

From Crisis to Opportunity: The Power and Potential of Refugee Lens Investing – English Transcript

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00:16

Hey everyone! My name is Barri Shorey. Welcome to what I hope will be the most exciting session of Financial Inclusion Week. Big thanks to the people who organize this awesome online event every year. I'm really grateful to start this amazing session with such fantastic panelists to discuss Refugee Lens Investing. Just to make sure we're all on the same page about what we mean by that...

00:49

Refugee lens investing is all about putting money into projects that help refugees. Basically, it's a type of impact investing, but it makes sure that investors can earn a profit while also making a positive social and environmental impact for refugees. This includes funding businesses owned by refugees, businesses that support refugees, and even specific lending programs for refugees. So, the reason I'm here is that I work for the Conrad N. Hilton Foundation.

01:22

"We've got this really specific initiative focused on refugees, and we're super keen on finding creative ways to help them out. A lot of the old humanitarian aid methods just aren't cutting it anymore. So, we're really diving into some funding opportunities that are aimed at these amazing speakers, looking at refugees as investments and figuring out new ways to use funding to improve their situations. So, in this session..."

01:55

Great people are going to share their experiences, the lessons they've learned, and their ideas about the future of refugee lens investing. They'll talk about the impact it's had and how it's changing our perspective on humanitarian and development efforts, as well as the benefits of this kind of work and what they need to succeed. So, with that, I'll stop talking and let our panelists introduce themselves and explain what brings them here today.

02:24

"Hey everyone, thanks for joining us! I just want to kick things off by passing it over to Carolina Duran. Good morning, good afternoon, everyone! I really appreciate the invite,

Barri. It's a great chance to discuss the impact and possibilities of using a refugee perspective in investing and promoting financial inclusion. So, Carolina, take it away!"

02:58

I've been working in Latin America for over 20 years, both in the private and public sectors, mainly helping businesses grow and succeed. That's my life's purpose. I really enjoy helping businesses, especially those owned by marginalized and vulnerable groups, because it's tough to run a small business in Latin America, and it gets even harder with added obstacles. Access to resources has been a crucial factor in making things happen.

03:29

There are about 5 million small businesses in Colombia, and they account for over 80% of the GDP and 83% of formal jobs. It's crucial for these businesses to get access to financing to help them grow and drive economic development. We've been working closely with them on venture capital, investment access, loans, and reducing risk assessments, but now we need to focus on building markets.

04:07

"We help businesses owned or led by refugee migrants connect to markets. By getting them more clients, they can sell more, which means more resources for their business and their community. But to sell more, they face the issue of financing—they need working capital and access to credit to keep things running. Just to put it all in perspective."

04:37

In Colombia, there are over 2.1 million Venezuelan migrants. About 80% of them are of working age and able to contribute, bringing a lot of creativity and entrepreneurship to the table. They start their own businesses, but only 1% can get formal credit. It's really tough to run a business without access to financing.

05:16

"Hey, so that dream of yours to get your business off the ground? That's why I'm here, Barri. I'm looking forward to chatting with you about how we can make that happen. I'm really excited to have you on board! Now, I'll pass it over to Lev for a quick intro. Thanks a lot, Barri, for hosting this for the Hilton Foundation and for all the amazing work you do in this area, and also for CFI for putting together this session during Financial Inclusion Week. I'm Lev Plaves, and I'm an investment director."

05:47

I'm coming to you from the Bay Area. For those who don't know, Kiva is the biggest crowdfunding platform for social good out there. You can check out our website, look at profiles of entrepreneurs from over 75 countries, and make a loan starting at just \$25 to help them out. What's really important about the Kiva model, and what I'll focus on, is that we collaborate with a network of local partners, mainly financial intermediaries.

06:16

In the countries where we work, we noticed that there's a big need for refugees who've settled in new places to get back on their feet, especially when it comes to accessing financial services like credit. Our work with refugees officially kicked off in 2016 because we realized that most financial institutions, whether they're traditional banks or even some of the more socially focused microfinance organizations, weren't meeting those needs.

06:43

Banks didn't want to lend to refugees because they thought it was too risky. They worried about things like flight risk—refugees often don't have much in the way of fixed assets in their new country, and if they had any credit history, it vanished when they crossed borders. All of this made it hard for financial services to give loans to refugees. That's where we thought we could help. Our crowdfunding platform has a unique approach to risk, so we're able to support them in ways traditional lenders can't.

07:10

"When someone takes out a \$25 loan, they're taking on the risk of not paying it back. This lets our local partners use our funding to help reach groups that might be harder to serve or seen as risky. We started working with local partners in the Middle East, then expanded to East Africa and Latin America to test out lending to refugees and see if it's really as risky as people think. Now, fast forward to today, and we've..."

