

Accelerating and Financing Refugee Ventures

**Recent Activity, Trends, and Avenues for
Future Impact**

October 2020

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Acknowledgments

This report would not have originated without the encouragement of Tim Docking at the Refugee Investment Network (RIN). RIN's team, which has also included Joanne Ke Edelman, Jonah Gold, John Kluge, Meredith Husar, and Kaitlin Roh, provided advisory support for the project. The findings herein, however, do not necessarily reflect the views of the RIN.

The author would also like to thank the leaders of accelerators (and similar organizations) who shared their insights via interviews and correspondence, as well as numerous individuals from within the fields of impact investing, international development, and social entrepreneurship who helped shaped the research and generously shared their expertise:

Leaders of accelerators and related organizations

| | | | |
|-------------------|--|-----------------|---|
| Anas Al Chalabi | Jusoor | Nina Heir | Katapult Accelerator |
| Mustafa Alio | Jumpstart Refugee Talent | Usman Iftikhar | Catalysr |
| Alice Barbe | SINGA | Erin Igleheart | Start:ME |
| Daniel Buchbinder | Alternia | Patricia Letayf | Five One Labs |
| Meri de Campos | Spark | Mike Malloy | Halcyon Incubator |
| Laura Di Santolo | Forward Incubator | Dolly Ngo | Miller Center for Social Entrepreneurship |
| Nicolas Farah | Spark/EBDA | Julienne Oyler | African Entrepreneur Collective |
| Charlie Fraser | TERN | Marie Principe | Center for International Private Enterprise/LIFE Project |
| Jeremy Haldeman | Alight | Ozan Sönmez | SDG impact accelerator |
| Marie Haller | Miller Center for Social Entrepreneurship | Yanki Tshering | Business Center for New Americans |
| Fiona Hazell | M.A.D. (Make A Difference) | | |

Impact investing, international development, and social entrepreneurship professionals

| | | | |
|---------------------|-----------------------------------|------------------|---|
| Sara Abdel-Rahim | Tables Without Borders | Selma Rasavac | International Finance Corporation |
| Friederike Andres | Centre for Entrepreneurs | Brent Ruth | Global Accelerator Learning Initiative |
| Kurt Davis | Kakuma Ventures | Sam Sgroi | Tables Without Borders |
| Catherine Godschalk | Calvert Impact Capital | Matt Smith | Centre for Entrepreneurs |
| Benjamin Herzberg | The World Bank | Derek Strocher | Calvert Impact Capital |
| Abraham Leno | Alight | Ben Younkman | Village Capital |
| Songbae Lee | Calvert Impact Capital | Marta Zaccagnini | Village Capital |
| Jussi Lehmusvaara | International Finance Corporation | | |
| Tad Lunden | Alight | | |
| Briony Nicholson | Centre for Entrepreneurs | | |

Note: The lists above reflect organizational affiliations at the time of interviews.

Foreword

This paper has been a long time in the making. The idea of exploring refugee-related businesses and investment opportunities had its origins in my conversations with colleagues while working at the International Finance Corporation, part of the World Bank Group. At our development finance institution, we'd seen countless examples of using financing to support businesses that could positively transform the lives of vulnerable people. But for IFC and other organizations with an investment focus, finding investment opportunities was necessary first step.

The question of where to find such investment opportunities has been a persistent one, however. (IFC's 2019 publication, [Private Sector and Refugees: Pathways to Scale](#), identifies eight barriers to investment on page 9 of the report.) Still, there is every reason to expect a large amount of refugee-supporting business activity to exist, based on the determination, capability, and resilience found within refugee communities, and the initiative and creativity of many non-refugees eager to help alleviate the challenges of forced displacement. Given the amount of new ideas surfacing, and the number of refugees rebuilding their lives in their host communities, it seemed that startups and other young companies could represent a significant segment of businesses needing financing, and that accelerators could provide a channel for identifying them. Tim Docking at the Refugee Investment Network agreed, and from that point, my research began.

Assessing the activity of accelerators was not an easy task (as I explain in Chapter 1). Moreover, analyzing these accelerators' characteristics and contributions towards investment opportunities also revealed other issues and challenges warranting attention, and thus my analysis evolved to explore broader questions as well, such as *What underlying issues are limiting accelerated "refugee ventures"—either from launching in the first place, or from attracting investment capital? And equally as important: How could other organizations or individuals help address these issues?* This paper attempts to move the discussion forward on these complex topics.

Just as some conclusions were taking shape, COVID-19 upended the situation for both refugee ventures and accelerators. As a result, this report expanded again, to provide a brief update on initial impacts of the pandemic. Looking ahead, some contours of the overall refugee accelerator landscape may change due to COVID-19 (much of the initial research was conducted in 2019 and earlier in 2020); but despite near-term uncertainties, the report's overall findings on accelerating and financing refugee ventures will likely remain applicable through the medium and long term.

I hope that this report will serve as a resource of new data, analysis, and ideas on how to increase financial and non-financial support for refugee ventures, and that it will stimulate further discussion and action to help unlock these ventures' potential to benefit refugees and host communities. I welcome hearing from readers with questions, alternate viewpoints, or further insights, and can be contacted at Betsy.Alley@impact-insight.com.

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Executive Summary

Startups and early-stage businesses constitute an important source of innovative business ideas, economic growth, and opportunities for investors to deploy their capital. Entrepreneurship has also gained visibility as an important part of the approach to improving the lives of forcibly displaced populations (hereinafter referred to as “refugees” for simplicity).¹ Entrepreneurship can benefit refugees directly—e.g., by enabling them to achieve economic independence—or indirectly, when socially-minded entrepreneurs introduce new ways to meet the needs of refugees and their host communities. These new and young businesses which are owned by, or which benefit, refugees can be collectively termed *refugee ventures*.

In recent years, a number of accelerator organizations have arisen to nurture refugee ventures, and in some cases help them become investment-ready. These accelerators usually focus on one of the two main types of refugee ventures—*refugee-owned* ventures and *refugee-impact* (i.e., refugee-supporting) ventures, and they define their missions in terms of helping refugees either directly (as individuals entrepreneurs) or indirectly (by supporting social enterprises that can benefit refugee populations more widely). There are also some accelerators that support both categories of ventures, and others that support both refugee and host-community entrepreneurs.

Highlights:

- The research identified **25 accelerators globally** that have an explicit focus (either total or partial) on refugees.
- Of these, **24 specifically aim to support refugee entrepreneurs**, though not necessarily exclusively (e.g., some also work with immigrants).
- **Accelerators for refugee-owned ventures** have demonstrated an ability to benefit refugees entrepreneurs—both by helping them earn livelihoods and by facilitating their integration into the local community.



As used here, “ventures” broadly includes startups and other very young enterprises; some could be non-profit.

“Refugee ventures” includes both refugee-owned ventures and refugee-impact (refugee-supporting) ventures.

Please also note that for purposes of simplicity, this report uses the term “refugee” broadly to include people in refugee-like situations, including internally displaced persons and asylum-seekers.

25 accelerators

were identified and reviewed for this report

24 of these

focus either entirely or partly on refugee entrepreneurs

- The pipeline of **accelerated refugee-owned ventures appears to be quite nascent**, however, and to have produced a somewhat limited amount of investment opportunities thus far. Some direct and indirect investment opportunities do exist, however, particularly for debt investors.
- Among the numerous barriers to refugees' ability to launch and grow businesses, the **lack of personal financial stability remains a critical constraint**. Even basic startup expenses are unaffordable to those in vulnerable financial situations.
- **Accelerators for refugee-impact ventures** are far fewer than those for refugee-owned ventures. There are only five that explicitly aim to accelerate these type of ventures, despite the dynamic social entrepreneurship ecosystems that exist within and across several developed countries. **Relatively few refugee-impact ventures** have thus emerged from the accelerator landscape.
- Refugee-impact ventures may offer promising potential to improve refugees' lives, but (like many other social enterprises) their models often require grant funding to launch and/or grow. Within the already-modest pipeline, **only a fraction of the ventures have represented potential investment opportunities**; in a set of 49 accelerated refugee-impact ventures analyzed, only five appeared to be seeking investment.
- **Refugee-impact ventures rarely articulate their impact goals or results** in line with current impact measurement and management practices. This makes it difficult to determine how much impact these ventures have delivered, or are positioned to deliver in the future.
- The **pandemic has unsurprisingly taken a toll** on refugee-ventures' short-term prospects. However, accelerators have stepped up to support their entrepreneurs in myriad ways, and there is evidence showing that one-time grants can revive businesses and increase their revenues.
- Many of these challenges can be addressed by increased stakeholder commitment and coordination; and a **series of recommendations** is included in this report. Such efforts could not only lead to more opportunities for investors to deliver impact through early-stage investments in refugee ventures; but they could also serve, more widely, to unlock the potential of refugee ventures to deliver benefits to refugees and their host communities.

5 accelerators
have explicitly supported
refugee-impact ventures
as part of their mission

3 social impact
accelerators
have supported at least **2**
refugee-impact ventures

49 refugee-impact
ventures
were analyzed in terms
of business models and
fundraising activities

only **5** ventures
appeared to be seeking
investment (often along-
side grants).

Findings in Brief

Note: Each numbered item below corresponds to an identically-numbered chapter in the report containing further detail and analysis.

The author identified and analyzed 25 accelerators which intentionally focus on supporting refugee ventures, and which were in operation during the main research-gathering phase (late 2019 through mid-2020). The conclusions of this analysis are supplemented by twenty case studies found in the Appendix (starting on page 108).

Accelerators for Refugee Ventures: An Overview of the Landscape

1. The vast majority of accelerators making an effort to support refugees are oriented towards supporting refugees as individual entrepreneurs.

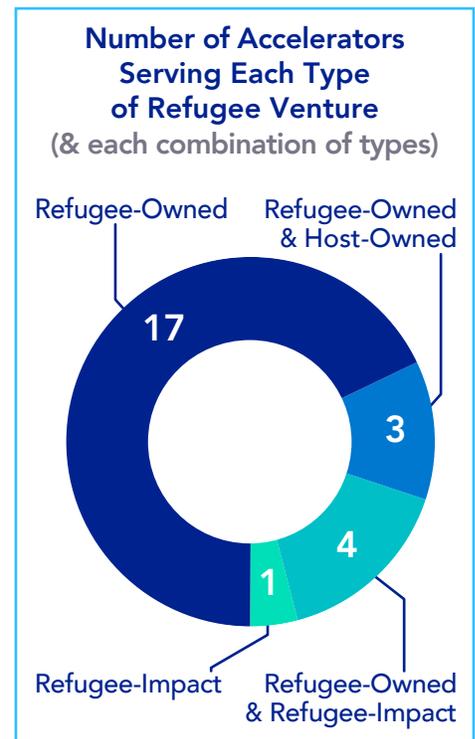
Of the 25 accelerators for refugee ventures twenty focus on supporting refugee entrepreneurs (three of these also support host-community entrepreneurs); another four support both refugee-owned and refugee-impact ventures; and only one is oriented more specifically towards refugee-impact ventures. In sum, 96% of these accelerators focus either entirely or partly on refugee entrepreneurs, reflecting global stakeholders' recent emphasis on increasing livelihood opportunities for refugees.

2. The years following 2015 saw a proliferation of new accelerators for refugee ventures, but many of these were short-lived. On the positive side, however, several remaining programs have increased traction, and a few new accelerators have launched.

Overall, momentum has faded since 2015-2016, when the Syrian refugee crisis captured global attention. But many programs initiated at that time were of limited duration—funded either as fixed-term projects, or lacking sufficient stakeholder commitment to fully get off the ground—which has resulted in some 'churn' within this landscape.

20 case studies

of refugee-focused accelerators & related organizations can be found in the Appendix

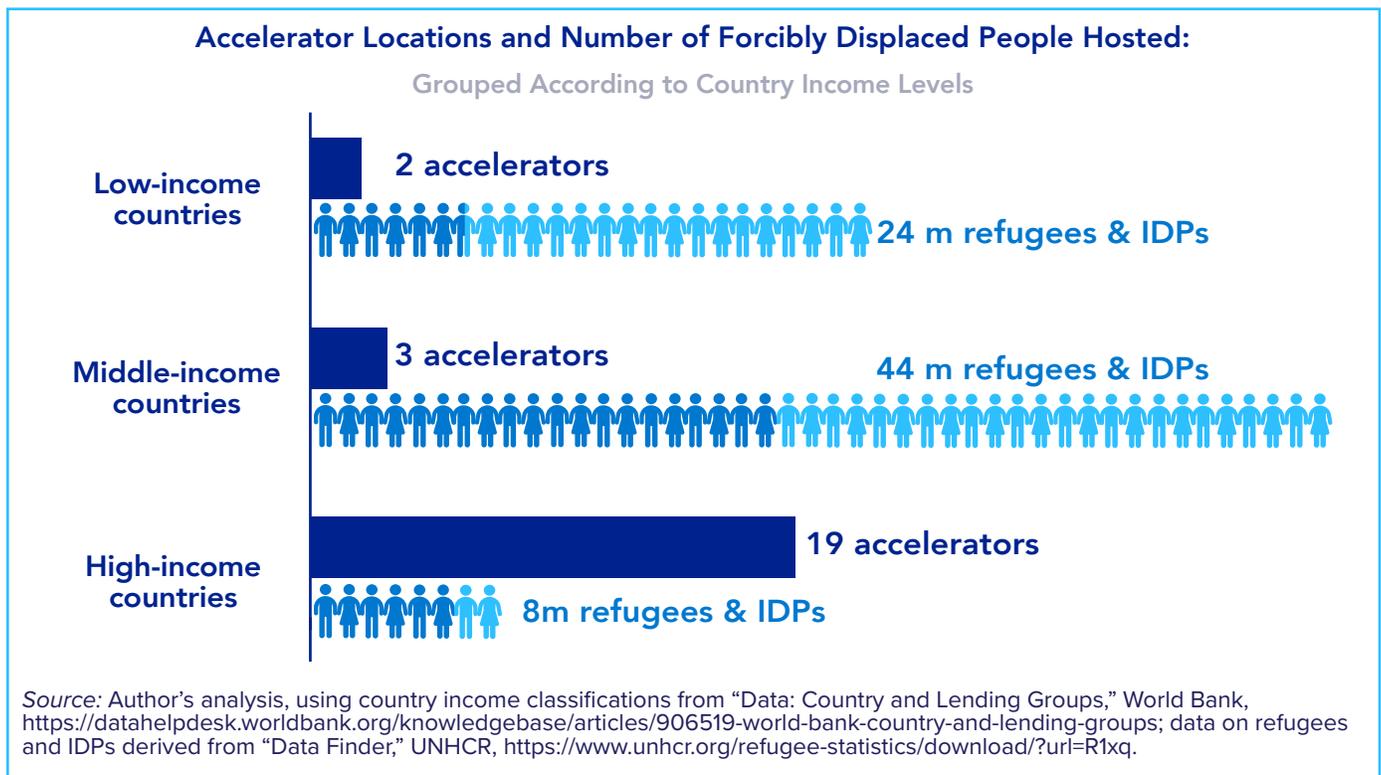


Refugee-Owned Ventures: Accelerators' Trends, Characteristics, and Investor Orientation

There is considerable diversity among accelerators for refugee-owned ventures (also called “refugee-entrepreneurship accelerators”), but at the same time, there are several trends and patterns that can be seen within this part of the landscape:

- 3. Most refugee-entrepreneurship accelerators are concentrated in high-income countries, despite the high numbers of refugees elsewhere.

The figure below illustrates the distribution of accelerators for refugee-owned ventures and highlights the disparity between developed (high-income) and developing (low- and middle-income) countries. Nineteen of accelerators are located in high-income countries (and fourteen are in Europe); only three are in middle-income countries and a further two have been operating in low-income countries (both in East Africa). But with middle-income countries hosting 10 million forcibly displaced individuals, and low-income countries hosting nearly 5 million, there is significant untapped opportunity for accelerating more refugee-owned ventures in these countries.



4. Refugee-entrepreneurship accelerators, due to their operating model, must rely heavily on grants, and their futures are therefore uncertain. Further stakeholder support for accelerators is vital to create a stable ecosystem for refugee entrepreneurship.

It is not unusual for accelerators—even those not aimed at supporting refugees—to rely on grant funding, according to prior research.² But while many (non-refugee) accelerators can attract some funding from investors, corporations, and possibly charge fees to participants, these sources are typically unrealistic for refugee-entrepreneurship accelerators—although some have begun to develop various revenue-generating activities. Donor support for refugee-entrepreneurship accelerators remains essential, not only to support refugee entrepreneurs in the future, but also to maintain the networks and any ‘aftercare’ support for current entrepreneurs.

5. Many refugee-entrepreneurship accelerators have already taken steps to expand diversity, inclusion, and representation. They have proactively worked to reduce gender gaps within their cohorts; and some have included refugees within program management or decision-making.

Almost all accelerators interviewed for this report track their levels of women’s participation, and many have adapted recruitment and programming approaches to reduce gender gaps. However, only five of the 24 refugee-entrepreneurship accelerators publicly report these metrics, missing an opportunity to signal their commitment to gender equality. Meanwhile, refugees have some representation within program management, although determining the precise extent of this activity was not part of the scope of this report.

6. Refugee-entrepreneurship accelerators in high-income countries often have an explicit orientation towards delivering public good and social impact, and there is some evidence showing their effectiveness in these areas. But only a small portion appear to make ventures’ high growth and/or profitability a fundamental part of their selection criteria.

When working with refugee entrepreneurs, these accelerators often “meet them where they are,” and show a willingness to encourage ventures that may be financially viable but not necessarily “high-growth”. Evaluations show that this approach has delivered various benefits to refugees and their host communities: enabling refugees to feel better integrated into their host communities and equipping them to succeed in their local labor markets

Tracking and Reporting Women’s Participation



Most refugee-entrepreneurship accelerators interviewed are tracking this metric



Few refugee-entrepreneurship accelerators reviewed are reporting this metric publicly

(either through entrepreneurship or by finding employment). Moreover, in some cases accelerators have demonstrably reduced refugees' reliance on public benefits and generated significant savings for their local governments, suggesting their potential to be funded via initiatives such as Social Impact Bonds.

7. Refugee-entrepreneurship accelerators in low- and middle-income countries do not position themselves overtly as providing a public benefit, and instead emphasize business viability—whether for high-growth startups or smaller enterprises. But social integration does occur organically via these accelerators.

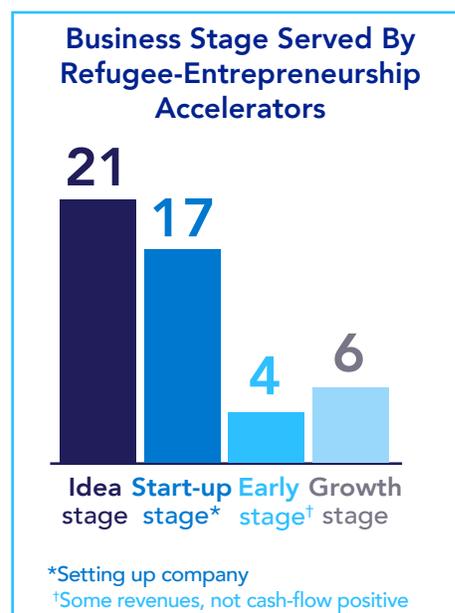
This approach reflects the scarcer public benefits and more limited local employment opportunities in these countries. These accelerators often include host community entrepreneurs, and provide some direct financing for ventures that are not investment-ready. Integration is a more politically sensitive topic in many of these markets, but it is often achieved nevertheless in an organic fashion by accelerating both refugee and host community founders within the same cohort or even as venture co-founders.

8. In both high- and middle-income countries, a select number of refugee-entrepreneurship accelerators can be characterized as “investor-oriented,” based on their efforts to increase their ventures' likelihood of attracting outside investment.

These accelerators are distinguished by several common characteristics, including having a more competitive selection processes, engaging investors via events and roadshows, and directly plugging financing gaps for pre-launch ventures. The case studies in this report provide specific details of various accelerators' investor engagement and direct financing activities.

9. Due to the nature of refugee entrepreneurs' needs, most accelerators have focused their support on refugees at the earlier stages of starting their businesses. Far fewer programs support ventures at the growth stage, which suggests that the pipeline of accelerated refugee-owned ventures is dominated by earlier-stage ventures.

More than 88% of the accelerators reviewed for this report support idea-stage ventures, although many also support ventures at other stages as well. In contrast, only 25% of the organizations provide support for growth-stage ventures, and in some cases this support consists of less-structured “after-care” following the main program.



Refugee-Owned Ventures: Startup Financing Challenges—and Opportunities

10. The relatively nascent pipeline of refugee-owned ventures has translated into limited opportunities for equity investment thus far; some opportunities for debt investors are more readily identifiable.

The higher proportion of acceleration activity devoted to idea-stage and early-stage ventures—combined with range of different growth ventures' growth expectations—means that the accelerators are generating a the pipeline is less robust than the pipeline of more conventional (often tech-focused) accelerated startups, particularly for direct seed-stage equity investors. However, investment opportunities do exist; although the COVID-19 pandemic may dampen prospects for a time, investors may find direct (debt or equity) investments via investor-oriented accelerators and indirect investment opportunities through a subset of these programs that are looking to establish funds. Debt investors could also provide capital for microenterprise lending facilities or social impact bonds to fund accelerators operations.

11. For any entrepreneur, the most fundamental and essential financial prerequisite for pursuing a startup is personal **financial stability**. But this is lacking for many would-be refugee entrepreneurs, leaving them without the means to take even their first entrepreneurial steps. Stakeholders must realize that contrary to popular assumptions, entrepreneurship is not an accessible path to economic empowerment for everyone.

In developed economies, entrepreneurs taking their preliminary steps towards starting their businesses can fund initial costs with personal savings, employment income, or even credit cards; if more is needed, they can tap into funds from “friends and family.” But for many refugee entrepreneurs, there are often no such resources available. As a result, the opportunity cost of pursuing a startup—with prolonged periods of no income—is simply too high for refugees. Addressing this fundamental constraint is an essential step for enabling more refugee entrepreneurship.

50% of Syrian refugee entrepreneurs

waited until their ventures had generated revenue before working on them full-time

Source: Bayram, Ahmad Sufian, *Entrepreneurship in Exile: Insights into Syrians Startups in Host Countries* (Berlin[?]: 2018), 30.

12. Because funding gaps persist along the startup trajectory for many refugee entrepreneurs, some accelerators are partly bridging the gaps by awarding grants to refugee-owned ventures in the startup phase, although the available funding is limited.

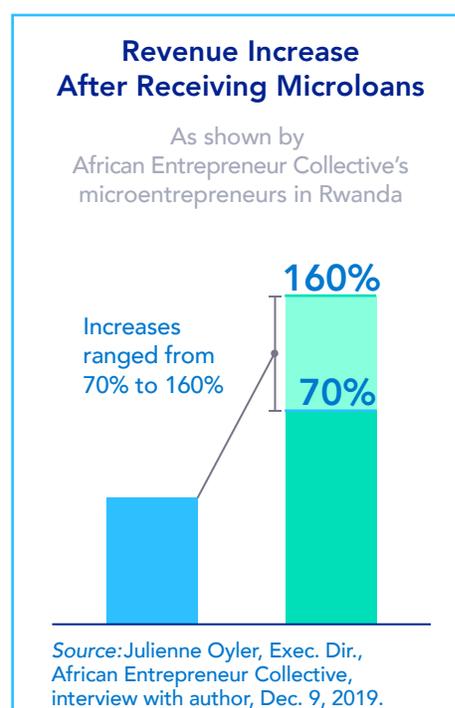
These accelerators typically award grant funding to a few viable startups that have moved beyond the idea stage—either in the form of modest stipends/grants to help with miscellaneous expenditures, or as larger cash awards for the top performer(s) in a final pitch competition. (Several detailed examples are included in the case studies.)

13. Despite some refugee-entrepreneurship accelerators' efforts to engage investors, it appears that actual investments have been limited thus far, even for investment-ready ventures—suggesting some investor hesitation.

Interviews with investor-oriented accelerators suggest that there is still some reluctance from investors to commit their capital. One of the factors that may be underlying this issue is the possibility that investors' targeted risk-adjusted returns are set at levels higher than the returns offered by the typical refugee-owned venture in the pipeline. Meanwhile, the investments' impact potential may be insufficiently valued as a reason to adjust this financial hurdle and related investment criteria.

14. In contrast to other contexts, self-financing a startup appears to be possible for microenterprise owners in refugee camps and settlements. These businesses can achieve further growth if given more formal access to finance.

Both accelerators operating in refugee camps and settlements (African Entrepreneur Collective in Rwanda and Kenya, and the Alight-Griffinworx partnership operating in Uganda) were able to recruit already-operating microenterprises for acceleration; these entrepreneurs have typically been able to use personal savings for startup capital, which likely reflects circumstances specific to the camp context. By providing their entrepreneurs with more formal access to finance via microloans, African Entrepreneur Collective has helped these microenterprises increase revenues by 70%-160%.³ On the other hand, the experience of the Alight-Griffinworx partnership in Ugandan settlements demonstrates that even without extending access to finance, acceleration can help these refugee-owned businesses grow. In Kyangwali, 96% of ventures in the first cohort reported



increased revenues when surveyed eight months after acceleration (and at least 28% had doubled revenue), while 80% in the second cohort reported increased revenues two months after acceleration; collectively, the 50 ventures had increased staff by at least 185 people.⁴

Refugee-Impact Ventures: Accelerators, Investment Opportunities, and Impact Potential

The accelerators that have aimed to support refugees in an indirect fashion—by supporting mission-driven social entrepreneurs—have been few in number. And while acceleration of refugee-impact ventures has occurred on a wider basis, the landscape is somewhat fragmented among three types of accelerators:

1. **Refugee-impact accelerators** that explicitly support refugee-impact ventures (usually as a major, but not exclusive, focus area); **Five** have been identified.
2. **Impact accelerators that accept ventures with any impact theme**, and which have occasionally selected a refugee-impact venture for their programs. **Three** have been identified that have accelerated at least two refugee-impact ventures.
3. **Refugee-entrepreneurship accelerators**, whose ventures in some cases will benefit other refugees. As discussed earlier, there are **24** such accelerators.

The latter portion of this report explores the activities of the first and second types listed above. Additionally, to assess the investment opportunities and potential impact of accelerated refugee-impact ventures, the author created and analyzed a dataset of 49 refugee-impact ventures that have been supported by five accelerators over the past six years.

15. Accelerators that have supported refugee-impact ventures have published only limited data on the outcomes of their activities—including the impact on refugees—which makes it difficult to discern the nature and extent of their programs' impact on refugees.

The impact data that these accelerators share is typically a cumulative number of “lives impacted”; and because none of these accelerators serve refugee-impact ventures alone, these figures do not refer exclusively to refugee beneficiaries. On the positive side, these accelerators provide some data on

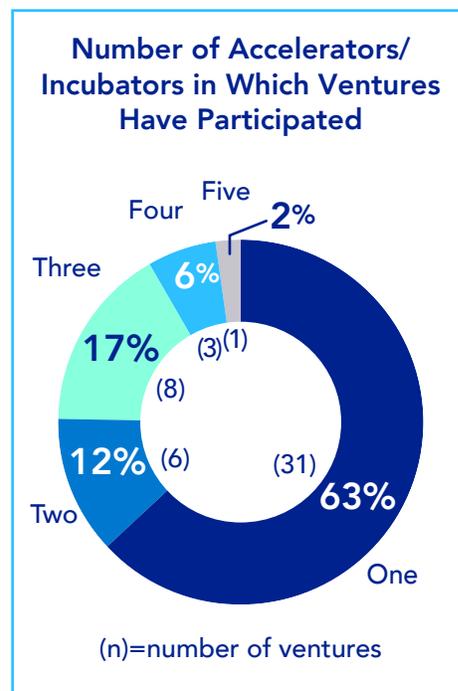
ventures' business performance, although this typically does not indicate how much is attributable to the acceleration experience. These accelerators therefore have significant room to expand the amount and quality of the impact information they share.

16. Refugee-impact ventures are relatively scarce among the accelerator landscape, indicating that the expanding social impact ecosystem still has not placed much focus on refugees. A few dozen refugee-impact ventures have been accelerated, compared to hundreds (and sometimes thousands) of ventures with other impact themes. And to a considerable extent, much of the ecosystem's support is concentrated on small subset of these refugee-impact ventures.

Of the 49 refugee-impact ventures included in the dataset, 12 ventures (24%) had been part of *three or more* incubators or other accelerators (including other numerous other impact accelerators not analyzed in this report), and many of these same ventures had also been awarded multiple fellowships or venture competition prizes. This amounts to 84 incubations/accelerations for only 49 ventures, with much of the ecosystem support concentrated on the 12 frequently-accelerated ventures. Compared to the thousands of accelerated ventures focused on other impact themes, this illustrates that aside from certain exceptions, the social impact ecosystem is doing relatively little to encourage the growth of more refugee-impact ventures. Additionally, the “multiple acceleration” of some ventures, combined with the limited data that accelerators share (publicly) showing their contributions to ventures' development, suggests that either (1) accelerators are not making efforts to coordinate and avoid overlapping efforts; or (2) any such efforts have not generally been effective, suggesting deeper issues to be examined. Under the present circumstances, there is the risk that the collective resources of these accelerators may be inefficiently deployed.

17. Within this small pipeline, various innovations and potentially viable models have emerged to support refugees, but actual **investment opportunities** among accelerated refugee-impact ventures are—and will likely remain—scarce. At least 55% of the ventures analyzed have models that depend on grants, and only 10% (5 ventures) appear to be currently seeking investment.

Social enterprises, including refugee-impact ventures, take various forms, with differing legal structures, profit expectations, and ambitions for



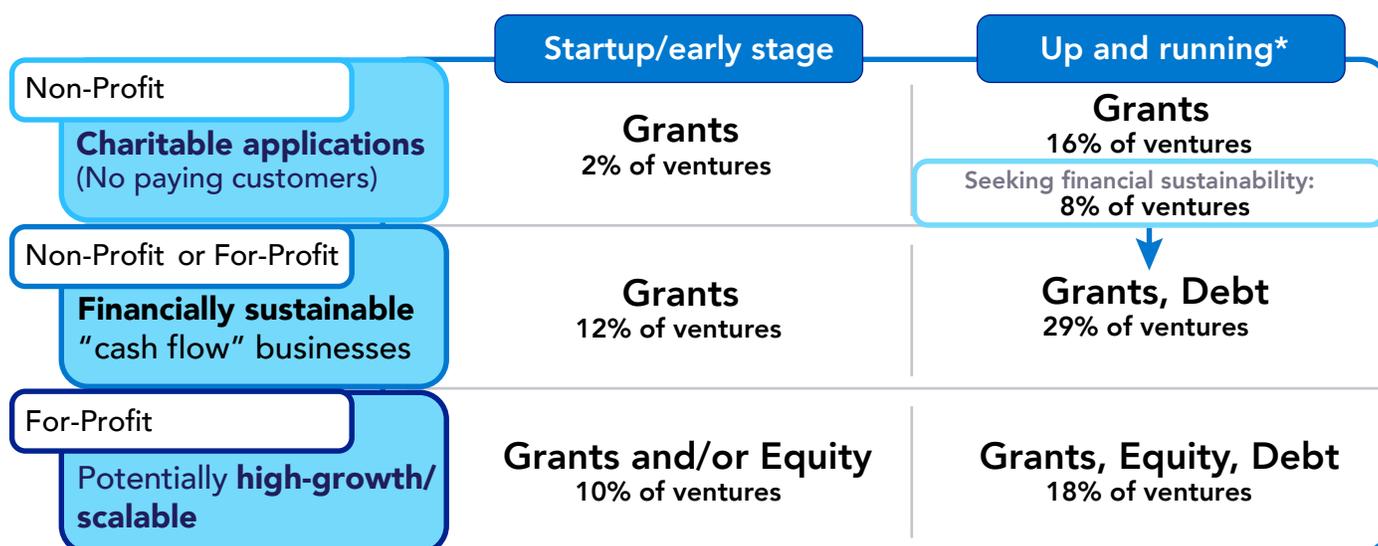
nearly $\frac{1}{4}$

of refugee-impact ventures have participated in 3, 4, or 5 accelerators or incubators so far

scale—and it can create confusion for both investors and entrepreneurs if it is assumed that all social enterprises would appeal to investors. This report’s analysis of the venture dataset identified three categories into which these ventures (and other social enterprises) can be classified, and which help determine the types of capital that might be attainable in either pre- or post-revenue stage. By extension, these categories indicate whether ventures represent investment opportunities:

1. **Charitable entities (non-profits)** delivering innovative applications or new services, but whose model does not involve paying customers that sustain operational costs. They do not represent investment opportunities.
2. **Financially-sustainable enterprises (either non-profit or for-profit)** generating enough revenue to cover operational costs, but without an expectation of (or founder ambition for) high profit margins/scale. In the startup phase, they are unlikely to appeal to equity investors or satisfy the requirements of lenders. After achieving market traction, they may be a fit for debt financing.
3. **For-profit businesses aiming for high growth and scale.** Prior to launch, their founders may signal an interest in raising equity, although many concurrently aim for grants. Established ventures of this type may seek equity and debt, but often continue to seek grants.

Categories of Refugee-Impact Venture (left), and the Potential Financing Sources at Different Stages



*That is, has a track record of operations, market traction, or launched beyond a small pilot

Mapping the ventures in the dataset to the categories above reveals that 55% of ventures had models requiring grant capital exclusively, and thus by definition would not be investment opportunities. Within the remaining 45% (26 ventures), only five ventures could be identified as currently seeking investment, and four had already raised equity or equity-like financing. This highlights that returns-seeking capital currently has a limited role to play in growing new startups that offer solutions for refugees.

18. Refugee-ventures' impact goals and potential are rarely well articulated, and thus likely not well understood by investors and other potential funders. This can potentially be detrimental, in that it may 1) cause high-impact solutions to be overlooked; 2) direct disproportionate resources to low-impact activities; and 3) prevent accelerators and funders from spotting opportunities for deeper impact.

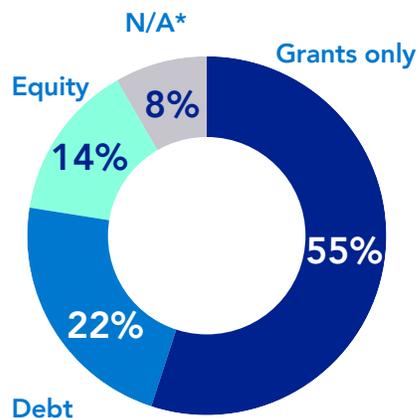
Very few ventures in the dataset have adequately communicated the nature and extent of their impact—either expected or actual. At most, it is typically mentioned only in terms of scale, e.g., the number of individuals served. Unfortunately, it appears that the concepts of *impact depth* and *impact duration*—now well-established among impact management practitioners—are not being measured (or perhaps even considered) by refugee-impact entrepreneurs. Despite entrepreneurs' positive intentions, they may not be aware that their ventures may produce less impact than intended; and this has the potential to undermine stakeholder goals of supporting refugees.

19. An assessment of the impact potential of different types of refugee-impact ventures reveals numerous trade-offs between *impact scale* and *impact depth/duration*. Few types of venture are likely to achieve high impact in all these areas, and several categories appear to offer relatively low impact depth.

There are various ways in which refugee-impact ventures seek to provide benefits to refugees (for example, a venture may source from refugees as suppliers, while another offers a technology platform to increase aid agencies' efficiencies). A methodology developed for this report (in Annex 5) illustrates that the ecosystem has produced few ventures that rate high (or at least medium-high) in impact depth, duration, and scale; and several types of venture appear to offer low impact depth. The table at right shows the most common "impact types" of refugee-impact venture (i.e., the way in which the venture aims to deliver benefits to refugees); and the table on the following page shows the "impact types" that appear to offer the highest

Do refugee-impact ventures offer potential investment opportunities?

Ventures' Funding Models



Equity/equity-like: 3 seeking; 4 raised
Debt: 2 seeking; 9 possibly suited

*N/A: no longer serving refugees or scarce information available

Most Common "Impact Types" of Refugee-Impact Venture

| Type of venture | Number in the dataset |
|--|-----------------------|
| Data management for service providers | 9 |
| Skills training (excl. entrepreneurship) | 6 |
| Sourcing from refugee suppliers | 6 |
| Entrepreneurship training/acceleration | 5 |
| Toilets/Sanitation | 5 |

potential impact depth and duration. Since impact scale correlates closely with the scalability of ventures' business models, investor interest will likely correspond to the ventures which could achieve greater scale, even while offering limited impact depth and duration. Investors should therefore carefully assess how their capital can deliver the most impact, while other stakeholders should consider supporting ventures offering high impact depth and duration, but lacking the scalability needed to attract investors.

| Refugee-Impact Ventures' "Impact Types" With Highest Potential for <i>Impact Depth</i> and <i>Impact Duration</i> | | | | |
|--|-------|----------|-------|---|
| | Depth | Duration | Scale | # |
| Entrepreneurship training/acceleration | H | H | L/M | 5 |
| Direct employment | H | H/M | L/M | 3 |
| Job placement | H/M | H/M | L | 2 |
| Clean water supply | H | M | M | 1 |
| Digital financial services | H/M | H/M | H | 1 |

The Pandemic's Impact

Much of the research for this report was conducted prior to the onset of the pandemic, but due to the changing global situation, additional research was carried out to identify repercussions for ventures and accelerators, as well as implications for stakeholder support.

20. While some refugee ventures are coping or even thriving under the current conditions, the pandemic has unsurprisingly created hardship for many. Accelerator managers have confidence in entrepreneurs' resilience, but the pandemic has taken a heavy toll—especially on refugee entrepreneurs, due to their vulnerable financial circumstances and limited social safety nets.

As one illustration of the impact on refugee-owned ventures, data from London-based TERN indicates that by late July, 73% of its refugee entrepreneurs had their personal income affected by the pandemic, and 53% lacked sufficient funds to cover basic personal needs.⁵ Meanwhile, refugee-impact enterprises that source from refugee suppliers have indicated that decreased sales have left these refugees unable to afford essentials. Unfortunately, the pandemic has erased some of the progress made in recent years to increase refugees' economic empowerment and reduce their dependency on aid.

In TERN's survey of its refugee entrepreneurs,

73%

reported a decrease in personal income due to the pandemic

53%

reported a lack of sufficient funds for basic personal needs

Source: "TERN Community: Impact of COVID-19," online dashboard, TERN (full citation in notes).

21. Despite the sudden challenges affecting both accelerators and their ventures, accelerators' responses to the pandemic have been encouraging. Some organizations supporting refugee entrepreneurs have also "gone above and beyond" to increase their support for entrepreneurs and their ventures.

Both refugee-impact and refugee-entrepreneurship accelerators responded in the following ways: quickly moving program components online; disseminating critical information on support resources and business crisis management; conducting emergency fundraising campaigns for urgent needs; and engaging in forward-looking planning to help businesses rebuild.

Some organizations working with refugee entrepreneurs have been providing further layers of support to all past and current entrepreneurs, recognizing their clients' vulnerable situations. They have offered assistance in the form of individual business action plans, mental health guidance, livelihood support, and handholding for those in the process of applying for government relief.

22. Most refugee ventures struggling with the impacts of the pandemic will need grants to stay afloat; yet the various types of public and private relief efforts for small businesses are unlikely to adequately meet these ventures' needs.

Government relief packages and other emergency loans programs are in many cases unavailable or unsuitable for many refugee ventures, as the companies are too young to have the operating track record needed to demonstrate eligibility. Neither does impact investment represent a likely financing source, since industry research shows that investors are prioritizing very specific sectors and expect their capital to generate returns.⁶ Unfortunately, grant funding, which is the most suitable for these ventures' situations, is extremely scarce at this point in time.

23. Some instances of accelerator fundraising efforts have been providing a lifeline for some entrepreneurs, with some encouraging results, but it is not yet clear how sufficient these funds will be overall.

Several refugee-related accelerators, as well as organizations supporting refugee entrepreneurs, have successfully raised funds from individuals (via crowd-sourcing campaigns) or from existing partners such as foundations. Funds have been disbursed as mostly as emergency grants for businesses, and in some cases for personal needs. For example, African Entrepreneur

Examples of Accelerator's Pandemic Response efforts

- Moving program components online
- Compiling/disseminating information on health and business support resources
- Conducting emergency fundraising campaigns
- Planning for a post-Covid world

Accelerators for refugee-owned ventures have also been:

- Checking in with every entrepreneur
- Serving as a trusted source of information
- Developing individual business action plans.
- Helping with personal needs
- Handholding in accessing any available government benefits
- Creating virtual communities

Outcomes of pandemic relief grants to entrepreneurs in Rwanda:

91%

of the closed businesses had reopened

63%

average revenue increase after two months

Source: J. Oyler, Exec Director, AEC (full citation in notes).

Collective extended one-time grants to its Rwandan entrepreneurs (40% of whom are refugees); 96% of grants were used primarily for business purposes, and after two months, 91% of businesses that were closed had re-opened and business' average revenue increase was 63%.⁷

Moving Forward: An Agenda for Action

The pipeline of refugee ventures is still nascent, and returns-seeking private capital currently has a limited role to play in helping these ventures grow. However, there many ways that stakeholders, including but not limited to investors, can play a key role in supporting refugee ventures—and maximize their potential to deliver solutions to the challenges of forced displacement.

This report proposes several areas of action that are needed to increase the number of successful refugee ventures, and enhance their investment and impact potential. It also includes recommendations for several different types of stakeholders: accelerators, impact investors, grantmakers, community financial institutions, and international development organizations. Additionally, there is an important need for *conveners*, organizations or individuals who are able to bring together other stakeholders—to help advance efforts on various fronts. (A [summary of recommendations](#) for each type of stakeholder is provided on pages 82-92). The forward-looking agenda includes six key themes, each with several individual areas for action:

- 1. Expand or introduce financing approaches that address the needs of refugee-owned and/or refugee-impact ventures, using grants and other concessional financing arrangements where needed.**
 - 1.1 For refugee entrepreneurs at the earliest stages, replicate existing programs that can substitute for personal savings or “friends and family” money.
 - 1.2 Analyze and address the current gap in small business lending for refugee-owned and refugee-impact ventures.
 - 1.3 Engage angel investors in less transactional settings, and clearly communicate the potential impact that can be achieved by supporting refugee entrepreneurs, or refugee-impact ventures, as appropriate).

Six Focus Areas

for creating further impact through accelerated refugee ventures:

- 1. More targeted financing** designed around the specific needs of refugee entrepreneurs and refugee-impact ventures
- 2. More concessional capital** to finance refugee ventures and accelerators
- 3. Enhanced impact measurement practices** among new refugee-impact ventures and impact accelerators
- 4. “Pipeline development” efforts** to catalyze more refugee-impact ventures
- 5. Greater efficiencies and stakeholder coordination** within the social entrepreneurship ecosystem
- 6. Enhanced dialogue** regarding investing in new and growing refugee ventures

2. Attract more concessional financing to activities supporting refugee ventures, exploring new approaches where possible. Focus on further funding for (i) unlocking financing bottlenecks for early-stage refugee entrepreneurs, and (ii) financing refugee-impact ventures with significant impact potential.

- 2.1 Encourage grantmakers working on forced displacement to support social entrepreneurship (including refugee-impact ventures) as an alternative way to create impact.
- 2.2 Build more formal bridges between refugee-impact/social-impact accelerators and venture philanthropists.
- 2.3 In the U.S., create a strategy to engage **donor-advised fund** account-holders in activities that provide financing/support to refugee ventures.
- 2.4 Engage with businesses to encourage more corporate philanthropy activities that support refugee entrepreneurs.

3. Commit to a better understanding of impact.

- 3.1 Tailor impact measurement guidance information for the startup context, to be used by refugee-impact ventures (and other social enterprise startups) and by the stakeholders that work with them.
- 3.2 Make impact measurement and reporting—both theory and practice—a formal component of the impact accelerator experience.
- 3.3 Encourage accelerators to evaluate their own effectiveness in terms of social impact and business performance, and to make their findings publicly available (e.g., online).
- 3.4 Encourage investors and other funders to more fully explore impact measurement practices (such as those of the **Impact Management Project** or **IRIS+**).
- 3.5 Compile and share more information on the impact of refugee-owned enterprises.

4. Expand support to refugee-entrepreneurship accelerators and pursue other initiatives that could increase the pipeline of refugee-impact enterprises.

- 4.1 Advocate for more accelerators for refugee entrepreneurs in low- and middle-income countries, taking care to ensure that pilot projects can continue beyond the short term.

- 4.2 Increase accelerator coordination as a way to provide additional rounds of support for refugee entrepreneurs as they continue to grow their businesses.
- 4.3 Harness more funding for refugee-entrepreneurship accelerators, including via Social Impact Bonds.
- 4.4 Incentivize and assist (non-refugee) impact startups to extend their products and services to refugees, or to introduce their solutions to refugee-hosting contexts.

5. Recognize and tackle inefficiencies in the social impact ecosystem.

- 5.1 Bring academic research on social entrepreneurship out from the scholarly realm and into the hands of practitioners.
- 5.2 Promote greater coordination among accelerators and other entrepreneurship support programs (including venture competitions), so as to avoid over-concentrating support on a limited number of ventures.
- 5.3 Address gaps in accelerator support for entrepreneurs from disadvantaged groups, such as women or other context-specific underrepresented groups. Involve refugees in program management and/or program planning and decision-making.

6. Fine-tune the messaging around investment in early-stage refugee ventures.

For those interested in using private capital to invest in early-stage refugee ventures, especially refugee-impact startups, the current investment opportunities are somewhat limited; their investment profiles may also differ from those of other impact startups that investors may be exploring.

