

MERCY CORPS NETHERLANDS




Three Year Strategy 1 July 2021 - 30 June 2024

Introduction

Mercy Corps Netherlands' (MCNL) overarching objective has been to ensure that Mercy Corps effectively adapts to the shifting European landscape by building the foundations for a strong, robust, financially viable Netherlands based organisation that is actively leveraging strategic partnerships across the European landscapes, complementing and contributing to the strategic objectives of the global organisation. Three years after it was established, MCNL is in a position to shift its focus to the development of strategic objectives that will look beyond the operational capacity and profile raising priorities.

This document describes MCNL's strategic objectives for the next three years, taking into account the evolving operating context, MCNL's growing capacity, and the potential to increase its programme reach and impact through focused fundraising and partnership development.



MCNL's ambition for this three-year period is to establish its position as a strong humanitarian, development and peacebuilding actor and partner in the Netherlands and with the EU institutions in Brussels.

Four strategic objectives will contribute to this ambition:

- I. Organisational capacity and management model established that facilitate MCNL's growth and influence ambitions and strong integration within the global management and governance structures.
- II. MCNL's strong, diverse and motivated team is engaged in global initiatives and provides excellent support to country offices.
- III. MCNL is recognised as a strong partner and actor in the Netherlands and among the EU institutions.
- IV. MCNL's income grows to €30M in FY24.

MCNL's programmatic priorities will remain embedded within the global strategy of Mercy Corps, as described in the Mercy Corps [Compass](#)¹. MCNL will focus its programme development and policy engagements on these broad thematic areas:

- Humanitarian response
- Preventing and reducing conflict and violence
- Climate adaptation
- Youth employment and entrepreneurship
- Market based responses to complex crisis
- Agriculture and food security
- Gender equality, diversity and social inclusion.

Like the Compass, this strategy provides a framework and identifies priorities around which MCNL will focus its activities during this three-year period and will be amended, as necessary, as the global priorities and context change. **This strategy does not replace but updates the Policy Plan from 2018.**

¹ The global strategy review that will be completed before the end of 2021 will provide a new strategic framework that will be adopted by MCNL, as appropriate.

Global 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 programme 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
- We believe in evidence and learning. We use data to manage our programmes 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.

Context

The key global trends and challenges identified in the Mercy Corps' Compass are likely to continue to define organisational priorities and drive our actions for the near future. COVID-19 has in many cases exacerbated the challenges, in terms of the growing numbers of people affected, disruptions to conventional ways of working, and a marked deterioration of social and economic infrastructure in areas already ravaged by conflict, climate change and other hardships.

Through our programmes, research and analysis we are all too aware of the impact of the pandemic and related control measures on households and communities, on jobs and markets, and on the peace and social cohesion in many places where we work. Meanwhile the global economic crisis and domestic pressures at home for our major donors has not only threatened (and in many cases reduced) aid budgets, it has also driven a political tendency to protectionism and national self-interest.

The pandemic, though, also provides an opportunity. It has reaffirmed our global connectivity. It has forced the aid sector to actively acknowledge that local actors are the first and ultimate responders to crises. It has also paved the way to significant investment in 'COVID-19 Recovery' packages, which, done right, could offer a leap forward in terms of addressing key global problems, including mitigating and coping with climate change and addressing the root causes of conflict and crisis.

The **Dutch government** traditionally focuses on four thematic development priorities, which are security and the rule of law, water management, agriculture including food security, and sexual and reproductive health and rights (SRHR) including efforts against HIV/AIDS. Under its current development cooperation policy, those four areas are still prioritised, in addition to the fight against climate change, education and employment for young people, especially young women, and the protection and support of refugees in host countries in the region of origin. Lastly, advancing gender equality and strengthening civil society are key crosscutting themes of Dutch development policy.

The 2020 development budget was increased with almost €300 million to respond to the COVID-19 pandemic, resulting in a peak in ODA as a percentage of Gross National Income in 2020, reaching 0.61%. However, the ODA-GNI ratio is projected to decrease to 0.52% by 2024, due to the front loading of resources for the response to COVID-19, which is going to put higher pressure on future development budgets. Furthermore, the political situation in the Netherlands is very volatile, and could have an important impact on future levels of ODA.

At the **EU** level, the Multiannual Financial Framework - MFF (the total budget the European Union has at its disposal to implement its internal and external policies for a seven-year period) for the period 2021 - 2027 was adopted in December 2020 after lengthy negotiations. The instrument dedicated to development cooperation, called the Neighbourhood, Development and International Cooperation Instrument (or NIDIC-Global Europe), stands at €79.5 billion, including €11.5 billion for humanitarian aid. This funding is currently being divided into financial envelopes for each region, country, and thematic area based on Multiannual Indicative Programmes, which are currently being drafted by the European Commission and European External Action Service and should be issued before the end of 2021.

EU development cooperation priorities include promoting good governance, human and economic development, and tackling global issues, such as fighting poverty, hunger and preserving natural resources. However, political priorities of EU Member States also continue to play a role in

development cooperation. For example, the NDICI-Global Europe has been criticised for earmarking 10% of its budget for migration.