07:37

They've raised over \$34 million in loans to help displaced people around the world, and we've found they're paying back their loans at over 96%, which is actually a bit better or about the same as non-refugees. This really shows us how investable refugee populations can be. So now, we've expanded this work with the Kiva Refugee Investment Fund, or KFF for short. KFF works under a different funding model, separate from the crowdfunding platform on Kiva, and it focuses on institutional investors.

08:10

We're setting up a private fund called First Capital, specifically to expand our refugee lending program in places where we've already seen some success. It's a \$32.5 million fund aimed at boosting financial inclusion for refugees globally. I'll stop there for now, but I'm happy to share more about what we've learned and where we stand as we dive into the discussion. Thanks, Barri! Awesome, and now Wanji, it's your turn. Thanks a lot, Barri, for leading this. I'm Wanji Ng'ang'a.

08:44

I'm the associate director of investing at Acumen, calling in from Nairobi, Kenya. For those who aren't familiar, Acumen is an impact investor that backs social enterprises working on solutions for underserved communities around the world. We've been investing in entrepreneurs for the past 20 years, helping to create new opportunities for economic growth and climate resilience, especially in areas where other investors tend to shy away. Historically, we've focused our investments in three main areas: agriculture, energy, and education. A few years back, we...

09:17

We figured out that to really push finance into meaningful and sustainable business models—especially since we're committed to our mission of fighting poverty—we needed to invest in companies focused on forcibly displaced people. So, after about two years, we've been investing in businesses and entrepreneurs who are tackling the challenges faced by those who've been displaced, getting a grasp on their business models and the early-stage hurdles they encounter, and putting together some solid strategies.

09:55

"Hey everyone! It's really cool to see how you guys are creating tools that entrepreneurs can use to grow their businesses. I mean, describing your complex work in just two minutes is super impressive, so thanks for that! Just a quick note for everyone on the call: we want to keep this as informal as we can, so feel free to drop your questions in the chat anytime. I'm excited to hear what you have to say, and we want to keep the conversation going!"

10:29

So, I find it really interesting how you all are contributing to the refugee-focused investment space. Carolina is doing a lot to connect buyers and suppliers to help businesses grow, while Lev is concentrating on financial services, making sure refugees can access credit and loans, which is super important since they often struggle to get that kind of support.

11:01

Sure! Here's the translation: "I'm usually involved in figuring out different types of investments that not only help the market grow but also support businesses led by refugees. It's great to see this variety in refugee-focused investing. I'm especially interested in hearing from you all, since I'm coming from a donor perspective. What kind of funding do you really need for your work? What types of investments are most suitable?"

11:33

"So, where are you guys at with your work? How do you make it all happen? What do you need to keep doing this kind of work? I know you mentioned the risks and challenges, and that there aren't a ton of investors pouring money into refugee initiatives right now, but we're trying to change that. I'm open to anyone who wants to jump in first, but I'm really curious about what keeps your work going in terms of funding."

12:08

That's a great question! Before diving into the details about funding, I think it's crucial to take a step back and recognize who the refugee community is on a global scale. There are over 100 million people displaced, and we can't treat them as a single, uniform group. Their needs, backgrounds, and experiences vary widely. This is similar to any underserved community, and it's essential to understand this in the context of financial inclusion.

12:36

"Different types of funding work better for different groups. For instance, there are refugees who really need humanitarian aid, and that's super important for them. But that's not our focus at Kiva when it comes to financial services. We're more interested in helping refugees who have been displaced for a while or those with business experience from their home countries. They're really eager to access financing to support their needs."

13:06

"Rebuild their lives, and I don't want to dodge this, but your question, Barri, is spot on. All types of capital are super important for us. Our crowdfunding platform offers more risk-tolerant capital that leans towards the philanthropic side, which is crucial for proving our concept. We're trying to demonstrate that refugees are viable microfinance clients who repay their loans at high rates, and we've been able to..."

13:36

We're looking to grow that by attracting more traditional investment through the K Refugee Investment Fund, bringing in bigger institutional investors who are interested in getting a financial return for the first time on the Kaa platform. That said, the work we do with the K

Refugee Investment Fund is definitely focused on making an impact first. We're not aiming to provide market-rate returns; that's not our goal, and we don't believe that's our role in this space.

14:03

So, to sum it up, when you look at the range of capital types, from pure philanthropy to commercial investment, I think we need all of it. For us, we're really in that middle area, between philanthropy and investment capital, aiming for sub-commercial returns. I'm ready to answer your question, so go ahead, W. Jump right in! Sorry, Barri, but I'm happy to respond to your question, and like Lev said, when I think about a practical answer to your question, we still...

