INTERNATIONAL RESCUE COMMITTEE

Cost of livelihood interventions for the Refugees in East Africa: Boosting Urban Innovations for Livelihoods Development (Re:BUiLD) Program

Policy Brief | September 2025

Airbel Impact Lab

CONTENTS

Authors

Mikaela Cochran-George, Best Use of Resources Research Lead
Lucian Lee, Best Use of Resources Technical Lead
Ramzy Magambo, Best Use of Resources Advisor

Acknowledgments

Belinda Muya, Deputy Program Director - Re:BUiLD
Dalmas Nzioki, Finance Manager - Re:BUiLD
David Martin Musiime, Research Coordinator - Re:BUiLD
Clare Clingain, Researcher, Economic Recovery and Development
Claudius Maghanga, Senior Program Manager - Re:BUiLD
Aisha Sophia Otwoma, Research Manager – Nairobi - Re:BUiLD
Moses Odokonyero, Senior Program Manager – Re:BUiLD
Caroline Agabiirwe, Research Manager – Kampala - Re:BUiLD
Doris Nassuuna, Research Officer – Kampala - Re:BUiLD

Program Partners

Shining Hope for Communities (SHOFCO)
L'Africana
Pamoja Trust
Raising Gabdho Foundation (RGF)
Makasi Rescue Foundation

Funding

The Re:BUiLD program was made possible by funding from the **IKEA Foundation.**

Academic Partners

Andrew Zeitlin, Georgetown University
Alex Wendo, Georgetown University
Sana Khan, Princeton University
Elizabeth Paluck, Princeton University
Travis Baseler, University of Rochester
Thomas Ginn, Center for Global Development
Ibrahim Kasirye, Economic Policy Research Centre
Annet Adong, Makerere University
Sigrid Weber, Immigration Policy Lab at Standford University
Mae MacDonald, Immigration Policy Lab at Standford University
Adam Lichtenheld, Immigration Policy Lab at Standford University
Jessica Wolff, Immigration Policy Lab at Standford University
Jens Hainmueller, Immigration Policy Lab at Standford University

This brief summarizes the cost analysis findings from a series of interventions in Re:BUiLD. Between 2021 – 2022, a series of activities were implemented on small scale, with some designed as pilot interventions while others were not aimed at promoting economic self-reliance. These studies sought to understand the intervention feasibility and sustainability. A cost-efficiency analysis was conducted for each of these smaller interventions to understand key cost drivers. Coupled with qualitative insights, this brief provides input for program designers on adaptations to consider for future iterations and testing.

Activities including business grants, mentorship, and network groups were tested on a large scale and evaluated through a series of randomized controlled trials (RCTs) in 2022 and 2024, with accompanying cost-efficiency and cost-effectiveness analyses. This policy brief provides guidance to program design and policy makers about how to choose the most cost-efficient and cost-effective modality for achieving desired outcomes, relevant to the needs of those they intend to serve.

POLICY **ISSUE**

Conflict and disasters, including the climate crisis, have forcibly displaced an estimated 122 million people worldwide. Many people move to urban areas in search of opportunities, but refugees in cities face steep barriers to achieving sustainable livelihoods and self-reliance. High unemployment and limited job growth in host countries further restrict refugees' access to work, and support programs remain underfunded and lack strong evidence on which interventions work best.

To address these challenges, the International Rescue Committee (IRC) and its partners, with support from the IKEA Foundation, launched the Refugees in East Africa: Boosting Urban Innovations for Livelihoods Development (Re:BUiLD) program. Re:BUiLD strengthens economic self-reliance for urban refugees and host communities by improving self-employment and wage employment while also building more inclusive economic, regulatory, and social systems in Kenya and Uganda.

Between 2021 and 2022, the program ran several small-scale interventions to test their feasibility and sustainability. These interventions included vocational training, apprenticeships, value chains, skills certification and accreditation, and bridging services (see Appendix A for descriptions). Because these were not tested through an experimental evaluation, we cannot attribute outcomes to the costs incurred.

The program also addressed the evidence gap on effective livelihood services by conducting two waves of randomized controlled trials (RCTs) and cost-effectiveness analyses.

From 2022 to 2023, the first wave of research examined whether experienced microentrepreneurs could strengthen the livelihoods of vulnerable youth in urban settings through mentorship, and under what conditions this approach proved most effective. Researchers conducted large-scale randomized controlled trials in Kampala, Uganda, and Nairobi, Kenya, to test how different combinations of support—cash grants, mentorship, or mentorship plus—affected business outcomes, household well-being, psychological resilience, and social cohesion.

