



Building Markets

Annual Report 2023





Building Markets builds inclusive economies for small businesses so that all people have the opportunity to rise.



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Letter from the CEO and Chair of the Board of Directors

Dear friends,

Building Markets' work and mission has never been more important or urgent. In 2023, we provided critical support to entrepreneurs against a backdrop of major global upheaval — inflation, war and disaster, climate change, and growing political and public resistance to refugees. The people we serve are navigating a political crisis in Myanmar, the aftermath of devastating earthquakes in Syria and Türkiye, and ongoing displacement and anti-refugee sentiment in Türkiye and Colombia. But in the face of these crises and others, entrepreneurs in our network have shown that with targeted support they will tap into their resilience and business know-how to impactfully respond and begin the work of long-term recovery in their communities. We are proud to stand with them and support them on their journeys.

It is with this experience in mind that we published a five-year global strategy in September, which lays out the necessity, ambition, and direction for Building Markets' work through 2028. We have committed to doubling down on our efforts to lift economically-vulnerable communities around the world away from poverty through the power of market-based solutions. We continue to work through small businesses because

we know they make up 60% to 90% of the economy in most countries and create the majority of jobs globally, yet often remain economically vulnerable. We know the Sustainable Development Goals (SDGs) related to poverty, gender equality, environmental sustainability, and inequality cannot be achieved without working with this significant segment of the global economy and society.

Because market-based solutions are required to create lasting, transformative change, we are confident of the critical role we play in solving these global challenges. Short-term, band-aid solutions offered by many aid interventions are insufficient and aid budgets simply cannot stretch to the levels required to support small business leaders in achieving enduring change. Private capital, however, in the form of supply chain and procurement spend, consumer, and investor dollars, is an untapped resource for economically-vulnerable communities.

As we celebrate the dedication and achievements of small business leaders, our team, and our partners in 2023, we are also excited to be standing on the cusp of a new era for Building Markets as we build on our proven model to scale access to markets for

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marginalized small business owners globally. Fueled by the vision of a world where all individuals have the opportunity to rise, we look forward to your continued partnership and support for an even more impactful future.

Thank you for walking with us on this journey. Together, we have the power to shape a brighter, more secure future for generations to come.



Radha Rajkotia
CEO



Ben Cushman
Chair, Board of Directors

2023 AT A GLANCE

With your support, Building markets saw incredible impact in 2023:

2,240
jobs
created



2,002
people
trained
across 1,277
small
businesses




1,161
small
businesses
joined our network



2,298
tenders
distributed



477
contracts,
loans,
investments,
or grants won,
valued at
\$14.9 million



Right now, 3.4 billion people around the world are in an economically-vulnerable position. Just one crisis could push them into poverty.

An unprecedented number of people have been forced to leave their homes and communities. Whether caused by war, a pandemic, natural disaster, or sudden economic crisis, these individuals often have little or no financial cushion. Small businesses are the key to livelihoods for a vast majority of this population segment, and those livelihoods are key to health, education, opportunity, and peace.

There are already trillions of dollars of capital flowing through global supply chains, ready to be leveraged. **Our work at Building Markets is to channel a growing percentage of these funds to small businesses around the world and maximize the power of our shared global economy.** We're elevating more diverse companies and helping vulnerable small business leaders connect to new opportunities that will have far-reaching impacts in their communities.



Our Mission

To build inclusive economies for small businesses so that all people have the opportunity to rise.

Building Markets addresses inequality, vulnerability, and marginalization around the world by advancing inclusive economies that work for all. We do this by opening opportunities for small business owners, who fuel more than 70% of the world's jobs, transforming their lives and communities.



