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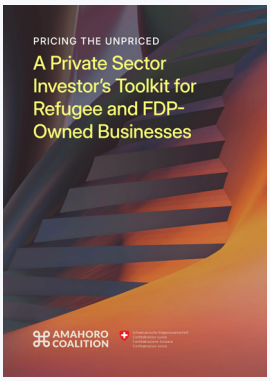
A Private Sector Investor's Toolkit for Refugee and FDP-Owned Businesses

AMAHORO COALITION

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Tools for Investment

The ascending steps represent the pathways to growth and economic opportunity within displacement-affected markets. Their upward progression and interconnected forms reflect the role of investment in creating access, supporting enterprise development, and advancing sustainable economic opportunities.



About Amahoro Coalition

Established in 2019, Amahoro Coalition is the leading convener of African private sector leaders for social impact.

We provide tailored solutions to the private sector, enabling them to tap into the African demographic dividend, including in vulnerable settings like displaced communities.

At Amahoro we also work to empower the youth of Africa, including those in displaced communities, through strategic connections with the private sector to co-create breakthrough opportunities for all.

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Foreword

Africa is home to millions of forcibly displaced people who, despite immense challenges, continue to contribute to local economies and societies as entrepreneurs, workers, and consumers. As displacement becomes increasingly protracted, there is a growing need to move beyond short-term responses and expand opportunities for durable solutions, which focus on economic inclusion, self-reliance, and sustainable livelihoods.

The Swiss Agency for Development and Cooperation (SDC) supports innovative entrepreneurial solutions to migration and development challenges and fosters entrepreneurship of migrants, including refugees, internally displaced persons and returnees. By combining financial sustainability with societal impact, social enterprises can develop market-based solutions that improve access to goods, services, employment, and business opportunities for host communities and forcibly displaced people alike.

As the global development financing gap continues to widen, mobilizing private investment is more important than ever. SDC sees enterprises owned or led by forcibly displaced people as an underexplored investment opportunity. These businesses often address unmet market demand, leverage strong cross-border networks, and demonstrate remarkable resilience in challenging environments.

Yet their potential remains largely untapped. Legal, regulatory and financial barriers constrain their growth, while perceived risks deter investors from displacement-affected markets. Many promising enterprises consequently remain underserved by financial markets, caught in a financing gap: considered too risky for commercial lenders, yet too small for most private equity investors.

Bridging this gap is essential to enable these enterprises to expand their reach, create economic opportunities, and maximize their contribution to inclusive and sustainable development.

Through its support to the Amahoro Coalition and its partners, the Draper Richards Kaplan Foundation and GrowthAfrica, SDC is proud to contribute to efforts that strengthen social impact enterprises and their support ecosystems, expand their impact, and promote more inclusive and innovative approaches to displacement and development.

This toolkit is a practical contribution to that ambition. Drawing on Amahoro Coalition's experience, it provides investors with guidance on assessing investment opportunities, addressing displacement-specific risks and adapting financing practices to the realities of enterprises led by forcibly displaced people. By helping investors better understand the opportunities and realities of investing in refugee- and FDP-led enterprises, it aims to mobilize capital, strengthen confidence, and foster collaboration across the ecosystem.

I would like to express my sincere gratitude to all partners, investors, practitioners, and entrepreneurs whose expertise and commitment made this toolkit possible. We hope it will help unlock the potential of social impact enterprises, attract greater investment into enterprises owned or led by forcibly displaced people and ultimately demonstrate that inclusive investment can generate both sustainable returns and meaningful opportunities for displaced and host communities across the African continent.



Patricia Barandun

Head of Section
Migration and Forced Displacement

Swiss Agency for Development and Cooperation (SDC)

Foreword

When Amahoro Coalition was founded in 2019, we saw a gap in the response to displacement, the African private sector was largely absent. This absence did not mean there was no opportunity. Displaced people are part of Africa's economies, yet their ventures have often been difficult for conventional finance to see. Standard screening can treat missing documents, limited credit histories or lack of collateral as signs of a weak business.

Through the Amahoro Fellowship and its Investment Council, we have assessed funding requests from displaced founders across countries and sectors. We have seen businesses respond to demand, create jobs and grow with appropriate capital and support. We have also learned to match capital with a venture's stage, release this capital against milestones and support these disbursements by reporting, mentorship and monitoring.

This toolkit brings these lessons together, describing our investment process, the questions we ask, the risks we encounter and the evidence we use to assess ventures. We offer it as a practical contribution to a wider conversation and an invitation for investors to test and strengthen what we know.

Displacement lasts for years, often generations, while traditional aid resources are under pressure. Economic inclusion cannot remain a future aspiration or depend only on humanitarian funding. It requires capital, markets and policies that allow displaced people to build livelihoods and contribute to the places they call home.

Amahoro's long-term vision is to connect displaced entrepreneurs with capital and markets, help investors assess opportunities with confidence, and work with partners to address the rules and systems that hold businesses back. This requires evidence capital providers can examine for themselves, and partners prepared to fund these ventures once our own funding has done its work.

The founders in this toolkit are addressing viable demand in their various sectors, and our task is to make sure the institutions around them can see that and invest in them accordingly.
I hope this toolkit moves that work forward, and I invite you to build on it with us.



Kwadwo Adjei-Barwuah

Chair of the Amahoro Investment Council and Head of Investments for Growth Investment Partners Ghana

About This Toolkit

Amahoro Coalition produced this toolkit to set out, in operational terms, how a private investor can assess and fund a business owned by a forcibly displaced person.

Since 2019, we have convened African private sector leaders around displacement and, through the Amahoro Fellowship, deployed our own capital into FDP-owned ventures under an Investment Council-governed process across three cohorts so far. Our record to date forms the basis for the propositions laid out in this work, developed alongside the SDC-funded Africa SIE project partners, Draper Richards Kaplan and Growth Africa.

This work is prepared for capital allocators, including impact funds and blended finance vehicles, African banks, pension funds and asset managers, family offices, development finance institutions, and corporates weighing supply chain, investment or workforce decisions that involve or are intended to involve displaced populations. We first identify the market and explore why FDP-owned businesses often fail to make it through conventional SME screening and lay out the workings of our own funding process. We then share application and approval data showing what these FDP founders request capital to do and where.

The toolkit itself, a deal-oriented stage-by-stage proposal for a tailored FDP-lens investment process, can be found in Chapter 6, placed next to the ordinary SME approach covering all stages from mandate setting and origination through screening, structuring and post-disbursement monitoring and support. We describe our embedded deal assessment and due diligence process, our use of Entrepreneur in Residence (EIR) office hours, site visits and tranched funding. Readers seeking to adopt a proactively tailored FDP-lens investing process may take the full sequence or only the stages where their existing process would screen out a venture they would otherwise want to fund.

These records reflect a continuously growing portfolio of investments and lessons. The Amahoro Coalition intends to regularly update the toolkit and the data we make available to the market as this portfolio expands and as we continue to learn.



CHAPTER 1

An Unpriced Market

1.1
Displacement as A Structural Economic Reality

45M+ Forcibly displaced people across Africa

USD 56M Estimated annual economy of Kakuma

2,000+ Businesses operating in Kakuma

Africa is home to more than 45 million forcibly displaced people (FDPs), out of 117.8 million displaced worldwide at the end of 2025.[1] Protracted conflict in Sudan, the Sahel, the Great Lakes, and the Horn of Africa, compounded by climate-driven displacement and the rapid urbanization of refugee populations has converted displacement into a durable feature of African economic geography. Sudan alone accounts for 9.1 million internally displaced people and 2.8 million refugees, the largest displacement situation in the world, with most recent arrivals across the continent unlikely to return within a decade.[2]

For social and commercial players, the observation is that a population equivalent to a mid-sized African country now lives, works and consumes inside African markets on a semi-permanent basis, and that this population has never been systematically underwritten. The IFC and UNHCR study of Kakuma, a refugee camp and adjoining town in northwest Kenya, found a combined economy conservatively valued at USD 56M per year, more than 2,000 operating ventures, and a consumer goods market of roughly USD 26M.[3] Acumen and Open Capital reach the same conclusion from the investor side in their March 2026 review of displacement-affected markets in East Africa noting that displaced people participate in local economies as workers, consumers, suppliers, and entrepreneurs, and what they lack is access.[4]

The remainder of this chapter sets out why this particular structure has not been priced to date, and what a commercial- or social/impact-minded investor would need in order to do so.

---

[1] UNHCR, Global Trends: Forced Displacement in 2025, Geneva, June 2026. At the end of 2025, 117.8 million people worldwide were forcibly displaced; 41.6 million were refugees and 68.7 million were internally displaced.

[2] UNHCR, Global Trends: Forced Displacement in 2025, June 2026.

[3] IFC and UNHCR, Kakuma as a Marketplace: A Consumer and Market Study of a Refugee Camp and Town in Northwest Kenya, 2018.

[4] Acumen and Open Capital Advisors, From the Margins to the Market: Lessons on Investing in Displacement-Affected Communities, March 2026.

1.2
The Financing Gap And What It Means for External Actors

The contraction of the traditional financing model for displacement presently coincides with the expansion of the population it serves.

In 2025, UNHCR's available resources fell by USD 1.25 billion to USD 3.93 billion, covering 37% of assessed needs, down from 48% the previous year. Aid reductions by the United States and several European donors have accelerated this decline, and per-capita assistance to African refugees is set to fall further. The financing gap appears to be widening as the population in need grows.

