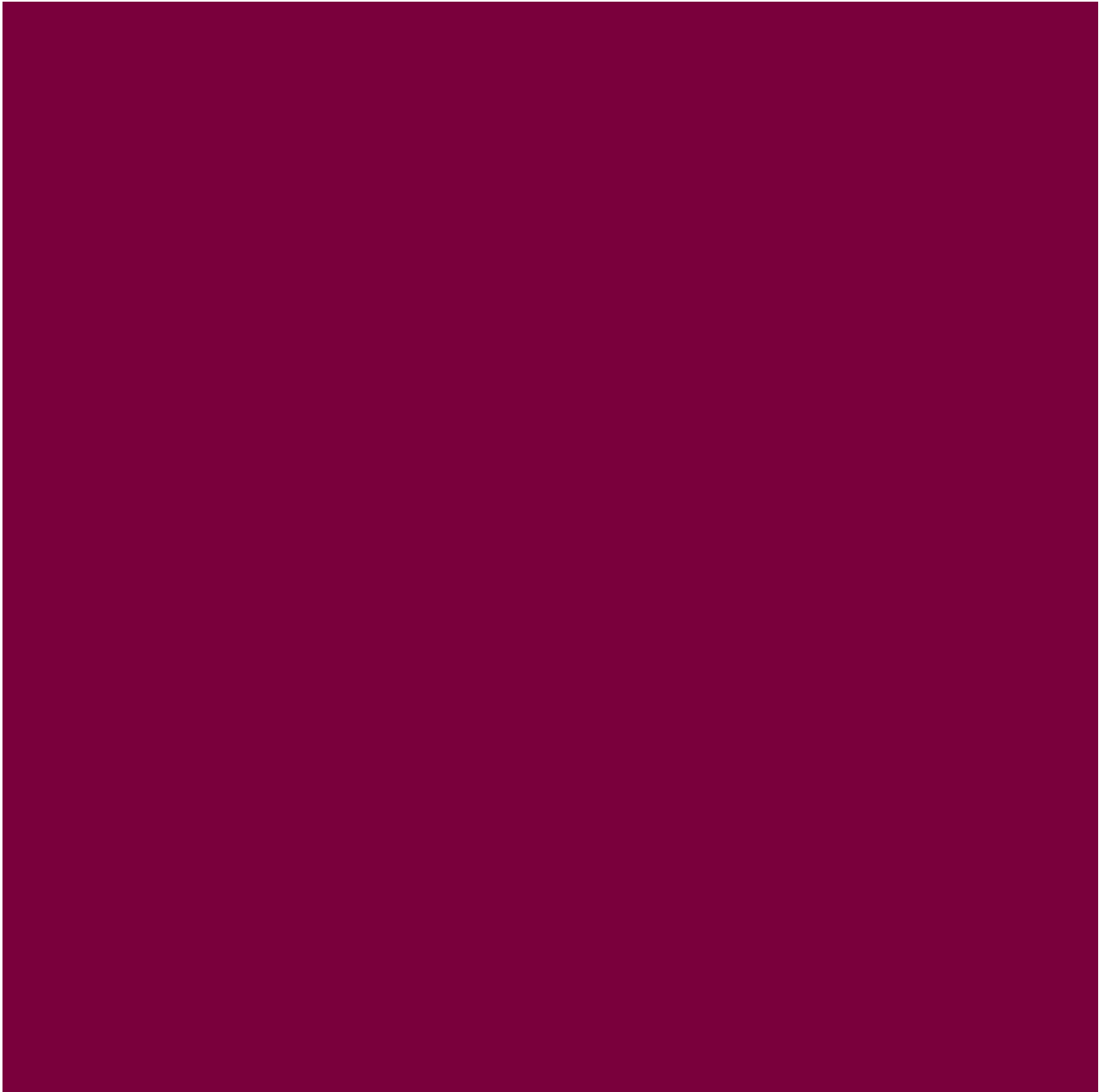


The Pakistan earthquake relief
programme as a case study

Capacity Study of Plan's Humanitarian Response Capacity



Foreword

Study of the Humanitarian Capacity of Plan Sweden, SOS Children Villages Sweden and Islamic Relief Sweden

Sida's Division for Humanitarian Assistance regularly performs capacity studies of humanitarian actors to learn more about the organisations and to assess their capacity to carry out humanitarian relief programmes.

In 2006, Sida commissioned Deloitte to conduct capacity studies of Islamic Relief, SOS Children Villages and Plan, with a particular focus on their humanitarian work. The same year, each of these organisations had received grants from Sida's humanitarian division for projects in Pakistan after the earthquake (Plan and Islamic Relief) and in Malawi to assist drought affected households (SOS Children Villages).

The purpose of the studies was as follows:

- to map the organisations in terms of organisational structure, management capacity, administration structures and routines etc.,
- to assess the organisations' capacity to carry out humanitarian relief efforts,
- to provide Sida with recommendations regarding a possible future partnership with the organisations.

Deloitte sub-contracted a humanitarian expert for the evaluation team, which also included persons from Deloitte's local branches in Pakistan and Malawi. In the report, the consultant clearly emphasises that the conclusions are based on one case study alone for each organisation and might therefore not be fully applicable to the organisations' other relief work.

In general, the consultant concludes that the projects have been successfully implemented by the organisations and that the organisations managed the projects well.

The opinions and suggestions in this report reflect the views of the consultants commissioned for the studies. Sida has formulated a management response which reflects Sida's views on the studies and the implications for future cooperation with the organisations, see Annex 5.

Please find more information on Sida's humanitarian assistance on our homepage, www.sida.se/hum.

Magnus Lindell

Director

*Head of Department for Cooperation with NGOs,
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Capacity study of Plan
Focus on Humanitarian Assistance using the Pakistan earthquake relief programme as a case study

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Executive Summary

Deloitte has been assigned by Sida to perform a capacity study of Plan aiming to:

1. Map and document the organisation in regards to the areas: organisational structure, management of activities, administrative systems and routines, personnel administration and financial control.
2. Make an assessment whether or not Plan has the capacity to implement effective emergency relief programmes (ERP), including an analysis of the strengths and weaknesses identified from the ERP performed in Pakistan October 2005 to September 2006.
3. Assess whether or not Plan is an appropriate future partner for Sida regarding emergency relief programmes and, in that case, under which circumstances this partnership would be most effective.

The review was conducted both in Sweden, UK (Plan International, headquarters) and in Pakistan taking place from September 11, 2006 to October 27, 2006, involving staff from the Deloitte offices in Stockholm and Islamabad (Pakistan) as well as a sub-contracted humanitarian aid expert. It is important to keep in mind that the conclusions are based on one single case study. Other national associations and/or other ERPs may be operated differently.

Our Overall Conclusion

Deloitte have found that Plan is primarily a development organisation (present in many areas suffering from disasters) which is clear regarding its roles and ambitions in emergency relief activities. Plan has very strong relations with the community, the local government and NGOs in its field. With excellent networking and coordination skills, a solid child focussed competency, a clear commitment to the UN Convention on the Rights of the Child and a rapidly developing structure for emergency relief activities, the interventions which Plan engages in will most likely be effective.

Plan's coordination and networking skills at times reflect 'the other side of the coin'; a lack of operational relief capacity. This is particularly true of activities beyond the geographical area within which the organisation runs its normal programmes.

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Plan's coordination and networking skills at times reflect 'the other side of the coin'; a lack of operational relief capacity. This is particularly true of activities beyond the geographical area within which the organisation runs its normal programmes.

Plan Sweden is considered to keep a high profile within the international organisation and is seen as an active member of different NGO-networks and the public debate. The organisation participates actively in the debate regarding the development assistance policy, with a primary focus on children's rights.

Recommendations

- We recommend Sida to consider Plan International as a capable potential partner for future humanitarian interventions.
- We recommend an expansion of support in a manner that is gradual and focussed on Plan's core competencies i.e. children's needs and rights.
- In the short- to medium- term, we recommend Sida support primarily for interventions in geographical areas where Plan is operational prior to the disaster event.

Background

Sida is constantly reviewing its humanitarian partner organisations in order to find the most effective and efficient channels for the Swedish humanitarian assistance. Sida's Division for Humanitarian Assistance performs capacity studies with a view to clarify needs of change or strengthening of the competence and capacity of the organisation to perform humanitarian assistance.

After the earthquake in Pakistan in October 2005, the Division for Humanitarian Assistance decided to fund a project through Plan Sweden for the first time. The contribution amounted to SEK 1,500,000 and was given for Plan's immediate relief actions starting October 2005 which included distribution of 680 shelter kits and psychosocial support to children.

The main focus of the study is the implementation capacity of Plan Sweden regarding emergency relief programmes. As Plan Sweden is a non-operational, fundraising organisation which is part of the Plan International network with operational offices around the world, the assessment of capacity is made on Plan Sweden, Plan International as well as the case study Plan Pakistan.

Objective

The objective of the study as stated in the Terms of Reference between Deloitte and Sida is:

- To carry out a capacity study with regard to both the internal structures of the organisation and its capacity to implement humanitarian programmes in accordance with the Swedish policy on humanitarian assistance. The capacity study of Plan Sweden (PS) shall facilitate the possibilities for Sida to assess the organisation in view of possible coming more long-term agreements, possible larger scale co-operation and possible regional programmes. The assignment shall comprise the whole of Plan's organisational setup in Sweden (the board and the secretariat) as well as selected activities in the field with a particular focus on the recent humanitarian emergency programmes in Pakistan.
- To map and document the organisation regarding the following five areas:
 - Organisational structure
 - Management of activities

- Administrative systems and routines
- Personnel administration
- Financial control
- To perform an analysis with clear recommendations mainly within the five areas presented above.