With the growing team and management capacity and access to global technical resources, MCNL will be able to pursue **strategic partnership opportunities** and increase its engagement with the sector membership organisations, communities of practice and other forums in the Netherlands and Brussels, focusing on the priority themes and regions, in alignment with this strategy and the global strategic priorities. The Dutch government and the EU are increasing their support for consortia, private-public partnerships and strategic alliances with national organisations in the global south.

A key assumption that this strategy makes is that MCNL will be awarded the FPA certificate by the end of the first quarter of FY22, in time for the release of ECHO's 2022 HIP (Humanitarian Implementation Plan).

Strategic Objectives

MCNL's ambition for this three-year period is to establish its position as a strong humanitarian, development and peacebuilding actor and partner in the Netherlands and with the EU institutions in Brussels. Four strategic objectives will contribute to this ambition:

- I. **Organisational capacity and management model established that facilitate MCNL's growth and influence ambitions and strong integration within the global MC management and governance structures.** As MCNL continues to grow, its organisational structure, management and governance models and capacity will need to evolve to ensure efficient, accountable and cost effective management of resources. This will be accomplished through addressing the following priorities:
 - **Organisational capacity:** MCNL's team will continue to grow in alignment with the increased programme resources and responsibilities. Additional management capacity, covering programmes and financial management will be introduced in the second half of FY22. A Brussels based position charged with coordinating the implementation of the EU engagement strategy will come on board in early FY22. Programme support teams, including finance and compliance, will be strengthened through the increased allocation or transfer of resources based in the UK.
 - **Management model:** The future management structure, scope of responsibilities and capacity of MCE and MCNL will be addressed as a standalone work stream and in line with the outcome of the global strategy review. The structure should enable the two legal entities in Europe (MCE and MCNL) to function as a single 'European Arm' of Mercy Corps with a matrixed management structure that is effectively integrated into the global organisation, engaging with MCG and country and regional teams as one European entity. This will deliver cost efficiencies to both entities and ensure that MCNL have access to experienced and committed team members to deliver its objectives. Within this structure, MCNL will maintain independent management capacity, oversight and decision making over its programmes, and responsibilities arising from the statutory requirements in the Netherlands and the engagement with the Dutch and EU donor institutions and partners.

- **Governance.** The integration of the MCNL Management Board within the global governance structures has been strengthened with the membership in the key joint committees. New Netherlands based board directors will join the Management Board in the first quarter of FY22. The expanded MCNL board will have a greater capacity to support MCNL's public engagement and fundraising ambitions in the Netherlands as well as a greater involvement in the risk management and driving the strategic direction of MCNL.
- **Policy framework:** MCNL has been operating under the general policy framework of MCE and work remains to be completed on the review and adaptation of the general policies and the development of additional, Netherlands specific policies. One of the main priorities is the finalisation of an HR policy manual (draft to be finalised within the last quarter of FY21).
- **External organisational assessments:** In order to be able to successfully compete for funding in the Netherlands, MCNL will need to invest in organisational assessments and obtain certifications of quality that are customary for Dutch NGOs. The Netherlands Fundraising Regulator (Central Bureau of Fundraising / Centraal Bureau Fondsenwerving, or CBF) certification process, started in the first quarter of FY21, will be completed in the first quarter of FY22. This will be followed by an Organisational Risk and Integrity Assessment (ORIA) for the Dutch Government. The Partos ISO certification, as a standard for larger Dutch NGOs, will be commissioned after the FY22 annual audit.

II. MCNL's strong, diverse and motivated team is engaged in global initiatives and provides excellent support to country offices. The matrixed management structure will present challenges in relation to the team cohesion, sense of belonging and management of expectations. Thus, special attention needs to be given to promoting and building strong Mercy Corps culture across all teams in Europe. The following will support the accomplishment of this objective:

- **Onboarding:** Within the first quarter of FY22, develop clear and effective onboarding support for all team members joining the Mercy Corps Netherlands team to understand the management and support structures unique to the Netherlands-based team. Socialise and distribute the updated Team Member Handbook for Europe-based team members, within the first quarter of FY22.
- **Benefits and Compensation:** Continue to validate the benefit and salary structures for Mercy Corps Netherlands to ensure alignment with Mercy Corps global compensation philosophy while attracting and retaining the best talent. Conduct a total compensation market review and implement the appropriate changes in first and second quarters of FY23.
- **Wellbeing and Safeguarding:** Continued emphasis and investment in wellbeing and safeguarding support. Ensure Mercy Corps Netherlands engagement in the newly formed Team Council, implemented initially July 1, 2021 and elected annually thereafter. Identify and socialise new wellbeing initiatives able to meet the unique needs of team members in different European contexts. Enhance safeguarding support and awareness in Mercy Corps Netherlands through establishing a Safeguarding champion on the team and create more opportunities for updates on global initiatives through brown bags and other team meetings.
- **Diversity and Inclusive Management:** Promote inclusive leadership practices and increase diverse representation within the Mercy Corps Netherlands team. Implement a regular schedule for People with Possibility refresher training for managers to develop high

performing teams. Contribute to the implementation of Mercy Corps' Vision for Racial and Ethnic Diversity work streams, both within the Global and European contexts.

- Promoting a culture that demonstrates safeguarding best practices.

III. MCNL is recognised as a strong partner and actor in the Netherlands and with the EU institutions in Brussels. MCNL will concentrate on the development of relationships, fundraising and policy engagement directed at the Dutch donors and the EU institutions in FY22 and FY23. This focus will expand to other European donors in FY24.

