



Six-Month Tsunami Accountability Report



Be the change

Dear Friends,

The morning of December 26, 2004 shook us all.

The sights and sounds of that fateful morning are still vivid and continue to echo. In an instant, everything changed for millions of families across Southern Asia and East Africa.

Within hours, the world mobilized to help tsunami survivors in their time of greatest need. Mercy Corps was among the first to respond, delivering immediate, critical aid to families in some of the region's most isolated cities and villages.

Today our work continues, driven by the bravery, resolve and ideas of tsunami survivors – and generously supported by foundations, corporations and thousands of individuals around the world. We couldn't have done it without you.

Because of your generosity, families are rebuilding their homes, fishermen have returned to sea, businesses are re-opening and children have returned to school. On December 26, the need was historic – and you responded heroically.

Over the months to come, Mercy Corps will continue to stand with survivors, strengthen their efforts and share the joyful sights and sounds of progress.

Thank you all for your ongoing commitment and support of Mercy Corps.

Warm regards,



Dan O'Neill
Founder, Mercy Corps

I. Introduction

Six months after the Indian Ocean tsunami, Mercy Corps is providing assistance for more than one million survivors of the disaster. Our work is made possible by the generous support of individuals, foundations, corporations, governments and community groups worldwide.

This report outlines Mercy Corps' financial accountability, program strategy and country-by-country achievements after six months of intensive relief and recovery work. We also share our vision for future efforts, in acknowledgement that recovery will take years, not months.

Across tsunami-ravaged areas,
Mercy Corps acted quickly to
meet the needs of children,
women and families.



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Cash-for-work programs got villagers back to work, fishing boats back to sea and much-needed income in the pockets of survivors.



Cassandra Nelson/Mercy Corps

Six months after disaster struck Southern Asia and East Africa, over 250 Mercy Corps field officers and hundreds of local partner staff are making sustainable progress throughout the region. To date, Mercy Corps has:

- **Provided immediate economic opportunities** to thousands of people through cash-for-work programs. In April, this amounted to jobs for 23,000 people per day.
- **Cleared over 50 miles of road** in Indonesia's Aceh province.
- **Moved and repaired more than 250 large fishing boats.**
- **Revitalized damaged tourist infrastructure** in villages that depend on that industry.

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In Banda Aceh, Indonesia, we distributed tools, nails and other supplies to launch dozens of small businesses.

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Mercy Corps is giving grants to help survivors rebuild strong, sustainable communities with vibrant local economies.

- **Sent children back to school** by repairing ruined classrooms and providing supplies, uniforms and tuition to nearly 30,000 students.
- **Reclaimed over 600 acres of cropland** inundated by salt water by digging more than 100 drainage channels and distributing seeds, tools and fertilizer to farmers.

Our work has been inspired and accelerated by the remarkable resolve of tsunami survivors striving to reclaim their lives. Now, from this vantage point, we take a look at we've done together so far – and how we will help families recover in the long term.

TIMELINE

December 26, 2004

A 9.15 magnitude earthquake, the strongest in over 40 years, occurs off the coast of Sumatra, Indonesia, spawning tsunami waves that strike Southern Asia and make landfall as far away as East Africa. Up to 300,000 people died in the disaster, and millions were displaced.

January 4, 2005

Mercy Corps distributes lifesaving food and critical supplies to over 100,000 survivors in Indonesia's Aceh Province. This aid includes water purification tablets, plastic sheeting for temporary shelter, cooking supplies, blankets and clothing.

January 10, 2005

Mercy Corps CEO Neal Keny-Guyer meets with President Bush, Secretary of State Colin Powell, other government officials and heads of relief agencies to discuss next steps in tsunami relief and recovery.

January 26, 2005

One month after the tsunami, Mercy Corps helps hundreds of children return to schools that had been closed since the disaster. Cash-for-work participants had cleaned and repaired the schools for re-opening.

April 14, 2005

Mercy Corps announces expansion of tsunami relief efforts to Somalia, to assist more than 900 families of survivors in ten villages.

December 27, 2004

Mercy Corps staff enters Indonesia's tsunami-ravaged Aceh province, isolated for years due to civil war, and immediately begin relief operations. The agency also has teams on the ground in India and Sri Lanka assessing the situation and launching operations.

January 7, 2005

Cash-for-work programs begin in Indonesia with 100 local workers cleaning Banda Aceh's streets for a fair daily wage to support their families. Within weeks, these programs spread to other areas of Indonesia, as well as to India and Sri Lanka, and employ more than 23,000 people each day.