Scope and Limitations

The scope of our work has comprised the following activities:

- Interviews in Sweden, Woking (UK) and in Islamabad and Mansehra (Pakistan) with a large number of people at different positions within the associations as well as within relevant stakeholders. For these interviews a tailored questionnaire was used as reference. For a list of persons interviewed, please see appendix 1.
- Desk reviews of policies, procedures, manuals, guidelines, reports, agreements and other relevant documentation relating to Plan Sweden, Plan International and Plan Pakistan. For a list of documents reviewed, please see appendix 2.
- The review has focused on the capacity to perform emergency relief operations, and has included the following areas: organisational structure, management of activities, administrative systems and routines, personnel administration and financial control. Please see the Terms of Reference in appendix 3 for detailed information of what is included under each area.
- Please be aware of the following limitations to our work:
 - The conclusions are based on only one case study (Plan Pakistan) of an Emergency Relief Programme (ERP). It is important to keep in mind that other national associations as well as other ERPs may be operated quite differently.
 - The objective of the study is to review the organisation's capacity and not to perform an impact oriented review. Thus, the effectiveness of the ERP is not assessed and queries to beneficiaries are not included in the scope.
 - The review is based upon interviews and triangulation of information supported with a review of policies, procedures and guidelines. Only on a few occasions has detailed testing of e.g. supporting documentation been performed.
 - Due to time constraints and availability of employees at the time our visit, some sub-sections are covered in different levels of detail for each of the associations.

Terminology and Abbreviations

Term/Abbreviation	Explanation
ERP	Emergency Relief Programme
NGO	Non-government organisation
INGO	International Non-government organisation
Plan IH	Plan International Headquarter
GTS	Grants Tracking System
GAD	Grant Agreement Document (agreement between Plan Sweden and Plan Pakistan including the relevant details)
CPME	Corporate Planning Monitoring and Evaluation
PFS	Plan Finance System (system for registration of sponsors, international)
National Office/NO	The donor countries are called national offices within Plan
Country Office/CO	The developing countries are called country offices (or programme countries) within Plan
CPO	Country Program Outline
FOB	Field Operations Book
ICRC	International Committee of the Red Cross/Red Crescent

Organisational Mapping and Analysis

The first sub-section below includes a description of the Emergency Relief Programme (i.e. the case study). Following this, the organisational mapping is presented for each of the five areas specified in the Terms of Reference. Please note that the mapping also includes an analysis of each of the areas. The most important strengths, weaknesses, opportunities and threats will be summarized in the next section.

Description of the Emergency Relief Programme (ERP)

Plan has been *present in Pakistan since 1997*, on the invitation of the Government of Pakistan. The Country Office is based in the capital of Islamabad and there are five Program Units (located in the Mansehra district of NWFP, at Chakwal and Vehari districts of Punjab province). The Mansehra District is Plan's longest running program area in Pakistan with two program units working in 52 communities with a total population of approximately 50,000 people. Plan's operations in this area before the earthquake were run by an office of 22 staff supported by technical and experienced staff from the Plan's Country Office. Plan Pakistan is working towards child focused, participatory, sustainable, community development in deprived and remote villages through long-term partnerships with challenging communities. Plan was furthermore one of the founding members of Pakistan Humanitarian Forum (PHF). As PHF was established prior to the earthquake it was an important coordinating body.

The *ERP was initiated* to support children and their families in the Mansehra District in Northern Pakistan affected by the 7.6 magnitude earthquake on the 8th of October 2005. Over 80,000 people were killed in Pakistan, a similar number was injured and a huge number of survivors were left homeless. Siran Valley, situated in Mansehra District was one of the areas most adversely affected by the disaster. Much of the valley's population lives in scattered hamlets at the top of the precipitous mountainsides. These people are amongst the poorest residents, face a harsh climate, and are the hardest to reach. Extensive infrastructural damage made the emergency effort even more difficult.

The initial *situation analysis* was performed by Plan Pakistan, who worked together with other NGOs through the coordinating body PHF. PHF had a meeting three hours after the earthquake occurred where Plan Pakistan was participating. The Pakistani army was greatly involved in the emergency relief operations which for instance included an

initial *assessment of needs and target groups*. Plan Pakistan's presence in the emergency area before the disaster enabled a participatory planning process with the communities and a validation of the assessment performed by the army. It also enabled the organisation to exclude some of its long-term target population from assistance as these people were better off than those hardest hit. Plan Pakistan also performed a spot check (of a small sample) showing that the target group selected by the Pakistani army was correct.

After Plan IH had been informed, an appeal was formally documented in a so called 'Project Outline Form' which was distributed to the national offices. A thorough needs assessment is made within the Country Program Outline (CPO) including background information, information of previous experiences, programme objectives and related indicators, a suggested programme approach, information of risks, resource implications and monitoring and evaluation issues. The logical framework approach (LFA) was used when preparing the CPO.

Plan Sweden was one of the offices who decided to get involved in the programme and an *application of funding* to Sida was prepared. When the funding had been arranged an agreement was written between Plan Sweden and Plan Pakistan where the donor's requirements were communicated.

The *implementation* of this EPR was performed by Plan Pakistan while Plan IH (via the regional office) was the monitoring body. The aid of SEK 1,500,000 provided by Sida through Plan Sweden was part of a larger relief and reconstruction effort initiated by Plan International (with a total budget of approximately SEK 22,500,000). Immediate relief was given to 100,000 children and adults. Plan Pakistan provided emergency support such as distribution (food, water, winterized tents, and blankets), services (psychosocial support, medical support) and other basics for survival to the people affected by the earthquake. Distributions in the affected communities were conducted in close collaboration with the Pakistani army that has played a key role in data collection and mobilization of communities. The ERP had a long term perspective with early initiatives of involving communities in the programme, preparing for reconstruction of schools, and establishing a social network around children for their immediate protection and rehabilitation. The comprehensive relief and reconstruction programme for the communities affected by the earthquake in Pakistan has a budget of USD 17 million (approx. SEK 122,400,000) over a four year period.

Throughout the ERP, Plan Pakistan showed a significant, pragmatic and effective commitment to *coordination and networking*. This began prior to the emergency as Plan was one of the founding members of the national NGO coordination body PHF. The UN also played an active coordinating role during the relief phase following the earthquake. After a couple of days, UNDAC/OCHA was established in the field and held regular meetings throughout the relief phase in which Plan attended. The humanitarian cluster system was piloted in Pakistan, and sectoral coordination groups were established in the different humanitarian hubs (e.g. Mansehra, Bagh, and Muzaffarabad) as well as at the national level. Many of the cluster groups are still active today.

Plan participated actively in the sectoral cluster groups, especially education, protection, shelter, and food and nutrition clusters. At the district level, Plan provided technical assistance to the Education Department in the development of a Rehabilitation Plan for the education sector. It should be mentioned that this effort was recognized by OCHA

as a good practice, and for that reason OCHA invited Plan and the District Education Department Mansehra to share their lesson with the education cluster in a different geographical area (Bagh). Plan furthermore supported the department in the establishment of an Information, Coordination and Rehabilitation Cell, which was playing a very active role in leading all agencies to carry out their relief and rehabilitation activities in the education sector. At the national level, Plans technical advisors attended the relevant cluster groups on a regular basis.

Collaboration with World Vision, Swedish Rescue Services, and UNICEF/IOM was furthermore believed to improve the distribution of non-food items. The organisation also maintained close relationships with governmental line agencies, and conducted joint implementation operations, e.g. with the organisations Mountain Institute for Educational Development (MIED), Research and Social Training Institute (RAS-TI) as well as Shelter for Life and HealthNet TPO. In several of these cases, Plan helped building capacity of local partners, especially governmental line agencies at local level.

Implementation of the planned activities was *effectively completed* with only a few set-backs and *lessons learned* (e.g. initial distribution problems, and shortage of the relief items and large HR turnover due to efforts by all relief organisations). Plan's analysis of impact shows that the project achieved its intended objectives, which is supported by organisations and agencies that we have spoken to. The main experiences learned was that regular coordination and collaboration with other agencies is crucial to avoid duplication of efforts, but also that flexibility in the relief activities from planned to actual implementation is necessary as the needs of the affected population were continuously evolving due to the changing circumstances including, climate, joint efforts of international, local and Governmental organisations.

The Sida funded part of the project was officially closed September 30, 2006 and a final report has been sent to Sida.

For further details, please refer to the final report of the ERP prepared by Plan (*"Earthquake Oct 08, 2005: Supporting the Earthquake affected Children and their Families – Final Report"*), attached separately to this report.

Organisational Structure

"Plan's Vision is of a world in which all children realise their full potential in societies that respect people's rights and dignity".

Plan International Headquarter

Formed in 1937 to help children whose lives were devastated by the Spanish Civil War, Plan today is one of the world's largest child centred community development organisations. Nearly 7,500 staff and 60,000 volunteers work in 64 countries to support children, their families and communities to bring about lasting and positive change. Plan does not only structure its work in order to help children, it works primarily together with children. Plan International has no religious, political or governmental affiliation and works in close co-operation with other local and international NGOs and government agencies. Plan furthermore adheres to the "Code of Conduct", outlined for the international Red Cross and Red Crescent Movement and NGOs in Disaster Relief.

Child sponsorship is the foundation of Plan IH with about one million sponsors helping over one million children all over the world, together with their families and communities. Worldwide, the organisation

raised US\$ 501 million in 2005, of which about 80% is directly related to delivering programs, according to the annual report. The money is mainly invested in the organisation's five key areas: education, health, habitat, livelihood, and building relationship. The total income in 2001 was US\$ 303 million, indicating a rapid growth worldwide.

Plan consists of 47 developing countries performing the field work (country offices) and 16 donor countries (national offices). Plan IH is mainly an administrative and supporting body to the national offices and the country offices, but has also information-sharing and quality assuring duties.

Plan Sweden

Plan Sweden was founded in 1997 and has a secretariat with 30 employees in Stockholm. The organisation is divided into three departments headed by the National Director: The Programme department, the Communications department and the Finance and Administration department. Plan Production Sweden is an independent production company, owned and operated by Plan Sweden. Plan Sweden is a part of an international network of national Plan-organisations and may independently decide which programme countries it shall cooperate with. Plan Sweden acts as an intermediary in the support from more than 80,000 individual contributors, authorities and schools. Plan Sweden stand for 5% of the income for Plan internationally.

The Swedish organisation is young and is managing a rapid, multi-year growth. Simultaneously, Plan Sweden has during its relatively short existence developed from being a pure sponsorship, fundraising organisation to becoming an organisation with more broad-based competencies and goals. The organisational structure is mainly focused on fundraising, lobbying/advocacy of children's rights as well as communication with the donors and sponsors. Thus, Plan Sweden does not have an operational capacity. The humanitarian competence within the organisation is under development.

Plan Pakistan

Initiated in 1997 on the invitation of the Government of Pakistan, Plan Pakistan is a relatively new program country. The Country Office is based in the capital of Islamabad and there are five Program Units (located in the Mansehra district of NWFP, at Chakwal and Vehari districts of Punjab province). Plan Pakistan is currently working towards child focused, participatory, sustainable, community development in deprived and remote villages through long-term partnerships with challenging communities. Plan Pakistan has approximately 120 full-time employees and a budget of US\$ 8.5 million in 2007.