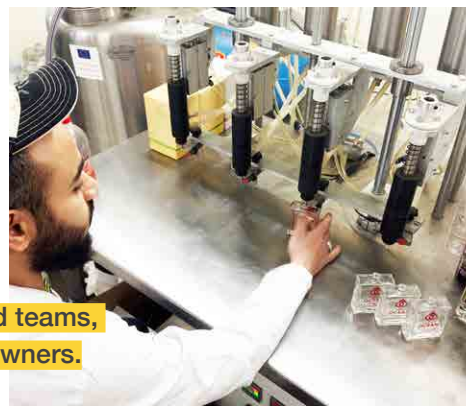
Who We Are

Since 2004, Building Markets has combined its deep local knowledge, comprehensive data, and global networks to build confidence and strength in more than 27,000 small business owners affected by marginalization. From securing \$1.4 billion in contracts or loans to creating more than 74,000 full-time jobs in places where they're needed most, Building Markets is elevating small businesses as engines of enduring social impact and economic growth.

In all countries where we work, our teams are 100% locally-led, offering expertise and shared lived-experience that helps build trust among our small and medium-sized enterprises (SMEs). Small business leaders in our network tell us how impactful it is to have someone from a similar background offering tailored advice and support.



Building Markets works across sectors through 100% locally-led teams, whose shared lived experiences help build trust with business owners.



Our Model

Learn more about how Building Markets creates impact in [this video](#)



BUILD

We enhance the commercial and digital capacity of displaced small businesses through training and advisory services, helping them compete in a global marketplace.



ADVANCE

We engage regional and national stakeholders to advocate for the integration of displaced small businesses in the economy.



CONNECT

We improve market efficiency for displaced small businesses through tender distribution services, matchmaking services, and access to working capital.



FIND

We develop the best market information on displaced small businesses through in-depth surveys and trusted relationships with municipal government partners.



Five-Year Global Strategy

In September 2023, we launched a new five-year global strategy to meet this challenge through scaled impact. By 2028, we plan to facilitate at least \$400 million in revenues for small businesses from marginalized communities and reach 30,000 vulnerable small businesses. We aim to do this with an average efficiency ratio of 1 to 10, meaning for every dollar Building Markets spends, we'll facilitate ten dollars of revenue to a small business.



[READ MORE ABOUT OUR FIVE-YEAR GLOBAL STRATEGY HERE:](#)





2023 Highlights

The following pages take a closer look at some of our key achievements in 2023, focusing in on three key areas:

PROGRAM HIGHLIGHT: Small Businesses Responding to Crisis in Türkiye

SOLUTION HIGHLIGHT: Small businesses creating social and environmental change

PARTNER HIGHLIGHT: Supporting small businesses in Colombia



2023 Türkiye Earthquake

February 6, 2023: A series of major earthquakes hit southern Türkiye near the border of Syria, home to thousands of Syrian refugees

- Türkiye hosts 3.2 million Syrian refugees
- Most devastating earthquake to hit Türkiye in more than 20 years
- The disaster impacted at least 15.7 million people in Turkey and Syria, with over 55,000 lives lost and nearly 130,000 injured. Millions were displaced from their homes.

Building Markets worked in partnership with local and international organizations to quickly support small businesses in the wake of the 2023 earthquake in Türkiye.

PROGRAM HIGHLIGHT

Small Businesses Responding to Crisis in Türkiye

On February 6, 2023, a devastating earthquake struck Türkiye and Syria. Those who survived, many of them already refugees of the war in Syria, were left in need of urgent assistance. At the epicenter in southeastern Türkiye, there are 1,400 small businesses – almost half of our small business network. Building Markets responded by:

FOOD RELIEF:

Partnering with organizations like [World Central Kitchen](#) and the International Restaurant Association, we supported a group of 75 restaurants in our local network to deliver immediate relief by setting up a mobile kitchen in Hatay that served over 142,000 hot meals to survivors. Additionally, through the Emergency Relief Fund, we delivered 7,500 iftar meals to earthquake victims who resettled during the holy month of Ramadan.