- **The EU engagement:** The [EU Engagement Strategy](#) developed in the last quarter of FY21 will guide MCNL's engagement with the EU institutions. MCNL's ambition is to initially bring the support from the EU to pre-Brexit levels, helping to make up for projected reduced funding from the UK government. MCNL will also expand its engagement with policy and influence initiatives, which should contribute, in the long term, to stronger partnerships and increase in funding. The engagement will be coordinated by a Brussels based position that will work closely with teams across Europe, regional offices and country offices, and Technical Support Units (TSU), delivering results organised in three pillars:

Pillar 1: The development of EU literacy across Mercy Corps Offices will focus on improving the understanding of institutions (including presence outside Brussels) and decision mechanisms in the EU, the EU thematic and regional priorities and policies, and the specific EU terminology to be used in interactions with the EU Institutions.

Pillar 2: Engaging with the EU as a donor in Brussels and EU delegations in programme countries. This engagement will allow advance access to information, raise Mercy Corps' profile, and increase visibility among EU institutions and increase the potential for success in acquiring funds.

Pillar 3: Engaging with the EU as a policymaker will be realised through monitoring of key EU policy developments, building relations and credibility with key bodies and decision makers, and aiming for specific policy and practice changes. Thematic priorities for engagement are threefold:

1. Facilitating MC's ability to respond to crises, especially in relation to EU allocation of funding and specific challenges to funding/programming (e.g. EU sanctions).
 2. Influencing technical policy and practice in the EU's approach in relation to MC's global influence priorities.
 1. Influencing broader EU foreign policy in line with MC priorities, such as EU-Africa relations and EU migration policy.
- **Dutch government engagement:** This is an ongoing key activity that will continue with a focus on priority countries, strengthening in-country relationships and prepositioning for future funding with the goal to position Mercy Corps as a key Dutch Government partner by the end of FY23. Strategic partnerships with well-established Dutch NGOs will serve to improve our ability to compete for funding from the Dutch Government and to access the Dutch Relief Alliance (DRA) resources.

The alignment between Mercy Corps and the Dutch government in terms of focus countries and thematic priorities is expected to remain strong and not require major shifts in MCNL's focus. The [Dutch Government Engagement Strategy](#) will be updated annually, following the

publication of HGIS (Homogene Groep Internationale Samenwerking or the International Cooperation National Budget).

- **Community engagement and profile building:** Engaging with peer agencies, membership organisations, communities of practice and in public events in the Netherlands and Brussels will remain an important element of MCNL's positioning as a strong partner and actor, complementing and advancing other activities under this objective. MCNL will strengthen its involvement within its networks in the Netherlands and invest in building the networks and reputation in Brussels. As a member of [Partos](#), [DCHI](#), the [Dutch Gender Platform](#) and an active partner of the [Knowledge Platform Security and Rule of Law](#) (KPSRL) and the [Netherlands Food Partnership](#), MCNL will share the results of MC's global programmes and research. Through the [EPLO](#) membership, MCNL will promote MC's global peacebuilding work and have access to EU strategies, advance knowledge of policy changes and priorities. In FY22, we will apply for the membership of [VOICE](#).

MCNL will host or co-host one major thematic event in The Hague or Brussels every year and ensure expert engagement in key events in both locations (such as the ECHO's annual partnership conference, European Development Days, PARTOS Innovation Festival, ImpactFest in The Hague).

- **Communications and media outreach** will be expanded from FY23 in order to boost MCNL's profile on key priority themes among peers, donors and other supporters, and preposition the organisation for public fundraising initiatives in FY24. MCNL will increase its online presence and create a media outreach strategy, led by a new Communications officer to be recruited during FY23. As some of the Dutch foundations and funding bodies have an explicit requirement that applicant organisations demonstrate public support and engagement with the Dutch public, the communications and public fundraising strategies will contribute to funding goals under objective IV.

IV. MCNL's income grows to €30M in FY24. MCNL's programme development and fundraising efforts will focus on the Dutch donors and the EU institutions in FY22 and FY23 and extend to other European donors in FY24. MCNL will also continue to grow existing CFT partnerships and engage with Dutch CFTs from FY22. The income targets are presented in the summary budget at the end of this section.

- Focusing on two major donors in FY22 and FY23 will allow MCNL to build and consolidate strong relationships and reputation as well as streamline the mobilisation of resources, but is not sustainable in the long term. Diversification of funding will be a priority for FY24 (with work on this starting in FY23) and will likely initially include donors in the countries where MCNL has offices or permanent team members - Switzerland and Belgium.
- With the EU, MCNL's ultimate aim is to bring the level of support and funding from the EU institutions to pre-Brexit levels by the end of FY24 and build stronger relationships and reputation both with the EU in Brussels and the EU delegations in the programme countries. MCNL's aim is also to engage with the EU as a policy maker on specific policy and practice changes relevant to MC mission. This will only be possible if we are successful with our FPA application, as 40 percent of the expected new revenue in FY23 and FY24 is to be generated from ECHO. In the second half of FY24, MCNL will explore the feasibility of applying for the ECHO Programmatic Partnership.