At the level of basic financial inclusion and microcredit, the evidence is beginning to take shape across investors. Kiva's portfolio data, accumulated since it began mobilizing capital for refugee loans in 2016, shows repayment rates above 95%, in line with those of non-refugee microfinance clients.[5] Numida's refugee lending in Uganda recorded collections of 83% on first loans across 501 disbursements, rising to 99% on repeat loans with 65% client retention.[6] Acumen and Open Capital's mapping of the capital landscape locates this "missing middle" between roughly USD 10K and USD 450K. These are enterprises considered too risky for commercial banks and too small for private equity and other sophisticated capital providers. They require working capital, asset and equipment finance, and early growth capital that neither the microfinance industry nor institutional capital is structured to supply.[7] These are, however, ventures that drive employment, productivity,
and the potential for durable economic outcomes.

Markets with these features do not normally remain unpriced once credible underwriting information becomes available.

[5] UNHCR, "Gaining ground on refugee financial inclusion through advocacy, innovation and partnerships", UNHCR Blog, January 2023, citing Kiva portfolio data collected since 2016.

[6] Acumen and Open Capital Advisors, From the Margins to the Market, March 2026, Case Study 1 (Numida).

[7] Acumen and Open Capital Advisors, From the Margins to the Market, March 2026, Chart 4: The Capital Landscape of FDPs.

1.3
Why the African Private Sector Has Been Absent

Amahoro was founded in 2019 on the observation that the African private sector has been largely absent from the displacement response. Where it has engaged, it has typically done so through CSR budgets instead of a core venture mandate. This has kept solutions for FDPs dependent on aid cycles and it reinforces the framing of FDPs as beneficiaries, and not economic actors.

We attempt to explain the private sector absence with the following:

The Information Gap

There is limited published, portfolio-level track record for FDP-owned ventures. Financing in the segment remains concentrated among a small number of specialized intermediaries, and the data that a credit committees and capital allocators need in order to size exposure has not been assembled.[8]

The Screening Problem

Standard onboarding requirements such as national identification, collateral, formal registration, credit history and a guarantor, mechanically exclude founders whose status as displaced persons deprives them of these records and connections. FDPs are therefore often excluded before an assessment of the underlying venture may begin, and the market never generates the performance data that would help advance these types of ventures in the commercial space.

The Regulatory Problem

The rules governing refugee work rights, venture registration, and financial access can vary significantly across jurisdictions. Ethiopia, for example, classifies refugees as foreign investors, exposing refugee founders to a minimum investment requirement of USD 100,000, which is a

[8] Acumen and Open Capital Advisors, From the Margins to the Market, March 2026, “Realities of investing in displacement-affected communities”.

threshold far beyond the reach of most early-stage entrepreneurs.[9] Amahoro's Pathways to Employment research, produced with the Refugee-Led Research Hub at Oxford, documents this variation across 15 African countries and finds that the most consistent barrier to refugee-owned venture performance is regulatory.[10]

The Stakeholder Problem

Given that institutions report to their stakeholders and providers of funds (depositors, LPs, shareholders), deploying capital into a segment with little reference framework is difficult to defend internally regardless of the possible opportunity. Acumen and Open Capital correctly note that investors are increasingly interested in this space but need approaches their own capital providers will accept.[11]



[9] Barri Shorey and Patrick Thomas, "From crisis to opportunity: the power and potential of refugee-lens investing", Conrad N. Hilton Foundation, 2025.

[10] Amahoro Coalition, Pathways to Employment research series, produced with the Refugee-Led Research Hub at the University of Oxford.

[11] Acumen and Open Capital Advisors, From the Margins to the Market, March 2026, "Realities of Investing in Displacement-Affected Communities".

1.4
The Amahoro Thesis

Refugee-lens investing, as defined by the Refugee Investment Network (RIN), spans six categories of investment, from enterprises owned or led by refugees, through refugee-supporting ventures, to lending facilities and funds with substantial refugee exposure.[12]

Recent work by Acumen and Open Capital, the Refugee Investment Facility and others has substantially advanced the investment case across that spectrum, with particular depth on host-community-led ventures, refugee-employing companies, and refugee-serving enterprises.

Within that shared frame, Amahoro concentrates here on ventures owned or led by refugees and other forcibly displaced people as a subset of refugee-lens investing, corresponding to the first two categories of RIN's Refugee Lens. We then share how, in operational terms and from our own experience, to underwrite an investment in an FDP-owned venture. The toolkit aims to explore which processes, tools, and roles are involved, while laying the groundwork for a future dataset on what portfolio-level performance is shaping up to be for Amahoro and the portfolio we are building.

Since 2019, Amahoro has convened private sector leaders to drive funding for FDP-led ventures and deployed its own funding into refugee-owned ventures through a structured, Investment Council-governed process across three Fellowship cohorts. As a result, we have analysed records of our experience in assessing, funding, and monitoring refugee-owned enterprises at scale. The experience Amahoro is able to share across these processes could potentially help validate the venture case for FDP-owned enterprises in a form a commercial or impact investor can interrogate. With this flagship report, we intend to routinely share our experience and the progression of the composition of our portfolio, with the hope of providing comfort to private actors in building an FDP-led venture pipeline.

We divide our thesis into these overarching claims that we seek to develop in later chapters:

- FDP-owned ventures constitute a distinct, underpriced asset class, with a risk and return profile distinct from those of conventional SMEs
- Structured pre- and post-investment support are key drivers of performance
- Multi-staged capital, matched to venture maturity, is the practical architecture through which different investor types can participate in the same pipeline – Amahoro is taking significant steps to provide capital at the lowest level to derisk future investments in the asset class
- The binding constraint on this asset class is frequently regulatory, giving actors in the space an interest in coordinated engagement with relevant regulatory authorities

[12] Refugee Investment Network, The Refugee Lens. The framework classifies refugee investments across six categories, from refugee-owned and refugee-led enterprises (R1, R2) through refugee-supporting enterprises, lending facilities, funds, and community-benefit projects.



CHAPTER 2

Unique Asset Class

Throughout this report, an FDP-owned venture is defined with RIN's Refugee Lens: an enterprise at least 51 per cent owned by refugees or other forcibly displaced people, or at least 20 per cent owned with a displaced person as a key person in its operation. This chapter argues that ventures meeting this definition form a distinct asset class. It also argues that the cost of forcing them into adjacent categories is borne by both the investor and the entrepreneur in the form of a lost opportunity.

2.1 Why Refugee-Owned Ventures Are Not Perfect SME Substitutes

Conventional SME underwriting depends on the basic assumptions that borrowers have a stable legal identity, a verifiable operating history, access to conventional collateral, and a formal registration.

These assumptions are inapplicable to several FDPs whose displacement severed identity documents, credit files, land rights, and guarantor networks. SME screening applied without adjustment for these unique circumstances therefore rejects FDP-owned ventures at the introductory stage.

Across lenders now active in the segment, including Kiva, Inkomoko, Equity, Ugafode, and Numida, repayment discipline among displaced borrowers matches or exceeds comparable non-displaced portfolios, which indicates that basic creditworthiness is not a binding constraint.[13]

FDP-owned ventures also carry risks that conventional SMEs do not carry at all, as set out in section 2.2 below. This segment of the market therefore requires a separate assessment framework (the Toolkit) that assesses and addresses the unique risks arising from it.



[13] Acumen and Open Capital Advisors, From the Margins to the Market, March 2026. Lenders cited include Kiva, Inkomoko, Equity, Ugafode, and Numida.

2.2
Specific Risk Profile

We distinguish this asset class from conventional SME exposure using these categories of exposure:



Documentation and Identity Risk

Registration and identity status determine whether a founder can open a bank account, sign an enforceable contract or formalize at all. The Pathways to Employment series finds this to be the most consistent barrier to refugee-owned venture performance across 15 African countries, ahead of any commercial factor.



Mobility Risk

For a portfolio company, a change in settlement policy or a wave of returns can relocate part of its market, or even its founders. Underwriting must therefore assess how anchored a venture's assets, supply chains, founders, and customer relationships are to a specific location, and how portable its model can be.



Host-Country Policy Risk

This determines whether displaced people may legally work, move, register ventures, and access financial services.



Collateral Risk

Displacement severs land rights, and refugee founders in many host countries cannot register title, hold long leases, or pledge immovable property. Vehicles and equipment can be pledged in principle, but where a founder lacks national identification, the registration and perfection of a security interest is often not possible, and enforcement against a borrower with limited legal standing is slow, if available at all.

2.3
Specific Return Drivers

Just as these enterprises face unique risks, they also possess additional potential on several levels:

01

Venture Models Built on Resilience

These enterprises are often formed and run under conditions that would close or threaten a conventional SME. Founders have operated through displacement, currency instability, informal supply chains, and the loss of documentation, and the enterprises that reach a funding application would have already absorbed shocks that rarely appear in a traditional SME's operating history.

02

Unaddressed Demand

FDP founders build ventures around problems they have lived through and can see clearly from inside the affected community, often where no adequate solution yet exists.

03

Cross-Border Networks

Displacement leaves founders with working knowledge of at least two markets and active relationships in both, covering suppliers, customers, diaspora buyers and informal trade routes.

04

Low Competitive Density

The perceived risk that keeps commercial capital out of this segment also keeps competitors out of the markets these ventures serve.



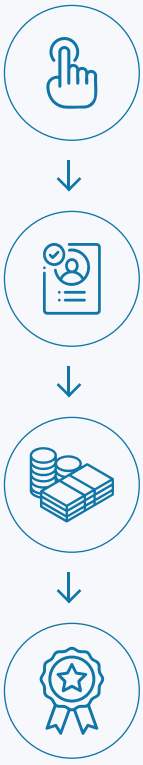
CHAPTER 3

The Process and the Profile of Demand

This chapter examines Amahoro's own experience, beginning with the process, examining the funding requests made to Amahoro by FDPs, covering what ventures our fellows run, what they intend to finance, where those ventures trade, and how the request changes as a venture moves between funding rounds at Amahoro Coalition.