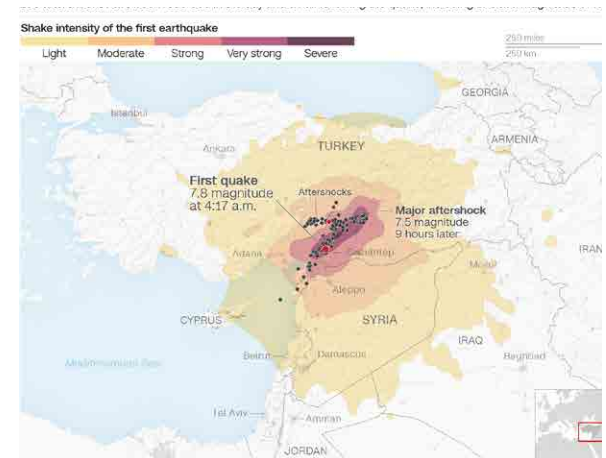
LIFE-CHANGING CASH ASSISTANCE:

In collaboration with [GiveDirectly](#), we helped facilitate cash transfers of ₺9,000 Turkish lira to help over 1,000 families meet critical needs, like keeping their businesses afloat, rebuilding homes, or relocating to safer areas. Simultaneously, through a partnership with the Center for Disaster Philanthropy, we ran a three-day business continuity bootcamp with

over 100 small business owners, helping them restructure their business plans in the wake of the earthquake. We also provided cash grants of \$6,000 to 30 businesses, which allowed the majority of those businesses to return to pre-earthquake staffing levels and grow their revenue.

LOCAL COLLABORATIONS AND COMMUNITY EMPOWERMENT:

Collaborating with local entities, we provided assistance in distributing clothes and organizing events in the affected area, with a focus on prioritizing women-led businesses to foster community resilience. Through collaboration with local NGOs, we have verified the addition of 365 new refugee and local-owned businesses to our network since February 6. This joint effort not only expands our network but also strengthens the foundation for sustainable economic recovery in the aftermath of the earthquakes.



INTENSITY MAP OF THE 2023 EARTHQUAKE
Graphic: Henrik Pettersson, CNN

CO-WORKING SPACE:

To help entrepreneurs who lost their office spaces get back to rebuilding, the Building Markets Gaziantep office has transformed into a co-working space for small businesses in our network. This innovative solution has allowed small businesses to remain operational despite damages, and to continue contributing to the local economy at a crucial point in their economic recovery.

ENTREPRENEUR SPOTLIGHT

Adapting to support earthquake relief efforts

In the city of Gaziantep, Samer Hejazi owns Elhamwi Company, a shop which sells food, utensils, and cleaning supplies. His life changed dramatically after the earthquakes in February 2023. He knew he wanted to help his community and quickly adjusted his operations to meet local needs. Despite no prior experience working in the humanitarian sector, he started selling larger quantities of food, soap, and other kitchen supplies to aid organizations helping with relief efforts.

As aid agencies quickly mobilized to respond, new opportunities, though unfamiliar to Samer, opened up for local suppliers. In order to navigate this new procurement process, Samer turned to Building Markets, where we make thousands of tenders visible to small businesses through an online tender directory and train small businesses on how to apply.

“After my first experience, I was very encouraged and started applying for tenders. I have learned a lot [about working with the humanitarian sector] and have subsequently submitted applications for large tenders,” Samer said.

Today, Samer's company has won contracts valued at more than \$1.8 million, which has allowed him to create new jobs and increase his number of employees from 10 to 15.



“After my first experience, I was very encouraged and started applying for tenders. I have learned a lot [about working with the humanitarian sector] and have subsequently submitted applications for large tenders.”

– Samer Hejazi,
Owner, Elhamwi Company

SOLUTION HIGHLIGHT



In Myanmar, Building Markets assists recycling businesses to adopt eco-friendly practices, such as sourcing materials directly from landfills instead of relying on imports.

SOLUTION HIGHLIGHT

Small businesses creating environmental change

Small business leaders play an essential role in reducing global emissions.