- The Dutch government funding requires a continued investment in relationships with the country representatives in Dutch embassies, as they have modest budgets to allocate to priority actions and play a key role in the design of new calls for proposals and the review of submissions. MCNL's strategic partnerships team will ensure that country teams are well informed of new developments and opportunities, and motivated to engage with Dutch representatives at the country offices. Engagement and funding secured during this period will serve to position MCNL for success with the next round of Strategic Partnerships Calls with the Dutch government in FY25-26 and the application for the membership of the Dutch Relief Alliance (DRA).
- Funding from Corporates, Foundations and Trusts (CFT) will be actively pursued from FY22. MCNL will take a three-pronged approach - directly marketing pre-designed project concepts or full proposals to selected CFTs; actively tracking and responding to calls for proposals; and elevating its public profile through networking and subscribing to major donor publications in the Netherlands. One of the key target donors is the National Postcode Lottery (NPL); MCNL will aim to secure a project grant in FY22 and institutional support funding in FY24.
- As a Dutch organisation, MCNL needs to be able to demonstrate public support through the number of individual donors in order to qualify or increase chances for success with certain donors (DRA, NPL). MCNL will undertake fundraising activities in FY23 and FY24, in coordination with the European and the global fundraising teams, leveraging existing expertise and resources for increased efficiency. Donor mapping and analysis will be conducted in FY23 and a pilot fundraising campaign will be launched in FY24. Dedicated fundraising resources are included in the FY24 budget.
- A summary budget forecast is presented below.

MERCY CORPS NETHERLANDS

BUDGET FORECAST (in thousands €)

	Fiscal Year		
	FY22	FY23	FY24
Income			
EU Gants	7,788	18,126	24,703
European Governments Grants	1,419	3,547	5,885
Private Red Grants	2,500	3,933	3,960
Other Grants	886	37	-
Total Income	12,593	25,643	34,548
EXPENDITURES			
Programme (Objectives) Expenditures	11,678	23,971	32,294
<i>Climate, Agriculuture and Food Security</i>	2,370	4,444	7,350
<i>Civil Society, Education and Conflict Management</i>	2,501	3,335	6,083
<i>Economic Development, Employment, Enterpreunership</i>	2,029	4,016	6,811
<i>Disaster Risk Reduction and Humanitarian Response</i>	4,779	12,177	12,050
Fundraising	16	15	50
Management and Administration	1,127	1,664	2,073
Total Operational Expenditures	12,821	25,650	34,418
Net Operations	(228)	(8)	130

Thematic and Regional Priorities

MCNL'S thematic and regional focus will be determined by the global strategy and shifts in donor priorities but it is expected that certain general trends will remain the same. The two target institutional donors are already strongly aligned with Mercy Corps objectives.

In FY22 MCNL will continue to strengthen its engagement in these areas, building on gains accomplished to date and in alignment with this strategy:

- Humanitarian response
- Preventing and reducing conflict and violence
- Climate adaptation
- Youth employment and entrepreneurship
- Market based responses to complex crisis
- Agriculture and food security
- Gender equality, diversity and social inclusion.

Africa and the Middle East will continue to be the priority regions but MCNL will maintain the flexibility and resources to support Asia and Americas for the EC funding opportunities and engagement.



POLICY PLAN Style: Photo: Fred **MERCY CORPS NETHERLANDS**

FEBRUARY 2018, DEN HAAG

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INTRODUCTION

GENERAL

This Policy Plan consists of an Introduction, a view on the Articles of Association as far as ANBI rules and regulations and the organisation's finance and governance structure are concerned, and an overview of the organisation - its mission, vision and objectives, and a summary of activities.

The Management Board is aware of the fact that, in order to remain on the ANBI register, Mercy Corps Netherlands has to meet the prescribed regulatory requirements. The Management Board will ensure that all ANBI requirements are met and that the resources made available to Mercy Corps Netherlands are spent on the furthering of organisational objectives.

This Policy Plan is intended to be a living document, which will be reviewed periodically and no less than once every five years by the Management Board. Mercy Corps Netherlands intends to maintain the guiding principles stated in this document, operating as a not-for-profit association eligible for an extended ANBI status.

MERCY CORPS GLOBAL

Mercy Corps is a leading global humanitarian agency saving and improving lives in the world's toughest places. In more than 40 countries, Mercy Corps partners with local people to put bold ideas into action, help them overcome adversity and build stronger communities.

Mercy Corps helps communities survive and move beyond emergencies. Wherever natural disasters strike, economies collapse or conflict flares, Mercy Corps is there. With a network of experienced professionals in more than 40 countries, Mercy Corps is uniquely positioned to respond to meet urgent needs – water, food, shelter – and to immediately start figuring out how to build back better. That's part of what makes Mercy Corps distinct: we respond with urgency, and stay beyond the emergency. Our approach helps us move communities beyond the crisis: from relief, to recovery and ultimately toward resilience.

Working with communities, we leverage local logic and knowledge to help people transform their lives. To grow more food, earn higher incomes and ultimately advocate for their needs. We see global challenges as an invitation to pioneer innovative, sustainable solutions. During our 34-year history, our work has improved more than 170 million lives in over 115 countries around the world.

