2000

War. Hunger. Inequality.


Partnership.

In 2000, Mercy Corps changed lives in some of the poorest and most challenged communities on Earth.

With our many global family partners, we helped make the world better for those most in need.

We renew hope.

We find solutions.

We leave behind a legacy of change.
Dear Friends and Partners,

Measuring growth and measuring success are two entirely different equations for a humanitarian organisation like Mercy Corps. The former is relatively simple to chart. How much assistance did you deliver? How many people did you help? These are important numbers, and we are pleased that for the third consecutive year, Mercy Corps has significantly increased the size of its worldwide programmes.

Growth by itself however, is not enough. As social entrepreneurs, we believe that success must be defined by the enduring value that our programmes add to families and communities. Since 1997, the value of our global programmes has more than tripled and Mercy Corps now reaches more people with more assistance than ever before. But what excites us is not simply distributing food, rebuilding homes or disbursing loans. Rather, it’s figuring out how to do these things in ways that leave behind a legacy of change.

By digging a well, will we leave behind a citizenry with the knowledge, confidence and community organisation to address other social problems? In rebuilding war-damaged homes, will we also build a new understanding between hostile groups, a knowledge that their economic destinies are intertwined? These are the real challenges we face. If we can’t find answers — if we can’t add enduring value — everything we do today will disappear over time, often with stunning speed. It only takes a few minutes of armed conflict to destroy a school, a health clinic, or a water system that took months or years to build.

In the year 2000 we worked hard to achieve not only growth, but success. We formed a new Global Emergency Operations team to deliver faster, higher-quality relief assistance worldwide. In addition, we played a leadership role in the Sphere project, a major global effort to set standards and thereby improve the quality of relief assistance. We also invested in new expertise for overall programme management, civil society, and economic development, while developing new partnerships with the Conflict Management Group and numerous local organisations.

At the same time, we renewed our commitment to avoid at all costs the bureaucratisation that often sets in as an organisation grows into a larger, more complex entity. We believe solutions must come from listening to our project participants as we work side by side with them in their homes, fields, shops and factories. You can’t do that from headquarters. Toward that end, we reduced spending on administration and fundraising from 5.7 percent to 4.8 percent of our total global resources. That means 95.2 percent of our resources were spent on programmes — our highest efficiency rating in six years.

The rest of this report highlights the stories of people we assist, along with some of Mercy Corps’ more than 1,000 dedicated staff and volunteers worldwide. It is these people who are creating an enduring legacy of change that is at the heart of our mission. Maybe it’s a farmer in Kosovo selling milk for the first time since the war. Or an Afghan herder saving his last dozen livestock in the face of drought. An entrepreneur in Tajikistan buying school supplies for her daughter with earnings from her new business. A North Korean orphan sitting down to her first meal in days. None of these individual successes would be possible without the immense commitment of our donors, volunteers, partners and supporters. In 2000, you responded with unprecedented energy and generosity. On behalf of our staff, volunteers and Board of Directors, we extend our heartfelt gratitude for your support. With your help, we are doing the things that matter most.

A Letter from the Executive Staff

Dan W. O’Neill
President and Co-Founder
Neal L. Keny-Guyer
Chief Executive Officer

Global Emergency Operations team at Mercy Corps in Portland, Oregon.

Neal Keny-Guyer at Mercy Corps in Portland, Oregon.

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<th>Year</th>
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<th>People Assisted (in millions)</th>
<th>Worldwide Programmes Served</th>
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<td>1997</td>
<td>38</td>
<td>2.1</td>
<td>Charting Mercy Corps’ Growth</td>
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The latter part of the 20th century was a time of crucial change for South and Central Asia, as these nations wrestled with redefined cultural, political and economic identities. In this region, Mercy Corps helps people manage their livelihoods, mitigating the impact of the area’s devastating and ongoing drought.
Afghanistan

After two decades of Soviet occupation, civil war and the worst drought to hit the region in 30 years, Afghanistan faces devastating socioeconomic issues. Over three million Afghans have fled to Pakistan and elsewhere. Failed crops, irrigation and drinking water shortages, a collapsed economy, and the drought-related decimation of livestock greatly influenced Mercy Corps' programming in 2000.

➤ Mercy Corps builds sustainable livelihoods and food security through community participation and investment in Afghan infrastructure. By providing potable water and care for livestock, we help small herd-owners to retain breeding stock to revitalise livelihoods. We also implement cash-for-work programmes that increase families' purchasing power as they repair local water infrastructures — a double benefit.

➤ Our voluntary repatriation programme serves Afghan refugees in Pakistan. Through health services, critical infrastructure repair, and agricultural improvements in their home communities, Mercy Corps creates an environment that encourages Afghan refugees to voluntarily return to southern Afghanistan.

➤ Mercy Corps entered northeastern Afghanistan this year, where increased conflict has led to mass displacement. Drought conditions compound the threat to families and host communities. Mercy Corps is distributing essential items to meet the immediate needs of vulnerable families.

Pakistan

Mercy Corps' work in Baluchistan, Pakistan, started in 1986 to assist Afghan war refugees, and now includes local populations. In Quetta, Mercy Corps strengthens local NGOs' ability to improve public sanitation, hygiene, small-scale microcredit, and health services.

➤ Since 1995, Mercy Corps has trained community health workers to provide preventive care for Afghan refugee mothers and children in Baluchistan. Mercy Corps treats infectious and communicable diseases, and provides reproductive health care and drug abuse awareness programmes in nine basic health facilities. Mercy Corps' staff also trains family members to provide physical therapy for relatives with disabilities, therapy that can continue once they return to Afghanistan.

➤ Due to the devastating drought in Pakistan, we have expanded our health care services in refugee villages to address drought-related concerns, including malaria prevention, and repairing and building wells.