3.1 The Amahoro Investment Process

The Amahoro Investment Process at a Glance



Selection

Venture identification, assessment and selection into the Amahoro programme.

The Curriculum and the Entrepreneur in Residence (EIR)

A structured curriculum combined with Entrepreneur in Residence (EIR) support to prepare ventures for investment and strengthen their business fundamentals.

Funding Rounds

A milestone-linked, two-stage funding process with structured disbursement, monitoring and advisory support.

Post Funding Award

Ongoing monitoring, reporting, advisory support and performance management following the investment award, with restructuring or write-off where necessary.

Selection

Entry to the Fellowship is highly competitive and is led by a Selection Committee, a body of eight to ten members constituted for each cohort and supported by the internal Amahoro team. Eligible candidates are refugees or internally displaced people from an African country between the ages of 18 and 35 at the point of selection.

Selection decisions are based on pre-determined priorities across geographical dispersion, gender, with an explicit focus on women, leadership potential, and the sustainability or commercial viability of the ventures. Alongside these, special allocations apply that may vary by cohort. The Fellowship may choose to prioritise allocations to specific nations in a particular year, allow special allocations to persons with disabilities, or other reserved considerations.

The Curriculum and the Entrepreneur in Residence (EIR)

Every Fellow completes a required curriculum before becoming eligible to apply for funding in any round, with the curriculum worked into the overall timelines for funding windows. Training before and during the Round 1 funding window covers leadership and venture fundamentals, including budgeting and reporting. Fellows are required to apply those competencies in the Round 1 application itself, offering an immediate on-ramp to apply these skills. Training in Round 2 covers more technical areas, including income and cost projections, as well as the financial and reporting obligations that come with taking on debt and quasi-debt facilities. Completion of the curriculum, together with standing in terms of attendance and performance, is a condition of eligibility for funding.

Alongside the curriculum, every Fellow has access to an Entrepreneur in Residence (EIR). EIRs are highly experienced business people within Amahoro's network who support Fellows in network building, strategy, operations, finance and mentorship, and who are available to the whole cohort through open office hours. Fellows use this professional access to work through financial management, governance, employment questions and strategic planning with senior African operators who have built or invested in enterprises in comparable markets.

Funding Rounds

Fellows may apply in funding windows spanning a 24-month period from the start of the Fellowship, and a single window may consider both Round 1 and Round 2 applications. Round 1 consists of a plain vanilla non-refundable grant. This is primarily tailored to address displacement-specific obstacles, such as the difficulty of raising funds to register a venture or produce a venture plan, and the teething problems of a bootstrapping enterprise, which may include unmet short-term working capital needs. Anticipated uses include registration, market research, marketing, consultant hires, limited capital expenditure, training and website development. Amahoro currently sets a USD 10,000 ceiling on Round 1 funding for fellows in good standing, this was revised downwards from a previous set ceiling of USD 15,000.

Many ventures entering Round 1 are at an early stage. A few are presented as ideas born out of unmet demand in some geographical region, with many unregistered, loosely structured, and still subject to evolve significantly with the introduction of external funding. Round 1 is designed for ventures in these stages and is meant to regularize the standing of a venture ahead of Round 2. It may finance a registration, venture plan, first hire, or a modest piece of equipment and the working capital to begin trading.

Funding is often milestone-based and is disbursed in tranches following successful completion of key milestones. While the financing instrument does not introduce financial obligations through repayments, it does carry stringent reporting and monitoring requirements that make founders accountable for their financial allocations and how their ventures track to pre-determined milestones. Many of these ventures fall under the individual and micro enterprises tier of Acumen's list.

Round 2 introduces an FDP-owned venture to financial obligations, simulating the obligations presented with debt facilities. Many fellows engage their EIRs to establish strategic plans to take advantage of the up to USD 145,000 accessible under this funding round. Round 2 funding ordinarily follows successful application and reporting on Round 1 funds as well as additional training on financial management, budgeting and financial projections.

In Round 2, fellows may apply to take on a blended package of up to USD 25,000 in non-refundable grant together with up to USD 120,000 in reimbursable grant (making up the USD 145,000 total). Amounts and terms of each facility are approved by the IC on a case-by-case basis. The reimbursable portion carries neither interest nor collateral, and runs to a maximum tenor of two years with a moratorium of up to six months. Funds are reimbursed on a quarterly basis as opposed to monthly, allowing fellows time to turn capital around multiple times prior to reimbursement. Funds in this case are similarly disbursed against pre-determined, IC- approved milestones.

While Round 1 approval rates approach nearly 90-95% with modifications to venture strategy or funding allocations made by the team or IC, Round 2 success rates reach approximately 50-70% and can vary significantly between funding rounds and cohorts.

By this point, the ventures are in a scale-up or growth phase. Round 2 applications often carry significant capital expenditure, salaried hires and strategic expansion, including machinery, expansion into new regions or countries. The reimbursable grant is designed to push fellows to size a funding request against the venture's true debt service capacity while building a repayment track record and reporting discipline, which can be leveraged for further commercial or impact-motivated funding.

Post Funding Award

IC approval is followed by reporting workshops, legal agreements, and disbursement structured against milestones tied to the sequence of uses in the application. Periodic reporting is also owned and carried out by the finance team and Monitoring and Evaluation team. Monitoring visits are held alongside the reports and are treated as a validating monitoring tool. For reimbursable grants, Amahoro tracks scheduled against actual repayments each period and watches for early warning signs including recurring late reports, late repayments, performance off plan, and expenditure variances above 10% of a budgeted item or of the total. Amahoro prioritizes support as a response to early warning signs. Through advisers, venture mentors or the fellow's designated EIR, Amahoro extends additional support to discuss corrective measures with the fellow, along with the possibility of seeking IC-approved restructuring. The overall goal here is to ensure the survival of the venture and overall long-term sustainability. Where a Fellow misses two quarters of payments, a restructuring plan may be agreed, and a write-off is considered only after further non-payment, against documented grounds that include factors outside the entrepreneur's control such as macroeconomic, regulatory and sectoral conditions.

On the other end, follow-on financing from Amahoro is available on similar terms where Round 2 has demonstrated notable success.

The next chapter analyzes the composition of applications Amahoro has received for Rounds 1 and 2 which have been considered by the IC,and addresses Amahoro's current portfolio.





CHAPTER 4

From Demand to Portfolio

This chapter follows Fellows' capital from request to approval. It sets what Fellows asked Amahoro to finance against what the Investment Council (IC) approved, by funding round, use of funds, sector and country of operation, and closes with what the requests reveal about where these businesses come from.

4.1
The Dataset

Our review draws on the consolidated application budgets of Amahoro Fellows across three cohorts comprising 82 funding requests from 68 Fellows, totalling USD 2,704,281, all considered by the IC. Of this, the IC approved USD 2,251,043 or 83.2% of requested value. Budgets submitted to the IC are always subject to challenge, revision and refusal, so the gap between the two figures reflects both declined applications and approved budgets that were resized in review.

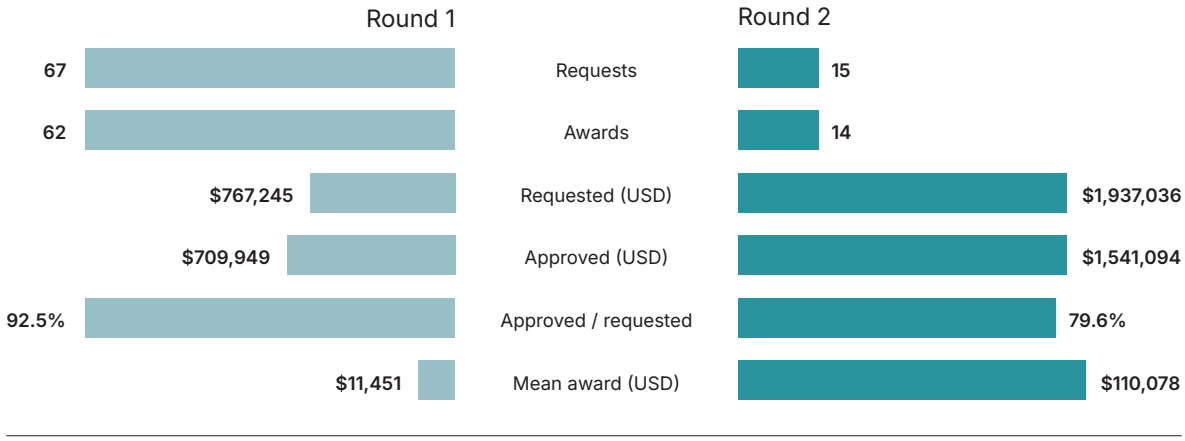


Figure 4.1: Requested and approved capital by funding round (USD).

Notably, the two rounds behave very differently. Round 1 approvals came to 92.5% of requested value, at a mean of USD 11,451 per approval. Round 2 approvals came to 79.6%, at a mean of USD 110,078. This follows from the design of the instruments described in 3.1. Round 1 is a small grant that most Fellows in good standing receive once the curriculum is complete, while Round 2 is larger, partly reimbursable and sized against the venture's capacity to repay, and so receives heavier scrutiny.