Mercy Corps has been an international leader in responding to disasters, including the wars in Syria, Afghanistan and Iraq, food shortages in North Korea, ethnic conflict in the Balkans and the Sudan as well as in economic transitions in central Asia and the Caucasus.

MERCY CORPS NETHERLANDS

Mercy Corps Netherlands was established as a non-profit association on 19 December 2017. It is an independent legal entity with its own constitution as an Association registered with the Chamber of Commerce in Amsterdam. The organisation will operate in collaboration with its sister agencies, Mercy Corps Global and Mercy Corps Europe, sharing the same mission, vision, core values, and charitable objects, as well as operational resources for the implementation of program activities but it will maintain an independent governance structure and decision making in relation to those programs for which it is directly responsible.

The organisation's registration details are as follows:

- Chamber of Commerce (KvK) Identification Number: 70333564
- RSIN: 858269235
- Legal form: Association (Vereniging) with full legal capacity
- Statutory name: Mercy Corps Netherlands
- Statutory seat: The Hague
- Visiting address: The Hague Humanity Hub, Fluwelen Burgwal 58, 2511 CJ Den Haag
- Email address: mcn-info@mercycorps.org
- Telephone number: +31 70 217 1080
- First entry in the trade register: 19-12-2017
- Date of the deed of incorporation: 19-12-2017
- Activities SBI code: 94996.

GOVERNANCE STRUCTURE

The founding members of Mercy Corps Netherlands are:

- (1) Adrienne Anne Airlie, born in Paisley, United Kingdom, on 3 May 1958, residing at 60 Newlands Road, Glasgow, G43 2JH, United Kingdom, holder of a British passport with number [REDACTED], referred to as the "Incorporator I" in the Articles of Association;
- (2) Nicholas Bodo Blazquez, born in London, United Kingdom, on 3 January 1961, residing at 8 Wheatfield Road, Harpenden, Hertfordshire, AL5 2NX, United Kingdom, holder of a British passport with number [REDACTED], referred to as the "Incorporator II" in the Articles of Association,
- (3) Thomas Kenneth Murray, born in Edinburgh, United Kingdom, on 25 June 1958, residing at 19/4 Union Straat, Edinburgh EH1 3LR, United Kingdom, holder of a British passport with number [REDACTED], referred to as the "Incorporator III" in the Articles of Association.

A Management Board has been appointed by the execution of the Articles of Association and has three members:

- (1) Simon David Sebastian O'Connell born in Aldershot, United Kingdom, on 10 December 1974, residing at Flat 5, 15 Lonsdale Terrace, Edinburgh, United Kingdom, married, holder of a British passport number [REDACTED], serving as the Chairman of the Board,
- (2) Adrienne Anne Airlie, details above,
- (3) Nicholas Bodo Blazquez, details above.

Subject to the restrictions of the Articles of Association, the Management Board will be responsible for the management of the organisation. The Management Board will be authorized to have certain parts of its duties performed under its responsibility by committees, appointed by the Management Board.

In case of a conflict of interest of one or more members of the Management Board and the organisation, the General Meeting may appoint one or more persons to represent the organisation. The Management

Board may grant to and confer upon other persons powers of attorney for the representation of the organisation at law and otherwise within the limits defined in those powers of attorney.

The Management Board will be obliged to keep records of the financial position of the organisation and of everything concerning the activities of the organisation, in accordance with the requirements arising from these activities, and to keep the books, documents and other data carriers in such a way that the rights and obligations of the organisation can be known from them at any time.

The Chairman of the Board is responsible for these main functions:

- Ensure the effective and efficient functioning of the board
- Represent the general organisation to external stakeholders (figurehead)
- Ensure tasks and responsibilities are well distributed between board members
- Manage critical path / tracking decision making
- Chair quarterly board meetings.

The Treasurer and Secretary will be appointed by the Board during their first meeting.

MANAGEMENT BOARD ACCOUNTABILITY

The Management Board will be obliged to keep records of the financial position of the organisation and of everything concerning the activities of the organisation, in accordance with the requirements arising from these activities, and to keep the books, documents and other data carriers in such a way that the rights and obligations of the organisation can be known from them at any time.

Within six months of the end of the financial year, except where this period has been extended to a maximum of four months by the General Meeting, the Management Board must present a report of the Management Board at a General Meeting on the course of events within the organisation and the policy pursued.

The Management Board must submit a hard copy of the balance sheet and the statement of income and expenditure, with explanatory notes (jointly: the annual accounts), to the General Meeting for approval. These documents must be signed by all the members of the Management Board; if any of their signatures is lacking, the reasons for this omission must be stated.

Unless an accountant is appointed, as referred to in article 2:393 paragraph 1 of the Dutch Civil Code, to audit the annual accounts of the financial year of the organisation, the General Meeting will appoint each year a financial committee from among the members, consisting of at least two persons who may not be on the Management Board. The financial committee must audit the documents referred to in the second sentence of paragraph 3 of this article and must report its findings to the General Meeting.

The Management Board will be obliged to provide the financial committee, for the purposes of its audit, with all the information it requests, to show it the organisation cash funds and assets if required, and to make the organisation's books, documents and other data carriers available to it for reference.

If the audit of the report requires specific accounting knowledge, the financial committee may be assisted by an expert.

REMUNERATION

No remuneration can be granted to the Management Board members. Expenses will be reimbursed to the Management Board members on production of the necessary supporting documentation.