Ferghana Valley

The fertile, densely populated Ferghana Valley straddles the borders of

...
Kyrgyzstan, Tajikistan and Uzbekistan. Mercy Corps, strategically positioned in all three countries, is undertaking a bold, regional response. In 2000, Mercy Corps initiated a comprehensive community-based assessment, inviting residents to discuss issues that affect their lives. The study focused on access to four resources — water, economic opportunities, agricultural development, and health services. Mercy Corps’ programme aims to mitigate resource-based conflict in the Ferghana Valley through improved sustainable community livelihoods. Kazakhstan’s socioeconomic systems were ruptured when the Soviet Union collapsed. Since 1992, Mercy Corps has helped restore communities through microcredit and business support, providing loans and training for entrepreneurs that stimulates local economies with increased jobs, goods and services. Asian Credit Fund, which began as a Mercy Corps microcredit programme in 1997, is now a successful non-bank financial institution providing collateral-based, individual loans (details on Asian Credit Fund on page 50). Mercy Corps’ objective was to form an independent, local organisation to help reduce unemployment by creating jobs and stabilizing family income. We will continue in an advisory role to help strengthen Asian Credit Fund. When the Soviet Union collapsed, Kyrgyzstan was left in disarray. With little history of civil or business law, commercial lending, community non-profit enterprises or private health care, Kyrgyzstan could easily have fallen into civil disruption. Since 1994, Mercy Corps has focused on providing microcredit, social safety nets and agricultural assistance in Kyrgyzstan. Local communities participate at all levels of project decision making and implementation to ensure success and sustainability. Mercy Corps has disbursed agricultural grants to more than 15 organisations to increase food production self-sufficiency, and we implement a food-for-work project that repairs rural drinking water systems. Mercy Corps manages three microcredit programmes in Kyrgyzstan, enabling women, farmers and entrepreneurs to improve livelihoods and economic security. School improvement projects facilitate year-round education, enabling schools to remain open during winter months. Tajikistan A weak government, civil war and vast population displacements, high unemployment, the demise of important social services, and limited natural resources have severely impacted Tajikistan. Since 1994, Mercy Corps’ assistance has evolved from humanitarian intervention to long-term development. We provide food to hospitals, schools and orphanages, oversee food-for-work projects, manage community-based health education, and extend business loans to entrepreneurs. Mercy Corps will soon transfer our lending programme to a local partner, the Association for Business Women, and work with the Government of Tajikistan.
to create a countrywide network of equipped and trained emergency response units that can cope with natural disasters and respond effectively during crises. Our civil society initiative involves citizen groups in Turkmenistan to provide loans to entrepreneurs to purchase raw materials and equipment to expand business activities. In 2000, we achieved nearly 100 percent recovery on loans made to individuals. ➤ Mercy Corps is one of the few recognised institutions in Turkmenistan that concentrates on individual small business clients with credit needs of less than $20,000.

When Mercy Corps began work in Uzbekistan in 1994, we were impedied by the heavily regulated Uzbekistan economy. Since then, we have helped stimulate economic growth through small loans to entrepreneurs and farmers, supporting them with business training and legal advocacy. ➤ Mercy Corps’ Bulungur Institutional Strengthening and Microcredit Programme encourages the formation of independent, cooperative farmer groups, and fills a vital niche as a source of financing for individual farmers, farmer associations and women. The programme boasts a 100 percent loan recovery rate after multiple lending cycles. ➤ Mercy Corps introduced a groundbreaking savings and credit initiative in Uzbekistan. Members of several savings and credit associations contribute monies to collective group funds and borrow from these funds to further their own local development. ➤ Mercy Corps has implemented a training programme that helps rural women develop the knowledge and confidence to address health issues that affect themselves and their families, and raises the level of community health awareness.

The school used to operate a state funded farm that provided the children with fresh fruits and vegetables. But after the breakup of the Soviet Union, the school not only lost its farm, it received no extra funding to provide food and clothing for the children. Without resources to grow or purchase food, many children suffered from chronic hunger — and children with oligophrenia need a high-calorie, balanced diet. "We teach our students to sew and work the land," Alla Kulbeda says. "But how can they do anything if they are hungry?"

In 1995, Mercy Corps provided rice and vegetable oil to the school, enabling the children to eat nutritious meals. This inspired Alla to think of ways in which the school's food production might become more self-sufficient. In 1998, the school converted its sports ground into a vegetable garden. The children enthusiastically volunteered to cultivate the land. It was hard going at first. But the children's confidence that they would soon eat their own fruits and vegetables kept Alla going through each setback.

The children have not only nurtured crops. They have developed dreams. "Something appeared in their souls — hope," says Mercy Corps Kyrgyzstan staff member, Chinar Usubalieva. In April 2000, Mercy Corps awarded more money to the school to plant sugar beets, potatoes and corn. While this will not completely solve the school’s food issues, the experience of growing food with their own hands has given the children of Krasnaya Rechka School a sense of pride. As Alla says, "I believe our main harvest is the belief we have all gained in our own abilities."
Since 1993, Mercy Corps’ relief and rehabilitation work in the Balkans has been linked to long-term social and economic recovery. We are committed to working collaboratively with local partners until peace comes to these troubled lands.
Albania The poorest Balkan country, Albania faces massive social and economic challenges, which were compounded in 1999 when Albania opened its doors to hundreds of thousands of Kosovar refugees. Now that most of the refugees have returned home, Mercy Corps continues to provide subgrants to local and international organisations to improve health care and education facilities in former host communities.

Bosnia-Herzegovina Mercy Corps has linked emergency response in Bosnia to long-term development programmes to help rebuild this shattered country. Our multi-ethnic staff work together on projects that focus on physical and social revitalisation.

➤ Our Minority Return programmes combine reconstruction, economic development and civil society initiatives to help displaced families return to their pre-war homes. In addition, Mercy Corps undertakes microcredit and community-building activities that help both returnees and their neighbours revive their diverse local communities.

➤ In 1997, Mercy Corps’ Economic Development Department launched a successful microcredit programme in former front line communities. By 2000, the programme had evolved into the independent, locally run Partner Microcredit Organisation (for more information on Partner, see page 50) that helps rebuild small businesses in hard-hit communities.

➤ Mercy Corps’ Bosnia Women’s Initiative (BWI) helps fund community development and income generating activities designed and implemented by local women’s groups. BWI improves the capacity of local groups to help themselves while facilitating dialogue among women from all ethnic backgrounds.

Kosovo, Federal Republic of Yugoslavia In 1993, Mercy Corps began implementing humanitarian relief and agricultural development programmes in Kosovo. Since fighting ended in 1999, Mercy Corps has been a leader in the transition to development programmes that reduce dependency on foreign aid.

➤ Mercy Corps’ Eastern Kosovo Stabilisation Programme promotes tolerance and cooperation between ethnic Serbs and Albanians through agricultural and economic development activities that benefit both communities. Our Kosovo Women’s Health Promotion Project improves health care services for 81,000 women and children through community education and training for local nurses. Mercy Corps’ Kosovo Women’s Initiative assists women in western Kosovo to organise their own income generation and...
In 1999, Mercy Corps’ office oversaw emergency food distribution and managed two refugee camps in Macedonia. In 2000, Mercy Corps worked with local partners to rehabilitate the camp at Senekos and to distribute food to remaining Kosovar refugees. The site at Senekos has been completely restored and now serves as a park and recreation area for surrounding communities.

In 1999, Mercy Corps’ office oversaw emergency food distribution and managed two refugee camps in Macedonia. In 2000, Mercy Corps worked with local partners to rehabilitate the camp at Senekos and now serves as a park and recreation area for surrounding communities.

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Economic development.
Innovative agricultural techniques.

Food security.
Family strengthening.
Community capacity building.