Networking and coordination skills

As explained under the sub-section "Description of the Emergency Relief Programme" above, Plan demonstrated significant, pragmatic and effective commitment to coordination and networking. Plan was one of the founding members of the coordination body Pakistan Humanitarian Forum (PHF) and was also actively participating in a number of the clusters groups (e.g. education and shelter) which were initiated by the UN. The organisation has identified the importance of coordination and organisational flexibility to avoid duplication of efforts and to accomplish efficient ERPs. The implementation of the emergency relief activities was performed with partner organisations (please see above for more details)

and collaboration was also performed by e.g. World Vision, Swedish Rescue Services, and UNICEF/IOM. Our assessment of Plan having excellent networking and coordination skills can be seen at both local and national level in Pakistan. Plan Pakistan showed a significant, pragmatic and effective commitment to coordination. Capacity building of local partners, especially governmental line agencies at local level is a fundamental component of overall strategy. This is also the basis for the organisation's understanding of and attitude vis-à-vis programme sustainability.

The global internal audit function at Plan pointed out partnerships as one of the high risks for Plan Pakistan in the complete risk based audit performed in May 2006. It was recommended that the Pakistani organisation should be more systematic in its selection of partners and not just jump into partnerships. Plan Pakistan has established a new procedure with a checklist for partner agreements after this comment was given. Even though considered to be a risk, this clearly shows the urge for and competency in networking at the country office.

Plan Sweden is a member of Forum Syd, a development aid organisation for Swedish NGOs. Membership gives them the opportunity to increase their knowledge of development issues, share their experiences and partake in a network with other Swedish organisations. In Sweden, Plan works in partnership with ECPAT (End child prostitution, child pornography and trafficking in children for sexual purposes). In 2000–2001 they organised the Say Yes for Children campaign in partnership with Save the Children Sweden and UNICEF for the UN summit on children (UNGASS). Plan is also part of the network for the UN Convention on the Rights of the Child that brings together Swedish organisations involved in ensuring the convention is respected, both here in Sweden and abroad.

Plan Sweden has the objective of being in the front line in the international network's advocacy of children's rights. We have noted that the international office has recognized Plan Sweden's efforts, and that the Swedish organisation keeps a high profile within Plan international and is considered to be a sophisticated and active partner of discussions, e.g. in the areas of humanitarian aid and children's rights. Our understanding is that Plan Sweden is an active member of different NGO-networks and the public debate. The organisation participates actively in the debate regarding the development assistance policy, with a primary focus on children's rights.

It is our impression that networking and coordination skills are core competencies within Plan International. They appear to be competently used throughout the system and contribute significantly to the overall impact of the organisation's efforts.

Level of adaptability in case of an ERP

Based upon what we have seen at the country level, the organisation is appropriate and adaptable in cases of an emergency. The organisation's focus and the cluster of methodologies it calls the CCCD approach makes it well-grounded in the communities where it works and provides a conceptual foundation for the design of its humanitarian interventions. The organisation grew dramatically after the earthquake and managed to scale up quickly. With a large organisation currently in place, there may however be a challenge for the organisation to scale down after the earthquake. During the earthquake, some employees were hired on project terms which would make a smooth scale down of the organisation in line with the phase out of the ERP easier.

In the Pakistani case, we noted that the organisation had an immediate response to the emergency and is a flexible organisation. One of the results was the ability to maintain the country office's normal development program after the initial relief aid. We saw evidence of a proactive strategic development, e.g. calling a strategic review to set organisational priorities, including targets for rehabilitation and longer term planning, within six weeks after the disaster. This is in line with the organisation's stated 'holistic disaster management perspective'.

Management of Activities

Systems in place for administrating relief programmes

In case of an emergency where Plan is operational in normal development programmes, the country office performs an initial assessment which, depending on circumstances, may or may not involve the target group and informs Plan IH. An initial needs assessment is developed and the national offices receive and process relief appeals for the initial phase. The appeals are formally documented in a 'Project Outline Form'. If Plan Sweden decides to get involved in the programme (which is a decision made by the programme manager and/or the national director) and funding has been arranged an agreement is written between Plan Sweden and the country office (in this case Plan Pakistan). There is generally no counter-signature by Plan IH. A thorough needs assessment is made within the Country Program Outline (CPO). This document also briefly addresses risks to programme implementation. We have not noted any systematic documentation of overall risk analyses made.

Plan IH has established detailed guidelines of how the grants should be administered – using the grants administration system. The grants administration system is primarily for recording income and expenditure, but is also used for other trend analysis and management. Plan Sweden signs a 'Grant Agreement Document' (GAD) with the country office when a grant-funded programme (not sponsor-funded) is initiated. The programme can thereafter be tracked on Plan's intranet (Plan Wide Web) using the 'Grants Tracking System' (GTS). By assigning account numbers permissible to be used for the grants in the GAD, the country office is forced to report spending accordingly.

Follow up of effectiveness is performed using the Corporate Planning Monitoring and Evaluation (CPME). CPME is Plan's attempt to develop a Plan-wide monitoring and evaluation system. The logic and use of the system is described in a detailed manual. Grants are separately reported via the CPME.

We have reviewed the specific relief program funded by Sida through the grants administration system without any comments. It was noted that the GAD was categorized as "closed" by Plan after the final report had been finalized.

Follow-up and quality assurance

As an agreement is signed between the national office and the country office, it is ensured that the donor's requirements can be clearly communicated between the parties. The quality assurance is performed by the country office itself as well as by the regional office, rather than by the national office. The programme group decides on a case by case basis whether a field trip is necessary to control the ERP or whether the control systems in place at the country office are reliable.

Both the CPME and the GTS are used by the country office (Plan Pakistan in this case) and Plan Sweden can use these tools to monitor the

progress and effectiveness of the programme. Tools are thus in place to make follow-up and measurability possible. Monthly follow-up is made via progress reports from the country office. Target indicators matched to programme objectives are specified in the Country Program Outline (CPO) are also specified and used to measure impact. Plan uses sophisticated, impact oriented, indicators in its planning and follow-up. While there are examples of more outcome oriented measurements, especially in relief planning, these are relevant where used and the organisation's CPO shows a good understanding of impact measurement in its core areas of expertise.

It is our understanding that effectiveness of the budget as an overall management tool needs to be emphasized at the country level. Instead, the long term (normally five year) country strategic plan (CSP) is used for following on programme level and deviations to the CSP are to be explained.

Cost effectiveness

The cost effectiveness of the organisation and its programmes are not studied in detail. It should however be noted that the cost effectiveness must be seen in context of capacity building of local institutions and impact of national and district coordination. We believe that Plan Pakistan's investment in coordination at national level and coordination and capacity building at local level have materially contributed to the quality of overall relief and rehabilitation efforts within their field of expertise. We have also noted a clear cost awareness and capability to debate aspects of cost in top management.

Emergency relief competence

Plan is primarily a development agency but is getting more and more involved in ERPs due to the fact that the organisation operates in some of the poorest and most difficult parts of the world. Many of these areas are vulnerable to natural disasters or conflicts. Due to the local presence, Plan has relationships with the communities, an understanding of the needs, issues and challenges in the area and an incentive to intervene in order to protect its long-term development programmes. Since the start of 2005 the European Commission Humanitarian Office (ECHO) has worked with Plan to respond to disasters across the world, contributing over €2,000,000 to programmes in Asia and Central America.

Tools, policies and HR capacity

Based upon what was stated above, Plan has developed a new disaster relief policy (adopted in June 2005), which describes Plan's role in the long-term reconstruction and rehabilitation of devastated communities. Furthermore, Plan Sweden recently drafted a Disaster Preparedness and Response plan and Plan Asia regional office presented a detailed handbook "Little green disaster book" as a guidance for country offices and how to work during disasters. One of the lessons learned from the earthquake ERP was however that the 'Little green disaster book' was not completely practical (e.g. assessment forms).

At the field office we noted that previous experience of disaster relief management (DRM) and internally displaced populations (IDPs) existed. The human resource capacity for relief interventions is currently regional, but the organisation seems to work actively on building this capacity (in terms of amount and competency areas). A disaster response and risk preparedness unit has recently been established at IH. The capacity of

the organisation's human resource base to implement larger international relief interventions remains questionable however.

Emergency relief standards

The increased focus in emergency relief can also be noted at Plan Sweden, not least in the recently drafted 'Disaster preparedness and response' document. The organisation considers establishing a contingency fund/account to enable fast and immediate response, and it has also attended to the importance of further training regarding Sphere standards and The Red Cross Code of Conduct. The Swedish organisation has also strengthened its emergency relief capacity further, by developing a relationship with a senior adviser with experience from the Red Cross Movement. At the operating level, we noted a sophisticated understanding of humanitarian policy environment including use of standards, e.g. Sphere.

Plan has various publications such as Child-Centred Disaster Management System, Meeting Children's Rights in a Disaster and After the Cameras have gone – Children in disasters. These documents support adherence to the Sphere minimum standards and stress the importance of maintaining children's rights in disaster situations. Programs for children are kept as a priority in disaster management including Plan's own child protection standards. Furthermore, Plan has developed a set of ethical guidelines and information (Little Green Disaster Book) for staff working in or visiting and interacting with children and reporting on the situation in the disaster areas. These guidelines further stress the importance of child rights and child protection throughout Plan's humanitarian relief.

Policy structure and development

Plan IH is the policy developing body. We noted traces of a rapidly developing somewhat "top-heavy" policy environment. Our assessment is that this is partly driven by increasing fund flows from qualified and demanding donors and that the organisation is trying to get up to speed regarding policy development to be in compliance with the humanitarian policy environment. Plan IH has a representative function in relation to other stakeholders in the sector, including advocating on behalf of the organisation's agenda in various humanitarian fora.

The core policy for Plan is the Child Centre Community Development-policy, but emergency relief policies and other policies and guidelines are also in place. We believe that Plan has a broad and sophisticated overall policy environment. All policies have not yet percolated through to the field level, a fact the organisation is aware of. We believe the organisation would be well advised to invest more in disseminating and following up its existing policies, rather than investing more in developing additional policies.

In terms of advocacy, we find Plan to be 'middle of the road' – more vocal than the KDIs and ICRCs of the world, less vocal than the OXFAM/Action Aid type organisations.

