

**Tillaberi Region, NIGER** | *Mercy Corps reached over 2,300 people in early May in Niger with unconditional cash grants to support immediate nutritional needs and strengthen long-term food security. Shown here is the mandatory hand washing at a distribution - this, along with controlled queuing, are some of the adaptation measures we are taking in response to the COVID-19 pandemic.* Photo Credit: Mercy Corps

# **COVID-19 RESILIENCE FUND** Impact Report

MERCY CORPS

APRIL - JULY 2020

# **Overview**

It has been just over four months since the World Health Organization (WHO) declared COVID-19 a global pandemic. Mercy Corps continues to move our global mission forward - working to meet the needs of the people we serve, while drawing on over 40 years of experience in humanitarian work. COVID-19 is a global emergency without borders, without treatment; an unforgiving virus exposing cracks in our support systems and imploring all of us to take action to reach those who are most vulnerable.

The harsh reality is that COVID-19 is just one of many disruptive elements our teams and the people we serve are facing. In these complex contexts, COVID-19 places additional challenges on vulnerable populations already facing conflict, displacement, poverty and limited access to essential services.

<u>Your contribution to Mercy Corps' COVID-19 Resilience Fund</u> has allowed for our quick programmatic pivot to address the immediate and long-term impact of COVID-19, enable innovation, and support critical contextual analysis informing our strategy and implementation. This flexible funding has enabled us to leverage our experience as a community of 6,000+ global humanitarians to address an unprecedented pandemic, putting our skills and nimble action to the test as we mount a global response.<sup>1</sup> Mercy Corps' COVID-19 response strategy is focused on three key program areas designed to address both short- and long-term impacts of this crisis: **protecting health**; **meeting the urgent needs of families; and economic resilience and recovery**. Our strategy is rooted in robust analytics, so we can act quickly on the evolving impacts of this crisis.

Staff and participant safety is our first priority. We have held global health and safety webinars for staff so they can adapt programs quickly and safely, and rolled out guidance and analytics across a variety of sectors to help both Mercy Corps and other organizations learn from each other and implement creative approaches to tackling the myriad of challenges posed by COVID-19.

To date, Mercy Corps' COVID-19 Resilience Fund has raised \$33 million dollars to support these efforts from generous donors like you.<sup>2</sup> Around the world, our teams have adapted and launched programming to help prevent the spread of COVID-19, provided critical supplies and information to those most vulnerable to the virus, and expanded services to address the economic fallout from shutdowns - reaching more than 10 million people across dozens of countries. Over 94 percent of our programs continue to implement while adapting to the changing context, and we have launched nearly 50 new programs designed to address the impacts of COVID-19. Your support has contributed to Mercy Corps' global response to COVID-19. Together, we are coming together to save lives and reach those most in need. <u>Thank you.</u>

<sup>&</sup>lt;sup>1</sup> Mercy Corps' global response includes on-going programs that have pivoted and adapted to COVID-19, as well as newly-launched programming.

<sup>&</sup>lt;sup>2</sup> Mercy Corps' COVID-19 Resilience Fund includes contributions from private individuals; corporations and foundations including Cisco Systems, Starbucks, Shell, and Margaret A. Cargill Philanthropies; and institutional donors including USAID and DFID.

## Context

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.

To better understand the impacts of COVID-19, Mercy Corps has built on our expertise in crisis analytics to provide real-time information and recommendations for impactful and context-driven solutions that will minimize the toll of the COVID-19 pandemic on vulnerable individuals. Through our field-driven analysis of the secondary impacts of COVID-19, we are highlighting emerging trends, informed by regional and country-specific data, together with a specific focus on economic impacts.

We have shared our secondary impact and markets analysis throughout the humanitarian community, including with the US Senate Foreign Relations Committee, the US Agency for International Development (USAID), the UK Department for International Development (DFID), and the Swedish International Development Cooperation Agency (SIDA). Mercy Corps is quickly becoming the go-to information source on secondary impacts of COVID-19 for policymakers and institutional donors around the world.