4.2
What the Capital Is For

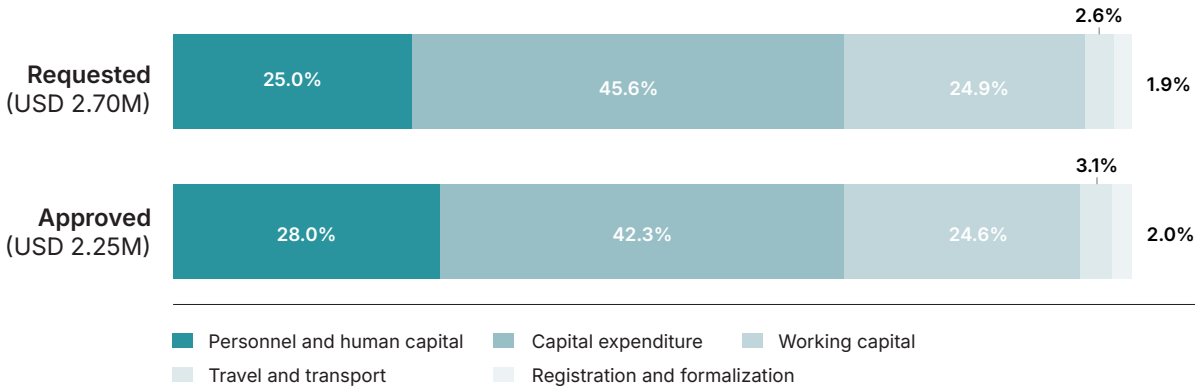


Figure 4.2: Uses of capital as a share of requested and approved value.

Fixed assets and people dominate on both sides, with capital expenditure being the largest single use. These take about seventy cents of every dollar requested and of every dollar approved (70.5% and 70.3% respectively). Between request and approval, capital expenditure falls from 45.6% to 42.3% of the total, personnel rises from 25.0% to 28.0%, and working capital holds steady at around 25%.

The capital expenditure line is heavily skewed towards production plant and premises rather than office equipment and fittings. Requests included site acquisition and development, fit-out for clinic projects, restaurant renovations, agricultural waste processors and production lines. For about 46% of requested value, an investor would therefore be underwriting assets that could in principle be charged as security in a debt-like transaction, with the caveat that these assets may be difficult to move and harder still to sell where they operate.
Additionally, in ordinary SME credit, a quarter of a request going to personnel would suggest an overhead-heavy proposal. In this dataset the line mostly covers roles needed to formalize operations, spanning finance, operations and marketing, along with training, coaching and capacity building. Fellows learn early that reporting requirements and sound financial management cannot rest with the founder alone. The IC approved personnel requests at a higher rate (93.4%) than either capital expenditure (77.2%) or working capital (82.1%).

Registration and formalization is the smallest line, at 1.9% of requests and 2.0% of approvals. It covers product registration and standards-body licensing, product certification, building permits, laboratory testing for regulatory compliance, trademark and design filings, NGO Bureau certificates and vehicle registration. It is inexpensive to fund, yet a gap here can stop a business in the eyes of a private capital provider, whether commercially or impact-motivated.

4.3 Sectors

We classified each application by the core operating activity of the underlying business: what it makes, sells or delivers.

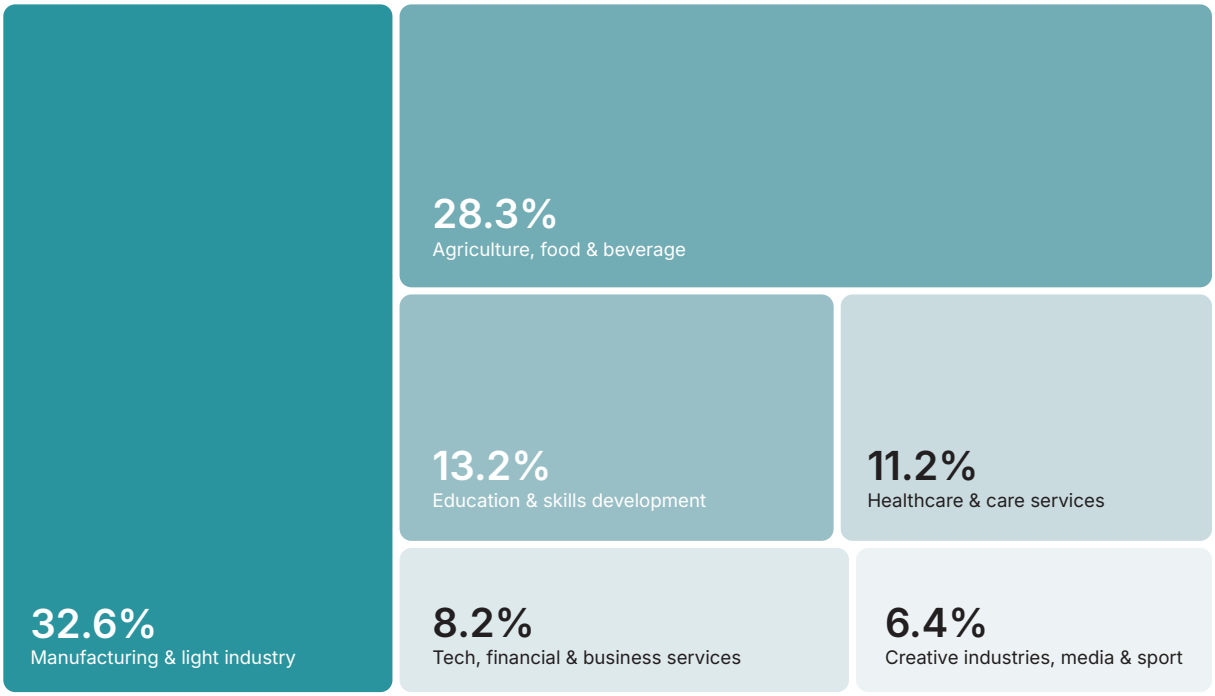


Figure 4.3: Approved capital distribution by sector

Manufacturing and light industry is the largest sector at 27.1% of requested capital and 32.6% of approvals, with the IC approving effectively all of the value requested (100.0%). Adding food and beverage production brings the share of requested capital going into productive processing to 51.8%, and its share of approved capital to 60.9%. Manufacturers cover a wide range of activities, from collecting and baling plastic waste, recycling polythene into sellable products, making water-resistant boards from plastic and agricultural waste, producing USB cables, reusable menstrual products and running organic hair and skin care lines. This manufacturing focus drives much of the capital expenditure above. Capital expenditure runs at 40.9% of these manufacturing requests and working capital at a further 23.5%, which is the profile of a venture buying a plant and acquiring the inputs to run it.

From an impact standpoint, several manufacturing ventures appear under health or women's economic empowerment, often born out of gender and health-centered challenges visible in refugee camps and other FDP communities. Based on their operating models, they are consumer-goods factories with a machine, a raw material bill, a production cycle and a distribution challenge. The sector is also the most geographically concentrated in the table, with most of its requests operating in Nigeria and in Kenya.

Education and skills development and the creative industries move in opposite directions. Education falls from 15.9% to 13.2% of the total and converts at 69.2%, largely reflecting a Round 2 request the IC cut down in review, while the creative industries rise from 5.7% to 6.4% and convert at 93.0%. Both are personnel-led with education requests allocating 46.4% to personnel, which rose to 57.6% in approvals, reflecting training organizations, schools and vocational programmes whose capacity depends on paid instructor time. They range from tech and digital skills and IT consultancy to early childhood education, tailoring, financial literacy and workshops for women. Creative requests also reflect a high personnel cost allocating 65.7% to personnel with 58.4% recorded at approval stage. The sector covers film and short-form content, arts centres offering photography and videography, web design and podcast studios, and youth basketball coaching.

Agriculture, food and beverage is the second-largest sector, rising from 24.7% of requests to 28.3% of approvals and converting at 95.5%. Together with manufacturing, it places the IC's strongest support behind ventures that make or grow a physical product. These requests carry the highest working capital share of any sector (30.1%) alongside 42.0% capital expenditure, as businesses buy inputs each cycle and process them. The main sector focus is maize milling, crop and livestock production, food preparation and delivery, school feeding, and boreholes supplying household and irrigation water.

Healthcare and care services fell from 13.9% to 11.2%, converting at 67.5%, again largely reflecting a Round 2 request the IC cut down in review. The sector includes a respite care centre for children with autism, clinics and community health centres, pharmacies and telemedicine, trauma-informed wellness, mental health counselling and counsellor training, and reproductive health education. Its requests split between capital expenditure (41.6%), personnel (33.5%) and working capital (19.1%).

On the other hand, technology, financial and business services falls furthest, from 12.7% of requests to 8.2% of approvals, and converts at the lowest rate of any sector (54.0%). This follows mainly from a single declined Round 2 request of about USD 143,000; excluding it, the sector converts at 92.6%. With 16 requests, the third-highest count in the table, at an average of USD 21,431, demand here is broad but lean, reflecting the uniqueness of the FDP space where innovation responds directly to the primary challenges facing these communities rather than following once they have been addressed. Refugees are 50% less likely than the general population to own an internet-enabled phone,and around a third of refugees with a SIM card report that it is not registered in their own name, gaps these emerging businesses are positioned to close. The sector covers mobile applications, community internet networks and tech-based financial inclusion services.



