

MERCY CORPS

AGRICULTURAL DEVELOPMENT

FISCAL YEAR 2009 SECTOR UPDATE



Photo: Joni Kabana for Mercy Corps

Furthering our Mission

FY 09 continued to be a year of growth in agricultural development programming for Mercy Corps. Our experience in this sector continued to expand globally with upwards of 70 projects worth approximately \$100 million in project activities that specifically worked with *“farmers, agri-business, communities and local governments to decrease hunger, increase incomes, improve environmental sustainability and reduce social marginalization.”* Additionally, in most locations, these projects performed as key starting points for addressing post-shock recovery and the root causes of conflict. The design and application of our agricultural development programming is proving to be an effective program area for the transitional environments in which we primarily work. There is a clear synergy with our food security, economic recovery and development programming, as well as the Action Center to End World Hunger and our environmental and conflict management programming. Given the “economic driver” opportunities afforded by investments in agriculture, we have found a niche as a quality innovator in our country contexts.

As the quality and number of agricultural programs continued to grow in fiscal year 2009, our results and impacts followed suit. Our programs now reach over 7 million people, creating upwards of 3,000 jobs, 60,000 individual training opportunities and nearly 20,000 financial grants. These initiatives are helping entrepreneurial farmers in more than 25 countries to not only increase their household’s food security, income and access to market opportunities, but also to help combat climate change through the adoption of environmentally friendly farming techniques.

Positioning with Peers and Donors

Our positioning with peers and donors continues to grow. In February 2009, our Agriculture Advisor was invited to speak at the annual Wal-Mart Inc. global supplier conference in Bogotá, Colombia to share our experience working with small farmers in Guatemala and how private sector partnerships can help close the gap on poverty by helping the poorest of the poor become active participants in commercial value chains. In May 2009, in tandem with the Mercy Corps team in Nepal, we presented the paper titled ‘Spicing up the Deal: Strengthening the Value Chain of High Impact Commodities through Innovative Partnerships’ at the Innovation Asia-Pacific Symposium sponsored by CIAT (International Center for Tropical Agriculture), ICIMOD (International Center for Integrated Mountain Development), and IDRC (International Development Research Centre). This was a competitive process and our presentation was commented on positively by many heads of organizations. Additionally, the team attended one other conference with peer agencies focusing on climate change and agricultural impact as well as global trainings on agricultural credit and village saving and loan programming (VSL) in Africa.

Our field level positioning continues to expand. In transitional environments, more and more often, Mercy Corps is being called upon to implement “smart” recovery and development programs that combine the elements of post-shock recovery, sustainable food systems and agricultural value chain development, economic growth and conflict resolution. In East Africa, we have earned the recognition by USAID/OFDA as its “go-to agency” for economic recovery in the food insecure and conflict-affected Horn of Africa region. In regard to EC funding, we have also expanded our programming considerably with this expected to continue with the new \$1 billion EC Food Facility recently announced, and with 15 of our countries able to apply. Furthermore, peer agencies, from NGOs to

contractors, are consistently contacting us to lead or join teams or consortia to lend our experience in agriculture & economic recovery in transitional situations.

Private donor support for our programming continues to rise as well, with significant support coming from the Phoenix Fund, Whole Planet Foundation, Google Foundation, Artemis and others. While these programs are small in funding levels to start, they often pave the way for the development of replicable methods that secure solid follow-on program funding. In terms of future initiatives, it is becoming clearer and clearer that the greatest opportunity exists for Mercy Corps to invest in the synergy between our agriculture programming and the increase in access to rural financial services, particularly services aimed at smallholder farmers and related market chain actors. Experience and pilots are underway in Afghanistan, Central African Republic, Ethiopia, Guatemala, Mongolia, Nepal, Sudan, Aceh, among others. The recently funded \$17M USAID RAIN program in Ethiopia is a good example of our continued mission to reach the needs of the poorest farmers and their communities by combining a focus on agricultural development combined with access to financial services in underserved and conflict-prone areas.

Monitoring and Evaluating Reach and Program Results

Mercy Corps’s agricultural development unit continues to monitor and evaluate current programs in order to track progress and ensure meaningful impact. Over the past year, we have initiated a new monitoring system that will allow us to aggregate impacts of our programs at a global scale. This system is building standard objectives and impact indicators consistently into program design in order to align our global portfolio and sector mission as well as providing more accurate reporting to our donors, foundations and the people we serve. We are firmly committed to making incremental improvements to our impact evaluation across all countries and programs each year. Currently we are aggregating our FY2009 impact results shortly to be released. FY2008 results are as follows:

	Direct	Indirect	Total	
Reach:	Individuals	5,461,128	1,609,461	7,070,589
	Households	951,907	489,075	1,440,953
	Agri-Businesses	8676	n/a	8,676
Economic Results:	Number of jobs created			3,461
	Number of people trained			58,419
	Number of infrastructure projects			632
	Amount injected through cash-for-work projects			\$ 4,186,297
	Number of grants			19,516
	Amount of grants			\$ 3,239,637
	Number of loans			286
	Amount of loans			\$ 678,924
	Number of agriculture schools			17
Social Results:	Number of Communities worked with			1,544
	Number of community groups mobilized			845
Environmental Results:	No. of farmers trained in environ. friendly farming			24,034
	Number of trees planted			617,157

© 2009 Mercy Corps. All rights reserved.