



Markets

# Annual Report

2022



Building Markets

# Making an Impact





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# To Our Friends and Supporters



**Dr. Radha  
Rajkotia**

Chief  
Executive  
Officer

Welcome! I am delighted to share my first annual report letter with you as the incoming CEO at Building Markets. When I joined Building Markets, I was motivated by three things:

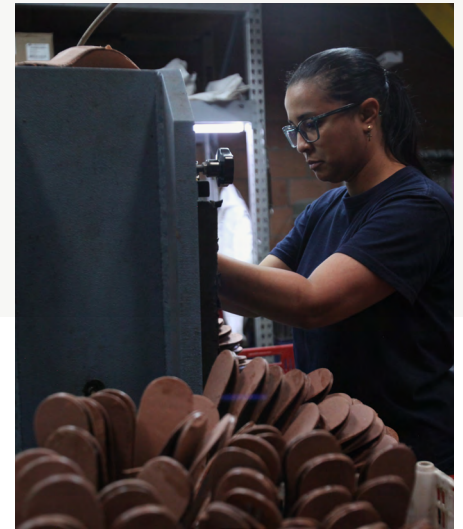
**First, our mission to unleash the power of small business leaders.** In over twenty-five years of working on humanitarian and poverty reduction programs across the globe, I have never failed to be inspired by the grit, creativity, and resilience of small business owners — people who are not looking for a handout and who work tirelessly so that their children may have a better and easier life.

**Second, the unique and evidence-based model that Building Markets uses to deliver results.** The international development sector is still looking for ways to create measurable value for small businesses and **Building Markets' results**, which stem from strengthening access to real

market opportunities, are both simple and concrete. People often say that a good solution is one that you can explain to a child, and I am pleased that my eleven-year-old understands the simplicity and value of helping people expand their networks and know-how for more lucrative business opportunities. Building Markets passes the litmus test.

**Third, the Building Markets team.** Our team shares the qualities of expertise and lived experience in the markets we serve. I was inspired and excited by the possibility to unleash the individual potential within each member of our team across the globe and incorporate experiences to deliver results for economically vulnerable populations around the world.

And while leadership transitions can feel unsettling, Building Markets has remained steadfast in its commitment to results and expanding into new opportunity areas for small businesses.



In 2022, more than 1,000 small businesses joined our network in Myanmar and Türkiye and we helped our network secure business transactions valued at US \$13 million. These wins translate into more than 3,500 full-time equivalent jobs for people affected by crises. We know that the benefits of small business wins do not end with the owners and their employees, but also show up in the improved circumstances of their families. For the businesses we reached in 2022, this means a potential benefit to over 160,000 people - daughters, sons, wives, and husbands.

In 2022, we were also delighted to celebrate Building Market's first entry into Latin America with a new office in Colombia. Colombia offers a dynamic small business ecosystem with strong government support and

progressive financial, trade, and labor policies to encourage small business growth. However, it is also emerging from a 50-year conflict and is host to millions of refugees, migrants, and internally displaced people seeking sustainable paths to livelihoods.

While the need is great, Building Markets is uniquely positioned to support the small business sector in Colombia, which provides 67% of jobs in the country. We're excited to bring our digital marketplace, tools, and training to help small businesses in Colombia access new market opportunities, thus creating more jobs specifically supporting refugee and migrant communities.

As we look to the future, we're excited to release a new five-year strategy that reflects the global trends that Building Markets is

poised to address, and how we will scale the impact of our work. We envision a world with shared prosperity in which we can create inclusive economies for small businesses so that all people have the opportunity to rise.

I am more excited than ever about the work we are doing and the opportunity we have to create impact together. Thank you for joining us on the journey.