4.4
Where the enterprises operate

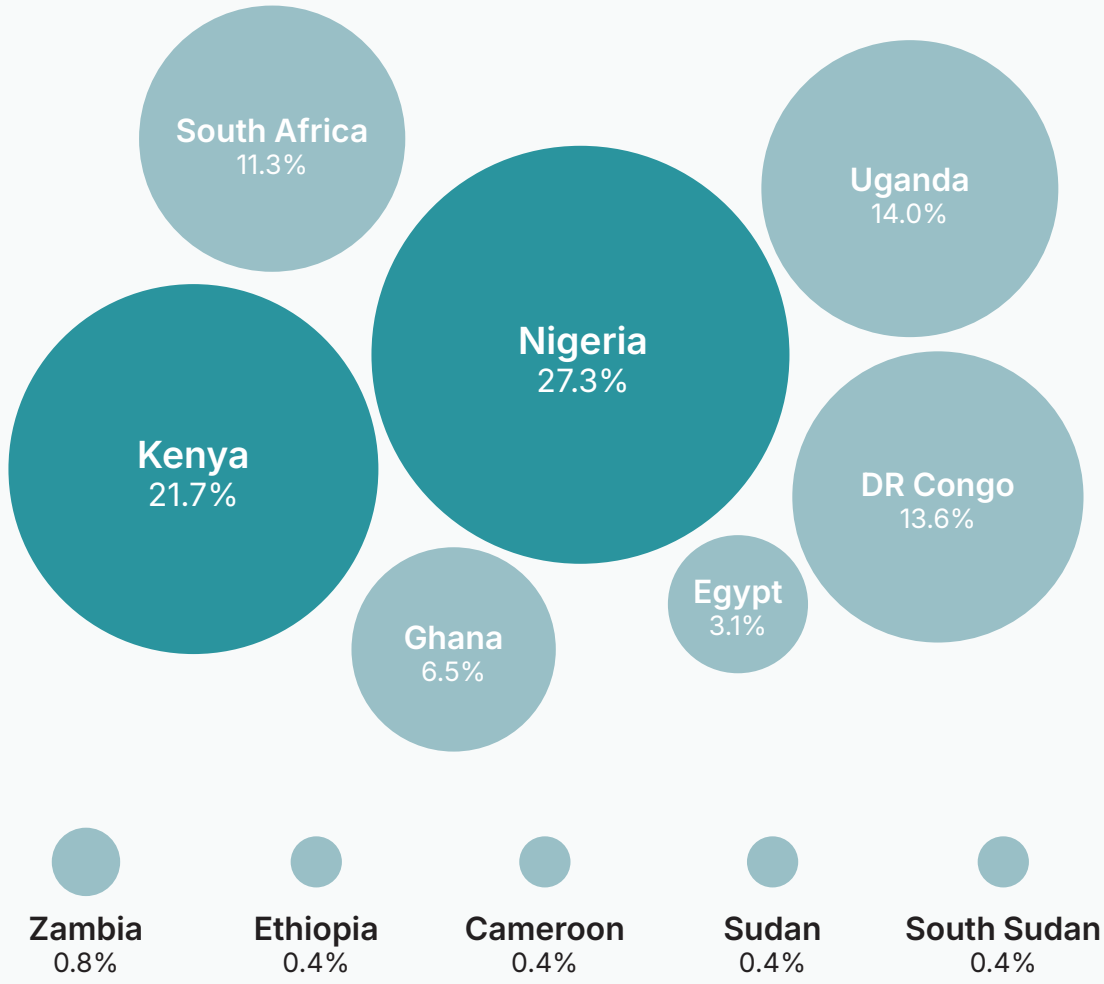


Figure 4.4: Approved capital by country of operation

Nigeria and Kenya account for 51.7% of requested capital and 48.9% of the approved portfolio. Kenya has the largest number of funded fellows (18), at an average of USD 27,078 each, reflecting a pipeline concentrated in and around Kakuma and Kalobeyei. Kenya hosts roughly 860,000 refugees, with Kakuma alone accounting for 314,888 as at April 2026.[14] The IFC and UNHCR valuation of Kakuma describes a market with more than 2,000 operating businesses,[15] the kind of setting in which a small manufacturer has customers and suppliers close at hand.

On the other hand, Nigeria is the largest destination for capital, at 32.8% of requests and 27.3% of approvals. This is underpinned by its large IDP population, estimated at 2.33 million IDPs recorded in the north-east and a further 1.38 million across the north-central and north-west zones.[16] The Nigerian Fellows in this dataset are internally displaced rather than cross-border refugees. A core distinction is that an internally displaced founder generally keeps national identity documents, the right to work and access to business registration, whereas a cross-border refugee founder frequently holds none of the three. The documentation and identity risk described in 2.2 is therefore uneven across the portfolio and is heavier in the Kenyan and Ugandan settlement businesses and lighter in the Nigerian ones. Approval rates do not follow the same pattern, however. Nigerian requests were larger, averaging USD 44,379 against USD 23,197 in Kenya, and converted at 69.1% against 95.5%, consistent with the heavier scrutiny applied to larger requests described in 4.1.

Interestingly, South Africa and Ghana together account for 15.5% of requested capital, across 11 requests, and 17.8% of approvals, converting at 95.2% combined. Neither is among the larger hosting countries. However, these requests share an urban, non-camp setting in cities such as Accra and Johannesburg, where the ventures trade into a general consumer market rather than a settlement economy. Ventures selling into a general consumer market can be tested against conventional market evidence, which is consistent with these requests converting above the portfolio average.



[14] https://data.unhcr.org/es/documents/download/122448

[15] IFC and UNHCR, Kakuma as a Marketplace: A Consumer and Market Study of a Refugee Camp and Town in Northwest Kenya, 2018.

[16] IOM Displacement Tracking Matrix, Nigeria: Round 51 (north-east) identifying 2,333,190 IDPs, and Round 18 (north-central and north-west, October 2025) identifying 1,378,124 IDPs.

4.5
Businesses Built On Insider Knowledge

A recurring feature of these requests is that the businesses grew out of the founder's insider knowledge of a problem that is difficult to detect from outside the settlement community.

This knowledge also shapes sourcing decisions and customer acquisition. The proposals made to Amahoro show repeatedly that there is considerable value locked up in unmet demand, and FDP founders are often able to spot and relate to these market failures in a way outsiders cannot.

One venture offers an offline mobile application that runs food distribution schedules, health information and opportunity notices within a settlement that faces connectivity challenges and data cost barriers, with the interface available in the five languages common there. Another Fellow runs a one-stop centre providing mobile money, agency banking and printing in a settlement with no formal bank branch. Many of these opportunities would not surface in a conventional market sizing exercise, because the customer group is not separately reported and is underrepresented in national statistics.

Where a product addresses a need that larger players have not identified, competition can be expected to stay low for as long as the need remains underreported. That protection weakens once the category is confirmed as a viable market in the conventional sense, which is an argument for financing these businesses while they can still build a position, rather than after the category has been identified and described in a report.





CHAPTER 5

Due Diligence Playbook

For the additional risks inherent in FDP- and refugee-owned ventures, Amahoro's due diligence process departs in several ways from the conventional approach taken by commercial actors. Attempting due diligence on this particular asset class using the ordinary SME approach would rule many ventures out early in the process. Conventional DD is often heavily documentation-reliant through evidenced regulatory standing, policies, trackers and registers.

Key unique features of Amahoro's due diligence and their significance to this asset class are discussed in this chapter.

5.1
Embedded Due Diligence

In the Fellowship Fund, there is no distinct due diligence stage; due diligence is woven into all interactions with fellows throughout the funding process.

Prior to awards, the selection committee and EIRs play a key role in assessing the founder's intentions and background and the venture itself. Applications reaching the IC would have received multi-stage consideration from the internal team, EIRs, and the selection committee alongside the curriculum, monitoring and evaluation, finance and budget leads.

For first time applicants, eligibility screening begins at the selection stage ahead of a prospective fellow's application. For fellows applying for Round 2 funding, eligibility screening begins months ahead of the application window. Fellows who have received prior funding are screened on whether they fully accounted for funding received, submitted the supporting documentation, and met the milestones and impact targets attached to it, with separate clearance required from both the enterprise support team and Finance.

With the Amahoro team spread out between countries, site visits are carried out prior to, during and after funds are allocated towards milestones. Site visit reports are key documentation requirements across the portfolio. This hands-on, communication-heavy approach is chosen over conventional approaches because a point-in-time file review has little to verify in a venture with no audited accounts and thin documentation. Verification here is distributed across a relationship and across time, which is where the evidence gradually accumulates.



5.2
Designed to Handle Volumes

In the recently-ended 2026 selection process, Amahoro considered 1,643 completed applications and admitted 41 fellows into Cohort 4. Following completion of the curriculum, our experience allows the team to project a minimum of 35 valid Round 1 applications in the next funding window.

The embedded due diligence process described above is designed to allow the internal team and Amahoro's EIR partners to carry out satisfactory DD on all 35 applications prior to IC approval. Application reviewers work to a fixed rubric and assessments are calibrated in a review session run by the Funding Coordinator with the rest of the team.

This is also the design behind the first-round approval rate reported in Chapter 4, where over 90% of requested first-round value was approved. The general guidance provides that all Fellows qualify for initial funding subject to the proposal's commercial viability and the results of the embedded due diligence. By this means, the cost of assessment is moved upstream into selection and the curriculum to enable the funding decision to be made quickly and at scale. With Round 1 tickets capped at USD 10,000, the traditional approach to DD would make tickets this size uneconomic to write.

Amahoro relies on the use of standardised inputs, a calibrated rubric and front-loaded eligibility determinations to bring the cost per assessment down to something the ticket size can support.



5.3
Assessment Of the Individual

Investments at Amahoro are treated as investments in people as well as their ventures. The internal Funding Team often has a strong sense of a fellow's commitment to the venture by the point of screening an application as this only follows several one-on-one sessions directly with the fellows and with their EIRs.