#### COVID-19 Country and Program Impact Tracker



This map combines data from Mercy Corps sources with information available through John Hopkins University and Our World in Data.

Here are a few examples of secondary impacts we are tracking and using to inform our response:

**Misinformation**: 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. In DRC, Haiti, and Nigeria (among other places), rumors persist that COVID-19 does not exist and is a tool for politicians or a way to make money.

**Conflict**: COVID-19 has the potential to impact pre-existing conflicts in dangerous ways – exacerbating tensions, fueling unrest, disabling peace operations and disrupting humanitarian aid. While in some places the crisis may open the possibility of greater peace and cooperation, in others it is expected to fuel conflicts, with unscrupulous leaders exploiting tensions for their own advantage.

**Skyrocketing poverty**: We are likely to see the first rise in poverty since 1990, erasing the last decades of gains in poverty reduction globally. Between 71 and 100 million people could be pushed into extreme poverty as a result of this crisis. New estimates indicate that the number of food insecure could increase to 270 million before the end 2020 - an 82 percent increase from before the COVID-19 pandemic.

**Market destabilization**: The negative economic impacts caused by COVID-19 are among the most widespread and durable of the pandemic. The closure of international borders, disruption of flights and supply chains, and export bans restrict the ability of many countries to procure personal protective equipment, diagnostics, and essential food items, risking disease spread and heightening the risk of hunger and famine. Small businesses, entrepreneurs and people working in the informal labor market are much more likely to be negatively impacted, but the ripple effects are felt by all - with the potential to exacerbate inequality in many already fragile contexts.

Below, we are pleased to share an update on our impact to date in our three key program areas since Mercy Corps' global COVID-19 Resilience Fund started at the end of March 2020.



## **IMPACT HIGHLIGHT**

#### **Information Services to 7.6 Million**

The COVID-19 and Desert Locusts interlocking crises threaten smallholder farmers' health, livelihoods and food security in East Africa. Mercy Corps' AgriFin program, acting as a catalyst, rapidly brought together a wide array of partners to quickly deploy farmer-friendly digital tools and original content via SMS, WhatsApp, social media and radio supporting public health messaging and a productive recovery for food systems.

For example, via a new WhatsApp line, farmer communities can easily report desert locusts in their areas and access upto-date information. Penn State is receiving all of the data reported in via the WhatsApp line and using it to inform research and provide weekly country level maps so that Kenyan farmers know the locusts' latest locations. And Shamba Shape-Up, a content delivery partner, is reaching 5 million rural people with COVID-19 information in a talk show format featuring experts and bespoke video content that can also be shared through social media.





The images above show the mobile phone interface for smallholder farmers for accessing information from the locust call center. From the WhatsApp menu, people can link out to Covid-19 messaging hosted by the World Health Organization.

## **Protecting Health**

Mercy Corps' immediate-term COVID-19 public health response has focused on increasing safe access to potable water, soap, hand-washing stations, and sharing critical information about hygiene and social distancing practices. We are also tackling misinformation and supporting social and behavioral change, by using technology to scale reliable health messaging campaigns (including social media, radio, and messaging apps). Our COVID-19 response is focused on vulnerable populations: people with pre-existing health conditions, disabilities, those self-quarantining or ill due to COVID-19, those living in settings where basic services are traditionally lacking (refugee/internally displaced persons camps, urban slums), and those uniquely vulnerable due to their culture, age, gender, ethnicity, and socio-economic status.

#### Water, Sanitation & Hygiene

Our experience helping communities cope with Ebola and tuberculosis has taught us how to provide essential services in water, sanitation and health during an outbreak. We pair these services with accurate and culturally-appropriate information about disease prevention. Because people who are most vulnerable to COVID-19 are those weakened by disease or age, we are taking measures to ensure they are also protected from waterborne and other hygiene-related diseases.

