



# Building Markets: Connecting Refugee-Owned and Refugee-Employing Small Businesses to Supply Chains and Investment

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## Experience and Results with Refugee Entrepreneurship

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Building Markets exemplifies the principles of the Private Sector for Refugees (PS4R) initiative and continues to demonstrate elements of the Charter of Good Practice by working with SMEs to promote refugee employment, entrepreneurship, investment, and product and services adaptation in support of refugees and host communities.

Through its work, the organisation creates jobs and stability in crisis-affected countries by connecting local small and medium-sized enterprises (SMEs) to supply chains and investment. Building Markets does this because SMEs account for 90% of companies and generate half of employment worldwide. Therefore when the sector thrives, it can draw in new investment and have a significant impact on joblessness, poverty, health, and education.

However, when a crisis hits, local SMEs are both disproportionately affected by economic downturns and bypassed by buyers and investors seeking to do business or support the emergency. This is often due to a lack of infrastructure, resources, and information. As a result, a key opportunity to begin generating stability, employment, and self-sustaining growth is lost. These problems are particularly acute in refugee settings where data is even more scarce and local laws, regulations, and other factors may prevent new migrants from finding employment or starting new enterprises.

For fifteen years, Building Markets has tackled this challenge by addressing market inefficiencies that prevent buyers, banks, and investors from finding and doing business with local SMEs. Further, to create sustainable change, the organisation leverages its unique data and market insights to advocate for local procurement and aid reform by highlighting the opportunity for donors, non-governmental organisations (NGOs), and other actors to “[spend the development dollar twice](#)”<sup>1</sup> by funding and delivering vital relief and development projects while at the same time creating jobs, increasing incomes, and developing local marketplaces.

In 2016, Building Markets brought its model to Turkey, which was hosting the largest refugee population in the world. Since then, it has conducted [a widely referenced assessment on the extraordinary economic contributions of Syrian refugees](#) and promoted refugee entrepreneurship. Through its business verification service, Building Markets has collected extensive data on 2,500+ local firms in Jordan and Turkey (nearly 90% Syrian-owned). This information allows the organisation to quickly generate matchmaking reports and supplier profiles that respond to buyer/investor demand. Building Markets also [gathers and distributes tenders to its SME network](#) and trains entrepreneurs on how to bid on, win, and execute contracts. To date, these services have resulted in \$3m in new contracts for SMEs in Turkey alone. Verified SMEs are featured in the organisation’s [business directory](#), searchable by good/service, sector, business size, location, and ownership (including women and refugee-owned). Building Markets has also published [company guides](#) showcasing market and investment opportunities for the private sector to engage with refugees, and most recently, released research on the impact of COVID-19 on SMEs in [Turkey](#) and [Jordan](#).

<sup>1</sup> In 2012, Peace Dividend Trust rebranded to Building Markets.

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[Syrian business owners](#) are demonstrating that when presented with opportunity, they can not only overcome challenges of displacement in a new market, they can generate tremendous value through new job creation, product diversification, expanding export revenues and markets, and attracting foreign investment. Building Markets believes that the private sector can be a critical force multiplier and partner in this journey.

Building Markets continues to promote refugee entrepreneurship, refugee-inclusive policies, and private sector practices that are driven by data and local expertise. When working to enhance economic integration of newcomers, it is crucial to match their capabilities to buyer demand; to increase access to markets and capital with reliable data; to make the host community private sector an active partner in the inclusion of refugees; and to address refugee entrepreneurs' needs with targeted support.

[Building Markets](#) is headquartered in New York City. It has achieved its mission by working with a range of stakeholders including local governments, large corporations (e.g. Heineken, Telenor, BHP Billiton, Exxon Mobil, Coca-Cola), INGOs, development contractors, local and regional businesses, and banks and investors. Globally, through its approach, the organisation has supported over 26,000 SMEs, assisted them in winning \$1.4bn in contracts, \$21m in capital, and helped create 71,000+ full-time equivalent jobs.

**Annex:**

For more information: [buildingmarkets.org](http://buildingmarkets.org) and [entrepreneurs.buildingmarkets.org](http://entrepreneurs.buildingmarkets.org)

Global partners:



Confederation of Danish Industry



European Investment Bank

The EIB bank



INTERNATIONAL CHAMBER OF COMMERCE  
The world business organization



UNHCR  
The UN Refugee Agency



WORLD BANK GROUP