FDP-owned ventures, in our experience, go a step further than traditional SMEs in their connection with a deep desire to right some wrong in their respective sectors. These ventures, in many cases, have links to personal experiences founders have had and wish to help others navigate. We have witnessed this in an autism care centre in Cape Town, a mobile clinic in Southern Nigeria, several sanitary product manufacturers across the continent, as well as waste management ventures. Success in meeting milestones has correlated strongly with the founder's attachment to the problem being solved.

The nature of the problems these projects address has also presented us with certain challenges we face to the present day with some founders especially on financial sustainability and bankability. Where the root cause of the problem is effectively a lack of funds on the part of the target market, founders are susceptible to structuring ventures that offer products or services at prices below what is sustainable for the business, resulting in a venture that is bound to require concessionary funding to survive. In these cases, fellows connect with their EIRs for guidance on balancing the impact Amahoro aims to support with the financial sustainability that allows the venture to continue to exist for the benefit of the market it serves.

5.4
Assessment of the Venture

Each application is then scored against a fixed rubric of seven criteria, from the clarity of the proposal to the sustainability of the business model. The rubric gives every reviewer the same basis for judgement, so assessments can be compared across a cohort and calibrated as a team before applications reach the Investment Council.



As is the case with the structuring of the funding provided (reimbursable over scheduled payments), the screening process is designed to mirror, to some degree, the requirements of commercial funding in an effort to ensure that the ventures receiving final round funding are in a position to access commercial capital by demonstrating a credit history and a formalized plan for scalability. Fellows are pushed to meet this market standard in preparation for non-concessional funding. About half of applications are shortlisted for consideration by IC after this screening, with those failing to advance returning to conversations with EIRs, refining financial projections, or tightening venture models or the impact case.



CHAPTER 6

The Toolkit: Underwriting an FDP-Owned venture, Stage by Stage

The table below sets out the toolkit itself as a stage-by-stage guide for commercial and social investors looking to bring FDP-owned ventures into their pipeline, taking lessons from ordinary credit and investment practice. Each stage sets the conventional SME approach beside a tailored approach drawn from Amahoro's Fellowship experience and from lenders already active in the segment.

In most stages, the tailored approach replaces a mechanical document-based test with several lighter checks gathered over time, and it moves protection away from collateral and towards information on, and control over, assets. A capital provider may adopt the full sequence, or only the stages where its current process would otherwise screen out an investable venture.

Stage	Description	Ordinary SME Investing Approach	Tailored Approach for FDP-Owned Ventures	Rationale
A. Pre-Investment				
1. Mandate and exposure sizing	• Amount to Allocate to the Asset Class • Eligibility Criteria • Return Expectations • Product Types • Investment Themes	• Perceived risk based on sector and country-level data • Perceived risk-based returns influenced by market/peer pricing • Traditional term or revolving loan facilities • Eligibility on the basis of regulatory standing, historical performance, sector and/or credit history • Success based on returns	• Pre-determined share of total SME or other asset exposure • Pilot pool of pre-determined size with separate risk appetite and loss tolerance • Curated investment products (see Structuring below) • Eligibility criteria auditable against RIN definition for refugee-lens investing • Location-and sector-based eligibility according to investment themes and mandate • Minimum threshold in FDP-ownership eligibility criterion • Pre-determined success and impact metrics	• Guards against mandate shifts and helps to evaluate success of selected approach and investment products
2. Origination	• Building a pipeline of investable FDP-owned ventures.	• Inbound applications • SME adviser referrals • Corporate banking relationships • Relies on company's own visibility in formal channels	• Early decision on whether to invest directly or indirectly through a partner already holding a pipeline and a support system • Intermediaries already involved in displacement-affected markets; Fellowships and accelerators (such as Amahoro) • Existing refugee-led organizations • Settlement and urban venture associations, • Microfinance lenders with refugee books • Supply chain networks already sourcing from FDP suppliers	• FDP-owned and ran ventures rarely appear in formal channels • Original conventional origination may yield low return unless well invested in • Intermediaries have already carried out early filtering and hold observed performance and impact data lowering the search cost per deal

Stage	Description	Ordinary SME Investing Approach	Tailored Approach for FDP-Owned Ventures	Rationale
A. Pre-Investment				
			• Priority consideration for ventures with a prior funding and reporting record form partners, such as Amahoro graduated fellows • Referral or pipeline-sharing agreements, MoUs, and co-investing • De-prioritize original sourcing from scratch and focus efforts on screening and value addition	
B. Screening				
3. Legal Eligibility	• Confirming/establishing legal standing of the founder and the venture/enterprise • Determining the enterprise's permitted activities based on applicable law	• KYC via national ID • Proof of address • Tax number • Company registration documentation	System below to be tailored and agreed in advance with compliance department: • Tiered KYC approach that accepts host-government refugee IDs, asylum-seeker permits and refugee work permits • venture registration information where available • Where registration is incomplete, map out a route to formal registration, funded preferably as a use of funds (see structuring) • Discourage the requirement of registration as conditions precedent, particularly where this is costly and/or time consuming	• Avoids mechanical exclusion on the basis of irregular status in given jurisdiction and instead creates an avenue to address this through the investment
4. Founder screening	• Assessing founder's character, capability and commitment, and personal circumstances that could affect the enterprise	• Credit scores • Management team CVs • Reference checks with banks, clients and other partners • Personal guarantees • Founder often regarded as guarantor of last resort	• Character record built from fellowships, intermediaries involved in displacement markets, community leaders, suppliers, customers/clients • Prioritize founders with prior training under structured programmes and accelerators • Assess problem attachment, and founder's overall vision for the enterprise • Consider founder as the primary underwriting asset, with assessment of the individual embedded throughout the deal process through several personal interactions	• With little collateral and sparse formal operating history, founder quality remains key to outcomes • Deliberate steps to understand the people behind the enterprise make up a key aspect of the screening process

Stage	Description	Ordinary SME Investing Approach	Tailored Approach for FDP-Owned Ventures	Rationale
B. Screening				
5. Venture and market assessment	• Determining whether (and the extent to which) the venture serves real, serviceable demand with the potential to grow with additional funding	• Desktop research-based market sizing from industry and sectoral reports, supported by comparables and competitor analysis. • Distribution of historical earnings to validate existence and depth of demand	• Prioritize site visits, customer interviews and supplier references in screening the opportunity. • Size market bottom-up from the community or settlement that represents the primary source of demand: settlement population, customer throughput, prevailing prices • Consider insider knowledge of client demand patterns and gaps in existing service or product delivery, as reported by founders, customers/ clients, suppliers etc. • Consider concentration of related aid-funded projects in the targeted area(s) and how this affects demand in the market under review. • Supplement with sectoral knowledge from partners involved in the displacement space.	• Desk sizing tends to understate viable displacement markets as these needs are not often formally represented and reported • Founders who have lived experiences often have valuable insights that can be validated through potential customer interviews and site visits
6. Financial verification	• Establishing and understanding the enterprise's actual revenues, costs and cash flows. • Assessing the enterprise's credit history and an outstanding indebtedness or financial claim to third parties	• Audited and management accounts, bank statements and tax returns, ordinarily covering two to three years, assessed via ratio analysis and coverage ratios • Collateral searches	• Prioritize reconstruction of basic financial performance and financial position via mobile money statements, sales books, supplier invoices, receipts, stock counts and utility payments; prepare to check these on site as these are often readily available in hardcopies • Where needed, arrange for an analyst, mentor or consultant to build a first set of management accounts with the founder, which then becomes the baseline for performance forecasting	• Many of these ventures rarely have conventional audited financial records
7. Regulatory/ Policy risk assessment	• Review of enterprise's legal standing and how the jurisdiction affects its ability to operate for the life of the investment	• Checklist of required licenses, permits, and registration requirements • Ordinarily completed via desktop checklist completion • Country risk rating and general view of political risk	• Establish which rules limit the founder's ability to work, travel within the territory, and register ventures of varying types. • Understand the law's recognition of refugee entrepreneurs (such as Ethiopia's recognition of refugee as foreign nationals under foreign direct investment and the implied minimum capital requirements), land and lease rights, access to	• Enables capital providers to understand risks beyond those faced by conventional SMEs: host-country policy risk, mobility risk

Stage	Description	Ordinary SME Investing Approach	Tailored Approach for FDP-Owned Ventures	Rationale
B. Screening				
			bank accounts and mobile money. • Assess mobility of the enterprise and its assets in the event that a settlement is reorganized or a policy is amended. • Maintain an updated watchlist of key or volatile policy events during the life of the investment (see Amahoro's Pathways to Employment country analysis).	
C. Structuring and decision				
8. Instrument selection and staging	• Selecting the type, size and sequence of capital deployment	• Starting point is often the type of funding requested by the inbound SME application, unless deemed unsuitable by the capital provider • Term loan or overdraft priced off a risk rating or market base rate plus an applicable margin, often in a single tranche	• Prioritize self-liquidating patient capital given thin secondary markets • Capital provider must take the lead in matching the instrument to enterprise maturity, considering the need for formalization and appropriate regulatory standing as a possible use of funds • Where possible, include concessional or guarantee layer depending on enterprise maturity and pre-determined return expectations • Advance capital in local currency where revenues are local, or include investee protections on currency depreciation against currency of funding • Apply moratoria on self-liquidating capital to allow for application of funds and realization of cashflows before repayments begin • Consider spaced out repayments such as quarterly repayments that permit enterprises to turn around capital multiple times before principal is returned. • Consider non-regular repayment schedules where cashflow is lumpy or irregular.	• Ensures enterprises receive the kind of funding that can facilitate sustainable growth; conventional products may prove unsuitable; mismatch between capital and absorption capacity and currency mismatch