The research compared the two contexts to identify both common patterns and setting-specific dynamics. In Uganda, cash alone drove most of the gains, and mentorship did not significantly improve economic or social outcomes, with effects varying by the gender of both mentors and mentees. In Kenya, mentorship paired with cash improved business ownership, profitability, and psychological well-being—particularly for Kenyan men whose mentors had large networks—though refugee women still faced barriers. This cross-country comparison shows that while cash support consistently drives economic improvements, the added value of mentorship depends on context: social structures, gender norms, and the design of the mentorship program can each shape its effectiveness differently.

From 2024 to 2025, the second wave of research tested whether business grants combined with networking groups could strengthen business and social networks to improve both economic outcomes and social cohesion among urban refugees and host communities. The researchers focused on networks because they can reduce information gaps, enable resource-sharing and risk-pooling, expand customer and supplier linkages, support collaboration, and foster psychological well-being.

RELEVANT POLICY LANDSCAPE

Kenya and Uganda have advanced progressive refugee policies that emphasize livelihoods and urban inclusion. Kenya's Refugee Act No. 10 (2021) expands refugee rights to economic participation and services, and its Shirika Plan (2023–2025) seeks to transform camps into integrated settlements and hubs for skills and livelihoods, including in urban areas like Nairobi. Uganda's Refugee Act (2006) and Regulations (2010) grant refugees the right to work, while the Uganda Country Refugee Response Plan (2022–2025) integrates refugee needs into national and district development plans. Both countries actively engage in the Global Compact on Refugees and Comprehensive Refugee Response Framework, reaffirming their commitment at the 2023 Global Refugee Forum to strengthen socioeconomic inclusion for urban refugees (Kotut et al., 2024).

The ongoing study answers four core questions: how to best support the development of business and social capital for refugees and hosts in cities; whether these interventions effectively and cost-effectively promote self-reliance, self-employment, and cohesion; which types of networks generate the greatest impact; and which groups of participants benefit most. The results will provide evidence on whether building networks alongside financial support enhances both economic resilience and social solidarity in displacement-affected urban contexts. Appendix A provides further details on the treatment arms for the research under wave 1 and wave 2.

Ultimately, these RCTs aimed not only to test whether cash-plus options "work," but also to unpack how and for whom they work. The findings give IRC and other organizations evidence to guide the design of more cost-effective, inclusive, and socially cohesive livelihood programs that they can adapt across diverse urban refugee-hosting environments.

Cost-efficiency comparisons across the small-scale interventions and RCTs remain limited because the drastic differences in implementation scale affect each program's cost structure.

POLICY IMPLICATIONS

National or Local Governments

The findings from Re:BUiLD highlight the importance of enabling legal and policy environments, such as Kenya's Refugee Act (2021) and Uganda's Refugee Act (2006), that support refugee access to work, mentorship, and business networks. Governments can use similar evidence to strengthen urban refugee inclusion.

Donors

Support multi-dimensional, flexible, and evidence-driven programs even when such approaches require higher investment. Evidence from the analysis shows that while cash grants alone are less costly, interventions like mentorship and networking, though more expensive, can yield greater impact on social cohesion.

KEY **FINDINGS**

The following section summarizes the key findings from the small-scale interventions and the rigorous findings from treatment modalities tested in the impact evaluations.

Small-Scale Interventions Findings

Apprenticeships and vocational training incurred high costs per client. Since clients prefer self-employment, and market and legal barriers restrict wage employment, programs should address these barriers before evaluating the intervention's impact on outcomes.

Value chains group refugee and host community businesses together under collaborative platforms. This intervention incurred relatively high cost per client due to high upfront investment to sensitize and engage private sector partners. Given the private sector shows limited interest in and understanding of refugee employment, programs should conduct socialization efforts before testing the intervention's impact on outcomes.

Skills certification and accreditation incurred relatively high cost per client due to low client demand and high upfront investment to navigate bureaucratic and lengthy government processes. These contextual barriers should be addressed before further testing and scale.

Bridging services had high upfront costs required for client targeting and recruitment. Future testing should ensure that pathways are aligned with client demand while evaluating the value of resource intensive activities.

Impact Evaluation Interventions Findings

Cash grants (€394–€510 per client) were the most cost-efficient and cost-effective modality to improve business outcomes such as openness, profits, and revenue, compared to cash plus options (below). However, programs aiming to achieve non-business outcomes may be interested in the following modalities per their effects on unique sub-groups.

Mentorship increased cost per client by nearly €300–€400 and was not found to be a cost-effective modality in improving business outcomes, and had marginal impacts on social cohesion, which differed across sub-groups. Qualitative insight suggests that mentorship was less effective than pre-existing evidence suggests, given the scale at which it was implemented, which introduced logistical issues with consistently finding quality mentors.

Networking groups increased the cost per client by nearly €150 and improved business collaboration and information sharing across entrepreneurs as peers. The impact on business outcomes such as openness and revenue was marginal compared to cash only. However, if a program's objective is to reduce barriers to information and collaboration *in addition to business outcomes*, the additional cost for networks may be justifiable.