Beneficiary involvement

Plans development programme onsite before the disaster enables them to communicate well with the community (grass-root level). The case studied did also show that Plan Pakistan managed a high beneficiary involvement in the programme. We have noted that Plan works with the objective that the people that are involved in the project shall be able to

run it by themselves when Plan has withdrawn from the project, which normally is a process that lasts two years. Furthermore, we noted a good awareness of sustainability issues and the use of a sophisticated methodology. However, programmes we have been in contact with are not at the stage where sustainability may be assessed yet.

Administrative Systems and Routines

Governance structure

A new governance structure at the international level has been agreed and will become operational from 1 January 2007. The existing board of over 30 directors will be replaced with a smaller, skills based board of between 7–11 members. A majority plus 1 will be recruited from national offices, two will be recruited from developing countries and other appointments will be based on any outstanding competencies required. The Board will be supervised by the Members Assembly, at which all national offices will be represented. Voting at the Members Assembly will be based on the size of each national offices' annual remittances to Plan International. Furthermore, we find the division of mandate between governance and executive to be clear. The formal communication is currently routed through the Chair of the International Board and the CEO.

The board of directors in Sweden consist of six people with experience and positions within the private and public sector. A rapid scan of the competencies present on the board, among advisors and among the staff shows that the organisation has access to deep experience of both field and policy level disaster relief issues. The Swedish Governance regards a gradual expansion of Plan relief activities as an inevitable consequence of global trends in vulnerability.

There is no membership and the organisation is not comparable to a traditional Swedish 'folkrörelsebaserad' organisation. Meanwhile, the interaction with the sponsors is active and their demographic composition is younger and more family oriented than most Swedish NGOs.

Administrative systems and routines

We believe that the administrative system in place at country level as well as in national level is solid. There are clear policies and procedures which are well communicated throughout the organisations. Handbooks and guidelines, such as the FOB (Field Operations Book) or locally developed accounting manuals, are developed and adhered to. We have seen a sound level of flexibility in regards to the global guidelines stated in the FOB, as the organisation has a "comply or explain" method with approvals of departures from normal standards by the regional office.

We have gotten indications of vertical communication gaps within the organisation. A suggested reason given was that due to a centralized organisation and rigid administrative routines, the external partner sometimes perceive Plan of being "slow". We do not have sufficient data to assess whether this reflects an organisation that takes the time to think first, or whether there is actually an issue of consequence here.

Archiving and registering of documentation (including financial supporting documentation as well as policies and manuals) are considered to be properly handled. On country level, we do however have questions regarding the follow-up procedure on agreements as one of the partner organisations in Pakistan mentioned that disbursements from Plan to the organisation continued even after the agreement between the parties had ended. In this case, the agreement was later extended, but

the practicalities of managing formal agreements need to be reviewed.

Good risk awareness has been noted in the finance departments at both national and country office level. For instance, the risks regarding insufficiently segregated duties was known, understood and, whenever possible, mitigating actions were taken. A segregation-of-duties matrix and separate checks for fraud are also found in the FOB. We have also understood that the global internal audit function within Plan performed a complete risk based audit of Plan Pakistan in May 2006. The result was two high risk areas which seem to have been addressed properly with established action plans and monthly follow-ups.

Purchasing procedures

The procedures around the procurements within the relief programme seem to be suitably designed and followed at all practicable situations. All expenses must be in line with the requirements in the agreement with the national office/donor and a matching account is required to have been set up in the general ledger and GTS/GAD. Based upon our review we have noted that vouchers are supported with original invoices, are stamped and have been assigned the respective GAD-number. The organisation strives to procure as much as possible from local vendors.

Purchasing procedures at Plan Sweden are simple and are specified in the authorization manual. Authorization limits range from SEK 2,000 to > SEK 25,000, where the latter requires authorization by the national director. The purchasing procedure also states that procurements only may be made with approved suppliers. This has been followed by the country and local offices as well.

Personnel Administration

Policies and procedures

An HR policy exists at country office level where the basic structure of is derived from Plan IH with adjustments made to reflect local laws and regulations. In Pakistan, we could see that numerous policies and manuals within the HR area existed as support for the employees and the managers; travelling, per diem, mobile phone usage and transportation was among the areas covered at the country level. The Islamabad office also had a special HR function.

At Plan Sweden, an overall staff policy also exists which includes a wide range of issues: values, practical issues (e.g. working hours, vacation and per diems), but also an IT-policy, a children's security policy and a (gender) equality policy. However, the (gender) equality policy may need to be revised as parts of it are written as a situation analysis rather than providing overall principles and values in the area of gender equality. We have been informed that this is under progress as a new HR person is being recruited.

Recruitment and staff turnover

Plan strives to have a good gender balance in its staff composition. At field level, the aim is to have a 50/50 balance and the number of males and females are two of the indicators continuously being measured. In Sweden, far more women than men are working in this sector. The Swedish organisation states in their personnel policy that they strive to recruit more men to Plan Sweden.

General requirements regarding recruitments are set by Plan IH. These are not considered to be fully relevant for Plan Sweden, which instead has an informal procedure in place with a number of interviews,

calling references etc. We have however noted that recruitment issues are only touched upon briefly in the Swedish staff policy. Minimum qualifications/experience and a job description are to be set up for each position, which is the case in Plan Pakistan. When the new employee is hired, he/she is required to sign a number of policies. For Plan Sweden these would e.g. be the Child Protection Policy and the information security policy.

Plan Pakistan experienced a problem with high staff turnover after the earthquake. A large number of NGOs and INGOs entered the field and relevant experience became a scarce resource. Plan could not compete with the salary level of UN and other agencies with the result being that 37 people left the organisation. Plan Pakistan performed a salary survey and found out that their level of salary was below the median, where they want to be. This process resulted in a new, more competitive salary scale within Plan Pakistan. This is in the process of being implemented.

Payroll

The payroll system in place at the Swedish office is called “SPCS Lön” (integrated with bookkeeping system “SPCS Admin”). Payroll is currently administered by the finance manager, who is also responsible for bookkeeping. These duties should preferably be segregated to avoid potential fraudulent activities. We have been informed that this is a temporary solution.

The salary structure in Sweden is normal including a fixed salary without any bonuses or “unnecessary fringe benefits” etc. During the earthquake, some of the employees in the field were hired on project terms which enabled a smooth scale down of the organisation in line with the phase out of the ERP.

The employee files were tested in Pakistan and we could see that the files contained all relevant documents: evaluations, a job description, the contract of employment, CV etc.

Personnel competencies

The employees that we have talked to at the national, international and country level all seem to be very committed and competent people. There are gaps in disaster relief competence at some offices (as previously mentioned) and in the Pakistani case, Plan Pakistan brought in expertise from e.g. the regional office. We believe that this seems to be appropriate as Plan is a development agency.

It was noted within Plan Pakistan that employees were actively seconded to other offices, when possible. This is seen as training for the individual and distribution of knowledge within the country office level. We have however noticed a lack of capacity for systematic, institutional learning at a global level, specifically within the emergency relief side. It should however be noted that the general climate, and the modus operandi, of all levels of the organisation are permeated with curiosity and a willingness to adapt on the basis of new learning. Multiple conversations attest to an organisational interest in learning and an investment in a mentoring attitude towards less experienced colleagues. Refreshing!

We have understood that the organisation is using formal performance manuals and a performance management system to conduct annual appraisals of the employees. One comment is that the organisation’s incentive system could be reviewed as some employees find that there are “more sticks than carrots”.

Plan Sweden has worked actively with avoiding dependency on key individuals. This work has taken the shape of clearly appointed duties, a number of manuals and guidelines and job descriptions.

Financial Control

System of accounting

Both Plan Sweden and Plan Pakistan have a number of established administrative policies and procedures on a local level. Based upon our limited testing, it is our understanding that these are used and functioning properly. The financial procedures, purchasing procedures and authorization limits/procedures are documented. The Swedish organisation only requires single authorizations (stated in the authorization manual), as this is practically viable (senior management is often traveling) and the fact that this procedure has been cleared with the external auditors.

The financial system used at the Swedish office is SPCS, which is deemed to be sufficient for the organisation's needs. The sponsor money is posted in SPCS every day and the figures are reconciled to Plan Finance System (PFS), which is a joint international system for registering sponsors. PFS will be phased out for the benefit of an integrated system (finance, logistics, marketing etc), with Spain as the pilot in November 2006.

At the Pakistan level, the general ledger is centralized to the country office. All field offices send all their journal vouchers and supporting documentation to the finance department in Islamabad for review and posting. A control in place is that the administrative function and the finance function is actively segregated (also at the field office level) to ensure proper segregation of duties.

Transfer of funds/Cash management

Funds from a donor are sent to Plan IH and from there canalised to the country office. Every 2–3 months, funds are transferred in lump-sums from Plan Sweden to Plan IH based upon the budget. Normally, the transfer is SEK 20–30 million. All funds are transferred via Plan IH to the country offices. 93% of the funds from Plan Sweden are derived from sponsors. Almost SEK 16 million (of about SEK 215 million) refers to grants. The country office sends a weekly fund request to Plan IH. The transfer of fund has been tested through the entire chain without any inconsistencies or unusual practices. We believe that suitably designed internal controls are effectively operating for handling of cash and petty cash as well as transfer of funds.

Audits

Globally, an audit function ("Global Assurance") with approximately 70 people exists. An internal auditor is currently employed by Plan Pakistan with the duties to audit the programme units and relevant processes periodically. Checklists used during the internal audits currently performed at Plan Pakistan have been reviewed without any comments. Internal audits always result in an audit report and audit action lists. The internal auditor in Pakistan will organisationally move over to Global Assurance in the future, which results in that he does not report straight to the country director. This structure is more suitable for an effective internal audit function.

Plan Sweden has several special fundraising bank accounts (so called "90-account") and the organisation is thereby connected to SFI, "

Stiftelsen för insamlingskontroll” (The Foundation for Fundraising Control). SFI is periodically reviewing the organisations within its network to ensure that they are using the raised funds in a proper manner. An external audit firm is performing a financial audit of Plan on an annual basis. A programme audit is also performed by an external auditor, a requirement by Sida.