Radha Rajkoti



# Our Model

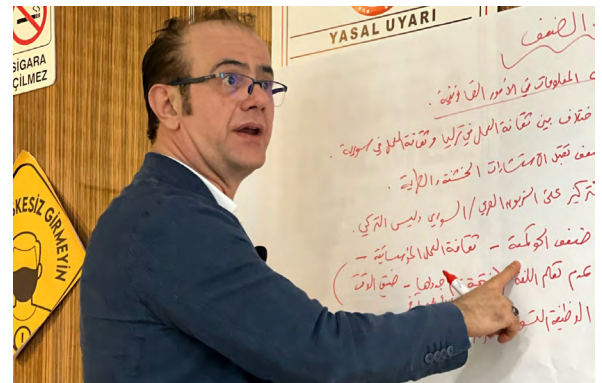




# Find, Build, and Connect

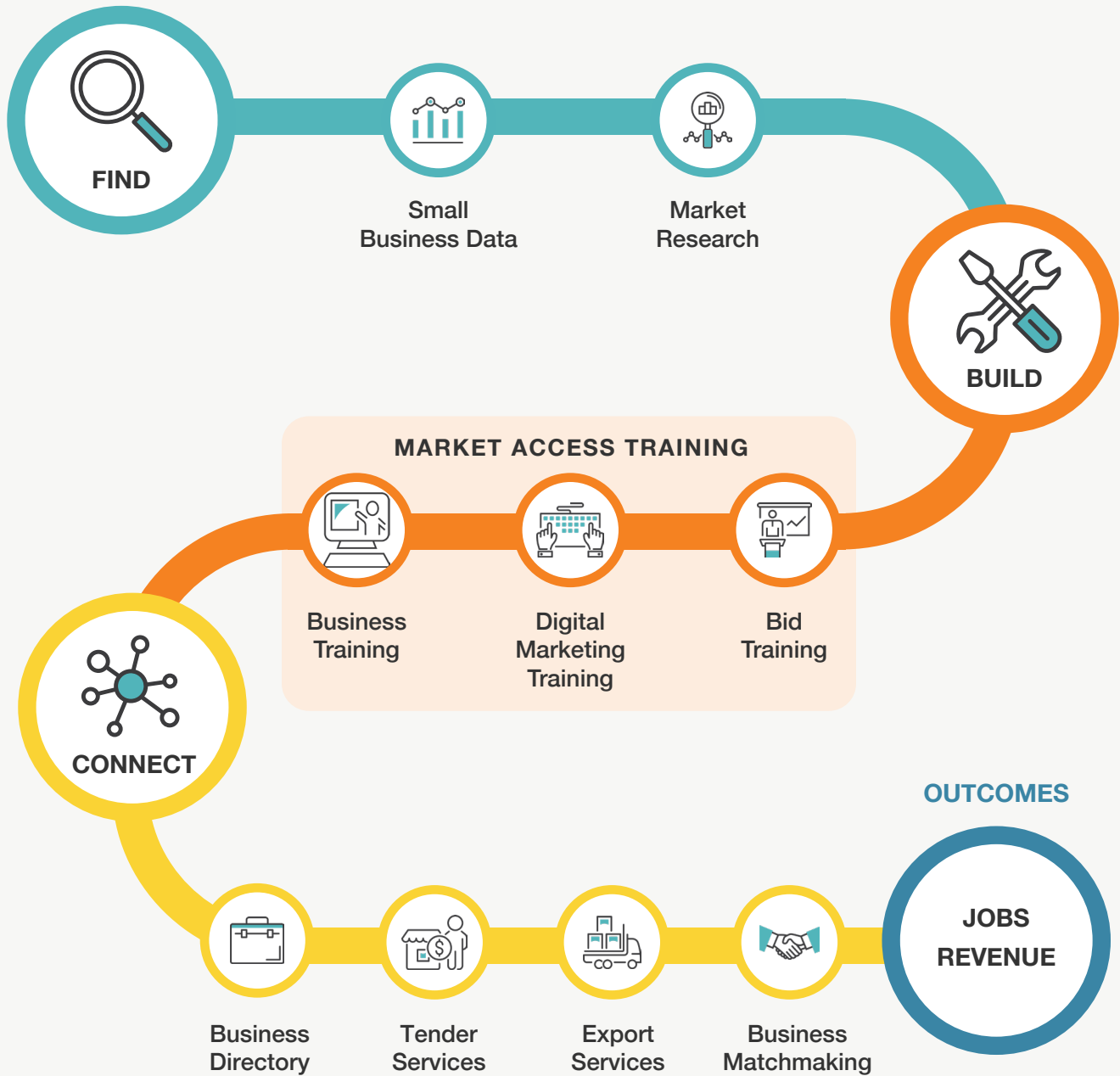
Building Markets' core methodology is to 'Find, Build, and Connect' small businesses to high-value market opportunities.