14:37

"We need a lot of money, right? Even as funders ourselves, we're doing some work, but it's still in the early stages. At Acumen, we mainly provide equity, so we're mostly focused on setting up equity structures for early-stage entrepreneurs. We've had to adapt our approach, especially when we're looking at entrepreneurs who are refugees. For instance, we've relied on philanthropic funding to come in first before we can make equity investments to get things rolling."

15:15

We're working with entrepreneurs to help them overcome challenges as they grow their businesses. We've been relying a lot on philanthropic support before making any formal investments. We've also set up concessional and patient capital options, so even when we bring in equity, we offer more flexible terms for entrepreneurs focused on refugee issues. We've been really intentional about how we've structured this.

15:53

We've been pretty flexible with how we're setting up our investments. There have been times when we've used convertible notes instead of straight equity investments to help entrepreneurs feel more at ease and better understand the terms and valuations. We've also partnered with other investors who are getting involved earlier to help source opportunities, especially with what we're seeing in refugee areas and frontier markets.

16:29

"We need more capital. We've been relying a lot on donations and flexible funding, but I don't think we can handle this alone. It's definitely a team effort. Just to clarify, the capital you invest, is it equity or debt? Could you give us a bit more detail about the financial

instruments you use? I know you touched on it before, but if there's anything else you'd like to add about your lending practices, that would be great."

17:00

We usually focus on equity investments, but we've also set up grants for FTP lens investments to help companies reach exciting new levels. So, we've created grants and convertible notes, stepping away from the usual equity structures. Now, we're doing convertibles tied to specific milestones. As we make commercial investments in companies, we often put in the capital, and it goes hand in hand with making an impact.

17:38

We're hitting some big milestones for companies, and we've had to rethink how we view impact when investing in them. I noticed some chatter in the chat about due diligence and different investment options, so Carolina, can you share what the financing scene looks like on your end? What types of capital are you interested in, and what are you providing? Also, thanks for mentioning FCP, which stands for forcibly displaced persons.

18:09

"Let's use our own language here in the refugee space. I'm going to touch on some of the live discussions we've had. We've already talked about how important the migration from Venezuela is, with a lot of young people and educated adults who can really help boost the Colombian economy. But only 1% have access to financing, whether it's for seed money, working capital, or just investing in growth. Our model, as you know, has been about building markets and has been in place for 20 years across eight countries. It's pretty straightforward."

18:39

"It's all about finding and connecting small businesses. You build them up and link them to the market. That's where the simplicity meets something really powerful—data. You've mentioned how we can reduce risk in lending and access that info. We actually go out there and talk to each one of the 2,200 small businesses we have now to verify them. That verification and data give us a solid guarantee."

19:14

It's casual, not too formal, but basically, it's not just the buyers who realize they can get what they need on time from these small businesses—there's also a whole network of funding partners involved. They use our data to improve their risk models, which is pretty

impactful. That's how we're operating in Colombia now with our verified businesses. Right now, we've got over 50 partners lending money.

19:50

Yeah, so basically, it's about giving soft loans to small businesses, like microcredits. I wanted to share something interesting about what they need. The key point is, everyone needs money and wants it, right? They usually ask for around \$10,000 per loan, which isn't a huge amount, but it makes a big difference for them. It's going to be working capital for less than 30 days. The issue is, they don't ask for a loan, Barri.

20:22

Only 30% of our verified businesses actually ask for a loan, and out of those, only 74% get approved. So, a lot of them get approved, but only a few actually ask for the loan. Why is that, you ask? It's because they're not legal here; they don't think they can get it. They feel it's too expensive, they don't know how to go about it, and they think they don't deserve it because of their legal status. That's the biggest hurdle. So, how do we change that mindset? How do we take risks, even when they don't have guarantees?

20:55

"Even though they don't have the cash flow right now, we're giving them data and guaranteeing future sales from their upcoming businesses, which helps with the equation. I just wanted to highlight a couple of things. Thanks, Carolina, you raised a good point, and it's also coming up in the chat. Lev mentioned earlier that refugees aren't all the same, and you made a good point about the different groups within that population."

21:26

"Are you hosting community groups that have different investment needs? Caroline, are you doing anything specific about the barriers related to refugee registration status? And Levan, I'd love to hear your take on this, especially in the financial service space. How are you tackling this? There are some groups that have their registration sorted and are ready for loans, but what about those that don't? What kinds of support do they need?"

21:55

You're doing a bunch of different things to tackle the various challenges that refugees might encounter on their journey to getting refugee status. Right now, in this first group we're working with, we have internally displaced people and refugees from Venezuela. For the Venezuelan migrants, we have the PPT and the P, which are symbols of the program that helps them become legal so they can apply for jobs and get social insurance or coverage.

