1. Strategic Framework

Our Mission

Mercy Corps exists to alleviate suffering, poverty and oppression by helping build secure, productive and just communities.

We partner with communities as they move from fragility to resilience, meeting urgent needs while addressing root causes – always powered by the belief that a better world is possible.

Vision for Change

We believe that secure, productive and just communities emerge and endure when the private, public and civil society sectors interact with accountability, inclusive participation and mechanisms for peaceful change. Transformational change occurs through the combination of: programmatic impact; influencing change-makers at local and global levels; and a restlessness to innovate in search of better solutions.

What We Do

Three core strategies guide our work:

1) Saving Lives and Livelihoods: We empower people to find opportunity during times of crisis. In moments of transition – disaster, conflict, political upheaval, economic collapse – the status quo is challenged and windows of opportunity for change emerge. We often begin our work during a humanitarian crisis, move rapidly to recovery, and then build long-term resilience to recurring shocks and stresses.

2) Transformational Change in the World’s Most Fragile Places: We help identify and drive solutions to address underlying causes of fragility, especially: grievances; weak governance; and, inequitable economic growth.

3) Transformational Change at Scale or Depth: We seek breakthrough innovations that transform lives. New technology, business models and creative partnerships provide transformational opportunities for overcoming poverty and suffering. We leverage our robust global program platform to identify breakthrough ideas, test them in the field and take them to scale.

Our Guiding Principles

- We tackle complex challenges by taking an integrated, adaptive, multi-sector approach, understanding that there are no easy or fast fixes.
- We work in partnerships to create sustainable change at scale, knowing no single group can solve the world’s toughest challenges alone.
- We believe in evidence and learning. We use data to manage our programs more effectively, understand the impact of our work and influence others.
- We remove barriers, address the root cause of inequalities and model the power of diversity and gender equality in who we are and how we partner with communities.
2. Context

Background: An Extraordinary Time in Human History

Many aspects of recent human history have prompted speculation about a global inflection point, or the dawn of a ‘new normal.’

The 21st century shift of economic and geopolitical gravity eastwards and southwards, away from Europe and North America, has frayed what had temporarily appeared to be a post-Cold War liberal consensus. It has contributed to a rise in nativist, populist and authoritarian politics that stands in contrast to the increasingly interconnected and globalized nature of today’s world. In this context, the multilateral institutions of the 20th century continue to be challenged. Global society continues to change at breakneck speed. Ongoing migration and urbanization are changing where and how people live, while new technology is transforming the world before our eyes. Behind and through everything, climate change looms. Humans have changed the world so profoundly that we have pushed the Earth into a new geological epoch.

And yet, nothing in recent history has presented such an extraordinary challenge to humanity as COVID-19. Other trends like climate change will have greater long-term consequences, but COVID-19 represents an acute global crisis unlike anything since the Second World War.

With this in mind, here we examine some key issues for how Mercy Corps engages with the world.

I. The COVID-19 Crisis

The COVID-19 crisis is affecting our world in several dimensions. It is having direct, immediate effects – on health, food security and economies. It is having more indirect effects – in the response of governments, and on trends in demographics and migration. Finally, it is having ‘illumination’ effects – revealing and highlighting things that were already there, casting a new light on issues of inequality, vulnerability and power.

As the virus takes its toll, its impacts will be seen not only in the deaths caused by COVID-19 itself, but in its impact on health systems overall. The strain caused by the pandemic is disrupting other aspects of healthcare, including routine vaccinations. Diseases like polio and measles could make a comeback while progress to tackle the big killers – TB, Aids and malaria – could stall.1

The pandemic and its wider effects are also affecting mental health – particularly of those who are vulnerable or at risk in their homes, including children who are cut off from education and wider support structures.2 The longer term health impacts of the pandemic, and the number of ‘excess deaths’ it causes both directly and indirectly, will not be known for some time and may never be definitively understood.3

II. A Global Economic Catastrophe

While the direct health impacts of COVID-19 are extreme, the impact on economies and livelihoods is likely to have greater long-term consequences – particularly for vulnerable and marginalized people in fragile contexts.