This involves collecting detailed data on a network of small businesses, building their capabilities to bid for market opportunities, and connecting them with those live opportunities. These activities are embedded within digital platforms, including a business directory, tender directory, and backend customer relationship management (CRM) system to manage the business network.





# The Small Business Journey with Building Markets





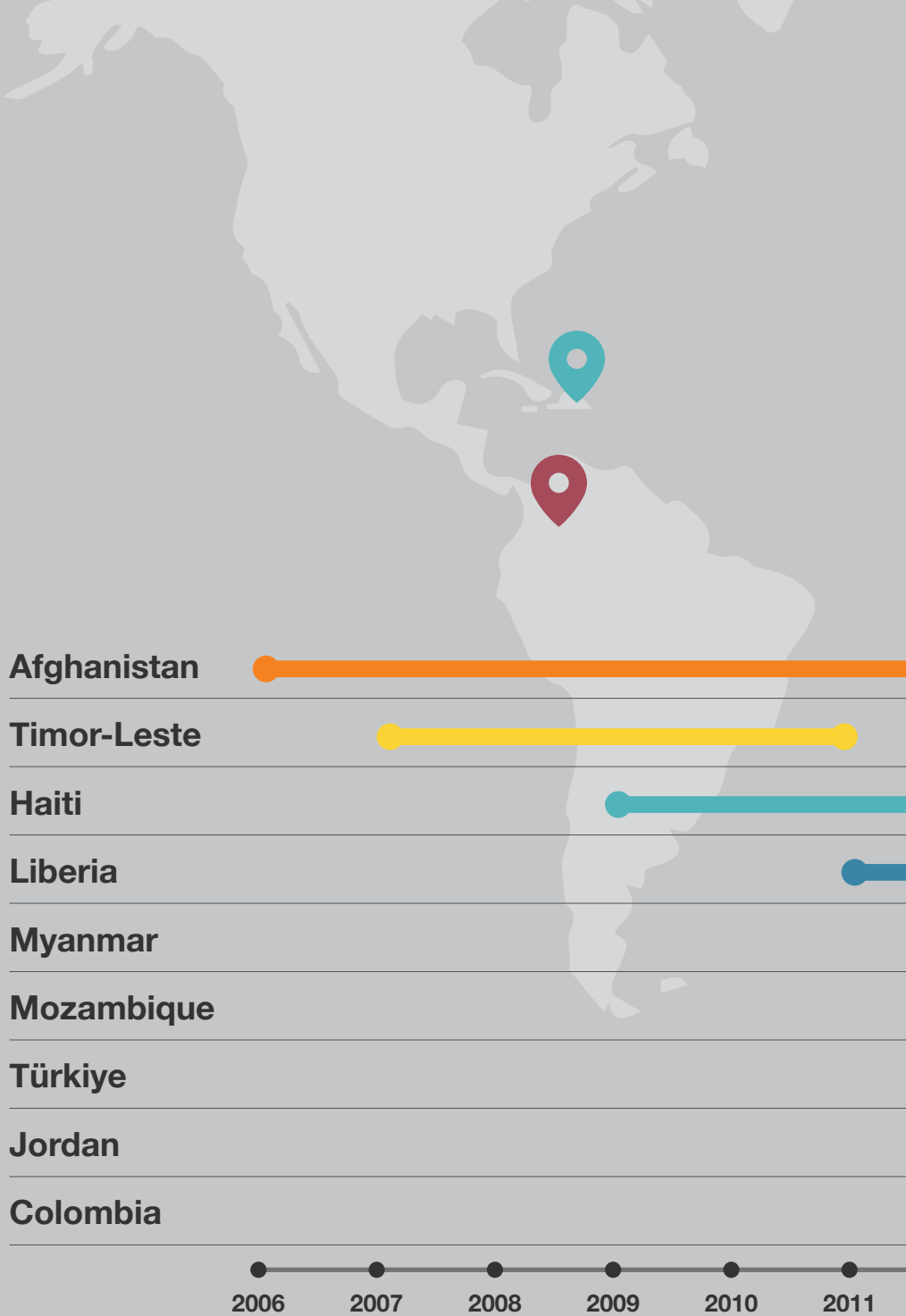


# Global Reach and Impact

# Our Past, Present, and Future

Building Markets was founded in 2004 to understand the economic impact of peacekeeping missions on local economies during post-conflict reconstruction. The findings from the flagship report, *Economic Impact of Peacekeeping*, led to our program in Afghanistan and set the foundation for operations in Haiti, Jordan, Liberia, Myanmar, Mozambique, Timor-Leste, Türkiye, and Colombia over the past two decades.

To date, we have built local networks of more than 27,500 small businesses, securing business transactions (contracts and loans) valued at more than US \$1.4 billion and creating more than 74,600 full-time equivalent jobs.



# 27.5K

Small and medium-sized enterprises

# \$1.4B

In new contracts

# 74.6K

Full-time equivalent jobs





# 2022 in Review



# The Impact You Made Possible In 2022



**3,538**

jobs created (of which 1,309 full-time equivalent jobs)

**1,028**

small businesses joined our network



**2,320**

tenders distributed



**234**

contracts, loans, investments, or grants won and valued at

**\$13.5**

million



**1,604**

people trained across

**1,255**

small businesses



# Building Markets Enters Latin America

In December 2022, we launched our first program in Latin America in partnership with the Conrad N. Hilton Foundation. In the first 15 months, we will bring 700 small businesses in Colombia into our network, where they will have access to training and matchmaking opportunities.