Stage	Description	Ordinary SME Investing Approach	Tailored Approach for FDP-Owned Ventures	Rationale
C. Structuring and decision				
9. Security, documentation and enforceability	• Loss protection through collateral • Protecting the capital provider's position where conventional collateral and court enforcement may not be available	• Fixed or floating charges over company assets • Floating charges over receivables or inventory • Personal guarantees • All the above registered and enforced through the courts	Consider replacing collateral with structural protection earlier in the investment: • Direct supplier payments • Visibility into mobile money receipts and payments • Investor-retained title under lease or hire-purchase • Firm reporting covenants • Enterprise registration under documented shareholding that protects the FDP founder's ownership • Translate key terms into the founder's working language and walk them through these in person	• With conventional security largely unavailable, protection comes from structuring decisions, visibility, and constant contact.
D. Disbursement & Post-Investment				
10. Disbursement	• Actual release of approved funds	• Approved amount is transferred to investee's designated bank account	• Consider including a costed support plan (and its provider, if not internal) as a condition of approval • For small tickets, use standardized rubric and batch approvals to keep assessment cost proportionate. • Disburse funds in tranches against approved milestones tied to the sequence of uses in the application; early milestones may cover regulatory steps such as permits and licenses that protect the investment • Consider paying vendors/suppliers directly for capital items and major inputs • Use mobile money or partner-bank channels where the founder cannot hold a conventional account • Host reporting workshops before the first tranche is released so founders understand what evidence each release requires • Pair founder and team with at least one member or adviser with experience in displacement-affected markets and the sector in question	• Limits exposure at each step, verifies use of funds, and builds the reporting discipline

Stage	Description	Ordinary SME Investing Approach	Tailored Approach for FDP-Owned Ventures	Rationale
D. Disbursement & Post-Investment				
11. Post-investment support	• Non-financial guidance that protects the investment	• Ordinarily none, or optional training	• Capacity building to be included as part of the screening process and post disbursement • Structured support included as an element of funding, including a designated mentor or entrepreneur in residence, training in financial management and reporting, and access to legal, tax and regulatory advisory • Can be outsourced from a partner in the displacement space already running similar support if the capital provider does not have in-house capacity • Focus support on the gaps that most often lead to failure, including bookkeeping, pricing, hiring and regulatory compliance	• This is the approach employed by Amahoro, with experience supporting that structured support tracks with milestone achievement
12. Monitoring and early warning	• Tracking performance and identifying problems early	• Periodic financial reports, covenant tests, and escalation upon delayed repayments	• Consider site visits and frequent catch-up calls as the primary monitoring tool • Consult mobile money records, sales books, supplier invoices, receipts, and stock counts to maintain a financial picture of performance post disbursement • Track standard triggers including late reports, delayed milestone attainment, and significant expenditure variance alongside displacement-specific triggers: document expiry dates, policy or encampment changes, security incidents, notice of founder resettlement etc. • Maintain a regular relationship channel through EIR, advisor or other resource person • Keep the repayment record in a form a bank can use, report to credit bureaux where possible, and introduce performing ventures to follow-on lenders or the next capital tranche to help build a credit history	• Defends against late detection of distress, whether internally or externally driven

Stage	Description	Ordinary SME Investing Approach	Tailored Approach for FDP-Owned ventures	Rationale
D. Disbursement & Post-Investment				
13. Restructuring and workout	• Response to underperformance of the enterprise and/or investment	• Default notice, additional default interest margin, enforcement of collateral and recovery action	• Diagnose underlying problem(s) with the EIR/ resource person, agree corrective steps, and restructure (extended moratorium, redrawn repayment schedule or reduced tranche payments) • Document the grounds for each decision and consider write-offs after restructuring has failed or external conditions have made operation of the enterprise impossible or unlawful	• With security largely unavailable, preserving a viable venture offers better prospects than enforcement maintains better prospects of preserving the repayment stream; has the potential to reduce loss severity
14. Portfolio learning and reporting	• Utilizing portfolio results to improve the process and to report to capital providers.	• Standard portfolio reporting on yield, arrears and losses.	• Create an impact reporting system that quantifies jobs created and supported, taxes paid, women employed and served, clients reached for essential services etc. Align with investment themes and mandate • Track outcomes by enterprise maturity, stage, instrument, country, sector and support intensity, and use these to recalibrate the screening approach and metrics • Consider sharing collated results with partners and wider community	• Each investment adds to the portfolio-level evidence the market currently needs, and allows capital providers to price the next set of investments on its own data



CHAPTER 7

The On-Ramp

This chapter shows what the toolkit looks like in practice, through two Fellows whose businesses have moved through Amahoro's staged funding. Each started with grant capital and is now using staged Amahoro funding to grow, formalize and become credible candidates for follow-on capital.

Case Study 1:
LevelUp Recyclers Ltd

LevelUp Recyclers collects, sorts and processes plastic waste in Abuja and sells recycled feedstock to Nigerian manufacturers. The enterprise's collection workforce is drawn from the city's camps for internally displaced people, most of whom are women. Since joining the first Fellowship cohort, the venture has grown revenue seven-fold, raised its margin and more than doubled the number of jobs it supports.[18]



Snapshot	
Founder	Agwu Kalu Ibe, internally displaced, Nigeria
Venture	Plastic waste collection, sorting and primary processing; recycled PET and HDPE feedstock for manufacturers
Location	Abuja, Federal Capital Territory, Nigeria
Established	December 2020

[18] Amahoro Coalition, 2025 Fellowship Field Assessment Report: LevelUp Recyclers (site visit, Abuja).

Snapshot	
Amahoro Fellowship	Amahoro Cohort 1
Amahoro funding	USD 140,000 across both rounds, of which USD 15,000 in Round 1
Revenue	₦350 million in 2024, from below ₦50 million before the Fellowship
Profit margin	35-40%, up from 25-30%
Processing volume	90 tonnes per month in the wet season, 120 tonnes in the dry season
Workforce	10 full-time staff, 35 sorters and more than 600 collectors
Jobs supported	670 (45 direct, 625 indirect), up from 300 before the Fellowship
Principal offtaker	Kaltani

The Founder

Ibe holds a degree in pure and applied chemistry. During his national youth service in northern Nigeria, an outbreak of insurgent violence forced him, with thousands of others, into a displacement camp set up in a primary school built for 250 children and holding more than 3,000 people. Sanitation in the camp was close to non-existent, and he began clearing waste with three women living there. He moved to Abuja in 2020, where the waste problem was larger, and formalized that effort into a company.

Before the Fellowship, Ibe applied to a microfinance bank for a loan. The bank inspected his facility and visited his home before declining, with the account officer likening the plan to "...a fairy tale". This mirrors the screening problem described in practice. The venture had a working operation, an identifiable market and a founder with relevant technical training, and it was assessed against an operating history it could not yet show.

The Market

Nigeria generates an estimated 2.5 million tonnes of plastic waste a year, and less than a tenth of this is recycled, contributing to blocked waterways and urban flooding.[19] In Abuja, formal collection is sparse in the IDP camps and informal settlements, where waste accumulates around dense housing. Nigerian manufacturers and larger recyclers, meanwhile, need a steady supply of clean, sorted feedstock. LevelUp operates between the two, paying displaced women and youth to collect plastic while selling processed material to industrial buyers.

The Venture Model

LevelUp runs a collection network of more than 50 points across Abuja's IDP camps and the unplanned settlements around them. Collectors are paid by the volume of plastic they deliver. At the company's facility, plastic is sorted, cleaned, crushed and baled, and is sold to manufacturers as baled clear, light blue and coloured PET bottles and as crushed HDPE. The company also charges for collection from residential and commercial properties, with commercial sources including Shoprite and the cleaning contractors at Riverpark Estate.[20]

[19] World Bank estimate, as cited in "Amahoro Coalition fellows tackling environmental degradation using a venture-first approach", The Independent (Uganda) and allAfrica, 15 June 2026.

[20] LevelUp Recyclers Ltd, Round 2 funding application and pitch deck presented to the Amahoro Investment Council, November 2024.

The venture now runs eight collection trucks across 22 routes in Abuja and collected more than 3,200 tonnes of plastic by September 2025.[21]