January 14, 2005

Mercy Corps helps launch the Geospatial Initiative, which uses geographical information systems (GIS) to increase efficiency of relief efforts and helps transfer valuable knowledge between humanitarian organizations in the region.

March 26, 2005

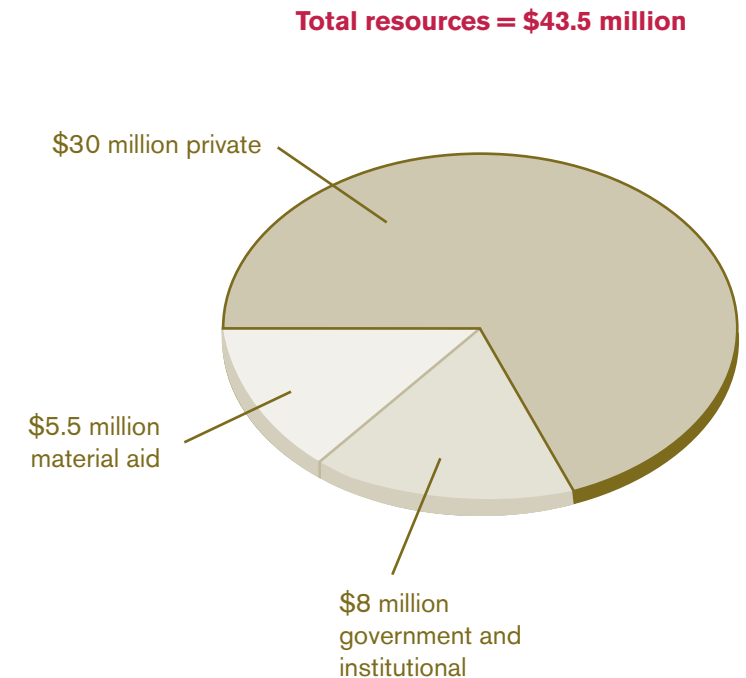
Three months after the tsunami, Mercy Corps had assisted survivors in over 20 villages in Indonesia's Aceh province to returning to their villages and beginning to rebuild their communities.

May 3, 2005

The "Lights of Hope" ceremony in Arugam Bay, Sri Lanka commemorates the revitalization of that town's tourist industry with the help of Mercy Corps programs.

II. Financial Accountability

Since December 26, 2004, Mercy Corps has received \$43 million in cash and material aid from private and public sources worldwide. More than \$30 million of this total came from more than 100,000 individuals, corporations and foundations – by far the largest total ever donated for a single disaster in the agency's history. Mercy Corps also received \$5.5 million in donated goods and supplies from private donors and \$7.5 million in grants from governments and institutional donors.





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Quick cleanup of city streets, community buildings, businesses and schools was vital to restoring both local economies and a daily routine for survivors.

“Relief and recovery works best when planned and executed in close partnership with the communities affected by the disaster. Many of these communities have the will and the know-how to shape the best response to the situation – the international community needs to use and support these local assets.”

– Nancy Lindborg, Mercy Corps President

As of April 30, 2005, Mercy Corps has spent more than \$13 million of these resources for tsunami relief and recovery programs. This total represents more than 30 percent of the total tsunami funding the agency has received and is in keeping with our strategic plan of allocating 60 percent of resources to activities in 2005, and the balance in subsequent years.

This percentage illustrates Mercy Corps’ commitment to get resources and funding to tsunami survivors quickly and efficiently. Mercy Corps and most leading U.S.-based NGOs participated with InterAction in a comprehensive tsunami accountability project to help promote good financial stewardship and transparency of fund allocations. The report is available on the InterAction website at www.interaction.org. In addition, Mercy Corps is partnering with Johns Hopkins University to help assess the effectiveness and impact of our largest tsunami-response efforts.



John Stephens/Mercy Corps

Mercy Corps helped survivors in India’s devastated Nagapattinam district build over 100 temporary houses, meeting halls and community kitchens.

III. Our Current Approach to Tsunami Recovery

Today, Mercy Corps is helping families recover in tsunami-affected areas of India, Indonesia, Somalia and Sri Lanka.

What sets Mercy Corps' work apart is that the agency's tsunami recovery programs are community-driven. Initiatives are often conceived, shaped and pushed forward by the survivors themselves, whose pride, energy and initiative are critical to long-term success and sustainability.



Cassandra Nelson/Mercy Corps

In Meulaboh, Indonesia, we've helped get the local fishing economy back afloat by repairing more than 125 commercial boats.



Even as survivors remember the tragedy and mourn the lost, they have never lost sight of building a stronger future.