In Pakistan, where the healthcare system was already facing severe challenges, we have expanded and adapted our tuberculosis prevention program to include COVID-19 prevention, particularly in Sindh and Punjab, working in close collaboration with government agencies. We are supporting 10 primary healthcare facilities and 3.000 households with water and sanitation services and infection prevention, comprehensive messaging around COVID-19, and supporting continuity of essential healthcare services through telemedicine and helplines. We have developed guidelines for hospitals and provided PPE to medical providers, and are distributing cash to the hardest hit, most vulnerable households.



With Pakistan's ongoing lockdown in response to COVID-19, one of Mercy Corps' primary concerns is the continuation of its country-wide tuberculosis programming. After consultation with the government, partners and Mercy Corps team members, program participants in remote areas are beginning to receive medicine for the next two months they would otherwise not have access to due to the lockdown. Photo Credit: Mercy Corps



*Above, getting ready to distribute the 10,000 jerry cans in Karamoja, North East Uganda.* Photo Credit: Mercy Corps

In **Uganda**, Mercy Corps is distributing 10,000 jerry cans, soap and hand-washing stations to vulnerable communities and health facilities in Karamoja, North East Uganda. We are organizing radio spots with Ministry of Health approved messages, have distributed crucial materials related to maternal and child health during COVID-19, and expedited the rehabilitation of 50+ boreholes to ensure water scarce communities can access water. **This work will reach 310,000 people.** 

In **Colombia**, COVID-19 hit right as the coffee harvest began. To date we have sent mobile messaging with COVID-19 prevention tips to more than 3,600 coffee farmers and are delivering 1,500 hygiene kits. Mercy Corps also launched a radio campaign on COVID-19 prevention reaching listeners in 22 municipalities in Cauca, Colombia.

Similarly in **Guatemala**, we have distributed 1,200 food baskets and hygiene kits to coffee growing communities in Huehuetenango, and plan to distribute 1,200 N95 masks for a local health authority. The kits are complemented by a text message campaign and radio spots.



*COVID-19 intervention in Cauca, where coffee growing families received information and hygiene kits.* Photo Credit: Mercy Corps

## **Providing Accurate Information**

Accurate information is critical to prevent the spread of COVID-19, and even more important in places dealing with conflict, violence and weak governance. We are closely tracking how and what information is reaching vulnerable populations, and have been concerned about the evidence of misinformation and rumors circulating in many places around the world.



Image translation: "Do you need the right information about Coronavirus? Call LAVE at \*533 (Digicel) or leave a missed call at +509.2814.0163 (Digicel or Natcom) \*All calls are free, my dear. We're waiting for your call!"

In **Haiti**, there has been significant misinformation, rumors and fear around the pandemic, leading to violence towards those with COVID-19 as well as treatment centers. Mercy Corps, in partnership with Viamo, a mobile services global social enterprise, and the Haitian Ministry of Health, is leading a group of international and local organizations conducting a mass public campaign to raise awareness of COVID-19 and help prevent its spread. The successful campaign uses a traditional storytelling technique unique to Haiti, and the messages are delivered by popular public personalities. The content also includes interactive 'gamified' scenarios, rumor quizzes, and children's lessons designed to minimize fear. Within the first week of launching an information hotline, nearly 2,500 unique listeners called in, accessing 30,000 key pieces of information.

# Since we launched the program in May, Mercy Corps has reached 2.2 million people in Haiti with COVID-19 prevention information.

In Nigeria, there is a common belief that COVID-19 does not exist, and that it is a deliberate act by developed nations to reduce the world's population. With Nigeria still in the early stages of the pandemic, now is a critical time to be reaching people with accurate and trustworthy information, while also monitoring political tensions and violent conflict. Mercy Corps has been working in Nigeria for many years, and we moved quickly to adapt to COVID-19 across six states - disseminating accurate information via SMS, radio broadcasts and talk shows, and social media about the virus and how to report cases to the appropriate authorities. In conflict-ridden Yobe state, we are implementing a program that aims to build the resilience of 30.000 households to deal with shocks and stresses of challenges including conflict, climate change and now COVID-19. We are now



