

Refugees fleeing Somali civil war receive grants, training, and market access to become entrepreneurs

• 1,200 people are receiving seed funding to start businesses as part of initiative from Village Enterprise and Mercy Corps to tackle extreme poverty in refugee settlements

SAN CARLOS, Calif., December 13, 2023 — A new program that trains refugees, displaced by the Somali civil war, to become entrepreneurs and start their own small businesses has launched within the Kobe, Hilaweyn, and Melkadida refugee camps in Ethiopia.

Village Enterprise, the nonprofit seeking to end extreme poverty in rural Africa through entrepreneurship, innovation, and collective action, is expanding its DREAMS for Refugees program following success in refugee settlements in Uganda.

DREAMS (Delivering Resilient Enterprises and Market Systems) for Refugees is a partnership that merges Village Enterprise's poverty graduation program with Mercy Corps' expertise in market systems development to equip refugees with the skills, resources, and market-linkages to start sustainable businesses and graduate from extreme poverty. DREAMS has been operating in Uganda since 2022, and the expansion to Ethiopia is supported by donations from the IKEA Foundation and the Conrad N. Hilton Foundation.

The Kobe, Hilaweyn, and Melkadida refugee camps are located near the southern border of Ethiopia and home to approximately 130,000 refugees. As DREAMS launches in Ethiopia, it is providing the first cohort of 1,200 refugee entrepreneurs living in extreme poverty with seed funding of \$500 to start their own businesses. Having fled war in Somalia, with little prospect of being able to return, the first-time entrepreneurs are also receiving comprehensive training delivered by Village Enterprise's expert business mentors. Over a nine week training course, the entrepreneurs develop skills such as financial literacy, bookkeeping, and creating business plans to support them to launch their enterprises.

In Bidi Bidi Refugee Settlement and Rhino Camp Refugee Settlement in Uganda, DREAMS has trained 4,800 entrepreneurs to date. Working in groups of three, these first-time entrepreneurs have launched successful businesses in areas such as retail, livestock, and agriculture. In total across both Uganda and Ethiopia, DREAMS will reach more than 33,000 households and impact more than 200,000 lives.

The DREAMS model is aiming to transform refugee relief. Traditional support for refugees is based on providing basic subsistence, such as food rations or shelter, rather than creating opportunities for people to become self-reliant. DREAMS won the Larsen Lam ICONIQ Impact Award for Refugees in 2021 and is part of Village Enterprise's broader goal of lifting 20 million people in rural Africa out of extreme poverty by 2030.

With 400 million people in Africa now living in extreme poverty, poverty alleviation solutions that work are more important than ever. Refugees are facing more acute challenges than at any other point since World War II, with approximately 6.6 million refugees living in camps globally. What are initially established as temporary measures to accommodate an influx of people seeking a safe haven, refugee camps often become protracted settlements.

Dianne Calvi, CEO and President of Village Enterprise, said:

"The expansion of DREAMS into Ethiopia is a great step forward in addressing two of the biggest challenges facing the world today—forced displacement and extreme poverty. With refugee numbers at record levels, as well as increases in food prices and decreases in aid budgets, it's more important than ever that we are providing sustainable solutions and equipping refugees with the training, resources, and markets to become self-reliant. We are proud that this program will help empower so many refugees in Ethiopia to rebuild their lives, and in partnership with Mercy Corps, we're looking for more foundations and individuals to join us so that DREAMS can reach even more vulnerable families and communities across Africa."

Tjada D'Oyen McKenna, CEO of Mercy Corps, said: "As conflicts around the world become more complex and protracted, displacement is now measured in decades rather than months or years. The system that was designed to provide urgent, lifesaving assistance in response to short-term displacement has struggled to serve millions of refugees who have put their aspirations on hold. Refugees deserve better. We're thrilled to expand DREAMS to Ethiopia in partnership with Village Enterprise and to support refugees and the communities in which they live to thrive."

Per Heggenes, CEO of the IKEA Foundation, said: "People who are forced to flee need the chance to rebuild their lives so they can support themselves and their families. We've seen firsthand that refugees have extraordinary talent and drive. We're proud to support DREAMS to empower these communities to find pathways toward economic self-reliance."

Barri Shorey, Senior Program Officer, Refugees at the Conrad N. Hilton Foundation, said: "We're thrilled to support the expansion of the DREAMS program for refugees and host communities in Ethiopia. This partnership between Village Enterprise and Mercy Corps targets families who have been displaced from their homes and supports them on their challenging journeys to financial security. In a time of increasing and longer-term displacement, we are excited to invest in solutions that support refugee households to actually envision and build a healthy and productive future for themselves and their children."

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Find out more about Village Enterprise's work here.

About Village Enterprise

Village Enterprise's mission is to end extreme poverty in rural Africa through entrepreneurship, innovation, and collective action. We work with vulnerable women, refugees, and youth who are most impacted by climate change, conflict, and displacement, and equip them with skills and resources to launch climate-smart businesses, build savings, and put themselves and their families onto a sustainable path out of extreme poverty. Village Enterprise has started over 80,000 businesses, trained over 274,000 first-time entrepreneurs, and positively transformed the lives of over 1,656,000 people in Uganda, Kenya, Rwanda, Ethiopia, the Democratic Republic of the Congo, Congo-Brazzaville, Mozambique, and Tanzania.

About Mercy Corps

Mercy Corps is a global team of nearly 6,000 humanitarians working to create a world where everyone can prosper. In more than 40 countries affected by crisis, disaster, poverty and climate change we work alongside communities, local governments, forward-thinking corporations and social entrepreneurs to meet urgent needs and develop long-term solutions to make lasting change possible. Learn more at <u>www.mercycorps.org</u>.

About the IKEA Foundation

The IKEA Foundation is a strategic philanthropy that focuses its grant making efforts on tackling the two biggest threats to children's futures: poverty and climate change. It currently grants more than €200 million per year to help improve family incomes and quality of life while protecting the planet from climate change. Since 2009, the IKEA Foundation has granted more than €1.5 billion to create a better future for children and their families.

In 2021 the Board of the IKEA Foundation decided to make an additional €1 billion available over the next five years to accelerate the reduction of Greenhouse Gas emissions.

Learn more at: <u>www.ikeafoundation.org</u> or by following them on LinkedIn or Twitter.

About the Conrad N. Hilton Foundation

International hotelier Conrad N. Hilton established the grantmaking foundation that bears his name in 1944 to help people living in poverty and experiencing disadvantage worldwide. Today, the work continues, concentrating on efforts to ensure healthy early childhood development and sustainable livelihoods for youth, support young people transitioning out of foster care, improve access to housing and support services for people experiencing homelessness, identify solutions to safe water access, and lift the work of Catholic sisters. Additionally, following selection by an independent, international jury, the Foundation annually awards the \$2.5 million Conrad N. Hilton Humanitarian Prize to an organization doing extraordinary work to reduce human suffering. The Foundation is one of the world's largest, with approximately \$6.7 billion in assets. It has awarded grants to date totaling more than \$3 billion, \$435 million worldwide in 2022. Please visit www.hiltonfoundation.org for more information.