541,900	Total liabilities	121,799	165,228
Non-current assets			Restricted reserves		
Property	2,982	3,046	Funds held for field operations	377,254	333,235
Vehicles	15,185	15,907	Total restricted reserves	377,254	333,235
Other equipment	2,490	2,740	Unrestricted reserves		
Intangible assets	3,836	2,485	Designated reserves		
Retirement benefit assets	7,256	4,039	Operational risks	1,032	944
Total non-current assets	31,749	28,217	Specific projects	1,273	589
Total assets	560,843	570,117	Actuarial valuations	7,256	4,039
			Total designated reserves	9,561	5,572
			Other unrestricted reserves		
			Retained surplus	52,229	66,082
			Total unrestricted reserves	61,790	71,654
			Total reserves	439,044	404,890
			Total liabilities and reserves	560,843	570,117

Consolidated income and expenditure statement for the year ended 31 December 2008

	Unrestricted 2008 CHF	Restricted 2008 CHF	Total 2008 CHF	Total 2007 CHF
Contributions				
Statutory contributions	35,638	–	35,638	33,505
Voluntary contributions, net	4,071	455,498	459,569	418,960
Total contributions	39,709	455,498	495,207	452,465
Bilateral services income	–	51,298	51,298	29,904
Finance income	4,742	1,521	6,263	5,300
Finance expense	13,476	-12,695	-26,171	-1,984
Net finance income/(expense)	-8,734	-11,174	-19,908	3,316
Other income	26	13,168	13,195	5,219
Total income	31,001	508,790	539,792	490,904
Operating expenditure				
Employee benefits	40,589	93,861	134,450	138,096
Relief supplies	3	185,468	185,471	123,256
Transportation and storage	240	40,098	40,338	19,145
Equipment	1,307	17,032	18,339	11,884
Travel	3,120	12,166	15,286	15,243
Communications	1,765	4,323	6,088	6,110
Workshops and training	1,197	19,628	20,825	17,944
Information	1,514	7,035	8,549	9,76
Legal, professional and consultancy fees	3,874	12,690	16,564	13,916
Administration, office and general	4,813	11,541	16,354	15,375
Depreciation and amortization	1,338	2,925	4,263	3,384
Project deficit provision and write-off	201	-1,114	-913	549
Provision for outstanding pledges	-229	410	181	-204
Provision for unpaid statutory contributions	-511	–	-511	-248
Contributions to National Societies	4	22,359	22,363	27,254
Contributions to other organizations	809	17,180	17,989	3,426
Total operating expenditure	60,034	445,602	505,636	404,894
Programme support	-19,169	19,169	–	–
Result for the year	-9,864	44,019	34,155	86,010
Attributable to:				
Restricted reserves	–	44,019	44,019	91,962
Unrestricted reserves	-9,864	–	-9,864	-5,952
	-9,864	44,019	34,155	86,010

All figures in thousands of Swiss francs (CHF)

Consolidated income and expenditure statement for the year ended 31 December 2008, analysed by geographical zone

	2008 CHF	2007 CHF
Restricted income		
Western Africa	23,256	35,709
Southern Africa	41,406	29,082
Eastern Africa	26,136	36,898
Americas	31,237	27,685
Asia Pacific	279,071	228,588
Europe and Central Asia	18,417	17,002
Middle East and North Africa (MENA)	17,322	19,844
Global programmes	86,152	60,419
	522,997	455,227
Elimination ERUs not under IFRC control	-15,472	-2,276
Reclassify project deficit write-off	-1,114	-975
Reclassify unrealized foreign exchange on pledges	2,621	-239
Fleetbase adjustment	-242	-263
Total restricted income	508,790	451,474
Restricted expenditure		
Western Africa	27,393	33,247
Southern Africa	37,458	30,271
Eastern Africa	26,262	38,990
Americas	24,770	22,103
Asia Pacific	244,498	154,774
Europe and Central Asia	18,663	17,504
Middle East and North Africa (MENA)	18,843	14,888
Global programmes	81,092	51,487
	478,979	363,264
Elimination ERUs not under IFRC control	-15,472	-2,276
Reclassify project deficit write-off	-1,114	-975
Reclassify unrealized foreign exchange on pledges	2,621	-239
Hosted projects adjustment	-243	-264
Programme support recovery	-19,169	-15,331
Total restricted expenditure	445,602	344,180

All figures in thousands of Swiss francs (CHF)

Consolidated income and expenditure statement for the year ended 31 December 2008, analysed by type of appeal

	2008 CHF	2007 CHF
Restricted income		
Annual appeal	140,335	144,881
Tsunami operation	47,359	146,505
Disaster response	268,977	115,079
Supplementary services	38,465	25,089
Hosted projects	8,750	12,844
Other projects	19,111	10,829
	522,997	455,227
Elimination ERUs not under IFRC control	-15,472	-2,276
Reclassify project deficit write-off	-1,114	-975
Reclassify unrealized foreign exchange on pledges	2,621	-239
Fleetbase adjustment	-242	-263
Total restricted income	508,790	451,474
Restricted expenditure		
Annual appeal	140,889	149,139
Tsunami operation	82,218	75,950
Disaster response	195,480	97,631
Supplementary services	38,939	24,250
Hosted projects	11,647	9,727
Other projects	9,806	6,568
	478,979	363,265
Elimination ERUs not under IFRC control	-15,472	-2,276
Reclassify project deficit write-off	-1,114	-975
Reclassify unrealized foreign exchange on pledges	2,621	-239
Hosted projects adjustment	-243	-264
Programme support recovery	-19,169	-15,332
Total restricted expenditure	445,602	344,180

All figures in thousands of Swiss francs (CHF)

The Fundamental Principles of the International Red Cross and Red Crescent Movement

Humanity

The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

Impartiality

It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

Neutrality

In order to continue to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

Independence

The Movement is independent. The National Societies, while auxiliaries in the humanitarian services of their governments and subject to the laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

Voluntary service

It is a voluntary relief movement not prompted in any manner by desire for gain.

Unity

There can be only one Red Cross or one Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

Universality

The International Red Cross and Red Crescent Movement, in which all societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.

This annual report is also available in Arabic, French and Spanish.

For further information, please contact:
International Federation
of Red Cross and Red Crescent Societies
P.O. Box 372
CH-1211 Geneva 19
Switzerland
Tel.: +41 22 730 4222
Fax: +41 22 733 0395
E-mail: secretariat@ifrc.org
Web site: www.ifrc.org

171000 2009 E

ISBN: 978-92-9139-149-3

Photo credits

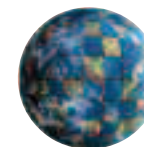
Pages 4, 5, 6, 7, 8 and 9: January: IFRC; February: Alex Wynter/IFRC; March: IFRC; April: José Cendon/IFRC; May: Sho Huang/IFRC; June: David Chancellor/IFRC; July: IFRC; August: IFRC; September: Gene Dailey/American Red Cross; October: Heine Pedersen/Danish Red Cross; November: Alex Wynter/IFRC



The International Federation of Red Cross and Red Crescent Societies promotes the humanitarian activities of National Societies among vulnerable people.

By coordinating international relief and encouraging development support it seeks to prevent and alleviate human suffering.

The International Federation, the National Societies and the International Committee of the Red Cross together constitute the International Red Cross and Red Crescent Movement.



**Our world is in a mess.
It's time to make your move.**
ourworld-yourmove.org