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Mercy Corps is focusing on helping returning tsunami survivors to rebuild their communities and livelihoods as quickly as possible. Three ways we're approaching this goal are:

- We focus on projects that have immediate benefit, such as providing tools to fishermen, even as local and national governments clarify long-term reconstruction strategies.
- We get resources, funding and other assistance to the people who need it most, by listening to trusted members of local communities.
- We build strong partnerships with local organizations in order to move quickly, respond to real needs and leverage local "know-how."

Throughout tsunami-affected communities, Mercy Corps' work has been quick, efficient and innovative. With the generosity of donors, expertise of local partners and resolve of survivors, a remarkable amount of work and progress has been accomplished over the last six months.

IV. Program Highlights

Through our tsunami recovery programs, Mercy Corps is:

- **Getting people back to work quickly:**
On any weekday in April 2005, over 23,000 people in tsunami-ravaged areas were hard at work restoring community infrastructure like roads, water systems and public buildings through Mercy Corps' cash-for-work programs. The fair daily wages paid by these programs have helped community members feed their families and revive local economies while rebuilding critical infrastructure. In addition, cash-for-work programs gave tsunami survivors a tangible routine and sense of purpose in the face of tremendous loss and uncertainty.
- **Getting families back to their home communities:**
Mercy Corps is working side-by-side with community members who were displaced by the tsunami and supporting their efforts to get back home and revitalize their villages. We partner with communities to determine their greatest needs – water, schools, electricity – and help them achieve their goals. At the end of April, about half the people displaced from the hard-hit Indonesian city of Meulaboh had returned home. We expect that trend to continue, and plan to help 125 displaced communities return home this year.
- **Getting local markets back up and running:**
A strong, complete recovery from the tsunami's devastation depends on vibrant, sustainable economic activity throughout affected communities. Mercy Corps has joined with varied local partners – including business groups, trade associations and municipal governments – to ensure investment and support for fledgling local economies. In April, Mercy Corps provided investment capital for seven brick-making businesses in Banda Aceh, Indonesia to start supplying the burgeoning demand for bricks in the area. Mercy Corps has been hard at work with the people of Arugam Bay, Sri Lanka, to get their tourism industry back on track, providing small loans, supplies and technical support to get hotels and restaurants back to business.



Every day for the first six months, local cash-for-work participants pitched in to repair infrastructure, clean buildings and clear roads.

Cassandra Nelson/Mercy Corps

Mercy Corps' tsunami recovery programs are committed to helping survivors find long-term solutions to problems in local communities. Here's a country-by-country breakdown of program highlights so far:

Indonesia: Mercy Corps is helping over 423,000 people in 64 villages throughout Aceh province, the area nearest the earthquake's epicenter. Primary activities include cash-for-work programs, assisting local business associations, restoration of area schools and strengthening of social institutions.

- Mercy Corps' cash-for-work programs in Indonesia employ more than 17,500 local laborers in over 60 different projects every month, including clearing debris, repairing roads and restoring community buildings while providing a source of income for area families. These programs have cleared over 50 miles of road in Banda Aceh alone.
- Complete, lasting recovery from the tsunami depends greatly on families returning to their home villages. Mercy Corps is facilitating the return of tsunami-displaced families from camps to their home villages. Program activities, including providing building materials and ensuring clean water, are benefiting 29 communities and over 6,600 households. In April alone, 7,429 people returned to their home villages thanks to support from Mercy Corps.

Cassandra Nelson/Mercy Corps

Throughout the tsunami zone, Mercy Corps has supported and funded the innovative ideas of entrepreneurs, such as building pallets using recycled wood.



A Passion to Serve

In late December 2004, Mercy Corps' Nigel Pont became one of the first international relief workers to reach the tsunami-decimated city of Banda Aceh, Indonesia.



Deborah Tomasowa/Mercy Corps

Pont's role as Jakarta-based program director of Mercy Corps Indonesia is the latest in his eight-year career with the agency. Born in Iran to missionary parents from the United Kingdom, Pont grew up in Pakistan and has worked in developing countries all of his professional life. At the age of 19, he coordinated programs at a 130,000-person refugee camp in eastern Afghanistan.

In the initial tsunami relief phase, Pont assembled and led a Mercy Corps team that quickly delivered rice and protein-rich food, distributed emergency kits to displaced families and instituted cash-for-work programs to build bridges, clear debris and re-open schools.

Pont says that none of his previous assignments in war torn or disaster areas could have prepared him for the magnitude of devastation in Banda Aceh. Amidst the wreckage, Pont saw the hallmarks of humanity that fire his passion for international relief work.