The world is headed for the most severe global recession since the 1930s, with government’s worldwide taking on unprecedented levels of debt.4 Supply chains are being heavily disrupted by border closures and restrictions on the movement of both people and goods. Prices of key items like fuel, food and agricultural supplies are already starting to spike in the places where we work.5 This has serious implications for global food security as the effects of lockdowns, combined with increased demand and ‘panic-buying’, risks disrupting global food markets.
The effects of COVID-19 come on top of a pre-existing food security crisis - the result of wars, locust swarms, economic crises and disasters. At the start of 2020, 821 million people globally already faced undernutrition, with 135 million requiring humanitarian food assistance to meet their basic needs and more than 100 million suffering from acute hunger. The UN estimates that COVID-19 will push a further 130 million people ‘to the brink of starvation by the end of 2020.’

COVID-19 is also turning the clock backwards in global efforts to reduce extreme poverty. Estimates are that the number of people living on less than $1.90 or $2.00 per day will increase by 50-100 million due to COVID-19. 2020 will mark the first time this century where there are more people living in extreme poverty than in the previous year.

Limitations on movement will seriously affect micro and small businesses, causing many to close and fueling unemployment. The ILO has predicted a loss of 305 million full time jobs globally and informal worker’s incomes are predicted to drop by 60 percent. The Middle East expects to lose no less than 1.7 million jobs before the end of 2020. Hit hardest economically will be those who operate in the informal economy, rely on informal credit, or depend on fragile markets to meet their needs, including young people and women.

Meanwhile slowing foreign exchange, reduced trust in banks, and an increase in bad debt will hit the financial service sector. The impact on remittances is likely to be especially high, with the earning power of diaspora communities reduced and financial services potentially disrupted. In 2019, global remittances were worth more than $700 billion – almost six times the total amount of aid committed by OECD DAC countries. Those remittances are predicted to fall by around 20% in 2020, significantly reducing the flow of foreign exchange into recipient countries like Somalia and Yemen, cutting off income that many families use to meet their basic needs.

In this context the relative importance of official aid spending takes on a greater significance - and yet it is likely that major donors will be forced to reallocate spending to domestic priorities. And those countries who commit a percentage of annual GDP to their aid budgets will see this number decrease as their economies shrink. Some analysts predict a precipitous decline in overseas development aid among the world’s 30 largest donor countries if the COVID-19 epidemic continues - amounting to a decrease of approximately $25 billion in aid spending collectively by 2021.

III. Governance, Peace and Conflict

Before the pandemic, the primary focus for ending extreme poverty and eliminating hunger was on fragile countries and contexts. By 2030, it was predicted that 2.3 billion people would live in fragile states; and that 80% of the world’s extreme poor, over 620 million people, would live in these states. Turning around fragile states was considered essential for meeting the Sustainable Development Goals. It is still essential now.

The continuing existence of fragile states intersects with an unprecedented number of enduring, complex crises. In Yemen 24 million people are in urgent need of humanitarian assistance. Twelve million people have been forced to flee their homes in Syria and five million children are in need. The conflict in South Sudan has killed hundreds of thousands of people, put eight million in need of aid, forced four million to flee their homes and left six million severely food insecure. Then there is CAR, Somalia and Nigeria, and far too many other crises. These crises share one common denominator: violent conflict. Ten years ago, 80% of humanitarian aid went to helping victims of natural disasters. Today, with violence at a 25-year high, 80% of aid goes to people whose lives have been affected by man-made conflicts.

These complex crises continue to drive a level of forced migration on an extraordinary scale: 70.8 million people driven from their homes, including 25.9 million refugees - half of them under 18 years of age.

Concerns are being raised that authoritarian regimes are already using the COVID-19 crisis to consolidate power and silence critics. There is evidence that both state-sponsored media and extremist groups are...
using the crisis to fuel pre-existing misinformation campaigns against marginalized groups, particularly migrants.  

COVID-19 is likely to impact pre-existing conflicts in dangerous ways – exacerbating tensions, fueling unrest, disabling peace operations and disrupting humanitarian aid. The actions of leaders may exaggerate this further. While in some places the crisis may open the possibility of greater peace and cooperation – for example the offering of humanitarian assistance to Iran by the UAE and Kuwait – in others it is expected to fuel conflicts, with unscrupulous leaders exploiting tensions for their own advantage.

IV. Technology, Information and a Digital Awakening

The world is being transformed by digital technology and the power of data. This transformation has profound impacts on the challenges and opportunities facing the communities and partners with whom we work. There has never been greater potential to scale our impact and reduce the costs, while the very same technology also brings new and profound risks to achieving secure, productive and just communities around the world.

Digital technology is increasingly central to financial, educational, information and public health services and the effects of COVID-19 have served to emphasize its significance. Technology is transforming how money flows; how education is delivered and consumed; how and from where work is done; how people receive information to make economic and political decisions; and how and with whom people associate in online communities (often echo chambers). The pandemic has highlighted the central importance of connectivity and information for the ability of individuals, families and communities to be resilient in crises.

