Catholic Impact Investing Collaborative (CIIC)
June Community Forum: Refugee Lens Investing

Thursday, June 17th, 2021 | 10:00 AM CDT

CIIC is excited to announce our June Community Forum, part of an ongoing series of webinars focused on a specific issue area for CIIC community members to engage in open dialogue, exchange resources, and identify opportunities for mutual learning and collaboration.

In honor of World Refugee Awareness Month in June, our Forum will focus on Refugee Lens Investing - the deployment of capital toward refugees and the communities hosting them. According to the United Nations Refugee Agency, by the end of 2019 there were 79.5 million forcibly displaced people that became refugees or sought asylum due to conflict, persecution or natural disasters. Impact investing in refugees can stimulate meaningful economic growth, and our forum will focus on the network and funds that are developing refugee lens investing and creating funds that support these communities.

This webinar was originally broadcast on Thursday, June 17th, 2021 and you can find a recording here.

Speakers include:

- Tim Docking - Managing Director, Refugee Investment Network
- Yanki Tshering - Executive Director, Accompany Capital
- Jay Dunn - Executive Director, DF Impact Capital / Dunn Family Charitable Foundation

WHO WE ARE

By sharing our experience and celebrating our Catholic faith & values, we seek to expand the use of wealth in service to people & planet.

The Catholic Impact Investing Collaborative (aka CIIC - pronounced “seek”) was established in November 2014 as an informal “neutral space” for people to come together, share a meal and stories, and build relationships based on their spiritual as well as financial commitment to Impact Investing. Our goals are to share stories, build relationships, foster collaboration, and grow the Catholic Impact community, while leaving room for the Holy Spirit.
Investing in Refugees: Building long-term solutions for economic self-reliance

Tim Docking - Managing Director, Refugee Investment Network

The refugee crisis is the defining social crisis of our time. The Refugee Investment Network (RIN) defines “refugees and forced migrants” broadly, inclusive of those forcibly displaced across borders, and internally (IDPs) by violence, persecution, climate change, natural disaster and the communities they live in. There are currently 80 million displaced people today, and that number is projected to grow rapidly over the next decade up to 300 million people.

Refugees are often overlooked and present untapped potential. Investing in refugees in critical to the achievement of the U.N.’s Sustainable Development Goals (SDGs), and RIN has mapped the impact of refugee investing to 13 of the 17 UN SDGs. Within this context, we created the Refugee Investment Network (RIN) in 2019 to be the first impact investing collaborative dedicated to creating long term solutions to global forced migration. RIN’s theory of change is to mobilize capital, build the field of refugee investing, change the negative stereotype around the displaced person, and to change policy environments that hold refugees down.

In consultation with investors, humanitarian organizations and refugees, and using the Gender Lens for guidance, RIN has developed the first-of-a-kind Refugee Lens framework to qualify and measure impact investments. Refugee Lens Investing can be used to work across the full capital continuum, though RIN is most focused on the impact space.

We see how Refugee Lens Investing is taking root in the impact investing space. Our work has identified identified 100s of investors who are actively or likely to engage in refugee investing. RIN’s lens is being used by fund managers, including the Dunn Family Charitable Foundation. We also see the refugee entrepreneur ecosystem growing, helped by an increased number of refugee accelerators and incubators. As refugee lens investing gains traction, more faith-based partners, foundations, NGOs and international financial organizations are entering the market as technical assistance and blended finance partners.
Our Refugee Success Stories

Yanki Tshering - Executive Director, Accompany Capital

Accompany Capital is one of several hundred CDFIs in the U.S., uniquely established in response to the needs of refugees. The mission of Accompany Capital is to create a pathway to self-sufficiency for refugee entrepreneurs. We do this through access to credit and provide loans which range from $500-$250,000, which means we serve everyone from a refugee selling roses on Valentine’s Day to a client who owns five grocery stores employing over 55 workers. In addition to capital, we provide our clients with access to financial education and business and technology training. When I am asked what Accompany Capital does, I tell them the trajectory of the development our products and services through the stories of our clients.