Mercy Corps’ East and Southeast Asia programming covers a vast geographical region undergoing dramatic transitions. As each nation struggles with its own unique set of challenges, our work covers a wide range of needs and involves local populations in resolving their own social and economic problems.
China today faces dramatic rises in urban unemployment, rural poverty and desertification. In collaboration with local partners, Mercy Corps’ community support and microcredit initiatives will help reduce suffering caused by poverty and land degradation. ➤ In 2000, Mercy Corps and the prestigious Guanghua School of Management at Peking University co-founded the China Center for Small Enterprise Development (CCSED) to address urban job loss due to privatisation of state owned enterprises. The CCSED currently offers business training and, in the future, will provide microcredit and advocate policy changes to support small and medium sized business. ➤ In collaboration with the China Foundation for Poverty Alleviation (CFPA), Mercy Corps’ Greenlife Project will offer microcredit to farmers in central China to plant trees and help reduce land erosion. Indonesia Half of Indonesia’s 200 million people live in poverty and one million have been displaced by conflict. Political disorder and economic collapse have produced social upheaval in the largest Muslim populated country in the world. ➤ Since 1999, Mercy Corps has assisted more than 100,000 Indonesians. Impoverished Jakarta residents participate in food-for-work projects, revitalising families and communities. Local organisations receive grants to implement their own solutions to economic and social problems. ➤ In turbulent Maluku Province, Mercy Corps offers grants to local partners rather than assisting individuals directly. This strengthens local ability to address the needs of displaced people, improves accountability, reduces dependency on outside aid, and promotes ethnic and religious cooperation. ➤ In association with Land O’ Lakes, Pact and Associates in Rural Development, Mercy Corps works with Gobi region men and women to improve their economic well-being, infusing civil society initiatives into integrated activities. ➤ Mercy Corps established Goviin Ekhlel, a non-bank financial institution, to offer loans to eligible rural borrowers in underserved rural Mongolia. In 2000, four branch offices opened, disbursing more than $190,000 in loans to 70 Gobi businesses. ➤ Mercy Corps’ Gobi Business News magazine expanded into radio and internet formats, providing crucial information to 200,000 households throughout Mongolia, including nearly 100 percent of Gobi inhabitants who receive information about markets, weather, ➤ ➤ ➤ ➤
North Korea
North Korea’s recent overtures to the global community have captured the attention of the world. Since 1996, Mercy Corps has worked to avert widespread malnutrition while laying the foundation for greater food security. We have reached more than 200,000 people with emergency food, medicines and agricultural projects. ➤ Mercy Corps’ successful model farm project in South P’yongan province supports long-term agricultural development by introducing new farming techniques. Mercy Corps arranged exchanges between US and North Korean agricultural delegations, providing opportunities for North Koreans to study techniques first-hand from their US counterparts. Mercy Corps also participated in airlifts of agricultural and medical supplies, and increased humanitarian aid for North Korea from a wide variety of sources. These relationships will prove invaluable as we continue to advocate for coordinated action, engagement and peace on the Korean peninsula.

When the Soviet Union collapsed, Russia’s social and economic infrastructure was severely affected. More than 600,000 children are registered as orphans, although 90 percent have at least one living parent. With no social support structure in place, many families are forced to choose between abandoning their child to institutions or inadequately providing for them at home. ➤ The long-term goal of Mercy Corps’ Assistance to Russian Orphans programme is to dramatically improve the quality of care for orphans in the Russian Far East. Mercy Corps provides grants to build the capacity of local organisations to effectively prevent child abandonment, and to care for institutionalised children. We support the creation of a social service structure where children are cared for at home, crisis prevention services are established, and institutionalised children are empowered with life skills.

Iin Iridi — A New Beginning

In Iridi lives in a tiny house in East Jakarta, Indonesia, with her husband and four children. The family has no toilet or kitchen and must share a public latrine with 49 other people.

Besides having to pay rent every month, the Iridi family has to pay the latrine and must purchase fresh drinking water every day. Because of this financial burden, and an unpredictable income, the Iridi were often forced to borrow from money-lenders at exorbitant interest rates to make ends meet.

Determined to change her family’s fortunes, Iin approached Women in Solidarity, a local organisation directly supported by Mercy Corps. Women in Solidarity helps women improve their lives by providing loans to start small businesses. Iin received help in preparing a business plan and $60 to open a small kiosk to sell soft drinks and snacks.

Since opening her business, Iin’s family income has doubled. “I now not only support my family, but I am also able to send my children to school,” says Iin. Before Iin went into business, her children had to work to help support the family. “Now my children can concentrate on their education while I can put aside some money for our future,” she continues.

Women in Solidarity also taught me how to manage my finances and increase my profits,” adds Iin in a voice filled with new confidence. “I am no longer confused about how to allocate money for both my business and my household.”

Inspired by Iin’s success, friends and neighbors have started saving money and investing in small business ventures. When asked her plans for the future, Iin replies, “I am going to open my own shop.” With her determination and hard work, it will not be long before she makes that happen.

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Mr. D Khan, headmaster, and his 12-year-old daughter, Ekhtiyar, Monolga. Ms. D Khan has been a Mercy Corps Gobi Initiative group leader since early 2003.

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Mr. Amansaran, shoe manufacturing owner, in a joint venture out of Tsohre, Monolga. A letter of help he would like to receive: “To be able to start another shoe business in his building.

page 20 (left)
Mongolian herder, Dundgovi province, Mongolia.

page 20 (right)
The ger of the nomad Tumubchuluun family, about 40 kilometers outside of Huld Soum, Dundgovi province, Mongolia.

page 21 (left)
Nomadic herder photographed at winter camp between Mandalgovi and Ovdel Soum, Dundgovi province, Mongolia.

page 21 (right)
Nomadic herder photographed at winter camp between Mandalgovi and Ovdel Soum, Dundgovi province, Mongolia.

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Young member of the Tumubchuluun family, Dundgovi province, Mongolia.

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Frank left to right: Elkhairi Farea, Mercy Corps Indonesia Grants Program officer; Ms. Ili Iridi; Ms. Ilyas Aweyaan, Women in Solidarity Chairperson. All stand in front of Ili’s house.

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Mr. Amarsanaa, shoe manufacturing owner, in a joint venture out of Tsohre, Monolga. A letter of help he would like to receive: “To be able to start another shoe business in his building.”
Remote rural villages.

Poor urban areas.

Refugees. Immigrants.

The people we serve throughout the Americas work steadfastly and unceasingly for political, social and economic change that will benefit all of society, with an emphasis on breaking endemic cycles of poverty. Mercy Corps is proud to share in that labour.
Mercy Corps’ partnership with Proyecto Aldea Global (PAG) in Honduras is our longest. Our joint efforts there cover a range of programmes, from public health care and civil society initiatives to post-Hurricane Mitch reconstruction and community rehabilitation. ➤ Mercy Corps/PAG’s Civil Society Programme emphasizes integrated development. Since 1996, the programme has focused on increasing citizen and community awareness and participation in the political process. ➤ Mercy Corps/PAG also supports 17 geographically isolated health clinics. Our Child Survival project operates in 300 rural communities, providing essential low-cost medicines to poor families, and reducing maternal and child mortality by training community health care workers to educate rural mothers in proper nutrition and disease management. ➤ Mercy Corps/PAG’s programming in the urban slum of Flor del Campo provides alternatives to drugs, gangs and unemployment for hundreds of children and adults. Our revolving microcredit fund in this crowded Tegucigalpa neighborhood offers opportunities for poor entrepreneurs to start their own businesses. ➤ Mercy Corps/PAG serves more than 300,000 of the poorest and most underserved Honduran citizens. Nicaragua Since November 1999, with the support of long standing local partner Proyecto Aldea Global Jinotega, Mercy Corps’ civil society team has partnered with local organisations to implement civil society programmes adapted specifically to Jinotega, one of the poorest regions in Nicaragua. ➤ In 2000, Mercy Corps helped form the Jinotega Civil Society Network. A coalition of local organisations, the Network strives to increase citizen participation in local development and strengthen organisations in Jinotega. The Network emphasizes collaboration to create a common community vision. ➤ A major Mercy Corps achievement this year was the organisation of the Jinotega Democracy Festival. Amidst music, dancing, athletic activities, and a strong media presence, citizens participated in educational workshops on the electoral process, and perused a voter’s guide published by Mercy Corps. There was a Mayoral Candidate Forum where, for the first time, people directly questioned candidates for mayor about their proposed policies. United States Mercy Corps’ United States programmes serve refugees, immigrants, women, minorities and low-income
Maria del Carmen Marquez — Saving Lives in Honduras

María del Carmen Marquez is a community health worker for Mercy Corps/Proyecto Aldea Global’s Child Survival project. She lives in Siguatepeque, Honduras, with her three children, all of whom have either finished or are still enrolled in high school — a phenomenal accomplishment in this country where people often receive less than six years of formal education.