On the other hand, there is considerable potential to grow the pipeline of both refugee-owned and refugee-impact ventures, and with these efforts, to unlock significant impact for refugees and their host communities. Moving the needle will depend, however, on stakeholders' commitment and ability to change the *status quo* and address existing blockages in the pipeline. As stakeholders collectively look to address these issues, investors, for their part, can consider how they can set (or adjust) their financial hurdles to fully align with their refugee-impact goals. Further coordination and dialogue among investors and other stakeholders can help increase emerging refugee ventures' investment and impact potential.

1. Accelerators for Refugee Ventures: An Overview

A. Introduction and context

As the world's attention to forced displacement has increased in recent years, there has also been a growing interest in using business-based approaches—sometimes known as “private sector solutions”—to help meet the needs of refugees⁸ and their host communities. The introduction of numerous new ideas and delivery models, along with the increased emphasis on entrepreneurship as a way to increase refugees' livelihood opportunities, has resulted in many new or young enterprises that support refugees. These “refugee ventures” comprise both *refugee-owned* ventures as well as *refugee-impact* ventures (that is, social enterprises that explicitly aim to benefit refugees.⁹ Additionally, there are some ventures that are both.

To nurture new refugee ventures and enhance their potential to succeed,¹⁰ a number of accelerators (see Box 1) have launched within the last five years; their potential to deliver significant benefits to refugees has provided the impetus centering this report around their activities. At the same time, a critical ingredient of any venture's success is access to financing, since all new businesses require capital to launch and grow. Conventional accelerators have often performed the function of attracting capital to their startups,¹¹ harnessing the interest from investors looking to deploy their capital, and there may be appetite for investment in refugee ventures as well: research indicates that 35% of impact investors, across all impact themes, were active in “seed-stage investments” while 54% were active in “venture-stage” companies;¹² meanwhile, 21% of all impact investors have indicated that refugees are among the groups that they aim to benefit.¹³ Although the extent of overlap between these sets of investors is unknown, the two trends taken together suggest that some impact investors may have an interest in financing refugee ventures.

In light of this potential investor appetite and refugee ventures' need for financing in general, this report examines refugee-focused accelerators with

Box 1. What constitutes an accelerator?

Accelerators are programs that support entrepreneurs, but in contrast to other elements of the ecosystem (e.g., incubators, angel networks), they are (1) fixed-term, (2) cohort-based, (3) mentor-driven, and culminate in a (4) graduation or Demo Day. This report will use the term *accelerator* for programs that support entrepreneurs from the idea stage through the growth stage.¹⁴

a particular focus on financing dimensions. In addition to analyzing the landscape of these accelerators and identifying some important trends and patterns, the report explores accelerators' engagement with investors as well as ventures' financing needs and their potential to represent new investment opportunities. Additionally, it identifies issues that appear to be limiting the size of the "pipeline" and obscuring the view of some ventures' actual impact. By examining accelerators from this strategic and finance-oriented vantage point, this report aims to complement existing research on related themes, several examples of which are mentioned in Box 2. And in so doing, it aims to engage a variety of stakeholders in efforts to maximize the success and positive impact of refugee ventures.

B. Types of accelerators for refugee ventures: a basic classification

There are a variety of ways in which accelerators have aimed to benefit refugees, as articulated in accelerators' specific mission statements. Many of the accelerators aim to support refugees directly (i.e., by helping them obtain economic opportunities) and accordingly they focus on *refugee-owned* ventures. Others, rooted in the practices of social entrepreneurship, aim to support refugees indirectly (and potentially at greater scale) by encouraging refugee-impact ventures. Some accelerators are open to supporting either of the two, indicating that helping refugees is their goal more broadly. Finally, some refugee-oriented accelerators in developing economies aim to enhance economic activity at the local level; as such, they accelerate both refugee-owned and *host-owned* ventures (i.e., which do not have a refugee (co)-owner or explicit intention to benefit refugees). Table I and Figure 1 on the next page illustrate the extent to which each of these different but often overlapping missions are represented within the overall landscape.¹⁹

Table I. Classification Of Active Refugee-Related Accelerators

| Types of ventures supported | N= | % of total |
|---|----|------------|
| Refugee-owned | 17 | 68% |
| Refugee-owned and host-owned (hybrid) | 3 | 12% |
| Refugee-owned and Refugee-impact (hybrid) | 4 | 16% |
| Refugee-impact | 1 | 4% |

Individual accelerators are listed in Annex 1, page 93.²⁰

Box 2. Related Research

Other prior or ongoing research on related topics includes the following:

- From the **Global Accelerator Learning Initiative (GALI)**: in-depth research and insight into the broader accelerator landscape, including accelerator (and venture) performance.¹⁵
- From the **Centre for Entrepreneurs: a 2019 survey of accelerators and related programs for refugee entrepreneurs, and other research on the benefits of refugee entrepreneurship.**¹⁶
- Good practices in supporting migrant (incl. refugee) entrepreneurs;¹⁷ public policy dimensions of promoting refugee entrepreneurship;¹⁸ and refugee entrepreneurs' challenges (discussed in **Annex 2, page 96**).

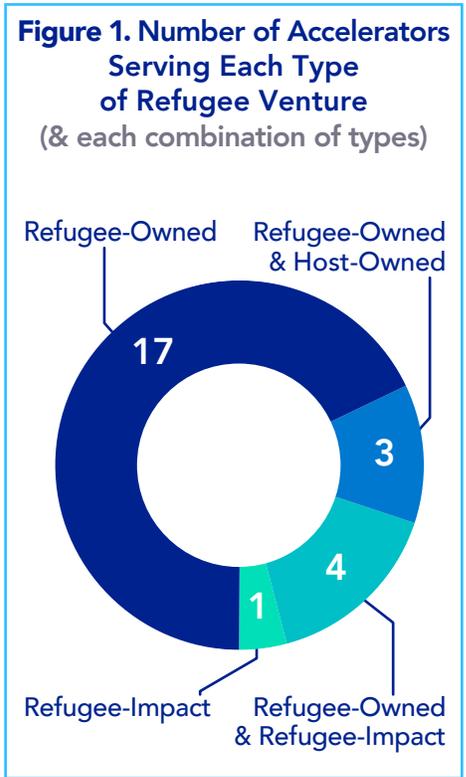
C. Characteristics of the landscape

As a starting point—prior to delving separately into separate assessment of accelerators and ventures in the refugee-owned and/or refugee-impact categories—it is worth highlighting certain observations about the overall landscape of refugee-focused accelerators:

Finding 1. The vast majority of accelerators aiming to support refugees are oriented towards supporting refugees as individual entrepreneurs.

As Table I and Figure 1 illustrate, the number of accelerators for *refugee-owned* ventures far exceeds the number of accelerators geared toward *refugee-impact* ventures. This reflects the considerable efforts that have been made in recent years to promote entrepreneurship among refugees. Citizens and governments in many host communities—particularly western European countries hosting displaced Syrians—have recognized the importance of facilitating livelihood opportunities for refugees; and their local economies and entrepreneurial ecosystems have had the capacity to launch new programs. Meanwhile, efforts have also been bolstered by UNHCR and other entities that have emphasized entrepreneurship as a path to economic opportunity and integration,²¹ and thereby facilitated the flow of funding needed for these programs.²²

“Hybrid” accelerators that include both *refugee and host community* entrepreneurs are often located in developing countries with hosting a high number of refugees; these reflect both donor strategies and the local legal requirements in some countries (such as the case of Jusoor’s program in Jordan, for example). Finally, the relatively small number of *refugee-impact* accelerators reflects more limited efforts to encourage refugee-impact ventures—an issue that will be discussed in further detail later in the report (in [Chapter 4](#), starting on page 44).



Finding 2. The years following 2015 saw a proliferation of new accelerators for refugee ventures, but many of these were short-lived. On the positive side, however, several remaining programs have increased traction, and a few new accelerators have launched.

Although efforts to support entrepreneurial solutions to the refugee crisis surged around 2015-2016, when the Syrian refugee crisis captured global attention,²³ the momentum appears to have faded. Many programs offered in the past are no longer active, and others that were planned do not seem to have materialized, as shown in Figure 2 on the following page.

In recent years, a few new programs have launched, while several established programs have continued to gain traction, as shown in the upper right of Figure 2. Almost all of these established programs have been in operation for at least three years, with several in their fourth or fifth year (or more). The landscape overall has thus “settled” to some extent since its peak in 2016, although the challenging fundraising environment created by the COVID-19 pandemic may cause additional programs to be discontinued.

The variable nature of this landscape poses a challenge to determining the precise extent of current activity; and the picture is also complicated by the presence of numerous partnerships, via which multiple organizations contribute resources to a single program.²⁴

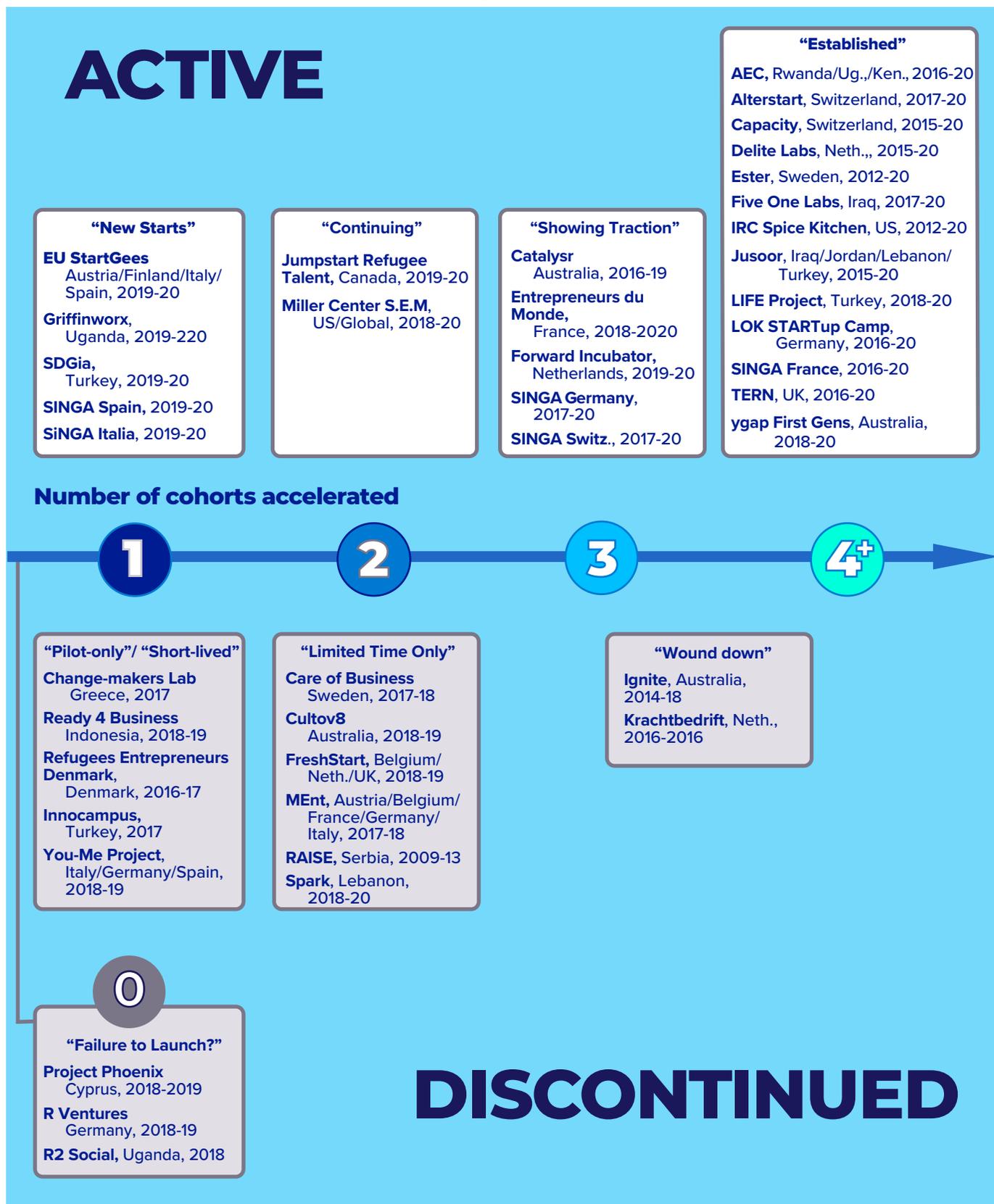
Box 3. Migrants, Newcomers, Refugees

A recent trend in high-income countries involves promoting entrepreneurship not only among refugee entrepreneurs, but also migrants (which may or may not include other immigrants).

In this context, an accelerator’s intentional focus on refugees is sometimes difficult to discern. Using the term “migrant” or “newcomer” implies that refugees are included. However, it is often unclear whether the program focuses heavily on refugees but merely uses these as alternative terms (e.g. to include people with refugee-like legal status, or to use term perceived as more welcoming)—or whether the program has no intentionality to specifically support forcibly displaced people.

Based on the evidence that forcibly-displaced entrepreneurs have certain distinct needs beyond those of (non-displaced) migrants (see [Annex 2](#), page 96), this report focuses on accelerators that are aimed, at least in part, at refugee and asylum-seeking populations specifically.

Figure 2. Active vs. inactive refugee-focused accelerators, grouped according to the number of cohorts they had accelerated by mid-2020



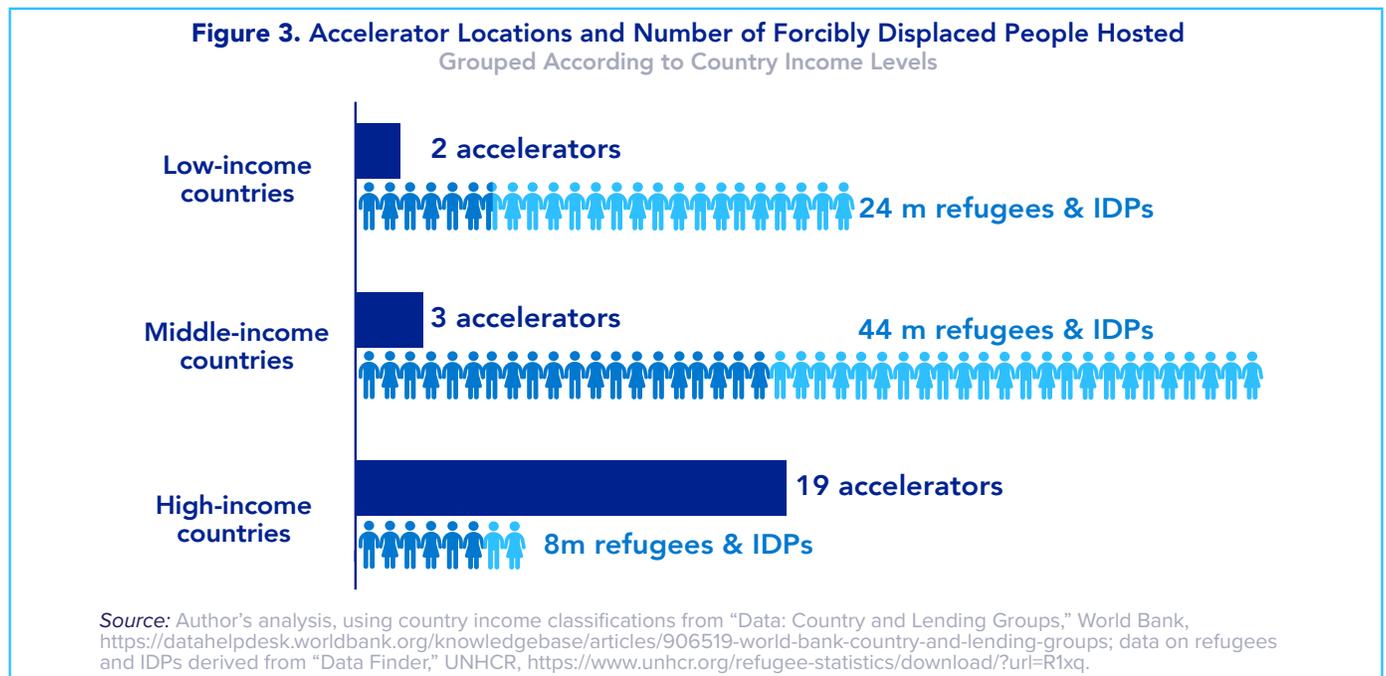
2. Accelerating Refugee-Owned Ventures: Trends, Characteristics, and Opportunities for Investors

Because refugee entrepreneurs face specific barriers in launching and growing their businesses, accelerators for refugee-owned ventures tend to be distinct from other accelerators. While considerable diversity exists among their formats, contexts, and objectives, there are nevertheless some clear patterns and trends that can be seen among these programs.

A. General trends and characteristics

Finding 3. Most refugee-entrepreneurship accelerators are located in high-income countries, despite the high numbers of refugees elsewhere.

As shown in Figure 3, these accelerators are concentrated in high-income countries²⁵ (14 in Europe, 3 in North America, and 2 in Australia—reflecting how these host countries have been able to mobilize the funding and community engagement needed to establish these programs.



In contrast, relatively few accelerators operate in low- and middle-income countries, even though both sets of countries host more refugees than high-income countries. This is likely due to the more limited amount of public and private grant funding for available for these initiatives, as well as some legal environments that pose constraints to refugees' economic activity (such as in Lebanon).²⁶

Only two refugee-entrepreneurship accelerators have been identified that are active in low-income countries, and both operate in East Africa. In Uganda, Griffinworx has run programs in refugee settlements on behalf of Alight.²⁷ African Entrepreneur Collective works with entrepreneurs in both urban settings (in Rwanda) as well as in refugee camps and settlements (in Rwanda and Kenya), adapting its delivery model to the two different contexts. The ability of these two sets of programs to operate effectively even in refugee settlements—and African Entrepreneur Collective's ability to scale up—illustrates that entrepreneurship can thrive in these challenging settings, and that accelerators can enhance the success of these enterprises.

Considering the global nature of forced displacement, the scarcity of accelerators in low- and middle-income countries leaves a great deal of entrepreneurial potential untapped, and represents a missed opportunity for increased economic opportunities and self-reliance among refugees and host communities—including those in refugee camps and settlements.

Finding 4. Refugee-entrepreneurship accelerators, due to the fundamentals of their operating model, must rely heavily on grants, and their futures are therefore uncertain. Further stakeholder support for accelerators is vital to create a stable ecosystem for refugee entrepreneurship.

Refugee-entrepreneurship accelerator programs rely heavily (and in some cases entirely) on grant funding.²⁸ This practice, however, is actually quite common among accelerators of all kinds; despite the perception that accelerators can thrive based on equity investments in their ventures, GALI's research indicates that this situation is actually rare (see Box 4 on the next page).²⁹ Refugee-entrepreneurship accelerators have even fewer potential income streams than conventional accelerators: they typically do not charge refugees for participation, i.e., via fees or equity stakes in ventures (these would also be unlikely to yield returns in the near-term); and they typically do not offer a competitive enough source of investment opportunities to command access fees from investors. Instead, refugee-entrepreneurship

accelerators logically rely on grants from foundations, governments, and international aid organizations, and sometimes in-kind contributions (e.g., volunteer hours) from corporate supporters.³⁰

This reliance on grants, however, results in an insecure funding situation that is not only challenging for accelerator operations, but also produces an unstable ecosystem for refugee entrepreneurship.³¹ As **Figure 2** (page 22) illustrates, even prior to the pandemic, a significant number of efforts ceased operations after being funded for a year or two. Naturally, this is detrimental to the prospects of future refugee entrepreneurs, and some existing ones. When programs cease operating beyond the first or second cohort, it ruptures the continuity that allows accelerators and their stakeholders to learn from experience and further boost refugee outcomes; entrepreneurs lose access to any ongoing support through accelerators' networks; host communities are deprived of further positive outcomes; and ecosystem partners lose a bridge that connects with refugee entrepreneurs. In short, the insecure funding situation for refugee-entrepreneurship accelerators stands in the way of achieving two essential goals of the Global Compact on Refugees: promoting refugee entrepreneurship, and enabling private investment opportunities that support refugees.³² Unfortunately, these challenges will only be magnified in a world affected by the COVID-19 pandemic, since a rise in economic, health and social needs have created greater competition for increasingly scarce grant funding.

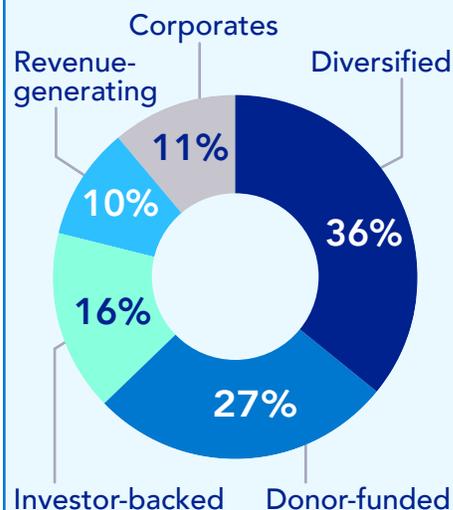
Prior to the pandemic, several refugee-entrepreneur accelerators (particularly those that are investor-oriented, as **described on page 31**) had already been making efforts to generate their own income streams to increase their financial sustainability.³³ For example, accelerators in high-income countries have provided services to corporate partners: SINGA France has created a technology platform to help corporations engage with refugees; Forward Incubator has launched a recruitment agency to provide access to a pool of refugee job-seekers; and Catalysr has run workshops on fostering entrepreneurship. Examples exist from accelerators in developing countries as well: African Entrepreneur Collective administers its own micro- and SME loans; and in Iraq, Five One Labs has delivered investment-readiness training for other local entrepreneurs, and also produced a business registration guidance document commissioned by an international organization.³⁴ In a rare example of sourcing revenue from potential investors, TERN has formed a fee-based investor circle (the TERN Social Investor Club), anticipating that investors will be willing to join in order to access at least 10 opportunities per year to invest in TERN's ventures.³⁵

Box 4. How are other Accelerators Funded?

GALI has identified five funding profiles of accelerators, as shown below.

Sixty-five percent of the accelerators with a donor-funded profile were impact-oriented, as were 57% of revenue-generating accelerators. Accelerators with a revenue-generating profile most frequently generated income from consulting work and participant fees; only three relied on equity returns and/or "success fees."

Figure 4. Funding Profiles of Global Accelerators



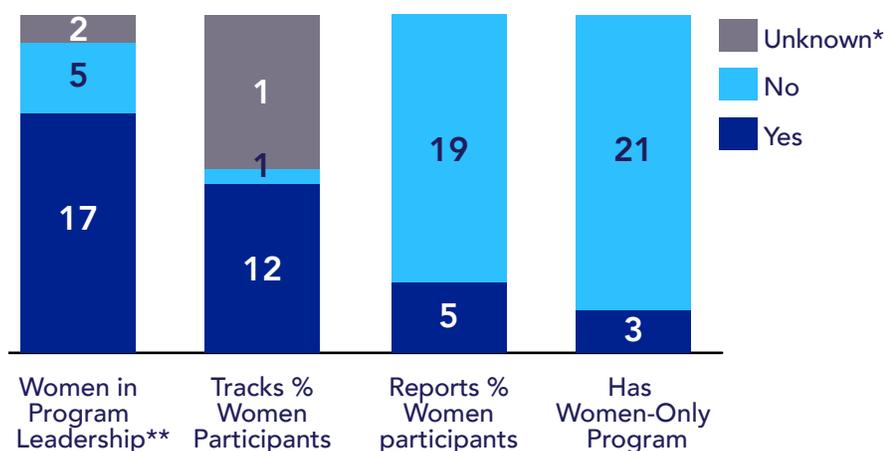
Source: GALI, *Funding Accelerator Programs, Entrepreneurship & Acceleration: Questions from the Field* (Atlanta: GALI, December 2017).

Developing these additional revenue streams, however, requires additional time and effort on the part of program management, as well as a business development skill set. It remains to be seen whether these activities can fill the funding gaps, especially in the short term, when the pandemic will likely make grant funding scarcer and reduce revenue-generation opportunities.

Finding 5. Many refugee-entrepreneurship accelerators have to promote diversity, inclusion, and representation; a number of them have proactively worked to reduce gender gaps within their cohorts; and there are also examples of refugees’ representation within program management.

While cohorts of refugee entrepreneurs are likely to be racially and ethnically diverse already, many refugee-entrepreneurship accelerators are working towards further diversity by focusing on gender equality. Interviews and additional research indicate that many, if not most, are making an effort to recruit and track women participants, although only a small number of programs publicly share their gender data, as shown in Figure 5. Achieving gender balance aligns with *SDG 5: Gender Equality*, as well as the Global Compact for Refugees, whose specific objectives include providing jobs and economic empowerment for women.³⁶ It also has other practical benefits: women-run businesses often employ other women;³⁷ and with the rise of “gender lens” investing, accelerators focused on women’s inclusion are well-positioned to engage funders that prioritize women’s equality. Yet

Figure 5. Refugee-Entrepreneurship Accelerators’ Performance Against Select Gender Equality Indicators



*These programs were not among the accelerators interviewed for the project.

**Defined here as top 1-2 people in operational management, or co-founders.

women have been under-served by accelerators on the whole, and face a gap in equity fund-raising compared to all-male teams (see [Box 8](#), page 40).³⁸

Whatever the underlying causes of these gender gaps, a fundamental step towards reducing them is tracking the gender composition of participating teams—in keeping with the adage, “what gets measured gets managed.” In interviews, the accelerators that tracked women’s participation rates also described proactive efforts to address any existing gender imbalances via new approaches to recruitment and program delivery. Notably, two accelerators offer discrete female-only programs (Five One Labs’ Female Founders program, and Jumpstart Refugee Talent’s HomErun Refugee [“HER”] Startup program); and another accelerator, Ester, exclusively supports women.³⁹ Furthermore, ygap helped produce a [comprehensive toolkit](#) for accelerators to consult as a guide for achieving gender equality within operations.⁴⁰ Altogether, accelerators’ efforts appear to be making headway amidst context-specific social/cultural barriers to women’s entrepreneurship. Figure 5 summarizes select gender-related dimensions of refugee accelerators, while further details are provided in each of the case studies in the Appendix.

Another facet of diversity and inclusion relates to *representation* of refugees, i.e., in program management, design, and decision-making. Interviewees and past research have highlighted the importance of involving refugees in operational activities such as recruitment and curriculum design;⁴¹ especially as they provide valuable insight into the challenges and experiences facing new arrivals. Several organizations (including Jumpstart and the Business Center for New Americans) are led by people with refugee or asylum-seeker backgrounds, and this topic should be explored further in future studies of program effectiveness.

B. Investment orientation and impact goals

Finding 6. Refugee-entrepreneurship accelerators in high-income countries often have an explicit orientation towards delivering public good and social impact, and there is some evidence showing their effectiveness in these areas. But only a small portion appear to make ventures’ high growth and/or profitability a fundamental part of their selection criteria.

Many refugee-entrepreneurship accelerators in high-income countries receive government grants based on the premise that their services directly benefit the host community at large, i.e., via facilitating refugees’ integration and reducing their reliance on government benefit programs. Some common characteristics of these accelerators are:

1. **A strong emphasis on integration of refugees.**⁴² Integration features prominently in these accelerators’ mission statements and program design—with features that include training on local business practices; expectations that mentors connect entrepreneurs to local partners; and social events for fellow participants, mentors, and local community members. Additionally, some explicitly measure integration outcomes.
2. **Enabling other outcomes other than entrepreneurship.** Since not every entrepreneur finds their startup path to be viable, accelerators have often played an important role in preparing the refugees for alternative professional opportunities. Some refugees found that the accelerator experience prepared them well for the local labor market or educational options,⁴³ and at least two accelerators (Forward Incubator and SINGA France) have developed specific job-search support activities for participants who decide to discontinue their startup pursuits.⁴⁴
3. **Encouraging businesses that will provide viable livelihoods, while setting less- stringent selection criteria in terms of ventures’ growth prospects.**⁴⁵ One of the noticeable features of many high-income country programs is that they are willing to support not only ventures with high growth potential, but also a wider array of refugee-owned ventures—whose business concepts are sustainable but not necessarily scalable.⁴⁶ As Table II highlights, a variety of business types can provide livelihood opportunities for refugees.⁴⁷ At TERN, for example, approximately 80% of startup/early-stage ventures in its TakeOff program are “livelihood

| Table II. Types of Ventures Started by Entrepreneurs |
|--|
| Microenterprises |
| Self-employment/Sole trader |
| Livelihood businesses |
| Social enterprises |
| Scalable enterprises |

businesses” (e.g., providing a steady income for the owner, but are not aimed at high growth).⁴⁸ Four refugee-entrepreneurship accelerators also accept non-profit ventures (or projects) into their programs. The few refugee-entrepreneurship accelerators that are based in high-income countries and require their ventures to demonstrate paths to scale include the growth-stage programs of accelerators that have already been supporting larger numbers of idea-stage refugee entrepreneurs, and two accelerators with a tech focus (Catalysr and Jumpstart Refugee Talent).

Evidence from some impact evaluations attests to accelerators’ success in delivering various benefits to both refugees and their host communities. In terms of integration, participants have reported feeling more a part of their host community and better equipped to succeed professionally (e.g., to find employment, build networks, etc.). At the same time, mentors report that they have increased their understanding of refugees’ situations, have become more involved in displacement/migration issues, and have also hired refugees or recommended them to others in their networks.⁴⁹ Moreover, at least two accelerators have demonstrated that by enabling either entrepreneurship or alternative employment outcomes, they have reduced refugees’ reliance on public benefits—and thereby generated significant government savings. This suggests that as post-pandemic economic conditions permit, there may be potential to use Social Impact Bonds to unlock funding for refugee-entrepreneurship accelerators, as discussed in [Annex 4](#), page 99. (Box 5 highlights other benefits of refugee entrepreneurship.)

Finding 7. Refugee-entrepreneurship accelerators in low- and middle-income countries do not position themselves overtly as providing a public benefit, and instead emphasize business viability—whether for high-growth startups or for smaller enterprises. Social integration does result organically from these accelerators, however.

Where public benefits are scarcer and local employment opportunities are limited, these accelerators often support host community entrepreneurs in addition to refugee (and internally displaced) entrepreneurs; and they focus on ensuring business viability—whether it be in the form of high-growth tech ventures or sustainable smaller/micro enterprises.⁵² In the Middle East, these accelerators’ efforts are fairly equally balanced between targeting highly scalable tech businesses, and supporting smaller, livelihood-generating businesses. The former type aim to harness the potential of technologically

Box 5. Benefits of refugee entrepreneurship

Recent academic research and other studies have highlighted some of the benefits of refugee entrepreneurship — adding to evidence from accelerators’ impact evaluations. The research shows that refugee entrepreneurship produces benefits at three levels, namely by:

- Empowering individual refugees through livelihood generation, integration, and a sense of purpose;⁵⁰
- Producing benefits to local communities (for example, by creating businesses that build social capital both within and beyond the refugee community); and
- Contributing to the national economy through enhanced labor markets and productive capacity.⁵¹

proficient refugees and the region's expanding tech sector, while the latter type aim to increase the success of entrepreneurs with less technical skill sets, including under-served groups such as women (e.g., the LIFE Project) and youth (e.g., the recently concluded Spark/EBDA program). Some accelerators do both: for example, Jusoor, which runs the tech-focused Startup Roadshow, found that a majority of refugees in its applicant pool aimed to launch small businesses, and accordingly, it created a separate small-business acceleration program.⁵³ Five One Labs also runs both a Tech Incubator and a sector-agnostic Female Founders Program for women-led, growth-stage businesses.

While integration is a more politically sensitive topic in these markets, it is nevertheless facilitated indirectly and organically, through such activities as (1) accelerating ventures with both refugee and host community co-owners (a practice that occurs for legal and/or practical considerations); or (2) forming cohorts that include both host-community and refugee (or internally displaced) entrepreneurs. In the case of the LIFE Project, for example, the program helped to forge positive relationships between Syrian and Turkish participants—even at a time when relations between these groups were deteriorating across Turkey. In the program evaluation, Turkish members reported having more positive sentiment towards Syrians after getting to know them better, and Syrians reported building friendships and business relationships across nationalities and ethnicities.⁵⁴

The two accelerator programs in East Africa—the Alight-Griffinworx partnership operating in Uganda and African Entrepreneur Collective in Rwanda and Kenya—work with already-operating enterprises, a practice that allows them to focus their efforts on viable businesses. Integration in camp contexts remains a complex policy issue, but African Entrepreneur Collective indicates that in the case of its accelerated camp-based microenterprises, approximately half of jobs created are for host community members. This figure rises to 65% for the organization's small business clients in urban contexts—as host-community staff can be advantageous for navigating the local business environment—and highlights how enterprise and employment can lead to integration. Furthermore, African Entrepreneur Collective is exploring the potential for successful microentrepreneurs to accept reduced humanitarian aid stipends (a parallel to the government-benefit savings that some accelerators in high-income countries have achieved).⁵⁵

Finally, another important characteristic of refugee-entrepreneurship accelerators in low- and middle-income countries is that they often provide some direct financing for their ventures, perhaps reflecting the more limited

access to finance in these markets. Amounts, terms, and milestones of financing vary (see page 39 and case studies in the [Appendix](#)); but overall, it tends to be provided for small/micro businesses that are gaining traction or high-growth ventures that are not yet investor-ready. By contrast, it is less typical for refugee-entrepreneurship accelerators in high-income countries to provide direct funding for startup-stage ventures.

Finding 8. In both high- and middle-income countries, a select number of refugee-entrepreneurship accelerators can be characterized as “investor-oriented,” based on their efforts to increase their ventures’ likelihood of attracting outside investment.

Several refugee-entrepreneurship accelerators, in both high- and middle-income countries, make concentrated efforts to attract outside capital to their ventures. The case studies beginning on page 108 provide further details on these activities, and in general, these “investor-oriented” accelerators can be identified by the following distinguishing characteristics:

- 1. More selectivity in terms of ventures’ potential for growth and profitability.** These accelerators aim to select ventures offering a high-scale/high profit model that could potentially attract equity investors, and/or ventures that could be profitable enough to offer attractive returns to lenders. These accelerators take various approaches to assembling a strong cohort, such as active recruitment efforts, or narrowing the cohort gradually using some of the “filter”/“feeder” efforts described in Box 6 on the next page (e.g., running multiple programs with a competitive re-application process at each later stage). Four accelerators—Catalysr, Five One Labs, Jusoor, and Jumpstart Refugee Talent—also have a strong focus on tech, a sector that frequently attracts equity investors.⁵⁶
- 2. Proactive investor engagement activities.** Mirroring conventional accelerators’ priorities,⁵⁷ “investor-oriented” refugee-entrepreneurship accelerators proactively try to attract investors to their programs. Their approaches have included:
 - Hosting events for investors and other potential partners (e.g., TERN’s February 2020 investor showcase, Forward Incubator’s December 2019 “Money Moves Forward” event at ABN AMRO)
 - Organizing investor meetings and roadshows (such as Catalysr’s Accelerator Roadshow to meet potential investors and partners)

- Producing investor-oriented collateral profiling ventures and indicating their funding needs (e.g., the investment profiles published by the Miller Center’s SEM accelerator program⁵⁸)
- Membership circles for investors. Five One Labs and TERN have each established membership programs that investors can join to access investment opportunities.⁵⁹

Even when ventures are too young to be investment-ready, some of the accelerators, such as Five One Labs, still hold showcase events to generate exposure for their program and entrepreneurs, build relationships with investors, and promote the investment potential of refugee entrepreneurs.

3. **Directly plugging some financing gaps.** Investor-oriented accelerators for refugees have often taken the initiative to arrange, or directly provide, other forms of financing for their ventures. For example, some of these accelerators have provided grants for non-investment-ready businesses or have arranged loan programs with partners. Additionally, to expand the available capital for investment-ready businesses, some accelerators have been taking steps to create investment funds (see page 40).⁶⁰

Beyond their focus on attracting investment, these accelerators also appear to demonstrate a commitment to operational effectiveness; many capture and share impact metrics, and/or pursue revenue-generating activities to enhance their prospects for financial sustainability (see page 25).

Box 6. Casting a wide net, narrowing the field: Attempts to identify the most promising refugee-owned ventures

Accelerators’ limited resources, contrasted with the large number of displaced individuals needing livelihood opportunities, create a high opportunity cost of selecting ventures with a low likelihood of startup success. Many programs attempt to alleviate this situation by using “feeder” and/or “filter” approaches.

Feeder programs—short-term formats such as “bootcamps” and startup weekends—require a low commitment for participation and attract many would-be refugee entrepreneurs. They can boost entrepreneurial motivation in general, but can also enable organizations with full-fledged accelerator programs to tap into this wider candidate pool. For example, Griffinworx hosted approximately 70-80 entrepreneurs during each of its “Extreme Build A Business Weekends,” held in refugee settlements in Uganda; it selected one third of each group for its 4-week accelerator program.⁶¹

Filters refer to competitive selection processes between consecutive stages of an accelerator’s programming (e.g., when an accelerator offering both an idea-stage and a startup stage program; or runs a short-term feeder program first). An accelerator can thus have more information about teams’ or venture’s potential when selecting later-stage cohorts—enabling it to better allocate its limited resources. As an example, SINGA France works with approximately 100 entrepreneurs at the idea stage, 10-16 ventures at the startup/early stage, and 5-10 ventures in its growth-stage program.⁶²

Finding 9. Due to the nature of refugee entrepreneurs’ needs, most refugee-entrepreneurship accelerators have focused their support on refugees in the earliest stages of starting a business. Far fewer programs support ventures at the growth stage, which suggests that the pipeline of accelerated refugee-owned ventures is dominated by earlier-stage ventures.

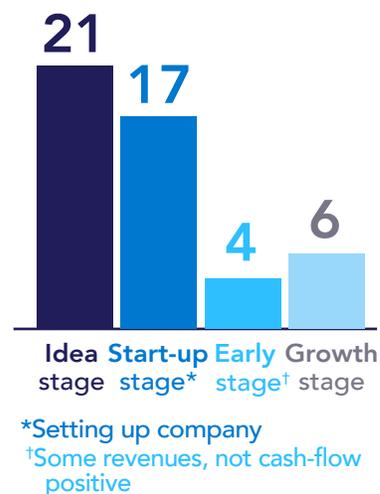
Accelerators for refugee entrepreneurs are, for the most part, a relatively new concept. Despite the increase in activity that began around 2015-2016, it has taken time to establish and refine accelerator programs, and many programs reviewed for this report welcomed their first cohorts in 2017, 2018, or 2019 (as seen in Figure 2, page 22). Not only are most of the accelerators fairly new, but their activity has often focused on ventures at the earliest stages of businesses: as Figure 6 illustrates, most of these accelerators (88%) have programs for idea-stage ventures, either exclusively or as part of multi-stage programming. This is in marked contrast to the more conventional accelerator landscape, where only 40% focus on the idea stage.⁶³

The relatively heavy emphasis on supporting idea-stage and startup-stage ventures is due in large part to the circumstances of many refugees. As new arrivals to their host communities, they are not yet well-established within their local business ecosystems, and they face numerous other barriers, such as access to finance, that prevent them from getting their ventures off the ground (see pages 82 and Annex 2, page 96). One accelerator’s experience illustrates this reality: Although TERN initially focused on growth-stage ventures, its management team identified a variety of barriers preventing refugees from reaching this stage, and accordingly, expanded TERN’s programming to support refugee entrepreneurs from the idea stage onward.⁶⁵

Some accelerators also accept refugee entrepreneurs at different startup stages into the same cohort, recognizing that numerous barriers (e.g., knowledge of local business agencies) may persist for refugees at different points in their startup journey. Other accelerators deliver more targeted programming for each different stage; they may structure a single program into distinct phases (e.g., the two-phase programs of both EU StartGees and SINGA Switzerland’s Factory), or have separate programs (each with its own application process) for ventures at different stages (as described in Box 6).

Acceleration of *growth-stage* refugee-owned ventures is less common (offered by 25% of refugee-entrepreneurship accelerators versus 43% of accelerators

Figure 6.
Business Stage Served By
Refugee-Entrepreneurship
Accelerators



Note: Classifications are approximate, as programs do not always fall squarely within the exact parameters. A single accelerator may be counted in more than one category.⁶⁴

in the broader landscape), which indicates a not-yet-mature investment pipeline.⁶⁶ Even when growth-stage support is offered, it is often less structured—consisting of follow-on support from earlier-stage programming. Forward Incubator, for example, has a six-month “Aftercare” program for all graduates of its four-month incubator program; and Jusoor has provided investment-readiness guidance and investor introductions to select alumni of its StartUp Roadshow.⁶⁷ Accelerators have limited capacity to extend ongoing support to their graduates, and at the same time, they consider some business needs to be more unique and better addressed outside a classroom setting. On the other hand, at least two accelerators that have achieved traction—SINGA France and TERN—have multi-stage programming with separate growth-stage programs; this is a promising sign that as they see the cohorts from their earlier-stage programs mature, they are seeing a critical mass of viable growth-stage startups to work with.

The two programs in Sub-Saharan Africa, African Entrepreneur Collective, and the Alight-Griffinworx partnership, are rare examples of programs which focus on already-launched businesses,⁶⁸ indicating that many refugee-owned enterprises are already operating in these settings.

Finding 10. The relatively nascent pipeline of refugee-owned ventures has translated into limited opportunities for equity investment thus far; some opportunities for debt investors are more readily identifiable.

Because the “pipeline” of refugee-owned enterprises still appears to be nascent, it has resulted in a somewhat limited supply of opportunities, especially for equity investors—even prior to the onset of COVID-19. In the tech sector, accelerated refugee-owned ventures have tended to be too early for investment, according to some of the program managers; and as Five One Labs explains, tech startups in Iraq have faced a variety of specific challenges (see Box 7), which its local entrepreneurs require time and technical assistance to overcome. Additionally, impact investors have presumably had less exposure to the concept of refugee-oriented investments, which may mean that they need more convincing to see these opportunities as investable (discussed further on page 39).

But while the equity investment pipeline remains nascent, there are nevertheless potential opportunities, primarily for debt investors with more moderate return expectations. Although the COVID-19 pandemic may

Box 7. Challenges for Tech Entrepreneurs in Iraq

The co-founders of Five One Labs, Alice Bosley and Patricia Letayf, have written about the unique challenges faced by Iraq’s tech startups:

1. Online-based businesses don’t legally exist in Iraq (they aren’t legally considered businesses and thus can’t be registered).
2. The digital skills gap in Iraq increases the time and cost of launching a tech startup.
3. The cost of launching a business is high (especially as the founders need to consult specialists due to #1)—and there are few ways that entrepreneurs can find financing to cover these costs.
4. Low debit card/mobile payment penetration causes a reliance on cash-on-delivery, which places non-payment risk on the startup.
5. Lack of international e-payment options makes international expansion challenging without a foreign bank account.

Source: Alice Bosley and Patricia Letayf, “The Five Challenges to Tech Entrepreneurship in Iraq,” *Iraq Business News*, Sept. 29, 2019.

dampen prospects for a time, the following types of opportunities may appeal to some investors:

1. **Providing capital for microenterprise lending facilities.** There are several examples of accelerators and related organizations that extend financing to refugee-owned microenterprises; once economic conditions permit and demand returns to pre-pandemic levels, investors could help expand these facilities to meet the unmet demand. As one example, African Entrepreneur Collective offers microloans at 10%, backed by a Kiva credit line; the loans have been shown to help refugee entrepreneurs increase revenues by 70%-160% and have a repayment rate of 98-99%. Providing capital to expand African Entrepreneur Collective's loan portfolio would increase refugee microentrepreneurs' access to finance, and could potentially enable the portfolio to financially sustain the entire program.⁶⁹

Investors in the U.S. could also help further capitalize the lending programs of the community lenders (CDFIs) that provide loans and technical assistance to refugee entrepreneurs as part of the Microenterprise Development Program (described in [Annex 3](#), page 98). At least two of these organizations (the Business Center for New Americans in New York City and the International Rescue Committee's Center for Economic Opportunity)—had expected to expand their lending prior to the pandemic.⁷⁰ Although these institutions' attentions have now shifted to providing emergency loans, a post-pandemic economic recovery could likely revive demand for their more standard refugee microenterprise loan products—and create opportunities for investors to finance lending facilities for refugee microentrepreneurs.

2. **Small business loans.** Some accelerator program managers have indicated that for refugee-owned ventures with solid growth prospects, debt instruments can often be a better fit than equity. This report has not gathered data on the details of refugee-owned ventures' financing requirements, but it is likely that further research could pinpoint unmet financing needs that could be met by debt-oriented impact investors willing to consider smaller ticket sizes (see page 69).

3. **Social Impact Bonds.** As an alternative to supporting the entrepreneurs themselves, these investment vehicles—discussed further in [Annex 4](#), page 99)—could finance acceleration programs that generate positive outcomes for refugees—offering a viable solution to accelerators' financial sustainability challenges.

3. Financing for Refugee Entrepreneurs: Rethinking Startup Financing

Financing is an essential need for almost every new business, and accessing the necessary funds can be a challenge for many entrepreneurs, including refugees. But accessing outside financing and investment is only part of the problem for refugee entrepreneurs. Instead of (or prior to) seeking outside investment, many entrepreneurs take the “bootstrapping” approach (that is, building the company from the ground up with no outside investment). However, this path too is often inaccessible to refugees as well, as they typically face such high financial barriers in the earliest parts of the startup process that it blocks their path to entrepreneurship entirely. These realities—detailed in the following chapter and in [Figure 7](#) on page 38—highlight the need for a radical shift in the common assumption that anyone, including refugees, can use entrepreneurship as a means to increase their economic opportunities.

Finding 11. For any entrepreneur, the most fundamental and essential financial prerequisite for pursuing a startup is *personal financial stability*. But this is lacking for many would-be refugee entrepreneurs, leaving them without the means to take even their first entrepreneurial steps. To fully support refugee entrepreneurship, stakeholders must acknowledge and address this critical barrier.

