

# Refugee Microenterprise Program



# 2012

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Compiled by Marijana Ababovic, ISED Solutions

Results

## Overview

In 2011, there were 18 grantees in 15 states that received Office of Refugee Resettlement grants totaling \$4 million .

In the current period, ORR grantees were focused on providing business and financial services to refugee entrepreneurs and on increasing the funds available to refugees. In the last three years, the ORR grantees expanded financial opportunities for refugees by becoming SBA lenders and CDFI intermediaries. As a result, 32% of all grantees can also help refugees through SBA loans and additional 21% are applying to access these funds. 37% are CDFI certified, and 26% are in the process of applying, which will make the Treasury lending funds available to refugees.

63% of all grantees have capacity to report loans to credit bureaus, which helps refugees establish and in many cases repair credit history.

All grantees leveraged ORR funds and attracted private or state capital to increase either their lending or operational funds. The funds were provided by Wells Fargo, Capital One, Citi foundation, Citi Bank, Bank of America, Department of Labor and many others, ranging from a couple of thousands to a couple of hundred thousands dollars.

## Results

In the current period, ORR grantees achieved following results:

- 3,398 refugees were helped through business training, individual consulting or loans
- 905 businesses were assisted to get started, to increase their revenues or create jobs
- 619 businesses were financed through loans, grants and IDAs
- \$4.4 mil. Invested in refugee businesses
- 1,129 jobs were created or retained

Compared to the previous period, the ORR grantees:

- Increased number of refugees assisted (10%)
- Assisted businesses at the same level as in the previous period
- Disbursed fewer loans (67%) with increased amount loaned out
- Increased available funding (29%)
- Increased number of jobs created (5.6%)

Demographically speaking, more women were assisted (49% compared to 43% of previous year) and more refugees at poverty level (59% compared to 54%). Almost 60% of all served were recent arrivals.

Average ORR loans were \$5,800, while loans from other sources varied based on the restrictions of the funds.

The quality of lending is also measure by loan loss rate, which is 5.6% which is below the national standard for microenterprise programs (7%).

## Businesses

Refugees businesses are mostly in services, food and transportation. Services and food trend, which has been a constant for refugee businesses, fit in the current macroeconomic trends of local production, expansion into ethnic markets and community support to local businesses. Transportation businesses, despite raising gas prices, provide solid profit and income to refugee businesses.

<b>Refugee Microenterprise Program 2012</b>		
<b>A. Results</b>		
<b>1. Refugees served through:</b>		
<i>Training</i>		973
<i>Technical assistance</i>		1988
<i>Loans</i>		437
<b>Total</b>		<b>3,398</b>
<b>2. Types of businesses assisted:</b>		
<i>Start ups</i>		297
<i>Existing businesses</i>		473
<i>Existing business to add jobs</i>		135
<b>Total</b>		<b>905</b>
<b>3. Total loans and financing</b>		
	<u>Number</u>	<u>Amount</u>
<i>ORR loan fund</i>	243	\$ 1,362,911
<i>Other loans/grants</i>	253	\$ 1,906,498
<i>IDA</i>	123	\$ 554,805
<i>Owners investment</i>		\$ 624,013
<b>Total</b>	<b>619</b>	<b>\$4,448,226</b>
<b>4. Jobs created</b>		
<i>Part time</i>		296
<i>Full time</i>		833
<b>Total</b>		<b>1,129</b>
<b>B. Loan Loss Rate</b>		<b>5.66%</b>
<b>C. Demographics</b>		
<i>Male</i>		51%
<i>Female</i>		49%
<i>Less than 5 years in the</i>		65%

USA	
Under poverty level	59%
<b>D. Available funds</b>	
Operating fund from ORR	\$ 3,126,521
Revolving loan fund from ORR	\$ 720,000
Operating funds from other funds	\$ 1,569,444
Revolving loan fund from others	\$ 5,965,500
<b>E. Lending Capacity</b>	
SBA Lender	32%
CDFI Certified	37%
Capacity to report loans to credit bureaus	63%
SBA loan	\$3,203,888
SBA operations	\$1,060,114
CDFI loans	\$ 710,000
CDFI operation	\$ 300,000



*Yakhiel Khafizov, Barukh's Barber Shop, Brooklyn, NY*