22:29

"Or Social Security, right? That might be used to get loans, but really, it's not the person who's accessing the loans; it's the business itself. That's super important to mention because once the business is formalized, there are a few formalities in the process. The most basic one is getting something called the tax ID number, but it's really easy to get, and most of them do. We have that in our group, so once you evaluate the business..."

23:03

"You're not really talking about the person, but you end up risking a bit more in the situation. It's super interesting! I'd love to hear your thoughts on this, especially since a lot of financial service providers are doing individual loans. So, what does that look like? How are you dealing with the barriers that we know refugees face? I want to cover both the challenges in how financial service providers help them and what the regulatory environment is like in a specific country because those are two important things."

23:29

It's all connected, but it's important. So, from what we've seen in terms of credit and financial services offering loans to refugees, the best approach isn't to create a whole new loan product. Instead, it's better to tweak or modify existing loan products so refugees can actually use them. This way, we can tackle a lot of the obstacles they've faced. Maybe we don't need to require that a refugee has a...

24:00

You can use a UNHCR ID card or a passport from your home country instead of a national ID card. Instead of needing a citizen to guarantee a loan, you can have a refugee as a guarantor. There are a bunch of tweaks we can make to loan products, like offering smaller loan amounts instead of larger ones, which can help make loans more accessible for refugees and tackle some of the issues they run into with formal identification and stuff. That's one aspect of the financial service provider.

24:30

One thing we've noticed is that the best financial service providers really shine when they team up with local or international organizations that focus on helping refugees, like UNHCR, Mercy Corps, or IRC. By collaborating with these groups, they can get a better grasp on what refugees need and figure out the challenges they face, which helps them find effective solutions. This kind of thorough approach tends to yield the best outcomes.

25:02

The question about country regulations is super important and really tough, plus it changes from one country to another. As you mentioned, we do a lot of individual lending, and the way those loans work varies a lot depending on regulations in different places. For instance, in Jordan, the rules are stricter about how refugees can start, open, and register businesses, so we tend to see a lot more informal and home-based setups there.

25:30

In places like Uganda, the rules for businesses are way more welcoming for refugees, so we see a lot of the typical small businesses you'd expect. One of the tough parts is that each organization tends to stick to its own lane. To really make big changes in regulations at the country level, we need to team up and work together as a larger community, because that's the way forward.

25:57

We need to grab the attention of governments, and I really think we can build on that moving forward. That's a key point I want to highlight, and I know Carolina is keen to discuss it too. It's all about how we, as different stakeholders in the refugee sector, can work together to make it happen. Wanji, do you have anything to add regarding regulations and the diverse groups of refugees? How does that all fit together?

26:26

"Acumen is working on that, and I mention this because, Wan, you pointed out that the FDP part of Acumen is still in the early stages with grants, compared to some of the other things Acumen does with equity investments. So, how do you see us progressing in that area? I have a ton of questions for you, but feel free to jump in. Sure, Barri. I think we're still figuring things out. We definitely don't have all the answers yet."

26:55

While working on this project, we did a lot of research and we're still digging into it. We're focusing on the ecosystem and the companies we're already funding, either through investments or grants at the start. One of the first things we noticed is that we see displacement in the context of conflict and climate. We're investing in entrepreneurs, so we're having conversations and doing our homework on specific companies and entrepreneurs.

27:30

The companies we're looking at are definitely at a different stage – probably younger than what we usually see in our portfolio. That's the first thing to note. The second thing is that

when we invest, we need our entrepreneurs, whether they're working with farmers, fishermen, or anyone else, to have data that helps us figure out which customers are being forced out and which ones aren't. This way, we can get a better grasp of the situation.

28:00

We need to understand the needs of each customer segment, which ties back to Leb's earlier point about really getting to know our customers and their challenges so we can help them. Along the way, we've learned some lessons. For some customers, it can be tough to recognize themselves as forcibly displaced, and often you can't tell just by looking at someone who is or isn't displaced. Plus, climate displacement isn't just a temporary situation, right?

28:31

You can be forced to move because of climate issues for a while, but then return later. We've had to come up with different ways to measure the impact of displacement, especially for our entrepreneurs. We've created specific tools tailored to different regions that address displacement. These are some of the challenges we're facing as we look to invest and learn more in this area. It's really fascinating stuff!

29:04

I don't know why I didn't see it like this before, but Carolina and Wanji both pointed out that we should focus on the business instead of just the individual. That really helps break down some barriers, right? Anyway, it was such an interesting point. My buddy Maro from Ion mentioned it in the chat too. It's all about figuring out how to support and formalize the business, not just focusing on the refugee individual. But then on the flip side, Wanji and Lev were also discussing how...