This project will focus on businesses that are owned by or employ migrant or internally displaced persons (IDPs), and success will be measured by the growth and creation of new jobs in the companies supported, as well as the increase in sales.

Latin America is an exciting region for Building Markets because our model uniquely meets the country's needs. Small businesses make up the majority of firms and employment in the region but only generate one-quarter of

the gross domestic product (GDP). However in countries like Colombia, a dynamic ecosystem also exists to support small businesses, from the government to progressive policies to a vibrant private sector priming small businesses for growth. We hope to contribute to this ecosystem and help small businesses achieve better results: winning more contracts and employing more people. And for millions of migrants and displaced people in Colombia, these results are critical to building sustainable livelihoods.

## Latin America & the Caribbean SME Fast Facts\*

- ▶ **SMEs make up 99.5%** of firms in the region
- ▶ 9 out of 10 have **fewer than 10 employees**
- ▶ **Account for 60%** of formal employment
- ▶ Generate **25% of GDP**

\*OECD/CAF, 2019

**“We are very proud of our results in other challenging and diverse markets, and we hope to replicate them in Colombia. We know that with a relatively simple intervention, better results can be obtained for small businesses.”**

**CAROLINA DURÁN**  
Program Director  
Latin America



# Impact in Action





# The Exponential Power of Tender Training

When entrepreneurs have the tools needed to level up their business, we see tremendous results. In general, once companies supported by Building Markets start winning tenders - they keep winning tenders.