The need for greater connectivity for vulnerable communities will grow as the connectivity divide amplifies existing inequities of opportunity. While connectivity to digital technology is expanding for many populations, many of the communities where we work remain disconnected. Only around a third of rural people in low income countries are covered by mobile networks and in some places, fewer than one in ten people have access to the internet.

Connectivity is, however, only part of the challenge. Information and knowledge are not neutral commodities. They are subject to undercurrents of power and inequality. The emergence of ‘post truth’ politics and society has been watched closely in recent years, and with COVID-19 this is now manifesting as an ‘infodemic.’ There is more information, but what (and who) is to be trusted? The data privacy decisions made during COVID-19 will set precedents for the next wave of accepted data privacy and surveillance standards. How will these new standards impact on security, productivity and justice for communities globally?

Political actors – both governments and non-state groups – are seeking to manipulate reality with their approach to knowledge and information, particularly social media. This includes the ‘weaponization’ of pandemic narratives against marginalized groups - for example, the use of the virus by far right groups in online discussions that are anti-Muslim, anti-Asian or anti-immigration. The increased role of digital technology and the data it generates, in the hands of both governments and large corporations, brings profound questions for civil liberties, data protection, surveillance and cross-border cooperation.

More generally, as information technology expands into new contexts, it is important that it is used responsibly. Digital technology, information and knowledge are subject to manipulation by those in power. Though it holds enormous potential for good, the ‘digital awakening’ is also at the forefront of global competition and conflict.

V. Climate Change

While the COVID-19 crisis occupies the attention of the world, climate change remains the greatest long-term, existential threat to global human wellbeing. It is already affecting everyday lives and livelihoods, especially the world’s most vulnerable. Climate variability and extremes are among the key drivers behind
the uptick in global hunger and severe food crises. A growing body of research has drawn links between violent conflict and the role of climate change as a threat multiplier. Extreme weather and disasters are impacting lives and sustainable development on every continent, with 23.3 million people displaced by weather-related disasters in 2019.

There is hope that global opinion is shifting in favor of significant action to address climate change, with evidence that majorities in most countries see it as a major threat. It remains to be seen whether and how the pandemic affects progress towards global action on climate change. While there has been a dramatic drop in greenhouse gas emissions since lockdown, it is possible that this will provide false reassurances that climate change is a less significant threat. Alternatively, the fundamental changes to people’s ways of life may inspire a positive change in perspective and reduced future consumption.

As the global response to the pandemic develops, it will be important to keep the issue of climate change front and center in global discussions – and to demonstrate the ways in which humanitarian and development organizations can respond to its threats.

VI. Inequality, Power and Partnerships

Issues of inequality and power run through all the trends discussed above. Shocks and stresses impact communities around the world, but they are only turned into crises by people’s inability to cope with them. This ability to cope is hugely influenced by local and global disparities of wealth, power and social and cultural norms that further disempower and marginalize some populations.

The killing of George Floyd, Breonna Taylor, Ahmaud Arbery and so many others, and the Black Lives Matter movement in the United States, has sparked global protests and critical conversations around racial social justice. This brings a new level of awareness for many on the role that our systems, cultures, and power paradigms play in fueling injustice.

The global pandemic has highlighted the stark reality that crises are inherently the product of society itself - the result of disparities of wealth, power and vulnerability. Shocks and stresses may affect different communities around the world, but they only become crises when people do not have the ability or support systems to cope with them. COVID-19 has affected every nation on Earth, and our global interconnectedness has never been more obvious. Yet the disproportionate effect of the crisis on the poorest and most excluded from power structures, in all societies globally, confirms the extent of inequalities both within and between countries. The same is true of other drivers of crises. Whether it is climate change, geophysical hazards, threats to food security, economic shocks, or the effects of conflict - shocks and stresses disproportionately affect those with the least wealth and power. It challenges us to tackle head-on root causes of inequality and disparities of power - to see them not as separate issues but as core drivers of poverty and crises. It challenges us to examine our own place in the global systems of wealth and power, and acknowledge, the history of colonial power dynamics that persist in our industry today. We must create inclusive and diverse working environments and healthy cultures where we can address and shift inequitable power dynamics, and promote inclusive programs. We must focus on gender inequalities, and stand with others in the fight for just communities everywhere we work.