29:33

It's really important to understand the specific group of people you want to help. Keeping that in mind, I think there are some key questions about the due diligence involved in investments, grants, and loans. Has anyone got thoughts on this? I hate to play into stereotypes, but a lot of donors and investors often say things like "refugees are risky" or "it's too risky."

30:01

I think that's kind of nonsense based on a lot of the data Kaa has about investing in refugees. But I want to give you all a chance to discuss your due diligence processes or any KYC stuff, since those are questions people often ask. So, I'll hand it over to you guys for

any comments. If I can jump in here, Bar, definitely those who actually receive the loans are the ones who manage to get past the application hurdle.

30:35

If they get the loan, they pay it back on time. This is true for everyone because they appreciate it and really want to keep what they have, so they're not too risky at the end of the day. Basically, what we're doing is not just offering clear contracts that help with visibility and transparency, but also using technology that we can implement now that wasn't available before. What does that mean for the 2.1 million Venezuelans identified as refugees here?

31:05

"1.8 million people have had to relocate, and they've got biometric data that tracks where they're working, how they're getting around, where they're living, and so on. This info connects to government data, like from the Agata entity, which shows how they're paying for public services. Now, microfinance institutions can use this information too. So, technology is a key player here, and it's all about teamwork right now."

31:38

"That will help this new ecosystem reach places it couldn't before because people thought it was too risky and hard to track. But now, it's visible and traceable, whether it's a person or a business. It can be done now when it couldn't before. And yeah, Colombia really sets the gold standard for registering refugees and stuff like that, so there's a lot to learn from their experience."

32:13

"Thanks, Carolina! Is there anything else you want to add? Sorry to interrupt, but please continue, Le. And Catalina, feel free to jump in if you have anything to say. I think you covered a lot of the details really well, so I don't want to get too deep into the weeds. But stepping back, there have been some questions in the chat about how we ensure we're supporting sustainability and local players in this space. For us at Keo, one thing that's really important to our model..."

32:44

At K.org, along with our KRI, the Refugee Investment Fund makes sure that all our investments go through local financial service providers. These are organizations that are actually based in the countries where we work. We depend on them because they really understand their local environment best—whether it's about risks, know-your-customer

(KYC) issues, or the actual impact of our investments. They know what's happening on the ground, what's needed, and so on, rather than just relying on general information.

33:13

In Geneva, London, and the US, there are people making these decisions. I really think it's important to keep finding ways to involve local organizations, whether that's local microfinance institutions or refugee-led organizations. It's crucial for maximizing impact and reducing some of the risks we discussed. I'd also like to mention that on the donor side, we need to keep this in mind too.

33:41

Let's chat a bit later about blended finance. You mentioned that all capital matters, which I totally agree with. As donors, we really need to consider this too. The Hilton Foundation is supporting KFF, but we also want to back the whole ecosystem of refugee-led organizations and other groups, including government ones. They're the ones who will help refugees get the info they need and understand how to access those KFF loans. So, yeah, I think that's crucial.

34:11

You know, a really important point that I think Edward mentioned in the chat is about this sustainability ecosystem. It's also about empowering local players, like regulatory bodies and local governments, so they can help KFF build markets and make loans, like Acumen does. Those are key things to highlight. Wanji, do you have anything to add about due diligence or KYC? I know Acumen is really knowledgeable in that area. So, before we dive in, I just want to backtrack a bit. Go ahead.

34:44

We're saying it's really tough for refugee entrepreneurs to get funding. I've noticed two kinds of businesses: some have grown slowly on their own money, coming from refugee communities, and others are micro businesses with a lot of potential and solid economics but are operating on a very small scale in those communities. So, those are the two main issues—lack of financing.

35:19

Some entrepreneurs have managed to cleverly figure out how to grow their businesses, sell their products, and make the most of the resources they have. So, that's the first part. I'll just add that for us, it's a bit easier because we're here and we're about to finalize an

investment right next to the Kakuma refugee camp. It's unfortunate, but I've actually spent more time this year in that part of Kenya than I have at home.

35:55

In all my years, being here with teams on the ground has really helped us take trips and spend time with refugee communities and farmers. It's given us the chance to understand everything—what's true, what's not, what's valid, what's not. That's the first point. The second is that we've kept using our understanding of what governments are doing in refugee communities, based on conversations we've had.

36:27

"We've been really careful with our process, talking to everyone involved in the value chain. Thankfully, we've kept that up even with the focus on the FDP. Also, shoutout to my colleagues at the Refugee Investment Network for sharing a great resource in the chat about refugee lens investing. They're doing some amazing work on building the ecosystem."