In Kano State, Nigeria Mercy Corps hosts the weekly radio program Wake Daya ("one bean" in Hausa, symbolizing togetherness). The program promotes peaceful coexistence through a variety of means. In response to reports of rising gender-based violence, hosts discussions about the COVID-19 lockdown, which has limited movement and drastically altered life at home. Pictured L-R: Aisha Muhammad Yakasai, Deputy Superintendent of Nigeria's Security & Civil Defense Corps, Nura Muktar Umar & Sani Isyaku Daneji, Community Peace Observer-Interfaith Mediation Centre. Photo Credit: Mercy Corps

training members who are part of Community Resilience Groups to carry out door-to-door awareness campaigns in their respective communities, along with building new handwashing stations. **Mercy Corps is doing similar information dissemination work across Africa, in conflict-affected communities in Kenya, Tanzania, Uganda, Mali, and Ethiopia.**  In India, we have reached 98,000 people with COVID-19 prevention messaging, focusing on workers at tea estates. We have used simple approaches appropriate for the context - in the case of tea estates in India, this has meant blasting messaging from trucks that circulate among the estates. The messaging is paired with distribution of key hygiene materials. An added challenge in India is the monsoon rains and flooding, which have affected more than 1.3 million people across India to date this year.

#### **Reaching Refugees and Internally Displaced People**

Refugees are particularly vulnerable to COVID-19, due to crowded living conditions and lack of adequate sanitation. In **Syria**, where prolonged conflict has displaced millions, we are distributing hygiene kits, setting up additional water tanks, improving wastewater treatment and working with peer agencies to promote hygiene awareness. With the first case of COVID-19 recently confirmed in Idlib province, we must act quickly to prevent massive spread among people living in close quarters.

We are conducting awareness sessions about COVID-19 focusing on hand washing in North West Syria, and WASH volunteers are distributing flyers and posters and answering questions. Photo Credit: Mercy Corps





Across Iraq, Mercy Corps is doing hygiene promotion and hygiene kit distribution in 10 internally displaced camps, reaching 19,000 households. Our teams are going tent to tent to ensure the messages around COVID-19 prevention and hygiene materials are being delivered to the most vulnerable residents. Photo Credit: Mercy Corps

In **Iraq**, Mercy Corps is working in some of the most conflict-affected areas of the country where COVID-19 is spiking. In Salah al-Din, community action committees quickly launched a multi-channel public campaign around hygiene and cleaning that reached 20,000 people, and constructed a temporary quarantine center serving 1,500 patients, that will eventually convert to a primary healthcare center serving 20,000 people. We are also supporting the rehabilitation of a water treatment plant that will benefit 20,000 people in Tikrit.

#### **Going Beyond the Expected**

In times of crisis, Mercy Corps goes beyond the expected - our teams are thinking outside of the box and overcoming obstacles. In **Timor-Leste**, our resourceful team **pivoted a plastics recycling program to transform 25,000 plastic water bottles into 30 hand** washing stations for community members to prevent the spread of COVID-19.



As part of our strategy in Timor-Leste, a household package was designed to promote key behaviors that can prevent COVID-19 transmission. Rural households received a benefits of soap sticker, how to make a tippy tap flyer, and a pictorial physical distancing poster. Bars of soap and rope were used to increase household level tippy tap creation. A flipbook to engage communities around awareness about the virus, its symptoms, and behaviors to avoid and to adopt was also disseminated. Photo Credit: Mercy Corps

In **Tunisia**, where hospitals are understaffed and lack sufficient supplies in the best of times, Mercy Corps, in partnership with the KhirKhmir Association, launched an initiative to use a 3D printer to make reusable plastic visors for personal protective equipment (PPE) for local health care workers, police officers and the National Guard.