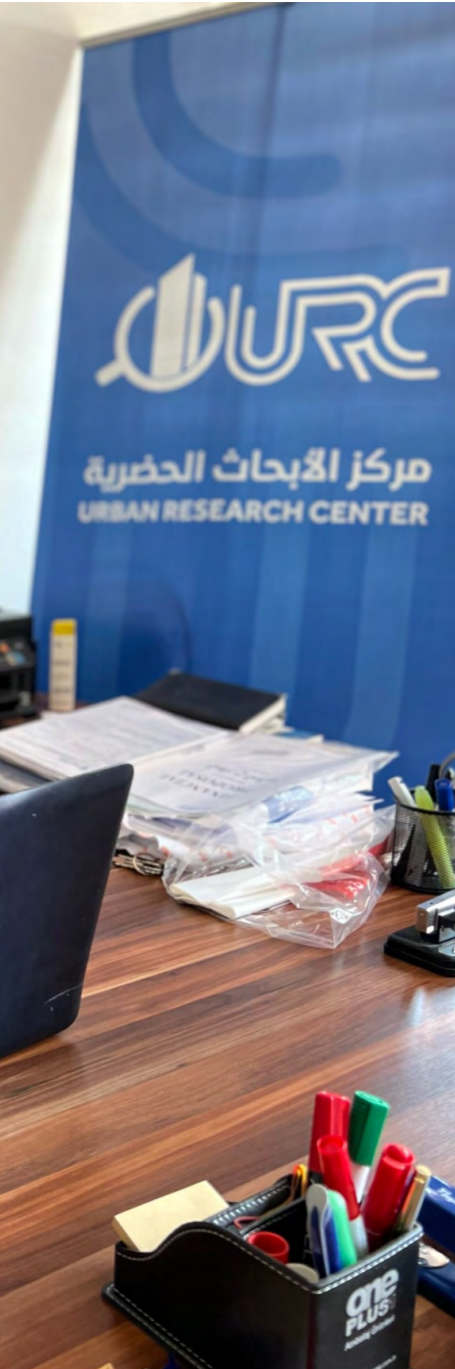
One small business in Building Markets' network, the Urban Research Center, created **316 jobs** through 11 contracts in 2022. Another small business, Afaq Lojistik, was able to **hire 225 people** to carry out the work of just 5 contracts last year. These repeat results translate on the community level.

When small business owners win contracts and create local jobs, they add to the foundation of stability in the community and are also more likely to offer opportunities to those that may otherwise be left out. Everyone wins when small businesses are supported to meet community needs.

## In 2022, these small businesses in Türkiye

- ▶ Created 316 jobs
- ▶ Hired 225 people





**When small business owners win contracts and create local jobs, they add to the foundation of stability in the community.**



# Maya's Story

“It was not easy at all, but we succeeded. I'm proud of myself for getting to this point.”

Maya Albabbili combined her love for science and art to start a small soap business. Her path as an entrepreneur wasn't easy: she studied in Damascus to become a chemist, imagining a future working in a lab, but then the war made that vision impossible. She left Syria in 2013, traveling first to Jordan, then to Türkiye where her family is rebuilding their lives.

In the midst of all this change, Maya found solace in making laurel soap. “I feel that it combines chemistry with art,” she says. Buqè Cosmetic was launched in 2019.

Maya had a unique product, but she needed help building out her business plan. That's when Building Markets stepped in. Through the mentorship

program, Maya learned about marketing, sales strategies, and how to apply for tenders that yield high value contracts.

Today, Maya has built a successful company that sells direct-to-consumer and she is excited to grow her business-to-business revenue. In 2022, Maya won 3 contracts valued at \$23,500 and as a result, she was able to add 10 new full-time and 8 part-time jobs.

Today, Maya and her family are thriving. Her husband also runs a successful small business and her son is studying chemical engineering. “It was not easy at all, but we succeeded. I'm proud of myself for getting to this point.”