Even before any outside investment is considered, all entrepreneurs must personally fund the initial steps of their startup journey—for example, covering initial expenditures and personal living costs while they focus on refining and developing their business concept. In developed economies, entrepreneurs draw upon personal savings or employment income, and occasionally credit cards; for further financing needs, they are expected to seek funds from “friends and family.” But for many refugee entrepreneurs, there are often no such resources available: they have left behind or lost their assets; are likely to be without an income source; and have very limited access to credit in their host country.⁷¹ Meanwhile, their family and social

networks are comprised of people in equally precarious financial situations. Expecting refugees to draw upon personal or “friends and family” funds is, in short, a non-starter.

As a result, many refugees who have the potential to create their own livelihood opportunities are prevented from doing so.⁷² The opportunity cost of pursuing a startup—with prolonged periods of no income—is simply too high for people in vulnerable economic situations. “Entrepreneurship is a luxury,” points out Alterna’s Daniel Buchbinder;⁷³ and such is the nature of forced displacement that refugees face obstacles even beyond those of migrants and local disadvantaged populations (see [Annex 2](#), page 96). For those that do manage to make a start, the financing gap can delay progress further: 50% of Syrian entrepreneurs in one study waited until their businesses generated revenues before working on them full-time.⁷⁴ Recognition of this fundamental constraint is critical for stakeholders wishing to promote refugee entrepreneurship, because conventional wisdom holds that entrepreneurs should—and can—get their business partly off the ground by using their own means and networks—an unrealistic expectation for many forcibly displaced individuals.

There appear to be very few initiatives designed to fill this early financing gap. One initiative, designed to support microentrepreneurs in the U.S., was the introduction of refugee-focused Individual Development (IDA) Accounts, a savings account for low-income individuals in which they receive matching grants for amounts saved (see example on page 152). A second initiative to fill this gap has been the Ben & Jerry’s Ice Academy program in Europe, created to support refugee entrepreneurs as they explore and pursue idea-stage ventures; it is implemented by TERN in the U.K. (see page 137), Place in France, and Delite Labs in the Netherlands. One notable feature of the Ice Academy is that it helps arrange part-time employment; in 2019, 66% of participants were unemployed prior to the program, but 83% of this group gained a job placement through the program. Along with job placement and acceleration through its implementing partners, Ben & Jerry’s also contributes revenue from its Spice & All Things N’Ice product to a small grant fund that is cooperatively managed by each program’s graduates (see page 138).⁷⁵

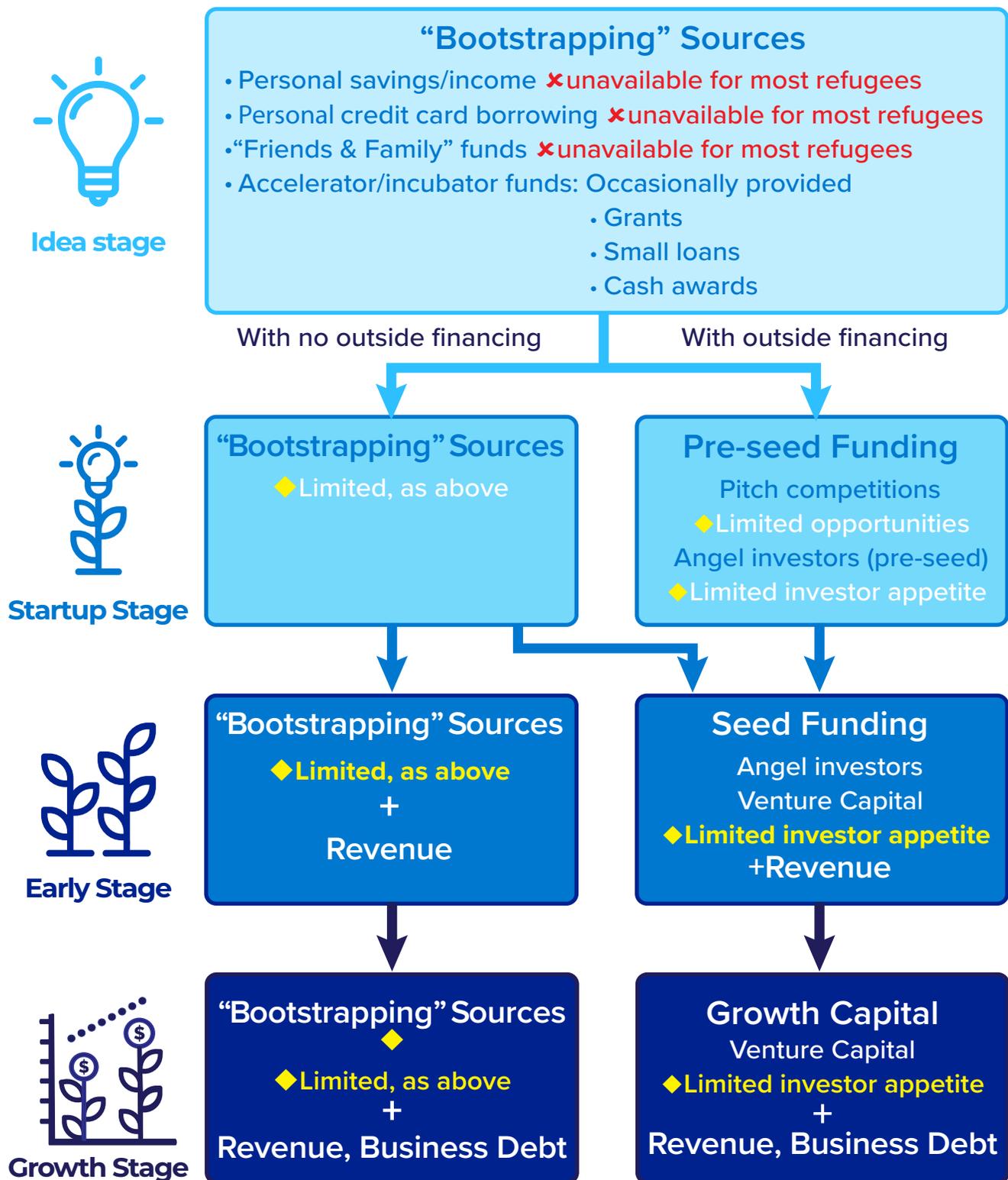
Being employed puts constraints on entrepreneurs’ time, however, and some accelerators prefer to work with entrepreneurs on a full-time basis—although the pandemic-induced move to online program delivery (see page 67) may bring about models that allow accelerators to help refugee entrepreneurs that are juggling other commitments.⁷⁶

50% of Syrian
refugee
entrepreneurs

**waited until their ventures
had generated revenue
before working on them
full-time**

Source: Bayram, Ahmad Sufian, *Entrepreneurship in Exile: Insights into Syrians Startups in Host Countries* (Berlin[?]: 2018), 30.

Figure 7. Limited availability of financing sources for refugee entrepreneurs



Finding 12. Because funding gaps persist along the startup trajectory for many refugee entrepreneurs, some accelerators are partly bridging the gaps by awarding grants to refugee-owned ventures in the startup phase (e.g., actively setting up), although the available funding is limited.

Recognizing refugee entrepreneurs' funding constraints, several programs have directly attempted to fill these gaps. Details of direct financing activities are provided in the case studies in the [Appendix](#);⁷⁷ in general, this funding has been distributed in either of two basic forms:

1. **Modest stipends/grants during the course of a program**, i.e., to help with miscellaneous expenditures
2. **Larger cash awards for the top performer(s) in a final pitch competition**, typically at the end of a startup-stage program and intended to cover a meaningful amount of recipients' startup costs

Cash awards are also common among non-refugee-focused accelerators and startup competitions, and data shows that these awards contribute to startup success.⁷⁸ Consistent with wider practice, refugee-entrepreneurship accelerators typically award funds only to the top few startups in the cohort following a pitch competition at the end of a program or stage (although Five One Labs was able to award funds to all participants in its 2019 Tech Incubator).⁷⁹ Although the remaining startups will still face a financing gap, one program manager indicated that the competitive process rewards teams that work the hardest, while still enabling all teams to benefit from the program's overall training and mentoring. Further research on the post-acceleration survival rate of refugee-owned startups would be useful to determine to what extent the startups fail after acceleration due to lack of funding.

Finding 13. Despite some refugee-entrepreneurship accelerators' efforts to engage investors, it appears that actual investments have been limited thus far, even for investment-ready ventures—suggesting some investor hesitation.

On the whole, attempts to engage outside investors appear to have achieved limited traction, even prior to the pandemic. Some accelerators reported difficulty finding entry points into angel investor networks; others noted that even active engagement with investors has resulted in few investor commitments. Not only does this reflect investors' still-nascent awareness

and understanding of refugee-focused investments as an impact investing theme, but several other factors appear to also be at play:

1. **Different risk/return expectations, and perceptions of impact.** Investors will typically have some sort of “hurdle”—or qualifying threshold—that new investments must meet; and since impact investors are looking for returns as well as impact, the interplay between these two types of hurdles may be at the root of the limited investment seen in refugee-owned ventures thus far. Researching investors’ perspectives was beyond the scope of this research, and thus the points below are conjectural—and should be explored further.

- Impact investors’ *financial hurdles* (e.g., targeted risk-adjusted returns) may be set at levels higher than those that refugee-owned ventures in the pipeline can generally meet, regardless of these ventures’ potential impact.
 - Investors may be evaluating refugee-owned enterprises as part of a wider pool of (impact) investment opportunities, which could offer higher risk-adjusted returns and justify maintaining these relatively high hurdles.
 - Investing in refugee-owned enterprises may meet investors’ *impact hurdles*, but the potential impact offered may be insufficiently valued as a reason to adjust the financial hurdle. This may be compounded in situations when the extent of the impact is not well understood.
- Impact may also be viewed only in terms of post-investment outcomes, with no formal valuation of the impact that comes from addressing inequalities in access to financing, i.e., investing in ventures led by entrepreneurs who have faced pre-investment inequalities or disadvantages.
- Risk/return calculations may give minimal credit to the resilience demonstrated by refugee entrepreneurs, because some investors may lack an in-depth understanding of the challenges experienced by displaced individuals.

2. **Smaller deal size.** Another underlying reason for the limited investor commitment could be that for some investors, the size of required investment is below their usual threshold.⁸¹ Several investor-oriented accelerators have therefore been exploring fund models, in part to address this

Box 8. Gender bias among equity investors?

An analysis of accelerated ventures, using GAL’s data, found that participating in an accelerator had an outsized impact in helping women-led ventures receive debt financing. However, it also found that acceleration exacerbates the existing gender financing gap in terms of the amounts of equity raised—suggesting that women-led ventures face potential investor bias or higher perceptions of risk from equity investors.⁸⁰

Given these findings, female refugee entrepreneurs may also face gender gaps in equity fundraising.

issue but also to allow investors to gain the benefits of diversification and lower transaction costs by spreading investment among numerous startups.⁸² Even so, however, these vehicles have largely not attracted investment thus far, due to their nascency and perhaps to continued investor hesitation. It appears that the impact of investing in a refugee-owned business, whether directly or indirectly, is a concept that has yet to be understood or embraced by the majority of startup-oriented impact investors.

3. For tech-sector businesses, more investor appetite exists, but commitments have been limited by the nascent state of these businesses.

Accelerators working with refugee tech entrepreneurs have expressed optimism about future investment prospects for these ventures, but note that many of them are not yet investment-ready. This appears to be particularly the case in the Middle East, where—prior to the pandemic, at least—many regional investors were looking to deploy funds, regardless of the founders’ refugee status. However, the early-stage nature of these technology ventures—as well as some challenging market conditions (see, e.g., **Box 7** on page 34)—means that they will still require time to grow their market from early adopters to a mainstream customer base; and COVID-19 may well extend this timeline further. Moreover, some interviewees suggested that regional investors are not always able to offer the relevant technical know-how that these entrepreneurs most need to advance their ventures.

To overcome these barriers, accelerators may need to attract investors who will factor resilience into their risk/return calculations, consider smaller deal sizes, and be willing to value the impact of refugee-owned enterprises enough to adjust their financial hurdles if necessary. The following approaches to engaging investors may hold promise:

- Some accelerators have started to increase investor engagement by *tapping into the recent “diversity initiatives”* that provide an otherwise-rare entry point into investment networks. In principle, these investors have committed to adjusting their deal-sourcing approaches to fund entrepreneurs that have been unable to raise funding under the industry’s *status quo*. As an example, Jumpstart Refuge Talent in Canada is among the deal sourcing partners for the “Dream Network” in Toronto, Canada, which has committed to investing pre-seed and seed funding into tech startups founded by entrepreneurs from underrepresented groups.⁸³ Another example is TERN’s pilot program with two partner organizations looking to increase diversity in the venture capital industry (see page 138)

- Another approach is to engage potential funders in an alternative setting hosted by a trusted third party, where investors may be open to different investee profiles. In partnership with ABN Amro, Forward Incubator held a pitch event showcasing their entrepreneurs to the bank's high-net-worth clients, resulting in at least two investments.⁸⁴
- A third approach is to engage investors initially as mentors rather than funders, as a way to increase their understanding of refugee entrepreneurs' strengths and capabilities. At Forward Incubator, one investor agreed to serve as a mentor, and after becoming very familiar with the venture (and its founder) over the course of the program, invested in it as well.⁸⁵

Finding 14. In contrast to other contexts, self-financing a startup appears to be possible for microenterprise owners in refugee camps and settlements. These businesses can achieve further growth if given more formal access to finance.

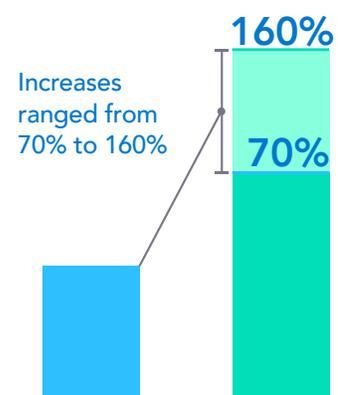
Starting a new business using personal and/or “family and friend” finances does appear to be possible for refugee entrepreneurs in at least one context: refugee camps and settlements. The Alight-Griffinworx partnership was able to recruit already-operating microenterprises for acceleration,⁸⁶ as was African Entrepreneur Collective, which indicates that 62% of its 2018 cohort (approximately 1700 entrepreneurs) used personal savings for startup capital.⁸⁷ These refugees' ability to self-finance may be possible due to:

- Ongoing cash stipends, e.g., from UNHCR. While not enough to start a business, stipends may defray a portion of living expenses, enabling refugees to allocate some existing savings to startup activities.
- Access to other funds, such as savings brought from home, remittances from family abroad, donations from non-governmental organizations (NGOs), and loans from family or friends with savings.
- Business models that involve affordable inputs that can be quickly converted to revenue-generating products; or service businesses (e.g., mechanics) requiring few inputs.
- Ready markets created by camps' vibrant economies and diverse needs.

With limited employment options in camps, the opportunity cost of starting a business is also lower for many refugees. This is supported by data from African Entrepreneur Collective, which indicates that business survival rates

Figure 8. Revenue Increase After Receiving Microloans

As shown by African Entrepreneur Collective's microentrepreneurs in Rwanda



Source: Julienne Oyler, Exec. Dir., African Entrepreneur Collective, interview with author, Dec. 9, 2019.

decline among its refugee entrepreneurs with higher levels of education, and by extension, more job opportunities.⁸⁸

The experience of the Alight-Griffinworx partnership in Ugandan settlements demonstrates that acceleration can help these refugee-owned businesses grow further, even without extending access to finance. Ninety-six percent of ventures in its first Kyangwali cohort reported increased revenues eight months after acceleration (and at least 28% had doubled revenue); in its second cohort, 80% reported increased revenue when surveyed two months after acceleration (data on the precise rate of increase for either cohort was not readily available). Additionally, 80% of the first cohort had increased staff (adding 128 new staff in total) and 68% of the second had increased staff (57 new staff).⁸⁹ While microentrepreneurs in such contexts can self-finance to start and use revenues to grow, increasing access to finance makes a difference as well: African Entrepreneur Collective's microloans have helped refugee entrepreneurs increase revenues by 70%-160%.⁹⁰

In the Kyangwali (Uganda) Refugee Settlement

80% of the first cohort

had increased revenues 2 months after acceleration

96% of the second cohort

had increased revenues 8 months after acceleration

using Griffinworx's bootstrapping model

Source: Author's analysis of Alight-Griffinworx survey data (full citation in notes).

4. Accelerating Refugee-Impact Ventures: Current Activity, Investment Opportunities, and Impact Potential

A. Accelerators supporting refugee-impact ventures: an overview

While there has been a significant amount of activity devoted to supporting refugee entrepreneurs, there has been a much smaller amount of acceleration has occurred for mission-driven entrepreneurs looking to launch and grow refugee-impact ventures. Accelerators with an explicit mission of supporting refugee-impact ventures (sometimes alongside refugee-owned ventures) have been very few in number, and at the same time, some other types of accelerators have sporadically accelerated refugee-impact ventures. Essentially, there are three categories of accelerators that have been involved in supporting refugee-impact ventures:

1. *Refugee-impact accelerators* that explicitly support refugee-impact ventures (usually as a major, but not exclusive, focus area)
2. *Impact accelerators open to ventures with any impact theme*, and which have occasionally accelerated refugee-impact ventures
3. *Refugee-entrepreneurship accelerators*, which sometimes accelerate ventures that are oriented towards meeting refugee needs

This fragmented landscape is less straightforward to analyze, but as a first step in assessing of the pipeline of refugee-impact ventures, each of these groups will be considered in turn.

B. Accelerators explicitly supporting refugee-impact ventures

Only five accelerators have specifically focused on supporting refugee-impact ventures, although none are exclusively dedicated to this theme on an ongoing basis:⁹¹

1. The Miller Center, which was founded in 2003, launched its **Social Entrepreneurship at the Margins (SEM) Accelerator** in 2018. It has recently been accelerating its second SEM cohort of enterprises that provide solutions either for refugees (approximately 70% of total, of which approximately 5% are also refugee-owned), or human trafficking victims and other marginalized groups (approximately 30%).⁹²
2. The **SDG Impact Accelerator** (SDGia) ran its first program in 2019 and encouraged applications that addressed two “challenge topics”—digital identity innovations and non-sewage toilet and sanitation systems—with a particular interest in solutions that could be applied to refugee contexts. According to SDGia management, future themes would be selected by donor sponsors, and may or may not be directly connected with forced displacement.
3. **SINGA**, in operation since 2012, runs accelerators in several countries for refugee entrepreneurs, and its programs in France (the flagship chapter), Switzerland, and Spain are also open to entrepreneurs developing solutions related to migration and/or displacement. In SINGA France’s accelerator programming, refugees constitute approximately 70% of participants, with the refugee-impact/migration-impact ventures constituting the remaining 30%.

Features of these programs are summarized in the top half of Table III, with further details provided in the case studies.

C. Impact accelerators which have supported some refugee-impact ventures

More than eighty-six impact-oriented accelerators are operating worldwide, and GALI’s online dataset tracks their characteristics alongside those of regular accelerators.⁹³ Some of these have a sector focus or impact theme (e.g., fintech, agriculture), but a large number do not. Overall, scalability and financial sustainability tend to be essential qualifying criteria for participating enterprises, along with social or environmental impact. Most of these, it appears, have not supported any refugee-impact ventures, but the author identified three that have accelerated at least two refugee-impact enterprises within the last few years; these are listed in the bottom of Table III.

Box 9. The SDGia model

The SDGia’s inaugural program combined a conventional accelerator curriculum with several additional features to help entrepreneurs apply their innovations to challenging refugee contexts:

- Two sets of field visits to refugee-hosting locations, so that entrepreneurs could learn the realities on the ground by speaking to refugees about their needs, and by meeting with local NGO officials
- Dedicated funding for pilot projects (a total of \$233,575 was awarded to eight of ten finalists)
- Connections to international development partners, who often operate in a separate sphere from private sector entrepreneurs, but have vital on-the-ground knowledge and connections. SDGia also brought in established Turkish firms (e.g., in sanitation) for knowledge-sharing and related partnerships.

Table III. Accelerators Supporting Refugee-Impact Enterprises

| Name & location | Sector focus | Number of ventures (cumulative) | Number of refugee -impact ventures (cumulative) | % refugee-impact ventures |
|--|------------------------------------|---------------------------------|---|---------------------------|
| REFUGEE-IMPACT VENTURE ACCELERATORS | | | | |
| Miller Center/SEM (California, U.S.)* | Agnostic | 37 | 26 | 70% |
| SDGia (Turkey)** | Sanitation/Digital ID (2019 theme) | 27 | 10 | 37% |
| SINGA France (France)** | Agnostic | 379 | 110 [est]** | 30% [est.] |
| IMPACT ACCELERATORS | | | | |
| Halcyon Incubator (U.S.)* | Agnostic | 109 | 5 | 5% |
| Katapult Accelerator (Norway)* | Tech | 58 | 2 | 3% |
| MassChallenge (Boston/Global)* | Tech | 2,344 | 5 | .02% |

*Program allows participants from other countries.

**SINGA France figures combine entrepreneurs in idea-stage programs with ventures in later-stage programs; the 30% represents ventures offering solutions relating to migration, not necessarily forced displacement. Information on other SINGA programs is provided in the case study for the SINGA Global Network case study (page 108), although their specific proportion of refugee-impact ventures was not readily available.

D. Refugee entrepreneurship accelerators' contributions to the refugee-impact venture pipeline

While not specifically categorized as social enterprises, refugee-owned businesses often benefit other refugees, frequently through employment.⁹⁴ One construction entrepreneur in Forward Incubator's cohort, for example, now employs eight other refugees in the Netherlands.⁹⁵ Some refugee-owned businesses also provide goods and services to refugee customers. This occurs not only in camp settings, of course, where entrepreneurs' customer base (and employees) would typically consist largely of other refugees; it also occurs in developed economies: a majority of the idea-stage concepts being pursued by TERN's refugee entrepreneurs have been for U.K.-based businesses that would serve other members of the refugee community.⁹⁶

Although refugee-entrepreneurship accelerators will not be discussed in detail again in this chapter, it is worth noting the strong role of refugee entrepreneurs in launching businesses that benefit other refugees. In fact, approximately 20% of the refugee-impact ventures in the Miller Center’s SEM program have a founder or co-founder from a refugee- or refugee-like background.⁹⁷

E. Impact metrics: a window into accelerator priorities

Returning to the impact accelerators that have supported refugee-impact social enterprises, their emphasis on promoting business growth alongside social/environmental impact is made clear by the performance metrics that they make available online, which tend to focus more on ventures’ business growth rather than social impact.

Finding 15. Accelerators that have supported refugee-impact ventures have published only limited impact data, which makes it difficult to discern the nature and extent of their programs’ impact on refugees.

As shown in Table IV, these accelerators report more metrics related to business growth (sometimes across multiple dimensions) than metrics that capture social impact.

| Table IV. Select Refugee-Impact and Other Impact Accelerators: Metrics Published Online | |
|---|----------------------------------|
| Type of Metric (and examples) | Number of Accelerators Reporting |
| Program size/scope (# entrepreneurs, ventures) | 6 |
| Application volume and/or selectivity | 3 |
| Business growth/performance of ventures (e.g., funds raised, earned revenue, employees, survival rate) | 4 |
| Business growth comparison with non-selected ventures | 1 |
| Social/environmental impact of ventures: “Lives reached” | 2 |
| Social/environmental impact of ventures: 1-2 examples of individual ventures’ impact depth | 2 |
| Gender and/or racial diversity of entrepreneurs | 3 |

Note: SINGA programs were not assessed for this table, as a greater proportion of their activity focuses on refugee entrepreneurs rather than refugee-impact ventures.

Additional details:

- All data was provided on a cumulative basis.
- The three programs that have been operating for more than five years provided significantly more data online, mainly relating to business growth/performance.
- There is a range in terms of how many business growth metrics are reported. “Cumulative funds raised” was the most frequently reported, followed by number of employees.
- While none of these programs published data on entrepreneurs’ competencies/skills increase, this metric is sometimes captured by other social impact accelerators and some refugee-entrepreneurship accelerators.
- The Miller Center has published a separate document providing some impact data on all refugee-impact ventures in its first SEM cohort⁹⁸

While these accelerators’ emphasis on business performance is indeed important to ensure the sustainability of ventures, their limited publicly-available social impact data, as well as other patterns highlighted in the lower part of the table, present some concerns:

- Business performance is naturally a key priority for these accelerators, but there is a lack of data for attributing this performance to their programs.
- The very limited amount of social impact data made available online suggests that accelerators may not be giving attention to how much impact their ventures create, or that perhaps they have not determined the best way to capture and report it.
- Because figures are provided in cumulative terms (e.g., with no annual breakdown or trends provided), it is not possible to assess each accelerators’ performance over time or against other programs which have been operating for different amounts of time.

While reporting against many kinds of impact may seem onerous, it is worth noting the robust example of the Acumen Civic Accelerator (CivicX), which reported on 30 different impact metrics, including three social impact metrics and several in all other categories of Table IV.⁹⁹ (Notably, this program worked closely with GALLI, which conducts extensive efforts to capture and analyze accelerators’ performance data.) In sum, there are opportunities for these impact accelerators to improve the amount and quality of impact information they share—both at the program level and for individual ventures.

F. Accelerated refugee-impact ventures: investment and impact potential

Given the small number of accelerators working with refugee-impact ventures, there would be little value derived from attempting to identify trends by region, investment orientation, and other features. On the other hand, it is both possible and instructive to analyze the refugee-impact ventures themselves to understand the characteristics of the pipeline; unlike refugee-entrepreneurship accelerators, impact accelerators (including refugee-impact accelerators) typically identify all the ventures in their past and current cohorts. Accordingly, the author analyzed 49 refugee-impact ventures from five accelerators listed in [Table III](#) (hereinafter referred to as the “dataset” of refugee-impact ventures),¹⁰⁰ considering such characteristics as intended (and achieved) impact, business models, and funding needs. The conclusions from this analysis highlight some challenging realities that have implications for impact investors, accelerators, and others interested in supporting refugee solutions. They also point to issues in the larger social entrepreneurship ecosystem which appear to limit its current ability to deliver impact on refugees.

Finding 16. Refugee-impact ventures are relatively scarce among the accelerator landscape, which indicates that the expanding social impact ecosystem still has not placed much focus on refugees. Only a few dozen refugee-impact ventures have been accelerated, compared to hundreds (and sometimes thousands) of ventures addressing various other impact themes. And to a considerable extent, much of the ecosystem’s support is concentrated on an even smaller subset of these refugee-impact ventures.

While the number of social-impact accelerators and related organizations has continued to grow, their collective support for refugee-impact ventures has been relatively small, as noted earlier. Even more problematically, the actual number of refugee-impact ventures in the pipeline is even smaller than the amount of accelerator activity would suggest, due to two trends:

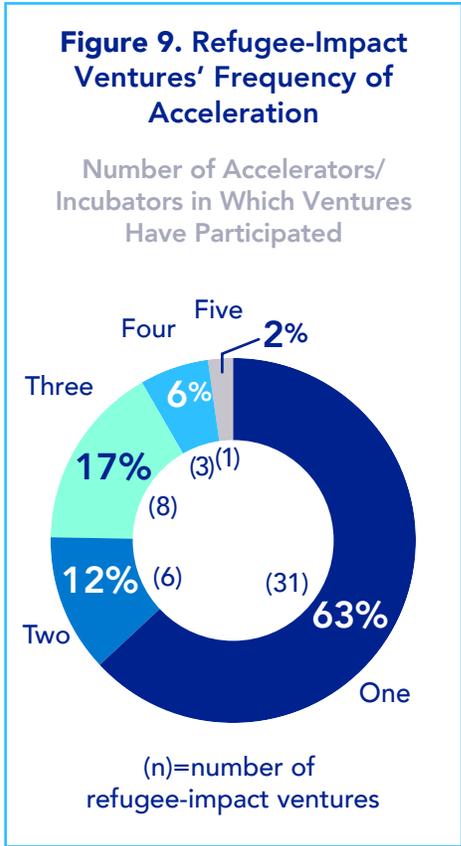
- **Multiple acceleration:** Several accelerators, including some in [Table III](#) on page 126, have devoted resources to an overlapping set of refugee-impact ventures. Figure 8 shows that of the 49 accelerated ventures

in the dataset, 37% participated in more than one accelerator or incubator program, and twelve (24%) participated in three, four, or five. This amounts to 84 incubations/accelerations for 49 ventures. (In only two examples, multiple accelerations occurred within the same set of accelerators used to create the dataset, that is, those in Table III, page 46.) Additionally, many of these multiple-accelerated ventures have received financial and non-financial support from other parts of the social startup ecosystem—such as mentoring and investment from fellowships, and cash awards from venture competitions. (One pre-launch venture has received at least eight cash awards from competitions alone, totaling \$180,000).¹⁰¹

Participating in more than one accelerator is not a behavior unique to refugee-impact ventures; it occurs in the wider accelerator landscape as well, and has been shown to benefit the ventures themselves.¹⁰² One accelerator manager has also highlighted to the author that different programs have complementary strengths, and that its own program makes a deliberate effort during the selection process to identify whether the program can meet applicants’ specific needs. It is also natural for social entrepreneurs to take advantage of the plentiful supply of free opportunities now available for acceleration, which brings increased visibility as well as grants or investment in some cases.

On the other hand, nearly a quarter of refugee-impact ventures have participated in three, four, or five accelerators or incubators, a pattern which seems unusual, and raises the question of whether this is an effective use of the accelerators’ resources, including the funding that backs these programs. It also allows a number of accelerators to each claim a contribution to a single enterprise’s success, without understanding whether the contribution was significant. Furthermore, when multiple acceleration is combined with overlapping support from business plan competitions and fellowships, it can create an overstated perception of the amount of refugee-focused activity in the social impact ecosystem—since much of the support is given to the same discrete set of ventures—and it can prevent these organizations and other stakeholders from recognizing and acknowledging the scarcity of refugee-impact ventures emerging from the wider ecosystem.

- **“Pivots”—an inconsistent focus on refugees over time:** It is common, and useful, for entrepreneurs to adjust their business models (“pivot”) when attempting to gain market traction. Refugee-impact ventures may



pivot for various reasons. They may encounter unforeseen challenges in delivering their products or services in difficult contexts for example; and they may also find that their business can better achieve financial sustainability by targeting different vulnerable populations. At least four of the 49 ventures in the dataset have pivoted away from focusing on refugees, either completely or substantially.¹⁰³ While pivoting away from a focus on refugees is not cause for criticism, stakeholders should keep in mind that some ventures which have tapped into support from refugee-focused resources (e.g., from grantmakers or accelerators) may ultimately move away from prioritizing refugee impact.¹⁰⁴

Seven ventures in the dataset were exploring a pivot *towards* serving refugees, the result of support from the SDGia (see **Box 9**, page 45). However, the degree to which these pivots will be sustained is uncertain; three did not receive grant funding they requested to pilot their solutions in refugee settings, and the other four are in the early pilot phases. Excluding the three unfunded efforts from the total, along with the four aforementioned ventures that pivoted away from a refugee focus, would reduce the number of remaining refugee-impact ventures in the dataset from 49 to 42.

A set of 42 refugee-impact ventures, collectively undergoing 84 acceleration/incubation experiences (mostly during the last five years), is a very modest amount of activity compared to the magnitude of the forced displacement challenge. By comparison, GALI data indicates that approximately 21,000 impact ventures were supported by the global impact accelerator landscape during 2013-2019,¹⁰⁵ of which 2,061 ventures supported women and girls, and 3,974 promoted access to education.¹⁰⁶ The stark contrast in these numbers illustrates the lack of focus on refugees within the impact accelerator ecosystem.

Finding 17. Within this small pipeline, various innovations and potentially viable models have emerged to support refugees, but actual investment opportunities among accelerated refugee-impact ventures are—and will likely remain—scarce. At least 55% of the ventures analyzed have models that depend on grants, and only 10% (5 ventures) appear to be currently seeking investment.

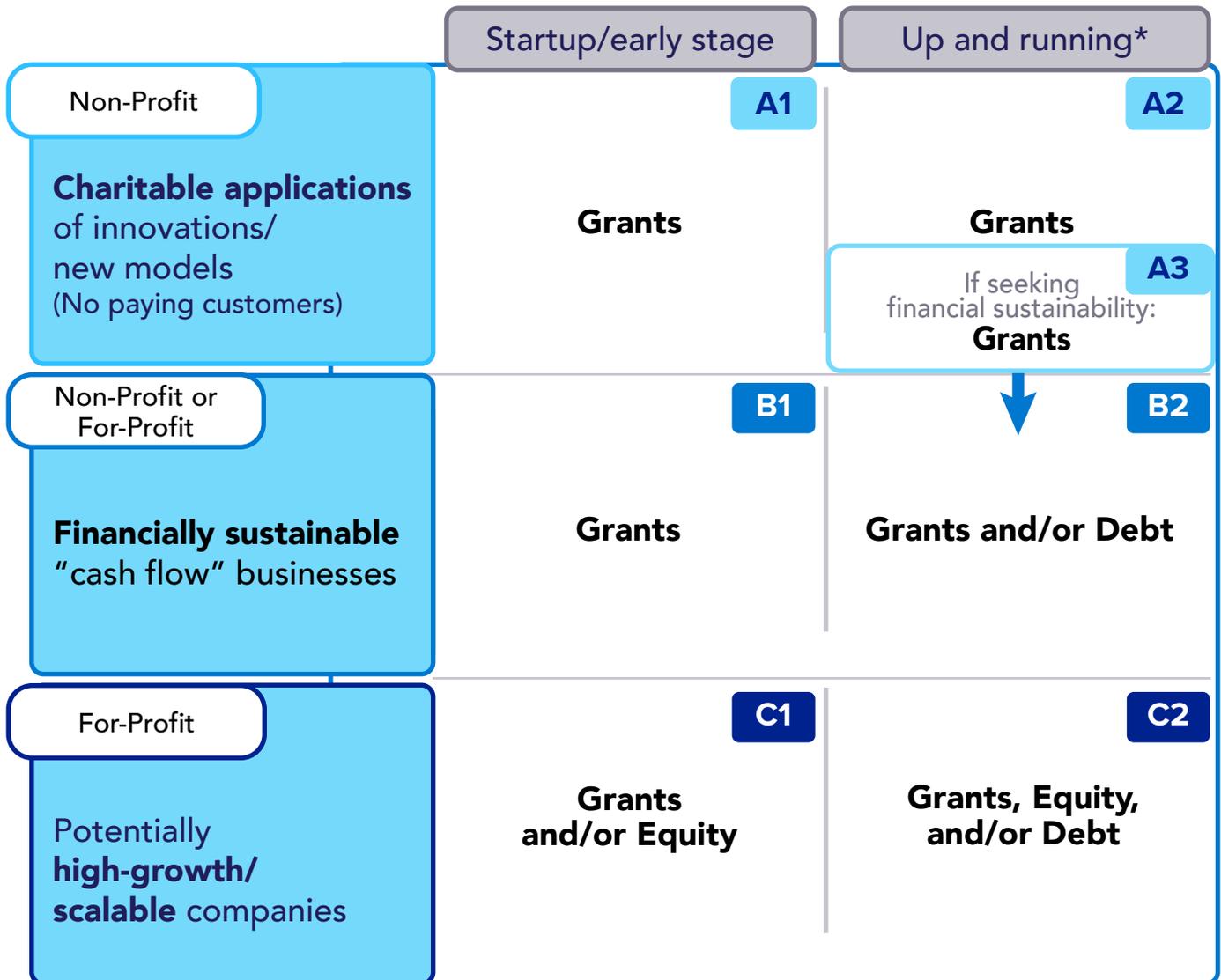
Social enterprises, including refugee-impact ventures, come in a variety of forms—e.g., in terms of legal structure, profit potential, and entrepreneurs’

commercial ambitions—and new ventures will also be at various stages of maturity. This diversity can create confusion for both investors and entrepreneurs if it is assumed that all social enterprises would appeal to investors.

To assess the potential investment pipeline for emerging refugee-impact ventures, the 49 ventures in the dataset were reviewed in terms of their individual investment potential, using information such as mission statements; current customer base and business model; financing track record; and related information. This analysis identified three basic categories that determine the types of financing that would be viable for them when starting or after achieving market traction; and by extension, they indicate whether these ventures could represent investment opportunities in either phase. These categories, as illustrated in Figure 10 on the next page, are as follows:

- 1. Charitable entities (non-profits) delivering innovative applications or new services** to address forced displacement challenges, but whose model does not involve paying customers that could fully sustain operational costs.¹⁰⁷
 - *These are a mismatch for investors.*
 - Even when a charitable venture seeks to transition to a financially-sustainable enterprise (like #2 below), grant funding is likely required for this transition.
- 2. Financially self-sustainable enterprises** (either non-profit or for-profit) generating enough revenue to cover operational costs, but without an expectation of (or the founder's ambition for) high profit margins/scale.
 - **Start-up ventures** of this type are unlikely to appeal to equity investors and unlikely to satisfy the requirements of lenders (e.g., in terms of track record, or collateral); *they are a mismatch for investors.*
 - **Established ventures** of this type are *unlikely to appeal to equity investors, but may be a fit for lenders.*
- 3. For-profit businesses aiming for high growth and scale**, as evidenced by signaling an interest in equity, or having raised it already.
 - **Start-up ventures** of this type *may seek equity* (including equity-like instruments such as convertible loans), although many concurrently aim for grants. They are *unlikely to satisfy the requirements of lenders.*
 - **Established ventures** of this type *may seek equity and debt*, but often continue to seek grants.

Figure 10. Categories of Refugee-Impact Venture (left), and Potential Funding Sources at Different Stages of Maturity



*That is, has a track record of operations; market traction; or launched beyond a small pilot.

Figure 11a below shows the relative proportion of refugee-impact ventures that fit each of these descriptions; and Figure 11b shows the corresponding financing when this categorization is combined with available information on specific venture's fundraising goals or achievements. For the most part, such information has indicated that some ventures aspiring for high growth and scale (category C in Figures 10 and 11a) have been seeking grants usually instead of, but sometimes in addition to, equity or debt investment.

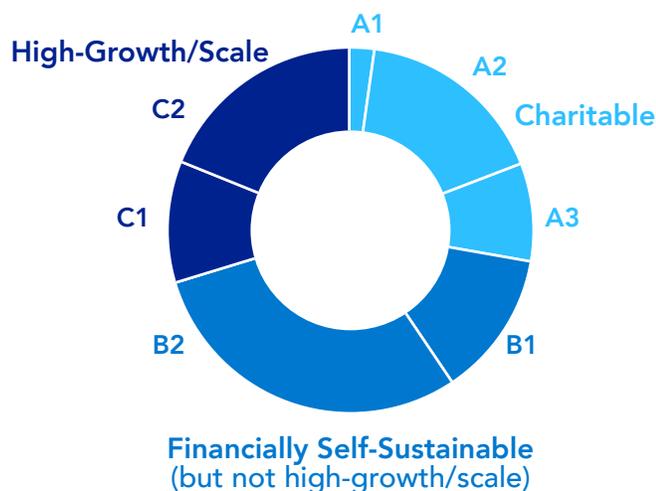
More specifically, the analysis showed several clusters of ventures that do not present refugee-related investment opportunities.

- 55% of ventures were, by definition, not investment opportunities: 43% of ventures fell into categories where grants are the only viable source of financing, and within the other categories, a further 12% of ventures were seeking only grants during their time in accelerators, indicating that they were not investment prospects at the time.
- 8% could not be considered refugee-related investment opportunities, as they are no longer serving refugees (2 ventures); or there is very scarce data available about their operations and startup status (2 ventures).
- Only 10% represent current investment opportunities—amounting to 5 ventures. An additional 8% (4 ventures) have already raised financing, including equity or convertible debt, along with grants; and 18% (9 ventures) might be a fit for debt financing, but the extent to which the

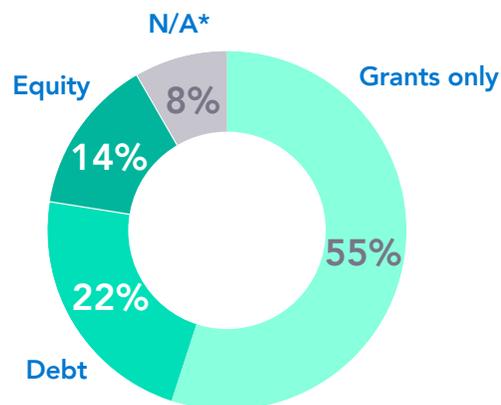
Figures 11a-b. Refugee-Impact Ventures' Business Model Types and Financing Options

All ventures with Charitable (A) business models, and some with Financially-Self-Sustainable (B) or High-Growth (C) models, would require grants to meet financing needs around the time of acceleration.

11a. Business Models (See Fig. 10)



11b. Financing Models



*N/A: no longer serving refugees or scarce information available

entrepreneurs need or want debt, or whether their financials would support it, are unknown.

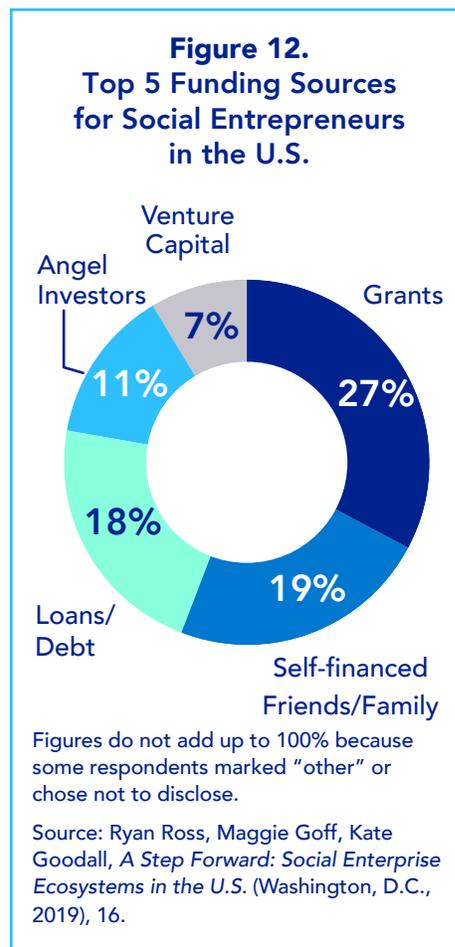
- Of the 5 ventures that appear to currently be seeking investment in the late 2019/2020 timeframe, 3 are seeking equity and 2 are seeking debt; and most were seeking grants in addition to investment.

It should be noted that this analysis does not include any determination of whether the founders' growth projections would meet the expectations of potential investors (nor does it factor in any potential impacts of the COVID-19 pandemic.)¹⁰⁸ The number of ventures which can attract investment (even in more stable economic conditions) may therefore be less than the amount indicated above.

In sum, this analysis illustrates that refugee-impact ventures emerging from accelerator programs present very limited potential for returns-seeking investors—despite a significant expansion of the social impact entrepreneurship ecosystem during the last few years and the increased visibility of the forced displacement crisis since 2016. The 49-venture pipeline has produced a **cumulative total of only 9 refugee-impact ventures that were definitely seeking investment over the past few years**, and a few other ventures that might possibly be seeking debt financing. The majority of the ventures appear to offer no investment opportunities, and most of these would require grants.

This finding highlights that **innovations and new business models have been emerging to benefit refugees, but investors, particularly equity-oriented investors, have a very limited role to play in advancing these new ventures**. It also aligns with (but is more pronounced than) a pattern seen within the social impact ecosystem more broadly: according to Halcyon Incubator's research, investment from angels and venture capitalists—represents the least common source of financing for social entrepreneurs (see Figure 12). The observation made in a 2013 survey of impact accelerators appears to still hold true: "Most impact investors are looking to [impact] accelerators for investment opportunities, but are not finding them."¹⁰⁹

Given this situation, other funders—mainly grantmakers, and to a limited extent, small-business lenders—have a more fundamental role to play in providing the capital needed for refugee-impact ventures (and other social enterprises) to grow and operate sustainably. And because the startup ecosystem should be an important source of pipeline for an emerging impact investment theme such as forced displacement, the ecosystem's failure to produce more than a small handful of investments opportunities



in refugee-impact ventures thus far makes it difficult to expect any significant increase in such opportunities in the foreseeable future—especially as the ecosystem may shift its focus to impact themes emerging in mid-2020, such as racial equality and COVID-19 responses (see page 64). Investing in emerging refugee impact-ventures thus appears to be a concept that is more aspirational than real, both for now and for the foreseeable future.

Finding 18. Refugee-ventures’ impact goals and potential are rarely well articulated, and thus likely not well understood by investors and other potential funders. This limited understanding of impact among all stakeholders can be detrimental by 1) causing high-impact solutions to be overlooked; 2) directing disproportionate resources to low-impact activities; and 3) preventing accelerators and funders from spotting opportunities for deeper impact.

The definition of a refugee-impact venture can be (and should remain) broad, in order to recognize the variety of ways in which ventures can support refugees and their host communities.¹¹⁰ Indeed, new ventures have introduced a variety of products, services, and innovative models that can positively impact forcibly displaced populations. But within this diversity of approaches, it is usually unclear how much impact a venture can potentially generate; and few ventures have made the effort to adequately articulate the nature and extent of their impact.