*Left:* Young people working on PPE prototypes in the EcoHub Entrepreneurship Center run by the KhirKhmir association in Tunisia. Right: A Tunisian innovator and entrepreneur modeling the prototype mask. Photo Credit: Mercy Corps

# Meeting Urgent Needs and Supporting Resilient Families

#### Getting Cash into the Hands of the Most Vulnerable

Mercy Corps is supporting peoples' urgent needs through cash transfers and financial inclusion resources that sustain economic well-being, food security, nutrition and livelihoods while also stimulating the local economy. Transfers have also been found to improve the capacity of recipients to adhere to distancing measures and stay-at-home orders, limiting the spread of COVID-19. Over the last decade, Mercy Corps has become a leader in cash programming, connecting individuals in 31 countries to cash in times of crisis. We are adapting our cash approach to COVID-19, building in flexibility, increasing the use of digital transfers, and scaling up responses to help families meet their urgent needs.

In **Colombia**, Mercy Corps leads VenEsperanza, a large emergency cash consortium reaching Venezuelan migrants and refugees (and vulnerable Colombians) with resources to support access to critical basic needs, including housing, food security, and health. With the onset of COVID-19 in the region and strict quarantine measures in place throughout the country, we added an emergency component providing two months' worth of assistance for the most vulnerable and those at risk of eviction, including a digital top up in March and April for those already in the program. We have expanded our use of e-transfers via mobile phones for contactless delivery wherever possible. Most of the people we serve are completely unable to work due to quarantine restrictions and the cash transfers provide a critical lifeline to ensure households comply with social distancing measures and have continued access to housing. **This program is reaching nearly 90,000 people in major transit and settlement cities, as well as areas along the Venezuelan border. This includes more than 18,000 new people reached in May alone, combined with distributing 4,800+hygiene kits.** 

Tainne Urdaneta, a 44-year old teacher and nurse with two daughters, ages 9 & 15, made the arduous journey from Venezuela to Colombia in search of a better life for her family. Along the way they were robbed and lost everything, eventually living on the streets for a time. Through the VenEsperanza program, Urdaneta was able to pay rent for a place to live and start a small food business. Now with COVID-19, she was forced to send her daughters away to stay at a non-profit housing youth so that they would have



A program participant and staff member during a VenEsperanza COVID-compliant distribution. Photo Credit: Mercy Corps

food to eat. Her business has been impacted - she can either risk a fine and virus exposure if she works, or have no income. The future looks uncertain, and the cash from Mercy Corps is what is keeping her afloat to meet her most basic needs.

In **Kenya and Uganda**, people living in urban areas dependent on the informal economy have been hardest-hit by the pandemic's accompanying lockdown. As movement restrictions are imposed, prices increase, and temporary employment and coping mechanisms that are typically available dry up. Launched in July, Mercy Corps is delivering electronic cash vouchers to up to 5,000 vulnerable households, **benefiting up to 25,000 individuals**, in Nairobi and Kampala. The vouchers allow families to purchase food and enable the local informal markets to remain open.

# **IMPACT HIGHLIGHT**

#### An Integrated Approach to Disaster Management

Over the last five years, **Puerto Rico** has been battered by drought, hurricanes, earthquakes, and now COVID-19 - all disasters that disproportionately affect the most marginalized communities and economic sectors. With a poverty rate topping 43% pre-COVID-19, the small island economy had already lost 5% of its GDP by April 2020 due to COVID-19 lockdown measures. Mercy Corps has been working in Puerto Rico since Hurricane Maria in 2017, helping people recover and rebuild with an eye towards long-term resilience. We are building on this experience: providing **urgently needed produce food baskets** to families and helping small-scale farmers better **integrate into local markets**. We are supporting local organizations to **launch localized messaging campaigns** to raise awareness and limit the spread of the virus, and providing **tailored technical support and cash transfers** to small businesses to adapt and survive. In close partnership with local community organizations, we are committed to supporting vulnerable Puerto Ricans through the multiple challenges that lie ahead, and helping them to build back stronger for a brighter future.

#### Cash Transfers to Fisherfolk:

Mercy Corps is providing direct assistance to small businesses and fisherfolk to recover their livelihoods via cash transfers and tailored technical support to ensure financial viability.

"This crisis is comparable to [Hurricane] Maria. Although this time we have not lost equipment, we don't have anyone to sell our products to due to distancing measures and restaurants being closed." -Gerardo Morales, a fisherman in Maunabo, a coastal municipality in eastern Puerto Rico.