# Khaing's Story

Ten years ago when Khaing\* helped her husband start a business trading industrial raw materials, like irons, metal, zinc, and plastic, she knew little about the recycling industry or business management. But as the eldest of five siblings she was a born leader with a curious mind. Even without formal training, Khaing grew into managing many aspects of their business, from labor management to record keeping and quality control.

Four years ago, Khaing began to attend Building Markets' training sessions to network and learn, which was a turning point for the business. Through the business capability training sessions, she learned how to implement time

management strategies for her employees alongside building a positive workplace culture as her business has grown from two to twenty employees.

Now, she's planning for long-term success. The business moved to a larger location, which allows them to expand and sell directly to factories, and they have also won a grant to purchase a bailing machine to increase productivity. But for Khaing, her employees are the heart of the company. Some have worked for the business for ten years, and she is committed to continuing her high retention rate by building a positive environment.

**“I was surprised when I realized that recycling is a huge business... that the whole world is emphasizing its contribution to our environment. I couldn't be more proud of my business.”**



\* Name changed to protect anonymity

# Message of Thanks

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

## Featured Partners



### The Coca-Cola Foundation

Funding from The Coca-Cola Foundation for Building Markets in Myanmar has bolstered the recycling sector and promoted recycling among the general population in two key cities: Yangon and Mandalay. Through this program, Building Markets has created the first-ever circular economy toolkit to empower small businesses in the recycling sector in Myanmar to become powerful actors in the fight against waste.

We are grateful to The Coca-Cola Foundation for its continued support of this work.



### Bureau of Population, Refugees, and Migration

The Bureau of Population, Refugees, and Migration (PRM) within the United States Department of State has supported our Sustainable Marketplace Initiative in Türkiye program since 2018. With this funding, Building Markets provides a suite of services to refugee and host communities, including a detailed online business directory, targeted training, mentorship, and technical advisory and business matchmaking services to connect small businesses to market opportunities. We also publish research insights on Syrian and Turkish market trends, challenges, and emerging opportunities for small businesses.

We are grateful to PRM for its sustained partnership and commitment to serving refugee and host community entrepreneurs.



### Conrad N. Hilton Foundation

With generous support from the Conrad N. Hilton Foundation, Building Markets launched a new program in Colombia in 2022. Through this partnership, we will establish Building Markets in Latin America by building up a network of small businesses owned by or employing refugees and migrants and adapting our training materials and services in Spanish.

We are grateful to the Conrad N. Hilton Foundation for their foundational partnership with Building Markets in Colombia and dedication to strengthening systems of support for refugees and migrants.





# Governance & Leadership

## Board of Directors

**RADHA RAJKOTIA**

Chief Executive Officer

**F. BENNETT CUSHMAN II**

Chairperson, Board of Directors

**MICHAEL DIDOVIC**

**TRENT HOOLE**

**JOHN MACKIE**

**CAROLYN MAKINSON**

**TERRY PEIGH**

**DR. A. KIM SAAL, M.D.**

## Staff Leadership

**RADHA RAJKOTIA**

Chief Executive Officer

**HAMILTON MCNUTT**

Chief Operations Officer

**AINSLEY BUTLER**

Global Head of Programs

**ELIZABETH BROWN**

Head of Partnerships

# Financials

	2022	2021
Total Revenue	\$3,631,903	\$3,205,693
Total Expenses	\$3,432,910	\$3,139,372
Net Assets, End of Year	\$295,723	\$96,730