One of the issues is that impact accelerators and investors operate within an ecosystem that tends to favor *scale*—not only for business models, but also for impact values; as the use of quantitative metrics becomes more standard practice in impact reporting, this can inadvertently create a bias toward larger quantities of outputs alone (e.g., larger numbers of unique users, more training sessions delivered, or more refugees served)—similar to the “lives touched” metric in [Table IV](#), page 47. But impact is not determined by scale alone. Practitioners concur that “impact depth” and “impact duration” also factor into how much impact is (or can be) delivered.¹¹¹ The concepts of impact depth and duration have rarely been adopted within the startup ecosystem, where entrepreneurs are often inexperienced at impact reporting.¹¹²

Without a deeper understanding of impact, however, the focus remains on impact scale—which is inadequate to understand how well ventures are addressing refugee needs. (“Impacting 100 lives” does not indicate

whether the lives were improved in a meaningful and lasting way, vs. a more moderate and temporary way.) Compounding this, impact scale typically corresponds to business scale, which affects investor appetite. These factors have the potential to “short-change” refugees by disfavoring initiatives that provide a great deal of *impact depth* but rate low on *impact scale* and/or investment potential, while encouraging attention to ventures that achieve scale, regardless of the depth of their impact. Meanwhile, there is a risk that investors will be drawn toward ventures with medium or high scale, rather than those with greater impact depth and/or duration.

Finding 19. An assessment of the impact potential of different types of refugee-impact ventures reveals numerous tradeoffs between impact scale and impact depth/duration. Few of these types of venture rate high across all these areas, and several types appear to offer relatively low impact depth.

There are a variety of ways in which refugee-impact ventures seek to deliver benefits to refugees. For example, one venture may source from refugees in its supply chain, while another may offer a technology platform that aid agencies can use to provide services more effectively. As part of a customized methodology developed for this report (detailed in [Annex 5](#), page page 102), Table V on the next page lists the various ways through which refugee-impact ventures seek to deliver impact to refugees; these are referred to as ventures’ “impact types”. For each of these impact types, Table V also provides an indicative rating of how much impact these ventures are likely to provide—in terms of impact depth, duration, and scale. The table also indicates the number of ventures in the dataset belonging to each impact type, as well as the type of financing that has typically been sought by these specific ventures.

Table V. Types of Refugee-Impact Ventures, Relative Impact Potential, and Financing Sought

| Ventures' "Impact Types"/(Subtypes) | Impact Depth | Impact Duration | Impact Scale | Number of ventures | Typical financing sought, if known ¹¹³ | |
|--|---|-----------------|--------------|--------------------|---|---------------------------|
| Impact Category 1: Livelihood opportunities | 1a. Livelihood provision, via | | | | | |
| | Directly employing | H | H/M | L/M | 3 | Grants + debt |
| | Contracting | L | L | M | 2 | Grants + equity |
| | Sourcing from refugee supplier | L | L | L | 6 | Grants |
| | 1b. Livelihood facilitation | | | | | |
| | Entrepreneurship training/startup acceleration | H | H | L/M | 5 | Grants |
| | Other skills training | M | H | M | 6 | Grants |
| Job placement services | H/M | H/M | L | 2 | Grants | |
| Impact Category 2: Physical products that meet basic human needs | Clean water supply | H | M | M | 1** | Grants |
| | Toilets/sanitation | M | M | M | 5** | Grants Grants + equity |
| | Innovative/safe shelter | M | M | M | 2 | Grants |
| | Other support delivered in-person (e.g. education)* | M | M | L/M | 3 | Grants Grants + equity |
| Impact Category 3. Services*** delivered via tech platforms | Information to individuals | L | L/M | H | 4 | Grants |
| | Data management for service providers | M | H/M | H | 9** | Grants Grants + equity |
| | Digital financial services | H/M | H/M | H | 1 | Grants + equity |

*Included in Impact Category 2 as the best fit, since these models typically require a physical presence in a humanitarian context.

**Indicates "impact type" that was a specific focus of the SDGia accelerator.

***Excludes platforms offering work opportunities, which are in Impact Category 1 (usually under "contracting").

Table V also illustrates some key themes:

- There is usually a tradeoff between impact depth and impact scale. Only one type of venture, digital financial services, appears poised to deliver high impact depth and duration as well as high scale, and there is only one venture in the dataset (Leaf Global Fintech) of this impact type.¹¹⁴
- The ecosystem has produced relatively few ventures that would rate high in *impact depth*, most likely due to the limited scalability of these ventures. Among these, entrepreneurship training/acceleration organizations are well-represented, owing to the efforts of the Miller Center's SEM accelerator to cultivate these as sustainable social enterprises. These ventures are more of a fit for grant funding than for returns-seeking capital.
- Ventures that provide work opportunities for refugees operate in a wide variety of sectors (hospitality, food, fashion, translation services). Their impact—and their investment potential—will naturally be limited by the growth prospects of their underlying businesses and sectors.
- There are numerous ventures seeking to generate impact by sourcing from refugees as suppliers, even though the overall impact potential appears to be limited. These ventures, which operate mainly in the competitive retail space, are also not a fit for investors. But while they typically provide only modest, part-time income-earning opportunities, they often help displaced populations in locations offering few legal employment options;¹¹⁵ a deeper examination of their impact depth could produce a stronger rationale for supporting this type of ventures (e.g., with grants).
- Ventures providing sanitation services and data management (e.g., with blockchain) are well-represented among the dataset, due to the SDGias' specific focus on these areas, illustrating how a single accelerator's efforts can advance specific impact goals. As noted earlier, a number of these ventures are piloting an extension of their existing innovations into new refugee contexts. Although most of these offer scale and profitability, it may take time to determine the extent of their impact on refugees.

Given that impact scale correlates closely with the scalability of ventures' business models, investor interest will typically correspond to the impact types that offer high scale, but may offer limited impact depth and duration. Because of this, investors should take care to assess how much impact depth and duration their capital can generate, while other stakeholders should consider how they may support ventures offering high impact depth and duration, yet with insufficient scale to attract investors.

5. Uncertain Times: The Pandemic's Impact

Because the majority of interviews and analyses for this report were conducted prior to the outbreak of COVID-19, the preceding pages mostly describe a landscape unaffected by the pandemic. This chapter draws on more recent discussions and preliminary research on pandemic's impact on refugee ventures and accelerators.¹¹⁶ While the outlook still remains uncertain, the pandemic's disruption will likely continue for a prolonged period, creating an uncertain future for entrepreneurs and experienced business owners alike—and also for organizations seeking to promote inclusive economic opportunities for refugees and other vulnerable populations.

Despite challenging conditions created by the pandemic, refugee ventures and accelerator programs will still have an important role to play in the months and years ahead, since the vast needs of refugees and their host communities will not diminish. Meanwhile, these organizations will likely continue to face the same challenges that they encountered prior to the pandemic—magnified and compounded by pandemic-related conditions. This chapter explores the pandemic's effects thus far on refugee ventures and accelerators, in hopes that it allows stakeholders to better determine how they can still engage with and support these organizations going forward.

A. The pandemic's impact on refugee ventures

Finding 20. While some refugee ventures are coping or even thriving under the current conditions, the pandemic has unsurprisingly created hardship for many. Accelerator managers have confidence in entrepreneurs' resilience, but the pandemic has taken a heavy toll—especially on refugee entrepreneurs, due to their vulnerable financial circumstances and limited social safety nets.

While this crisis has impacted businesses across the board, new enterprises such as the accelerated refugee-owned and refugee-impact ventures were already in a more vulnerable position to start with, as they were still

In TERN's survey of its refugee entrepreneurs,

73%

reported a decrease in personal income due to the pandemic

53%

reported a lack of sufficient funds for basic personal needs

Source: "TERN Community: Impact of COVID-19," TERN (full citation in notes).

in the process of gaining market traction. And for many refugee business owners, the loss of business income is particularly worrying because of their already-vulnerable financial circumstances and their limited ability to fall back on personal networks or government safety nets. This reality is driven home by data from TERN, which created a dashboard showing COVID-19's impact on its entrepreneur community: by July, the pandemic had affected the personal income of 73% of these refugee entrepreneurs, and 53% lacked sufficient funds to cover basic personal needs.¹¹⁷ Five One Labs also surveyed its entrepreneurs in April; of the 40 startups that responded, nearly 60% were facing financing challenges, including funding delays; 60% were unable to sell or deliver products because of pandemic-related restrictions; and 40% could not produce products due to unavailable inputs, or saw demand for their products suffer.¹¹⁸ Refugee entrepreneurs in other contexts have been similarly affected; one NGO supporting urban refugee entrepreneurs in a low-income country reported that previously self-reliant entrepreneurs began to request help to pay for basic needs; and a refugee-impact enterprise sourcing from refugee suppliers reported that a decrease in sales left those refugees unable to afford essentials.¹¹⁹ Unfortunately, it appears that despite the considerable effort devoted in recent years to increase refugees' economic independence, much of the progress made has been reversed.

B. Accelerators' response efforts

The pandemic has impacted accelerators on two levels: by disrupting delivery of their programming, and by threatening the success of the ventures whose success is central to their programs' missions and reputations. As a result, accelerators' workloads have increased significantly as they have scrambled to adjust their operations and simultaneously launch efforts to provide urgent, targeted support (both professional and personal) to their entrepreneurs. Their ability to rise to the challenge has been encouraging, however.

Finding 21. Despite the sudden challenges affecting both accelerators and their ventures, accelerators' responses to the pandemic have been encouraging. Some organizations supporting refugee entrepreneurs have also "gone above and beyond" to increase their support for entrepreneurs and their ventures.

Several examples of these activities are detailed in the case studies, but the main adjustments for both refugee-impact and refugee-entrepreneurship accelerators have involved:

Box 10. Some Bright Spots

Not all refugee ventures have been adversely impacted by COVID-19: some ventures specialize in products and services that have experienced increased demand, e.g., delivery services and health care solutions.

Other ventures have had the ability to stay afloat by pivoting their business model to harness emerging and/or adjacent opportunities. For example, one food-sector entrepreneur found that stay-at-home policies created a demand for the raw ingredients of her products. Others have switched to selling products now in demand due to COVID-19, such as face masks and hand sanitizer. In addition to examples of business resilience, there have also been many instances where entrepreneurs have made positive contributions at the human level, such as donating meals or other supplies to those in need.

These stories are encouraging, and illustrate the potential and resilience of refugee entrepreneurs and mission-driven entrepreneurs. However, these successes depend on possessing existing know-how, acquiring new technical expertise, and/or accessing additional financing, and it appears that the path forward remains severely challenging for many new refugee ventures.

- Moving program components online. Accelerators acted quickly to roll out online training and remote mentoring, and have live-streamed their Demo Days.
- Compiling and disseminating critical information on health, available support resources, and business crisis management. Several accelerators produced curated lists of resources on business crisis management and related material; some have also created their own content and made it publicly available for other entrepreneurs. For example, the Miller Center produced a webinar series on crisis management,¹²⁰ and Five One Labs created the “Startup Survival: Coronavirus Response Kit,” a guidance document for entrepreneurs in Iraq.¹²¹
- Conducting emergency fundraising campaigns, to provide funds for entrepreneurs’ urgent business and/or personal needs, as detailed further below.
- Looking towards the future. Despite the likelihood that the pandemic will cause a prolonged period of economic upheaval, leaders of accelerator programs—and other organizations that support refugees—tend to be optimistic, dedicated, and highly motivated problem-solvers. As one example, the Miller Center has recently announced its forthcoming “Bounceback Master Class” for alumni of its programs to rebuild damaged enterprises, improve diminished enterprises, and scale intact enterprises.¹²² In other instances, accelerator managers developed new programming concepts in response to pandemic-related challenges, but due to the difficult fundraising environment, they were not always able to proceed with these plans.¹²³

Accelerators for refugee entrepreneurs (as well as CDFIs that support refugee microentrepreneurs), recognizing their clients’ vulnerable situations, have provided further layers of support, such as:

- Checking in with every entrepreneur (from past and present cohorts) in order to offer general support and to determine needs for more targeted help.
- Serving as a trusted source of information (sometimes in multiple languages), since information on public health and accessing government benefit programs were difficult topics for many to navigate.
- Providing targeted support for each entrepreneur/venture—these efforts have included:

- *Developing individual business action plans.* Jusoor, for example, has helped each of its entrepreneurs identify ways their business can respond to the crisis. Some of the common themes of these action plans have been 1) helping brick-and-mortar stores ramp up e-commerce capabilities, and 2) identifying ways to pivot (i.e., retool business models, develop related products, or engage with new platforms).¹²⁴
- *Help with personal needs* (including emergency livelihood support or guidance on mental health support). Both TERN and BCNA have raised funds to provide refugee entrepreneurs with emergency small grants (discussed further on page 64). And while accelerator management teams have helped entrepreneurs with personal concerns in the past, some, are now explicitly prioritizing help in navigating mental health issues.
- **Handholding in accessing any available government benefits.**¹²⁵ Lender BCNA notes that its preexisting relationship with the relevant government agencies helped facilitate this process considerably.
- Creating virtual communities using social media platforms to encourage entrepreneurs to engage in networking and other mutual support.

C. Financing issues for refugee ventures

Finding 22. Most refugee ventures struggling with the impacts of the pandemic will need grants to stay afloat; yet the various types of public and private relief efforts for small businesses are unlikely adequately meeting these ventures' needs.

Despite these expanded forms of support, financing remains a critical need for refugee ventures, like so many other businesses. But despite the various funding mechanisms rolled out to support small businesses, most of these funds will likely be inaccessible to the majority of refugee ventures:

- Government relief packages and other emergency loans programs are unsuitable, in many cases unavailable for the typical refugee venture. Stimulus programs, one of the major sources of economic support, are not offered in all countries. Even where they exist, young ventures may lack the track record necessary to demonstrate eligibility. Other emergency loans may be available from public and private sources, but ventures will face similar eligibility constraints for these as well.

- Impact investment is rarely an option. Some impact investors and coalitions have launched new initiatives,¹²⁶ but according to the GIIN's recent research, investors expect their capital to generate at least some positive returns, and have prioritized certain sectors (e.g., health care, food security).¹²⁷ Most refugee ventures do not fit these profiles (see pages 28 and 51).
- Grant funding is extremely scarce. Philanthropic capital offered in the initial stage of the pandemic was quickly depleted by many competing needs, and furthermore, grantmakers have often imposed eligibility criteria (e.g., enterprise must provide a COVID-19 solution, or operate in the grantmakers' own community) that have tended to make these funds inaccessible to the typical refugee entrepreneur.

It is therefore quite challenging to imagine that existing financing options will be able to help the majority of refugee-owned ventures.

Finding 23. Some instances of accelerator fundraising efforts have been providing a lifeline for some entrepreneurs, but it is not yet clear how sufficient these funds will be.

Recognizing that a lack of urgent funding can have disastrous consequences for some entrepreneurs (both at the business and personal level), a number of accelerators and other entrepreneurship support organizations have stepped up to raise urgently-needed concessional funds for refugee impact ventures and refugee entrepreneurs. Some examples have included:

For refugee entrepreneurs:

- Emergency grants for businesses: With \$2.3 million in funding from the Mastercard Foundation, African Entrepreneur Collective created a emergency grant fund for the businesses its helps in Rwandan refugee camps and host communities.¹²⁸ SINGA was also able to secure funding for emergency grants from partners Generali, the Edmond de Rothschild Foundation, and FAIRE Foundation.¹²⁹
- Emergency grants for livelihood support: Other initiatives made funds available to refugee entrepreneurs facing urgent personal needs due to lost income. TERN raised more than £15,000 (US\$19,428) with a crowd-funding campaign in April; and BCNA used a similar approach to raise \$50,004 (as of September 2020), and re-allocated \$50,000 of its unrestricted funds to match donations.¹³⁰

Outcomes of pandemic relief grants to entrepreneurs in Rwanda:

91%

of the closed businesses had reopened

63%

average revenue increase after two months

Source: J. Oyler, Exec Director, AEC (full citation in notes).

- Emergency loans: While not fundraising initiatives *per se*, both the IRC-CEO and BCNA rolled out emergency loan programs for their existing refugee borrowers (at 0% and 3% interest, respectively, along with other favorable terms), in addition to adding flexibility to terms of their existing loans.¹³¹

For refugee-impact ventures:

- Emergency loans: The Miller Center created the \$1 million Truss Fund to offer emergency loans to social enterprises that have graduated from its programs (including the refugee ventures in its SEM program). The capital appears to originate mainly from recoverable grants provided by impact investors.¹³²
- Emergency grants. In May, Halcyon held a fundraising campaign in partnership with its local business improvement district, achieving its \$100,000 goal; \$50,000 was earmarked for entrepreneurs in its program, while the remaining half was designated for a relief fund for local workers who lost their jobs due to COVID-19.¹³³

These dedicated fundraising efforts will likely offer the best chance for these ventures to stay afloat; and encouragingly, there is at least some evidence to indicate that they have served this purpose: African Entrepreneur Collective reports that 96% of grants to its entrepreneurs in Rwanda were used mainly for business purposes, and after two months, 91% of businesses that were closed had re-opened, and business' average revenue increase was 63% (more details are in the [case study](#) on page 111).¹³⁴ But it is not yet clear how many other accelerators have managed to raise funds, or whether the amounts raised in the first few months of the pandemic will be enough to meet entrepreneurs' ongoing needs during a protracted economic downturn.

D. Looking ahead

While there is cause for optimism—given the adaptability and resilience of these entrepreneurs and the nimble responses of accelerators—the pandemic's impact on refugee ventures will leave many refugees behind in the short and medium term.

In such a time of overwhelming need, accessible solutions are unfortunately few, and many avenues of support have been exhausted. However, even with limited resources, stakeholders can still support refugee ventures, both by alleviating some immediate impacts of the pandemic and by taking actions

that can strengthen the support systems of refugee ventures over the long term. These efforts can include:

1. **Providing support in a personal, rather than institutional, capacity.**

Expecting stakeholder organizations to provide more concessional funds to refugee ventures and accelerators is unrealistic at this point in time, given the increasingly limited supply of funding and looming budget shortfalls. But stakeholder organizations are made up of individuals who may, in some cases, have the means and networks to make a significant difference of their own. Where possible, these individuals should consider taking personal initiatives to fill these gaps, such as:

- **Joining the crowd(funding).** For individuals whose circumstances are secure enough to contribute modest amounts, donating via crowd-sourced fundraising efforts can make a difference. Both BCNA and TERN have demonstrated that small contributions (e.g., \$15-\$25) from individual donors can add up to funding pools that can offer lifelines to refugee entrepreneurs—whose hardships can be alleviated by relatively small amounts, (e.g., \$500-\$1000).
- **Seek out refugee ventures as providers of goods and services.** Since more refugee ventures have moved their business online, stakeholders can purchase from these businesses (again most likely in a personal capacity).

The reference information in **Box 11** (page 67) is intended as a starting point for readers interested in ways to support refugee ventures and accelerators.

2. **Laying groundwork for the future.** Many recommendations in the next chapter require minimal financial outlay, e.g., learning about impact measurement, tracking success, and developing connections with other stakeholders. Dedicating time in the near term to make progress on these issues will enable stakeholders to increase their impact in the future, when conditions allow them to resume a more resource-intensive agenda.

3. **Keeping accelerators in mind.** Stakeholders should take into consideration that while many accelerators appear to remain solvent for the time being, they are likely to need additional resources shortly down the road when their current budgets run low. In the short term, stakeholders can support these organizations by amplifying their visibility among their networks—which will help them reach larger numbers of supporters—and by providing in-kind support (e.g., by serving as mentors).

These steps represent a few ways that stakeholders can help stabilize the situation for refugee ventures, their entrepreneurs, and the accelerators that support them. This, in turn, can help advance the overall change agenda that is needed over the long term, and which is described in more detail in the following chapter.

Box 11. For Further Information...

Readers interested in supporting refugee ventures and accelerators can learn more about these organizations by reviewing the list of accelerators in **Annex 1** (page 93)—which includes links to their web sites—along with the case studies starting on page 108.

- Accelerators' web sites often include links to their refugee ventures' web sites, as well as profiles of entrepreneurs or ventures.
- Accelerators and ventures typically use social media accounts (which can be found via their web sites) as a more active method of sharing news and opportunities (and live-streamed demo-days).
- Some accelerators have launched additional initiatives to engage supporters; examples include TERN's online shop, the **Anqa Collective** (<https://www.anqacollective.org>) featuring its ventures' products; and SINGA France's connectivity platform, **Allomondo** (<http://www.allomondo.org>), that helps newcomers and host community members interact virtually.
- Updated information on opportunities to support refugee ventures and accelerators will be added to **www.impact-insight.com/refugeeventures** and shared via the Twitter account @_impactinsight_.

Readers interested in exploring other topics related to accelerating refugee ventures may wish to engage with the following organizations:

- For refugee entrepreneurship, see The Centre for Entrepreneurs' **Refugee Entrepreneurship Network** (of which many accelerators and similar programs are members) at <https://centreforentrepreneurs.org/networks/refugee-entrepreneurship-network/>.
- For accelerator landscape and effectiveness, see **GALI's data and publications** at <https://www.galidata.org>.
- For refugee investment, see **The Refugee Investment Network (RIN)**, <https://refugeeinvestments.org>.

6. Moving Forward:

An Action Plan for Coordinated Stakeholder Efforts

The preceding chapters paint a somewhat discouraging picture of the current challenges and limitations involved in supporting early-stage refugee ventures, even aside from the additional negative impacts that the pandemic will create. But it is critical that stakeholders not lose sight of the importance of supporting entrepreneurial efforts that have the potential to benefit refugees and their host communities. Although unlocking this potential is not a simple task, stakeholders can and must commit to ongoing action, even if their circumstances permit only limited activity during the COVID-19 pandemic.

The agenda outlined in the following pages is intended to be a starting point for identifying—and acting on—opportunities to advance these goals, and provides thematic recommendations for different types of stakeholders: *accelerators; investors; grantmakers; international development actors; impact management practitioners; academic researchers;* and critically, *conveners*—organizations or individuals, including those in other stakeholder groups, willing to lead efforts involving multiple counterparts. To help stakeholders take this agenda forward, a **summary of recommendations for different types of stakeholders** begins on page 82.

The degree of progress on this agenda will depend on the extent to which stakeholders are able to commit energy and attention to a refugee-oriented agenda—and on whether any of these efforts can be made in the midst of the COVID-19 pandemic. Delivering greater benefits to refugees and host communities will ultimately require many stakeholders to work differently, undertake additional efforts, and/or engaging with new counterparts. Most importantly, coordination among stakeholders will be essential in order to translate individual stakeholder efforts into the wider progress that is needed.

Agenda Item 1: Expand or introduce financing approaches that address the needs of refugee-owned and/or refugee-impact ventures, using grants and other concessional financing arrangements where needed.

As financing gaps persist for refugee entrepreneurs along various points of their startup experience, and many refugee-impact ventures continue to seek financing as well, stakeholders will need to work together to address these gaps. Although many organizations will be unable to launch new initiatives during the pandemic, they may be able to use this period to explore and design programs that can be eventually launched when conditions permit. Stakeholder should target their efforts at alleviating key finance-related bottlenecks in the system:

1.1 For refugee entrepreneurs at the earliest stages, replicate existing programs that can substitute for personal savings or “friends and family” money. Programs such as the [Ice Academy](#) (page 37), which combines part-time employment with idea-stage accelerator support, as well as the IDA matched-savings accounts available in the U.S. (see [BCNA case study](#), page 152) offer solutions for refugees in different situations, and already provide a blueprint for others to replicate. Similarly, many accelerators provide small grants to their entrepreneurs in the idea- and startup stages, a practice that others can adopt.

- ▶ *Accelerators working with refugee entrepreneurs* at the idea- and startup-stages should raise funds to extend small grants to their participants.
- ▶ *Accelerators* can also identify whether models such as the Ice Academy and IDA accounts are suitable for their markets, and enlist the help of *conveners* and other partners to replicate and adapt such programs.

1.2 Analyze and address the current gap in small business lending for refugee-owned and refugee-impact ventures. As the research has shown, both refugee-owned and refugee-impact ventures have unmet needs for small business loans to achieve traction and sustainability. A detailed survey of these existing needs and the specific barriers in each case would help quantify and map these needs and would likely reveal common barriers to accessing loans. In parallel, a scoping of existing impact-oriented lenders and their current products could indicate which financing needs could be met by existing products and which needs require some form(s) of innovative products. One innovative

vehicle that can serve as a model for others is the Catalyzer Fund for impact ventures in Guatemala (Box 12).

- ▶ **Conveners** are likely to be best-positioned to initiate and advance this research, while CDFIs and similar lenders could be recruited to share knowledge and move the findings forward.
- ▶ **Accelerators** who are close to the funding needs of refugee ventures, have in some cases already been active in designing financing vehicles such as equity funds; going forward, they can partner with conveners to help connect their ventures with innovative financing sources.
- ▶ **Investors** and **grantmakers** would ideally engage with these efforts to increase the capital available for such initiatives.

1.3 For refugee-owned ventures and refugee-impact ventures, engage angel investors in less transactional settings, and clearly communicate the impact achieved by supporting refugee entrepreneurs.

Numerous accelerators have focused on investment-readiness and investor outreach, which are fundamental first steps. To expand their network of interested investors, and increase investor commitments, these accelerators could engage with investors using approaches that are less “transactional,” while clearly articulating the potential impact to be generated by the investment (especially with refugee-owned ventures).

- ▶ **Accelerators working with refugee entrepreneurs** can seek out **diversity initiatives**, as described on page 41; if none exist in their market, accelerators could form coalitions with organizations supporting other underserved groups, and leverage these partnerships to attract investors. Accelerators could also prioritize involving investors as mentors; and partner with local private banks and similar organizations open to presenting unique impact investment opportunities to their high-net-worth clients. When engaging with these investors, accelerators can also draw upon the research that highlights the benefits created by refugee entrepreneurship (see **Box 5**, page 29).
- ▶ **Conveners** can also help accelerators connect with investors, identifying the ways that current investment opportunities might fit with different investors’ investment criteria and related objectives.
- ▶ **Investors** such as angels and venture capitalists can support refugee ventures by mentoring promising ventures that may not be investment-ready. Some accelerators noted that tech-sector refugee entrepreneurs (e.g., in the Middle East) could particularly benefit by

Box 12. Alterna’s Catalyzer Fund model

Alterna is an organization that supports inclusive and impact-oriented entrepreneurship in Central America. As part of its support for early-stage social/environmental impact ventures in Guatemala, it invests in some ventures through the Catalyzer impact investment fund, which was funded by the development finance institution IDB.

It offers debt financing, with flexible terms specifically designed to meet the needs of early-stage ventures:

- Small ticket sizes: \$25,000-\$45,000 per venture
- Rates: a percentage net sales (3-8%); the maximum repayment amount is 1.2-1.8 times principal.
- Repayment period: maximum of 5 years, with a grace period of up to 12 months.
- No collateral required.

Source: “Catalyzer Fund”, Alterna, <https://alterna.pro/en/catalyzer-fund/>.

connecting with experienced tech professionals from beyond their regions.)

- In cases where mentorship leads to an investment opportunity, investors can make an even greater difference by advocating for their peers to explore refugee-related investments. Investors are in the best position to influence other investors, and can raise the visibility of the impact that can be achieved by investing in refugees—by sharing their experiences with their networks and by spreading the word via social media.

Agenda item 2: Attract more concessional financing to activities supporting refugee ventures, including efforts to unlock financing bottlenecks for early-stage refugee entrepreneurs, and efforts to finance refugee-impact ventures with significant impact potential.

Since most existing refugee-impact ventures do not offer traditional investment opportunities, but can still deliver private sector solutions for forced displacement, there is a clear need to mobilize more concessional capital for the earliest stages. (One example of what can be achieved by this approach is described in Box 13.)

Grant funding will continue to be a scarce resource, and even more so due to COVID-19; accessing more grant funding for refugee ventures will therefore require making connections to new types of grantmakers, using measures such as those outlined below:

2.1. Encourage grantmakers working on forced displacement to support social entrepreneurship (including refugee-impact ventures) as an alternative way to create impact. This could possibly be achieved by increasing their understanding of the contributions made by refugee-impact ventures (e.g., using effective research and communications); and by advocating for this community to form a working group to increase their colleagues' awareness of social enterprise solutions (and to stimulate an interest in funding them).

- ▶ **Conveners** are likely to be best placed to create the relevant communications and to advocate for a working group, while accelerators and ventures can advance such efforts by capturing and sharing their impact that ventures create.

Box 13. From grant-funded to self-sustaining refugee-impact enterprise: Asili

An example of a successful initiative of this kind is the Asili social enterprise.

Asili provides health, water, and agricultural services to thousands of forcibly displaced people in the Democratic Republic of Congo; it received up-front philanthropic funding (in this case, from individuals), but now generates revenue sufficient to cover its cost of operations. Alight's subsidiary, Eastern Congo Initiative, oversees Asili's operations.¹³⁵

2.2. Build more formal bridges between refugee-impact/social-impact accelerators and venture philanthropists. Venture philanthropy organizations are very suitable models for advancing social impact ventures, because they provide not only grants but non-financial support such as mentoring and capacity-building as well. As an example, Alfanar, which seeks to build sustainable social enterprises in the Arab world, provides grants and zero-interest “repayable grants”, guidance on improving financial management, and performance monitoring. NaTakallam, one of the four refugee ventures in Alfanar’s portfolio, has been able to generate sufficient revenue to finance its operations.¹³⁶

- ▶ **Conveners** can help by assembling information about venture philanthropy’s current and potential impact on advancing solutions for forcibly displaced populations; and by identifying ways to disseminate this information among venture philanthropy audiences.
- ▶ **Venture philanthropists already active in this space** could identify opportunities to champion the idea of refugee-related impact investing among their peers, and advocate for refugee-focused grantmakers to adopt venture-philanthropic approaches.

2.3. In the U.S., create a strategy to engage donor-advised fund account holders in the idea of financing refugee ventures and related activities. The most recent survey on donor-advised funds indicates that they collectively hold approximately \$121 billion of philanthropic assets, \$72 billion of which is managed by sponsoring organizations that are not affiliated with a single issue or community foundation (see Box 14).

However, this vast amount of philanthropic capital goes largely undisbursed each year; even with the extraordinary conditions of the pandemic, at least half (e.g., more than \$30 billion) may still remain undisbursed in 2020, according to preliminary assessments.¹³⁷ Moreover, sponsoring organizations mostly hold the assets in traditional investment vehicles, rather than in impact investments.¹³⁸ This unused philanthropic capital (for which the donors have already received their tax breaks) could be readily deployed as grants to refugee-impact ventures; or at least allocated within the account’s portfolio to investments in new refugee ventures. Attracting this funding, however, requires engaging with donor-advised fund account-holders, rather than the funds’ sponsoring organizations (who typically do not determine grant recipients, and whose business model incentivizes them to preserve the funds in their assets under management)—which is a challenging proposition.¹³⁹

Box 14. Donor-Advised Funds:

Donor-advised funds are a U.S. philanthropic vehicle that enable donors to receive immediate tax deductions on funds transferred into these accounts, while postponing the distribution of the funds (as grants to charitable organizations) to a later time.

Donor-advised funds are maintained by sponsoring organizations which manage all funds that have not yet been deployed as grants. Sponsoring organizations are usually classified as either single-issue charities, community foundations, or—the largest category in terms of assets under management—“national charities.” National charities are often affiliated with financial institutions (e.g., the Fidelity National Gift Fund) and have the primary focus of administering donor-advised funds.

For accounts held at national charities—a total of \$75 billion in 2018—the average payout rate was only 22% of assets (\$13 billion); these assets were also replenished by donor contributions that year, in excess of what was paid out in grants (\$23 billion). These payout and contribution rates were consistent with those of prior years, indicating that there continues to be around \$75 billion in already-donated philanthropic funding that is not actually deployed to charitable organizations.¹⁴⁰

- ▶ **Conveners** could work with accelerators and related social impact organizations to develop clear messaging to donors on the benefits of deploying these funds vs. retaining them in the accounts. They will also be needed to identify effective channels for reaching donor-advised fund accountholders, such as targeted publications and events; and they will likely need to recruit existing accountholders as champions.¹⁴¹
- ▶ **Investors** interested in refugee ventures may hold donor-advised funds themselves (or know those who do), and so should consider how these funds can be used more immediately for impact via grants and/or higher-risk investments.

2.4. Engage with businesses to encourage more corporate philanthropy activities that support refugee entrepreneurs. Just as Ben & Jerry's has contributed proceeds from their Spice & All Things N'Ice product to be used as small grants for participants in the Ice Academy (see pages 37 and 138), other corporations could introduce similar initiatives.

- ▶ While **businesses** are the ones to undertake these initiatives, it is likely **accelerators** who are best positioned to propose partnerships that can best benefit refugee entrepreneurs.

Agenda item 3: Commit to a better understanding of impact.

While social entrepreneurs and impact investors can often identify how their project can contribute to one or more of the SDGs, a more rigorous understanding of the principles of *impact measurement*—e.g., the concepts of impact depth and duration as well as impact scale—is still needed (as described in pages 56-59). The framework outlined in **Annex 5**, page 102, is intended as a starting point for illustrating how these concepts apply to various types of refugee-impact ventures. Advancing ecosystem players' understanding of impact measurement will help avoid bias towards investments with high scale, but low *impact depth*; encourage funders to recognize and support enterprises whose impact depth is high, regardless of their scale; and serve as a way to deepen players' awareness of refugee needs. It also will help avoid misunderstandings of a company's impact goals, and guard against unscrupulous actors using unsubstantiated claims exploit concern for refugees to gain support for their initiatives.¹⁴² Even during the pandemic, stakeholders may be able to pursue the recommendations below, and will likely find them useful when assessing how to make the most impact with limited resources.

The responsibility for understanding the latest impact measurement practices lies not only with investors and other funders, but also with accelerators and entrepreneurs themselves. As members of each constituency develop a more rigorous understanding of these principles, and are able to discuss them in more detail, they can raise the profile of impact measurement when engaging with counterparts. Collectively, these efforts can elevate the ecosystem's ability to focus on, and achieve, further impact.

Self-directed individuals can find clearly presented guidance material from leading sources such as the [Impact Management Project](#) and the Global Impact Investing Network (which sponsors the [IRIS+ system](#)). But *ad hoc* efforts will not be enough to advance the impact measurement practices of the larger ecosystem. More comprehensive tactics are needed, and stakeholders can do the following:

3.1. Tailor impact measurement guidance information for the startup context, to be used by refugee-impact ventures (and other social enterprise startups) as well as the stakeholders that work with them.

Meanwhile, impact measurement goes beyond merely identifying which SDG the enterprise is addressing. But impact measurement practitioners' robust, thorough methodology is somewhat complex and unrealistic for entrepreneurs to adopt; entrepreneurs often have a limited background in such concepts, and have minimal resources to capture data,¹⁴³ while impact dimensions such as “impact contribution” and “impact risk” may be logistically impossible for them to determine.

- ▶ **Impact practitioners** should develop and disseminate simplified versions of their methodology and examples; and accelerators may need to proactively request such materials from conveners such as the Impact Management Project and the Global Impact Investing Network.
- ▶ **Impact practitioners and others with expertise in impact measurement** can also offer to provide accelerator staff with an introduction to impact measurement, and/or work with accelerators' ventures as mentors and/or trainers.

3.2. Make impact measurement and reporting—both theory and practice—a formal component of the impact accelerator experience. In addition to including specific training on impact reporting, impact accelerators (including those that accelerate refugee-impact ventures) should require entrepreneurs to share impact data in communications

with current and potential partners, e.g., during meetings with investors, pitch practices and Demo Days, and discussions with mentors.

- ▶ **Accelerator staff and mentors** should develop expertise in impact measurement concepts in order to properly include them in the curriculum and to assist entrepreneurs in articulating their impact in alignment with the current best practices.

3.3. Encourage accelerators to evaluate their own effectiveness in terms of social impact and business performance, and to make their findings available. As shown in [Table IV](#) (page 47), many impact accelerators are not publicly communicating their impact metrics in much detail, or reporting how much contribution their program has made to ventures' success. By not sharing (or perhaps even capturing) this information, they lose the opportunity to signal a commitment to performance in these areas, and to advance their stakeholders' appreciation of impact topics.

- ▶ **Accelerators** should commit to capturing—and publicly sharing—more effectiveness and impact data. As a **convener**, GALI already provides thought leadership and guidance material in resource effectiveness, including methodology and benchmarking.¹⁴⁴

3.4. Encourage investors and other funders to explore impact measurement practices more fully. More detailed assessments of potential investees can help impact investors make better use of their funding to benefit refugees, and introduce their investees to partners that help achieve these ventures' impact goals.

- ▶ **Conveners** working with impact investors can help by referring them to the existing guidance on this topic, as needed.
- ▶ **Accelerators** can showcase their expertise in impact measurement when engaging with new impact investors—highlighting that knowledge-sharing can be a benefit of the relationship.
- ▶ **Investors** can use the opportunity to learn from accelerators, peers, and other partners to deepen their own understanding of impact principles.

3.5. Compile and share more information on the impact of refugee-owned enterprises. Some past academic research has covered the impact of refugee entrepreneurship, especially at a wider level (see [Box 5](#), page 29), and there is substantial evidence illustrating the benefits delivered by the refugee-entrepreneurship accelerators. However, there is an opportunity to more clearly articulate the impact that occurs from

investing in a refugee-owned business. Having the tools to clearly articulate this type of impact will help refugee-entrepreneurship accelerators, as well as other organizations supporting refugee entrepreneurs, better engage with grantmakers and with investors.

- ▶ **Conveners** are well-placed to synthesize the material already produced on this topic, and to disseminate it among a variety of stakeholders (such as accelerators). In the process, they may identify stakeholders' remaining information gaps, and encourage researchers to pursue these topics further.

Agenda item 4: Expand support to refugee-entrepreneurship accelerators and pursue other initiatives that could help increase the pipeline of refugee-impact enterprises.

Refugee-entrepreneurship accelerators have been shown to deliver positive benefits for refugees in areas such as integration, social cohesion, and livelihood opportunities—and by cultivating some startups that will in turn benefit other refugees, these accelerators make an important contribution to the otherwise-limited number of emerging refugee-impact ventures. Even during the economic downturn caused by the pandemic, stakeholders can still encourage more refugee-owned and refugee-impact ventures by taking steps to explore these recommended actions:

4.1 Advocate for more accelerators for refugees in low-income and middle-income countries, taking care to ensure that pilot projects can continue beyond the short term. Given the relatively low number of programs in these countries, especially those that have continued beyond their pilot initiative, there is vast potential to further harness refugee entrepreneurship as a path to economic opportunity.

- ▶ **Agencies and NGOs serving refugees** can seek partnerships with accelerators to provide programs in refugee camps and settlements, as in the case of the ALight-Griffinworx partnership. It is also essential for these partnerships to focus on program sustainability (see [related discussion](#) on page 25).
- ▶ **Conveners** can identify refugee-hosting countries that present promising opportunities for refugee entrepreneurship accelerators; and subsequently identify the relevant stakeholders that can help advance these opportunities.

4.2 Increase accelerator coordination as a way to provide additional rounds of support for refugee entrepreneurs as they continue to grow their businesses. One partnership example is the [Catalysr/ycap “First Gens 2.0” partnership](#) described on page 114.

- ▶ *Impact accelerators* and *refugee entrepreneurship accelerators* should form better connections to provide more comprehensive, ongoing support for refugees along their entrepreneurship journey. *Impact accelerators* committed to supporting entrepreneurs from disadvantaged groups can use these connections to identify potential new candidates,¹⁴⁵ while *refugee-entrepreneurship accelerators* can provide them with specific guidance on how to address the particular needs and challenges of refugee entrepreneurs.
- ▶ *Conveners* with relationships among different accelerators can facilitate these connections.

4.3 Harness more funding for refugee-entrepreneurship accelerators, including via Social Impact Bonds. Given the financial value of reducing refugees’ use of public benefits (see [Annex 4](#), page 99), there is a strong argument to be made for expanded, longer-term public funding for these programs.

- ▶ *Accelerators* can make the case for greater public funding by tracking and sharing impact metrics, specifically: 1) employment and self-employment outcomes of participants; 2) refugee hires made by participating startups; and 3) any attributable reduction in public benefits (as described on page 99). They should explore the mechanism of Social Impact Bonds as a potential funding source.
- ▶ *Conveners* will need to step forward in order to help facilitate these instrument by identifying the relevant counterparties; advocating for both governments and investors to work with accelerators (including by gathering evidence from a variety of programs to help bolster accelerators’ impact case); and take forward the process of designing the bond.
- ▶ *Investors* should consider providing the necessary capital to pioneer Social Impact Bonds for refugee entrepreneurship.
- ▶ *Businesses* can supplement accelerators’ other funding sources by engaging accelerators for paid services, as in the examples described on page 25. They can also promote employee volunteerism in partnership with accelerators, to provide a form of in-kind support.

4.4 Incentivize and assist existing (non-refugee) impact startups to extend their products and services to refugees, or to apply their solutions to refugee-hosting contexts. Technology-driven business models are highly valued—and plentiful—within the broader impact accelerator ecosystem. In some cases, their solutions are aimed at helping disadvantaged populations,¹⁴⁶ but their founders have not yet sought to apply them to a refugee context. The SDGia’s model, however, has been an effective approach to steering these startups toward refugee contexts (as detailed in **Box 9**, page 45). This model could be replicated, and although the multi-stakeholder partnerships required would be cumbersome to navigate, the SDGia has proactively shared its learnings thus far and there are many stakeholders with an interest in advancing these solutions.

- ▶ **International development actors** may be the most suitable organizations to replicate the SDGia’s model, provided that they enlist a team with solid expertise in accelerating private sector ventures.

Agenda item 5: Recognize and tackle inefficiencies in the social impact ecosystem.

The rise of social entrepreneurship has generated increased interest in determining how to most effectively support the business performance and impact of accelerated social enterprises. A substantial amount of research has been done on this topic, but the issues described in pages 49 to 59 (such as **multiple acceleration** and the apparently limited practice of analyzing accelerators’ contribution to venture performance), illustrate that inefficiencies still exist. In order to make the most of efforts accelerate (and otherwise support) new social enterprises, organizations should strive to learn from best practices. In order to apply the most recent learnings, however, the research must be relevant, accessible, and actionable to those who need to adopt it, and practitioners must be willing to use it. Progress can be made towards these goals even in the midst of the challenging COVID-19 pandemic, as the action steps recommended below do not depend on economic conditions:

5.1 Bring academic research on social entrepreneurship into the hands of practitioners. Data-driven, intellectually rigorous studies have covered a number of aspects of social entrepreneurship; but some studies lack actionable steps or are in formats that are not digestible or accessible

to stakeholders supporting social entrepreneurs (such as accelerators, funders and conveners). Topics that merit further research and/or more actionable work are suggested in Box 15.

- ▶ **Conveners** that host conferences and other knowledge-sharing events should make a concerted effort to invite academic researchers to present their findings. In turn, these academic experts should make further efforts to identify and adopt formats that work best for practitioner audiences, and to include actionable recommendations.

Box 15. Suggestions for future research

Information on the following topics has not been readily available; further research (or in some cases, more updated analyses) could help maximize efforts to support these ventures' growth and impact. In some cases, the research could also help advance progress of the wider social enterprise ecosystem.

FOR REFUGEE-IMPACT VENTURES SPECIFICALLY:

1. **Impact results:** The relative impact (especially depth and duration) of various interventions designed to benefit refugees and other vulnerable populations (e.g., employment vs. contract work).
2. **Multiple-acceleration:** Costs vs. benefits of multiple acceleration, including a deeper examination of how these are affected by the number of prior and subsequent accelerations and the time elapsed between each.
3. **Venture competitions:** The effectiveness of the numerous social enterprise business competitions, and factors that increase the effective selection of enterprises.
4. **Fundraising data:** The funding realities of refugee-impact (and social enterprise) startups—both outstanding needs and funds raised—including amounts, instruments, and terms.
5. **Impact themes for data classification:** More quantitative data on acceleration and social enterprises using updated impact themes; the research of GALI and its academic partners is extensive, but impact themes include “employment generation” and “income/productivity growth,” which provide little distinction from commercial enterprises.

FOR REFUGEE-OWNED VENTURES, THESE RESEARCH AREAS COULD HELP ADVANCE EFFORTS .

6. **Entrepreneurs' impact:** To build on the existing research (see [Box 5](#), page 29), identify further social (and economic) impacts that result from enabling a refugee to run his or her business (as suggested on page 75).
7. **Representation within program management:** The extent to which refugees and asylum-seekers are included in accelerator management, and the corresponding effect on program effectiveness.
8. **Financing as the main barrier:** How many refugee-owned ventures fail after startup due to lack of financing:
9. **Patterns of funding needs:** The extent and nature of refugee-owned ventures' financing needs (along the lines of the survey suggested on page 69)

5.2 Continue to press for greater coordination among accelerators and other entrepreneurship support programs (including venture competitions, to avoid over-concentration of support on a limited number of ventures. Because such organizations lack the incentive to coordinate with each other, they risk duplicating efforts and over-concentrating resources; they also miss opportunities to promote better impact measurement practices through peer learning. As long as individual programs can secure enough funding for their operational budgets, they will continue to attract participants for their free services (or in the case of venture competitions, “free money”). But at least some of these entrepreneurs are bound to achieve further growth, allowing each of its accelerators to claim credit for future success, regardless of whether or not they contributed to it.

- ▶ *Funders* of accelerator programs, whose “value for money” is at stake, should request impact reports, including resource effectiveness metrics. *Conveners within the philanthropy sector* could help elevate this topic by pointing out the overlap among accelerators and related support for these ventures.
- ▶ *Conveners with impact investor networks* may be able to draw the attention of accelerators and related organizations, and can step forward to facilitate the discussion at knowledge-sharing events. Simultaneously, *conveners and academic researchers within the accelerator landscape* should strive to further identify and clearly communicate the benefits of increasing coordination on various fronts.

5.3 Address gaps in accelerator support for entrepreneurs from disadvantaged groups. Tracking and publishing women’s participation is an important step towards reducing gender gaps among accelerated ventures. Additionally, refugee-entrepreneurship accelerators should strive to include refugees in program decision-making, ideally as a formal part of the accelerator management team. This can enable them to more fully understand—and by extension, respond to—their entrepreneurs’ needs.