Transparency

Plan strives to be as transparent to its donors as possible. The Swedish Fundraising Council– FRII (Frivilligorganisationernas Insamlingsråd) – has established a template stipulating how the annual report should be presented, and this template is used by Plan Sweden. Furthermore, figures and reports are continuously posted on the organisation’s web pages. The Grants Tracking System also enables transparency within the organisation (please see details regarding GTS under ‘Administrative systems and routines’ above). It was noted that Plan Pakistan, for practical reasons, only uses one bank account for all donors, which limits the transparency and may not be in line with best practice.

Overall we believe that Plan has good transparency regarding the donors and vertically. Plan may however need to revisit the degree to which the information about them ought to be shared with the beneficiaries.

Observations and Recommendations

We have summarized the organisation's main strengths and weaknesses as well as the opportunities and threats identified. The SWOT-analysis has been used to analyze the organisation's capacity and to assess the suitability of the organisation to perform emergency relief operations. Please note that only the factors that we assess to be most important for each category is mentioned below. Also note that the observations and recommendations presented in this section are based upon one single case study and may differ from other country offices and/or ERPs.

Strengths

- Excellent networking and coordination skills with the community, government and NGOs, which for instance resulted in high beneficiary involvement in ERP design as well as capacity building of local partners.
- Plan Sweden is an active member of different NGO-networks and the public debate (regarding the development assistance policy, with a primary focus on children's rights).
- The organisation has a clear identity (focused on education and children's rights), including a clear understanding of their own niche. The result was that:
 - Plan didn't lose its vision during the relief period and that it could remain its normal development programmes after the relief phase.
 - Plan sticks to what the organisation is good at and uses its networking and coordination skills to ensure effective interventions.
- Sophisticated and solid systems in place (grants administration system, planning system and communication channels) enabling control, follow-up and transparency.
- Unusual degree of commitment to learning and willingness to adapt on the basis of experience.

Weaknesses

- Plan's coordination and networking skills at times reflect 'the other side of the coin'; a lack of operational relief capacity. This is particularly true of activities beyond the geographical area within which the organisation runs its normal programmes. An example of this is the organisation's limited response capacity during the first two weeks of the ERP (e.g. distribution management).
- A lack of capacity for systematic, institutional learning at a global level, specifically within the emergency relief side.
- Limited response capacity institutionally during the first two weeks of the ERP (e.g. distribution management)
- Plan did not have a structured system in place for handling HR issues resulting from the relief activities such as burnouts (e.g. a structured counselling program and a procedure to identify and relocate burned out employees).
- The accounting and payroll functions at Plan Sweden are not properly segregated.

Opportunities

- The Mansehra team has been successful and effective regarding its program design in the disaster response. An opportunity lies in institutional learning, i.e. sharing this within Plan International.
- Budgeting may also be used as a management tool at the country level, which currently does not seem to be the case.

Threats

- The increased focus on emergency relief activities (policy system being developed and strengthening of competencies) are not fulfilled timely, leaving the organisation unprepared for future ERPs.
- Salaries are not competitive in relief areas, leaving Plan understaffed in case of a larger scale disaster response with interventions of other NGOs/INGOs.

Our Overall Conclusion

Deloitte have found that Plan is primarily a development organisation (present in many areas suffering from disasters) which is clear regarding its roles and ambitions in emergency relief activities. Plan has very strong relations with the community, the local government and NGOs in its field. With excellent networking and coordination skills, a solid child focussed competency, a clear commitment to the UN Convention on the Rights of the Child and a rapidly developing structure for emergency relief activities, the interventions which Plan engages in will most likely be effective.

Plan's coordination and networking skills at times reflect 'the other side of the coin'; a lack of operational relief capacity. This is particularly true of activities beyond the geographical area within which the organisation runs its normal programmes.

Plan Sweden is considered to keep a high profile within the international organisation and is seen as an active member of different NGO-networks and the public debate. The organisation participates actively in the debate regarding the development assistance policy, with a primary focus on children's rights.

Recommendations

- We recommend Sida to consider Plan International as a capable potential partner for future humanitarian interventions.
- We recommend an expansion of support in a manner that is gradual and focussed on Plan's core competencies i.e. children's needs and rights.
- In the short- to medium- term, we recommend Sida support primarily for interventions in geographical areas where Plan is operational prior to the disaster event.

We have observed some potential of improvement for Plan which is presented below together with recommended actions. The observations may relate to a specific association or to Plan as a whole. We would once again like to stress that the national associations may differ greatly. Thus, the findings may only relate to the specific case study.

Observation # 1	<i>Limited response capacity in the initial ERP phase</i>
(Plan overall)	– Plan is currently developing its capacity within the relief area. In the case of the earthquake disaster in Pakistan, it was noted that Plan had a limited response capacity institutionally the first two weeks (e.g. distribution management).
Risk/consequence	– Slow response to a rapid on-set disaster. – Improper administration of ERPs in the initial phase (e.g. incorrectly performed distributions or even programme designs).
Recommendation	– As Plan is not primarily a relief organisation, it may not be useful for them to keep a complete knowledge base at each of its offices/programmes. As Plan however is putting a lot of effort into the relief area, the development must be structured and prioritized. – In case Plan intends to use a core 'rapid response' or 'backstopping' team, ensure that competencies are spread out throughout the continents and that availability of the resources are secured. – Establish an internal database with people with previous experience in ERPs and their competency areas (e.g. distributions, rapid/slow on-set emergencies). – Establish a database with external resources to use in cases of ERPs. – Invest in further training of relevant staff members in emergency relief standards (such as Sphere) and procedures. – Use lessons learned and experts to review and modify the tools in place (such as Little Green Disaster Book) in order to respond quickly in correctly. These tools should be accessible for all offices.

Observation # 2 (Plan overall)	<i>Gaps in institutional learning</i> – The Mansehra team was successful and effective in its program design in the disaster response. Meanwhile, we encountered numerous examples of learning at various levels in Plan. We also noted that the organisation is coping with rapid expansion and rapid change resulting in a feeling that staff is trying to keep up. An area with room for improvement is systematising institutional learning across organisational boundaries e.g. between country offices, regions and globally.
Risk/consequence	– Organisation does not manage to transform individual learning into institutional learning. – Important ERP lessons are not learned resulting in future problems that could have been avoided.
Recommendation	– Plan International should invest more time and resources in institutional learning from successful ERP interventions. If this can be done in a way that recognises the efforts of individuals and teams involved it may also contribute to lessening staff-turnover problems. – Plan could consider using international secondments to a larger extent than what is currently the case.
Observation # 3 (Plan Sweden)	<i>Improper segregation of duties</i> – Payroll at Plan Sweden is currently administered by the finance manager, who also has access to disburse payroll as well as being responsible for bookkeeping. We have been informed that this is a temporary solution. The duties should preferably be segregated to avoid potential fraudulent activities.
Risk/consequence	– Fraudulent activities. – Inability to detect incorrect and/or invalid transactions.
Recommendation	– The duties should be segregated as far as possible, which is especially important in areas where cash handled (e.g. preparing checks, cashing cheques and performing bank account reconciliations; preparing vs. disbursing payroll; maintaining supplier master data vs. disbursing supplier invoices). – Smaller size organisations may use a risk-based approach or ensure that compensating or mitigating controls are in place.

Observation # 4 (Plan Pakistan)	<i>Lack of special HR procedures during disasters</i> Plan did not have a structured system in place for handling HR issues resulting from the relief activities.
Risk/consequence	– Burned out staff. – Short and long term understaffing problems. – Accentuated staff turnover problems.
Recommendation	– As the disaster affects the employees and their families and colleagues, the mental pressure on the staff is enormous. We therefore recommend Plan to develop a structured procedure for dealing with HR issues resulting from disasters. The design of the procedure should be based upon an initial situation analysis and lessons learned. The document may include a counselling programme, a procedure to identify staff in the “danger zone”, a procedure of rotating burned out or badly affected employees to other duties etc. – When large scale disasters strike, small development oriented NGOs with staff remuneration packages designed to last in the longer term will inevitably lose staff to richer organisations with shorter time horizons. Plan for this and discuss the issue openly with staff to clarify what, if anything, Plan can do to systematically reduce negative impact on the organisation. What can be done will vary from country to country.
Observation # 5 (Plan Sweden)	<i>Improvement areas in the staff policy</i> – The (gender) equality policy is included in the overall staff policy at Plan Sweden. However, the equality policy may need to be revised as parts of it are written as a situation analysis rather than providing overall principles and values in the area of equality. – Recruitment issues are only touched upon briefly in the staff policy but could be improved.
Risk/consequence	– Unclear position of the organisation in regards to equality aspects. – As non-profit organisations is subject to thorough reviews by the media and the public in general, it is absolutely crucial for the organisation's image that the it does not hire people that are likely to cause them any harm.
Recommendation	– Management should revisit the section “equality policy” in the overall staff policy to ensure that it is written in a manner which does not require Plan Sweden to modify the policy each year. – A formal recruitment policy should be established and used when recruitments are made. This policy should include e.g. selection criteria, required capabilities/competencies for the position, information of interviewer(s) and reference calls. We have been informed that this area is in progress.

Observation # 6	<i>Ineffective follow-up procedures regarding agreements</i>
(Plan Pakistan)	– At Plan Pakistan, we noted a case where an agreement with a partner had run out. The partner did however continue to receive money in accordance with the old agreement. (It should be noted that the agreement should have been prolonged but this had not formally been arranged).
Risk/consequence	– Unwanted, automatic prolonging of agreements, which result in prolonged financial (or other) obligations by Plan. – Inability to monitor obligations with/to other parties. – Loss of opportunity to renegotiate terms in agreement. – Image loss vis-à-vis agreement partners.
Recommendation	– We recommend Plan to establish a procedure where important agreements (mainly financial agreements) are identified, monitored and followed-up upon. In its simplest model, this may be performed using an excel spreadsheet where relevant agreements are documented. By adding dates of renegotiation and termination of agreements in calendars, relevant dates will easily be monitored.