Staff members employed by Mercy Corps Netherlands to perform duties in the Netherlands office and for the implementation of program activities will be compensated according to a salary scale to be developed for this office and managed in line with the Dutch Labour Law and the Mercy Corps internal personnel policies and procedures. A compensation package – competitive pay and comprehensive benefits – will be designed to both attract and retain high-calibre, diverse, high-performing individuals at all levels. We will evaluate the external market and internal organisation context on a regular basis to ensure that our compensation packages are equitable and in line with our targeted colleague agencies and other comparator organisations.

We believe in the power of the individual to create their own future and we believe that both team members and beneficiaries alike have the possibility to shape the organisation. We want our team members to embrace interesting opportunities, feel empowered to make decisions, generate new ideas, tackle challenging problems and pursue valuable solutions. Every position at Mercy Corps is essential to our success and we want our team members to feel valued for the work they do.

DISOLUTION AND LIQUIDATION OF ASSETS

The organisation may be dissolved pursuant to a resolution by the General Meeting. Following dissolution of the organisation, its assets will be liquidated by the Management Board. The Management Board may resolve to appoint other persons as liquidators.

A positive liquidation balance of the dissolved organisation shall be spent for the benefit of an organization with ANBI status with similar objects as the objectives of the Association or for the benefit of a foreign organization which exclusively or almost exclusively intends the public utility and which has similar objectives as the objectives of the organisation.

Following the liquidation, the books, documents and other data carriers of the dissolved organisation will remain in the custody of the person designated for this purpose by the liquidators for the period prescribed by law.

In all other respects, the provisions of Title 1 of Book 2 of the Dutch Civil Code will apply to the liquidation.

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 a place of fragility to resilience, meeting urgent needs while addressing root causes – always powered by the belief that a better world is possible.

OUR OBJECTIVES

The Objectives of Mercy Corps Netherlands, as stated in the Articles of Association are:

- › The relief of poverty;
- › The advancement of health;
- › The advancement of community development;
- › The saving of lives;
- › The advancement of human rights, conflict resolution or reconciliation; and
- › The advancement of environmental protection.

We aim to achieve these objectives by, inter alia:

- › Helping people build secure, productive, and just communities across the globe;
- › Providing international relief, development and economic opportunity to meet the needs of the poor around the world, with a special emphasis on support to countries in transition, refugees and world hunger;
- › Educating and informing the public as to the causes of chronic poverty, conflict, suffering, homelessness, hunger and injustice;
- › Providing and inspiring innovative, sustainable solutions to climate change and the global challenges arising out of chronic poverty, conflict, suffering, homelessness, hunger and injustice;
- › Empowering people to better manage their differences, learn skills that promote peace, and achieve lasting, positive change; and
- › To cooperate in any way with organizations with similar objectives and achievements.

PROGRAM FOCUS AND ACTIVITIES

Agriculture

Agricultural improvements have yielded tremendous results, decreasing the number of undernourished people by 167 million in the last ten years alone. However, these improvements have often been made by increasing the amount of land under cultivation – a practice that cannot continue indefinitely. Agricultural expansion has also come at a price: soil erosion, deforestation and water pollution – compounded by higher and more volatile global temperatures – have already begun to reduce agricultural productivity. For this reason, Mercy Corps works to ensure agro-systems around the world are economically productive, nutritionally diverse and efficient – both today and in the future.

We help smallholder farmers – farmers with less than 1 hectare of land – and pastoralists develop their production capacity so they can increase productivity and weather environmental shocks and stresses. We also focus on improving agriculture-related products and services by working with traders, input suppliers, processors and government bodies. And our holistic approach extends further – to improving the nutrition of people who consume agricultural products. This might mean increasing a crop's nutritional value by improving how crops are harvested, stored and transported. We also work with families to help them diversify the crops they grow and educating communities about the benefits and conditions of good nutrition.

Children & Youth

As young people mature, the decisions they make have an enormous impact on their families, their communities and our world. But growing up surrounded by poverty, war or in the aftermath of disaster increases their risks and limits their choices.

That's why giving children and youth the right support at this most critical time is essential to building tomorrow's strong, productive communities.

When disaster strikes, young children are especially vulnerable to developing emotional and social problems that can jeopardize their futures. Mercy Corps worked with experts to design our signature Comfort for Kids program that helps children process their trauma and recover through play, sports and art activities. See our expert's recommendations for how parents and caregivers can help children through times of crisis.

For adolescents faced with violence, early marriage and interruptions to schooling, we provide opportunities for community involvement, vocational training and life skills development. Our goal is to empower youth in the toughest places to make smart life choices and invest their energy in developing solutions to their countries' biggest challenges.

Conflict management

War tears at every fiber of society, but conflict doesn't have to be violent to harm communities. Mercy Corps works to help families rebuild after the destruction of war and engages citizens to find mutually beneficial solutions for change.

Especially in post-conflict settings, we facilitate collaboration between government officials and the people they serve, leading to more accountable and productive leadership. Addressing the root causes of conflict today can help avoid tomorrow's wars and other crises.

Disaster preparedness

The cost of natural disasters is high, but lives can be saved before they ever occur. As climate change and increasingly erratic weather patterns increase the risks of devastating storms, droughts and floods, we are helping communities identify, assess and reduce their risks. Creating response plans and resilient strategies now can help better protect people tomorrow.