A dedicated and committed professional, Maria lives apart from her children during the week because she must travel to remote rural communities as part of her work. With no public transport available, Maria walks through the mountainous region of Guarajao to reach her constituents.

Maria coordinates her health education activities with the nurse at the Guarajao Health Clinic, the only health care facility in the area. She then visits mothers and children, working to gain their trust before introducing new concepts in child health care.

Change does not come easily. Many rural mothers use ineffective remedies rather than visit a physician. Some mothers even stop hydrating and feeding their children when ill, though this practice is becoming less common, thanks to Maria and her fellow health workers.

Maria’s job is often difficult. She must work slowly to introduce more preventive health care techniques to rural mothers and caretakers. At first, she was frequently criticized by community leaders fearful of change, but through her perseverance and dedication, many of those leaders are now her strongest supporters.

Maria is completely dedicated to her work. “Mercy Corps and Proyecto Aldea Global have been like a school for me. I have learned so much,” she says. “I have had difficult times in my life and I thank God that I can now help others through this work.”

entrepreneurs in the Portland, Oregon metropolitan area. >> Mercy Corps’ Refugee/Immigrant Self-Employment (RISE) project is Oregon’s only microenterprise program focused solely on the state’s refugee and immigrant population. RISE brings together social service agencies, banks and private businesses to offer loans and deliver technical assistance to participants. In addition, RISE participants receive one-on-one professional mentoring. >> Mercy Corps’ Portland Entrepreneur Initiative (PEI) helps low-income, women and minority entrepreneurs to start or expand small businesses. PEI also brings together community organisations, commercial banks and private businesses to respond to the needs of Portland’s small businesses.

In December of 1999, heavy rains in Venezuela produced catastrophic floods and landslides, affecting thousands of people and leaving homes and possessions under a deluge of mud. >> Mercy Corps collaborated with Venezuelan organisation Servicio de Apoyo Local (SOCSAL) to rehabilitate flood affected areas and train local populations in risk prevention and emergency preparedness. In order to most accurately identify neighbourhood priorities during reconstruction, Mercy Corps/SOCSAL pioneered a community based psychosocial programme, whereby disaster survivors work together to move beyond individual trauma to identify group priorities. >> Mercy Corps/SOCSAL is implementing rebuilding projects and community outreach, and instituting training in disaster prevention and mitigation with the Venezuelan Firefighter Corps, local and international organisations and citizens groups.

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A mother brings her children to be weighed and measured as part of a Mercy Corps/Proyecto Aldea Global’s child survival health education session in Hamuya, Honduras.

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Farm family from Las Lajas, Honduras.

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Men work in small canoes to take food to families stranded by Hurricane Mitch in the flooded Sula Valley, Honduras.

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Three young boys outside a rural health center in San Jose, Honduras. They await their mother, a health volunteer receiving child survival training from Mercy Corps/Proyecto Aldea Global.

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Aftermath of floods and mudslides in Venezuela.

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Young girl waits at Manzana Health Clinic, Honduras.

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Young boys build long construction work on a community school in Las Bicas, Honduras.

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Maria del Carmen Marquez (right), with a Mercy Corps/Proyecto Aldea Global Chil Survival project participant.
Diversity and upheaval.

Stability and new hope.

Mercy Corps’ programming in the Middle East and Caucasus reflects the extremely different challenges that these two regions face. Our work is tailored to involve participants as they address specific community and national concerns.
advocacy for, social services and economic improvements. It strengthens the capacity of communities to capitalise on local resources to resolve development issues. ➤ Communities choose representatives from local organisations, such as cultural and business associations, and youth and women’s groups, to identify and prioritize community needs. Mercy Corps provides technical assistance and guidance for health, education and microenterprise projects chosen by community groups. By promoting participant-devised solutions to community issues, Mercy Corps intends to create independence and self-reliance.

Many Georgians are not aware of current national laws that might aid — or impede — their pursuit of social and economic betterment. An important component of Mercy Corps’ Initiative is the Social Policy Unit. Managed in partnership with Georgian organisation Horizonti, the Unit is specifically designed to help citizens identify and change national legislation that directly impacts local issues.

For the last 12 years, Azerbaijan has been in the midst of a devastating conflict with neighboring Armenia, resulting in the displacement of over 850,000 Azeri citizens. Responding to this vast need, Mercy Corps launched programming in 1997, and is the leader in shaping the strategy of the largest humanitarian development initiative in Azerbaijan. ➤ Mercy Corps’ Azerbaijan Humanitarian Assistance Programme (AHAP) grant enables our international sub-grant partners to promote and incorporate citizen participation in all programme activities. By intimately involving project participants in the creation process, Azerbaijan communities are empowered, leading to the more effective provision of local resources and long-term sustainability. ➤ More than 450,000 displaced people have been assisted by AHAP programming, and 130,000 vulnerable people already benefit from shelter and health care programmes, microcredit lending and development of community organisations. In 2000, Mercy Corps began the East Georgia Community Mobilisation Initiative. Based on fundamental civil society principles, the Initiative stresses participant identification of, and needs, which ultimately empowers the community to create and sustain their own development solutions.

Lebanon

Mercy Corps’ development work in Lebanon extends back to 1995, when we first began working with communities in both occupied and non-occupied areas to create a healthy and sustainable rural environment that...
Dr. Javanshir Hajiyev
Young Lion of Faith

Dr. Javanshir Hajiyev is Mercy Corps’ Health Programme Officer in Azerbaijan. Recognised within the Azeri health community as an experienced professional, Javanshir — whose name means “young lion” — manages primary health care grants that serve displaced people throughout Azerbaijan.

For Javanshir, the best times are not those spent chairing meetings and writing reports, but time spent in the field. He believes human contact with those in need — whether sharing a cup of tea, or just chatting with clients — is the most important part of his job.

This ethos extends to Javanshir’s life in the Mercy Corps office. Every day, Javanshir checks in with each working team and offers his assistance to other sectors and programmes. A large part of his day is spent ensuring open communication between different Mercy Corps partners. Javanshir’s problem solving abilities are made easier by his non-confrontational openness — a skill he says he developed at Mercy Corps — that enables him to see issues from the perspective of all parties involved.

In six years working in the relief and development field, Javanshir has seen grassroots change in Azerbaijan, reflected in increased confidence and self-reliance among people at both the community and individual level. Javanshir hopes that Azerbaijan will maintain its independence and that peace and justice will continue to grow within the hearts of its people.