- ▶ *Accelerators* should publicly report rates of women’s participation, and *grantmakers* that fund them should require this. However, funders should be willing to be somewhat flexible about targets, given that socio-cultural barriers may make it difficult for some accelerators to achieve gender balance initially.

- ▶ *Accelerators and other ecosystem players* should also adopt the Gender Lens Incubation and Accelerator toolkit to comprehensively identify and address gender equality within operations.¹⁴⁷
- ▶ *Accelerators* should identify the extent of refugee representation among their program management/decision-making, and increase this where necessary (e.g., by tapping into their network of refugees and/or by adjusting decision-making activities as appropriate).

Agenda item 6: Fine-tune the messaging around investment in early-stage refugee-ventures.

Among the international community, there has been a growing consensus that private sector solutions, including investment of private capital, will be essential for meeting the needs of forcibly displaced populations and their host communities. However, for those interested in using private capital to invest in early-stage refugee ventures, especially refugee-impact startups, the possibilities are currently limited, and the investment profiles of these ventures may differ from those of other impact startups. Investors who determine that these ventures do not meet their investment criteria may wish to expand their options by considering, for example, risk capital funds (such as those in the Middle East) looking to invest in more established refugee-owned businesses.¹⁴⁸

Meanwhile, there is considerable potential to grow the pipeline of both refugee-owned and refugee-impact ventures in the medium and long term, and these efforts can unlock significant impact for refugees and their host communities. But moving the needle will depend on stakeholders' commitment and ability to change the *status quo* and address existing blockages in the pipeline. As stakeholders collectively look to address these issues, investors, for their part, can consider how they can set (or adjust) their financial hurdles to fully align with their refugee-impact goals. Further coordination and dialogue among investors and other stakeholders can help maximize the full investment and impact potential of emerging refugee ventures.

7. Next Steps:

Recommendations by Stakeholder Type

To provide stakeholders with concise, actionable suggestions relevant to their type of organization, this chapter contains a summary of recommendations for each type of stakeholder. These recommendations draw upon the proposed action items in the previous chapter's forward-looking agenda, as well as examples of “good practices” identified earlier in the report.

Financing-related recommendations may be difficult to undertake in the short term, due to the pandemic's economic impact. In the meantime, however, stakeholders can still support refugee ventures by pursuing the various non-finance-related recommendations. Stakeholders should also bear in mind the fundamental nature of financing support and explore these recommendations as conditions permit.

(Each of the action steps below include page numbers referencing further context or detail.)

A. For conveners

As explained earlier, *conveners* are simply self-identified organizations or individuals willing to lead initiatives with multiple counterparts. There is a particular need for such conveners, due to the lack of coordination within the ecosystem and the untapped opportunities for innovation. Accordingly, stakeholders should consider whether they could play a proactive role in leading initiatives that relate to their own missions and areas of expertise. The following is a list of the many opportunities for conveners to advance support for refugee ventures and accelerators.

1. **Help attract more concessional financing to accelerators and refugee ventures in order to strengthen the pipeline of refugee ventures:**¹⁴⁹
 - **Engage with grantmakers** working on forced displacement in order to encourage them to support social entrepreneurship as an alternative approach to supporting refugees. Develop messaging and communications for this audience; advocate for them to form a working group, and facilitate if needed (see page 71).

- **Encourage more venture philanthropists to support refugee ventures:** Assemble information about venture philanthropy's current and potential impact on supporting refugee ventures; identify ways to disseminate this information among venture philanthropy audiences (see page 72).
 - **Harness funds from donor-advised fund accounts** in the U.S.: Work with accelerators and other stakeholders to develop clear messaging to donors on the benefits of deploying these funds as impact investments or as grants; identify effective channels for reaching account holders; recruit existing account holders as champions (see page 72).
 - **Help accelerators and other stakeholders to replicate existing initiatives** that support refugee ventures: Connect accelerators with stakeholders that can help advance programs modeled after the Ice Academy (see page 37), IDA Accounts (see example on page 152), the Catalyzer Fund (see **Box 12**, page 70), and any other relevant examples.
2. **Assist efforts to unlock more small business lending for refugee ventures:** Initiate a detailed survey of existing small business lending needs for accelerated refugee ventures, and their obstacles to obtaining loans; share findings with CDFIs and similar lenders and recruit them to share their expertise and to suggest suitable steps to take in response (see pages 28, 35 and 69).
 3. **Help increase the number of refugee-entrepreneurship accelerators in low- and middle-income countries:** Identify countries that present promising opportunities for refugee entrepreneurship accelerators; advocate for international development actors and NGOs to create new accelerators in these locations (see pages 23 and 76).
 4. **Harness more financing for refugee-entrepreneurship accelerators by facilitating Social Impact Bonds:** Work with accelerators to develop the investment proposition, and bolster accelerators' impact case by gathering additional evidence from other programs; identify the relevant counterparties (e.g., government officials, investors) and advocate for them to fund existing accelerators; consider leading the design and implementation (see pages 29, 35, 77, and 99).

5. **Enhance other stakeholders' understanding of impact:** This recommendation includes several components—
 - **Use relationships with investors and other partners to promote a wider understanding of the latest impact measurement practices:** Include examples of impact measurement in communications; proactively recommend the guidance material available on the subject (see pages 56-59, 73-76, and 102-107).
 - **Compile and share the available information on the impact of financing refugee-owned ventures:** Identify the existing material on the topic (as a starting point, see **Box 5**, page 29); identify and consult stakeholders who can contribute to this research (see pages 39 and 75).
6. **Address inefficiencies in the social impact ecosystem:** This recommendation also involves opportunities in several areas—
 - **Facilitate connections between accelerators** to increase their ability to coordinate and deliver complementary support to refugee entrepreneurs (see pages 77, 80, and 82).
 - **Apply the latest research on effectiveness to operational contexts:** Invite academic researchers studying social entrepreneurship to conferences and other events to present findings on effective ways to promote social entrepreneurship, including refugee-impact ventures; encourage them to pursue additional research topics that can address critical questions (such as those in **Box 15**, page 79) and to suggest actionable takeaways (see page 78).
 - **Initiate discussions at knowledge-sharing events regarding ways to avoid overlapping efforts to support refugee-impact (and other impact) ventures.** Engage with ecosystem players to identify and communicate the benefits of increasing coordination on various fronts (see pages 49 and 75).
7. **Contribute to pandemic-related support for ventures by helping accelerators to increase their network of financial and non-financial supporters:** Spread the word about accelerators' activities and amplify opportunities for individuals to support these efforts—e.g., by contributing to crowd-funding campaigns, purchasing from refugee ventures, or volunteering time (see page 66).

B. For accelerator management teams

The following list of recommendations combines the various “good practices” demonstrated by some accelerators with the additional recommendations from Chapter 6’s forward-looking agenda:

1. **Understand the accelerator’s performance across key dimensions by tracking and publishing a comprehensive set of metrics,¹⁵⁰ including:**
 - a. **Ventures’ business performance/growth:** i) earned revenue totals; ii) revenue growth; iii) investment raised; iv) business launch/continuity/failure rates. (These metrics should capture how much of ventures’ improved performance can be attributed to the accelerator) (see pages 47-48 and 75).
 - b. **Social impact (for accelerators of refugee-owned ventures):** i) number of participants who have become employed or self-employed, including those who have ceased to rely on public benefits (see page 99); ii) employees hired (including those with refugee and refugee-like status); iii) social integration outcomes, e.g., feeling of confidence/belonging (see page 29).
 - c. **Social impact (for accelerators of refugee-impact ventures):** i) types of impact generated by ventures; ii) the depth, duration, and scale delivered for each impact type (see pages 47-48, 56-59, and [Annex 5](#), page 102).
 - d. **Resource effectiveness:** i.e., net cost-effectiveness, outlined in [GALI’s guidance document](#) on measuring accelerators’ “value for money.”¹⁵¹ This metric is likely more suitable to share directly with funders and other stakeholders rather than as public information (see pages 49 and 75).
 - e. **Diversity, inclusion, and representation:** i) number and percentage of female participants; ii) number of refugees involved in program management; iii) metrics related to any other context-specific underrepresented groups (see pages 26-27 and 80).
2. **When accelerating non-profit refugee ventures, assist them in raising philanthropic funding:** Provide detailed guidance on fundraising processes and strategies; form relationships with relevant grantmakers (see pages 51-56 and 71-72).
3. **Enhance diversity, inclusion, and representation:** Consult Frontier Incubator’s [Gender Lens Incubation and Accelerator Toolkit](#) to identify

and address gender gaps within operations;¹⁵² ensure refugee representation in program design/decision-making (see pages 26-27 and 80).

Additional recommendation for refugee-entrepreneurship accelerators:

1. **Maintain a rigorous focus on business viability—even for idea-stage or small-business ventures—regardless of other impact priorities.** For example, accelerators should work with entrepreneurs to determine how each venture will have sufficient capital to grow—whether through bootstrapping or outside investment (see pages 31-31 and 39-43).
2. **To the fullest extent possible, facilitate access to capital, given the additional financing barriers for refugee entrepreneurs** (see pages 39-43). Depending on the entrepreneurs and ventures involved, addressing financing gaps will involve at least one of the following activities:
 - For entrepreneurs at the *idea stage* (or even earlier), **consider replicating existing programs** that provide essential financial support (such as the Ice Academy and, in the U.S., IDA accounts); enlist the help of conveners and other partners (see pages 36-37 and 69).
 - **Extend small grants** to refugee entrepreneurs at the *idea* and *startup stages*, and award larger cash prizes to pre-launch ventures (see pages 39 and 69).
 - **Harness additional funding** for the above efforts by engaging businesses in fundraising, making the case to potential corporate partners on the benefits and impacts of such partnerships (see pages 37 and 73).
 - Help *established refugee-owned ventures* secure debt financing, if appropriate, by giving handholding to entrepreneurs as they apply for loans from local institutions (see page 28).
 - For *investment-ready businesses*, **proactively engage angel investors and other early-stage funders**, using established approaches (see page 31) as well as alternative methods; for example, engage investors in less “transactional” contexts, and/or join investors’ diversity initiatives (see pages 31, 41, and 70).¹⁵³
 - Clearly **communicate the social impact of investing** in a refugee-owned business (see page 29, 39, and 75).

3. Diversify funding sources for program operations:

- Consider pursuing self-generating revenue streams (see page 25).
- Explore the mechanism of Social Impact Bonds and capture relevant metrics (such as those in 1.b. above) that can make the case for greater public funding of accelerators (see pages 29, 35, 77, and 99).

4. Connect with other accelerators to promote more comprehensive, ongoing support for refugee-owned ventures in subsequent stages.

- Form relationships or partnerships with other accelerators that support refugees or disadvantaged populations more broadly, to provide complementary support to refugee entrepreneurs. (see pages 77, 80, and 82).
- Identify refugee-owned ventures that positively benefit other refugees, and introduce them to social impact accelerators (see pages 46, 77).
- Provide guidance to non-refugee-specific accelerator partners on how to address the particular needs of refugee entrepreneurs. (see page 77 and Annex 2, page 96).

Additional recommendations for refugee-impact and other impact accelerators working with refugee ventures:

1. **Determine which ventures require philanthropic capital and which have the potential to generate returns for investors:** Review ventures using the framework in **Figure 10** page 53; use this information to engage the relevant types of funders with precision (see pages 51-56).

2. **Promote a better understanding of impact** in order to maximize benefits for refugees and host community members (see pages 56-59 and 73-76):

- Seek out impact measurement guidance tailored for the startup context, e.g., from organizations such as the **Impact Management Project** and the **Global Impact Investing Network** (which sponsors the **IRIS+ system** (see page 74).
- Encourage or require staff to develop expertise in impact measurement concepts, and encourage mentors to do the same (see page 75).
- Include impact measurement topics within the curriculum, and ensure that entrepreneurs articulate their impact (either targeted or achieved) in pitches and other communications (see page 74).

- **Demonstrate impact measurement expertise when engaging with new impact investors:** Include impact measurement as topic in discussions, and highlight the ways that investors can benefit from an accelerator's focus on impact (see page 75).
3. **Ensure effective use of resources** by identifying and recruiting less-visible refugee-impact ventures that could benefit from more accelerator support:
- **Avoid further acceleration** of previously-accelerated ventures unless a potential value-add is identified and can later be measured (see pages 49 and 80).
 - **Widen the applicant pool** by forming connections with refugee-entrepreneurship accelerators who can help identify refugee-owned businesses that deliver impact to refugees (see pages 46 and 77).

C. For investors

Although the investment pipeline of emerging refugee ventures may offer a limited range of opportunities for returns-seeking investors, there are still opportunities for investors to use their capital to support these ventures. Depending on their investment criteria, investors may wish to pursue the following avenues:

1. **Consider existing investment opportunities available through investor-oriented organizations:**
 - **Invest in refugee-owned ventures and/or refugee-impact ventures** by working with investment-oriented accelerators: Consider either direct investment (debt or equity); or indirect investment through funds being created by accelerators to offer diversification and larger transaction sizes (see pages 31 and 40, and case studies in the [Appendix](#), beginning on page 108).
 - **Join diversity initiatives** to leverage other investors' networks and expertise in extending financing to under-represented groups (see pages 41 and 70).
 - **Invest in lending facilities** that can expand financing to refugee micro-entrepreneurs (see page 35).
2. **Be a part of pioneering new financing approaches for refugee-owned ventures:**
 - **Consider providing capital** to help extend new forms of financing to refugee entrepreneurs (see page 70).

- **Invest in pioneering Social Impact Bonds** as a way to increase the sustainability of the refugee-entrepreneurship accelerator landscape and thereby enable more refugee entrepreneurship (see pages 29, 35, 77, and 99).
3. **Add further value in non-monetary ways:**
- **Support refugee entrepreneurs by mentoring them, if not by investing in them.** For investors in the tech sector, reach out to accelerator programs to share know-how and increase these refugee entrepreneurs' chances of success (see pages 41 and 70). In cases where mentorship leads to an investment opportunity, highlight this to peers to reinforce the potential of investments in refugee-owned ventures (see page 70).
 - **Maximize the potential of investments to deliver deep and lasting impact by mastering the latest impact measurement principles:** Engage with accelerators, peers, and other partners to discuss the potential impact of ventures; consult impact measurement guidance information, if needed (e.g. from organizations such as the **Impact Management Project** and **Global Impact Investing Network** (see pages 56-59 and 73-76).
 - **Require impact reporting as a condition of investment,** either forecasts or actuals, depending on a venture's situation (see pages 56-59 and 73-76).
4. **Contribute funding from existing philanthropic accounts, if available:** U.S.-based investors holding donor-advised funds can increase the amount of concessional financing for refugee ventures by deploying these funds immediately as grants to support refugee ventures; balances remaining in the account could be steered towards impact investments in refugee ventures (see page 72).

D. For grantmakers

Donor funding has already played a fundamental role in supporting accelerators as well as some refugee ventures themselves. Yet further funding will certainly be needed—both to continue these activities, and to unlock more growth and impact potential for refugee ventures in the future. Grantmakers have the opportunity to significantly advance these efforts by engaging on any number of fronts, such as the following:

- 1. Fund existing activities that can continue to underpin the growth and impact of refugee ventures, and direct financial support towards:**
 - **Accelerator operational budgets**, both for local programs and ones in developing countries; grantmakers have the opportunity to both i) help expand and stabilize existing programs, and ii) help create new accelerator programs in low- and middle-income countries (see pages 25 and 76).
 - **Startup capital for refugee-owned ventures**, in the form of grants awarded by accelerators to early-stage refugee entrepreneurs (see pages 36-37, 39, and 69).
 - **Startup capital for non-profit refugee-impact ventures**—especially those offering significant impact “depth” but lacking the scalability that tends to be desired by returns-seeking impact investors (see pages 51-56 and 71).
 - **Emergency grants to refugee ventures** (esp. refugee-owned) to help them withstand the effects of the pandemic (see pages 63-65).
- 2. Provide concessional financing to expand or create blended financing instruments that can catalyze further investment in refugee solutions;** examples include lending facilities for refugee micro-entrepreneurs (see page 35); innovative instruments for refugee ventures (see page 70); and Social Impact Bonds (see pages 29, 35, 77, and 99).
- 3. Encourage other grantmakers to learn about, and become involved in, opportunities to deliver impact via financing refugee ventures:** Encourage peers to fund refugee ventures; for example, encourage refugee-focused grantmakers to adopt venture-philanthropic approaches, and encourage venture philanthropists to explore the idea of investing in refugee ventures (see page 71).
- 4. Maximize the impact of grants to accelerators by incorporating impact considerations into the grantmaking process:** Request that accelerators receiving grants produce impact reports aligned with currently-accepted impact measurement practices, especially metrics that identify the program’s own contribution to ventures’ growth and impact; allocate separate funding for conducting evaluations (see pages 29, 47-48, and 80).

E. For international development organizations, including multilateral organizations and NGOs

1. **Expand refugee-entrepreneurship acceleration in middle- and low-income host countries:** Work with conveners to help identify prospective countries for new programs (see pages 23 and 76); partner with experienced accelerator organizations to provide programs in refugee camps and settlements, using existing programs as models (see page 42); and focus on program sustainability by requiring implementing organizations to create plans for continuity beyond the pilot phase (see pages 21 and 25).
2. **Nurture more refugee-impact ventures serving refugee-hosting contexts** by replicating the SDGi's model, ensuring that the program team possesses solid expertise in accelerating private sector ventures (see pages 45, 59, 78, and 142).

F. For other stakeholders

Individuals with impact measurement expertise:

- **Help increase other stakeholders' understanding of impact measurement practices**, which can in turn encourage accelerators and refugee-impact ventures to focus on maximizing their impact:
 - **Develop and disseminate guidance on impact measurement practices for startups**, including refugee-impact ventures (see pages 56-59 and 74).
 - **Reach out to accelerators to offer support on impact measurement practices**, such as training or other guidance for staff and entrepreneurs; conveners could be enlisted to help reach a wider audience of accelerators (see pages 47-48 and 74).

Academic researchers

- **Produce evidence-based guidance on social entrepreneurship and related topics**, in order to help increase the success of ventures, accelerators, and other stakeholders:
 - **Share research findings with a wide array of stakeholders:** Identify and adopt formats that can be effective for reaching practitioner

audiences; include recommendations on how to put the research findings into practice (see page 78).

- **Consider new research topics** that could be useful for further informing accelerators' (and other stakeholders') practices (see page 79).

CDFIs

- **Help expand access to finance to refugee entrepreneurs**, including micro- and small business owners:
 - **Target refugee entrepreneurs** (if not already doing so) by tapping into the Microenterprise Development Network as a way to learn from peer organizations (see page 35 and [Annex 3](#), page 98).
 - **Help develop innovative products for refugee-owned ventures** by lending technical expertise and insight to initiatives led by other stakeholders (see page 69).

Businesses

- **Expand company support to refugees** (i.e., in addition to any existing initiatives to hire and source from refugees) by partnering with refugee-entrepreneurship accelerators:
 - **Engage refugee-entrepreneurship accelerators** for paid services (see page 25);
 - **Sponsor programs that provide part-time employment** for idea-stage entrepreneurs (see pages 37 and 69).
 - **Promote employee volunteerism activities** organized in partnership with accelerators, such as mentoring or other opportunities to assist refugee entrepreneurs (see pages 25 and 77).

Annex 1.

List of Organizations Reviewed

A. Active organizations

The table below lists accelerators, as well as two related organizations, that have been included in this report's research and analysis. It also indicates which of these organizations are described further in the case studies found in the Appendix.

| Table VI. Accelerators and Related Organizations | | | |
|--|--------------------------------|-----------------------------|------------|
| Name | Operating Locations | Types of Ventures supported | Case Study |
| African Entrepreneur Collective | Rwanda, Kenya | Refugee-owned & Host-owned | page 109 |
| Alight/Griffinworx Partnership in Livelihoods | Uganda | Refugee-owned | page 112 |
| AlterStart | Switzerland | Refugee-owned | |
| Capacity | Switzerland | Refugee-owned | |
| Catalysr | Australia. | Refugee-owned | page 114 |
| Delite Labs | Netherlands | Refugee-owned | |
| Entrepreneurs du Monde | France | Refugee-owned | |
| Ester | Sweden | Refugee-owned | |
| EU StartGees | Austria, Finland, Italy, Spain | Refugee-owned | |
| Five One Labs | Iraq | Refugee-owned & Host-owned | page 117 |
| Forward Incubator | Netherlands | Refugee-owned | page 120 |
| IRC Spice Kitchen | U.S.A. | Refugee-owned & Host-owned | |

Continued on next page

Table VI. Accelerators and Related Organizations

| Name | Operating Locations | Types of Ventures supported | Case Study |
|---|--|---|------------|
| Jumpstart Refugee Talent | Canada | Refugee-owned | page 122 |
| Jusoor | Iraq, Jordan, Lebanon, Turkey | Refugee-owned & Host-owned | page 124 |
| LIFE Project | Turkey | Refugee-owned & Host-owned | page 126 |
| LOK STARTUp Camp | Germany | Refugee-owned | |
| SINGA (Global Network) | France, Germany, Italy, Spain, Switzerland | Refugee-owned (Germany, Italy) Refugee-owned & refugee-impact (Spain, Switzerland) | page 128 |
| SINGA France | France | Refugee-owned & refugee-impact | page 130 |
| Spark EBDA* | Lebanon | Refugee-owned & Host-owned | page 133 |
| Start:ME Clarkston* | U.S.A. | Refugee-owned & Host-owned | page 135 |
| TERN | U.K. | Refugee-owned | page 137 |
| ygap | Australia | Refugee-owned | page 114 |
| Miller Center: Social Entrepreneurship at the Margins | U.S.A. | Refugee-impact (primarily) & refugee-owned | page 140 |
| SDG Impact Accelerator | Turkey+ | Refugee-impact | page 142 |
| Halcyon Incubator* | U.S.A. | Social enterprises | page 145 |
| Katapult Accelerator* | Norway | Social enterprises | page 148 |
| Alterna* | Guatemala + 5 other Central Am. countries | Social impact platform for inclusive/ social entrepreneurship | page 150 |
| Business Center for New Americans* | U.S.A. | CDFI supporting for refugee-owned enterprises) | page 152 |

*Programs marked with an asterisk have not been factored into quantitative analyses of accelerators (i.e., Table I, Figures 1-3, and Figures 5-6), since they do not meet the criteria of accelerators with an intentional focus on refugees (or in the case of Spark/EBDA, the program is discontinued). However, they are profiled in the case studies due to the relevance of their missions and activities; insights from their program leaders have also been woven into this report.

Please also see note on the following page.

Additional notes on the methodology for counting programs in the landscape analyses: 1) all SINGA accelerator activity *within a single country* is counted as one accelerator, as it typically shares a single management structure; 2) Catalysr and ygap are counted separately, although they are described in a joint case study due to their First Gens 2.0 partnership; 3) Alterstart and LOK STARTup Camp, which do not have cohorts, are each included as they possess other characteristics similar to accelerators and have an intentional focus on refugees.

B. Discontinued programs described in impact evaluations

Impact evaluations are available for the following programs that are no longer in operation:

| Table VII. Impact Evaluations of Discontinued Programs | | |
|--|----------------------------|--|
| Name | Locations | Reference |
| Build Your Future (short-term program) | Turkey | Tuççe Süngü, "Designing Transitions Towards Integration: Entrepreneurial Capacity Development For Syrians In Turkey" (master's thesis, Graduate School Of Natural And Applied Sciences Of Middle East Technical University, 2019), http://etd.lib.metu.edu.tr/upload/12623690/index.pdf . |
| Ignite | Australia | Jock Collins, From Refugee To Entrepreneur In Sydney In Less Than Three Years: Final Evaluation Report on the SSI Ignite Small Business Start-Ups Program (Sydney: UTS Business School, February 2017), https://www.ssi.org.au/images/stories/documents/Ignite/SSI_Ignite_evaluation_report_2017.pdf . |
| Migrant Entrepreneurs team-up with mentors (MEnt) | Europe, multiple countries | Massimo Conte and Lorenzo Scalchi, Evaluation Report (Country-Specific and Overall): Migrant Entrepreneurs Team-Up With Mentors (MEnt) (Milan: MEnt, December 12, 2018). https://mentproject.eu/wp-content/uploads/2019/05/Deliverable-3.2.2_Evaluation-report_country-specific-and-overall.pdf . |

Annex 2.

Barriers to Refugee Entrepreneurship

Alongside the growing interest in refugee entrepreneurship, there has been a considerable amount of research highlighting the challenges that refugee entrepreneurs face in their host communities. In her book *Refugee Entrepreneurs*, Sibylle Heilbrunn concisely summarizes the barriers identified by previous researchers. These include:¹⁵⁴

1. Language and related communications challenges
2. Lack of business knowledge and access to finance
3. Inadequate information, guidance, and advice
4. Difficulties navigating the institutional contexts of their host communities
5. Cultural challenges, discrimination, and unstable legal status
6. Institutional constraints and gaps that hinder their ability to navigate their new environment and access appropriate programs/resources for settlement and entrepreneurial ambitions

Furthermore, other research has highlighted that refugee entrepreneurs face more pronounced challenges than migrant entrepreneurs, such as:¹⁵⁵

- Less extensive social networks
- Little access to host community resources
- Psychological instability due to flight and trauma
- Little or no preparation in migrant processes
- Leaving valuable assets and resources in their countries of origins
- Unsuitability for paid labor

The distinct needs and vulnerabilities of refugee entrepreneurs are an important consideration in light of the trend for many accelerators to support both refugees and migrant entrepreneurs, or to target migrant entrepreneurs more broadly (see **Box 3** on page 21).

As Heilbrunn points out, refugee populations and contexts are diverse, and these generalizations do not necessarily apply to all refugees; however, there have been more context-specific analyses of refugee entrepreneurs'

challenges as well.¹⁵⁶ Specific challenges for tech entrepreneurs in Iraq, for example, are summarized in Box 7. Additionally, Ahmad Sufian Bayram, a Syrian former entrepreneur now working with Syrian refugee entrepreneurs, analyzed the barriers facing Syrian refugee entrepreneurs in Middle Eastern and European host countries. Bayram's research echoes Heilbrunn's wider findings, while singling out some additional challenges (including ones that prevent them from initiating their entrepreneurial efforts in the first place):

- Travel restrictions, which prevent refugees from attending investment meetings and/or conferences (cited as the biggest challenge)
- Complex regulatory policies, which add more layers of impediments to launching a new business
- The struggle for living stability, which leaves little time and energy for other priorities and increases the personal financial risk of starting a business
- Uncertainty of the future, which can cause entrepreneurs to postpone actions, for example, in anticipation of a move

Sufian Bayram's report also emphasizes that limited access to finance—a barrier mentioned by other researchers—includes two distinct issues: limited access to financial services (banking transactions, money transfers) as well as limited access to investment capital (see page 58).¹⁵⁷

Finally, an issue identified by accelerator management is that refugee entrepreneurs are often highly motivated leaders within their communities, but these entrepreneurial assets (as well as time and energy) are often used to help their communities with problem-solving—thereby reducing the amount of personal capacity they can devote to their enterprises.¹⁵⁸

In recognition of these challenges, the literature points to certain functions that accelerators should perform when supporting refugee entrepreneurs:¹⁵⁹

1. Providing structured entrepreneurial knowledge
2. Alleviating anxiety related to institutional differences
3. Guiding through the process at the incubator and motivating participants
4. Understanding and tapping into social capital in the host country
5. Providing soft support concerning personal matters

Recent research from the Centre for Entrepreneurs confirms that refugee-entrepreneurship accelerators have indeed been mindful of designing and running their programs to reflect the specific needs of refugees. For example, many programs have taken steps to capture and publish impact studies, and use them to inform program improvement.¹⁶⁰

Annex 3.

Financing Refugee-Owned Microenterprises in the United States

In the United States, a number of Community Development Financial Institutions (CDFIs) have specific programs for assisting refugee entrepreneurs—reflecting these institutions’ mandate to serve local disadvantaged communities. While different from accelerators, these CDFIs offer both business training and loan products for micro- or small businesses, and as such, they represent an important part of the entrepreneurial ecosystem for refugees.

Refugees availing of these programs are typically *micro-entrepreneurs*, often seeking to supplement their existing household income. In some other cases, they are starting or running livelihood businesses, including family businesses that can provide jobs for themselves and future generations.

These entrepreneurs can demonstrate high repayment rates, and they are often repeat borrowers as their businesses grow. However, the programs themselves are not financially self-sustainable; this is partly due to the sustainability challenges of microenterprise lending in the U.S. more generally (with smaller loan sizes; lower operational scale; and interest rates priced lower than commercial banks), as well as the extra handholding often needed for refugee entrepreneurs, which can further increase transaction and technical assistance costs.

Consequently, CDFIs typically rely on grants to support operational costs for their refugee programs; one notable source has been U.S. government’s Micro-Enterprise Development Program (MED) offered through the Office of Refugee Resettlement of the Department of Health and Human Services. As of November 2015, the MED program had extended five-year grants to twenty-one CDFIs (listed on MED’s web site), averaging \$213,000 per grant.¹⁶¹ These organizations convene annually in a knowledge-sharing event.¹⁶²

Meanwhile, the loans are often funded by no- or low-interest loans (sometimes involving guarantees), which are provided either by the government (e.g., the U.S. Small Business Association) or impact-oriented partners.

Annex 4.

The Case for Social Impact Bonds

A. Description

A **Social Impact Bond** (often called a “SIB”) is a form of results-based financing in which a public sector or governing authority pays for better social outcomes in certain areas, and passes on the part of the savings achieved to investors.¹⁶³

Put another way, when an organization can deliver social benefits to the community, a SIB provides the mechanism through which the government can pay for these services. These vehicles require, however, that investors play an up-front role: for a given project, an investor or other private funder pays in advance for the organization to provide services, and is repaid (with interest) by the government after the organization achieves the promised results. SIBs have gained some traction in recent years, particularly in the U.K., U.S., and Australia; more than 170 have launched since 2010.¹⁶⁴

- *Development impact bonds*, while a similar concept, involve donors as the outcome payers, rather than governments; as such, they are used for projects in middle- and/or lower-income countries where government expenditure is more constrained. KOIS has initiated a Development Impact Bond to finance workforce development and skills training for Syrian refugees in the Middle East.

B. Potential savings for governments

In high-income countries, helping refugees to gain employment is a proposition that translates into financial value: Host governments often provide public benefits to refugees who lack employment, and therefore helping refugees enter the job market positions them to move off these benefits. Two programs illustrate the financial savings that this achieves for host country governments, based on the findings of their impact evaluations:¹⁶⁵

1. **Ignite (Australia):** Forty-four participants (81%) no longer availed of government benefits after starting a business with the Ignite program, leading to an estimated cost savings to the government of AUD\$3,264,800 (US\$2,198,516) over five years (based on the estimated annual benefit of AUD\$14,840 [US\$9,993] per person). The evaluation also noted that these entrepreneurs' dependents would also be likely to eliminate their reliance on benefits, in which case the total savings to the government would amount to an estimated AUD\$880,000 (US\$592,592) annually or **\$4,400,000 (US\$2,962,960)** over five years. The actual savings could potentially be much higher; according to the Ignite evaluation: entrepreneurs' businesses had also created 25 jobs, many of which were filled by other refugees, and 25 of the entrepreneurs expected to hire more workers in the future.¹⁶⁶ Factoring in these other refugee employment outcomes could attribute further government savings to the program.

2. **Forward Incubator** (Amsterdam) reports that as of August 2020, its programs had resulted in an annual savings to the government of **€611.100 (US\$716,000)**.¹⁶⁷

Adding to this evidence of accelerators providing cost savings to governments, there is also a precedent for using SIBs to finance career support programs for refugees. Two recent SIBs have been created to help migrants and refugees find employment: one in Brussels to support integration of young migrants into the local job market, and a similar one for migrants and refugees in Finland (the "Koto-SIB").¹⁶⁸

C. Moving the idea forward

An analysis from the Brookings Institution suggests that four key factors are necessary to some degree for a SIB to be feasible: 1) measurable outcomes; 2) evidence of intervention impact; 3) government support; and 4) dedication and collaboration of the stakeholders.¹⁶⁹ The preceding chapter indicates that accelerators can satisfy the first two requirements. However, some challenges still remain, especially pertaining to the third and fourth requirements; these include:

- Uncertainty regarding investor appetite and sources of concessional capital. While the concept of SIBs was initially aimed at attracting commercially oriented investors, in reality these instruments have rarely attracted private investors without engaging concessionary capital from

philanthropic partners, i.e., in the form of program-related investments (PRIs).¹⁷⁰ Nonetheless, because of the possibility that principal would be returned, SIBs could be an alternative way for refugee-entrepreneurship accelerators to access funding via philanthropic partners, i.e., in the form of “catalytic capital.”

- Lack of governments’ readiness to explore the SIB model. Not only do SIBs involve a dramatically different approach to existing funding processes, but in many cases, their use may be unprecedented in the jurisdiction. Additionally, governments may perceive refugee accelerators as risky counterparts, as the latter tend to be relatively young organizations—however, the SIB is designed to have investors, not governments, take on this risk.
- Absence of conveners to coordinate among stakeholders and work through technical aspects. Designing these complex transactions means that the party that has the most to gain—accelerators—bears most of the work, but they may lack the networks and recognition among government and investor counterparts. To effectively lead the process, conveners would need to possess a strong knowledge of the structure and technical features of relevant SIB examples, and an understanding of how various parties have played a role in bringing earlier Social Impact Bonds to fruition.¹⁷¹

Adding to these challenges, the pandemic is likely to decrease investor appetite in the near term, as well as make it more difficult for accelerators to reduce refugee entrepreneurs’ reliance on public benefits. The concept of Social Impact Bonds holds promise, however, and stakeholders can start laying the groundwork for future initiatives that they can pursue more formally once economic conditions permit.

Annex 5.

How Much Impact Do Refugee-Impact Ventures Deliver? A Preliminary Assessment

Given the relative scarcity of refugee-impact ventures in the social impact startup ecosystem as described in pages 30-39, it is also worth exploring the question of *how much* impact these ventures might be able to deliver in response to refugees' enormous needs. In other words:

- How much will these ventures—both individually and collectively—make a difference to refugees?
- To what extent is the ecosystem producing high-impact ventures that can deliver significant benefits to refugees?

Answering these questions would allow stakeholders to understand the results of their contributions, and would also highlight opportunities to increase the ecosystem's overall impact on refugees.

As a starting point for exploring these issues, this report includes a preliminary assessment of refugee ventures' relative impact potential (e.g. low, medium, high), and an indication of the collective impact of these ventures overall. This assessment was conducted using a three-step process:

1. **Classifying ventures into groups with similar impact goals**, based on similarities in needs addressed, products/services offered, and/or delivery models. These groupings of ventures are termed “[impact types](#).”
2. **Assigning impact levels** (low, medium, or high) to each group
3. **Determining the distribution of existing ventures** among the groups.

The first two steps are described in more detail below, and results of the third step appear in [Table V](#), page 58.

1. Classification of ventures

An analysis of the dataset of 49 refugee-impact ventures (as described on page 29) reveals that broadly speaking, ventures aim to address refugee needs in one of three ways: They may target the need for livelihood opportunities, or the need for improved living conditions (both demand-driven approaches);

the third approach is more supply-driven, and involves applying existing technology solutions to address a number of other refugee needs. These three ways of addressing refugee needs were used to classify the refugee-impact ventures into three main *impact categories*; within each impact category, further groupings were identified, based on ventures' similarities in terms of types of needs met, and/or the products or services used to meet these needs; each grouping constitutes an "impact type."¹⁷² This framework for grouping refugee-impact ventures is shown below. .

Table VIII. Types of Impact Provided By Refugee-Impact Ventures

| IMPACT CATEGORY (Needs addressed) | IMPACT TYPES (Product/service/impact) | (IMPACT SUBTYPES*) | DELIVERY MODEL Key elements |
|--|--|---|---|
| 1. Livelihood opportunities | Livelihood provision Livelihood facilitation | Direct employment, indirect employment | [Varies, depending on underlying business] |
| | | Training, placement | Person-to-person services |
| 2. Products to improve living conditions** | Clean water Sanitation Shelter | n/a | Design, manufacture, installation |
| 3. Info, data, and related (tech-enabled) services | Information Data management Digital financial services | n/a | Tech platforms |

*For the livelihood opportunities category, a third level of categorization was used due to the high number of ventures seeking to address this issue, and the corresponding variety in approaches used to meet this need.

**A small number of ventures aim to improve living conditions by delivering an in-person service, such as pre-school education. They align most closely to the second impact category, but for the purposes of simplicity, this type is not listed in Table VIII.

2. Impact assessment

For each impact type (or sub-type), an assessment was made in terms of *how much* impact the ventures in this group could be expected to achieve. According to today's widely-accepted impact measurement practices, the impact dimension of *how much* incorporates three sub-dimensions:¹⁷³

- *Impact depth*: What level of benefit is achieved—compared to a baseline (or compared to no action taken)
- *Impact duration*: How long the time period the individual will benefit from the outcome (not necessarily the same as the duration of the activity that delivers the benefit)

- *Impact scale*: How many individuals the venture benefits

Accordingly, each “impact type” (and subtype) was assessed in terms of the impact depth, duration, and scale that ventures of that type could provide, using the following inputs:

- The most recent publicly available information on existing ventures’ impact track record and aspirations.
- Qualitative considerations (due to the scarcity of data) regarding the ways in which each business with that “impact type” could benefit refugees, as well as what types of limits might exist in delivering this impact. These are listed in Table IX.
- Thresholds of what could be regarded as “High,” “Medium,” or “Low” for impact depth, duration, or scale (listed in Table X).

The results of this exercise are shown in Table IX on the next page, and were also used for [Table V](#), page 58. Note that the use of *relative* ratings underscores an important point of this exercise: to move beyond a simple binary view of whether impact is achieved (yes/no) to a more discerning appreciation of how different degrees of impact exist, and to motivate stakeholders to strive for relatively greater impact.

This analytical approach naturally has its limitations, stemming from the scarce impact data released by these young ventures, the resulting subjectivity that comes into play, and some variation among what different enterprises with the same “impact type” can achieve. Nevertheless, it is intended as a useful exercise for a variety of participants in the refugee-impact (and broader social entrepreneurship) ecosystem:

- It **provides an impact “scorecard,”** for the set of ventures that accelerators and their partners have collectively supported so far ([Table V](#), page 58).
- It **highlights important trade-offs.** Not all ventures can simultaneously achieve impact scale and depth, and vice versa.
- It **provides a framework** for investors, grantmakers, and others supporters to evaluate new opportunities. Conversely, it invites entrepreneurs to explore how their ventures could (or do) offer more impact than would typically be expected from ventures of their same “impact type”.

Finally, using this approach to evaluating ventures’ impact can encourage all stakeholders to deepen their understanding of the factors underlying refugee impact, and in turn can help advance high-impact solutions for forcibly displaced populations.

Table IX. Impact Potential of Refugee-Impact Ventures, Classified by (Impact) Business Type

| "Impact Business Type" | Considerations Used in Determining Impact Depth, Duration, and Scale | Impact Depth | Impact Duration | Impact Scale |
|---|---|--------------|-----------------|--------------|
| Category 1. Livelihood opportunities | | | | |
| 1a. Livelihood provision | | | | |
| Directly employing refugees | <ul style="list-style-type: none"> ✓ Provides predictable source of income; job quality/pay may vary. ▫ Ability to provide jobs depends on scalability/success of underlying business model. → Current examples are mostly in high-income countries, committed to treating refugees well. | H | H/M | L/M |
| Providing contract/temporary employment to refugees | <ul style="list-style-type: none"> ✓ Provides income-earning opportunities. May offer flexibility (e.g., part-time, remote work). ▫ Opportunities can be unpredictable and/or infrequent, related to success/scalability of underlying business model. → Current examples are tech-enabled and scalable; but large over-supply of available labor vs. demand has not appeared to generate substantial income per individual. | L | L | M |
| Purchasing from refugee suppliers | <ul style="list-style-type: none"> ✓ Provides opportunities to earn income, especially in places where few other work options exist. May offer flexibility. ▫ Opportunities can be unpredictable and/or infrequent, related to success/scalability of underlying business model. → No current examples are tech-enabled. Most current examples not very scalable and pertain to artisanal products. | L | L | L |
| 1b. Livelihood facilitation | | | | |
| Entrepreneurship training/startup acceleration | <ul style="list-style-type: none"> ✓ Empowers/enables individuals to realize own income-generating activities, via business revenue or self-employment ✓ Lasting increase in skills/knowledge. ▫ Refugees' income may be unsteady/unpredictable in the short/medium term. ▫ Scalable format, but constrained by need to provide some personalized/tailored support. | H | H | L/M |
| Skills training | <ul style="list-style-type: none"> ✓ Provides skills expected to increase chances of finding employment. ✓ Moderately scalable delivery model, constrained by need to be tailored to contexts. ▫ Opportunities fundamentally depend on job market, and partly on ventures' own placement activities. ▫ Current ventures aim to fit labor market needs and increase likelihood of skilled employment. | M | H | M |
| Job placement services | <ul style="list-style-type: none"> ✓ Increases chances for refugee to attain direct employment. ✓ These companies often provide training as a way to increase success ▫ Opportunities depend fundamentally on job market, and partly on individual fit. ▫ Attention to individual fit limits scalability. | H/M | H/M | L |
| <i>Continued on the following page</i> | | | | |

Table IX. Impact Potential of Refugee-Impact Ventures, Classified by (Impact) Business Type

| "Impact Business Type" | Considerations Used in Determining Impact Depth, Duration, and Scale | Impact Depth | Impact Duration | Impact Scale |
|---|--|--------------|-----------------|--------------|
| Category 2. Physical products (or other support delivered in person) meeting basic human needs | | | | |
| Clean water supply | <ul style="list-style-type: none"> ✓ Provides access to an essential resource often in limited supply. ✓ Can be very scalable (uniform product) depending on complexity of manufacture and installation. → Most examples designed to be long-lasting, though may require renewing some components (e.g., filters) to continue functioning | H | M | M |
| Toilets | <ul style="list-style-type: none"> ✓ Provides access to essential resource that is often in limited supply. ✓ Can be very scalable (uniform product), depending on complexity of manufacture and installation. → Most examples designed to be long-lasting, though may require renewing some components (e.g., filters) to continue functioning | M | M | M |
| Innovative/safe shelter | <ul style="list-style-type: none"> ✓ Vital for enhancing living conditions, including personal safety ✓ Most examples have brought innovative designs to allow durability and improved conditions for their inhabitants. ✓ Very scalable (uniform product) depending on complexity of manufacture and installation. ▫ Alternatives may exist. | M | M | M |
| Other support delivered in person (education, mental health) | <ul style="list-style-type: none"> ✓ Meets emotional, mental needs that exist alongside physical needs. ✓ Some services available for groups (e.g., preschool), but most still require high level of personal interaction on the part of service provider. ▫ Difficult to determine the depth of impact. | L | M | L/M |
| Category 3. Services, delivered through tech platforms (excluding platforms offering work opportunities) | | | | |
| Information to individuals | <ul style="list-style-type: none"> ✓ Increases the individuals' knowledge—e.g., of available support services; of academic contents; of news. ✓ Very scalable within a context (geography/language) ▫ Degree of benefits depends on individuals' ability to use this information for better personal outcomes (typically requiring separate interventions). → Educational content provides more depth and duration than current events and other signposting info. | L | L/M | H |
| Data management for service providers | <ul style="list-style-type: none"> ✓ Increases effectiveness of agency's service delivery (e.g., more cost-effective, more targeted benefits). ✓ Very scalable within a context (geography/language) ▫ Depth & duration of impact varies; depends on benefits provided by agency. → Underpinned by digital ID component. Examples: health data, of education/skills qualifications | M | H/M | H |
| Digital financial services | <ul style="list-style-type: none"> ✓ Unlocks access to finance and security of personal assets. ✓ Scalable within a specific context → Underpinned by digital ID component. | H/M | H/M | H |

Assumptions (made for the purposes of simplicity and in order to arrive at a “best case” determination):

- **Ventures** will achieve their stated business growth and impact goals (as stated in publicly available information).
- **Complexity** may exist in terms of delivering the products/services, but it is not taken into account.
- **Scalability constraints** are likely to exist at the “context level”; that is, a service can be delivered at scale to a large number of refugees in one context, but cannot be easily replicated in other contexts until the product/service is adapted (e.g., for a different language, culture, landscape).

Table X. Assumptions and Methodology For Assigning Ratings

| Impact Sub-Dimension | Description | Qualifying Criteria For Each Level |
|-----------------------------|---|--|
| DEPTH | <i>What level of benefit is achieved, compared to a baseline (or compared to no intervention)</i> | <p>High: <i>Makes a significant difference to overall quality of life.</i></p> <p>Medium: <i>Makes a small to moderate difference to overall quality of life or a significant difference in a specific area.</i></p> <p>Low: <i>Offers some benefit, but may not lead to noticeable improved quality of life without other interventions.</i></p> |
| DURATION | <i>How long the individual will benefit from the outcome</i> | <p>High: <i>Eliminates a structural barrier or provides a benefit, tool, or skill to use on a long-term basis.</i></p> <p>Medium: <i>Predictably provides benefits for the foreseeable future with no predetermined end.</i></p> <p>Low: <i>One-off intervention, sporadic</i></p> |
| SCALE | <i>How many individuals the venture directly benefits (or expects to benefit in the first 1-2 years after launch)</i> | <p>High: <i>1,000 to 10,000 (or more)</i></p> <p>Medium: <i>200 to 1,000</i></p> <p>Low: <i>Less than 200</i></p> |

Appendix

Case studies

The case studies are ordered as follows:

1. Accelerators Focusing Primarily on *Refugee-Owned Ventures* 1
2. Accelerators Focusing Primarily on *Refugee-Impact Ventures* 2
3. Impact Accelerators That Have Supported Refugee-Impact Ventures 3
4. Organizations Engaged In Related Activities 4

These case studies are based on interviews with leaders of each organization, complemented by a review of existing web sites and related material. The author assumes responsibility for any inaccuracies or omissions.