37:02

Spreading the word about Refugee lens investing involves giving some technical help in that area, so thanks for sharing that in the chat! I also want to shift gears a bit—sorry to bring the mood down—but it's important to discuss the challenges we face. I think it's crucial to understand what obstacles are out there. And putting on my donor hat, I'm thinking about how philanthropy, government, and all the different players can support this work. So, what are some of the challenges you all are seeing?

37:34

We're dealing with some issues that we want to bring up in this conversation. It's all pretty straightforward, and there's no problem with the work—everyone's eager to invest. Go ahead, Carol. So, we definitely have a few challenges. One big one is getting more resources to where they need to go. This could be anything from regulations to actually having the funds and figuring out where to allocate them, and then making sure they're implemented properly. I think it's still...

38:19

We're seriously lacking here because we still have a bunch of regulations left over from the money laundering days that are still hanging around in Colombia. These rules really limit the financing landscape. But that said, since we're talking about turning crises into opportunities, the same systems set up to fight money laundering—like the WEIA and even

the Clinton list—could be used effectively with the perspective of what you and the Hill Foundation are doing.

38:58

The things our allies are doing can actually help ensure this is done right. So, we can change our perspective, and with the oversight in place, we're collaborating closely. I noticed someone asked about the Central Bank; they work more with the superintendent and the tax agency in Colombia, which is called Dian. It's not just about providing data but making sure that what we're doing is handled correctly.

39:30

"Let's clear things up for people who are looking to invest or lend money. Investing is a big deal, especially when it comes to making an impact socially. But lending? That's where things get a bit tricky. You're counting on getting specific returns at certain times, with some guarantees, and that makes it more complicated. Plus, working closely with institutions that don't really get this can be a challenge."

40:00

A lot of people just aren't aware of this, and having that awareness is crucial. We do workshops, talk to them, and connect with them. One powerful thing, Barri, is that they get to hear the success stories and the struggles of every business owner. They really connect with those stories. It's important for them to see the human side of the data, you know? Even though I've mentioned it before...

40:31

It's all about technology and data, right? Bringing those to the table for the buyers and suppliers, especially for the big buyers, is crucial. Meeting the small businesses and connecting with the people behind them is what really makes a difference. It's tough work because it's all one-on-one, and it's not easy to scale without tech, but it definitely gets results. I totally agree with you, Cina. You brought up some really important points. Plus, if you take a step back, you can see the challenges in all of this.

41:01

"Hey Barri, we've talked about one of the big issues: how we as a community can really make a difference when it comes to regulations. This isn't something Acumen or Keo or anyone can tackle alone; we need to join forces. It highlights a bigger challenge because, even though it might be a bit scattered, there are tons of us doing some really cool and

innovative stuff in this area. We just need to get better at coordinating our efforts and supporting each other."

41:25

It's great to see everyone working together, and obviously, that's making things better. As you mentioned, Ren, the Refugee Investment Network is really helping with that, but we need to keep pushing for improvements. Also, as you pointed out, Catalina, even with the positive results we've had regarding refugee repayment rates and our solid track record of \$49.5 million in debt investments through the Kiva Refugee Investment Fund, we're still noticing challenges with attracting investors.

41:54

"We still have financial service providers coming in and saying that investing in this area is risky. So, how do we keep spreading the word that the results show something different? At the same time, we need to find the right kind of investors. We're not trying to dive into the commercial space. I know there are others focused on refugee lens investing, and that's definitely a valid approach, but we really need to connect with the right investors who fit that sweet spot."

42:17

There's a gap between impact and financial returns, and I think this is where philanthropy can make a big difference. What excites me is that at Hilton, we have both grant programs and investment options. We're trying to figure out how to combine grants with the tools needed to build markets and provide technical support, like regulatory work.

42:51

So, there's this coordination stuff and then the investment, which is at really low interest rates and you pay it back over time. This gives you all that patient capital you need to do your work. I see philanthropy as something that can spark bigger investments, helping to prove the model to larger funders. I really think more philanthropies should get into this mindset and look at grant-making in a more creative way—not just focusing on how many refugees are employed, you know?

43:23

"We've got this project where 30 refugees have landed jobs, but we need to think about how we're really impacting the bigger market and helping refugees integrate into the economy. It's not just about helping a handful of people and then moving on. We need to shift our mindset about what success looks like beyond the usual humanitarian goals. It's

great to help 20 people, but what's the bigger picture? I also want to highlight the role that funders who are willing to take some risks can play in supporting those who might not have the same opportunities."

43:53

"On your end, challenges can turn into opportunities, you know? Unfortunately, L has mentioned my biggest challenge, which is the perception of high risk. I think the more we invest, the more stories we'll have to share, and that'll help us attract more capital. I really don't like the idea of being seen as more risky. I get why, though, and the only way to change that perception is by showing these examples. By the way, Lev just joined us. Hey Naim, I saw your question!"

