



REFUGEE
INVESTMENT
NETWORK

CONRAD N.



*Roundtable on Impact
Measurement*
for Refugee Lens Investment

ROUNDTABLE ON IMPACT MEASUREMENT FOR REFUGEE LENS INVESTMENT



On February 1, 2024, RIN hosted a round-table discussion on its recently developed [Refugee Lens Investing \(RLI\) Impact Measurement Tool](#). This first-of-a-kind instrument is designed to help investors gauge the social impact of their investments that aim to intentionally support forcibly displaced people.

In developing the tool, RIN identified a demand for a forum where [RLI](#) stakeholders can regularly convene to discuss recurring questions at the intersection of refugee livelihoods, impact, and private sector engagement. In response, RIN created the RLI **Working Group**. The discussion -- summarized below -- thus represents the first in a series of “working group” meetings where interested actors can collaborate to help determine RLI best practices

This session on the RLI impact measurement tool addressed:

- Should impact measurement specifically target FDP or take an area-based approach?
- How do we balance rigor with budget and time limitations, both for ourselves and for our partners?
- When conducting M&E, should organizations opt to build and rely on internal capacity, or source external “experts” to measure results?



Framework Development



Danny Cutherell, RIN's Africa Director, outlined the process of developing an impact measurement framework that incorporates the 'Refugee Lens' categorization, identifying different levels of refugee engagement in investments. The framework is built around a set of metrics that aim to reflect the primary and secondary effects of investments, with a focus on job creation, economic self-reliance, and durable investments that attract further capital.

Keynote Speakers



Andrew Kabucho, KIVA, discussed expanding financial access to underserved communities, such as women, smallholder farmers, and refugees through KIVA's crowdfunding platform. The organization endeavors to reshape perceptions of refugees as a bankable segment and has observed a 96% repayment rate, on loans given out to refugees.



Beth Kinyanjui, KIVA, highlighted KIVA's impact-led technical assistance to financial service providers catering to refugees. Their impact measurement operates on two levels: the impact on financial service providers receiving loans or technical assistance from KIVA, and the end-user impact. Data collection involves extensive partner engagement and third-party consultants, to gauge the impact on the community level.



Luba Shara, International Finance Corporation (IFC): offered valuable insights into the Kakuma Kalobeyei Challenge Fund's (KKCF) approach to supporting businesses in Kakuma, Kenya. KKCF focuses on SMEs willing to expand into Kakuma. Currently, the Fund has supported companies that have created 378 jobs (154 are for women) and enhanced access to essential services for over 106,000 individuals.



Kate Montgomery, Acumen, highlighted the challenges of measuring RLI impact, explaining that Acumen's approach considers multiple perspectives (sector, company, and customer) and prioritizes adaptive methodologies and a realistic balance between rigorous impact studies and practical, cost-effective solutions that align with donor expectations and local realities.



AK Buch Vedstesen, iGravity, discussed their collaboration with the Danish Refugee Council through the Refugee Investment Facility (RIF). RIF invests in Uganda and Jordan with capital raised from donors and foundations, that is blended with debt from concessional lenders, to provide loans to businesses that support refugees and host communities. RIF measures impact with a three-level impact measurement strategy.

BREAKOUT SESSION TAKE AWAYS

Group 1: FDP-Focused vs. Area-Based Approaches

Problem statement: FDP-focused approaches have been historically exclusionary but have the potential to be a tool to deepen impact.

While impact measurement has historically focused on improving how to identify FDP to evaluate programming, this approach may be exclusionary of host communities that face similar marginalization and barriers. An FDP- only approach can also repel private sector actors or eliminate them from participation as companies often lack the resources and will to build internal capacity to efficiently identify FDP. However, a well-designed impact measurement tool can address both the unique needs of FDP, while promoting community cohesion by including host communities. The opportunity identified by the group is to begin to generate evidence that area-based models, which account for both FDP and their hosts, can be used to spur private sector development and to use the evidence to advocate for broad adoption of this new approach

Group 2: Rigor vs. Budget and Time

Problem statement: Donor expectations for impact evaluation methodologies outpace the capacity and budgets of service providers.

The group discussed the balance between rigor, speed, and costs associated with data collection and reporting. Although it is important that reporting is rigorous and builds trust among stakeholders, the evaluation process is often time-consuming, expensive, and requires capacity that is often not available internally. The group's recommendations include clarifying to donors the time and cost associated with various evaluation methods to help manage expectations and build understanding. Participants also highlighted the importance of: Standardizing definitions and metrics to ensure consistency in reporting; lowering startup costs; and, sharing the reporting burden. Indeed, the group concluded that there is an opportunity to shift the donor mindset in the long-run by building coalitions around industry standards that emphasize efficiency.

Group 3: Internal vs. External Monitoring & Evaluation

Problem statement: When implementing M&E, organizations can build internal capacity and base impact evaluation off of program monitoring or, source M&E external.

The group examined the benefits and drawbacks of internal versus external impact assessments. Whereas internal monitoring can be performed more quickly (assuming this capacity already exists) and can contribute to adaptive program management, external evaluation can lend greater credibility to a program and reduce the financial and resource burden on implementing organizations. The group highlighted the recent launch of AI-driven survey tools and suggested how use of AI can enhance survey methods. However, the group also acknowledged how AI-collected data may be "two-dimensional", or miss nuanced but important information. They therefore emphasize the importance of human oversight and the need for careful integration of AI technology so that AI-generated data are fully contextualized and validated to be free from biases.

Conclusion: The Roundtable on Impact Measurement for RLI brought together key stakeholders to present a comprehensive picture of the challenges, opportunities and strategies associated with their efforts to measure impact, while brainstorming on new frameworks and methods needed to enhance investment impact.

The RLI Working Group will continue to facilitate open dialogues like this one – to surface tools & best practices – that help to equip stakeholders and build the field of RLI. Look for these upcoming RLI meetings on: Ecosystem Development; TA; and, Policy.

Partners