- Yelena Gordiyevskaya came to New York as a refugee from the Former Soviet Union in 1996. She has received – and repaid - 7 loans from Accompany Capital including four SBA-funded loans for a total of $155,000 and eventually was able to purchase her business’s building, as well as expand to a second location.
  - Accompany Capital is a certified SBA microlender as well as a Community Advantage lender (making loans up to $250k). During the pandemic, our challenge was in identifying investors and raising the funds in order to make larger loans, especially PPE loans. To date, we’ve lent over $6M in PPE loans and received investment from Google’s Grow for Small Businesses program and Opportunity Finance Network.

- Ismaila Bah and Mohamed Bah, refugees from Guinea, are the owners of Noor Halal African American Market in the South Bronx, a community that is considered a “food desert.” They have been Accompany Capital clients since 2011, receiving several loans totaling $30,000, along with a match grant of $4,000.

- Sayed Mohamed is a refugee from Egypt who came to the USA with his family in 2014. Sayed and his daughter attended several workshops, graduated from our IDA program with $8,000 and an Accompany Capital loan of $10,000 to purchase a food cart.
  - When our clients repay the loan, they are building their credit which is critical. We work with Credit Builders Alliance, and their research has proven that a good credit score can save $250k in fees and interest for someone with a low-middle income.

- Luz Villada, an experienced seamstress in her native Columbia, is the founder of Luvi Fashion. With a $3000 loan from Accompany Capital, she was able to purchase sewing equipment, and a second loan of $10,000 provided funds for cash flow and supplies. To see more of Luz’s story, you can see our video profile of her.

Of the $37 million that Accompany Capital has lent in over 4,000 loans, $6 million has been to refugees which has created 1,088 jobs. Access to capital and credit has helped our clients live with dignity and security.
I want to share with you our approach to refugee investing within the context of our impact investing efforts, as well as our journey to impact investing and how we’ve been able to support displaced people.

As a foundation over the past 25 years, we've done impact investing in ad hoc ways by making loans to grant recipients. We've tried to become more strategic and intentional in the last five years by implementing a socially responsible investment strategy across all of our assets at the foundation and the family office, which we think of as impact with a “small i”. This included positive and negative screens and some thematic investing, but we really wanted to be more impactful with a “capital I”. As a family, we allocated from our foundation's endowment and the family capital for higher impact investing that is mission-aligned to our foundation's values.

The approach for this impact investing strategy has been high-impact driven capital preservation through building a broad, diverse portfolio of mission-aligned investments. We are a small organization and can’t do extensive due diligence, so we tend to work through intermediaries (funds and loan pools) and rely on expert collaborators. We diversify through debt and equity investments, as well as through domestic and international investments. We try to be catalytic in providing early capital wherever possible, creative and flexible in structuring, and collaborative with others.

In our work in investing and supporting displaced people, we participated in a donor group called the New England International Donors and were part of a giving circle on refugees and displaced people where we met the Refugee Investment Network. RIN helped us think about applying their refugee lens to our portfolio and we’ve made three investments in this space. The first was with the International Rescue Committee’s Center for Economic Opportunity, a domestic debt loan fund to support refugees and immigrants build credit and provide microloans. Through that program, we connected with other investors, including Missionary Sisters of the Sacred Heart and Ascension among others, who were open to share opportunities and due diligence. The second investment we made was in the Kiva Refugee Investment Fund, an international equity-like fund providing loans to microcredit organizations working in refugee communities. The third investment we made was in the Freedom100 Fund from Mission Driven Finance, which finances bonds for ICE detainees. These are three very different kinds of investments and approaches to supporting displaced people.

Our foundation and impact investing strategy is also very focused on investing in root causes of forced migration (violence, climate change, etc.), which relates to refugee investing. We try to create resiliency and jobs so that people can stay in their home communities, and we’ve done 8-10 investments in these areas as well.