44:28

Yeah, about the hub info, I usually use the Kaa data set. It really helps us show the less risky results, so I definitely recommend it. Now, regarding being more coordinated in this area, I think L's point is super important. Oh, go ahead; I was just going to pass it over to you guys to share your thoughts. And since it's Financial Inclusion Week, we should also acknowledge that, compared to other areas...

45:00

Financial inclusion for refugees is still more talk than action. When it comes to innovative agriculture, we've been working with smallholder farmers and addressing gender rights. One of the gaps we've identified at Ka2o is the need to build a solid evidence base to truly understand when and how investing in refugee financial inclusion makes the biggest difference. So, one thing we're doing in partnership with the Hilton Foundation is beginning to...

45:28

"Take a good look at how income levels in refugee households change before and after they get a loan. How do their living conditions improve? What happens to the education levels of family members? We need to really understand the impact so our community can use those results to guide our work in the future. It's not really a challenge, but there's definitely a gap here that we want to tackle better as a community."

45:56

I completely agree. There's definitely a lot of evidence out there about refugee outcomes worldwide, especially when it comes to financial inclusion and investment. People often viewed refugees just as people needing handouts, like counting the number of tents

provided. So, it's crucial to shift the perception that refugee work is only about humanitarian aid and to keep building a solid evidence base that shows positive results across the board. This is also where philanthropic capital can really make a difference.

46:30

"Alright, Carolina and Lev, we've got about 15 minutes left. I want you all to share anything you didn't mention that you think the audience for Financial Inclusion Week should know. Any requests for people on the line? What are your hopes and dreams? What excites you? I'd love to hear from everyone in these last 15 minutes. Who wants to kick things off with their hopes and dreams? Oh, poor Kina is having a bit of trouble... Can you hear me now? I can jump in."

47:22

We're about to dive into this amazing network and upload our data. Hopefully, we can keep the conversation going about this place and how refugees are viewed. They want to be seen as part of the community, like a welcoming host population. Right now, the local population wants to contribute and provide support. Essentially, the funds we raise can help create jobs and boost the economy, but also in other ways.

48:35

Empowering people who are going through transitions, like the Syrian population in Turkey, can really make a difference. We're hoping that technology will help us connect with other communities beyond this initial group. We're moving from just getting by to a phase of growth and consolidation, where we can access credit, offer loans, and provide technical support.

49:26

We need better access to the markets so that those just starting out can catch up with those who are already growing and doing well. That's our main goal, and we believe technology can help us achieve it, especially with the support of the resources you provide on the ground. Catalina, you were a bit choppy there, but I think we got the main points. I can come back to you at the end, and maybe turning off your video could help with the connection. Wanji, I want to turn to you now.

49:56

"To your last question about my thoughts, hopes, and dreams—thanks, Barri. From my perspective, I hope we can secure more capital and keep innovating. Personally, I want us to push the boundaries on the financial structures we can use for refugee communities. It's

not just about having these tools and figuring out how to use them; it's about recognizing the opportunities that are out there."

50:34

We're dealing with specific challenges in these markets, and we need the right tools to handle them properly. That's the first point. It ties into the second point: as we invest money and learn from those experiences, we should create data points and networks to help us learn from each other. We need to build a system that has different layers and levels. For example, when we invest in an FTP community in Kenya, we need to fully understand the context and not overlook important details.

51:08

We're going to face the same challenges if we're doing the same thing in Ethiopia. It's important to understand that before diving into these investments or markets. That's my hope and dream. Quick question for you, Caroline—anything you want to pitch or share that you're excited about? Any promotions or highlights you want to mention? We're looking at some really great investment opportunities here.

51:39

"I'm working with a few companies from FTP, and they're making some really interesting investments. I'm genuinely fascinated by the entrepreneurs emerging from the FTP communities and the businesses they've built. There's one company in Uganda that's generating impressive revenue without any outside funding. I'm really excited about the problems they're solving in such unique ways."

52:19

I'm really excited about exploring new and cost-effective options that aren't currently in our portfolio. We know the instruments we usually rely on, but we're rethinking how they can look and how we can innovate with them. Plus, we've put together a capacity-building program for certain companies that are connected to the FTP community. We've checked out the market and found some companies that really excite us.

52:52

We've noticed that these companies are still a bit too early for us to invest in, so we're currently working with four of them over the next eight months to help them hit some specific milestones. Our goal is to invest in at least one of them. I'm really excited about these three things that are on my plate right now. It's all about rethinking our approach, being creative and innovative, which requires resources, and then building this pipeline.