Photo Credit: Mercy Corps

## **Economic Resilience and Recovery**

The geographic reach and severity of this crisis continues to evolve rapidly, and our current analysis and experience from recent outbreaks paints a picture of the likely impacts of the COVID-19 pandemic on market systems. 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. Estimates are that the number of people living on less than \$1.90 or \$2.00 per day will increase by 71-100 million due to COVID-19<sup>3</sup>, and 2020 will mark the first time this century where there are more people living in extreme poverty than in the previous year.

While government measures, and the impact they have on businesses and people, vary from one country to the next and from one day to the next, **we use careful analysis to inform our economic recovery programming**. Since the onset of COVID-19, we have completed eight market analysis studies around the economic and other secondary impacts of COVID-19, including a <u>Global Rapid</u> <u>Market Impact Report</u> - so we know which markets are affected, the specific challenges people face in accessing food and supplies, and how those in the informal economy have been impacted by shut-downs. These analytics enable us to move quickly, effectively mobilize where most needed, and pivot and adapt our programming to meet these challenges.

Our economic resilience and recovery strategy is built on Mercy Corps' longstanding 'markets in crisis' approach - addressing both immediate needs of small businesses, entrepreneurs and smallholder farmers in a quickly escalating crisis, as well as working at the market systems level to maximize our impact at scale. This includes supporting local financial service providers, creating resilient credit products, and working across government and private sectors to support key supply chains so that from vegetable sellers in markets in Ethiopia, to truck drivers in Iraq, to consumers in villages in Nepal people can access critical goods and services without generating long-term dependency on foreign aid.



The Girls Improving Resilience Through Livelihoods (GIRL) program, implemented by USAID-funded Feed the Future Kenya Livestock Market Systems (LMS), strengthens young women's empowerment through education, access to livelihoods, and asset ownership. One of the program's main objectives is to equip girls with literacy, numeracy, and life skills such as reproductive health, nutrition, financial literacy, and business skills. Photo Credit: Mercy Corps

<sup>&</sup>lt;sup>3</sup> https://www.brookings.edu/blog/future-development/2020/05/06/turning-back-the-poverty-clock-how-will-COVID-19-impact-the-worlds-poorest-people/

## **Supporting Small Businesses & Entrepreneurs**

Globally, micro, small and medium sized enterprises (MSMEs) account for two-thirds of global employment and half of global GDP. A failure to protect and support them could put the entire global economy at risk. Mercy Corps' MicroMentor initiative is the world's largest online community of entrepreneurs and volunteer business mentors. With its digital engagement model, MicroMentor is ideally positioned to tackle COVID-19's devastating economic blow to small businesses globally and is aiming to support 100,000 entrepreneurs affected by COVID-19 and recruit 30,000 new volunteer mentors by mid-2021. In the US, this includes an emphasis on reaching Black, Indigenous, and People of Color owned businesses that have been disproportionately impacted by the pandemic.

MicroMentor activated a COVID-19 mentor task force to support entrepreneurs who need guidance in everything from how to find emergency financial support to pivoting operations as lockdowns lift and diversifying revenue streams.

From March-June 2020, entrepreneur sign-ups on MicroMentor jumped 131% over the same time period last year with more than 14,000 new sign-ups. New mentor sign-ups increased by more than 3,200, a 122% increase. These mentors and entrepreneurs come from all over the world, representing 150 countries, and 66% of them report not having access to other resources.



*Meet Salman Olawale,* Nigerian entrepreneur. Before the COVID-19 pandemic, Salman was in the process of expanding his laundry business. He had acquired land and was hiring new support staff and purchasing new equipment. When the pandemic hit Nigeria, Salman's revenue disappeared overnight and his progress came to a sudden halt.