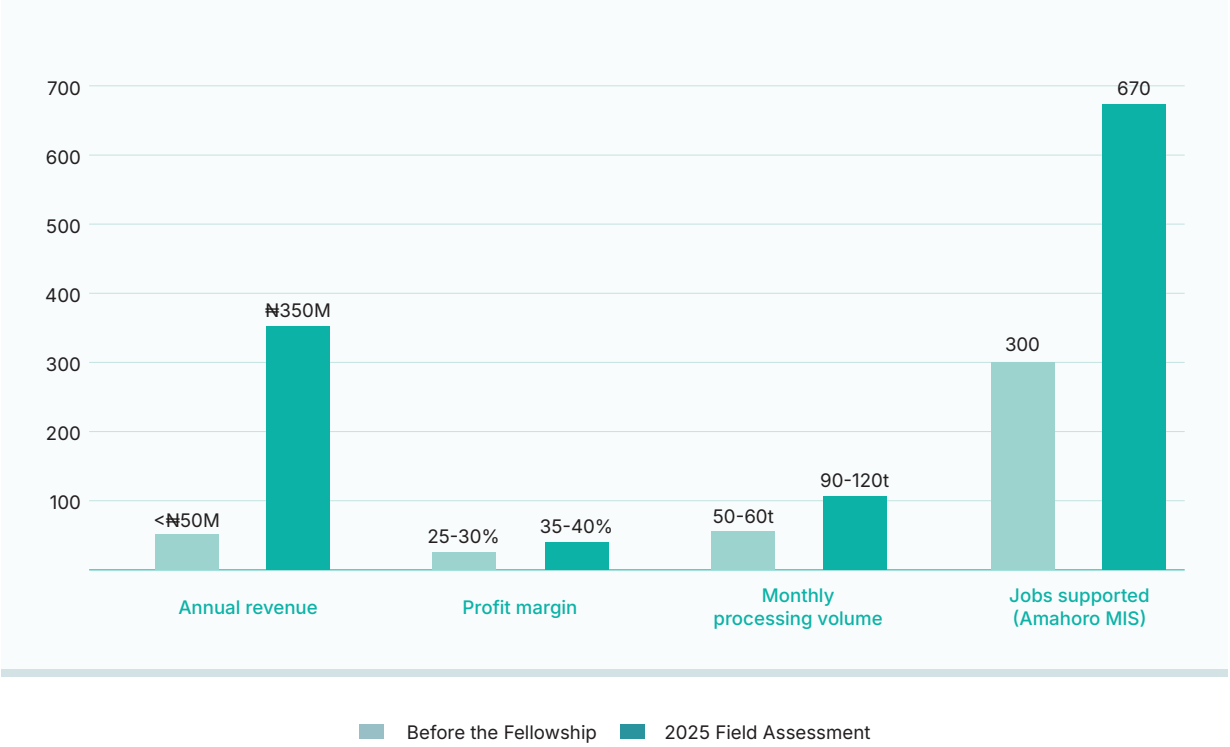
Ibe prices the venture below its maximum margin by design. His own illustration is that where a transaction could yield a profit of two dollars, LevelUp takes one and distributes the other across collectors, sorters and drivers.[22] The 2025 field assessment recorded monthly wages from ₦30,000 to ₦120,000, payment guaranteed to workers who report for a shift, and a strict prohibition on child labour.

What Amahoro Funding Did

Amahoro's Round 1 funding of USD 15,000 financed a 60-tonne baling machine, a Hi-Jet mini truck, protective equipment and starter kits for collectors, as well as the onboarding of 50 women collectors. Within three months, the volume of plastic collected and processed rose by 30%.

In November 2024, LevelUp applied for Round 2 funding to establish a waste-to-product line producing water-resistant boards for furniture and construction from plastic and rice husks.

Indicator	Before the Fellowship	2025 Field Assessment
Annual revenue	Below ₦50 million	₦350 million (2024)
Profit margin	25-30%	35-40%
Monthly processing volume	50-60 tonnes	90-120 tonnes
Jobs supported (Amahoro MIS)	300	670



[21] Mastercard Foundation, "How One Young Nigerian Turned Waste Into a Thriving venture", Impact Stories, 10 September 2025.

[22] Amahoro Coalition, "Ibe Kalu Agwu: The Man who Turns Waste into Wages", 10 September 2025.

The facility now ships six consignments a month of 16 to 23 tonnes each. As of 2025, the venture was operating at the primary processing stage of collection, sorting, crushing and baling, and its product development had extended to modular shelter panels made from biscuit wrappers and rice husks, designed for housing in displaced communities. Ibe also completed the Nasdaq Entrepreneurial Center's Milestone Makers programme, working on a go-to-market strategy for product expansion.[23]

Impact

LevelUp is among the largest employers in the Fellowship portfolio, with 670 jobs at its most recent return, 45 of them direct and 625 indirect. Notably, 90% of the sorting workforce are women, with most collectors still living in camps. The company estimates that its operations have avoided 5.1 million kilograms of CO2 emissions, and it has removed more than 50 tonnes of waste from the Wupa River in the Federal Capital Territory.[24]

Ibe spoke at the 2025 Africa Forum on Displacement in Nairobi, reporting that Nigerian authorities have since invited the company into policy discussions, including on single-use plastics, which gives the venture a voice in the regulation that governs its sector.[25]



[23] Nasdaq Entrepreneurial Center, "Meet the Entrepreneurs in Our Spring 2025 Milestone Makers Cohort", March 2025.

[24] CO2 figure from the LevelUp Round 2 application (November 2024). Wupa River figure from The Independent (Uganda) and allAfrica, 15 June 2026.

[25] Mastercard Foundation, "How One Young Nigerian Turned Waste Into a Thriving venture", Impact Stories, 10 September 2025.

Case Study 2:
BGM Naturals (Black Girl Magic Naturals)

BGM Naturals makes natural hair and skincare products for women with natural hair and sells them directly through social media. It began with a single moisturizer spray and now sells to customers in Uganda, Kenya, South Sudan and further abroad, with distribution partners in Kenya and South Sudan. We find with BGM Naturals a demand that exceeds what its current production setup can supply[26] and a women-led consumer brand with a small team.





[26] Amahoro Coalition, 2025 Fellowship Field Assessment Report, Cohort 2 Spotlight: Catherine Isaiah, BGM Naturals (site visit, Uganda).

Snapshot	
Founder	Catherine Poni Isaiah, South Sudanese refugee living in Uganda
Venture	Natural hair and skincare products made from plant seeds, roots and oils
Location	Uganda
Established	2021, from starting capital of USD 60
Amahoro Fellowship	Cohort 2
Monthly orders	1,000 product orders
Production	100 to 200 bottles (500 ml) a month, using manual processes
Markets	Uganda, with distribution partners in Kenya and South Sudan, and customers abroad
Audience	More than 500,000 followers across platforms; TikTok is the primary channel

The Founder

Catherine Poni Isaiah is originally from South Sudan and lives in Uganda. She began making her own hair products at home after struggling with the cost of products for natural hair and the chemicals many of them contain, with her first product being a moisturizer. Following several inquiries as to what her ingredients were, she turned it into a product line, starting with capital of USD 60 in 2021.[27]

She has built the venture alongside her studies and, as of mid-2025, ran most of it herself as formulator, marketer, packer and planner. Before the Fellowship, the venture received seed funding and training from several youth and entrepreneurship programmes, including the African Youth Action Network, a Stanford entrepreneurship programme, NSSF Hi-Innovators and Jobtech.[28] She has since founded the Black Woman Dreams Foundation, which runs mentoring programmes for young women.[29]

The Market

The venture serves women who wear their hair natural and want products formulated for it. Catherine's own case for the venture is that products for textured hair available to her customers are often expensive or rely on chemical treatments. With a rising natural hair usage culture across Uganda, an increasing number of Ugandan women are embracing natural hairstyles (such as afros, twists, and locs) to celebrate African identity and save on the high cost or maintenance of chemical relaxers.

Uganda allows registered refugees to work, move and run ventures, which places the founder in a lighter position on the documentation and host-country policy risks described in 2.2 than refugee founders in more restrictive jurisdictions. The binding regulatory issue for ventures such as this one in Uganda is product licensing.

[27] Amahoro Coalition, "How Catherine Isaiah is Changing Haircare in Africa: More than a Hustle", 20 June 2025.

[28] Amahoro Coalition, Fellow profile: Catherine Isaiah, Founder, Black Girl Magic Naturals, November 2024.

[29] Catherine Isaiah, personal website (catherineisaiah.com), "About Me" page, 2025.

The Venture Model

BGM Naturals produces in small batches and sells directly to consumers, with marketing mostly content-led. Catherine publishes hair-care tutorials and routines daily, mainly on TikTok, in a regular evening slot between 8 and 10 pm East Africa Time, and orders come in through the same channels. Outside Uganda, the venture sells through distribution partners in Kenya and South Sudan.

The venture has two income streams. Product sales run at approximately USD 1,390 a month. Separately, Catherine reports earning between USD 1,500 and 5,000 a month from engagement on her social media content, which at the upper end is more than three times product revenue and is driven by over half a million followers across platforms.

Production is human centered, at a volume of 100 to 200 bottles of 500 ml a month against running orders of 1,000 bottles per month.

Impact

The venture employs women from refugee and host communities. In its Q3 2025 return, four of the seven jobs were held by women and 29% by displaced people. Beyond direct employment, the venture trains young women in entrepreneurship, and its content reaches an audience of more than half a million with tutorials on caring for natural hair.







CHAPTER 8

Conclusion

Since 2019, Amahoro has convened the African private sector around displacement through the Africa Forum on Displacement in Kigali (2021), Accra (2023) and Nairobi and Kakuma (2025), through the Amahoro Fellowship, and through direct partnerships with more than 380 private sector partners whose cumulative job and livelihood commitments exceed 340,000. We regard this convening work as part of the infrastructure available to investors entering the space, as it connects capital providers with pipeline, offtakers, operators and policymakers in the same markets.

We invite private investors, including impact funds, DFIs, family offices and corporates, to engage Amahoro at whichever stage of the process is most useful to them. At origination, Amahoro can share a pipeline of Fellows and graduated Fellows who hold a funding, reporting and repayment record, through referral arrangements, MoUs or co-investment. At screening and due diligence, our team, site visit records and EIR network can support the assessment of founders and ventures operating with limited documentation. At structuring, we can work with investors on staged capital arrangements that allow them to enter alongside or after Amahoro's Round 2 funding, including follow-on financing. After investment, our fellows continue to have access to EIRs, mentors and Amahoro's monitoring process, and we are open to discussing how this support can extend to ventures in a partner's portfolio. Investors may also join our engagement with host governments on work rights, venture registration and financial access.

Amahoro will continue to update the evidence for this asset class in which we have built considerable confidence. We welcome enquiries from any institution considering its first exposure to FDP-owned ventures or seeking to expand an existing one.


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