Finally, a focus on inequality and power compels us to continue to examine how we engage in partnerships, particularly with local civil society. The recognition that we are a powerful actor in the humanitarian landscape brings a responsibility to partner with community actors in a way that consciously transfers power from us to them.

A Multi Track Strategy for Mercy Corps

As Mercy Corps, we are challenged to respond to the acute crisis without losing sight of this global picture – to understand that while COVID-19 is currently the prism through which everything is viewed, the underlying issues discussed above - climate change, conflict, economic crisis and deep, historic inequity -
remain. We must understand how this new crisis intersects with pre-existing trends if we are to navigate this changed world and continue to help the people we exist to serve.

Long gone are the days of a bi-polar or uni-polar world. At a moment in time when global cooperation is most needed, countries are receding towards unilateral tendencies. To fulfill our mission, we have to deepen and broaden our traditional donor and government partnerships, while also moving purposely to build strong ties with new and emerging global and regional powers. We must also deepen and broaden relations with new actors focused on disruptive change: the new philanthropists, and the private sector. This pathway will not be easy or straightforward, but it is strategically important — especially as multilateral approaches continue to weaken.

In doing so, we must continue to move beyond technical ‘fixes’ to issues of poverty and injustice. A multi-stakeholder world challenges Mercy Corps to see itself more as a catalyst not only a service provider or solely a representative of civil society. Our challenge is to not only implement programs but to also convene the major stakeholders — the right government actors, the right private sector players, and the right representatives of community and civil society to foster more secure, productive and just outcomes. Our Strategic Framework and Vision for Change are more relevant than ever.

There are of course no silver bullets or shiny solutions. No single government, entity or organization can solve the world’s big challenges acting alone. We are committed to seeking new and building up existing partnerships and alliances — with governments, companies both local and international, and civil society everywhere. And we remain firm in our conviction that a better world is possible. The Compass guides us forward together.
3. Strategic Objectives

This third section of Mercy Corps’ Compass lays out what we must achieve to remain a leading organization over the coming one to three years using the framework of the 3Is. These objectives provide us with targets and a means of focus, accountability and transparency. The success metrics identify key outcomes and serve as the basis for reporting to Mercy Corps’ leadership, global team and Boards of Directors throughout the year. While many of the objectives are ongoing, we review and adapt them each year based on the changing external context and our need to remain relevant. In some cases, the full realization of the impact may span more than one year. The names next to each objective identify the Executive Team member ultimately responsible for convening and coordinating a core group of people, and reporting out on progress achieved throughout the year.

There are many other initiatives that our teams tackle throughout the year, but these objectives require agency-wide effort and support to move forward. The strategic objectives in this document may be revised throughout the year, pending executive approval, as the global environment changes.

<table>
<thead>
<tr>
<th>Objective</th>
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<tbody>
<tr>
<td>1. Ensure Rapid, Bold and Accountable Humanitarian Response</td>
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<tr>
<td>2. Drive Resilience in Conflict-Affected Settings</td>
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<td>3. Expand Job Opportunities and Entrepreneurship for Young People</td>
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<tr>
<td>4. Scale our Efforts to Combat Climate Change</td>
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<td>5. Respond to COVID-19 with life-saving and life-sustaining interventions</td>
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<td>6. Grow Global Influence</td>
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<td>7. Scale High-Impact Ventures and Innovative Models for Social Impact</td>
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<td>8. Foster Safety, Gender Equality, Diversity, &amp; Social Inclusion in Our Programs and Workplaces</td>
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<td>9. Strengthen Measurement and Accountability for Program Quality</td>
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<td>10. Drive Program Excellence and Accountability in Reduced Access Conditions</td>
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<tr>
<td>11. Fulfill our Commitments to Action</td>
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For more information on Strategic Objectives, please contact Anna Young, Director of Strategy and Learning, at ayoung@mercycorps.org.

For Mercy Corps February 2020 Commitments to Action, please click here.
Mercy Corps ‘Markets in Crisis: addressing the effects of COVID-19’
https://www.forbes.com/sites/madhukarpai/2020/04/06/can-we-reimagine-global-health-in-the-post-pandemic-world/#5ba49a874c22
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https://www.brookings.edu/blog/future-development/2020/05/06/turning-back-the-poverty-clock-how-will-covid-19-impact-the-worlds-poorest-people/
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https://www.unicef.org/emergencies/yemen-crisis
https://www.unocha.org/syria
https://reliefweb.int/sites/reliefweb.int/files/resources/ss_20200520_humanitarian_snapshot_april.pdf
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