Annex 1

List of Contacts

Name	Position
Plan, Sweden	
Lennart Reinius	Deputy National Director/Programme Director
Anna Garvander	Programme Funding Officer
Ulrika Borefelt	Head of Finance
Anders Wijkman	Chairman of the Board
<i>Plan International Headquarter (IH), Woking, UK:</i>	
Jim Emerson	Chief Operation Officer
Jackie Deyong	Finance Department, Grants Financial Controller
Simon Early	Corporate Planning, Monitoring and Evaluation Manager
Dr. Nick Hall	Disaster Risk Reduction Manager, Plan UK
Ann Firth	Group Financial Controller
Mie Takaki	Disaster Team Leader, ARO, Asia regional Office, Bangkok (by telephone)
<i>Plan, Pakistan</i>	
Mia Haglund Heelas	Country Director, Pakistan
Jorgen Haldorsen	Director Rehabilitation
Farooq Dar	Grants Manager
Ramrajya Joshi	Programme Support Manager
Imran Shami	WATSAN Advisor
Dr. Irfan	Health Advisor
Siddiq Khan	UBR Manager
Atif Bashir	Internal Auditor
Rashid Javed	Finance/Admin Manager
<i>Earthquake Relief and Rehabilitation Unit, Mansehra</i>	
Tassadaq Shah	Programme Manager
Sajjad Ammed	Education Adviser
Qasim Jaddon	Early Childhood Care and Development (ECCD) Advisor
Mohammad Asafaq	Administration
Danish Bahir	Finance Coordinator

<i>External organisations</i>	
Ragnar Hansen	Country Director, Shelter for Life
Martin Sjöholm	Räddningsverket (Swedish Rescue Service)
Lars Holmgren	Räddningsverket (Swedish Rescue Service)
Chance Briggs	Relief Director, World Vision
Muhammed Javed	EDO, District Education Department
Krishna KC	Education Officer, UNICEF Mansehra
Abdul Jahan	Mountain Institute of Educational Development (MEID)
Francis Rofi Sardar	Director, Research and Social Training Institute (RASTI)
Akalldar Shah	Project Manager, HealthNet TPO
Anwar ul Haq	UN Area Coordinator, NWFP, UNDP
Waheed Anwar	Field Coordination Officer, UNDP
Fatima Naqvi	Programme Manager, HUM Department, Oxfam, Secretariat Pakistan Humanitarian Forum
Kamran Akbar	Team Leader, PPAF (Pakistanian Poverty and Alleviation Fund)
Mr. Awais Manzoor Sumra	Director of Planning, ERRA
Arshad Rashid	Development Advisor, European Union

Annex 2

Documets Reviewed

Document name

Worldwide Annual Review 2005

Working for lasting improvements in children's lives – Introducing Plan's strategic directions and strategic enablers

Plan Sweden's application to Sida (as well as the approval from Sida and agreement between the parties)

Reports regarding the ERP (Final report to Sida, 6-month report, financial report, environmental report)

Policy on disaster relief (for Plan worldwide)

Disaster Preparedness and Response plan (initial draft, not yet approved by the board)

Little green disaster book

Grants Administration – Facts at your fingertips

Corporate Planning Monitoring and Evaluation (CPME) Working Paper

Field Operations Book

Country Development Outline, 66 Quarters G-7/2 Islamabad (CDO)

Child protection policy

Staff policy

"Verksamhetsplan Plan Sverige år 2006/2007"

IT-policy (Plan Sweden)

Plan Pakistan, Country Program Progress Report, FY 2006

Plan Pakistan, Annual Program Communication (Fiscal Year 05)

Child centred community development – A guide to what we do and how we do it

Plan in Pakistan – One year after the earthquake

Gender equality and Plan – Our journey so far

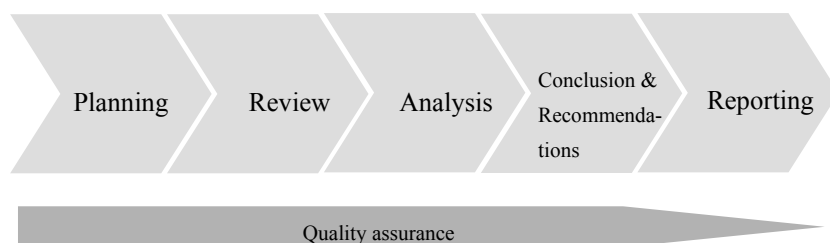
Information from the organisation's international and national Internet and Intranet pages

Supporting documentation for the transfer of the funds relating to the ERP (e.g. journal vouchers)

Annex 3

Method

Diagram 1, illustrates the different steps of our method. Each step is described briefly below.



Planning

Initial contact will be held with representatives from the organisation in order to collect information from the various stakeholders and to outline the final scope of the project. Included in this step is the identification of relevant documentation to be collected during field studies (e.g. Code of Conduct, Sphere Standards and other relevant guidelines). Key individuals are identified and meetings are scheduled. An important part of the planning phase is Deloitte's cooperation with the humanitarian aid expert Björn Ternström, who provides our team with expertise in the area of humanitarian assistance. Deloitte will work closely together with a humanitarian aid expert when developing the work plan and the questionnaire. Questionnaires to be used during the on-site interviews with representatives of the organisation (as well as other relevant organisations and stakeholders) will be established, based on the request and scope presented in the ToR, information available in Deloitte's knowledge database regarding best practice, as well as complementary information from humanitarian aid experts and Sida.

Review

The objective of the review is to gather relevant documentation identified in the planning step. Obtained information will be used during the analysis phase, which is further detailed below. In order to get a comprehensive understanding of the current organisational and financial structures of the organisation, meetings will be held with key personnel in

Sweden, Pakistan and in the UK. Primary focus areas are the organisations' respective capacity with regards to their internal structure and their respective ability to implement humanitarian programmes in accordance with Swedish policy.

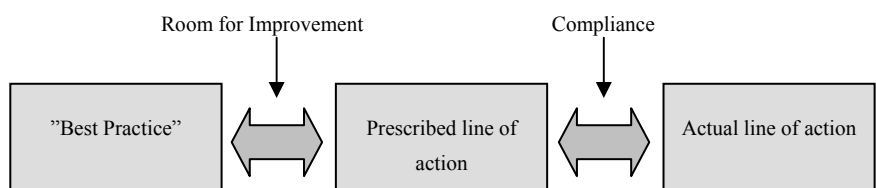
As described in the ToR, the study includes following focus areas:

- *Organisational structure*
A comprehensive review of material and data withholding information as to the organisation's current structure and development will be performed. Further, an extensive mapping of the organisation's involvement and participation with other national/international organisations will be performed and analysed.
- *Management of activities*
By reviewing and collecting documentation from previous and current activities, conclusions will be made as to their effectiveness, degree of fulfilment, method of work, and alignment with best practice.
- *Administrative systems and routines & Personnel and administration*
These areas will be reviewed based on the Deloitte Internal Audit Method, which contains a structured method on how to assess the control structure within administrative and finance related processes. Naturally, the approach will be adapted to the delimitations and focal points presented in the ToR.
- *Financial control*
A comprehensive review will be made, focusing on the existence of formal documentation, collecting information regarding cash management, audit trails, and the financial control environment.

We believe that numerous interviews will be necessary to perform in order to reach valuable conclusions and formulate areas of improvement for the organisation. We intend to conduct as many interviews as possible in person. However, if some of the relevant individuals would be located in other regions we may also conduct interviews via telephone. We believe that the key employees are situated in Sweden, Pakistan and in the UK. Apart from employees within the organisation we believe that it is necessary to interview key individuals in other relevant organisations and stakeholders (such as Sida, the UN and local authorities) in order to assess whether the organisation's objectives have been met, and if not, why.

Analysis

Information obtained from the field studies will be analysed based upon prior experience, "best practice", and applicable analysing methods such as the SWOT-analysis. These tools will enable us to present our findings and recommendations in a practical, clear, and useful manner. Our general approach is described in diagram 2:



The analysis will emphasise, not only the strengths and weaknesses of the focus areas mentioned in the review-chapter but also on current and future capacity of the partner organisations to successfully implement humanitarian programmes as well as how to enhance current performance.

Our methods include a comparison between on site observations and information gathered during the review phase. This comparison will primarily serve as input when evaluating the validity of the organisational structure (both in Sweden, Pakistan and in the UK) and while analysing the administrative systems and routines.

Information gathered with regard to the current network status of the organisations will be used in order to determine and evaluate their positions as to size and interdependence. The analyses of their current networks will determine whether or not these networks need to be further elaborated and/or needs to be redesigned.

Furthermore, the analysis will focus on current cost effectiveness and adherence to applicable policies. This will be done in order to determine management proficiency, result of work, and the suitability of current administration systems.

Conclusions and Recommendations

Observations and recommendations will be concluded in a draft report which is to be discussed with representatives from Sida as well as the reviewed organisation before the final report is completed. A humanitarian aid expert will take part in this phase to further validate our conclusions and recommendations. If requested, a concluding meeting will be held in Sweden. Based on our experience from similar engagements, we recommend that regular communication is held between our team and Sida representatives to continuously discuss project status.

Reporting

Once we have validated and quality assured preliminary findings with senior management and relevant stakeholders, a draft report will be sent to Sida and the reviewed organisation. A final report will be presented to Sida no later than two weeks after received comments.

Quality Assurance

Quality assurance is an integrated part of the review. Our quality assurance covers our whole approach from planning to reporting. Responsible for this work is Michael Bernhardt. Deloitte also puts great emphasis on communication. We will during the whole project communicate preliminary conclusions and planned action with Sida and the reviewed organisation to avoid expectation gaps between expected and actual outcome.

Annex 4

Terms of Reference

Terms of reference – Capacity study of Plan Sweden 2006

(Please note that minor changes was made to the ToR, e.g. change of the reporting deadline)

Sida

The Swedish International Development Cooperation Agency, Sida, is responsible for Swedish bilateral development and humanitarian assistance. Sida also handles most of the co-operation with countries in Africa, Asia, Latin America and Central and Eastern Europe. Sida has approximately 650 employees – including expertise (of whom approx. 100 in the field) in economics, technology, agriculture, healthcare, education and environmental protection. The general goals for Swedish aid are to contribute to a reduction of poverty, to increased democracy and sustainable development in the countries that Sida co-operates with. For more information, please see Sida's homepage: www.Sida.se

The objectives of the Division for Humanitarian Assistance are to protect human lives and give assistance in accordance with international humanitarian law and assist in mitigating the consequences of humanitarian emergencies in connection with armed conflicts and natural disasters. Humanitarian action in situations of conflict or natural disasters is guided by the humanitarian imperative and the principles of impartiality and neutrality. It must be strictly needs-based and serves to protect civilians and non-combatants and to prevent and alleviate human suffering.

Sida can fund programmes for humanitarian assistance through UN agencies, the Red Cross Movement or through Swedish or international NGOs. In 2005, Swedish humanitarian assistance amounted to 3.2 billion Swedish krona, and the allocation for 2006 is approximately the same.