53:25

I'm thinking again about Lev's point on the ecosystem—who are the other investors involved at various stages that can back businesses at different levels? For example, Acumen supports markets at the lower end, and there are others at slightly higher levels. So, when we consider the ecosystem, we also need to think about the resources involved. I mean, my fellow panelists have done a great job discussing this, but I really hope to see more new faces on this panel in a year or two.

53:54

"Years down the line, we're all in on expanding what we're doing at Kaa with our crowdfunding platform through the refugee investment fund, bringing in investment capital. But we really want to see other people getting involved too. You mentioned the refugee investment facility, which is part of our fund, and honestly, it seems like those are the only two traditional impact investment options I know of in this area. So, I really hope to see more of that happening."

54:21

We're really hoping to attract more investment into this area, and we definitely don't want to be the only ones doing it. Here at Kiva—shameless plug—we're committed to growing this effort. We're on the lookout for various partners who can offer different types of funding, especially on the crowdfunding side. We're also eager to collaborate with impact investors to find creative ways to bring in capital, and we're seeking partners who can assist us with technical assistance too.

54:48

We're focusing on capacity building, and I know Wanji in Kenya are working on some really cool stuff that aligns with what we're doing. So, if you're involved in this area, definitely reach out to us. We want to keep growing this group and form more partnerships. That's my first hope. The second thing I've mentioned before is that we're making progress, but we need to ensure we're really finding the right connections.

55:14

"We need to find real ways to include refugee voices in our work so that the communities we're helping have a genuine say in how things are designed and carried out. I totally agree! Hilton is really dedicated to funding refugee-led organizations directly and helping them connect with people like you and your organizations. Just to add, Carolina, since you got cut off a bit, I'd like you to jump in."

55:46

"Hey, just wanted to throw out a quick idea about the building market side and see if it clicks. Thanks! I just turned off the camera to check if it works. I'm really excited about the connection aspect of our model, where we can link refugee-owned small businesses to new revenue streams, buyers, and working capital opportunities. We're actually working on a working capital package that combines cash grants, recoverable grants, technical assistance, and of course, access to the market."

56:21

We're basically working on that barrier and would really like to see more funding come in, especially through technology. That's what I was saying earlier. Having the Hilton Foundation grants is super helpful for us to do what we're doing on the ground. We act as multipliers, like you said, Le. We need to work together in a chain, starting with you. You mentioned base maybe Konics, and we're here building markets and scaling up to Acumen depending on where we are in the process.

56:52

"We're all about working together in the migrant business space, and that's my pitch. I hope we can get more funding because our project is going to be amazing! It's really exciting on all levels. Just to connect a few dots, Barri, what are your hopes and dreams? Well, my hopes and dreams involve diving into the refugee investment space with various tools and approaches."

57:28

We're open to all kinds of funding options—this isn't some exclusive club we're setting up. A lot of us have been in the refugee space for years, and let's be honest, things aren't going well. What gives me hope are the initiatives from organizations like HEA, Akuman, and Refugee LE, as well as efforts to build markets. I really wish we could start thinking outside the box, so my dream is for this to become the new norm instead of just the way things have always been.

57:59

"I'm really passionate about creating a space for investment focused on refugees. I want to echo what Lev, Wanji, and Carolina said about taking action. If you're interested, reach out to these people. If you have businesses that could use investment or if you're part of an organization working in this area or providing funding, definitely get in touch with them. As a donor myself, I'm trying to help support this."

58:32

Ecosystem building, especially with the Refugee Investment Network, is really taking off. We're collaborating to create a community where people can regularly discuss these topics. When folks talk about impact investing, we want to focus specifically on the refugee space. We're eager to grow this community because it's still pretty small, and we definitely need more voices. We're looking forward to hearing from you!

59:00

"Let's get creative about tackling these tough problems that haven't been solved yet. We've got a couple of minutes left—anything from you guys? I mean, these three are doing some seriously hard work. So, any other thoughts? We should brainstorm on those risk models to give us more flexibility with the loans, like lower rates and shorter terms. Plus, in emerging markets, we should reinvest every bit of capital we recover."

59:35

"Clearly, in the working capital package, how can we scale this up and become sustainable in this environment? Honestly, I didn't hear anything from Wanji at the last second. Just want to express gratitude to Barri and everyone for pushing the boundaries and letting us do the same. We really appreciate it and want to emphasize that we can't tackle this alone. I'm really thankful that we're all collaborating to solve these issues and that we have sessions like this."

01:00:10

"Thanks everyone for the great chat! Your questions were way more insightful than what I had prepped as the moderator, so I really appreciate it. If you're interested in Refuge lens investing, our panelists have shared their emails—big shoutout to them for being so open! Enjoy the rest of Financial Inclusion Week, and thanks to Abi and the hosts for all the amazing work you're doing at FIW!"