Introduction

The National Society Investment Alliance (NSIA) supports the long-term development of Red Cross and Red Crescent National Societies, particularly those operating in situations of increased risk and humanitarian need. The NSIA’s goal is to help National Societies increase their impact and provide relevant and adequate services to vulnerable populations.

A joint initiative of the International Federation of Red Cross and Red Crescent Societies (IFRC) and the International Committee of the Red Cross (ICRC), the NSIA seeks to provide substantial, multi-year support to National Societies, allowing them to invest in National Society Development, with a focus on organizational development and capacity strengthening. Investment from the NSIA helps National Societies develop and fulfil their role as effective, principled, and sustainable local humanitarian actors.

The NSIA is entering its third year of operations and has developed a credible mechanism for the identification, selection and management of National Society development interventions in higher-risk settings. Despite the shock of Covid-19, National Societies implementing NSIA investments have demonstrated their drive and agility in adapting to this rapidly evolving crisis. At the same time, there has been sustained demand for investment, with a consistent number and increasing quality of applications from National Societies.

Covid-19 has made clearer than ever the need for strong local actors, and the vital role played by Red Cross and Red Crescent National Societies working in the most challenging settings. Consequently, the NSIA is seeking to expand its support to National Societies, investing in their development and capacity to respond in this crisis and the next.
How the NSIA works

The NSIA is a simple, cost-efficient, and accountable funding mechanism for National Societies operating in settings of increased humanitarian need or risk exposure. National Societies are encouraged to work with other partners in the Movement and beyond to articulate a robust organisational vision and to identify priority areas for investment. They then provide the NSIA Office with evidence for their choices and outline how the investment will increase capacity and impact.

The NSIA harnesses the Movement’s experience in National Society Development (focusing on organizational development and capacity strengthening), coordinated by the IFRC Secretariat, and anchored in IFRC’s National Society Development Framework, which calls for holistic change driven by National Societies themselves, operationalised through the National Society Development Compact. The IFRC brings its expertise in the development of relevant and sustainable domestic humanitarian organizations and capitalizes on its convening role to galvanize diverse expertise. The ICRC contributes its long experience of working in armed conflict and other situations of violence, including ensuring that National Society staff and volunteers can maintain access and remain safe and secure while delivering services.

The NSIA Office works closely with ICRC and IFRC field staff to provide National Societies with support on contracting, monitoring, reporting, and raising concerns. A Steering Committee comprised of four senior representatives from the IFRC and ICRC oversees the fund, which is administered through the IFRC in line with international reporting standards. The Steering Committee has responsibility for strategic oversight, the funding strategy for each round, and the allocation of funds, and is supported by a Stakeholder Advisory Group to provide broader Movement input.

The NSIA offers support to help National Societies at different stages of their development:

**Bridge Awards**
- Build National Societies readiness for future NSIA Accelerator or other investment.
- One year to implement
- Up to CHF 50,000

**The NSIA Accelerator**
- Long-term organisational development and sustainability.
- Three-to-five-year plans reviewed annually.
- Up to CHF 1 million

---

**STRUCTURE AND STAKEHOLDERS**

- **National Societies**
  - Plan & Implement

- **ICRC & IFRC Field Staff**
  - Liaison

- **The NSIA Office**
  - Manages Pipeline & Portfolio

- **Joint Steering Committee**
  - Allocations, Strategy & Oversight

- **ICRC, IFRC & Partners**
  - Technical Support

- **Stakeholder Advisory Group**
  - Learning & Advice
Investments in action

LEBANON – DELIVERING THROUGH ADVERSITY

In Lebanon, the NSIA funds awarded in 2019 focused on supporting the development of capacity to plan, monitor and report on activities, as well as digital communications and fundraising capacity.

During the initial stages of the Covid-19 pandemic, this investment supported the Lebanese Red Cross (LRC) to raise awareness around the role they were playing in the response, using this in turn to grow income from private and corporate sources. Through the pandemic, LRC has been the lead in transporting suspected Covid-19 cases through its highly respected and volunteer-based ambulance service.

In the days following the Beirut Port explosion, LRC was able to raise funds to support a US $20 million cash assistance program for people affected by the blast. While the ongoing crisis in Lebanon continues to require significant international support, LRC is increasingly seen as a credible and effective actor both nationally and internationally.

COLOMBIA – FROM VISION TO REALITY

The Colombian Red Cross (CRC) received CHF 50,000 Bridge funding in 2019, followed by CHF 240,000 of Accelerator funding in 2020, supporting elements of their wider development strategy focused on increasing organizational sustainability and strengthening systems.

Bridge funding focused on developing domestic resource mobilization capacities, particularly individual giving. Covid-19 required adaptation, for example, shifting from in-person to digital stakeholder engagement. Despite these challenging circumstances, the National Society was able to exceed its targets, and raise an additional CHF 200,000 from new domestic sources in 2020 while laying the groundwork to build on these initial activities.

The 2020 Accelerator investment help expand a supporter engagement programme, strengthens the Society’s digital presence, and the development of business systems encouraging learning and innovation between HQ and branches. Other elements of the CRC’s development strategy, such as expansion of their national Blood Bank, continue to be explored and may warrant future investment.
The NSIA’s funding in 2020

There was a slight increase in interest from National Societies in 2020, with 49 applications received prior to the deadline, with a good spread across regions.

The NSIA Office consulted with IFRC and ICRC representatives at the field level, and with National Societies themselves, rating proposals against the agreed criteria. The criteria scoring was adapted to take account of exposure to Covid-19 related risks, again using the independent INFORM index.

As a result of this process, seven National Societies were selected for funding, with a total of CHF 1.7 million in allocations. This brings to 17 the total number of National Societies supported to date.