AFRICAN ENTREPRENEUR COLLECTIVE

LOCATION

Rwanda and Kenya (multiple locations)

TYPE OF VENTURES SERVED

- Refugee-owned (80%)
- Host community member owned (20%)

MISSION

African Entrepreneur Collective (AEC) provides micro, small and medium enterprises (both refugee-owned and host-community owned) with relevant tools, business trainings, individual consulting, and access to low-cost capital so that entrepreneurs can grow their businesses and create jobs for others in their communities.

AEC was founded in 2012 and has a larger portfolio of services to non-refugee entrepreneurs in Rwanda, where it has operated under the name **Inkomoko** (meaning “the source” or “origin” in Kinyarwanda, a language widely spoken in Rwanda and neighboring areas). In 2016, at the request of (and with support from) UNHCR, Inkomoko expanded its activities to support refugee entrepreneurs in both camp and urban settings in Rwanda.

In 2019, AEC began delivering programs in Kenya’s Kakuma and Kalobeyi refugee hosting areas (operating there as **AEC Kenya**). The details in this case study pertain to AEC’s refugee-focused activities in both Rwanda and Kenya.

DATE OF FIRST ACCELERATOR PROGRAM

2016

PROGRAM DESCRIPTION AND TRACK RECORD

Camp/settlement program

Focus/Eligibility

- Works with microenterprises
- In Rwanda (6 settlements) and Kenya (Kakuma and Kalobeyi)

Curriculum

- 4-6 months; series of business modules delivered by group training
- Financial tracking tools designed for the typical camp resident
- Consultants provide follow-up between modules
- Support in applying for AEC loan, if suitable

Track Record

Rwanda:

- More than 12,000 refugee entrepreneurs served (2016 to early 2020)
- Approximately 80% of entrepreneurs served were in camp settings, as of end 2019
- More than 500 loans disbursed

Kenya (Kakuma-Kalobeyi refugee hosting areas):

- 561 refugee/host community entrepreneurs served since launch (Sept. 2019)
- 60+ loans disbursed as of Jan 2020.

Urban areas program

Focus/Eligibility

- Works with small and medium enterprises (SMEs)
- In Rwanda (3 locations)

Curriculum

- 4-6 months; series of business modules delivered by group training
- Consultants provide follow-up between modules
- More hours of consultant support than camp program, due to more complex nature of businesses
- Support in applying for AEC loan, if suitable

SUPPORTS VENTURES AT THE FOLLOWING STAGES

*Idea stage *Startup Stage ✓Early Stage ✓Growth Stage

ADDITIONAL INFORMATION

- AEC's refugee program operations have been 99% funded by donors, including UNHCR, the U.S. Department of State, and the Mastercard Center For Inclusive Growth.
- The loan program that AEC operates for refugee entrepreneurs provides 1% of necessary funding. It could, if expanded, generate sufficient revenue to finance the overall refugee-focused operations.
- AEC's other services, to non-refugees, generate revenue through fee-paid business growth services.
- Working in refugee camp contexts requires somewhat different delivery models from the urban areas model:
 - Program activities in camp contexts have been relatively easy to scale, with significant opportunity to expand further. In the next three years, AEC aims to expand to Ethiopia, Jordan, and Lebanon.
 - The camp programs also serve host community entrepreneurs. The camps' economic activities have drawn many people from the surrounding rural areas, seeking to participate.
 - Meanwhile, it is more difficult for refugee entrepreneurs in urban settings to achieve break-even. These SMEs face more challenges to growth than the camp-based microenterprises; this is likely not a factor of the entrepreneurs' refugee status but of the challenges to SMEs more generally.
- AEC is also exploring the possibility of expanding its range of services, such as serving earlier-stage entrepreneurs, or providing household financial literacy.
- Most impact data (see section on next page) draws upon its longer track record of operations in Rwanda, but AEC captures data for both countries, and Kenya-specific data is included below.

INVESTOR ORIENTATION

Direct financing provided:

- AEC offers below-market rate loans to its refugee entrepreneurs; these are backed by a Kiva credit line and administered by AEC itself. With 603 loans (and \$423,800) disbursed as of April 2020, AEC is the largest lender to refugee businesses in Sub-Saharan Africa.
- Loan rates are 10% per year (compared to 10% per month for informal money-lenders).
- Acceptance rate for loans is ~85%; this is achieved by active mentoring so that entrepreneurs do not apply before they are considered ready.
- Repayment rates have been 97% across the refugee portfolio. In camp settings, the rate has been 98-99%. In urban SME settings the rates have been 85-89%, comparable to non-refugee entrepreneurs.
- Many repaying borrowers (72%) have gone on to receive second loans, with 50% successfully applying for a third loan cycle.

Types of startups/investment opportunities:

AEC's refugee ventures are microenterprises, and thus not suitable for direct outside investment. However, AEC's own lending operations present an opportunity for future investment; AEC expects to grow its loan portfolio and would seek approximately \$3 million of additional capital over the next three years.

ADDITIONAL IMPACT DATA

Women's participation:

- ✓ Tracks Women's participation. Women represent 50-60% of refugee entrepreneurs supported across AEC's programs. In the rare contexts where the percentage is lower than the target 50%, AEC is exploring how to address existing barriers, such as potentially starting female-only cohorts.
- ✓ Has reported some data on the number or percentage of women refugee entrepreneurs, although this is not currently on its web site.
- ✓ Tracks women borrowers (39% of total refugee borrowers)

Revenue growth and job creation:

- AEC's 5,000 refugee entrepreneurs have increased their combined revenue by \$14 million as of end-2019; this reflects an average revenue growth of approximately 107% per enterprise.
- Overall, AEC's refugee-owned businesses have created 4,638 jobs across Rwanda and 590 in Kenya, about 1 additional job per enterprise. Approximately two-thirds of the jobs created have been for host community members.
- In camp-based programs, ~20% have the potential for (further) job creation. Approximately half of the jobs are filled by refugees and half by host community members.
- In urban settings, 65% of jobs are filled by host community members due to the strategic advantage of having connections within the local community.

Loan outcomes:

- In a survey of 150 borrowers, respondents increased revenue by an average of 120%. Their net profits increased by 70% to 160%, with the average being 83%. Furthermore 85% reported that they have more money to spend. 80% purchased new assets and there was an average increase in education spending by 466%.

Kenya: reports from first cohort:

- The 561 entrepreneurs (of which 48% are women) collectively saw, on average, a 45% increase in customers, and grew revenue by 188%. Altogether, they created 590 new jobs. The entrepreneurs also increased their combined education spending by 57%. 53% of them purchased new assets.

PANDEMIC RESPONSE

With \$2.3 million in funding from the Mastercard Foundation, AEC created the Inkomoko Relief Fund for entrepreneurs it supports under its Rwandan legal entity, Inkomoko.

- The fund provided one-time grants to 3,984 micro-, small, and medium enterprises (MSMEs) in Rwanda, both refugee-owned (40%) and host-owned (60%); 54% of all grants were to women-led businesses, and 71% were to microenterprises.
- Grant sizes ranged from \$100 to \$10,000; entrepreneurs could use the funds to meet either personal or business needs, but in 96% of cases, grants were used primarily for business purposes.

Outcomes of the grants included the following (as of September 3, 2020):

- 91% of businesses that were closed had re-opened.
- One month after receiving the grants, MSMEs had increased revenues by 35% on average, and increased their number of employees by 33%. After two months, the average revenue increase had risen to 63%.¹⁷⁴

ALIGHT-GRIFFINWORX PARTNERSHIP IN LIVELIHOODS

LOCATION

Uganda (Nakivale, Oruchinga, Kyaka II, Kyangwali, and Bidi Bidi)

TYPE OF VENTURES SERVED

● Refugee-owned

MISSION AND REFUGEE FOCUS

The program has been a partnership between Alight (formerly American Refugee Committee), and Griffinworx (a U.S.-based nonprofit that delivers entrepreneurship training and other economic empowerment programming).

The partnership was established to provide experiential training that would support economic empowerment through entrepreneurship; and to promote job creation by providing resources and solutions to refugees. Specific objectives include:

- Inspiring an increase in quality and quantity of entrepreneurial and startup activity
- Growing local jobs through startups and new business endeavors
- Inspiring collaboration and sharing among local entrepreneurs
- Promote behavior change/ transformation of culture

DATE OF FIRST REFUGEE-FOCUSED ACCELERATOR PROGRAM

2019

PROGRAM DESCRIPTION AND TRACK RECORD

Extreme Build-a-Business Weekend

- 2-day workshop
- 5 locations, ~70 teams per cohort. (372 total)
- Presentations on entrepreneurial habits, business development actions, and related topics
- Mentoring sessions with local mentors
- Informal business showcases/demonstrations provided by entrepreneurs
- Celebration event at conclusion (may be expanded in future iterations)
- Top third selected to participate in StartUp Cup Accelerator program

Startup Cup Accelerator

- 4 week program
- 5 locations, ~25 teams per cohort (126 total)
- 1 weekly business development session on topics such as business model design and bootstrapping methodologies
- Mentoring sessions with local mentors

Track Record (as of end-2019)

- Number of iterations/cohorts: 1 iteration with 5 locations/5 cohorts
- Cumulative total of entrepreneurs served: 372 teams

SUPPORTS ENTREPRENEURS AT THE FOLLOWING STAGES

✓ Idea stage ✓ Startup Stage ✓ Early Stage ✓ Growth Stage

ADDITIONAL INFORMATION

- The program was arranged by Alight, which assists displaced and marginalized communities in 17 countries, and has a presence in Uganda. It was delivered by Griffinworx, which has a global portfolio of economic empowerment programming and has worked in more than 60 countries. USAID funded the project.
- Griffinworx staff worked in partnership with Alight field staff, an arrangement that was considered very successful.
- All five cohorts were in Uganda, although the populations of the settlements are very diverse. For example, the Nakivale settlement hosts refugees from Burundi, the Democratic Republic of Congo, Eritrea, Ethiopia, Rwanda, Somalia, Sudan, and South Sudan.
- The 2-day events attracted many interested members of the community; the entrepreneurs capitalized on the opportunity to showcase their products, and this generated further energy and awareness.
- The program recruited and trained local mentors, making an effort to find mentors with business experience.
- Each settlement produced a different composition of business types. Examples overall included a medical center, a music academy, a language schools, a bakery, a welding company, a mechanic service, a poultry and livestock businesses, a lender, and a hotel.
- In at least one location, women were accompanied by young children. There were also husband-and-wife teams.
 - The settlements' diverse populations means that a variety of native tongues are spoken; the program team consequently adapted by introducing a simultaneous translation services and/or separate-language presentations.
 - There was a heavy demand for mentorship sessions at some 2-day weekend programs, which exceeded the available time and the number of seasoned mentors.

INVESTOR ORIENTATION

Direct financing provided:

- The Alight-Griffinworx partnership does not provide direct financing; its curriculum places a strong emphasis on “fund yourself”/“revenue is funding” (bootstrapping). This relates to both the scarce access to financing in the settlements, and reflects Griffinworx’s philosophical approach to emphasize the importance of revenue generation.
- Entrepreneurs were receptive to this strategy and energized by the potential to do so (see impact data below).
- It appears that the entrepreneurs have self-funded to initiate their microenterprises. The program is exploring whether it might offer some seed capital in the future.

Types of startups/investment opportunities:

- These refugee-owned businesses are microenterprises, and not a suitable source of investment opportunities.

ADDITIONAL IMPACT DATA

Women’s participation

- ✓ Tracks women’s participation.
 - Extreme Build-a-Business Weekend: 20% women in the cohorts at Bidi Bidi and Kayaka II
 - StartUp Cup: Female participants: Kyangwali StartUp Cup: Cohort 1: 28% female, Cohort 2: 36%
- ✗ Does not publicly report women’s participation rates.

Other impact data

For the StartUp Cup (Kyangwali cohorts; data gathered in March 2020)

- Cohort 1 (accelerated in July 2019): 96% of ventures reported increased revenues since acceleration; 80% of the ventures increased staff, for a combined total of 128 new staff.
- Cohort 2 (accelerated in January 2020): 80% of ventures reported increased revenues since acceleration; 68% increased staff, for a combined total of 57 new staff.

CATALYSR, ygap

LOCATION

Australia (ygap: Melbourne; Catalysr: Melbourne and Sydney)

TYPE OF STARTUPS/VENTURES SERVED

● Refugee-owned

MISSION

Catalysr runs intensive entrepreneurship programs for high-performing migrant and refugee entrepreneurs who want to find success in Australia by building their own tech startup. Its goals including helping to create 10,000 jobs in the next 10 years. In addition to running its own programs in Sydney, Catalysr is partnering with ygap to deliver the First Gens 2.0 initiative in Melbourne.

ygap supports impact entrepreneurs with innovative solutions to alleviating poverty in their communities. Founded in 2012, it operates programs in Australia, Bangladesh, Kenya, the Pacific Islands, and South Africa. After launching the First Gens program for migrant and refugee entrepreneurs in 2018, it is now working with Catalysr for the current version of the program, First Gens 2.0.

DATE OF FIRST ACCELERATOR/FIRST REFUGEE-FOCUSED ACCELERATOR

2016 (Catalysr);

2018 (ygap's inaugural First Gens program)

PROGRAM DESCRIPTION

Catalysr: "Pre-accelerator for Migrapreneurs" (Sydney)

Focus/Eligibility

- Open to teams with at least one refugee or first-generation migrant
- Focuses on tech (businesses/social enterprises)

Curriculum

- 3-month program for approximately 50 teams
 - Weekly 'Masterclass' trainings
 - Collaborative learning activities
 - Monthly community events with the cohort, program alumni, mentors, etc.

Track Record

- 6 cohorts, as of April 2020.
- In 2019, supported 54 ventures, 83 entrepreneurs
- Since 2016, has supported a total of 110 ventures and 273 entrepreneurs

Catalysr and ygap: “First Gens 2.0” (Melbourne)

Focus/Eligibility

- Open to teams with at least one refugee or first-generation migrant
- For tech businesses and social enterprises

Curriculum

- 3-month “Ideate” stage for 70 teams; curriculum similar to Catalysr’s “Pre-Accelerator”
- 3-month “Validate” stage for 25 teams
 - Off-site startup bootcamp
 - Mentoring
 - Accelerator Roadshow to meet investors and potential partners
 - On-demand support for accounting, legal, marketing
 - Demo Day
- ygap’s Accelerator program for 12 teams
 - 5-day intensive entrepreneurship program
 - 3 months of tailored business support
 - Access to small grants and consideration for larger cash award
 - Showcase event

Track Record

- 2018-2019: 3 cohorts of First Gens; supported 36 ventures
- 2020: 1 cohort of First Gens 2.0; 70 ventures supported (with smaller cohorts in later phases)

SUPPORTS ENTREPRENEURS AT THE FOLLOWING STAGES

Catalysr’s Pre-Accelerator: ✓ Idea stage ✓ Startup Stage ✗ Early Stage ✗ Growth Stage

Catalysr/ygap “First Gens 2.0”:

Ideate: ✓ Idea stage, ✓ Startup Stage; Validate: ✓ Prototype Stage; Accelerate: ✓ Early Stage ✗ Growth Stage

ADDITIONAL INFORMATION

- Both programs serve migrants along with refugees, considering the two groups face similar barriers to starting up.
 - The programs do not publish data on participants’ immigration/refugee status, but data on countries of origin suggests that most participants are not refugees, but are migrants and immigrants (including some from Europe, Brazil, and Israel). This reflects, in part, the declining number of refugees resettled in Australia since 2016.
- Both programs rely significantly on grant funding, although Catalysr also has undertaken some revenue-generating activities, such as providing entrepreneurship-related workshops for nearby private and public entities. While it has also experimented with taking equity (as a form of participation fee), this has not constituted a significant revenue stream at this point in time, as the businesses are very young.
- Catalysr focuses on tech ventures, while ygap focuses on ventures with social impact. The First Gens 2.0 joint initiative is open to either type of venture, and some participants fit both criteria.
- Catalysr’s CEO and Co-founder, Usman Iftikhar, himself a migrant to Australia, was motivated to start his organization by his own experience, having found barriers to employment after arriving from Pakistan. He has received several awards for his work advocating for newcomer entrepreneurship.

INVESTOR ORIENTATION

Pre-accelerator for Migrapreneurs

Direct financing provided:

- In 2019, it offered cash awards of A\$10,000 to each of two top performing startups at the conclusion of program
- Types of startups/investment opportunities:: tech-enabled businesses and social enterprises
- Investor engagement activities: Provides introductions to investors

The First Gens 2.0 program

Investor engagement:

- During the “Validate” phase, arranges a Roadshow and other meetings to meet investors, as well as a showcase event

Direct financing provided:

- Offers some direct financing during the accelerator phase: small grants of up to A\$1,000 (US\$636) and cash awards of up to A\$25,000 (US\$15,900) for selected teams
- While some ventures have accessed investor financing, the early-stage nature of the ventures means that they are not always a fit for angels and other investors.

ADDITIONAL IMPACT DATA

Women’s participation

- Pre-accelerator for Migrapreneurs:
 - ✓ Tracks and publicly shares* women’s participation rates: in 2019, 50% of participants were female. (While published in Medium.com articles, the data is not currently available on either organization's web site.)
- First Gens 2.0 :
 - ✓ Tracks and publicly shares women’s participation rates: more than 50% of participants in the first phase are women.

Other impact data

For earlier cohorts of ygap’s First Gens program (2018-2019):

- 36 ventures supported since the program’s inception, of which
 - (after 1 year) 87.5% are still operating; and have grown revenue by an average of 21x.
 - (after 2 years) 36 jobs have been created, and 4 ventures have raised further investment.

PANDEMIC RESPONSE

In addition to moving its programs and operations online, Catalysr has also been helping its entrepreneurs make plans on how to manage their business in light of the pandemic, both by formulating business response plans and by addressing issues such as mental health needs and team productivity.

FIVE ONE LABS

LOCATION

Iraq (Kurdistan Region: Erbil and Sulaimani)

TYPES OF REFUGEE VENTURES SERVED

- Refugee-owned
- Host community member owned

MISSION AND REFUGEE FOCUS

Five One Labs helps refugees and conflict-affected entrepreneurs launch and grow their businesses. It also empowers individuals to rebuild their lives and livelihoods and contribute to their communities' economic growth. Its work centers on three themes:

1. Startup support, such as business acceleration
2. Investment, including: (i) investment-readiness support; (ii) encouraging local investment into local businesses; and (iii) increasing investments into startups in Iraq, via the launch of a venture capital fund
3. Ecosystem building/development

DATE OF FIRST REFUGEE-FOCUSED ACCELERATOR PROGRAM

2017

PROGRAM DESCRIPTION AND TRACK RECORD

Tech Incubator

- Operates separate cohorts each year in Erbil and Sulaimani
- Tech oriented businesses

Curriculum

- 1-month “Ignite” feeder program, cohort of up to 20 people
- 3 months total
- Cohort of 10-15 entrepreneurs (after selection at end of feeder program)
- Co-working space
- Training workshops and weekly meetings
- Mentorship
- Networking events

Track Record

- 4 cohorts thus far (2017: Erbil, 2018: Sulaimani; 2019: both locations)
- Its first Arabic cohort graduated in June, 2020

Female Founders Fellowship

- Takes place in Erbil and Sulaimani
- Growth-stage businesses, not tech-specific

Curriculum

- 4 month program
- 10 entrepreneurs (non-tech specific)
- Training workshops and weekly meetings,
- Mentorship
- Networking events
- Assistance from an intern

Track Record

- Launched 2018
- 2 cohorts so far

SUPPORTS ENTREPRENEURS AT THE FOLLOWING STAGES

Tech Incubator: ✓ Idea stage *Startup Stage *Early Stage *Growth Stage

Female Founders: *Idea stage *Startup Stage *Early Stage ✓ Growth Stage

ADDITIONAL INFORMATION

- Accelerator activities fit into a broader set of activities focused on attracting investors to new and growing businesses in Iraq.
 - Five One Labs aims to serve a number of the different segments of entrepreneurs in Iraq, by innovating to meet their needs. The goal is to promote Iraq as an investment market.
 - It partners with Jusoor to support Jusoor's Startup Roadshow in Erbil.
- Funding model: A significant portion of funding comes from donors, but Five One Labs conducts a variety of revenue-generating activities.
 - GiZ has funded activities in Sulaimani, while the International Organization for Migration (IOM) has also contributed support (including for cash prizes awarded to Tech Incubator participants).
 - Five One Labs received competitive grant (BridgeBuilder Award, from GHR Foundation and Open IDEO) to support the launch of an "incubator in a box" program to expand into Baghdad and Mosul.
 - It may expand to offer fee-based consulting service on discrete business topics, to respond to local demand.
- Sector focus:
 - Tech accelerator: tech-enabled businesses; but to attract 50% women, program management has made effort to convey wide definition of tech businesses, e.g. including Instagram-related businesses.
 - Female Founders Fellowship: Diverse sectors represented, not necessarily tech based; these have included tourism/hospitality; fashion and design; salon services; and software. Five One Labs has found that women-owned small businesses (already operational) are plentiful.

INVESTOR ORIENTATION

Direct financing provided:

- For the Tech Incubator: A total of \$200,000 (funded by an IOM grant) was awarded to the 10 members of a recent tech accelerator cohort. In previous cohorts, the program has awarded \$30,000 total to the top three startups.
- The Tech Incubator's accelerated ventures are typically not ready for outside investment after graduation; they are still early-stage and overcoming hurdles in local business environment (see [Box 7](#), page 34). However, some do pitch to investor delegations.
- For the Female Founders Fellowship: Small grants (\$500/each) are provided for testing marketing techniques.

Types of startups/investment opportunities:

- Very early-stage tech enterprises; and women-run growth-stage (non-tech) ventures

Investor engagement:

- To promote the Iraqi market, Five One Labs actively engages international and regional investors, including by hosting delegations (most recently October 2019); it aims to cultivate investors to gradually familiarize them with the Iraqi market over the medium and long term, including context and individual startup experiences.
- In October, 2020, it launched Five One Invest, a membership program to provide investors with access to curated matchmaking opportunities for potential investments in early-stage companies in Iraq. Five One Invest will also host workshops and other events for members, as well as events for non-members.
- Five One Labs is one of only a few organizations promoting the potential for high-growth businesses in Iraq.

ADDITIONAL IMPACT DATA

Women's participation

- ✓ Tracks (internally) women's participation. Tech Incubator: 50% women; Female Founders program: 100% women
- ✗ Does not publicly report women's participation rates for tech incubator

PANDEMIC RESPONSE

- Among other efforts, Five One Labs created the *Startup Survival: Coronavirus Response Kit* guidance document, designed to support not only entrepreneurs in its own programs but also other entrepreneurs in Iraq.¹⁷⁵

FOR FURTHER READING

“Five One Labs Launches Investment Initiative,” Five One Labs (blog), October 7, 2020, <https://fiveonelabs.org/blog/2020/10/7/five-one-labs-launches-investment-initiative>.

FORWARD INCUBATOR

LOCATION

The Netherlands (Amsterdam and Rotterdam)

TYPES OF REFUGEE VENTURES SERVED

● Refugee-owned

MISSION AND REFUGEE FOCUS

- Forward Incubator aims to provide economic independence for newcomers by helping entrepreneurs to launch, fund, and grow their businesses. With two programs in the Netherlands, its future goals are to expand to other locations in Western Europe and beyond.
- While Forward Incubator uses the term “newcomer” for its entrepreneurs, its program is intended exclusively for refugees or those in refugee-like situations. Its programs are organized by the Refugees Forward Foundation.

DATE OF FIRST REFUGEE-FOCUSED ACCELERATOR PROGRAM

2018

PROGRAM DESCRIPTION AND TRACK RECORD

Eligibility/description

- Operates 4 cohorts per year (two each in Amsterdam and Rotterdam)
- Geared to entrepreneurs with a refugee or similar background (“newcomers”)
 - Any sector business; social enterprises are also eligible

Curriculum

- Business bootcamp (3 weeks)
 - 30 entrepreneurs
 - 6 intensive workshops and 6 deliverables
 - Matchmaking event to select finalists for incubation phase
- Incubation phase (3 months)
 - 15 entrepreneurs
 - 8-week workshop phase for concept development, validation
 - 5-week phase for business plan and investment proposition
 - Demo Day
- Aftercare phase (6 months)
 - Coaching
 - Networking opportunities (continued beyond 6 months)
 - Business services (continued beyond 6 months)

Track Record

- 7 cohorts to date (4 Amsterdam, 3 Rotterdam)—3 completed during 2018-19, as well as 4 in 2020.
- 97 entrepreneurs supported as of March 2020

SUPPORTS ENTREPRENEURS AT THE FOLLOWING STAGES

First phase: ✓ Idea stage Second phase: ✓ Startup Stage Aftercare phase: ✓ Early Stage ✗ Growth Stage

ADDITIONAL INFORMATION

- Forward Incubator is donor-funded, but it is seeking to transition to a diversified model:
 - To generate its own revenue, it will launch a recruitment service in late 2020 to provide access to a pool of refugee job-seekers. However, this will be a separate legal entity from the foundation.
- The program is sector-agnostic. It has supported startups in industries that have included: healthcare platforms; training/job placement services; off-grid renewable energy; fashion.
- In October 2020, it launched a digital incubator offering asynchronous learning to allow participants to do learning at any time. It is designed to make acceleration accessible to entrepreneurs needing flexibility to accommodate other priorities (e.g., child-rearing or formal employment) and was in development prior to the pandemic.

INVESTOR ORIENTATION

Direct financing provided: None

Types of startups/investment opportunities:

The ventures launched by Forward Incubator's entrepreneurs have been a mixture of both tech-enabled (and similarly scalable) startups and livelihood businesses. A small number have been social enterprises.

Investor engagement and fundraising results

60% of entrepreneurs who need startup financing have been able to raise sufficient funding. In total, they have raised €1.1 m as of March 2020. This has included grants as well as equity, convertible loans, and angel debt investment.

- In 2019, Forward Incubator partnered with ABN Amro to host an event to showcase their entrepreneurs looking for financing and mentorship. Seven entrepreneurs pitched, and two were able to attract investors.
- The program has also attracted mentors ("coaches") who are experienced investors. Through the process of better understanding the entrepreneur and his/her business, these coaches have become motivated to invest.

ADDITIONAL IMPACT DATA

Women's participation

- ✓ Tracks women's participation; 10% of entrepreneurs completing the program were female, with a slightly higher rate of participation at the beginning of the program.
- ✗ Does not publicly report on the number or percentage of women entrepreneurs.

Other impact (as of August 2020)

- With 97 entrepreneurs having completed the program,
 - 43 businesses have been launched; 59% of these launched within 12 months of program completion. 24 jobs have been created, and 52 participants have become financially independent, creating a total government savings of €611,100 (US\$716,000).
- Participants' final assessments with respect to the program's benefits (measured on a 1-10 scale):
 - Their own motivation to start a business: 8.5; program's opportunities to create a network: 8.2; program improved their fundamental business know-how and skills: 8.4

PANDEMIC RESPONSE

As one component of its response to Covid-19, Forward Incubator has moved its programming online, and has proceeded with its launch of the digital incubator/asynchronous learning options described earlier.

FOR FURTHER READING

Forward Incubator, Impact Report 2020 (March, 2020). <https://forwardincubator.com/wp-content/uploads/2020/04/Impact-Report-2020-FORWARD-INCUBATOR-Publishable-Final.pdf>

JUMPSTART REFUGEE TALENT

LOCATION

Canada (Toronto)

TYPE OF STARTUPS SERVED

● Refugee-owned

MISSION

Jumpstart, founded in 2015, supports refugees and newcomers in their entry into both the education and job markets in Canada.

Its entrepreneurship programming aims to enable refugee entrepreneurs in Canada to flourish and rebuild their lives, by supporting and training them with an ecosystem of experts.

PROGRAM DESCRIPTION AND TRACK RECORD

Angels + Refugees (2018 Pilot)

- Two half-day workshops, including pitch preparation, and mentorship from angel investors
- 50 entrepreneurs selected for workshops
- Final (pitch) round: 16 businesses (22 entrepreneurs) selected; 8 ventures made pitches
- Pitch day attended by investors from local angel investor network

HomErun Refugee (“HER”) Startup (2019-2020)

- Entrepreneurial skills training program for 30 refugee women (60 additional women receive career support)
- 5 women selected to co-create and own a new venture
- One-year incubation phase for the business, with seed funding and support from a dedicated business consultant

SUPPORTS ENTREPRENEURS AT THE FOLLOWING STAGES

✓Idea stage ✓Startup Stage *Early Stage *Growth Stage

ADDITIONAL INFORMATION

- Jumpstart’s Managing Director and co-founder, Mustafa Alio, is a Syrian granted asylum in Canada; a refugee advocate, he was a member of Canada’s delegation to UNHCR’s 2019 Global Refugee Forum.
- The organization uses a donor-funded model. It also works with a variety of partners in the Toronto area.
 - For Angels + Refugees, it partnered with Angel Investors Ontario (discussed below).
 - For the HER Startup Program, it is partnering with the Syrian Canadian Foundation (also co-founded by Alio).
- In late 2019, it became part of the Dream Network in Toronto, a program that brings together venture capitalists and entrepreneurship programs supporting entrepreneurs from underrepresented groups (see “Investor Orientation” section on the following page).
- Jumpstart is looking to expand to Vancouver and Calgary; for its past programs, it has seen motivated applicants from all across Canada (even willing to pay for their own travel).
- Jumpstart looks for innovative business ideas and is oriented towards tech startups. Finalists for Angels + Refugees were: a restaurant, a public services app, a robotics startup, and a computer refurbisher/reseller.

Continued on next page

INVESTOR ORIENTATION

Direct financing provided:

- For the Angels + Refugees program, Jumpstart did not provide cash prizes for participating startups; the winning team earned admission to Canada's leading "innovation-to-commercialization" conference, an opportunity to network with more investors.
- More recently, the HER Startup Program involves CA\$100,000 (US\$75,000) seed funding for the business that will be jointly owned by the female refugee entrepreneurs.
- Jumpstart is in the process of raising a fund to invest in its startups; investees would agree to give 5% of future profits to local and/or global refugee-supporting efforts.

Types of startups/investment opportunities:

- Ventures include some tech-sector ventures as well as non-tech ventures. Finalists in the Angels + Refugees program required capital ranging from CA\$100,000 to CA\$2.4 million (US\$75,000 to US\$1.8 million).

Investor engagement and fundraising results

- The Angels + Refugee program was organized with the Angel Investors Ontario, whose members have invested CA\$365 million (US\$278 million) into 600 early-stage ventures.
- Jumpstart is also part of the Dream Network, launched in November 2019 by Toronto-based Dream Maker Ventures, a tech venture capital firm. This network brings together early-stage investors and organizations working with entrepreneurs from underrepresented groups, including (1) the Diversity Program, a group of seven organizations (including Jumpstart) supporting such entrepreneurs; and (2) the Diversity and Inclusion Small Council (DISC), a committee of venture capitalists that provide guidance and organize pitch nights. Dream Makers will also use the network to source deals for its planned CA\$75 million (US\$ 56 million) fund for pre-seed and seed investments into tech startups founded by entrepreneurs from underrepresented groups.

ADDITIONAL IMPACT DATA

Women's participation

- Angels + Refugees
 - ✗ Did not track/report women's participation
- HER Startup
 - ✓ Tracks and publicly reports women's participation rates (100%; dedicated program for women)

JUSOOR

LOCATION

- Iraq (Erbil)
- Jordan (Amman, Zarqa, and Mafraq)
- Lebanon (Beirut)
- Turkey (Gaziantep and Istanbul)

TYPES OF REFUGEE VENTURES SERVED

- Refugee-owned (Startup Roadshow and Small Business Program)
- Host-community member owned (applies to Small Business Program only; 50% of ventures are host-community owned; 50% are refugee-owned)

MISSION

Jusoor is a non-profit founded in 2011 by a global Syrian diaspora community to support opportunities for young Syrians. As part of its wider mission, it has operated entrepreneurship programming since 2015, with the goal of empowering Syrian entrepreneurs to build their own startups and change their futures.

DATE OF FIRST ACCELERATOR PROGRAM

2015 (Entrepreneurship Competition; relaunched as Startup Roadshow in 2018)

PROGRAM DESCRIPTION AND TRACK RECORD

Startup Roadshow (Co-organized with Spark)

Focus/Eligibility

- 5 cities in Middle East: Amman, Jordan; Beirut, Lebanon; Erbil, Iraq; Gaziantep and Istanbul, Turkey
- For innovative, scalable ideas
- Two tracks: (1) idea- or startup-stage & (2) early stage
- Startups with at least one Syrian founder are eligible

Curriculum

- Optional 3-day Startup Weekend open to interested applicants
- 5-day training/mentorship program in each of the 5 cities
- Mentorship component
- Top 2 startups from each city proceed to the Demo Day in Amman
- Top 3 winners from Demo Day present at Spark Ignite's annual conference in the Netherlands
- A project to provide long-term acceleration for the Roadshow's other ventures is under development

Track record

- Launched in 2018, as a revamping of Jusoor's earlier Entrepreneurship Competition (started 2015)
- 2 rounds completed
- Approximately 80 ventures served (200+ founders)

Small Business Program

Focus/Eligibility

- Jordan (Amman, Irbid, Zarqa, and Mafraq)
- Geared towards small enterprises and/or livelihood businesses
- Syrian and Jordanian entrepreneurs, ages 18-25

Curriculum

- 5-day workshop
- Demo Day
- 10 weeks of mentorship for the top 15 startups

Track record

- Launched 2019
- 100 individuals/42 teams participating in workshop/Demo Day.
- 15 startups receiving mentorship and cash awards

SUPPORTS VENTURES AT THE FOLLOWING STAGES

✓ Idea stage ✓ Startup Stage ✓ Early Stage ✗ Growth Stage

ADDITIONAL INFORMATION

- Jusoor funds its accelerator programming via donor contributions. NGOs in the region provide further funding.
 - The Startup Roadshow is co-organized with Spark.
 - For the Small Business program, World Vision Jordan and the E.U. Regional Trust Fund ‘Madad’ are key supporters.
 - Startups without Borders provides outreach and PR for both programs.
- Jusoor operates mainly in Arabic, so communications/outreach to investors in Europe and the U.S. has been limited.
- Jusoor also partners with business ecosystem partners in the region, especially for the Startup Roadshow. Many play complementary roles in this ecosystem. These partnerships allow Jusoor to leverage existing processes and pipelines, thereby limiting operational expenses.
- Both Jusoor programs are sector-agnostic, but have preference for concepts with social and economic development impact and/or providing a solution to a problem.
- There is an opportunity for more long-term accelerators (potentially via partnerships) in the parts of the Middle East where Jusoor operates; most established long-term accelerators are in less-challenging locations in the region.
- While Startup Roadshow ventures must have at least one Syrian founder, approximately 80% of participating ventures have a non-Syrian co-founder and/or board member, which enables the team to navigate the local ecosystem and avoid extra procedures.

INVESTOR ORIENTATION

Startup Roadshow

- Cash awards provided to top three Startup Roadshow winners are \$15,000, \$10,000, and \$7,000.
- For its Demo Day, Jusoor recruits investors through its board/network; they are enthusiastic about connecting with startups already vetted by Jusoor. Some ventures have raised investment via these introductions.
- Investment-readiness and increased visibility enabled at least one finalist venture to crowd-source enough funding to launch its product.
- It identifies Startup Roadshow alumni with potential for investment-readiness, supports them in this process, and invites them to “investor days”.

Small Business Program

- Cash awards are given to top three teams in each of five categories: amounts are JD10,000 (US\$14,100); JD5,000 (US\$7,050), and JD3000 (US\$4,230).
- Jusoor does not focus its investor outreach on this group, as it expects less appetite from investors.

ADDITIONAL IMPACT DATA

- ✓ Tracks women’s participation; as of 2019:
 - Small Business Startup program: 41% of participating ventures had a female founder/co-founder
 - In the Startup Roadshow and Small Business programs combined, 32% of ventures had female (co)founders.
 - Jusoor aims to select a proportion of women-(co)owned ventures that is in line with that of its applicant pool.
- ✗ Does not publicly report on the number or percentage of women entrepreneurs.

PANDEMIC RESPONSE

Among other efforts, Jusoor has been helping its entrepreneurs with individual action plans on how to adapt to the current conditions.

LIVELIHOODS INNOVATION THROUGH FOOD ENTREPRENEURSHIP (LIFE) PROJECT

LOCATION

Turkey (Istanbul and Mersin)

TYPES OF REFUGEE VENTURES SERVED

- Refugee-owned (~55% of total participants)
- Host community member owned (~45% of total participants)

MISSION

The goal of the LIFE Project is to support the development, and drive implementation of, mutually beneficial and sustainable livelihoods solutions for Syrian and other refugees and their host communities in Turkey.

Through two Food Enterprise Centers (FECs) in Istanbul and Mersin, the project established the first food business incubators in Turkey.

DATE OF FIRST ACCELERATOR PROGRAM

2017

PROGRAM DESCRIPTION AND TRACK RECORD

Focus/Eligibility

- Operates in both Istanbul and Mersin
- Three to four cohorts (depending on demand) per location per year
- 25-30 entrepreneurs per cohort

Curriculum

- Four-month “incubation” program
 - 12 weeks of group training, including on food safety and financing for food businesses; additional one-day expert-led workshops
 - Mentoring and coaching
 - Access to the Food Enterprise Center, which include a commercial grade kitchen
 - Gastrodiplomacy events
 - Final Business Pitch Competition for each cohort at end of program
- Ongoing support services
 - Suite of business support services (e.g., formalization/registration) available after incubation

Track record

- 10 cohorts since 2017
- More than 300 entrepreneurs

SUPPORTS ENTREPRENEURS AT THE FOLLOWING STAGES

✓ Idea stage ✓ Startup Stage ✓ Early Stage ✓ Growth Stage

ADDITIONAL INFORMATION

Program administration

- The LIFE Project is implemented by the Center for International Private Enterprise (CIPE), a business-oriented NGO in Washington, D.C., along with several partners; these include International Development Management (IDEMA) in Turkey, as well as other U.S.-based partners such as the William Davidson Institute (WDI) at the University of Michigan, and Union Kitchen.
- It has a donor-funded model, and receives its funding from the Department of State (DoS) Bureau of Population Refugee and Migration (PRM). This funding will allow CIPE to continue the LIFE Project at least until end-2020; meanwhile, CIPE has also been developing plans to make the project sustainable without donor support.

Food Enterprise Centers

- Entrepreneurs in each location have had access to a Food Enterprise Center, which includes a commercial grade kitchen certified for small-quantity production, set up to allow multiple businesses to test their recipes at the same time. It has attached cafe seating so that entrepreneurs can host pop-up meals and practice hospitality and customer service; and has spaces for classrooms, meetings, and events. However, these have closed during the pandemic.
- The project also emphasizes workforce development opportunities: those who complete two days of training and pass the exam for food safety and hygiene earn graduation certificates from Turkey's Ministry of Education and the LIFE Project, which they can present to prospective employers.

INVESTOR ORIENTATION

Direct financing provided:

- The LIFE Project provides direct financing to some entrepreneurs following the pitch event at the end of each incubation program. As of 2020, it has awarded \$96,000 in seed funding to over thirty food businesses.

Types of startups/investment opportunities:

- The program is not oriented to attract outside investors such as angels, due to the nature of the businesses; the ventures vary in terms of investment-readiness, but most would be better suited for microloans or small grants.

ADDITIONAL IMPACT DATA

Women's participation

✓ Tracks Women's participation: 69%

Other selected impact data: (as of end-2019)

Of the three cohorts interviewed for the project's impact evaluation (in both Istanbul and in Mersin),

- 51% at the end of the entrepreneurship training were working in their own business.
- 49% were using the entrepreneurial skills they gained in another business (not their own).
- 63% were able to take the business idea from the idea stage to the start-up stage; at the more advanced level, 30% were able to take their business from the start-up stage to either the growth stage (21%) or the maturity stage (9%).
- 53% stated that they knew how to make a profit in the food enterprise system.
- 84% reported at least one positive change due to participation in the LIFE Project, e.g., increasing income (16%).
- Through its workforce development program, over 1,000 food sector workers received food sanitation certification approved by the Turkish government

PANDEMIC RESPONSE

Although Food Enterprise Centers have needed to close during the pandemic, the LIFE Project team has been helping its entrepreneurs adapt to the current conditions in various ways, such as by forming an online community for its entrepreneurs in order for them to provide mutual support and networking. It has also assisted them with efforts to join local virtual networks to develop personal and professional relationships within their neighborhoods.

SINGA (GLOBAL NETWORK)

LOCATION

SINGA Global Network, multiple locations (described below). See page 130 for the SINGA France case study.

MISSION

Founded in 2013 in France, SINGA has become a global network of organizations dedicated to creating opportunities for migrants, refugees, and local people to meet and “build the future together.” SINGA means “connect” in Lingala, a language of the Democratic Republic of Congo.

Using a franchise model to expand its work, SINGA France has helped to create a network of 22 chapters in ten countries. All use the Singa.io platform to facilitate their activities, which include a variety of programs to build communities among newcomers and locals. In late 2020, SINGA formalized its status as a global entity; it plans to train interested parties on the SINGA incubator model, and allow approved trainees to use the SINGA Global brand.

| SINGA National Chapter | Location | Date Started date | Type of ventures supported | |
|------------------------|-----------|-------------------|----------------------------|-----------------|
| | | | Refugee*-owned | Refugee*-impact |
| France | Paris | 2016 | ✓ | ✓ |
| | Lyon | 2018 | ✓ | ✓ |
| Switzerland | Zurich | 2017 | ✓ | ✓ |
| | Geneva | 2019 | ✓ | ✓ |
| Germany | Berlin | 2017 | ✓ | - |
| | Stuttgart | 2018 | ✓ | - |
| Italy | Milan | 2019 | ✓ | - |
| Spain | Barcelona | 2019 | ✓ | ✓ |

*Note that SINGA focuses on migration more broadly and serves a variety of “newcomers,” not only refugees.

Other SINGA chapters are located in: Canada (Montreal); Belgium (Brussels); Luxembourg; United Kingdom (London); United States (San Francisco), and in nine other cities in France.

SUMMARY DESCRIPTION OF ACCELERATOR PROGRAMS

Switzerland: Geneva and Zurich

SINGA Ideation Lab (idea-stage)

- 2-month program
- Participants in 2019: 37 (Geneva: 19; Zurich: 18)

SINGA Factory (startup stage)

- 4-month program
- Participants in 2019: 27 (Geneva: 15; Zurich: 12)
- Cash awards totaling CHF 25,000 (\$25,900) given to 5 entrepreneurs
- Women’s participation across both programs: 60%
- Sectors represented: catering, tech (platforms/applications), education, e-commerce, fashion, hair care.

Germany: Berlin and Stuttgart

SINGA Business Lab

- 10-15 entrepreneurs per cohort
- 1 cohort per city each year
- 4-month (Berlin)/5-month (Stuttgart) program
- Curriculum includes workshops (tax, legal, funding), mentoring, coaching, co-working space networking, and Demo Day
- Looks for innovative, scalable business; sectors include tech, food, and education

Ideation Lab

- 40 entrepreneurs per cohort
- 1 cohort per city each year

SINGA Berlin also organizes the Berlin Newcomer StartUp Award, which awards cash prizes of €40,000 (\$46,893) in total: for established businesses, prizes are €20,000 (\$23,450), €10,000 (\$11,720), and €5000 (\$5,860); for startup ideas, five prizes are awarded, each €1000 (\$1,170) euros.

Italy: Milan

SINGA Business Lab

- Pre-incubation (idea-stage): 3-month training program
 - 25 entrepreneurs
- Incubation (startup stage); 5-month (4 ventures)
 - Curriculum includes: workshops, mentoring, co-working space, networking, volunteerism event; pitch night
- Part of the “Enterprise 4 Integration” project, involving multiple public and private sector partners.

SINGA Barcelona

SINGA Labs (initial phases)

- Pre-incubation program
- 6-month program
- 10 entrepreneurs

FOR FURTHER READING

SINGA Switzerland: Evaluation

- Rossanna A. Ammann, Elody de Brito, and Seraina Soldner, SINGA Factory Evaluation Report 2019 (March 2020). https://drive.google.com/file/d/1_rUU7iisq0otc8XKfoUjY7zw-84c7M9m/view

SINGA FRANCE

(Please also see case study for the SINGA Global Network, page 128)

LOCATION

France (Paris and Lyon)

TYPES OF REFUGEE VENTURES SERVED

- Refugee-owned (70%)
- Startups that provide specific refugee products/services (30%)

MISSION

SINGA France creates opportunities for refugees and their host communities to meet and cooperate. Since its founding in 2013, it has helped create SINGA organizations in other countries (using a franchise model) to form a global SINGA network with this shared mission. SINGA means “connect” in Lingala, a language of the Democratic Republic of Congo.

- SINGA France’s accelerator programming aims to support entrepreneurship as an alternative for refugees, as well as to support innovation through migration.
- SINGA France has also provided the entrepreneurship curriculum for the other SINGA franchises.