As outlined in the SDGs, global emissions need to be reduced by 45% by 2030 and continue to decline thereafter in order to achieve net zero emissions by 2050. In Colombia and Türkiye, where we operate, the governments have set targets of zero net emissions by 2050 and 2053, respectively. In each of these countries, SMEs make up close to 90% of the economy, making it simply impossible to accomplish these goals without engaging them in the effort.

So how is Building Markets helping small businesses respond to climate change?

SMEs play a vital role in global value chains, contributing to emissions through various processes like manufacturing, transportation, and packaging. Building Markets sees every small business as an integral part of the puzzle. If we work together, each small business leader and their team doing their part, individual actions can have outsized impact.

In Myanmar, Building Markets has been instrumental in assisting small and medium-sized recycling businesses in adopting eco-friendly practices. Through education, mentorship, and access to sustainable supply chains, we have helped these businesses overcome barriers and make meaningful contributions to emission reduction.



ENTREPRENEUR SPOTLIGHT

Aligning profit with planet-conscious principles

“Shwe Pyo Eaik,” a forward-thinking recycling business in Myanmar, has made a significant shift in its operations by sourcing raw materials directly from landfills instead of relying on imports. This transformation was possible because of the skills owner U Hsan Oo gained from joining the Building Markets program. From September 2022 to September 2023, Shwe Pyo Eaik’ successfully procured an impressive 391.2 tonne of polypropylene plastics extracted from landfills. This strategic move not only bolstered the company’s resource sustainability but also exemplified a unified approach toward both business growth and environmental sustainability. It showcases how innovative thinking and responsible practices can align profit with planet-conscious principles, leading the way to a more sustainable future.



PARTNER HIGHLIGHT

Supporting small businesses in Colombia

In 2023, Building Markets launched its first Latin America operations in Colombia with support from The Conrad N. Hilton Foundation.

Despite the challenges, embracing the economic potential of migrants and displaced populations can greatly benefit Colombia's economy. Their entrepreneurial spirit and resourcefulness can drive innovation and contribute to the growth of various industries, enhancing productivity and competitiveness.

In 2023, Building Markets registered over 1,000 small businesses ready to take their operations to the next level. By working with Building Markets, these businesses will have access to a team of experts and mentors, training courses, and direct matchmaking with local, national, and international buyers.



WHY COLOMBIA?

- The government in Colombia has developed policies and made commitments toward SME inclusiveness in public procurement, but there are still limits on information and supply chain opportunities in the private sector.
- MSMEs play a substantial role in Colombia's economy, accounting for 40% of the total national GDP.
- Colombia's labor market is also characterized by a high level of informality and low job quality.
- There are significant numbers of vulnerable people in Colombia. Nearly 16% of Colombia's population has experienced displacement, with over 8 million people internally displaced between 1985 and 2022, one of the most significant populations of internally displaced persons (IDPs) globally. Colombia has also received over 2.4 million Venezuelan migrants fleeing the country's challenging social and economic conditions.

ENTREPRENEUR SPOTLIGHT

Santina Boots: Providing livelihoods

Alba Cristina Flórez Aristizábal, founder of Santina Boots, has dreams of taking her company to new heights, turning it into a symbol of hope and opportunity for many. Santina Boots is more than just a business for Cristina — it's a commitment to supporting the livelihoods of 14 employees and their families, a role she cherishes deeply. Now that she's working with Building Markets, she is working toward opening more Santina Boots locations across Colombia. Her advice to fellow entrepreneurs is the importance of persistence and the effective use of social media.



A Message of Thanks

A woman wearing a black and white patterned hijab and a black vest over a white shirt is working on a loom. She is looking down at the white fabric being woven. The background shows a well-lit textile shop with shelves holding various fabrics, a vase of flowers, and mannequin heads.

We could not do this work without the generous support of our partners and donors.