Economic opportunity

A roadside stand in South Sudan selling soap; an internet start-up in Gaza; a tofu processing plant in Indonesia: The global economy is connected by complex and dynamic markets. Mercy Corps believes in harnessing this inherent power to provide better opportunities for the world's poor and vulnerable, half of whom live on less than \$2/day.

Local communities themselves have the ability to drive this change and no two situations are alike. For this reason, we take a holistic, locally-led approach, working with communities, their systems and structures to build businesses, increase income and improve employment opportunities. Even in the most fragile and informal markets, we focus on intentional, market-based solutions, ones which can succeed and expand long after we have left.

Education

Education is the foundation of progress, but it is often interrupted by extreme poverty, war and other crises. As a result, individuals and their communities often cannot reach their full potential.

Mercy Corps works to bring access to education to women and men of all ages and economic groups to help ensure a better future for all.

Emergency response

When children and families around the world are suffering through conflict, poverty and disaster, Mercy Corps is there to respond with lifesaving relief and long-term support. We are on the ground in more than 40 countries, empowering people to survive crisis, build better lives and transform their communities for

good. After an emergency, we work quickly to meet the urgent needs of survivors and give people the resources they need to build back even stronger.

Thanks to our global community of supporters and partners, we are able to help millions of families during their time of need — providing lifesaving assistance to Syrian refugees, reaching survivors after natural disasters like the earthquakes in Nepal, and distributing critical seeds and tools to displaced families in South Sudan.

Our response during and after emergencies ensures that people are empowered to strengthen their communities from within. Now, and for the future.

Environment

Climate change is worsening an already unprecedented scarcity of resources, including water and arable land in some of the world's most volatile and impoverished regions.

Environmental degradation most strongly impacts vulnerable communities, primarily because these places lack the coping mechanisms that normally protect lives and livelihoods.

Mercy Corps is committed to helping these communities address and adapt to environmental changes. Our programs increase access to clean energy, manage limited water supplies, and teach farmers to protect their land.

Food security

Food is central to human wellbeing: it provides the body with nourishment, offers livelihoods that lifts people out of poverty, and brings communities together through cultural enrichment. We believe that food is a basic human right, yet too many people are trapped in a cycle of hunger by systemic forces beyond their immediate control like poverty, disaster, conflict, and inequality.

Despite progress in reducing global hunger, nearly 800 million people still go to bed hungry every night. Those in poverty generally spend between 60 and 80 percent of their income on food.

Agricultural production will need to increase by 50 percent globally to support the world's population in 2050.

We can only tackle hunger effectively if we address what causes it in the first place. This means improving systems and behaviours that enable secure access, availability, and use of food.

What we do?

Agriculture: We connect farmers around the world to the people and resources they need to increase production, feed their families, and boost their incomes

Sustainability: We help communities develop plans and skills to sustainably manage their resources to improve crop and livestock production

Good Governance: We work with local governments and communities to develop just and inclusive policies that make it easier for people to access to resources they need to thrive

Women's Empowerment: We work with women and girls to build agency, a cultural environment that supports their autonomy, and decision-making capacity for women to both earn income and feed their families

Health and Nutrition: We provide the resources, knowledge and skills needed to access and utilize clean water, employ hygienic practices, and consume diverse and nutritious diets

Emergency Food Assistance: We provide food, livelihood inputs, and cash donations when food supplies are short or unaffordable, such as when people are displaced by conflict or natural disasters.

Health

Our work to build healthy communities, families and individuals is at the heart of Mercy Corps' vision for social change. By partnering with a range of partners, from village health committees to government agencies, we help build the means to improve maternal, new-born and child health, ensure proper nutrition and combat infectious diseases.

Innovation

Innovation is the key to creating sustainable programs. Whether it's helping communities find financial solutions, using technology to improve crops or developing clean-energy strategies to save people money, our approach means trying different solutions and growing and replicating the ones that work best.

The toughest challenges demand the boldest ideas. That's why Mercy Corps identifies self-sustaining, scalable business ideas that can break through cycles of poverty and deliver social benefit to millions of people in the developing world.

Mercy Corps tests ideas in the field, measures the results, and scales the most promising solutions. Our on-the-ground insight into how local markets and systems function gives us a deep understanding of the problems people face every day — and our teams are constantly generating promising new ideas to address them.

With expertise in business, finance, technology, product design and consumer insight, Mercy Corps' Social Ventures team turns ideas into scalable businesses in emerging markets, acting like an internal incubation and acceleration lab. Mercy Corps' Social Venture Fund provides early-stage financing to build social businesses and drive them toward commercial viability. Supported through philanthropic donations, the Social Venture Fund advises and invests in Mercy Corps' highest-potential emerging ventures — those that are able to demonstrate strong potential for financial sustainability, social impact and scale.

Partnerships

Our partnerships help define how we do things differently. The world is facing some of the greatest humanitarian challenges of our time, and at Mercy Corps, we know that no single organization can tackle them alone. So we work across the public and private sectors to bring our unique expertise, innovations and solutions together to spark, scale and sustain change for communities in need around the world.