DATE OF FIRST ACCELERATOR PROGRAM

2016 (starting with the Incubation Program)

PROGRAM DESCRIPTION AND TRACK RECORD

Exploration/Pre-incubation

- Paris location
- Year-round, continuous program
- Participants may join for 2 months
- 100 participants per year

Curriculum

- Training sessions (6/mo.)
- Creative workshops/ innovation labs (1 per 2 mos.)
- Mentorship; buddy network
- Networking and other events

Track record

- 3 years of operations
- Total entrepreneurs served: 300

Incubation

- Paris and Lyon locations
- 6-month program
- 10-16 entrepreneurs/cohort
- 2 cohorts per year

Curriculum

- Training sessions
- Tax and legal advice
- ‘Buddies’ in same sector
- Co-working space access
- Professional coaching
- Events/conferences with SINGA partners

Track record

- In operation for 4 years
- Total ventures supported: 65 (as of end-2018)

Acceleration

- Paris location
- 5-month program
- 5-10 ventures per cohort/year

Curriculum

- Leadership bootcamp
- Leadership training sessions
- Co-working space access
- Mentoring by “unicorn” founders
- Legal advice
- Introductions to investors
- Demo Day/final jury event

Track record

- In second year as of 2020
- Total ventures supported: 14 (2 cohorts)

SUPPORTS VENTURES AT THE FOLLOWING STAGES

Exploration/Pre-incubation Program: ✓ **Idea stage**

Incubation Program: ✓ **Startup Stage**

Acceleration Program: ✓ **Early Stage**, ✓ **Growth Stage**

Note: In this report, SINGA France's Exploration, Incubation, and Accelerator programs are considered three successive programs under a single "accelerator" organization.

ADDITIONAL INFORMATION

- SINGA France has a "diversified" funding model, using grants as well as revenue from consulting activities.
 - It is seeking to achieve financial self-sustainability as a social enterprise, and actively seeks out further revenue-generating opportunities.
 - Its consulting activity has involved technology-enabled services, and SINGA's 3-person tech team supports these efforts. The organization considers technology as a tool at the heart of its strategy.
- Since SINGA France has a variety of other programs to promote the positive aspects of migration, entrepreneurs benefit from the networking and community-building efforts of these other activities.
- For the accelerator programs, SINGA France looks for ventures that provide innovative solutions related to migration. Some of the solutions have been in the form of: services for improving the situation of refugees; businesses that employ refugees; organizations that deliver social impact to vulnerable refugees or immigrant groups.
 - Cohorts have also included some non-profit organizations (not necessarily social enterprises).
- Programs are sector-agnostic. Sectors represented have included: restaurants/catering; tourism; technology (robotics, internet service providers; apps for social impact); childcare; education; interior design; job training; and export services.
- It operates a co-working space, Kiwanda, which in 2018 hosted 6 organizations and 14 projects.

INVESTOR ORIENTATION

Direct financing provided:

- While SINGA France doesn't currently provide direct funding to its ventures, it has been exploring the possibility of establishing a fund for seed investment in the Accelerator program's ventures.
- SINGA France also works in close partnership with the FAIRE Foundation, which has created a loan program for refugee-owned enterprises. The first loan, in the amount of €15,000 (\$17,585), has been made to one of the ventures supported by SINGA France.

Investor engagement:

- While the three successive programs operate in a cohesive manner to nurture the most promising ventures, most investment-oriented activity is focused on ventures in the "Acceleration" program. It includes a focus on investment-readiness as part of the curriculum, as well as introductions to the organization's network of investors (mostly Paris-based).
- Some entrepreneurs have received investment. Two such examples were a ventures that raised approximately €15,000 (\$17,585) and one that raised approximately €100,000 (\$117,220).

ADDITIONAL IMPACT DATA

Women's participation

- ✓ Tracks Women's participation: 54% of entrepreneurs in the "Incubation" Program are women.
- ✗ Does not publicly report on the number or percentage of women entrepreneurs. (However, in 2017 it published women's participation data for its overall programming, primarily the community-building activities; women represented 12% of newcomer participants and 79% of local SINGA members.)¹⁷⁶

Impact data

From the Paris "Incubation" program's first two years (2016-2018):

- The program supported a total of 64 projects (including ventures and other concepts), 30 of which were generating revenue by end-2018.
- 53 entrepreneurs were earning livelihoods from their business.
- 22 enterprises had created at least one job. Combined, they had created 250 direct and indirect jobs.
- In 2018, the ventures earned a combined total revenue of nearly €2 million (\$2.2 million).

PANDEMIC RESPONSE

SINGA was also able to secure funding for emergency grants from partners Generali, the Edmond de Rothschild Foundation, and the FAIRE Foundation. Additionally, it has built a new connectivity platform, allomondo.org, to encourage further interaction between newcomers and their host community members.

FOR FURTHER READING

SINGA France, Rapport d'Activité 2018 (unspecified date and location of publication) <https://indd.adobe.com/view/59239a6f-16dc-40ea-9fba-0d9cee9d924d>.

SPARK, EBDA PROGRAM

(This program has been concluded, but is included as useful example of recent accelerator activity.)

LOCATION

Lebanon

TYPES OF REFUGEE VENTURES SERVED

- Refugee-owned (50%)
- Host community member owned (50%)

MISSION

SPARK is an independent, non-profit international development organization, which aims to empower young people in fragile regions through education and entrepreneurship programs. Established in 1994, SPARK works in Europe, Africa and the Middle East.

SPARK's Entrepreneurship and Business Development Activities (EBDA) program has provided Syrian refugees—as well as vulnerable youth from the hosting countries of Turkey, Jordan and Lebanon—with opportunities to start new businesses or to grow existing enterprises. EBDA means “to begin” in Arabic. The description below focuses on the EBDA program in Lebanon.

As of the time of this publication (October 2020), it appears that SPARK will not renew its EBDA entrepreneurship/accelerator programming after its initial run.

DATE OF ACCELERATOR PROGRAM

2018-2019

PROGRAM DESCRIPTION AND TRACK RECORD

Program description

- For Syrian and Lebanese youth (18-35) residing in Lebanon
- 5-month program
 - Training in entrepreneurship, including planning and analysis of the target market
 - 1-on-1 business mentoring
- Business plan competition at American University of Beirut

Track record

- 140 participated in the training program in Lebanon
- 50 startups were selected to participate in the Business Plan competition in Lebanon
- 9 beneficiaries awarded by the Business Plan Competition received financial support in Lebanon.

SUPPORTED VENTURES AT THE FOLLOWING STAGES

✓ Idea stage ✓ Startup Stage ✓ Early Stage ✗ Growth Stage

ADDITIONAL INFORMATION

- EBDA's accelerator program was donor-funded, supported by the Dutch Nationale Postcode Loterij.
- Its partner in Lebanon was Injaz, a non-profit organization focusing on youth entrepreneurship.
- The program was sector-agnostic, though technology-enabled businesses were well-represented within its first cohort:
 - Non-technology ventures included: catering; furniture design; artisanal personal care products.
 - Technology ventures included: platforms for accessing health care; web sites for regional news and for e-commerce; software for donors, online local news, e-learning tools.
- Lebanese regulation requires that all new businesses registered must have at least 50% ownership by Lebanese nationals, which creates a challenging business environment for refugee entrepreneurs. Other local policies also restrict the integration and professional mobility of refugees in the country.
- Generally speaking, refugee-owned SMEs and startups in Lebanon have insufficient support across the ecosystem. The Ministry of Economy and Trade has identified nine dimensions where the sector falls short of achieving much-needed progress. Those dimensions occur across four levels—entrepreneur, enterprise, industry/sector, and nation—and include: culture, capital, capabilities, market structure, legal and regulatory, research and innovation, employment and labor, financial markets, and infrastructure.
- Achieving an equal balance of female and male participants (a requirement of the program's donors) required extra recruitment efforts targeted towards female candidates. Techniques that were shown to be effective included outreach to local women's organizations, and promoting information sessions with messaging that invited women to bring children and/or husbands along.

INVESTOR ORIENTATION

Direct financing provided:

- The EBDA program provided cash awards to selected ventures. Of the 50 startups selected to participate in the EBDA Business Plan Competition, 15 presented their ideas to the panel, and nine of these received awards: one award in the amount of \$10,000, two awards of \$7,000, and six awards of \$5,000.

Investor engagement:

- The EBDA program did not attempt to engage investors, as it considered the startups as too early in their development to attract investors.

ADDITIONAL IMPACT DATA

Women's participation

- ✓ Tracked women's participation, which was approximately 50%.
- ✗ Did not publicly report on the number or percentage of women entrepreneurs.

START:ME CLARKSTON

LOCATION

U.S.A. (Clarkston, Georgia)

TYPES OF VENTURES SERVED

Start:ME Clarkston works with entrepreneurs in the community of Clarkston, near Atlanta, Georgia. While the program does not have an intentional focus on refugees, and does not require participants to disclose their immigration status, an estimated 50% of the program's participants are new Americans, many of whom are refugees; and the program engages closely with Clarkston's refugee community via its local partner, Friends of Refugees.

MISSION AND ORIENTATION TOWARD REFUGEES

Start:ME's mission is to strengthen Atlanta's under-served communities by empowering the entrepreneurs within them to start or grow small businesses. It believes that promising entrepreneurs are everywhere and work to build the local, neighborhood ecosystem required for small businesses to start and grow; and that when these entrepreneurs thrive, their neighbors and neighborhoods do too.

It is a partnership between Emory's Goizueta Business School and local non-profit organizations, and has programs in three Atlanta-area communities, including Clarkston. The Start:ME Clarkston program's local partner, Friends of Refugees, is a local non-profit organization that provides specialized human support services for refugees.

DATE OF FIRST ACCELERATOR PROGRAM

2013

PROGRAM DESCRIPTION AND TRACK RECORD

Focus/eligibility

- Business owners who live, work in, or provide valuable products/services to Clarkston and surrounding communities

Curriculum

- 15-18 entrepreneurs per cohort
- 14-session program:
 - Classroom training
 - Mentoring and networking
 - Seed funding (via grants)
 - Final showcase event
- Follow-up support for all alumni:
 - Quarterly workshops
 - Bi-monthly mentor office hours
 - Bi-monthly "Founders Circle" sessions, therapist-led discussions of challenges related to entrepreneurship, such as partner relationships, work/life balance, etc.
 - Staff matchmaking/referrals to suitable opportunities

Track record

- 17 cohorts of Start:ME overall; 8 in Clarkston)
- 257 businesses served by Start:ME overall; 115 in Clarkston

SUPPORTS VENTURES AT THE FOLLOWING STAGES

✓ Idea stage ✓ Startup Stage ✓ Early Stage ✓ Growth Stage

ADDITIONAL INFORMATION

- Start:ME Clarkston uses the donor-funded model. Its sponsor, Emory University, raises the funds for Start:ME operations, including its employees (2.2 full-time equivalent), who are university staff. (These staff are supplemented by contractors dedicated to each community program, including a local part-time coordinator and program lead.)
- Start:ME Clarkston's close partnership with Friends of Refugees helps the program team to appropriately and effectively engage with the refugee community, including by building important relationships and networks.
- All "alumni" of the program are eligible to partake in the aftercare programming; however, as the program has now been operating since 2013, the increasing number of alumni has put pressure on the limited resources that Start:ME Clarkston is able to allocate to these activities.

Program characteristics:

- Start:ME Clarkston is a sector-agnostic program; among the variety of small businesses it works with, many enterprises SELL food or home-sewn goods.
- Although it works with idea-stage and startup enterprises, most of the businesses are at least at the early-stage (e.g., generating revenue), having 1-5 employees, prior to joining the program.
- The program's entrepreneurs also tend to be already employed (but may be under-employed); their motivations for entrepreneurship include: supplementing their income, building wealth for family and children; and/or creating a livelihood that draws on their skills and interests.
- To accommodate entrepreneurs with other obligations, it is run in the evening in a local community center.

INVESTOR ORIENTATION

Direct financing provided:

- Start:ME Clarkston provides direct financing to participants in the form of grants.
 - It distributes \$10,000 per cohort in seed grants, meant as a substitute for the personal/"friends and family" funds needed for initial startup costs—funds these entrepreneurs and their networks typically do not have.
 - The allocation is decided jointly by mentors and entrepreneurs themselves.
- Despite this financing, further capital needs remain: 1) small amounts for microentrepreneurs; (2) debt financing for enterprises ready to expand but lacking the track record and/or financial literacy to engage with local CDFIs.

Investor engagement:

The program does not engage with investors due to the typical venture profile.

ADDITIONAL IMPACT DATA

Women's participation

✓ Tracks women's participation; from 2013-2019, 68% of the Start:ME Program's businesses were women-led.

Other impact data

- The 115 Clarkston businesses collectively generate \$3.6 m in annual revenue, and have created/sustained 142 jobs.

FOR FURTHER READING

Start:ME, "2019 Impact Report," (Atlanta: no date), https://cd6bb2f5-6a6f-4b27-85c9-cd69a6b3f99e.filesusr.com/ugd/e3bb5a_13550e87f9224c3597391621503c263c.pdf

TERN (THE ENTREPRENEURIAL REFUGEE NETWORK)

LOCATION

United Kingdom (London)

TYPES OF REFUGEE VENTURES SERVED

● Refugee-owned

MISSION AND REFUGEE FOCUS

To enable refugees to thrive through the power of their own ideas, by providing targeted business support for refugee entrepreneurs.

DATE OF FIRST ACCELERATOR PROGRAM

2016

PROGRAM DESCRIPTION AND TRACK RECORD

Ice Academy - Pre-Incubator

Focus/Eligibility

- Covers idea-stage, startup stage
- 3 months
- 35 entrepreneurs per annual program
- Part-time employment, business training, mentoring, access to finance (small grant) and networking activities
- 60% graduate into the Take Off program

Track record

- 3 iterations thus far
- 106 graduates, across 4 countries (UK, Germany, France & the Netherlands)

Take Off – Incubator

Focus/Eligibility

- Covers startup stage and early-stage
- 6 months
- 25-30 entrepreneurs per year
- Business training; mentoring; free co-working space; marketing accelerator; networking; access to finance (debt & pre-seed investment)

Track record

- 54 entrepreneurs
- 3 cohorts to date

On Demand - Growth

Consultancy

Focus/Eligibility

- Early-stage & growth-stage
- Continuous program
- Aims to serve up to 100 ventures per year
- Expert advisor connections; 1-on-1 support sessions; access to finance (debt & pre-seed investment)
- Free co-working space; and subsidized access to Square payment system.

Track record

- 80 entrepreneurs served

SUPPORTS VENTURES AT THE FOLLOWING STAGES

Ice Academy: ✓ **Idea stage** ✓ **Startup Stage**

TakeOff Incubator: ✓ **Startup Stage** ✓ **Early Stage**

On Demand / Growth Consultancy: ✓ **Growth Stage**

Continued on next page

ADDITIONAL INFORMATION

- TERN's operational funding sources include corporate partners as well as some public finance. Many of the ventures started by TERN's refugees also support the wider refugee community--either as part of the venture's core business model of customers/suppliers, or via charitable donations made from proceeds.
- TERN's target is to allow 2,000 refugees to launch businesses by 2025.
- Revenue generation opportunities:
 - TERN has organized several pop-up shops for entrepreneurs to showcase their products.
 - It launched the Anqa Collective, a digital marketplace, on Global Refugee Day (June 20) 2020, to connect entrepreneurs directly with consumers.

INVESTOR ORIENTATION

Direct financing provided:

TERN addresses the financing gap of its refugee entrepreneurs by using different approaches depending on the stage of business, as described below

Ice Academy:

- Participants are employed part-time by Ben & Jerry's in order to earn income while they explore their ideas.
- Ben & Jerry's has contributed the proceeds from the sales of its Spice & All Things N'Ice flavor to a small cooperative fund owned and managed by Ice Academy graduates; the fund extends repayable grants (i.e., 0% interest) of up to £500 (\$650), with an emphasis on quick disbursement.

TakeOff and On-Demand:

- TERN's partner, Restart Refugee Loans, a U.K. charitable organization, offers 0% loans to entrepreneurs up to £10,000 (\$13,000). To date, it has lent approximately £80,000 (\$104,000), and has seen high repayment rates.

Investor engagement:

- TERN has held pitch events ("Entrepreneur Showcases"); in December 2020, four entrepreneurs, seeking £700,000 (\$900,000) total pitched to 30 angel investors. Subsequently, two entrepreneurs have been in serious discussions with investors.
- It recently established the Social Investors Club to allow investors priority access to at least 10 investment-ready entrepreneurs per year with scalable businesses, most of whom aim to enter international markets, are developing innovating products, and/or are using new technologies.
 - At least 5 events per year are planned for the Social Investors Club, including entrepreneur showcases, "business hacks," "special issue roundtables," and graduations.
 - Membership requires either an annual fee (£1,500, [\$1,940]) or a monthly subscription (£135 [\$175]).
- In early 2020, TERN also launched a pilot program with venture capital industry partners to help its entrepreneurs access and prepare for angel and pre-seed funding. The partners are Ada Ventures, a seed financing investment firm, and Included.VC, an organization that promotes diversity in the venture capital industry.

ADDITIONAL IMPACT DATA

Women's participation

- ✓ Tracks women's participation (currently 45%, with efforts to increase to 50% by end-2020)
- ✗ Does not externally publish women's participation rates.

Launch rate

- Idea stage: Approximately 60% of participants graduate into the TakeOff program
- Startup stage: Approximately 75% of ventures in the TakeOff program have launched; of these, 20% have potential for growth/scale, while the remaining 80% are livelihood businesses.

Other impact

- After TERN's support, 60% of participants have been actively trading; unemployment rates among participants have dropped by 40%.
- TERN has engaged 300 industry experts and mentors since 2016

PANDEMIC RESPONSE

In response to the pandemic, TERN has been providing its entrepreneurs with tailored support packages covering following key areas:

- Accessing benefits for myself and/or my family;
- Accessing government grants/loans for my business;
- Managing the cash flow of my businesses and adapting my business plan;
- My own mental health and well-being;
- Money to help me meet my basic needs;
- Support with my housing and accommodation;
- Understanding specific legal challenges and how to access insurance;
- Working from home and/or accessing childcare.

In April, 2020, TERN raised over £15,000 (\$19,400) for micro-grants, distributing over half of these funds within the first 10 days of its campaign, and was able to launch its Anqa Collective digital marketplace as scheduled on July 2020.

FOR FURTHER READING

The impact report of the Ben & Jerry's Ice Academy (which TERN implements in the U.K.) is available online:

- Ben & Jerry's Ice Academy, *2019: Our Year in Review* (London[?]: Ben & Jerry's, 2019), https://issuu.com/weare-tern/docs/ice_academy_2019_european_impact_report.

SOCIAL ENTREPRENEURSHIP AT THE MARGINS (SEM)

MILLER CENTER FOR SOCIAL ENTREPRENEURSHIP AT SANTA CLARA UNIVERSITY

LOCATION

U.S.A. (Santa Clara, California); allows participants from other countries

TYPES OF REFUGEE VENTURES SERVED

- Refugee-owned (5%)
- Startups that provide specific refugee products/services (70%)

MISSION AND REFUGEE FOCUS

The Social Entrepreneurship at the Margins (SEM) accelerator was created to help ventures serving and/or led by refugees, migrants, and human trafficking survivors, leveraging the Miller Center's Global Social Benefit Institute accelerator programs. Another goal of the program has been to enable the Miller Center to better discern what impact models, business models, and technology solutions are the greatest benefit to these marginalized groups, so that this learning can be shared with the broader social enterprise and impact investing ecosystem.

DATE OF FIRST REFUGEE-FOCUSED ACCELERATOR PROGRAM

2018 (first SEM program; however, the Miller Center has accelerated social enterprises since 2003)

PROGRAM DESCRIPTION AND TRACK RECORD

Eligibility

- Sector-agnostic; applicants must have been in operation for 3+ years.

Curriculum

- 6-month online program (the Global Social Benefit Institute [GSBI®] online accelerator with Silicon Valley executive mentors); requires 3-6 hours/week commitment
- In-residence component (5 days)
- ~20 ventures per cohort
- Format allows participation from entrepreneurs in any country
- Follow-up quarterly call after conclusion
- Eligibility for Alumni Mentorship Program (applicants must apply for limited spaces)

Track record

- Number of SEM Accelerator iterations/cohorts: 2
- Cumulative total of startups/teams served: 37, of which 26 have been refugee-related.

SUPPORTS VENTURES AT THE FOLLOWING STAGES

*Idea stage *Startup Stage ✓Early Stage ✓Growth Stage

ADDITIONAL INFORMATION

- The SEM is part of the Miller Center's extensive set of accelerator programming for social enterprises. It is funded by grants from philanthropic partners.

Continued on next page

ADDITIONAL INFORMATION (CONTINUED)

- The program is sector-agnostic. Some of the sectors represented include: food retail; job placement and training; fintech; tech platforms (for non-financial services); fashion/jewelry; basic services in refugee settlements; refugee entrepreneurship accelerators.
- Ventures that support refugee needs use a variety of modalities to achieve this impact: employing refugees (including indirectly, as suppliers/skilled artisans); providing services to refugee customers/beneficiaries (e.g., employment agencies, accelerators, tech platform users); contributing a portion of profits to refugee assistance.
- The SEM's leadership has published a report to share its learnings on launching and running the inaugural SEM program (see “For Further Reading, below”); a key takeaway is the importance of mobilizing capital and building the ecosystem.

INVESTOR ORIENTATION

- The SEM accelerator's team makes systematic efforts to introduce entrepreneurs to investors: it hosts an Investor Showcase event; arranges meetings with investors at the Social Capital Markets (SOCAP) conference (which attracts impact investors and social entrepreneurs)
- It has published an “Investor Profile” document featuring each venture in its first cohort, including the venture's description, value proposition, and funding needs.
- The accelerator does not provide direct financing.

ADDITIONAL IMPACT DATA

- ✓ Tracks women's participation; informally aims for 50% women in its applicant pool.
- ✗ Does not publicly report a percentage of women participants

PANDEMIC RESPONSE

The Miller Center created a web page of pandemic-related resources for social entrepreneurs, as well as a set of webinars on managing through a crisis. It has also recently announced its forthcoming “Bounceback Master Class” for alumni of its programs to rebuild damaged enterprises, improve diminished enterprises, and scale intact enterprises.¹⁷⁷

The Miller Center has also created the \$1 million Truss Fund to offer emergency loans to social enterprises that have graduated from its programs, including refugee ventures in the SEM program. The capital comes mainly from recoverable grants provided by impact investors.¹⁷⁸

FOR FURTHER READING

- Marie Haller and Thane Kreiner, *Social Entrepreneurship At The Margins: Helping Refugees, Migrants, and Human Trafficking Survivors Reclaim Their Futures* (Santa Clara: 2019), <https://static1.squarespace.com/static/581b86d58419c2b663a87d5a/t/5c19876f4ae237655105041c/1545176966331/SEM+White+Paper.Miller-Center.Digital-Version+%281%29.pdf>.
- Miller Center for Social Entrepreneurship: GBSI Social Entrepreneurship at the Margins, *2018 Investor Profiles* (Santa Clara: 2018), <https://static1.squarespace.com/static/581b86d58419c2b663a87d5a/t/5bd75a48f9619a3526984d3b/1540840038486/SEM+IP+Cohort+14+%28Web+Version%29.pdf>.

SDG IMPACT ACCELERATOR (SDGiA)

LOCATION

Turkey (Istanbul); allows participants from other countries

TYPES OF REFUGEE VENTURES SERVED

● Startups (not refugee-owned) that provide specific refugee products/services

MISSION

SDGiA is a global accelerator that aims to generate market-creating innovations initially for refugee populations and least-developed country (LDC) populations. It was launched by the UN Development Program (UNDP) in partnership with the Government of Turkey and the Bill and Melinda Gates Foundation.

In the SDGiA's model, each round of acceleration is focused on solving specific development challenges, either broad themes ("Big Topics") or subtopics within those themes ("Challenge Topics"). Accordingly, the program supports entrepreneurs working on technologies, services or products that address any of the themes or subtopics.

ORIENTATION TOWARD REFUGEE VENTURES

SDGiA's inaugural cohort (2019) included an explicit (although partial) focus on refugee solutions, due to the framing of one of its broad themes (Livelihoods and Access to Basic Services for vulnerable people like refugees) and its subtopic (Digital ID for displaced people). The second broad theme (Clean Water & Sanitation) and its subtopic (toilet innovation to help vulnerable populations) were not refugee-specific, but could apply to refugee contexts and its startups were to do validation in refugee-hosting communities in Turkey.

The choice of themes/subtopics is determined by donors. It is not certain whether the SDGiA program will focus on refugee needs in future rounds. Broad themes for the second round (2020) will be (1) financial inclusion, (2) health and agriculture technologies. It is not yet established whether either these or their subtopics will include an explicit refugee focus; however, the next round's field work will be done in Bangladesh and Uganda, countries hosting large refugee populations.

| Ventures in First Cohort | | | |
|--|---|----------------|----------|
| Theme | Number of ventures explicitly aiming to support refugees/ Total number of ventures in cohort | | |
| | "Pre-Accelerator" | "Accelerator"* | Demo Day |
| 1. Livelihood opportunities and access to basic services for vulnerable people like refugees (with tech business models) | 4/13 | 2/6 | - |
| Subtopic: Digital ID Challenge: How can we obtain an accredited and verifiable digital ID that enables displaced people to more easily gain access to livelihoods? | 4/5** | 4/5 | 4 |
| 2. Clean water and sanitation | 0/5 | 2/2 | 5 |
| Subtopic: How can we design, build and manage toilets to enable vulnerable individuals, especially women and children, have access to adequate and equitable sanitation and hygiene? | 2/4 | 2/3 | - |
| Total | 10/27 | 9/16 | 9 |

*Includes ventures invited to participate as "observers". **Includes ventures whose end-users/beneficiaries would be (1) primarily refugees or (2) a significant amount of refugees as part of a larger group.

DATE OF FIRST ACCELERATOR PROGRAM

2019

PROGRAM DESCRIPTION AND TRACK RECORD**Eligibility**

- Scalable technology that would apply to one of the four selected themes, as above.
- Applications were invited not only from startups but also from academic and research institutes with technology that could have commercial applications.
- For the two subtopic themes (“Challenges”), applicants were required to complete detailed problem analysis and solution descriptions.
- Open to global applicants, conditional on willingness/ability to attend in Turkey

Pre-accelerator phase (27 teams)

- 2-day bootcamp
- Field visits in Ankara region to a seasonal agriculture workers' camp (informal refugee settlement) and to the Turkish Red Crescent's social services center for refugees
- 3-week follow-up program
- Pitch day to determine qualification for accelerator round

Accelerator phase (16 teams)

- 6-week program
- Mentoring
- Introductions to development partners and NGOs in the field
- Field visits, including to refugee community locations in the Gaziantep area as well as to UNDP field offices
- “Showcase Day” in Ankara
- Demo Day in Istanbul, including selection of 2 teams to present at UNGA side event in Sept. 2019
- 3-month incubation period with partners

Track Record

- 1 cohort; 2nd planned for 2020
- 27 teams from 14 countries (pre-accelerator phase), of which 16 participated in the accelerator phase)

SUPPORTS VENTURES AT THE FOLLOWING STAGES

*Idea stage ✓ **Startup Stage (and Prototype/MVP Stage)** ✓ **Early Stage** *Growth Stage

ADDITIONAL INFORMATION

- SDGiA uses a donor-funded model, with funding contributed by the various stakeholders (i.e., UNDP, the Turkish government, Gates Foundation, World Food Program, and currently two Turkish conglomerates). Going forward, the Turkish government has allocated \$1m for the next phase of the SDGiA, with other partners contributing an additional \$775k; and the private sector partners have established a foundation to help expand the program.

Continued on next page

ADDITIONAL INFORMATION (CONTINUED)

- The heavy involvement of public sector stakeholders gives the program a different character than other accelerators, in that the objectives of the public sector stakeholders carry significant weight—for example, the selection of the “Challenge Topics”. A public-sector perspective is also noticeable in the selection process, since applications for the two “Challenge” themes required applicants to complete detailed proposals.
- Balancing the public-sector aspects of the program, however, were certain private sector components:
 1. The program management team—including its manager, Ozan Sönmez, and operations lead, Beliz Bediz Sinan—brought significant expertise from the tech/private sector ecosystem.
 2. Private sector partners, including sanitation company Eci (which had a previous relationship with the Gates Foundation), which has a social mission of increasing access to sanitation.
- Beyond potential funding from SDGia, the motivations of participating entrepreneurs included having opportunities to validate their solutions in the field, and the chance to form partnerships—both on the ground and more widely in the field of international development.
- To attract applicants, the SDGia benefited from the network of its accelerator team as well as the communications reach of its partners, including the Gates Foundation.

2

INVESTOR ORIENTATION

Direct financing provided:

- All participating teams receive a \$1,000 grant to be used toward travel, accommodation, and/or business development.
- The ten teams selected for the Accelerator phase each received a \$10,000 cash award.
- Participants were also eligible for consideration for up to \$100,000 in investment from the SDGia impact investment facility. The final amount of financing was \$233,575, invested among 8 of the ventures.

Investor engagement:

- The SDGia helps facilitate relationships with funders. Some of the participating ventures had already received prior investment (for example, Tykn had previously received \$1.8 million from investor Kees Koolen).
- In addition to a Demo Day with investors (which can be seen at <https://www.youtube.com/watch?v=nimVxveZ-5Kg>), the SDGia introduced the entrepreneurs to partners in the development ecosystem, who could potentially play an influential role in business development.

ADDITIONAL IMPACT DATA

Women’s participation

- ✘ Does not publicly report women’s participation.

HALCYON INCUBATOR

LOCATION

U.S.A. (Washington, D.C.); allows participants from other countries

TYPES OF REFUGEE VENTURES SERVED

● Startups (not refugee-owned) that provide specific refugee products/services

MISSION

Halcyon Incubator equips early-stage social entrepreneurs with the support they need to transform audacious ideas into scalable and sustainable ventures. It is part of Halcyon, a non-profit organization whose mission is to seek and celebrate creativity in all forms and galvanize creative individuals aspiring to promote social good.

ORIENTATION TOWARDS REFUGEE VENTURES

Halcyon focuses on fostering social entrepreneurship, supporting ventures with a wide variety of impact themes. Since 2014, it has supported 5 ventures that have explicitly aimed to provide solutions for refugees (as well as, sometimes, other vulnerable groups). In addition to these five ventures, Halcyon has supported a number of other social enterprises whose impact could be extended to support refugees; examples include home-sharing services, rural sanitation systems, and ventures that extend financial services and affordable healthcare to low-income communities in developing countries.

| Cohort | Number of ventures in cohort | # Ventures with explicit aim to support refugees: |
|--------------|------------------------------|---|
| 1 (2014) | 7 | 0 |
| 2 (2015) | 8 | 1 (Sanivation) |
| 3 (2015) | 9 | 0 |
| 4 (2016) | 8 | 1 (weatherHyde) |
| 5 (2017) | 8 | 1 (Foodhini) |
| 6 (2017) | 12 | 0 |
| 7 (2017) | 9 | 0 |
| 8 (2018) | 7 | 0 |
| 9 (2019) | 8 | 0 |
| 10 (2019) | 8 | 1 (NaTakallam) |
| 11 (2019) | 7 | 0 |
| 12 (2020) | 8 | 1 (Tables w/o Borders) |
| 13 (2020) | 10 | 0 |
| Total | 109 | 5 |

DATE OF FIRST ACCELERATOR PROGRAM

2014

PROGRAM DESCRIPTION AND TRACK RECORD

Eligibility

- Ventures must aim to create measurable social change. They must also be able to envision having impact at scale.
- Ventures must also demonstrate the potential for a sustainable business model that generates revenue by selling products and services. The program does not accept 501(c)(3) non-profits, but does accept for-profits or hybrids.
- The program is open to international applicants, conditional upon their ability to obtain the relevant U.S. visa.

Curriculum

- 8-12 ventures per cohort; 2 cohorts per year
- 5-month residency phase
- Skills training
- Pitch sessions
- Mentorship
- 100 hours of consulting services on accounting, legal, and strategy topics
- \$10,000 stipend for living expenses and free housing
- 13-month post-residency phase
- Continued access to workspace Halcyon Incubator premises and nearby makerspace
- Access to events and resources for networking, fundraising, and business development

Track Record

- 12 cohorts completed since 2014; the 13th cohort commenced in October 2020.
- 109 ventures supported (including the 13th cohort).

SUPPORTS VENTURES AT THE FOLLOWING STAGES

*Idea stage ✓Startup Stage ✓Early Stage (if <\$500k in annual revenue) *Growth Stage

ADDITIONAL INFORMATION

- Halcyon Incubator uses a donor-funded model, with support from a variety of corporate and foundation partners.
 - As an example, the corporate venture and development arm of a local health insurance corporation has donated \$200,000 to ensure that the next 4 cohorts each include a venture focused on improving health outcomes.
- It is sector-agnostic. With over 99 ventures supported to date, the sectors (and impact areas) have been very varied; some example sectors include: health-tech (including medical devices and platforms to access care); food services; educational tech; economic opportunities for marginalized communities in U.S.; renewable energy; neo-natal health.

“Intensive” programs

- In addition to its flagship fellowship program, Halcyon Incubator also offers short programs tailored for social enterprises from a specific country or sector. Past cohorts have comprised 7-10 ventures each.
- Themes have included Korean entrepreneurs; Saudi Arabian female entrepreneurs; and startups associated with Opportunity Zones. Programs are funded by donors with a commitment to the theme.
- Intensives include residencies of two weeks, learning sessions, mentorship, networking activities, and pitch events.

INVESTOR ORIENTATION

Direct financing provided:

- Although Halcyon Incubator does not provide cash awards to ventures, participants' living expenses are largely covered for the duration of the residency, including free housing and a \$10,000 stipend.
- Plans for raising a \$6 million fund are also under development, although details are not yet available.

Investor engagement::

- It has cultivated a robust network of investors and other funders, leveraging its 6-year history, its parent organization's longstanding (20-yr) philanthropic stature and networks, and its ties to regional businesses.
- Cumulatively, Halcyon Incubator ventures have raised more than \$100 million in investment.
- The Halcyon Angel Network was launched in 2019 to invest in Incubator ventures as well as in other social enterprises. Within its first three years, it aims to recruit 50-70 members and facilitate \$3.5 million in direct, seed-stage investment (during which period a \$300,000 grant from the U.S. government will fund staff and operational costs).

ADDITIONAL IMPACT DATA

Women's participation

- ✓ Tracks and publicly reports women's participation; 53% of ventures had one or more female team members.

Other impact data

- Its first 11 cohorts supported 84 enterprises that have created 1,092 jobs and raised \$103 million

PANDEMIC RESPONSE

In addition to moving its Demo Day online, Halcyon held a fundraising campaign in May 2020. It partnered with its local business improvement district, and achieved its \$100,000 goal; \$50,000 was earmarked for emergency grants for entrepreneurs in its program, while the remaining half was designated for a relief fund for local workers who lost their jobs due to COVID-19.

KATAPULT ACCELERATOR

LOCATION

Norway (Oslo); allows participants from other countries

TYPES OF REFUGEE VENTURES SERVED

● Startups that provide specific refugee products/services

MISSION

Katapult Accelerator, an “impact-tech” accelerator, focuses on scaling companies with environmental and social impact.

ORIENTATION TOWARDS REFUGEE VENTURES:

As Katapult focuses on social and environmental impact more broadly, serving refugees is not a requirement for selection. Since 2017, however, two ventures in its cohorts have explicitly supported refugees, and a number of others ventures, such as those increasing access to finance for marginalized groups, have applications that could ultimately have an impact on refugees.

| Cohort | Number of ventures | # Ventures with explicit aim to support refugees: |
|--------------|--------------------|---|
| 1 | 12 | 1 (Needslist) |
| 2 | 11 | 1 (Diwala) |
| 3 | 12 | 0 |
| 4 | 11 | 0 |
| 5 | 12 | 0 |
| Total | 58 | 2 |

DATE OF FIRST ACCELERATOR PROGRAM

2017

PROGRAM DESCRIPTION AND TRACK RECORD

Eligibility

- Must address at least one of the Sustainable Development Goals (SDGs) and use technology to scale/grow.
- Must at least have had market validation, a complementary full-time team, and be looking to raise a seed round post-program.
- Accepts applications from any country
- 11-12 startups per cohort

Curriculum

- 3-month program
- Mentorship via a global network of experts in various industries
- Weekly “Founders Spotlight” event for sharing insights/learnings
- Up to \$150,000 investment for an equity stake
- Demo Day and other introductions to investors

PROGRAM DESCRIPTION AND TRACK RECORD (CONTINUED)**Track Record**

- 5th round completed its program in the autumn of 2020.
- First four cohorts included 46 companies from 25 countries

SUPPORTS VENTURES AT THE FOLLOWING STAGE

*Idea stage *Startup Stage ✓ **Early Stage** *Growth Stage

ADDITIONAL INFORMATION

- Katapult has a diversified funding model; some revenues derive from program fees charged to participating ventures.
- Beyond the focus on impact tech, Katapult supports ventures in a variety of sectors, such as health, sanitation, education, and construction.
- To identify potential candidates, the Katapult team scouts for new startups, with these scouted ventures making up approximately half the applicant pool.

INVESTOR ORIENTATION**Direct financing provided:**

- Through its investment fund, Katapult invests up to \$150k into each startup in exchange for an equity stake. Investors may invest in the ventures either through this fund, or directly into the startups.

Investor engagement:

- Katapult has cultivated a robust network of investors, many of whom have a traditional venture capital background. Katapult indicates that at the time of its launch in 2017, traditional investors were more cautious about engaging with impact-oriented ventures; however, they are now more proactive about approaching Katapult.
- More than 65% of ventures in Katapult's portfolio of companies from its first three cohorts have gone on to receive funding post-program.

ADDITIONAL IMPACT DATA**Women's participation**

- ✓ Tracks women's participation internally.
- * Does not publicly report on the number or percentage of women entrepreneurs in the program.

Other impact data

- Of the 46 companies in Katapult's first four cohorts, all but 2 are still operating.

ALTERNA

LOCATION

Guatemala (headquarters), Costa Rica, El Salvador, Honduras, Nicaragua, Panama

TYPE OF STARTUPS SERVED

Alterna does not work with refugees *per se*, but promotes entrepreneurship in areas with a significant need for economic inclusion; these include areas that have been affected by migration, either as source communities or host communities.

MISSION

Alterna, headquartered in Quetzaltenango, Guatemala, is a social innovation platform that promotes the development of entrepreneurs and conscious companies as a path towards a sustainable region. It does this by offering tools and connections to stimulate action, strengthen bonds, and provoke innovation. It was founded in 2010.

KEY DATES

2015: First sector-focused entrepreneurship program (tourism); launched the region's first Impact Investment Forum

2017: Launched first impact-driven creative industries program for central America

2018: Launched Catalyzer fund (see [Box 12](#), page 70)

DESCRIPTION OF PROGRAMS AND SERVICES

Alterna's platform of activities has included:

- Events and networking to cultivate the regional social entrepreneurship ecosystem:
 - Foro Latinoamericano de Inversion de Impacto (FLII), Centroamérica y el Caribe, a large impact investment conference (the fifth FLII conference was held in 2019)
 - Hacker-i, to identify urgent development challenges and explore urgent solutions (e.g., energy poverty)
 - Alterna Fellowship Program to engage early-career professionals in Alterna's work with social enterprises
- Entrepreneurship support programs, akin to acceleration, aiming to strengthen young enterprises within specific sectors/themes (each sector program operates for a fixed time):
 - Tourism/Eco-Tourism (2015)
 - Sustainability
 - Creative Industries (2017)
 - Social/environmental impact in Guatemala (Ruta Alterna)
- Impact investing via the Catalyzer impact investment fund, affiliated with the Ruta Alterna social/environmental impact program

DESCRIPTION OF PROGRAMS AND SERVICES (CONTINUED)

Details of sector-related programming: selected examples

Ruta alterna

- Targets growth-stage businesses in Guatemala that generate social or environmental impact
- Components include business training, tailored advice, networking, and consideration for investment through the Catalyzer fund (see “Investor Orientation” section below)
- “Leveling” session: an 8-module program entailing group/classroom sessions. Depending of the specific features, programs may take between 4 and 12 weeks.
- “Propulsion” session: a 5-week program with intake session and 1-3 personalized advisory meetings
- Financial connection session: 2-4 weeks of personalized guidance to develop an investment plan, and to create and deliver a pitch to the Catalyzer Fund’s credit committee

Sustainability sector program: Solá

- Run in partnership with Unilever
- Open to ventures that address any of three themes: innovative technologies and platforms to serve consumers; business models that promote economic inclusion; and transformative improvements in waste management and natural resources protection.
- 5-day business counseling event and networking opportunities
- Eligibility for seed capital
- Meetings with Unilever experts, and consideration of opportunities to become part of Unilever’s value chain

SCALE OF PROGRAM

2000 entrepreneurs served in 6 Central American countries

BUSINESS CENTER FOR NEW AMERICANS

LOCATION

U.S.A. (New York, N.Y.)

TYPES OF REFUGEE VENTURES SERVED

● Refugee-owned (24% of its clients)

MISSION

BCNA is a Community Development Financial Institution (CDFI) with the mission of creating a path to self-sufficiency for immigrants and refugees. In addition to being a CDFI certified by the U.S. Department of the Treasury, BCNA is also certified by the U.S. Small Business Administration (SBA) as an SBA Microlender and Community Advantage lender.

While BCNA does not operate an accelerator program, it is included in this report as an example of an organization that provides financing and business support to refugee entrepreneurs, and as one of the twenty-one participants in the U.S. government's Microenterprise Development (MED) program for refugees (see [Annex 3](#), page 98).

BCNA grew out of an organization called the New York Association for New Americans (NYANA), which was founded in 1949 to resettle World War II refugees. For two decades, NYANA was the largest refugee and immigrant services agency in the U.S. In 1997, NYANA launched BCNA in order to provide advice to refugees who were interested in starting a business, and BCNA continues this mission today as a CDFI.

DATE FOUNDED

1997

PRODUCTS AND PROGRAMS FOR REFUGEES

Refugee Individual Development Accounts (IDA)

- IDA accounts are a type of savings account for low-income individuals; they are offered by a variety of organizations in the U.S.¹⁷⁹
- BCNA's IDA program is for refugees and those granted asylum.
- It can be used to save money towards starting or growing a small business (or towards purchasing a first home, or paying for continuing education or training).
- It requires participation in a financial literacy course, designed to teach newcomers how to successfully navigate financial processes in the U.S.
- After a customer completes the course, the IDA program matches each dollar of his/her savings with one dollar of grant money (up to \$2,000 per individual, or \$4,000 per family)
- Customers retain control over their own savings, while the matching grant is kept in a separate account to be used only for investment in their small business (or for down payments or educational costs).

Continued on following page

PRODUCTS AND PROGRAMS FOR REFUGEES (CONTINUED)

Other products and services available to clients:

Microloans

- Loans ranging \$500 to \$50,000, with a repayment period between 6 months and 3 years
- Some loans of up to \$75,000 have been offered via a pilot program

Low-interest small business loans

- Loans ranging from \$75,000 to \$250,000, with a repayment period of up to 10 years

Lines of credit

- Revolving line-of-credit loans to experienced micro- and small businesses, with amounts ranging from \$10,000 to \$50,000

Technical assistance

- One-on-one business consulting and training
- Financing and business workshops

TRACK RECORD

For the IDA program

- In 2018, 67 refugees graduated from the program, and the total value of IDA client savings, matching grants, and microloans was \$214,198 (for 2019, this figure rose to \$313,901)
- From 1998 to September 2019, clients saved a total of \$4,761,262, and started/grew 787 businesses

Lending to refugee-owned businesses

- As of July 2019, BCNA has provided over 1529 loans (a total of \$6.6 million) to refugee-owned businesses.
- The loans have enabled the creation of 229 new jobs and 49 part-time jobs for members of the refugee community, as well the retention of 1066 refugee jobs.

ADDITIONAL INFORMATION

- To enable the funding for refugees, BCNA relies on low-cost financing as well as grants to cover operational costs. A critical source for this funding is the SBA, which typically lends at 0% interest and often provides accompanying grants.
- To supplement the funding that has been available through the SBA, BCNA looks for additional sources of low-cost loans, in order to meet customer demand. Corporate partners (such as the Wells Fargo Foundation) and faith-based investors have proven to be important partners for low-cost loans and the grants that help support these programs. For example, the grant from the U.S. government's MED program for refugees covers staffing, not the cost of loans.
- BCNA also places a heavy emphasis on reporting, and on certification by Aeris (a company which assesses CDFIs' impact and financial performance, risks, and related metrics). While some might consider the reporting process to be onerous, BCNA credits its strong Aeris rating with enhancing its reputation among potential partners: the rating allows partners to assess how well BCNA's work aligns with their impact goals.
- BCNA's Executive Director, Yanki Tshering, was raised in a Tibetan refugee camp in India prior to settling in the U.S. She is an active member of the Microenterprise Development (MED) program (see [Annex 3](#), page 98) and often convenes knowledge-sharing events for other CDFIs participating in the program.¹⁸⁰

INVESTOR ORIENTATION

- BCNA's clients are not typically a fit for most investors, since they do not aspire to be high-growth businesses.
 - They are typically microentrepreneurs who may use their business income for “income-patching.”
 - There are also many others who aspire to have a livelihood business that will provide income for themselves, family members, and future generations.
 - Refugees need more handholding nowadays, however, as they come from contexts that are different than the earlier waves of refugees such as those arriving in the U.S. after World War II.
- Refugee entrepreneurs often work their way up from smaller loans to larger ones. As this occurs, the loan officers are able to better understand borrowers' risks; and meanwhile, borrowers also become more established and adept at preparing reports.
- BCNA as an organization, on the other hand, may be a fit for impact investors interested in extending low-cost loans. But lending programs also require grants for operational costs, as margins are intentionally kept low.