Javanshir is intent on improving his skills and better serving his fellow citizens. He embraces the unknown and encourages all around him to do the same. We are proud that such a dedicated person works with us at Mercy Corps.

In the wake of the historic Israeli withdrawal in May 2000, Mercy Corps was asked by the US Agency for International Development to expand programming in southern Lebanon. Mercy Corps was one of the first development organisations to enter and assess the situation in southern Lebanon, and we have since escorted US government officials and congressional delegations into this troubled area. Through active client participation in the decision making process and inclusion of local and national government bodies, Mercy Corps introduces democratic principles into all Lebanon programmes. This highly participatory approach strengthens efforts to improve infrastructure and promote economic growth.

Mercy Corps has supported economic betterment and promoted peace and reconciliation among 30,000 families in Lebanon. We are currently active in more than 30 villages in southern Lebanon and 60 others in western Bekaa, Rachaya and Akkar.

Almost two years after the devastating earthquakes in 1999, the situation in Turkey remains critical. More than 70,000 survivors are still housed in temporary shelter and unemployment is endemic due to loss of livelihoods.

One of only two international humanitarian agencies registered in Turkey, Mercy Corps provided emergency services and supplies to thousands of homeless people immediately after the first earthquake. Mercy Corps has since built mobile health clinics and helped repair schools and hospitals damaged by the quakes, and our work in Turkey has benefited nearly 800,000 people.

Mercy Corps’ lasting contribution to the people of Turkey has been our Disaster Mitigation and Prevention programme. Working with Turkish municipalities, as well as the Istanbul Civil Defence Unit, Mercy Corps trained and equipped rescue workers and conducted disaster preparedness trainings in the neighborhoods of Istanbul. These rescue teams have since been deployed to other countries struck by earthquakes.

about the photos

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Absorbing the light, Museum Castel Moussa, Lebanon

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Woman in Kichan, Azerbaijan

page 32 (left)
Women waiting to vote, Turkey

page 32 (right)
Boys playing in the old quarter, Anadolu, Turkey

page 33 (left)
Children at the Monthly Usage school in Lebanon

page 33 (right)
Neighborhood in the old city, Istanbul, Turkey

page 34
Young Turkish boys

page 35
Dr. Javanshir Hajiyev

page 36
Dr. Javanshir Hajiyev

would enable farmers to stay on their land.

➤ In the wake of the historic Israeli withdrawal in May 2000, Mercy Corps was asked by the US Agency for International Development to expand programming in southern Lebanon. Mercy Corps was one of the first development organisations to enter and assess the situation in southern Lebanon, and we have since escorted US government officials and congressional delegations into this troubled area.

➤ Through active client participation in the decision making process and inclusion of local and national government bodies, Mercy Corps introduces democratic principles into all Lebanon programmes. This highly participatory approach strengthens efforts to improve infrastructure and promote economic growth.

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Africa

Famine. Flood. War.

Renewal.

Mercy Corps’ work in Africa dates back to 1981, almost to our inception. In 2000, we found ourselves once again offering humanitarian aid, as war and a crippling drought in the Horn of Africa left hundreds of thousands of people in crisis.
Senait Tesfamicael works as a Mercy Corps Nutrition Field Monitor in Eritrea. Born in Ethiopia, she moved to Asmara, Eritrea with her parents when she was seven. After finishing high school with an excellent academic record, Senait was accepted into Asmara University, graduating in 1999.

In Eritrea, all young people are required to complete one year of national service, and Senait was assigned to teach in a secondary school in Adi Quala in September 1999. In May 2000, when fighting broke out between Ethiopia and Eritrea, more than 90,000 people — the entire population of Adi Quala — were evacuated to camps in northern Eritrea.

Senait was greatly affected by the war and the impact it had on the people she lived and worked with. Senait realised that she wanted to help those whose lives had been altered by the conflict. When her national service was completed, Senait put her ideals into practice and joined Mercy Corps.

Senait’s work for Mercy Corps takes her to some of the poorest rural communities. Every day, she travels over dirt roads and paths to visit remote health stations, working with local health care workers to monitor child malnutrition. When children are below normal expectations for their age, they receive supplemental food.

“It makes me feel very satisfied to see our programme make such a difference to weak and frail children,” Sanait says. “I have seen them become stronger as a result of the food we provide, and this means a great deal to me.”

Senait also appreciates the fact that the programme has given her a better understanding of the situation in rural Eritrea. “I have a better knowledge of Eritrea and how people live and their health concerns since I started working with Mercy Corps,” she says.
We believe that only by incorporating civil society initiatives into relief, development and peace building programmes can we assist people in building secure, productive and just communities.

In former Soviet Georgia, communities mobilise to identify and solve their social service and economic needs. A Democracy Festival in Nicaragua helps better inform voters by providing a forum through which candidates for public office present their platforms. In Indonesia, Mercy Corps provides neutral meeting space for local organisations on both sides of the Muslim/Christian conflict in Ambon. And in Tajikistan, diverse groups of citizens — local representatives, government employees, students and teachers — work together to raise awareness of human rights.

In countries around the world, Mercy Corps’ programmes support local efforts to strengthen peace and stability. Mercy Corps works with people to rebuild war-torn societies, become involved with their communities and governments, and create positive economic impact — civil society in action.

Since the late 1980s, Mercy Corps has been a leader in fostering and implementing civil society initiatives. An essential part of our organisational mandate, civil society covers a broad spectrum of involvement — promoting participatory government, strengthening local community groups, seeking linkages with the private sector — and facilitating relations between all three sectors.

Mercy Corps’ civil society initiatives are guided by three principles:

- **Participation.** Freedom of expression and assembly, access to accurate information, and access to those in power are prerequisites for effective citizen and community involvement in self-governance.

- **Accountability.** A transparent system of clear laws that apply equally to all helps ensure that those in power will be held responsible for public decision-making that affects all segments of society.

- **Peaceful change.** Attitudes of tolerance, trust and respect for human rights are essential in order for societies to mitigate conflict and initiate nonviolent cultural transformations.

Government, the private sector and citizen associations — all represent critical actors in the creation of a civil society. Mercy Corps’ civil society initiatives evolved out of our founders’ commitment to justice, equality and human rights — a commitment that remains stronger than ever as we head into the future.
ECONOMIC DEVELOPMENT & MICROENTERPRISE — Investing in the Future

We believe that economic vitality is critical to community stability, and that by strengthening the private sector, supporting local organisations and providing access to the marketplace, we can jump-start local economies, increase household income and create jobs.

Mercy Corps considers economic development activities, including strong microenterprise programmes, an institutional priority. Each year, Mercy Corps implements programmes that disburse millions of dollars in loans to individuals and cooperative groups worldwide.

Each loan has the potential to dramatically change lives. A successful business means steady jobs and income for the owners and employees. Families can invest in better health care, shelter and education for their children.

In the transitional environments in which we work, where social capital is often depleted, the most immediate priority is community renewal, particularly restoration of economic health. Mercy Corps’ microenterprise programmes promote job creation via business growth. By supporting local production, stimulating local markets, keeping goods and services affordable, and helping to lessen dependence on imports, Mercy Corps enhances economic and civic health.