Background

Sida is constantly reviewing its humanitarian partner organisations in order to find the most effective and efficient channels for the Swedish humanitarian assistance. Sida's Division for Humanitarian Assistance performs capacity studies with a view to clarify needs of change or strengthening of the competence and capacity of the organisation to perform humanitarian assistance. The main focus of the study is the implementation capacity of the organisation.

After the earthquake in Pakistan in October 2005, the Division for Humanitarian Assistance decided to fund a project through Plan Sweden. The organisation represents the Swedish branch of well-known international networks, but has not previously received humanitarian funding from Sida.

Purpose and Objective

Sida wishes to carry out a capacity study with regard to both the internal structures of the organisation and its capacity to implement humanitarian programmes in accordance with the Swedish policy on humanitarian assistance.

The capacity study of Plan Sweden (PS) shall facilitate the possibilities for Sida to assess the organisation in view of possible coming more long-term agreements, possible larger scale co-operation and possible regional programmes.

Assignment

The assignment shall comprise the whole of PS's organisational setup in Sweden – the board and the secretariat – as well as selected activities in the field with a particular focus on the recent humanitarian emergency programmes in Pakistan. In the assignment is therefore included a field trip to Pakistan.

The assignment comprises mapping and documentation, analysis, and recommendations mainly according to the points below.

Mapping and documentation

A. Organisational structure

- Background and objective of founding the organisation;
- Organisational structure and growth;
- Number of employees, number of members (if any) and basis of the organisation in Sweden;
- Status of the Swedish branch with regard to the international network;
- Participation/involvement in international NGO networks, the humanitarian reform agenda and quality initiatives (HAP, Alnap, Sphere).

B. Management of activities

- Planning of humanitarian activities, with special regard to needs analysis, priority setting, selection of target groups, impartiality;
- Quality assurance – how do the organisations relate to the humanitarian principles, the Code of Conduct, Sphere standards? Do they follow generally accepted humanitarian principles?
- Measurability and goal attainment. Have the programmes been designed in such a way that they are measurable? Have the programmes achieved what they set out to do? Why/why not?
- Beneficiary involvement. How are beneficiaries involved in program design?
- Humanitarian co-ordination. How do the organisations co-ordinate with other humanitarian actors in the field? UN system? Do they participate in the CHAPs? Why/why not? How do they ensure that their work is complementary to that of other organisations, including but not limited to local NGOs, UN bodies and local authorities?

- Efficiency and effectiveness of the programmes? Do they humanitarian programmes include a sustainability aspect? Are programmes carried out in a cost effective way?
- Policy and method? Are there specific policy documents regarding e.g. gender, HIV/AIDS, environment, conflict sensitivity, corruption? Are these specifically targeted to humanitarian situations?
- Risk assessments? How are they conducted? Do they result in a plan?
- Security issues? Is there a security plan (in conflict areas)? How is it developed?

C. Administrative systems and routines

- Visions, goals, activity plans and policies;
- Mandate/role of governing board;
- Planning process and the use of the activity plan as a guiding instrument;
- System of accounting;
- Decision making and order of delegation;
- System for internal control and communication;
- System of project management;
- Archives and registering;
- Purchasing rules and procedures;

D. Personnel administration

- Overall staff policy;
- Recruitment and selection;
- Staff turn-over;
- Forms and rules of employment, salary system;
- Development of competence of staff at HQ and in the field;
- To what extent do the Swedish branches have their own seconded personnel in the field?

E. Financial control

- Agreements and monitoring of obligations according to agreements;
- Transfer of funds and cash management;
- Budget follow up;
- Main sources of funding;
- Auditing on all levels – how do the Swedish branches ascertain that the chain of audit is maintained?
- Promotion of good administration, transparency in the financing picture and handling of means, and anti-corruption measures.

Analysis

Against the background of its findings the study shall analyse and describe the strengths and weaknesses of the above mentioned points, with special focus on humanitarian emergency programmes.

The study should in particular analyse:

- the organisational structure of PS in relation to its present activities, future plans of activities and to the policy and strategy documents of the organisation;

- the capacity of PS to reach goals set up;
- the division of responsibilities and forms of co-operation in the organisation at planning, implementation and follow-up of projects and integration of experience won;
- how well the project cycle within PS is developed and functions;
- how well the strategic planning functions;
- possible future sources of financing;
- forms of cooperation with local partners and follow-up;
- learning: mechanisms and ability.

Recommendations

The study shall give proposals for possible changes and recommendations in connection to the above points.

Method

The assignment shall be performed through studies of available documentation at the PS office in Stockholm, at its headquarters and in the field (primarily Pakistan) and through interviews with Sida officers in Stockholm and with relevant Sida representatives abroad.

The consultant can create a team to work on the assignment. For the work in the field, the consultants may preferably use local consultants.

Further defining of the methods for performing the study is left to the consultant to decide.

Reporting

A preliminary report shall be given to Sida, Division for Humanitarian Assistance, and PS respectively, in accordance with the specifications below, for possible comments to the consultant on factual errors or misunderstandings, before the final report is handed over.

The report shall be written in English and not exceed 15 pages¹. The structure of the report shall as far as possible follow the Sida Standardised format for Evaluation reports. The report shall be written in Word and submitted in one paper and one electronic copy.

Sida reserves the right to ask for an oral presentation in Stockholm, for Sida and the concerned agencies jointly.

Timetable

The aim is that the assignment shall be started on 1 September 2006 and that the final report shall be handed over to Sida on 25 November 2006 at the latest.

A preliminary report shall be handed over to Sida and PS respectively no later than 1 November 2006, whereupon Sida and PS respectively shall submit their comments (if any) to the consultant within two weeks. The final report shall be handed over to Sida within two weeks after comments have been received.

¹ Please note that it was decided to ease this restriction, as the parties required additional information in the report (discussed at the debriefing session with Sida, Deloitte and the organisations 13 November 2006).

Specification of Requirements and Requests:

A. Requirements

- The consultant shall possess the compulsory requirements below;
- The consultant shall state how the assignment is to be organised;
- The consultant shall state availability in respect of the offered Assignment;
- The consultant shall state the total extent of the Assignment, including number of hours required and the number of consultants, specified as fee per hour for each category of personnel; any reimbursable costs, any other costs and any discounts (all types of costs in SEK and exclusive of VAT);
- The consultant shall submit a proposal for time and working schedules for the assignment;

B. Requests

- It should be possible to conclude a contract to be effective as from 15th of August 2006;
- It should be possible to commence the Assignment on or before 1st of September 2006;

Annex 5

Sida's Management Response



- ☐ Director General
☒ Department
☐ Division

DECISION

Department Seka	Division Hum	Decision date 2007-05-03	Decision No. 2007-002503
Reporting Elizabeth Narrowe		Case no. 2006-2371	
Approved by Magnus Lindell		Signature <i>[Signature]</i>	
Present Per Byman Kerstin Nordvaller		Consultation with <i>[Signature]</i>	

Copy to Department/Division (orig) Seka/hum: KL, AFG, EN, BW Seka/EO: JN SEKA/stab KN, AL Director General's Office	Chief Controller	Distr. (date/sign) 15/5-07 T.S.
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Subject and decision

Management Response with Regard to Evaluations and Audits with regard to Seka/hum's Capacity Studies of Islamic Relief, SOS Children Villages and Plan

Name of the Evaluation/Audit:	1) Capacity Study of Islamic Relief, Focus on Humanitarian Assistance, Using the Pakistan Earthquake Relief Programme as a Case study 2) Capacity Study of Plan, Focus on Humanitarian Assistance, Using the Pakistan Earthquake Relief Programme as a Case study 3) Capacity Study of SOS Children Villages, Focus on Humanitarian Assistance, Using the Malawi Emergency Relief Programme as a Case study
Sector	Humanitarian Division

DECISION

In 2006, Sida commissioned Deloitte to conduct capacity studies of Islamic Relief, SOS Children Villages and Plan, with a particular focus on their humanitarian work. During that year, each of these organisations had received grants from Seka/hum for projects in Pakistan after the earthquake (Plan and Islamic Relief) and in Malawi to assist drought affected households (SOS Children Villages).

The purpose of the studies was as follows:

- to map the organisations in terms of organisational structure, management capacity, administration structures and routines etc.,
- to assess the organisations capacity to carry our humanitarian projects,
- to recommend to Sida how to view its future partnership with the organisations.

In general, the consultant argues that the projects have been successfully implemented by the organisations and that the organisations managed the projects well.

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Seka/hum has formulated a management response to these studies, see enclosed. In the management response, Sida comments on the suggestions of the consultant and suggests the following plan of action:

Plan of Action

<i>Activity</i>	<i>Person in charge for follow up</i>	<i>Time Frame</i>
Guidelines for Seka/hum Sida's views and suggestions in this management response should be regarded as Sida's guidelines with regard to cooperation on humanitarian action with IR, Plan and SoS Children villages	Head of Unit	Until dec 2008 or until guidelines are revised
Plan As part of Sida's regular consultations with Swedish humanitarian organisations, Sida shall follow Plan International's and Plan Sweden's policy development and operational experience regarding humanitarian action. Sida should also make use of Plan's knowledge of children's needs and rights in humanitarian crises.	Kerstin Lundgren	During 2007-2008
Islamic Relief Sida highly recommends that IR-Sweden follows the recommendation of the consultant and approaches high level persons in Sweden to help build the organisation's capacity. Sida suggests that IR – Sweden looks in to other ways to increase its management capacity in Sweden, mainly by using the extensive knowledge of Islamic Relief International.	Anna Furubom Guittet	During 2007-08
SOS Children Villages Sida suggests that SOS sign the Red Cross and Red Crescent's Code of Conduct as a basis for possible future humanitarian work. Sida finds the suggestion of making use of SOS villages' infrastructure interesting. Sida should inform the Swedish Rescue Service Agency of this recommendation and mention it to other humanitarian actors, such as UNHCR and WFP.	Barbro Wiberg (SOS) Doris Attve (SRSA) Elizabeth Narowe (WFP)	During 2007-08

Sida

3 (3)

SPECIFY

to approve the action plan as suggested above.