Water

Water is the source of life — but when not properly managed, it can breed disease, create conflict and destroy communities. Around the world, one in nine people does not have access to the clean water they need — that's nearly 800 million people.

Mercy Corps works to increase access to safe water around the world, whether it's bringing relief during droughts or rebuilding wells in remote villages. Our large-scale water infrastructure projects in Jordan and the Democratic Republic of Congo are forging new delivery routes, reducing waste, and bringing clean water directly to 1.25 million people — and counting — who are affected by conflict in those areas.

To complement our water access programs, we also improve sanitation and help people learn proper hygiene to prevent disease; work with families and farmers to implement conservation techniques; and strengthen communities against flooding.

Women & Gender

Establishing equality between women and men is vital to unleashing the power of families and communities to transform their lives for the better — but around the world, women, men, boys and girls experience disproportionate access to resources, exposure to risks and control of their futures. So, with every program we put into action — in each of the 40-plus countries we work in — we consider the needs of both genders, evaluate the dynamics between them and work to empower those most at risk.

We focus, especially, on helping women and girls find their equal voice in the places where they have fewer rights, because we know that strong women equal strong families — and strong countries.

Women and girls can be catalysts for incredible, positive change. But, traditional gender roles, certain cultural beliefs and few opportunities often keep them from reaching their full potential.

In many places around the world, females have unequal access to important resources like information, money, school, jobs and land. And they are oftentimes not allowed to make decisions for themselves or their families, like who they will marry, how many children they will have, how they will spend their time or how to spend household income.

And with fewer skills and tools at their disposal, women and girls also end up being some of the most vulnerable when crises like war and natural disaster strike.

The challenges that girls and women face vary widely from culture to culture, but one theme is prevalent: Unequal access to opportunities that give them an independent, productive place in their communities.

While research shows that educated women are less likely to marry early and more likely to have healthy, educated children, girls still face great — and, sometimes, insurmountable — barriers to education, including poverty, inadequate sanitation facilities, gender-based violence, social norms that favour boys' education and early marriage.

According to UNICEF, one-third of girls in the developing world are married before the age of 18, and one-third of women in the developing world give birth before the age of 20.

Women and girls also face more hurdles in building fruitful, stable livelihoods: While nearly half the world's farmers are women, only 20 percent of landholders are. Female farmers also have less access to tools, seeds, fertilizers and financing.

In some economies, laws or social structures restrict the types of jobs women can do or prevent them from working altogether.

And women and girls bear the brunt of the responsibility for unpaid housework, too, often having to forego earning an education or an income to care for family members, complete home chores and cook meals.

Globally, women spend up to 10 times more time per day caring for children and the elderly than men do, and up to three hours more per day doing housework. In sub-Saharan Africa, women devote at least 16 million hours a day — 5.8 billion hours a year — just to collecting drinking water.

Throughout our programming, we partner with communities to build gender equality, and work to support the drive and resourcefulness of women and girls. Establishing equality between women and men is vital to unleashing the power of families and communities to transform their lives for the better — but around the world, women, men, boys and girls experience disproportionate access to resources, exposure to risks and control of their futures.

Women and girls can be catalysts for incredible, positive change. But, traditional gender roles, certain cultural beliefs and few opportunities often keep them from reaching their full potential.

Our programs include helping women and girls access education, vocational skills and livelihood assets, like livestock, tools and agricultural training, so they're able to support themselves and contribute to their

families. We work to promote equal household decision-making and community involvement, and increase women's participation in income-generating activities.

MERCY CORPS ACCOUNTABILITY PRINCIPLES

Our mission, vision for change, and core values govern our actions and guide our culture. Chief among our core values is accountability. That means Mercy Corps is responsible to all our stakeholders for the way we make decisions and the results of our actions. We are guided by the following principles:

As an organization and as individuals, we act **ethically**.

We treat all people with **respect**.

We are **open and transparent** about the work we do and how we do it.

Our **stakeholders participate** in the design, planning, implementation, monitoring and evaluation of our work.

We are effective stewards of the financial resources entrusted to us and the natural environment in which we live.

We commit to achieving demonstrable impact for our stakeholders, using their feedback to innovate, learn and improve.

Mercy Corps stakeholders are people or organizations affected by Mercy Corps' decisions and actions. Our stakeholders include individual program participants, communities, donors, partners, governments, Mercy Corps team members and Mercy Corps board members. Our primary stakeholders are the people and communities we serve.

FINANCIAL PLAN

FUNDRAISING

Mercy Corps Netherlands will raise funds for the purpose of the implementation of its intended activities and the achievement of stated organisational objectives from the following sources:

- **Donations** (incidental and in the form of annual or monthly subscriptions). These donations can be given for a specific project or intervention, or for general support of the organisation's objectives and operations.
- **Grants** from institutional, government and private donors for specific projects.

MANAGEMENT OF ASSETS

All acquired funds will be used solely for the benefit of the work of the organisation and will be managed in compliance with the organisational financial management policies, donor rules and regulations and the applicable laws in the Netherlands.

Mercy Corps Netherlands will not retain more assets than in the opinion of the Board is reasonably necessary to guarantee the continuity of the organisation's work, in pursuit of its objectives.

No (legal) person has a decisive say within the institution. Thus no (legal) person has the ability to access and manage the foundation's assets as if they were their personal assets.