In keeping with Mercy Corps' civil society commitment, we consider effective advocacy for legal reforms, and the removal of regulatory barriers to economic development fundamental to achieving success. Mercy Corps also considers it crucial that our microcredit programmes be linked to and eventually managed by local institutions, and that budding entrepreneurs receive business training and credit to ensure the success of their nascent ventures.

Micro, small and medium sized enterprise development has proven to be an effective way to promote economic growth and decrease unemployment rates throughout the world. Mercy Corps operates these types of programmes in the Americas, Azerbaijan, the Balkans, Central Asia, China, Georgia, Lebanon, Mongolia, and Pakistan.

HEALTH — Ensuring a Healthy Start for Children and Families

We believe that access to health care and information is a basic human right and key to building vital, robust and secure communities.

Mercy Corps views community-based, preventive public health services as the foundation for both emergency interventions and long-term development. Health education, strengthening local providers and improving medical services are all essential elements of Mercy Corps' health care programming.

Preventive community-based health education. Lack of food and water, homelessness and family separation, loss of income, and stress all threaten to compromise the health of people in crisis. Mercy Corps provides education in hygiene, sanitation and infectious disease prevention — particularly to women and children who are especially vulnerable when disaster strikes.

Maternal and child health. In many places around the world, the needs of mothers and children are often eclipsed due to gender discrimination, low literacy, unemployment, and lack of access to basic health information. Mercy Corps provides community health education in safe birthing practices, newborn care and nutrition, immunisations, and breast feeding promotion to help ensure improved child survival.

Women's health care. While overlapping with maternal and child health, Mercy Corps' women's health care programming also includes services for non-pregnant women. Through counseling and community outreach, Mercy Corps provides women with information on safe motherhood, avoiding sexually transmitted infections, health benefits of child spacing, and sexual and gender-based violence. We also support local providers in providing birthing and gynecological care.

In 2000, Mercy Corps received two prestigious Andrew W. Mellon Foundation grants to strengthen our internal health programming capacity, allowing us to develop more effective emergency responses, provide training for local field staff, and improve resource sharing between our health programmes worldwide.

Our health efforts have doubled since 1998 as Mercy Corps responds to diverse, emerging health needs. Mercy Corps' health efforts reach more than 650,000 people in Afghanistan, Albania, Azerbaijan, Central Asia, Eritrea, Georgia, Honduras, Kosovo, Montenegro, Mozambique, North Korea, Pakistan and Turkey.
EMERGENCY AND DISASTER ASSISTANCE — Meeting the Challenges of Complex Emergencies

We believe that emergency assistance is most effective when linked from the outset to civil society initiatives, community-based health services and economic opportunities.

Mercy Corps provides emergency aid that is appropriate, timely and respectful of people’s dignity, partnering with local agencies whenever possible.

After two earthquakes struck Turkey in 1999, Mercy Corps not only provided emergency services to thousands of homeless people, but also helped develop a Disaster Mitigation and Prevention programme, which trained and equipped rescue workers, and conducted disaster preparedness trainings for Istanbul Civil Defense Units and other Turkish municipalities.

We transferred lessons learned in Turkey to provide assistance in Venezuela, which was devastated by floods in late 1999. Partnering with Venezuelan organisation Servicio de Apoyo Local, we provided training in future risk prevention and emergency preparedness to local groups, and supported community-based psychosocial work with traumatised survivors.

In 2000, Mercy Corps also provided emergency aid to people in Afghanistan, the Balkans, Eritrea, Ethiopia, Indonesia, Kyrgyzstan, Mongolia, Mozambique, Pakistan, North Korea, and Tajikistan.

The Global Emergency Operations Team.

In 2000, Mercy Corps established the Global Emergency Operations (GEO) team, dramatically expanding our ability to quickly and effectively respond to complex humanitarian emergencies around the world.

During 2000, the GEO team was deployed to Afghanistan and Indonesia to design and implement critical assistance programmes for people uprooted from their homes by drought and conflict. The team also works with Mercy Corps’ operations worldwide to strengthen disaster preparedness and staff security.

Sphere Project.

The Sphere Project’s Humanitarian Charter and Minimum Standards in Disaster Response handbook is the result of a collaborative effort by international humanitarian organisations to improve the quality of disaster assistance, and to increase the accountability of the humanitarian community engaged in disaster response.

As one of 20 international agencies piloting the integration of the Sphere standards into organisational philosophy and programme operations, Mercy Corps has assumed a leadership role and made a commitment to advocate on behalf of disaster affected populations.

PROGRAMMING APPROACHES — Finding Alternative Solutions

At Mercy Corps, we utilize other resources — financial and material — to support programmes that meet the development needs of those we help around the world.

Umbrella Grants. Through the management of subgrant agreements, Mercy Corps provides technical assistance, programme oversight and impact evaluations to local and international partners. These integrated and collaborative partnerships enable Mercy Corps to offer broader, sustainable programmes that result in stronger humanitarian impact. And by incorporating civil society initiatives into all subgrants, Mercy Corps ensures that participant communities direct projects suitable to their local needs.

In 2000, Mercy Corps added umbrella grants in Albania and Georgia to our portfolio. Our $45 million flagship grant, Azerbaijan Humanitarian Assistance Programme (AHAP), places Mercy Corps in the forefront of shaping humanitarian assistance in Azerbaijan, assisting 450,000 displaced people.

Material Aid. Mercy Corps’ material aid programme — the distribution of essential food and other commodities — is an important part of our emergency response strategy. By meeting immediate needs, we help lay a foundation where private enterprise, health, education, and civil society initiatives will flourish. Mercy Corps also ensures that all material aid provided is truly needed, culturally appropriate and procured locally whenever possible.

Hundreds of thousands of disadvantaged persons have benefited from Mercy Corps’ material aid programmes. Since 1980, Mercy Corps has distributed over $277 million worth of in-kind goods worldwide, including to Central and Southeast Asia, Latin America, the Middle East, the Balkans and Africa.

Monetisation. Using commodities — food and other goods — as resources rather than distributions can transform humanitarian assistance into sustainable programming that more effectively addresses root causes of hunger and conflict.

Monetising bulk commodities such as wheat, flour, corn, and soybean oil supports much of Mercy Corps’ long-term local development programming: microenterprise programmes in Bosnia and Kyrgyzstan, grants to local organisations in Indonesia, and new community development in southern Lebanon. In the last five years, monetisation has generated $60 million to support Mercy Corps’ programmes.
Mercy Changes The World

Where We Work

In 2000, the global resources of Mercy Corps and its partners totaled more than $128 million. We managed 29 ongoing worldwide programmes and delivered material aid to another two countries, assisting 5 million people in need.

This map highlights in color where we currently work, where we have operated in the past (in gray), and the headquarters of the partners that form the Mercy Corps family.