Beslut avseende utvärdering

Management Response of Capacity Studies of Islamic Relief, SOS Children Villages and Plan

1. Background

In 2006, Sida commissioned Deloitte to conduct capacity studies of Islamic Relief, SOS Children Villages and Plan, with a particular focus on their humanitarian work. During that year, each of these organisations had received grants from Seka/hum for projects in Pakistan after the earthquake (Plan and Islamic Relief) and in Malawi to assist drought affected households (SOS Children Villages).

The purpose of the studies was as follows:

- to map the organisations in terms of organisational structure, management capacity, administration structures and routines etc.,
- to assess the organisations capacity to carry out humanitarian projects,
- to recommend to Sida how to view its future partnership with the organisations.

The reports from the studies were well written and clearly structured. A SWOT (Strengths, Weaknesses, Observations and Threats) analysis was used to present the organisations' capacity and to assess their suitability as future humanitarian partners. Observation and suggestions for improvements were linked to recommendation for action. Each study included a review of the Swedish organisation, the international body and the local organisation in the developing country, which was responsible for implementation.

For the assignment, Deloitte sub-contracted a humanitarian expert to be included in the team, which also included persons from Deloitte from Sweden and its local branches in Pakistan and Malawi. In the report, the consultant clearly emphasizes that the conclusions are based on one case study alone for each organisation and might therefore not be fully applicable to other operations of the organisations.

In general, the consultant concludes in the report that the projects have been successfully implemented by the organisations and that the organisations managed the projects well. Below are listed the main conclusions and recommendations in the reports, followed by comments from Seka/Hum.

2. The Study on Plan

2.1 *The Consultant's Conclusions*

In the report, the consultant makes the following conclusions and recommendations:

- Plan is primarily a development organisation (present in many areas suffering from disasters) which is clear regarding its roles and ambitions in emergency relief activities.
- Plan has very strong relations with the community, the local government and NGOs in its field. The consultants argue that with excellent networking and coordination skills, a solid child focussed competency, a clear commitment to the UN Convention on the Rights of the Child and a rapidly developing structure for emergency relief activities, the interventions which Plan engages in will most likely be effective.

- Plan's coordination and networking skills at times reflect 'the other side of the coin'; a lack of operational relief capacity. This is particularly true of activities beyond the geographical area within which the organisation runs its normal programmes.
- Plan Sweden is considered to keep a high profile within the international organisation and is seen as an active member of different NGO-networks and the public debate. The organisation participates actively in the debate regarding the development assistance policy, with a primary focus on children's rights.
- The consultant recommends Sida to consider Plan International as a capable potential partner for future humanitarian interventions.
- The consultant recommends an expansion of support in a manner that is gradual and focussed on Plan's core competencies i.e. children's needs and rights.
- In the short- to medium- term, the consultant recommends that Sida primarily supports interventions in geographical areas where Plan is operational prior to the disaster event.

2.2 *Sida's comments*

Sida notes that Plan Sweden seems to play an important role within Plan International in advocating children rights. Plan is becoming an established humanitarian actor, particularly with regard to children's needs in times of emergencies.

In general, Sida agrees with the recommendations of the consultant. Regarding the last recommendation, that Sida should only fund Plan where it has a project office, Sida should view this as its general policy. However, there might be reasons for Sida to support projects in other geographic regions as well. Sida will, in such cases, need to make a more thorough assessment of Plan's management and relief capacity.

In the coming years, Sida and Plan will probably develop more experience of working together. In a short-term perspective, both parties need to accept that the transaction costs for the projects might be somewhat higher than usual, as Sida's assessments might take longer time, and requests and project reports from Plan might need to be revised according to Sida's formats.

It is here suggested that Sida shall assess future project proposals on a case by case manner. As part of Sida's regular consultations with Swedish humanitarian organisations, Sida shall follow Plan International's and Plan Sweden's policy development and operational experience regarding humanitarian action. Sida should also make use of Plan's knowledge of children's needs and rights in humanitarian crises. In a few years time, Sida and Plan shall discuss whether an agreement on a frame for smaller humanitarian projects should be formulated.

3. **Recommendations regarding Islamic Relief (IR)**

3.1 *The Consultant's Conclusions*

In the report, the consultant draws the following conclusions and recommendations:

- Islamic Relief Worldwide is a rapidly expanding, well qualified humanitarian relief implementer which is well qualified to manage expanding funding flows.
- Islamic Relief is an organisation in the process of rapid expansion which would benefit from "Good donorship" in the form of organisational backstopping, support in developing core functions and, not

least a trusting relationship with a realistic, experienced partner on the funding side. Sida is also recommended to explore what possibilities exist for it to offer Islamic Relief such a relationship. IR could also benefit from the mentorship of an ex-chairperson of one of the major Swedish NGOs, an ex-deputy secretary general to the UN or some other such person high profile humanitarian person.

- IR Sweden and IR HQ are recommended to maintain and further develop the existing mentoring relationship within which IR HQ would accept to actively supporting the development of IR Sweden in the medium term.
- IR Sweden and IR HQ are recommended to approach Sida jointly as IR Sweden does not yet have the stability and maturity to manage the deepening of the Sida-IR HQ relationship that would be most effective.
- Sida is recommended to consider IR Sweden for a gradual expansion of humanitarian funding. Such expanded funding should be implemented in parallel with expanded cooperation in activities directed at IR Sweden constituency in Sweden. Sida should also explore IR Sweden constituency to assess IR Sweden as a potential resource base for other Sida activities.

3.2 Sida's Comments

Sida notes that Islamic Relief has a unique role to play in humanitarian action, particularly in Muslim countries. Also, Islamic Relief has better possibilities than most other organisations to reach Swedish Muslim groups and involving them in humanitarian issues.

However, it is not the mandate of the Sida's Humanitarian Division to try to reach certain groups in Sweden or build the capacity of Swedish humanitarian organisations. Sida highly recommends that IR-Sweden follows the recommendation of the consultant and approaches high level persons in Sweden to help build the organisation's capacity. Also, Sida suggests that IR – Sweden looks in to other ways to increase its management capacity in Sweden, mainly by using the extensive knowledge of Islamic Relief International.

In the short term, Sida recommends that IR-Sweden implements projects in cooperation with other, more established branches of the organisation or together with other, more established Swedish NGOs. In exceptional cases and for specific reasons, Sida can fund projects that IR-Sweden implements alone, though its management and relief capacity to carry out the project needs to particularly reviewed.

4. Recommendations Regarding SOS Children Villages

4.1 The Consultant's Conclusions

In the report, the consultant lists the following conclusions:

- The focus of SOS Children's Villages is development rather than relief. Within its areas of operation, SOS Children's Villages may, however, perform limited interventions if a disaster strikes.
- The organisation is well placed to complement ordinary activities with limited relief activities but would have difficulty in effectively partnering in a major relief operation.

- SOS Children's Villages should be considered as an emergency relief provider for Sida, if the disaster strikes within SOS Children's Village's area of operations.
- Sida should consider SOS existing systems and physical infrastructure, which is mainly linked to the physical Children Villages, as a significant resource to use in possible future large-scale national emergencies, especially in view of SOS Children's Village's urban or semi-urban presence. These could be used for storage, temporary camps for civilians or personnel etc. This should take place under the oversight/supervision of a more experienced relief organisation.
- SOS is recommended to invest in better national level networking. Such networking would enable the organisation to avail itself of the experience gained by others, improve the national resource base by improving coordination and allow other organisations to learn from the significant experience developed by SOS in their particular field.

4.2 *Sida's Comments*

Sida agrees with the consultant regarding SOS Children Villages' humanitarian ambitions. SOS could become a channel for support if, again, humanitarian needs are apparent in the strict geographic area in which SOS works. Sida also suggests that SOS sign the Red Cross and Red Crescent's Code of Conduct as a basis for possible future humanitarian work.

Sida finds the suggestion of making use of SOS villages' infrastructure interesting. Sida should inform the Swedish Rescue Service Agency of this recommendation and mention it to other humanitarian actors, such as UNHCR and WFP.

5. **Conclusions**

In general, the consultant found the work of the three organisations well managed and relevant. According to the consultant, these organisations were relevant channels for Sida's humanitarian work in Pakistan and Malawi during the emergencies in 2006.

From these studies, Sida has learnt more about these organisations and has a clearer view on when and where these organisations can be relevant humanitarian partners. However, it is important to keep in mind that the studies only cover one operation by each organisation and that the conclusions might thus not be fully relevant for humanitarian action in other places.

From the capacity studies, Seka/hum learnt more about these organisations, which were new emergency partners for Sida. It gave Sida an opportunity to compare different organisations and their strengths and weakness.

However, the study focused to a large extent on the general organisational and administrative capacity of the organisations. In order to draw more specific conclusions of the operational capacity of the organisations, it would have been interesting to cover more project sites and to more thoroughly focus on issues such as coordination with OCHA and other cluster lead agencies and humanitarian principles and what they mean for the organisations in terms of project implementation (for example how they interpret the Code of Conduct). More operational issues should also have been covered, such as the selection of target groups, structures of distribution mechanism, participatory processes, means to increase the accountability to the target group etc.

6. Action Plan

On the basis of the capacity studies, Seka/hum should implement the following Action Plan:

Plan of Action

Activity	Person in charge for follow up	Time Frame
Guidelines for Seka/hum Sida's views and suggestions in this management response should be regarded as Sida's guidelines with regard to cooperation on humanitarian action with IR, Plan and SoS Children villages	Head of Unit	Until dec 2008 or until guidelines are revised
Plan As part of Sida's regular consultations with Swedish humanitarian organisations, Sida shall follow Plan International's and Plan Sweden's policy development and operational experience regarding humanitarian action. Sida should also make use of Plan's knowledge of children's needs and rights in humanitarian crises.	Kerstin Lundgren	During 2007–2008
Islamic Relief Sida highly recommends that IR-Sweden follows the recommendation of the consultant and approaches high level persons in Sweden to help build the organisation's capacity. Sida suggests that IR – Sweden looks in to other ways to increase its management capacity in Sweden, mainly by using the extensive knowledge of Islamic Relief International.	Anna Furubom Guittet	During 2007–2008
SOS Children Villages Sida suggests that SOS sign the Red Cross and Red Crescent's Code of Conduct as a basis for possible future humanitarian work. Sida finds the suggestion of making use of SOS villages' infrastructure interesting. Sida should inform the Swedish Rescue Service Agency of this recommendation and mention it to other humanitarian actors, such as UNHCR and WFP.	Barbro Wiberg (SOS) Doris Attve (SRSA) Elizabeth Narrowe (WFP)	During 2007–2008

Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.



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