- * The U.S. Department of State Bureau of Population, Refugees, and Migration (PRM)
- * The Coca-Cola Foundation
- * The Conrad N. Hilton Foundation
- * The Center for Disaster Philanthropy
- * GiveDirectly
- * World Central Kitchen
- * United Nations Development Programme

Financials

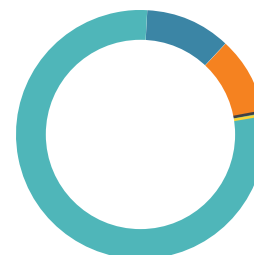
	FY23	FY22
Total Revenue	\$ 4,106,436	\$ 3,631,903
Total Expenses	\$ 4,100,878	\$ 3,432,910
Net Assets, End of Year	\$ 310,817	\$ 295,723

Breakdown of Revenue by Funding Sources

U.S. Government Grants	\$ 2,652,080	\$ 2,869,236
Foundation Grants	\$ 965,953	\$ 381,332
Other Grants and Contributions	\$ 430,394	\$ 368,023
In-kind Contributions		\$ 10,713
Interest and Other Income (loss)	\$ 58,009	\$ 2,599
Total	\$ 4,106,436	\$ 3,631,903

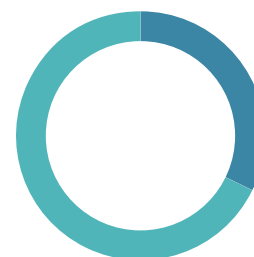
Breakdown of Expenses

Program Expenses	\$ 2,806,179	\$ 2,548,619
Supporting Expenses	\$ 1,294,699	\$ 884,291
Total	\$ 4,100,878	\$ 3,432,910



REVENUE SOURCES

- US Government Grants (79%)
- Foundation Grants (11%)
- Other Grants and Contributions (10%)
- In-Kind Contributions (<1%)
- Interest and other income (loss) (<1%)



EXPENSES

- Program Expenses (68%)
- Support Expenses (32%)

GOVERNANCE & LEADERSHIP

Board of Directors

Radha Rajkotia
Chief Executive Officer

F. Bennett Cushman II
Chairperson, Board of Directors

Michael Didovic

Annie Duflo

Kathrin Frauscher

Trent Hoole

John Mackie

Carolyn Makinson

Terry Peigh

A. Kim Saal, MD

Satwik Seshasai

Staff Leadership

Radha Rajkotia
Chief Executive Officer

Hamilton McNutt
Chief Operations Officer

Allison Anderson
Research and Impact Advisor

Elizabeth Brown
Head of Partnerships

Join Our Community

FOR SMALL BUSINESSES

Start building your future success today by joining our network of businesses that have won more than \$1.4 billion in new opportunities.

FOR BUYERS

Build diverse, sustainable supply chains by working with our vetted suppliers and maximize the economic and social impacts of your operations.

FOR PHILANTHROPY AND IMPACT INVESTORS

Drive positive social impact and help more people move away from poverty by stewarding or investing resources with Building Markets' evidence-based and scalable data-driven approach to change.

FOR GOVERNMENT AND LOCAL ENTERPRISE PARTNERS

Partner with Building Markets to increase local small business capacity and connect more businesses to national and international market opportunities.

Visit buildingmarkets.org or email partnerhips@buildingmarkets.org for more information on joining our community.

Ways to Give



ONLINE

Make a donation safely and securely online at buildingmarkets.org/donate.



STOCK AND OTHER NON-CASH ASSETS

With a gift of stock, publicly-traded securities, or cryptocurrencies, potentially save on income tax and capital gains tax.



DONOR ADVISED FUNDS

Make tax-wise gifts through a charitable giving account.



EMPLOYER MATCHING

Double or triple your impact by requesting your employer match your gift.



BY CHECK

To mail a check, please send to Building Markets at 195 Montague Street, Floor 14, Brooklyn, NY 11201.

For more information or to discuss other options, please email giving@buildingmarkets.org.



Building Markets



Stay in Touch

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