Worldwide Programs

Africa
1. Eritrea
2. Ethiopia
3. Mozambique

Americas
4. Honduras
5. Nicaragua
6. United States
7. Venezuela

Balkans
8. Albania
9. Bosnia-Herzegovina
10. Kosovo (FRY)
11. Macedonia
12. Montenegro (FRY)
13. Serbia (FRY)

Central and South Asia
14. Afghanistan
15. Kazakhstan
16. Kyrgyzstan
17. Pakistan
18. Tajikistan
19. Turkmenistan
20. Uzbekistan

East Asia
21. China
22. Indonesia
23. Mongolia
24. North Korea
25. Russia

Middle East/Caucasus
26. Azerbaijan
27. Georgia
28. Lebanon
29. Turkey

The Mercy Corps Family
30. Mercy Corps (Portland, OR, USA)
31. Mercy Corps Scotland (Edinburgh, Scotland, UK)
32. Mercy Corps DC and Pax World Service (Washington, DC, USA)
33. Mercy Corps Seattle (Bellevue, WA, USA)
34. Proyecto Aldea Global (Togucigalpa, Honduras)
35. Proyecto Aldea Global Jinotega (Jinotega, Nicaragua)
36. MerciPhil Development Foundation (Manila, Philippines)

Mercy Corps provided material aid to the following two countries. At present, we have no ongoing development programmes in these countries.

Cuba
Mexico

Material Aid
To our Mercy Corps supporters, compassion knows no borders. From Turkey to Venezuela, Indonesia to Afghanistan, our efforts were strengthened by your generosity in 2000. Without each one of you, our work would not be possible.

As we express our deep gratitude to our many dedicated partners, we would like to renew our commitment to share mercy, justice and compassion around the world. With your help, we will continue to work to overcome hate, violence, poverty and despair.

Together, we are doing the things that matter most.

Thank you.

Acknowledgements

The Hunger Site

In 2000, The Hunger Site selected Mercy Corps as one of two partners to receive funding from its popular “click-to-give” website. The Hunger Site is one of the most popular sites on the Internet. Every time you visit, advertisers on the site donate enough money to provide a cup of food to a hungry person. Visit hungersite.com to find out more.

Microsoft

Microsoft awarded Mercy Corps a Disaster Assistance Technology Grant totaling $150,000 in cash and $329,000 in consulting time, hardware and software. Working with Microsoft consultants, staff from Mercy Corps and five partner agencies developed a web-based commodity tracking system to move goods faster and more efficiently to people in need.

Dr. Landrum Bolling

Dr. Landrum Bolling, Mercy Corps’ Director-at-Large, continued his global peace-building activities in 2000, bearing a message of hope and reconciliation to people around the world. Dr. Bolling traveled to the Middle East, Iran and the Balkans, bringing with him his 50 years of experience as a journalist, author, educator and behind-the-scenes diplomat.

High-Value Giving

When you give a dollar to Mercy Corps, your gift is leveraged many times over. We use your gift to secure support from governments, foundations, organisations and other partners. In 2000, our “leveraging factor” was $20.17 — one of the highest figures in Mercy Corps’ history.

How We Stretch Your Dollar

Every dollar donated to Mercy Corps enables us to obtain grants, contracts and donated goods from governments, international organisations, churches and other partners worth $20.17.
The Mercy Corps Family

With US and Scotland based headquarters and vital partnerships around the globe, Mercy Corps forges relationships with local organisations to alleviate poverty and suffering. We are proud to honor those who make up the Mercy Corps family.

Partner Microcredit Organisation

Partner Microcredit Organisation began in 1997 as Mercy Corps’ Bosnia Economic Development Department, and is now an independent, local institution. Due to Partner’s success, Mercy Corps was awarded a prestigious Implementation Grant by the US Agency for International Development.

Asian Credit Fund

In 1997, Mercy Corps initiated small and microcredit lending in Kazakhstan — a programme that has since evolved into the independent Asian Credit Fund. The goal is to strengthen the Kazakhstan economy by supporting small business entrepreneurs — as more Kazakhstani citizens receive loans, family income and employment will rise. Prior to its start, private enterprise in Kazakhstan scarcely existed. Asian Credit Fund has issued more than 980 loans totaling over $3.4 million.

The World Bank’s August 2000 Mission Report on Microfinance Development in Bosnia states: “Mercy Corps has been at the forefront of trying to reestablish relations and economic ties between different ethnic groups.”

Partner is the only microcredit organisation concentrating on the heavily destroyed area of the former front line. The organisation — employing Serb, Croat and Muslim staff — is a model of what Bosnia can become. Partner has issued more than 11,000 loans worth $36.3 million. According to the World Bank, Partner is the largest microcredit organisation in Bosnia.

Proyecto Aldea Global—PAG

Mercy Corps and Proyecto Aldea Global have been working together in Honduras since 1982. We are recognised there for high impact programmes, particularly health care and civil society initiatives in underserved communities.

Mercy Corps/PAG’s integrated community development programmes provide health services, education, and agricultural infrastructure development. We serve more than 200 villages in 17 municipalities, mostly in rural north and central Honduras, and in the slums of Tegucigalpa.

Mercy Corps/PAG helps strengthen local communities. After Hurricane Mitch struck in 1998, our strong track record in Honduras led to a quick mobilisation of resources, and our prior civil society initiatives enabled citizens to lobby effectively for rehabilitation projects for their communities.

Mercy Corps/PAG is a model of what Bosnia can become.

MerciPhil Development Foundation, Inc.

MerciPhil Development Foundation, Inc., was established in 1991 and currently works in three underserved regions with a national headquarters in Manila. MerciPhil provides short-term loans and income generation opportunities for low income farmers, women and the urban poor.

Proyecto Aldea Global Jinotega—PAGJINO

Mercy Corps and PAG helped found Proyecto Aldea Global Jinotega in Nicaragua in 1996. We provide critical institutional support that enables long-term programming in one of the poorest regions of Nicaragua. PAGJINO focuses on sustainable community and agricultural development, alternative credit and food security. Mercy Corps and PAGJINO implement a civil society strengthening programme. In addition, Mercy Corps provides technical assistance to PAGJINO’s Board of Directors and overall organisational structures, which has enabled PAGJINO to become a self-sustaining local organisation.

Pax World Service

Pax World Service formally affiliated with Mercy Corps in January 1998. With Mercy Corps’ emphasis on civil society initiatives and Pax’s commitment to peace and reconciliation, the partnership enhances both agencies’ ability to advance equality and social justice around the world.

The Mercy Corps/Pax merger also augments a unique relationship with the Pax World Fund Family’s socially responsible mutual funds. Pax World Fund shareholders are able to designate a portion of their investments to Pax World Service, boosting Mercy Corps/Pax’s humanitarian efforts worldwide.
Partners in Mercy

This year, Mercy Corps is proud to honor our Partners in Mercy, who put their faith into action with generous gifts each month to help children and families in need.

More than 2,500 Partners in Mercy provide financial support to us that allows us to respond to these crises as they arise. The Good Samaritan Society, which annually gives between $1,000 and $2,499.

The number of Partners has doubled in just four years as more donors find monthly giving the most convenient way to help build the world in which they want to live. Our Partners in Mercy provide the financial support that allows us to find the right partners to do the same.

The Good Samaritan Society Founded in 1998, the Good Samaritan Society has 828 members, 14% of whom are anonymous, who annually give between 1,000 and 2,499.

Founders Circle

There are 203 Founders Circle members, 64 of whom are anonymous, who give $2,500 or more annually. The Founders Circle Honorary Chair is Pat Boone — a humanitarian and philanthropist whose career and personal life demonstrate an authentic, living faith.