By connecting with Swedish finance expert Hanna Obersteller on MicroMentor, Salman has found a

new source of hope. "With my mentor, I have been able to walk the journey with an experienced guide. The journey without a mentor would have been tough & hectic, almost impossible to survive alone." Together, they are using this down time to fine-tune Salman's accounting, develop a new responsive business strategy, and approach potential business partners. With Hanna's support, Salman is optimistic about the future once again.



Photo Credit: Mercy Corps

In the Pacific Northwest of the U.S., Mercy Corps' Oregon Women's Business Center has offered free online webinars to support entrepreneurs as they adapt and respond to COVID-19, including tips on how to shift to remote operations and benefit from the new resources available through the CARES Act. Mercy Corps is distributing grants to small businesses experiencing hardships related to COVID-19 - totaling **\$1.1M to 192 small businesses across the Pacific** Northwest. We are supporting these businesses to use these grants to adapt to the pandemic conditions, including setting up e-commerce options and delivery services and new product design, in addition to helping to pay employees and rent during the initial weeks of the pandemic.

In **Palestine**, businesses are subjected to frequent business interruptions for security reasons. Two months of COVID-19 lockdown has exacerbated these challenges, forcing many small businesses to close their doors. Mercy Corps is supporting small-scale agribusinesses in the **West Bank** to restart operations and rehire employees, immediately bringing 150+ vulnerable employees (60% women) back to work and restarting vital pieces of the food supply chain. We are developing resources for other businesses to remain operational over the next 12-18 months, and building resilience for beyond the COVID-19 crisis. In **Gaza**, Mercy Corps is using its business accelerator hub to put out accurate information and coordinated communications - working closely with the World Health Organization and UNICEF in the National COVID-19 Tech Coordinating Committee. Mercy Corps also held a virtual hackathon to crowdsource solutions to the health and economic crises caused by COVID-19. With over 1,000 participants, many great ideas were generated and the top four received a cash prize to further refine their concepts, including Tebfact, an app linking volunteer healthcare providers with households.

## **Reaching Vulnerable Informal Economy Workers**

As the COVID-19 outbreak began to unfold in Ethiopia, an assessment we conducted found that within the first three weeks of the crisis, 90% of domestic workers had lost their employment. Domestic workers are primarily young women who have migrated to Addis, living on low wages and with no savings or network of family support. Within three weeks of the first case in Ethiopia, the surveyed women were facing homelessness and hunger, and a number were resorting to harmful coping mechanisms including transactional sex. Mercy Corps responded by partnering with employment agencies to help subsidize the cost of accommodation for the young women and provide support to meet their immediate needs through cash transfers. We have also leveraged a pre-existing relationship with



In Myanmar we are strengthening crisis-affected populations through the first ever electronic voucher system in the country. Program participants are able to access commodities including cash with dignity, through a COVID-19 distribution lens. Photo Credit: Mercy Corps

TaskMoby, a digital platform that matches service providers such as plumbers and domestic workers with households. With TaskMoby, and in partnership with the national Jobs Creation Commission, this program is enabling **1,000 domestic workers to be engaged in disinfection services for businesses with public spaces** (e.g. banks, hotels etc.), with the cost shared by the recipient business and Mercy Corps. This support is part of a broader program that aims to substantially increase incomes and employment opportunities for **200,000 poor women, men and youth in Addis Ababa** through integrated urban livelihoods development.

## **Strengthening Supply Chains & Markets**

In **Uganda**, one of the largest refugee-hosting countries in the world, Mercy Corps is supporting the supply chain in refugee settlements to become more resilient in the face of COVID-19. The freeze of public transport to and from settlements due to COVID-19 prevention shutdowns has had a devastating effect, leading to inflation in prices of key goods (key staples like sorghum have increased 47% in price; milk has increased 100%).<sup>4</sup> A recent market assessment conducted with traders from the West Nile refugee settlements shows that 62% reported a decrease in the number of vendors in their marketplace and 49% reported concern that their stocks will run out within one week. At a time when the World Food Program has reduced its food assistance (by 30% in April 2020, with further cuts to 50% anticipated in August), and is switching to cash distributions instead of food across the settlements, it is more important than ever that the **local market is resilient and able to meet demand**.