The sustained interest from National Societies, despite the immediate focus on the Covid-19 response, demonstrates continued demand for the NSIA funding. This is backed-up by an increase in the quality of proposals, particularly at the Accelerator stage, with the number of promising investment opportunities far exceeding funds available.

NATIONAL SOCIETIES SELECTED FOR FUNDING IN 2020

Accelerator Funding

**The Colombian Red Cross Society** will build on the resource mobilisation work conducted under their ongoing Bridge Award, including individual giving and digital fundraising, as well as business systems development to support learning and innovation.

**The Georgia Red Cross Society** is embarking on the commercial production of sanitizer products for sale at the national level to public and retail entities. This funding is co-financing alongside a government backed loan.

**The Mexican Red Cross Society** will invest in systems for Planning, Monitoring, Evaluation and Reporting (PMER), as well as learning, as part of their wider strategy to improve performance at the branch level.

**The Somali Red Crescent Society** will use the NSIA funds to finance the redevelopment and commercialisation of their national HQ, as part of a wider development strategy, and is part of a co-financed project enjoying funding from a range of Movement partners.

Bridge Funding

**The Lesotho Red Cross** is being supported in the development of a resource mobilisation strategy and investment plan exploring income generating activities at the national level.

**The South Sudan Red Cross** will begin investing in IT capacities, particularly to improve links between HQ and branch level, supporting communication and remote management, and longer-term branch development efforts.

**The Syrian Arab Red Crescent** will roll-out a new approach to branch development, building on a pilot and guide that has been developed with Movement partners.

<table>
<thead>
<tr>
<th>National Society</th>
<th>Funding Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Accelerator</strong></td>
<td></td>
</tr>
<tr>
<td>Red Cross Society of Georgia</td>
<td>CHF 567 580</td>
</tr>
<tr>
<td>Somali Red Crescent Society</td>
<td>CHF 400 000</td>
</tr>
<tr>
<td>Colombian Red Cross Society</td>
<td>CHF 240 000</td>
</tr>
<tr>
<td>Mexican Red Cross</td>
<td>CHF 239 758</td>
</tr>
<tr>
<td><strong>Bridge</strong></td>
<td></td>
</tr>
<tr>
<td>Lesotho Red Cross Society</td>
<td>CHF 50 000</td>
</tr>
<tr>
<td>South Sudan Red Cross</td>
<td>CHF 49 400</td>
</tr>
<tr>
<td>Syrian Arab Red Crescent</td>
<td>CHF 48 000</td>
</tr>
</tbody>
</table>
**2021 appeal**

In 2021 the IFRC and ICRC are appealing for CHF 10 Million in support to the NSIA. Financial contributions to the NSIA result in direct, meaningful support to National Societies in higher-risk settings.

Within the current appeal, over 90% of requested funds will flow to National Societies for implementation. In addition, funds will be used to support a small NSIA Office in managing the day-to-day operations of the fund and ensuring the quality of the applications and selection process, the management of the portfolio, and the highest standard of risk management and controls in line with international accounting standards.

Analyzing demand from National Societies, previous applications, and the existing NSIA portfolio, Appeal funds in 2021 will be used to expand the number of Accelerator investments that can be made. It is envisaged that new funds received in 2021 will be used to support between 10 and 15 Accelerator awards, while ensuring a strong pipeline of future investment through Bridge awards of CHF 50,000.

The NSIA requires new, flexible funding to increase its efficiency, reduce administration costs, and provide a predictable line of support to National Societies, complementing the broader National Society Development activities across the IFRC, the ICRC and the wider Movement.

---

**THE NSIA HIGH-LEVEL OUTCOMES**

The NSIA continues to require significant and sustained support from partners in order to fulfil its potential as a robust, cost-effective Movement-wide mechanism which increases the impact of National Societies operating in some of the world’s most challenging contexts. It can also help to demonstrate the vital role of strong, principled local humanitarian actors in response to crises such as the Covid-19 pandemic.

**Support to the NSIA from partners will help the IFRC and ICRC achieve the following:**

01. increase the impact of humanitarian services provided by Red Cross and Red Crescent National Societies and their volunteers

02. enhance and secure National Society capacity for the rapid and sustained delivery of relevant humanitarian services in high-risk settings at the national and local level

03. increase institutional learning and knowledge-sharing, contributing to coherent and coordinated National Society Development across the Movement, under the coordination of the IFRC.
Supporting the NSIA

The NSIA is seeking **CHF 10 million** to provide vital resources to National Societies during 2021. To date, the NSIA has received generous support from the governments of Switzerland, the United States and Canada.

The NSIA’s funding to National Societies is complimentary to the ongoing core development and operational funds of the IFRC and ICRC. Contributions should constitute new, additional funding, not compromising existing donor and partner support to the Movement’s work. The NSIA reports annually to donors in the second quarter on the previous year’s activities, with a focus on demonstrating the impact of investments over time.

The Covid-19 pandemic has underlined the vital role of strong Red Cross and Red Crescent National Societies, yet many, particularly those in situations of increased risk, are under greater stress than ever and need targeted investment to support their development and the sustainability of their humanitarian activities.

We call on partners to provide the additional financial support needed to grow this approach to enhancing local capacity.

Working together we can deliver on commitments made as part of the Grand Bargain, provide predictable support for the development of local humanitarian actors, and enhance the capacities of responders in some of the world’s most challenging contexts.

---

**CONTACT**

Chemin des Crêts 17  
Petit-Saconnex  
CH-1209 Geneva  
Tel: +41 22 730 4222  
NSIA.Office@ifrc.org  
www.nsia.fund

---

A joint initiative of

- [ICRC](https://www.icrc.org)
- [IFRC](https://www.ifrc.org)