The Founders Circle

The Founders Circle is an exclusive group of donors who give $2,500 or more annually. The Founders Circle Honorary Chair is Pat Boone — a humanitarian and philanthropist whose career and personal life demonstrate an authentic, living faith.

In order to give to Mercy Corps because I know that even the small amount I can give will be matched over times.

Chris Koch

Kirkville, MO

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Mercy Corps — An Exemplary Stewardship Record

The resources of Mercy Corps’ global operations totaled more than $128 million in fiscal year 2000 — the highest total in the organization’s 22-year history and a 36 percent increase from fiscal year 1999. Significant growth in material aid, governance and administrative expenses, and worldwide affiliates has contributed to a 25 percent increase in support services. The resources of Mercy Corps’ global operations totaled more than $128 million in fiscal year 2000 — the highest total in the organization’s 22-year history and a 36 percent increase from fiscal year 1999. Significant growth in material aid, governance and administrative expenses, and worldwide affiliates has contributed to a 25 percent increase in support services.

Ensuring that resources are wisely spent is the cornerstone of our values, vision and strategy for future growth. It is our commitment to ensure that the majority of the funds we receive support our programs. In fiscal year 2000, 95.2 percent of our total global programs were effective — total global programs: 95.2%.

In 2000, our global resources totaled more than $128 million. Since 1979, we have provided more than $756 million in assistance to peoples in need in 73 nations.

Our Vision

Mercy Corps envisions a world in which acts of mercy, justice and compassion overcome hate, violence, poverty and despair — a world where children experience a caring family, a nurturing community, a sacred environment, love and the opportunity to fulfill their God-given potential.

How You Can Help

You can make a crucial and enduring difference in the life of a poor family. To find out more about how you can help, please call us at 1-800-292-3355, ext. 25, or visit our website at mercycorps.org.

Audited Financial Summary

Condensed Summary of Support, Revenue and Expenditures for Mercy Corps International

<table>
<thead>
<tr>
<th>Support &amp; Revenue</th>
<th>FY 2000</th>
<th>FY 1999</th>
</tr>
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<tbody>
<tr>
<td><strong>Total Support and Revenue</strong></td>
<td>$113,739,755</td>
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<tr>
<td><strong>Total Support Services</strong></td>
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<td><strong>Project Expenditures</strong></td>
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<td><strong>Deferred Revenue</strong></td>
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<tr>
<td><strong>General &amp; Administration</strong></td>
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<tr>
<td><strong>Deferred Revenue</strong></td>
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</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$6,154,728</td>
<td>$5,155,277</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$382,528</td>
<td>$682,468</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$1,084,146</td>
<td>$6,837,745</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td>$113,739,755</td>
<td>$76,392,741</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$6,154,728</td>
<td>$5,155,277</td>
</tr>
<tr>
<td><strong>Balance Sheet</strong></td>
<td>$222,699</td>
<td>$1,076,520</td>
</tr>
</tbody>
</table>

Support Services:
- General & Administration: $3,993,475
- Deferred Revenue: $15,363,251
- Subtotals: $6,154,728
- Total Support Services: $113,739,755
- Project Expenditures: $41,813,948
- General & Administration: $4,634,297
- Deferred Revenue: $25,503,780
- Subtotals: $6,154,728
- Total Support and Revenue: $113,739,755

Expenditures:
- Support Services: $6,154,728
- Project Expenditures: $41,813,948
- General & Administration: $4,634,297
- Deferred Revenue: $25,503,780
- Subtotals: $6,154,728
- Total Expenditures: $113,517,056

Revenue:
- Support Services: $113,739,755
- Project Expenditures: $41,813,948
- General & Administration: $4,634,297
- Deferred Revenue: $25,503,780
- Subtotals: $6,154,728
- Total Revenue: $113,739,755

Liabilities:
- Project Expenditures: $41,813,948
- General & Administration: $4,634,297
- Deferred Revenue: $25,503,780
- Subtotals: $6,154,728
- Total Liabilities: $113,739,755

Net Assets:
- Project Expenditures: $41,813,948
- General & Administration: $4,634,297
- Deferred Revenue: $25,503,780
- Subtotals: $6,154,728
- Total Net Assets: $113,739,755

Our global resources totaled more than $128 million. Since 1979, we have provided more than $756 million in assistance to peoples in need in 73 nations.

How Our Resources Were Spent

Global Financial Summary

Support, Revenue and Expenditures of Mercy Corps International and Worldwide Affiliates

<table>
<thead>
<tr>
<th>Support &amp; Revenue</th>
<th>FY 2000</th>
<th>FY 1999</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Support and Revenue</strong></td>
<td>$128,603,649</td>
<td>$94,850,723</td>
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<tr>
<td><strong>Total Support Services</strong></td>
<td>$122,071,155</td>
<td>$87,888,528</td>
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<tr>
<td><strong>Project Expenditures</strong></td>
<td>$56,408,427</td>
<td>$39,956,415</td>
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<tr>
<td><strong>General &amp; Administration</strong></td>
<td>$23,672,384</td>
<td>$16,216,000</td>
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<tr>
<td><strong>Deferred Revenue</strong></td>
<td>$13,067,706</td>
<td>$16,216,000</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$6,154,728</td>
<td>$5,155,277</td>
</tr>
<tr>
<td><strong>Deferred Revenue</strong></td>
<td>$15,363,251</td>
<td>$10,466,202</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$6,154,728</td>
<td>$5,155,277</td>
</tr>
<tr>
<td><strong>General &amp; Administration</strong></td>
<td>$3,993,475</td>
<td>$2,733,634</td>
</tr>
<tr>
<td><strong>Deferred Revenue</strong></td>
<td>$15,363,251</td>
<td>$10,466,202</td>
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<td><strong>Subtotal</strong></td>
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Support Services:
- General & Administration: $3,993,475
- Deferred Revenue: $15,363,251
- Subtotals: $6,154,728
- Total Support Services: $128,603,649
- Project Expenditures: $56,408,427
- General & Administration: $23,672,384
- Deferred Revenue: $13,067,706
- Subtotals: $6,154,728
- Total Support and Revenue: $128,603,649

Expenditures:
- Support Services: $6,154,728
- Project Expenditures: $56,408,427
- General & Administration: $23,672,384
- Deferred Revenue: $13,067,706
- Subtotals: $6,154,728
- Total Expenditures: $128,448,921

Revenue:
- Support Services: $128,603,649
- Project Expenditures: $56,408,427
- General & Administration: $23,672,384
- Deferred Revenue: $13,067,706
- Subtotals: $6,154,728
- Total Revenue: $128,603,649

Liabilities:
- Project Expenditures: $56,408,427
- General & Administration: $23,672,384
- Deferred Revenue: $13,067,706
- Subtotals: $6,154,728
- Total Liabilities: $128,603,649

Net Assets:
- Project Expenditures: $56,408,427
- General & Administration: $23,672,384
- Deferred Revenue: $13,067,706
- Subtotals: $6,154,728
- Total Net Assets: $128,603,649

Our global resources totaled more than $128 million. Since 1979, we have provided more than $756 million in assistance to peoples in need in 73 nations.