Yumbe District, Uganda. Due to funding restrictions stemming from the COVID-19 pandemic, the World Food Program has cut its normal food assistance in the Bidibidi settlement by 30%. In response to the increased need for food, Mercy Corps is pivoting its program implementation to focus on food security and has begun distributing seeds to 2,000 farmers via twelve agro-agents. All distributions are being conducted in accordance with distancing and hygiene practices, and in addition to a focus on food security, and combined with awareness raising. Photo Credit: Mercy Corps

With the aim of ensuring vulnerable households in both Kampala and West Nile are able to access affordable basic goods, Mercy Corps is partnering with Sokowatch (a partner in Mercy Corps' impact investing portfolio) to **support** the supply chain to small informal shops in urban Kampala and West Nile, and keep prices for goods at affordable prices. Sokowatch is a lastmile distribution platform designed to enable small shop owners to restock essential goods via mobile devices. This will be coupled with a targeted evoucher distribution for 800 families through which selected households that meet vulnerability criteria receive a monthly cash voucher to their mobile phones, which enables them to purchase selected goods at the informal shops in Sokowatch's vendor network. We are focusing on access for women traders, who are less likely to own phones, by providing subsidies to

women traders and high quality, affordable solar phone chargers, paired with training. This program builds on our expertise and on-going programming in refugee settlements in Uganda, which **collectively reach 177,500+ participants**.

<sup>&</sup>lt;sup>4</sup> ULEARN Uganda COVID-19 Market Monitoring Snapshot April 2020

# **Meeting the Challenges Ahead**

Over the next 3-6 months, Mercy Corps will continue to focus on supporting the most vulnerable people around the globe to cope with the immediate direct and indirect effects of the COVID-19 pandemic, with an approach grounded in our commitment to building long-term resilience. This includes addressing immediate basic needs via cash assistance, providing accurate information, and sanitation and hygiene support; as well as holistically working to address the longer-term economic recovery that will be critical to reverse a quickly-spiraling poverty rate.

- <u>FOOD SECURITY</u>: New estimates indicate that the number of food insecure could increase to 270 million before the end 2020 an 82 percent increase from before COVID-19 pandemic. According to the World Food Program, Latin America has seen an almost three-fold rise in the number of people requiring food assistance. West and Central Africa has seen a 135% jump in the number of food insecure people. Southern Africa has seen a 90% rise. Indicators show that 10 countries may be on track towards severe food insecurity in the next 6-9 months. This rapidly emerging crisis will require an analytical approach to identify hot spots, for example in East Africa, and match the right intervention to the context.
- <u>HEALTH</u>: While the deaths from COVID-19 will only continue to climb in the countries where we work - particularly in those where the health systems are already severely compromised we also know that disrupted healthcare and resource diversion could result in at least 1.7 million preventable deaths due to HIV, TB, malaria and other treatable diseases. Working to increase the capacity of healthcare systems is an urgent priority, along with maintaining focus on proven approaches to mitigating diseases that are preventable and treatable.
- <u>ECONOMIC RECOVERY</u>: With an additional 70 to 100 million people potentially pushed by the pandemic into extreme poverty under the \$1.90 /day international poverty line erasing gains made over the last decade - economic recovery is vital. We will continue to support entrepreneurs, small businesses, smallholder farmers, and informal workers connecting them to critical resources and working closely with government agencies and private sector partners to craft solutions that will keep markets working.

Mercy Corps' COVID-19 Resilience Fund is a critical flexible resource that enables us to move quickly, analyze the context, design best-in-class solutions in partnership with our local partners and communities, and launch new high-impact programming benefiting those who need it most.

We are honored by your support of this fund, which indicates your trust in Mercy Corps and our community of humanitarians to be bold, act quickly, and do the most important work of our lives in bringing solutions to this unprecedented crisis. *Thank you.* 

#### **About Mercy Corps**

Mercy Corps is a leading global organization powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action — helping people triumph over adversity and build stronger communities from within.

Now, and for the future.



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