"It's the ability of human beings to deal with such an incredibly bad hand and jump right back into fixing their lives," he explains. "Every time I see it, it always amazes me."

- One of Mercy Corps' key tsunami recovery goals is the revitalization of businesses that drive local economies. One example of this is the agency's work to rebuild Aceh province's vital fishing industries. Mercy Corps has moved approximately 125 boats cast ashore by the waves and is repairing 128 large fishing boats. The agency has also distributed 157 fishing kits containing critical supplies. This support has impacted thousands in families who depend directly and indirectly on fishing for their livelihoods.

Sri Lanka: Mercy Corps is working in 46 communities spread out over six districts of coastal Sri Lanka, providing long-term support for over 610,000 people. In addition to distribution of household supplies, cash-for work programs and grants to small businesses, the agency is also helping restore the area's devastated and economically vital tourist industry.

- Through a combination of grants, equipment and specialized training from tourism industry leaders, Mercy Corps is helping tourism in Arugam Bay get back in business. Next steps include development of a website and a marketing campaign.
- Cash-for-work programs in Sri Lanka employ more than 5,100 local Sri Lankans and have helped clean and repair schools, clear debris from roads and rebuild critical infrastructure such as bridges.
- Mercy Corps strategy in Sri Lanka includes a strong focus on children's recovery from the tsunami. Mercy Corps and local partners have provided a wide range of support to schools, including supplies to over 5,000 school children in Ampara district. The agency is also helping provide opportunities for play activities, which help children explore their feelings and resume social interaction with other young people.
- Across the tsunami-ravaged coast, Mercy Corps is conducting business training and other educational activities for over 4,000 local fishermen, helping them better market their products.

John Stephens/Mercy Corps



Life is returning to city streets, rural villages and green crop lands that were battered by the tsunami.



Cassandra Nelson/Mercy Corps

A Few Words Go a Long Way

The din of over a hundred kids built to a roar. Mercy Corps had arrived to distribute a very special package: letters from school children at the Law Primary School in North Berwick, Scotland.

Most of the children at Komari School were displaced by the devastating tsunami that struck their village in December 2004, and many lost family and friends to the disaster.

As the letters were distributed to the children, an unusual hush descended. The children were too busy reading their letters to talk. The only sound was the flipping of pages as they eagerly examined the letters.

"I have a new friend from very far away," said Kovitha, age nine. "She didn't even know me, but she wrote me a letter and drew me a pretty picture!"

Kovitha received a letter from Elizabeth, also nine years old, as part of a pen-pal program between Law Primary School in Scotland and Komari School in Sri Lanka.

Helping children cope with loss and getting them back to school have been major strategies for Mercy Corps' work in Sri Lanka. The agency and local partners have distributed school supplies and uniforms to over 5,000 children. In one particularly devastated town near Trincomalee, Mercy Corps provided safe play space and the opportunity for more than 600 children to explore and discuss their feelings.

"These letters have changed the children's minds for the better. Many of them seem truly happy for the first time since the tsunami," said one of Kovitha's teachers.

Mercy Corps will be working with the children at Komari School to send back a package of letters back to Scotland in the coming weeks. Kovitha already has an idea of what she wants to write to her new friend.

"Elizabeth wrote me and asked if I have any pets. I want to tell her all about my dog," Kovitha said, smiling.

India: Mercy Corps quickly partnered with two local Indian organizations to provide emergency relief and long-term development to tsunami-affected villages. The agency has reached over 44,000 people in India to date.

- Through its partner organization DHAN, Mercy Corps is providing support for agricultural activities to over 10,600 people in India's devastated Nagapattinam district. This area had been largely passed over by other relief organizations. Agricultural restoration projects include drainage and de-silting of salt-damaged crop fields, rehabilitation of contaminated village ponds and provision of small livestock such as goats to families. To date, more than 600 acres of cropland have been reclaimed.
- Mercy Corps and DHAN have built over 110 temporary shelter and community buildings, including houses, community halls, storerooms and community kitchens.
- The partner agencies are also working with women's groups to incorporate HIV/AIDS awareness, intervention and education strategies into long-term community support activities.

Mercy Corps cash-for-work programs have helped farmers on India's east coast rehabilitate hundreds of acres of vital cropland.

Elizabeth Christy/Mercy Corps



Roger Burks/Mercy Corps

Helping Fisherman Back to Sea

Govindu, a fisherman in the tiny south Indian village of Oolakottai, vividly remembers December 26, 2004.

"On the day of the tsunami, I was gathering my supplies right on this spot. When I saw the waves coming, I sent my family to safety, telling them to get as far away from the water as they could," Govindu said. "Before I knew what hit me, the wave took me and carried me more than a kilometer inland.