ADDITIONAL IMPACT DATA

Women's participation

- ✓ Tracks and publicly reports women's participation: 62% of all clients (almost exclusively refugees and immigrants) are women

Small business growth

In a 2018 survey, borrowers reported the following impact on their businesses:

- 260 expanded and grew
- 317 increased gross sales
- 268 increased salaries
- 31 hired at least one additional employee
- 81 planned to hire at least one additional employee in the next year

PANDEMIC RESPONSE

- Among its various pandemic response actions, BCNA reached out to each of its clients at the onset of the pandemic to ask about their individual needs and offer guidance. It recognized the importance of serving as a trusted source of information for clients who, due to past life experience, do not necessarily have trust in institutions as dependable information sources.¹⁸¹
- Because of its preexisting relationship with the relevant government agencies (i.e., SBA), BCNA was able to offer useful handholding for entrepreneur clients applying for government benefits
- BCNA has also been offering emergency loans at 3% interest and with no fees. (As of June 16, 2020, it had approved 92 loans for a total of \$1.2 million, of which 61 (\$793,855) had been disbursed.)¹⁸²
- It has also raised funds for emergency grants for its clients, raising \$44,000 (as of late July, 2020), and re-allocating \$50,000 of its unrestricted funds to match donations.

FOR FURTHER READING

- Investing in Transformation, Business Center for New Americans (New York: 2018), 33, <https://nybcna.org/wp-content/uploads/2018-BCNA-Annual-Report-Single.pdf>.
- Robin Lee, “Member Interview: We Have to Keep On Our Toes: Yanki Tshering, BCNA,” Centre for Entrepreneurs, <https://centreforentrepreneurs.org/member-interview-yanki-tshering-bcna/>.

Notes

- 1 For purposes of simplicity, this report uses the term “refugee” broadly to include people in refugee-like situations, including internally displaced persons and asylum-seekers. Additionally, solutions to forced displacement challenges would include activities that benefit displaced populations as well as those that benefit host communities.
- 2 Global Accelerator Learning Initiative (GALI), *Funding Accelerator Programs, Entrepreneurship & Acceleration: Questions from the Field* (Atlanta: GALI, December 2017), 3-4. Eighty-eight percent of accelerators in a recent GALI study received some donor funding, and many of these were 75-100% donor-funded. Of the accelerators in the “revenue-generating” category, only two (out of a total of 139 respondents) earned equity returns from their investments in startups.
- 3 Julienne Oyler (Co-Founder and Executive Director, African Entrepreneur Collective), interview by author, December 9, 2019
- 4 “Alight Uganda-Griffinworx Post-Business Acceleration Surveys, March 2020,” as provided by Jeremy Haldeman (Director of Government Affairs and Advocacy, Alight), email communication to author, July 2, 2020. The figures cited are based on the author’s analysis of raw data in the survey responses.
- 5 “TERN Community: Impact of COVID-19,” TERN, https://datastudio.google.com/u/0/reporting/1tCfGO_M2P-D7PMerPihQpb1umclzCg07c/page/YPFKB?s=kZDPIdp1MgY. This data was accessed July 15, 2020 and had remained constant as of September 19, 2020.
- 6 Rachel Bass, *The Impact Investment Market in the COVID-19 Context: An Overview*, (New York: GIIN, June 2020), 6.
- 7 Julienne Oyler (Co-Founder and Executive Director, African Entrepreneur Collective), email communication to author, September 29, 2020.
- 8 For purposes of simplicity, this report uses the term “refugee” broadly to include people in refugee-like situations, including internally displaced persons and asylum-seekers.
- 9 These categories largely align with the “refugee-owned” and “refugee-supporting” categories, respectively, of the RIN’s framework, the Refugee Lens. See, “The Refugee Lens: A framework to Define and Qualify Refugee Investments,” The Refugee Investment Network, <https://refugeeinvestments.org/resources/refugee-lens/>.
- 10 For the contributions of accelerators towards startup success more generally, see, Peter Roberts, Saurabh Lall, Ross Baird, Emily Eastman, Abigayle Davidson, and Amanda Jacobson, *What’s Working in Startup Acceleration: Insights from Fifteen Village Capital Programs* (Atlanta: GALI, May 2016), 20-29.
- 11 “The Accelerator Landscape,” GALI, <https://www.galidata.org/accelerators/>. Eight-seven percent of accelerators in GALI’s survey provide investor access as part of their services to ventures.
- 12 Abhilash Mudaliar, Rachel Bass, Hannah Dithrich, and Noshin Nova, *Annual Impact Investor Survey: 2019* (New York: GIIN, June 2019) 25, 52.

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- 13 Rachel Bass, Hannah Dithrich, Noshin Nova, and Sophia Sunderji, *The State of Impact Measurement and Management Practice*, second edition (New York: GIIN, January, 2020) 21; see also, Timothy Docking, Joanne Ke Edelman, and John Kluge, *Paradigm Shift: How Investment Can Unlock the Potential of Refugees* (Washington, D.C.: Refugee Investment Network, October 2018), 15.
 - 14 Ian Hathaway, “Accelerating growth: Startup accelerator programs in the United States,” Brookings Institute, <https://www.brookings.edu/research/accelerating-growth-startup-accelerator-programs-in-the-united-states/>, February 16, 2016.
 - 15 GALI has produced a survey of accelerators which is available online; see, “The Accelerator Landscape,” GALI, <https://www.galidata.org/accelerators/>. It also regularly produces both major publications and shorter documents on the topic of accelerators and their impact, at <https://www.galidata.org/publications/>.
 - 16 Friederike Andres and Patrick Swain, *Global Refugee Entrepreneurship Survey 2019* ed. Matt Smith, Kristina Vayda, and Amandine Tessaro (London: Centre for Entrepreneurs, 2020). It includes a variety of types of refugee-entrepreneurship support programs, such as training courses and accelerators, among its results. Centre for Entrepreneurs, *Starting Afresh: How Entrepreneurship Is Transforming The Lives Of Resettled Refugees* (London: Centre for Entrepreneurs, March 2018).
 - 17 European Commission, *Evaluation and Analysis of Good Practices in Promoting and Supporting Migrant Entrepreneurship: Guide Book* (Brussels: European Commission, August 2016).
 - 18 UN Conference on Trade and Development (UNCTAD), International Organization for Migration (IOM), and United Nations High Commissioner for Refugees (UNHCR), *Policy Guide on Entrepreneurship for Migrants and Refugees*, (New York: UNCTAD, 2018).
 - 19 As indicated earlier, and [described in further detail](#) on page 46, some refugee-impact ventures are also refugee-owned. However, there is no corresponding category of accelerators in this report, since there are no accelerators that require ventures to be both refugee-owned and refugee-impacting. Instead, such ventures are accelerated by either refugee-entrepreneurship accelerators or refugee-impact accelerators (or by accelerators that support either kind).
 - 20 This includes only programs that 1) have an intentional focus (either fully or partially) on refugee entrepreneurs or refugee-impact enterprises; 2) have accelerator characteristics, as described in Box 1 on page 18; 3) work with entrepreneurs for an extended period, beyond a few days; and 4) are currently active or potentially ongoing.
 - 21 As an example see, UNCTAD, IOM, and UNHCR, *Policy Guide on Entrepreneurship*, iii.
 - 22 This determination was made based on whether an accelerator’s web site or other online information either 1) made explicit reference to supporting refugees; or 2) indicated that any of its entrepreneurs came from conflict-affected countries of origin (suggesting forced displacement).
 - 23 Launches of new entrepreneurship programs reached their peak in 2016; see, Andres and Swain, *Global Refugee Entrepreneurship Survey 2019*, 11.
 - 24 A few select examples illustrate the variety of partnerships and the interrelated nature of the landscape: 1) Impact Hub Zurich hosts both Capacity and SINGA Zurich within its community space; 2) EU StartGees is being implemented by six local partners in four European countries; and 3) Jusoor, with contributions from Spark, runs its Startup Roadshow (see page 124), while the Startups Without Borders network and other partners help with communications, recruitment, and hosting.
 - 25 Country income classifications are derived from the World Bank’s classifications; see “Data: Country and Lend-

-
- ing Groups,” World Bank, <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>. Refugee population data includes refugees and asylum-seekers, and is derived from “Data Finder,” UNHCR, <https://www.unhcr.org/refugee-statistics/download/?url=R1xq>.
- 26 Ramzi Fathallah, *Under the Radar? How Syrian Refugee Entrepreneurs Adapt And Operate In Lebanon’s Informal Economy* (Beirut: American University of Beirut, February 15, 2020), 17.
- 27 Griffinworx has a larger, global portfolio of entrepreneurship programs.
- 28 Interviews with accelerator program managers, 2019. This conclusion is corroborated by Andres and Swain, *Global Refugee Entrepreneurship Survey 2019*, 12. The survey includes the category of “delivery contracts,” a funding source for 30% of respondents; because such arrangements are likely to involve government aid organizations, this category is similar to grants, and likely overlaps with GALI’s “consulting” and “government” funding source categories.
- 29 GALI, *Funding Accelerator Programs*, 3-4. Eighty-eight percent of accelerators in a recent GALI study received some donor funding, and many of these were 75-100% donor-funded. Of the accelerators in the “revenue-generating” category, only two (out of a total of 139 respondents) earned equity returns from their investments in startups.
- 30 As examples, the European Commission has funded EU StartGees as well as three now-discontinued programs (You-Me, Fresh Start, and MENT); USAID has funded Griffinworx’s efforts on behalf of Alight, and supports African Entrepreneur Collective. Funding from private foundations includes the Transparent Fish Fund’s support of the Miller Center’s SEM accelerator program. Partnerships with corporations do not appear to be a significant source of funding, but rather of in-kind donations and employee volunteer support. For more details on funding sources and trends, see: Andres and Swain, *Global Refugee Entrepreneurship Survey 2019*, 13-15.
- 31 Andres and Swain, *Global Refugee Entrepreneurship Survey 2019*, 15.
- 32 United Nations, *Report of the United Nations High Commissioner for Refugees, Part II: Global Compact on Refugees* (New York: United Nations, 2018), 7, 13. These objectives are mentioned in paragraphs 32 and 70, respectively.
- 33 The Miller Center has helped support these efforts by selecting several of these accelerators, as refugee-impact social enterprises, for its SEM accelerator.
- 34 Five One Labs, *Roadmap 2 Start Up: A Comprehensive Guide to Registering a Business in the Kurdistan Region of Iraq* (Sulaimani [?]: Five One Labs, 2020).
- 35 Charlie Fraser, (Co-Founder, TERN), email communication to author, March 17, 2020.
- 36 U.N., *Global Compact on Refugees*, 7, 13 (paragraphs 70 and 74-75).
- 37 Masako Hiraga, “How Many Companies Are Run by Women, and Why Does It Matter?” Data Blog, World Bank, March 8, 2018, <https://blogs.worldbank.org/opendata/how-many-companies-are-run-women-and-why-does-it-matter-0>.
- 38 GALI, *The Entrepreneurship Database Program at Emory University: 2019 Year-End Data Summary* (Atlanta: GALI, May 2020), 7. Among a global dataset of 23,368 ventures from 369 accelerator programs (run by more than 130 organizations), only 12% were women-led, while 50% were all-male teams—but women-led ventures were more likely than all-male teams (49% vs. 46%) to have reported revenues prior to acceptance into the accelerators.
- 39 Finland-based Sis Ventures, launched in 2019, is another female-only program, though since it supports immigrant women rather than refugees specifically, it was not analyzed for this report.
- 40 Frontier Incubators and Sasakawa Peace Foundation’s Asia Women’s Fund, *Gender Lens Incubator and Accelerator*

Toolkit (n.p.: Frontier Incubators, 2020).

- 41 Fiona Hazell (Partner, Make A Difference; and former Project Leader, Care of Business accelerator), interview by author, July 23, 2019; Mustafa Alio (Managing Director, Jumpstart Refugee Talent) interview by author, September 6, 2019. See also, UNCTAD, IOM, and UNHCR, *Policy Guide on Entrepreneurship*, 46.
- 42 This aligns with the findings on page 20 of Andres and Swain, *Global Refugee Entrepreneurship Survey 2019*, in which integration was cited as “very important”/“somewhat important”/“important” by the vast majority of respondents.
- 43 Massimo Conte and Lorenzo Scalchi, *Evaluation Report (Country-Specific and Overall): Migrant Entrepreneurs Team-Up With Mentors (MEnt)* (Milan: MEnt, December 12, 2018), 19; Capacity, *2018 Evaluation Report* (Zurich: Capacity, 2019), 19-20.
- 44 Alice Barbe (Co-Founder and Global Director, SINGA), email communication to author, April 14, 2020; Laura di Santolo (Co-Founder and Program Director, Forward Incubator), interview by author, May 6, 2020.
- 45 Many are “idea stage” programs, heavily weighing the entrepreneur’s personal fit for entrepreneurship, rather than the venture’s profitability potential.
- 46 In contrast, 59% of respondents to GALI’s survey cited “helping ventures gain market traction” as a priority, with “connecting ventures to investment opportunities” as a priority for 46% of respondents; see “The Accelerator Landscape,” GALI, <https://www.galidata.org/accelerators/>.
- 47 For example, entrepreneurs in the Ignite program (Australia) were able to earn livelihoods through self-employment or small businesses in fields such as photography, art/design, recruitment consultancy, hairdressing, electrician services, catering, moving, house-painting, and others. See, Jock Collins, *From Refugee To Entrepreneur In Sydney In Less Than Three Years: Final Evaluation Report on the SSI Ignite Small Business Start-Ups Program* (Sydney: UTS Business School, February 2017), 37-38.
- 48 Charlie Fraser (Co-Founder, TERN), interview by author, August 23, 2019.
- 49 Forward Incubator, *Impact Report 2020* (Amsterdam: Forward Incubator, March, 2020), 17-20; Collins, *Final Evaluation Report on Ignite*, 68-70, 84; Capacity, *2018 Evaluation Report*, 19-20; Ben & Jerry’s Ice Academy, *2019: Our Year in Review* (London[?]: Ben & Jerry’s, 2019), https://issuu.com/wearetern/docs/ice_academy_2019_european_impact_report, passim
- 50 Andres and Swain, *Global Refugee Entrepreneurship Survey 2019*, 18. The survey captured refugee entrepreneurs’ motivations to start their businesses; the most common reason cited by respondents was a longstanding interest in running their own businesses or working for themselves; Ben & Jerry’s Ice Academy, *2019: Our Year in Review*, 6. Eighty-seven percent of applicants to the Ice Academy’s accelerator programming (see page 37) in the UK and France have stated that it is their dream to start their own business.
- 51 Sibylle Heilbrunn, ed., *Refugee Entrepreneurs: A Case-Based Topography*, (Cham, Switzerland: Palgrave MacMillan, 2019) 5-7.
- 52 There have been other initiatives to encourage forcibly displaced individuals to explore entrepreneurship, but these have consisted of short-term events rather than full-fledged accelerator programming conducted over multiple weeks.
- 53 Anas Al-Chalabi (Entrepreneurship Project Manager, Jusoor), interview by author, October 1, 2019.
- 54 Denise Baer, John Carey, and Patty Hill, “Mid-Term Assessment On The Livelihoods Innovation Through Food Entrepreneurship Project (LIFE Project)” (unpublished document, Washington, D.C., April 2020), 19.

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- 55 Julienne Oyler (Co-Founder and Executive Director, African Entrepreneur Collective), interview by author, December 9, 2019.
- 56 **Techfugees** is another organization that supports technology-enabled solutions to the challenges of forced displacement. It is mainly a virtual network, rather than an accelerator. Several local chapters exist, which appear to have varying degrees of activity.
- 57 “The Accelerator Landscape,” GALI, <https://www.galidata.org/accelerators/>. In GALI’s survey, 87% percent of accelerators overall, including 84% of impact accelerators and 91% of non-impact accelerators, provide access to investors.
- 58 Miller Center for Social Entrepreneurship: GBSI Social Entrepreneurship at the Margins, *2018 Investor Profiles* (Santa Clara: Miller Center, 2018). Another example (not currently online) is TERN’s presentation associated with its December 2019 Investor Showcase.
- 59 “Five One Labs Launches Investment Initiative,” Five One Labs (blog), October 7, 2020, <https://fiveonelabs.org/blog/2020/10/7/five-one-labs-launches-investment-initiative>.
- 60 As a comparison, 44% of accelerators in GALI’s survey made investments in their ventures, and 23% invested in all their cohort ventures. Source: Brent Ruth (Global Partnerships Manager, GALI), email communication to author, March 22, 2020.
- 61 Griffinworx, “Griffinworx/ARC Partnership in Livelihoods: StartUp Cup Challenge,” (unpublished document, Washington, D.C., October 9, 2019), as provided by Jeremy Haldeman (Director of Government Affairs and Advocacy, Alight), email communication to author, October 31, 2019.
- 62 Alice Barbe, email communication to author (October 12, 2020).
- 63 “The Accelerator Landscape,” GALI, <https://www.galidata.org/accelerators/>. In GALI’s survey, 44% of respondents overall, including 41% of impact-oriented accelerators, support idea-stage ventures.
- 64 N.B.: This report follows the categories of startup/early stage businesses used by GALI, found at “The Accelerator Landscape,” GALI, <https://www.galidata.org/accelerators/>.
- 65 Charlie Fraser (Co-Founder, TERN), interview by author, August 23, 2019.
- 66 “The Accelerator Landscape,” GALI, <https://www.galidata.org/accelerators/>. Most respondents to GALI’s survey work with ventures in the two middle stages (startup and early-stage, at 64% and 71% respectively). Growth-stage ventures have the smallest focus among accelerators overall, but only slightly (just 44% of all respondents support idea-stage ventures). But a greater proportion of non-impact-oriented accelerators (51%) support growth-stage ventures compared to the proportion of impact accelerators supporting this stage (33%).
- 67 “Our Incubator Program,” Forward Incubator, <https://forwardincubator.com/program/>; Anas Al-Chalabi, (Entrepreneurship Project Manager, Jusoor), interview by author, October 1, 2019. In their *Global Refugee Entrepreneurship Survey 2019*, Andres and Swain also highlight mentoring as a post-graduation support service (page 28).
- 68 Another is the Miller Center’s Social Entrepreneurship at the Margins (SEM) accelerator. However, the SEM program is a hybrid; since refugee-impact ventures have outnumbered the refugee-owned enterprises in its cohorts thus far, it is covered in more detail in the **chapter** on refugee-impact venture accelerators (page 44).
- 69 Julienne Oyler (Co-Founder and Executive Director, African Entrepreneur Collective), interview by author, December 9, 2019.
- 70 Yanki Tschering (Founder and Director, Business Center for New Americans), interview by author, December

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- 11, 2019; “RIN-CEO Social Impact Fund,” The Refugee Investment Network, <https://refugeeinvestments.org/social-impact-fund/>.
- 71 Bayram, Ahmad Sufian, *Entrepreneurship in Exile: Insights into Syrians Startups in Host Countries* (Berlin[?]: 2018), 28-29. This chapter provides further detail on how Syrian refugees have been excluded from financial services, including basic banking accounts and credit products, in their host countries.
- 72 Although in the Ignite program (Australia), more than half of the entrepreneurs used savings as a source of startup capital, and more than one-quarter borrowed from family and friends, the evaluation suggests that they needed time to acquire these funds: two-thirds of participants had been in Australia for more than one year (and 10% more than four years) before starting the program. “Obtaining/managing finance” was cited as the second largest challenge behind marketing. See: Collins, *Final Evaluation Report on Ignite*, 56-67.
- 73 Daniel Buchbinder (Founding Chairman and CEO, Alterna), in discussion with the author, October 2, 2019. This observation parallels the research findings on page 30 of Bayram’s *Entrepreneurship in Exile*, and has been echoed by several other accelerator program managers such as Mustafa Alio, Managing Director, Jumpstart Refugee Talent (in interview by author, September 6, 2019).
- 74 Bayram, *Entrepreneurship in Exile*, 30.
- 75 Ben & Jerry’s Ice Academy, *2019: Our Year in Review*, 9,13. See also, “Ben & Jerry’s Ice Academy”, Ben & Jerry’s, <https://www.benjerry.co.uk/values/ice-academy>.
- 76 The Miller Center, an innovator in social entrepreneurship acceleration, has already been using a flexible online methodology (called the GSBI Online) for several years, including for its SEM program. However, the program is geared toward growth-stage social entrepreneurs rather than early-stage entrepreneurs.
- 77 For other examples of accelerators providing direct financing to refugee (or migrant entrepreneurs), see UNCTAD, IOM, and UNHCR, *Policy Guide on Entrepreneurship*, 78.
- 78 Global Accelerator Learning Initiative, *Measuring the Value for Money of Acceleration: An Introduction and Methods Brief* (Atlanta: September 2018), 17. Research indicates that early-stage ventures that win grants through competitions fare better than those which have received training only, in terms of higher rates of survival, faster revenue growth, and higher employment.
- 79 Patricia Letaf (Director of Operations, Five One Labs), interview by author, December 11, 2019.
- 80 International Finance Corporation, *Venture Capital and the Gender Financing Gap: The Role of Accelerators* (Washington: 2020), 8.
- 81 Marie Haller and Thane Kreiner, *Social Entrepreneurship At The Margins: Helping Refugees, Migrants, and Human Trafficking Survivors Reclaim Their Futures* (Santa Clara: 2019), 22. Although most of the refugee-impact ventures in the accelerator’s first cohort were led by non-refugee entrepreneurs, the paper’s findings—that impact investors consider investments of less than \$2 million to be too risky—would also seem applicable to refugee-owned ventures more widely.
- 82 Haller and Kreiner, *Social Entrepreneurship At The Margins*, 25. This fund concept is one of several examples mentioned in interviews by accelerator managers.
- 83 Meaghan Simpson, “Dream Maker Ventures Launches Network To Connect Underrepresented Founders, Funders” Betakit, March 6, 2020, <https://betakit.com/dream-maker-ventures-launches-network-to-connect-underrepresented-founders-funders/>.
- 84 Laura di Santolo, (Co-Founder and Program Director, Forward Incubator), interview by author, May 6, 2020.

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- 85 Laura di Santolo, (Co-Founder and Program Director, Forward Incubator), interview by author, May 6, 2020.
- 86 “Griffinworx/ARC Partnership in Livelihoods: StartUp Cup Challenge.”
- 87 Julienne Oyler (Co-Founder and Executive Director, African Entrepreneur Collective), email communication with the author, April 30, 2020.
- 88 Julienne Oyler, email communication with the author, April 30, 2020.
- 89 “Alight Uganda-Griffinworx Post-Business Acceleration Surveys, March 2020,” as provided by Jeremy Haldeman (Director of Government Affairs and Advocacy, Alight), email communication to author, July 2, 2020. The figures cited are based on the author’s analysis of raw data in the survey responses.
- 90 Julienne Oyler, email communication with the author, December 9, 2019.
- 91 Both the Miller Center SEM Accelerator and the three SINGA chapters have been classified in Table 1 as ‘hybrids,’ and have been included in the analyses of refugee-entrepreneurship accelerators as well. As SINGA’s refugee-impact ventures is a smaller proportion of its overall activity, it is not factored into several of the analyses in the following pages.
- 92 Miller Center for Social Entrepreneurship, “Social Impact at the Margins Accelerator,” <https://www.millersocent.org/programs/social-entrepreneurship-at-the-margins/>; Miller Center, *2018 Investor Profiles*. The figures given are based on the author’s analysis of these two sources.
- 93 The impact-oriented accelerators included in this study do not overlap significantly with the accelerators included in the GALI dataset. This is because GALI’s data depends upon program managers’ willingness to complete data surveys, while the author identified and contacted accelerators with an existing track record of working with refugee-impact ventures—resulting in a different response pattern. Furthermore, in the interests of disclosure, it should be noted that the author served as a mentor for Tables Without Borders, a refugee-impact venture in Halcyon Incubator’s Spring 2020 cohort.
- 94 Collins, *Final Evaluation Report on Ignite*, 60. Fourteen refugee businesses in the Ignite program (Australia) either employed refugees, or engaged them as subcontractors or casual staff.
- 95 It is worth noting that other (non-refugee-owned) enterprises that employ similar numbers of refugees have been recognized as refugee-impact/social impact ventures, and on at least one occasion have attracted funding from social impact investors: “Unmasking Opportunity Amid the Covid-19 Pandemic: The Knotty Tie Co.’s Program Related Investment,” AJL Foundation, <https://www.ajlfoundation.org/article/unmasking-opportunity-amid-covid-19-pandemic-knotty-tie-co-program-related-investment>.
- 96 Charlie Fraser, in discussions with the author, May 19, 2020.
- 97 Miller Center, “Social Impact at the Margins Accelerator”; Miller Center, *2018 Investor Profiles*. The figure given is based on the author’s analysis of these two sources.
- 98 Miller Center, *2018 Investor Profiles*.
- 99 “CivicX Impact Report 2012-2018,” CivicX.org, https://cvcx.org/civicx-impact-report-2012-2018/#.Xs_xdS-ZO8U, last accessed May 28, 2020. While this web site is no longer available, it includes 10 metrics related to business growth (four of which relate to attribution of the ventures’ growth), three related to social impact, six related to diversity of entrepreneurs, and four related to entrepreneur’s increase in skills/competencies) An earlier version of Civic X.org’s impact report is available at <https://web.archive.org/web/20170519204029/http://cvcx.org/wp-content/uploads/2016/02/civicx-impact-report-general-final.pdf>.

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- 100 Ventures from SINGA France, Switzerland, and Spain were not included in this analysis, since lists of their refugee-impact ventures were not readily available. Additionally, because it would be difficult to identify every refugee-impact venture that has been accelerated in any program, the scope of analysis has been limited to the accelerators in **Table III**. However, the author identified and reviewed numerous other refugee-impact ventures, some of which were accelerated by other programs, and the patterns seen among these other ventures parallel those in the dataset.
- 101 Due to the sensitivity of this information, the author has decided to refrain from identifying this and other multiple-accelerated ventures; however, details are available upon request.
- 102 GALI, *2019 Year-End Survey*, 9. Thirty-one percent of enterprises in the survey reported at least one prior acceleration, and this group fared better in terms of attracting equity, generating revenue, hiring employees, and achieving philanthropic support.
- 103 Examples include Refugees Code and Diwala.
- 104 A relevant example from the wider ecosystem is the \$1 million 2017 Hult Prize student business competition, which called for enterprises that would “measurably restore the rights and dignity of 10 million refugees within five years.” Its year-long, four stage competition—including an 8-week incubator for finalists—culminated in an award ceremony at the U.N.; but within a year, the \$1 million grand prize winner, Roshni Rides, had pivoted its business; instead of providing a dedicated shuttle service to refugees, it is now a carpool platform for commuters in Karachi. Of the five other finalists, four are now defunct, and the fifth has no apparent focus on refugees. For more on this competition see, Hult Prize Foundation, “**Hult Prize Announces Six Finalists Set to Help 10 Million Refugees**,” News release (September 12, 2017). For an illustration of Roshni Rides’ pivot, see, “The Problem,” Roshni Rides, August 12, 2018, <http://web.archive.org/web/20180812205620/http://roshnirides.com/>.
- 105 GALI, *2019 Year-End Survey*, 6. Even given the difference between GALI’s seven-year time horizon and the five-year time horizon of this report’s dataset (the earliest acceleration in this report’s refugee-impact dataset occurred 2015), the magnitude of the contrast is significant.
- 106 “Entrepreneurship Database,” GALI, <https://www.galidata.org/entrepreneurs/>.
- 107 Humanitarian agencies could be considered likely paying customers if the venture intends to offer the agencies cost savings or higher-quality outcomes for their existing services. For the purposes of this report’s analysis, development aid funders are not considered paying customers if funding the venture with a grant, especially given the limited duration of such arrangements.
- 108 Assessments were made using publicly available information on topics such as: entrepreneurs’ statements of intent; existing types of funds raised; and the types of paying customers for the venture. Two ventures were excluded from the analysis due to scarcity of information.
- 109 Lily Bowles, Saurabh Lall, and Ross Baird, “**Bridging the ‘Pioneer Gap’: The Role of Accelerators in Launching High-Impact Enterprises**,” *Innovations: Technology, Governance, Globalization Review* 8, no. 3/4 (2013): 131.
- 110 This report’s use of the term “refugee-impact” is largely based on the RIN’s “refugee-supporting” category; see, “The Refugee Lens,” The Refugee Investment Network, <https://refugeeinvestments.org/resources/refugee-lens/>. One distinction, however, is that this report considers a venture to be a refugee-impact venture if it employs a number of refugees, without requiring (as the RIN’s framework does) a commitment to hiring refugees for at least 20% of the company’s workforce.
- 111 “How Much,” Impact Management Project, <https://impactmanagementproject.com/impact-management/impact-management-norms/how-much/>.

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- 112 Fewer than one quarter of the ventures in the dataset contain impact metrics on their web sites; only one—Na-Takallam—provided data related to impact depth, while another, NewBees, shared its impact assessment across several dimensions using a more relative approach. The analysis for this report thus required an extensive review of other sources for the impact information (e.g., online publications, the Miller Center SEM accelerator’s *2018 Investor Profiles*, and—for ventures that are refugee-entrepreneurship accelerators—interviews and correspondence).
- 113 “Financing sought” was determined from a combination of sources, including investee profiles in the Miller Center’s *2018 Investor Profiles*; the Demo Day video of the SDGia program; backwards-looking assumptions based on types of actual financing received by some ventures; and inferences from the organization’s business model and/or non-profit status, drawn from information in the media.
- 114 It is worth noting that in 2019, Village Capital explored the potential for fintech ventures to provide solutions for refugees in Europe. As part of its “Fintech for Refugees” program, it convened nine ventures whose technology solutions were being used, or could be used, for this objective. These ventures included four that are also in this report’s dataset (including Leaf); of the remaining five, one has created a digital identity solution designed for refugees in Europe; two others appear to be no longer operational; and the remaining two do not have an explicit focus on refugees, though their solutions could be applied to refugee populations. For further exploration of potential fintech solutions for refugees living in Europe, including challenges and recommendations, see: Allie Burns, Ben Younkman, and Marta Zaccagnini, *Breaking Barriers: Fintech Solutions for Refugees, Europe Focus* (Washington, D.C.: Village Capital, 2020).
- 115 Examples include Inash, which sources from women in Palestinian refugee camps in Lebanon; RefuSHE, which sells accessories from a young women’s artisan collective in Kenya; and PichaEats, which markets cuisine made by urban refugees in Malaysia.
- 116 General insights in this chapter were drawn from the author’s communications with various accelerators and related organizations. This chapter was also informed by the Centre for Entrepreneurship’s March 26, 2020 Refugee Entrepreneurship Network videoconference; due to privacy considerations, however, no specific information is divulged herein, but takeaways from this discussion have been summarized online; see, Betsy Alley, “How Are Refugee Entrepreneurship Programmes Responding to the Covid-19 Pandemic?” Centre for Entrepreneurs April 17, 2020, [https://centreforentrepreneurs.org/how-are-refugee-entrepreneurship-programmes-responding-to-the-covid-19-pandemic/?mc_cid=2a31baccd9\\$mc_eid=9c1f97c7a0](https://centreforentrepreneurs.org/how-are-refugee-entrepreneurship-programmes-responding-to-the-covid-19-pandemic/?mc_cid=2a31baccd9$mc_eid=9c1f97c7a0)). In addition, the author worked with the RIN to develop its April 2020 survey of stakeholders, and responses to this survey supported the conclusions in this chapter.
- 117 “TERN Community: Impact of COVID-19,” TERN, https://datastudio.google.com/u/0/reporting/1tCfGO_M2P-D7PMerPihQpb1umcIzCg07c/page/YPFKB?s=kZDPIdp1MgY. This data was accessed July 15, 2020 and had remained constant as of September 19, 2020.
- 118 “Iraq’s Startups Will Overcome Coronavirus,” Five One Labs (blog), April 23, 2020, <https://fiveonelabs.org/blog>.
- 119 The Refugee Investment Network, unpublished survey data, April 2020.
- 120 “**Miller Center and Beneficial Returns Announce Social Enterprise Emergency Loan Fund**,” Miller Center for Social Entrepreneurship news release, May 26, 2020. These webinars have been recorded and are available for viewing on the Miller Center’s web site, <https://www.millersocent.org/covid19/>.
- 121 Five One Labs, *Startup Survival: Coronavirus Response Kit* (n.p.: Five One Labs, April 2020).
- 122 “GBSI® Bounceback.” Miller Center for Social Entrepreneurship, <https://Millersocent.org/bounceback>.
- 123 These conclusions were drawn from the author’s communications with more than one accelerator manager on the subject. However, identifying details are being withheld due to the sensitivity of this topic.

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- 124 Several programs, including the Miller Center and TERN, have also given these online stores visibility on their COVID-19 response web pages.
- 125 Yanki Tshering, “How We Are Supporting Our Clients With Emergency Loans,” Business Center for New Americans (blog), May 1, 2020, <https://nybcna.org/blog-posts/emergency-loans/>. BCNA staff contacted each of their 600+ clients individually; as Tshering highlights, it is important for displaced individuals, given their past experiences, to have a trusted source of information.
- 126 Meg Massey, “Meet the Impact Investment Networks Responding to the Pandemic,” Karma, May 19, 2020, <https://karmaimpact.com/meet-the-impact-investing-networks-responding-to-the-pandemic/>.
- 127 Rachel Bass, *The Impact Investment Market in the COVID-19 Context: An Overview*, 6. The GIIN’s research indicates that impact investors are prioritizing three impact themes for their response to COVID-19: financial inclusion, food security, and health care; and the COVID-19 Coalition aims to support ventures providing COVID19-solutions in health care, financial resilience, and economic recovery.
- 128 **“1,000 Entrepreneurs Within Refugee Communities In Rwanda To Benefit From Economic Recovery Grants On World Refugee Day,”** Inkomoko news release, June 18, 2020.
- 129 Alice Barbe, email communication to author (October 12, 2020).
- 130 The Refugee Investment Network, unpublished survey data, April 2020; “Emergency Fund for NYC Refugee Business Owners”, GoFundMe, <https://charity.gofundme.com/o/en/campaign/nyc-refugee-entrepreneur-emergency-grant-fund>. In addition to these crowdfunding campaigns, the RIN launched the Refugee Entrepreneurs in COVID-19 Resilience (RECOVR) Fund in May 2020. As of mid-September 2020, it had raised \$251,1860 to be allocated among the IRC-CEO, three accelerators, and the RIN. Source: “Refugee Entrepreneurs in COVID-19 Resilience (RECOVR) Fund,” Grapevine, <https://www.grapevine.org/c/QtyWhZ/Refugee-Entrepreneurs-COVID-19-Resilience-Fund-RECOVR-Fund/home>.
- 131 “Resources for Businesses Affected by COVID-19,” Business Center for New Americans, <https://nybcna.org/covid19help/>.
- 132 **“Miller Center and Beneficial Returns Announce Social Enterprise Emergency Loan Fund.”** Donations of under \$10,000, however, are to be treated as non-recoverable grants.
- 133 Mike Malloy (Program Director, Halcyon Incubator), email communication to author, July 31, 2020.
- 134 Julienne Oyler (Co-Founder and Executive Director, African Entrepreneur Collective), email communication to author, September 29, 2020.
- 135 John Griffith and Tad Lunden, “Private Sector Delivery of Services for IDPs and Host Communities in the DRC: Lessons from the American Refugee Committee [now Alight]” (presentation and discussion, World Bank Global Solutions Group for Stability, Peace, and Security luncheon event, Washington, D.C., June 13, 2018. For more information on Asili, see, “Raising Industry Standards for Human-Oriented Services,” Alight, <https://wearealight.org/our-work/asili/>.
- 136 Kiera Schuller, “Empowering Refugees Through Tech: An Interview With Aline Sara,” Digital Policy Salon, May 13, 2020, <https://medium.com/digitalpolicysalon/empowering-refugees-through-tech-46659332fd49>.
- 137 Jeanne Bell and Steve Dubb, “Will Donor-Advised Funds Meet Their ‘Rainy Day’ Promise?,” Nonprofit Quarterly, April 28, 2020, <https://nonprofitquarterly.org/will-donor-advised-funds-meet-their-rainy-day-promise/>. The authors’ analysis found that doubling the typical annual disbursements rate (from 20–25% payout of assets to 40–50%) does “not necessarily” look likely; “Generous Americans Are Actually Giving More To Charities Through The Pandemic, Surveys Say,” Good News Network, August 19, 2020, <https://www.goodnewsnetwork.org/surveys->

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- [show-americans-giving-more-to-charity-through-covid-19/](#). At two major sponsoring organizations, the disbursement rates in the first half of 2020 increased by less than 50% compared to the same period in 2019, suggesting that 2020 payouts may not double, and would still leave more than \$30 billion undisbursed this year.
- 138 Ryan Macpherson, Sarah Kearney, and Emma Kulow “How to Use Donor Advised Funds to Make Impact Investments,” *Stanford Social Innovation Review*, October 25, 2018, https://ssir.org/articles/entry/how_to_use_donor_advised_funds_to_make_impact_investments.
- 139 For a discussion on the disadvantages that donor-advised funds pose to charitable entities, see, Chuck Collins, Helen Flannery, Josh Hoxie, *Warehousing Wealth: Donor-Advised Charity Funds Sequestering Billions in the Face of Growing Inequality* (Washington, D.C.: Institute for Policy Studies, July 2018), 26-29.
- 140 “The 2019 DAF Report,” National Philanthropic Trust, <https://www.nptrust.org/reports/daf-report/>.
- 141 A relevant example is the “Half Your DAF” campaign, in which one account-holding couple has committed to disbursing 50% of their account’s assets (by September 30, 2020) and have enlisted dozens of other accountholders to do the same. However, of the \$5.1 million donated by participating accountholders (as of Sept 15, 2020), only \$1,100 had been disbursed to organizations with a clear refugee connection, according to the author’s analysis of data on the campaign’s web site; see, “Join the #HalfMyDAF Movement and Put Your Money to Work,” Half My DAF, <https://www.halfmydaf.com>, last accessed September 15, 2020.
- 142 Harry Goldstein, “MIT Media Lab Scientist Used Syrian Refugees to Tout Food Computers That Didn’t Work,” *IEEE Spectrum*, October 24, 2019, https://spectrum.ieee.org/tech-talk/at-work/start-ups/mit-media-lab-scientist-used-syrian-refugees-to-tout-food-computers?utm_source=spectrum-hero. As the article notes, “...the situation on the ground never matched the fantastic claims that Harper made about the WFP [World Food Program] project in public appearances during the spring of 2017 and in briefings for corporate patrons of the Media Lab in the spring and fall of 2017.”
- 143 GALI, *2019 Year-End Summary*, 9. Specifically, GALI’s report notes that approximately 75% of impact ventures have not used either of two established impact measurement systems, mostly due to a lack of awareness.
- 144 GALI, *Measuring the Value for Money of Acceleration*.
- 145 A recent policy paper has reinforced the case for including disadvantaged groups in incubators and accelerators: David Halabisky, *Policy Brief on Incubators and Accelerators That Support Refugee Entrepreneurship* (Luxembourg: Organisation for Economic Co-operation and Development/European Union, 2019).
- 146 Increasing the pipeline of ventures serving vulnerable populations (both tech-enabled and not) could help to reduce the fragility and exclusion contributing to conflict and further displacement; however, this topic is beyond the scope of this report, and warrants its own separate investigation.
- 147 Frontier Incubators and Sasakawa Peace Foundation’s Asia Women’s Fund *Gender Lens Incubator and Accelerator Toolkit*.
- 148 Current examples include: idaCapital in Turkey, part of the Capria Network; Sharaka Capital Management, backed by the Aspen Institute and covering Jordan, Egypt, and adjacent markets; and 17 Asset Management, operating in both Mexico and Jordan.
- 149 Conveners could also play a role in harnessing more grant funding to provide pandemic relief for refugee ventures. However, it appears that the economic situation and fundraising environment is currently too challenging to have high expectations in this area.
- 150 Accelerator management teams may wish to refer to examples such as: the Acumen CivicX accelerator’s metrics (see page 48, and note on page 161); evaluations listed in **Annex 1, Table VII** (page 95); and impact reports

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- for some existing accelerators as cited within individual case studies ([Appendix](#), page 108ff.).
- 151 GALI, *Measuring the Value for Money of Acceleration*.
- 152 Frontier Incubators and Sasakawa Peace Foundation's Asia Women's Fund, *Gender Lens Incubator and Accelerator Toolkit*.
- 153 In the absence of diversity initiatives, accelerators can form coalitions with other organizations supporting under-served groups in order to collectively attract investors.
- 154 Heilbrunn, *Refugee Entrepreneurs*, 7-8.
- 155 Bram Wauters and Johan Lambrecht, "Barriers to Refugee Entrepreneurship in Belgium: Towards an Explanatory Model," *Journal of Ethnic and Migration Studies*, 34:6 (2008), 895-915, quoted in Heilbrunn, 6.
- 156 Heilbrunn, *Refugee Entrepreneurs*, 6. Additionally, refugees in Australia mentioned additional challenges: difficulty in building networks of suppliers/distributors; competition from locals, finding the right employees; see, Collins, *Final Evaluation Report on Ignite*, 57-58.
- 157 Bayram, *Entrepreneurship in Exile*, 24-36.
- 158 Laura di Santolo, (Co-Founder and Program Director, Forward Incubator), interview by author, May 6, 2020. Di Santolo notes that even programs with a highly goal-oriented curriculum have understood the importance taking an empathetic and understanding approach to these personal situations.
- 159 Aki Harima, Julia Freudenberg, Jantje Halberstadt, "[Functional Domains of Business Incubators for Refugee Entrepreneurs](#)," *Journal of Enterprising Communities: People and Places in the Global Economy*, March 2019, doi 10.1108/JEC-11-2018-0081.
- 160 Andres and Swain, *Global Refugee Entrepreneurship Survey 2019*, 15, 20. Case studies in the Appendix of this report contain references to available evaluations, and Annex 1 contains a list of a list of impact studies from discontinued accelerators.
- 161 "Microenterprise Development Grants," Office of Refugee Resettlement, U.S. Department of Health and Human Services, November 10, 2015, <https://www.acf.hhs.gov/orr/resource/microenterprise-development-grants-0>. For further information about the Microenterprise Development Program, see UNCTAD, IOM, and UNHCR, *Policy Guide on Entrepreneurship*, 29.
- 162 Yanki Tschering, "Highlights from the ORR Microenterprise Development Workshop (blog)," Business Center for New Americans, August 15, 2019, https://nybcna.org/blog-posts/orr_workshop_2019/.
- 163 James Chen, "Social Impact Bond (SIB)," Investopedia, July 14, 2020, <https://www.investopedia.com/terms/s/social-impact-bond.asp>.
- 164 "Impact Bonds Snapshot," Brookings Institution, February 2020, <https://www.brookings.edu/research/social-and-development-impact-bonds-by-the-numbers/>.
- 165 Collins, *Final Evaluation Report on Ignite*, 61-62.
- 166 Collins, *Final Evaluation Report on Ignite*, 84.
- 167 Laura di Santolo Laura di Santolo, (Co-Founder and Program Director, Forward Incubator), email communication to author, August 17, 2020.
- 168 Various sources explain the structuring of the two bonds, although details on the outcomes are currently scarce.

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- For an overview of both Social Impact Bonds, see, Chris Clements, “**Innovative Financing & Refugee Integration: Social Impact Bonds**” (presentation, Social Innovation for Refugee Inclusion November 17, 2017, Brussels), 15-23.
- 169 Emily Gustafsson-Wright, Sophie Gardiner, and Vidya Putcha, *The Potential and Limitations of Impact Bonds: Lessons From the First Five Years of Lessons Worldwide* (Washington, D.C.: Brookings Institution, January 2015) 21.
- 170 Maoz Brown, “The Hidden Costs of Social Impact Bonds,” *Nonprofit Quarterly*, October 18, 2019, <https://nonprofitquarterly.org/the-hidden-costs-of-social-impact-bonds/>.
- 171 Nicolas Denoël, “**Developing Social Impact Bonds in Belgium**,” (master’s thesis, University Catholique de Louvain, 2014), 37-46. This provides a step-by-step description of the Belgian Social Impact Bond’s origination and implementation.
- 172 While ventures’ intended impact goals (or outcomes) represent an important component of the classification system, the decision to factor in additional considerations—such as ventures’ products and services and their delivery model—made the groupings more similar, which aided in assessing the potential impact of each subgroup.
- 173 “How Much,” Impact Management Project, <https://impactmanagementproject.com/impact-management/impact-management-norms/how-much/>. Current best practices in impact measurement assess a project or company’s impact across five dimensions: 1) who; 2) what; 3) how much; 4) contribution; and 5) risk. In this exercise, the “who” is assumed to be broadly the same (forcibly displaced individuals), and the more complex aspects of contribution and risk are excluded for the purposes of simplicity.
- 174 Julienne Oyler (Co-Founder and Executive Director, African Entrepreneur Collective), email communication to author, September 29, 2020.
- 175 Five One Labs, *Startup Survival: Coronavirus Response Kit*, (n.p.: Five One Labs, April 2020).
- 176 Anne Hernandez, Ha Ngan Phan, and Aurore Le Saule, *Report d’Evaluation: SINGA France*, (Paris[?], 2017) 15-18.
- 177 “GBSI® Bounceback.” Miller Center for Social Entrepreneurship, <https://Millersocent.org/bounceback>.
- 178 “**Miller Center and Beneficial Returns Announce Social Enterprise Emergency Loan Fund**.” Donations of under \$10,000, however, will be treated as non-recoverable grants.
- 179 “Individual Development Accounts,” Prosperity Now, <https://prosperitynow.org/issues/individual-development-accounts>.
- 180 Robin Lee, “Member Interview: We Have to Keep On Our Toes: Yanki Tshering, BCNA,” Centre for Entrepreneurs, <https://centreforentrepreneurs.org/member-interview-yanki-tshering-bcna/>.
- 181 “**Resources for Businesses Affected by COVID-19**,” Business Center for New Americans.
- 182 Tshering, “**How We Are Supporting Our Clients With Emergency Loans**.”



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