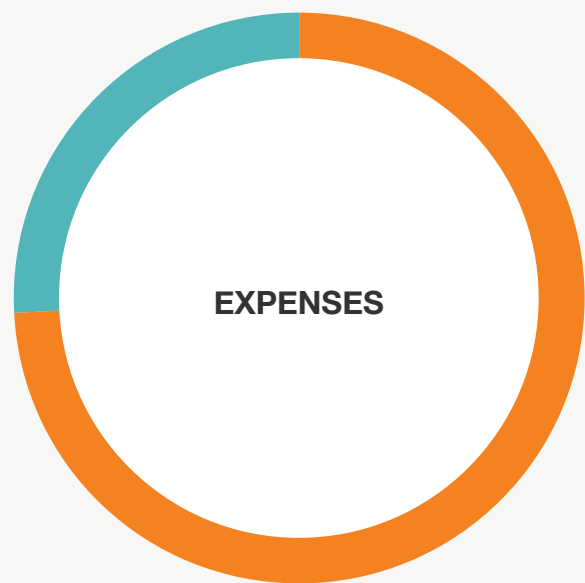
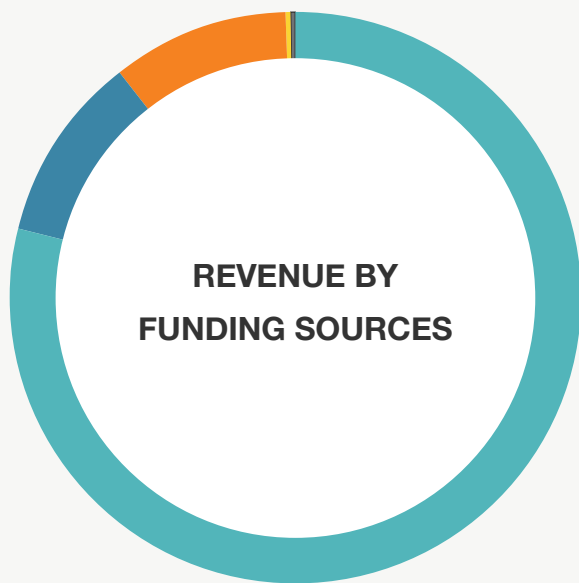
## Revenue by funding sources

U.S. government grants	\$2,869,236	\$2,813,768
Foundation grants	\$381,332	\$333,307
Other grants and contributions	\$368,023	\$38,985
In-kind contributions	\$10,713	\$21,981
Interest and other income (loss)	\$2,599	(\$2,348)
<b>Total</b>	<b>\$3,631,903</b>	<b>\$3,205,693</b>

## Expenses

Programs expenses	\$2,548,619	\$2,521,535
Supporting expenses	\$884,291	\$617,837
<b>Total</b>	<b>\$3,432,910</b>	<b>\$3,139,372</b>

## Year 2022



- U.S. GOVERNMENT GRANTS
- FOUNDATION GRANTS
- OTHER GRANTS AND CONTRIBUTIONS
- IN-KIND CONTRIBUTIONS
- INTEREST AND OTHER INCOME (LOSS)

- SUPPORTING EXPENSES
- PROGRAMS EXPENSES

# Join Our Community

## Small Businesses

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

## Investors and Lenders

Building Markets leverages its network of small businesses, trusted relationships, and extensive frontier market expertise to identify exclusive investment opportunities.

## Buyers and Suppliers

When you buy locally, you build markets, create jobs, and maximize the economic impact of your operations.

## Companies or Brands

When working with Building Markets, we will discuss ways to engage your company and employees in ways that meet business, sustainability, and social impact goals.

## Foundations or Governments

When you give to Building Markets, you are investing in a data-driven approach to change that is evidence-based and scalable.

Email [partnerhips@buildingmarkets.org](mailto:partnerhips@buildingmarkets.org) for more information on joining our community.



# Donate



## Give Online

Visit [www.buildingmarkets.org/donate](http://www.buildingmarkets.org/donate) to make an online donation.



## Give by Mail

195 Montague Street, Floor 14  
Brooklyn, NY 11201



## Give Stock

Building Markets accepts gifts in the form of securities. For more information, email [giving@buildingmarkets.org](mailto:giving@buildingmarkets.org).



## Stay in Touch

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