"After the waves subsided, I found my family - but never found my boat and supplies."

The village lost eight people and dozens of houses to the devastating waves. Govindu's oldest daughter and youngest child - who was only seven months old at the time - were swept away by the waves, but miraculously clung to each other and survived unharmed.

That day is full of stories - many sad, many joyful - that will last a lifetime. Today, Oolakottai's story is one of optimism, perseverance and rebirth. With the help of Mercy Corps and its local partner, the DHAN Foundation, the people of Oolakottai are rebuilding their village and returning to work.

Mercy Corps and the DHAN Foundation have given 15 wooden fishing boats to local fishermen so that they can return to work - and they have.

"The main problem now is that there's so much debris in the water, our nets get snared when we fish," Govindu said. "We make do, though. The number of fish we're catching now seems to be good, even compared to before the tsunami."

As Govindu returned to work mending nets with his oldest son, Ganesh, a faraway look came into his eyes. I wondered if he was thinking of what he'd find in his nets the next day.

Somalia: Through a partnership with local agency Horn Relief, Mercy Corps is launching cash-for-work projects in ten communities on Somalia's devastated east Puntland coast. These projects will employ approximately 7,200 tsunami survivors from a diverse clam base. The program's primary activities include building bridges, repairing roads and shoring up drainage ditches and canals that were eroded by the tsunami.

VI. Future Plans

Mercy Corps' continuing strategy for helping families recover from the tsunami involves multi-year projects designed to help restore a sense of normalcy in devastated communities, ensure sustainable livelihoods for households and revitalize local economies.

Mercy Corps is consciously applying lessons learned from previous disasters to develop an appropriate response and design innovative, flexible and effective programs. The agency's ongoing program strategy is guided by our commitment to help people build strong, productive communities and underpinned by a focus on economic recovery. Strategic partnerships with national non-governmental organizations (NGOs), local governments and our communities play an important role in our ability to achieve lasting results.

Mercy Corps is also bringing innovation to the rebuilding and recovery effort through use of geographic information systems (GIS) and remote sensing. These cutting-edge technologies are enabling the agency to gather and organize data

on soil quality, fishery health and other key environmental factors that impact agriculture and fishing. This data will be used to help communities make informed decisions about how to approach future crops and fishing strategies.

In Indonesia, long-term tsunami recovery programs will center around three main components:

- Helping communities lead their own recovery and reconstruction efforts.
- Restoring productivity and re-establishment of livelihoods.
- Revitalizing social support structures devastated by loss of life, depletion of resources and destruction of property.

Sri Lanka's long-term plan is to create a healthy, sustainable environment with revitalized economic opportunities, adequate infrastructure and improved community life. This will be achieved through an integrated program based on economic development of small and medium enterprises, development of local aid organizations and community mobilization and infrastructure repair. Since most communities in Sri Lanka and Indonesia are dependent on coastal economies, economic development will focus on fisheries and tourism.

Mercy Corps' work in India and Somalia will largely focus on empowering local organizations to carry out effective, sustainable humanitarian work. These organizations will help tsunami-affected families to ensure availability of food resources and find new, improved economic opportunities.

VII. Summary

Since last December's devastating tsunami, Mercy Corps has been at the forefront of relief, return and recovery efforts. We began assisting survivors within hours of the disaster, and have been standing with them ever since.

Through village-driven economic, educational, organizational and agricultural programs, Mercy Corps will continue working with survivors to ensure sustainable, long-term strengthening of communities.

Mercy Corps and its partners are making concrete progress on restoring lives and livelihoods in the tsunami-affected countries we serve. The generosity of our donors, combined with Mercy Corps' experience, efficiency and innovation, will continue to make a difference for tsunami survivors for years to come.



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Cover Photos:

Fishermen

Fishermen return to sea near the city of Trincomalee, on Sri Lanka's east coast.

© Cate Gillon

Fishing boats

The tsunami tossed large fishing boats inland with tremendous force. Cash-for-work programs paid local workers to haul them back to sea and carry out necessary repairs.

© Cate Gillon

School children

Students returned to cleaned, repaired schools across Indonesia's Aceh province on January 26, 2005, just one month after the devastating tsunami.

Cassandra Nelson/Mercy Corps

Fishing

With repaired boats, new supplies and technical assistance from Mercy Corps, fishermen across the tsunami zone are hauling in the sea's bounty once again.

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Each year, Mercy Corps brings help and hope to more than 7 million people in the world's poorest nations.



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Recovery will take years, not months.
Looking forward, Mercy Corps will work
with survivors every step of the way.



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