METHODOLOGY

The IRC's Best Use of Resources (BUR) team measures cost-efficiency and cost-effectiveness using a retrospective, ingredients-based approach from the implementers' perspective. We based the analysis on actual staff time, expenditures, and post-intervention monitoring data, and we allocated costs at the activity level. This method captures the resources that staff, materials, and other inputs consume, and it allows IRC to conduct both cost-efficiency and cost-effectiveness analyses. Readers can find a full description of the methodology here.

During implementation, BUR worked with program teams to collect monthly data, track resource use, and minimize recall bias. At the end of each period, BUR integrated finance and monitoring data to estimate resource use by activity, analyze the data in Excel, and share the results publicly.

For the small-scale interventions, we separated costs by intervention type (e.g., vocational training, apprenticeships, etc.) and broke them down into key categories – support, staffing, and materials – to identify which categories drove the largest share of costs. Finally, we divided the costs of each intervention by the number of clients served to calculate the cost per output (i.e., cost-efficiency) estimate.

For the RCTs, the cost analyses focused on the activities that made up each treatment arm. In the first wave, Kenya and Uganda used different RCT designs, which required different activity categories. However, in both countries, researchers tested three treatment arms to assess how mentorship models affected business profits compared with business grants alone. In the second wave, researchers applied consistent treatments across both countries, allowing us to use the same activity categories aligned with the treatment arms (see Appendix B).

We then compiled costs for each activity and treatment arm, calculated the cost per client, and divided by the trial's measured effect to estimate the cost per outcome. This approach provides policymakers with both the intervention's impact and the resources required to achieve it.

Because costs are incurred at the program level, we cannot compare cost-effectiveness across sub-groups within treatment arms (e.g., refugees vs. host communities or men vs. women). We assume that each group incurs similar costs, so any differences reflect outcomes rather than spending. Finally, because IRC only assesses implementation costs, we do not capture broader societal costs. See the IRC cost methodology for details.

COST-EFFECTIVENESS VS. COST- EFFICIENCY: WHAT'S THE DIFFERENCE?

A cost-effectiveness analysis evaluates a program's costs and its outcome effects, rigorously evaluated via an experimental or quasi-experimental impact evaluation. Cost-effectiveness analyses help us decide which programs to implement with limited resources

A cost-efficiency analysis evaluates a program's cost and its observed output(s). Cost-efficiency analyses do not require impact evaluations. They can help us understand how to scale program efficiently without wasting resources

SMALL-SCALE **INTERVENTIONS**

COST-EFFICIENCY FINDINGS

Evaluating cost-efficiency for small-scale interventions helps program designers identify the drivers and barriers to programmatic sustainability if they decide to test the intervention further. These analyses also guide adjustments, pivots, and adaptations based on lessons learned at this stage.

Re:BUiLD tested interventions at different scales, so the number of clients reached varied by intervention. This variation limits direct comparisons across interventions because the structure and impact of fixed versus variable costs on cost-efficiency change with scale. For example, as reach increases, fixed costs spread over more clients, lowering the cost per client. This makes it difficult to compare cost-efficiency across interventions implemented at different scales. However, we can still derive important insights from the cost-efficiency analyses. The following section outlines key learnings per intervention.

Apprenticeships and vocational training cost €259–€1,684 per client, depending on the implementing organization and country. Training fees and stipends over the 3 to 6 month duration accounted for a large proportion of these costs. Costs also varied by course, with catering, information and communication technologies (ICT), and motor vehicle technology charging higher fees than hairdressing, tailoring, or baking.

For the same organization in the same country, apprenticeships and vocational training cost more per client than cash grants. Because clients prefer self-employment and market and legal barriers restrict wage employment, future program iterations should strengthen private and public sector advocacy to improve market and legal conditions before testing the interventions' effectiveness on outcomes.

Value chains cost €953–€1,114 per client to group refugee and host community businesses under collaborative platforms. Although value chains can strengthen market linkages for refugees, the intervention faced major barriers in sensitizing the private sector and engaging value chain partners interested in employing refugees. Because the private sector shows limited interest in and understanding of refugee employment, programs should conduct extensive socialization before testing this intervention's effectiveness on outcomes.

Skills certification and accreditation to help clients with existing skills secure wage employment through formal credentials cost €782–€1,514 per client. The intervention faced major barriers coordinating with government institutions and embassies and navigating the bureaucratic, lengthy certification processes. Program designers and policymakers should address these challenges before testing the intervention's effectiveness.

Bridging services cost an additional €69–€229 per client (on top of other interventions previously provided) depending on the employment pathway, implementing organization, and country. These services assisted clients who needed additional support to pursue self- or wage-employment. These services required high upfront costs for client targeting and recruitment.

IMPACT **EVALUATION**

COST-EFFICIENCY AND COST-EFFECTIVENESS FINDINGS

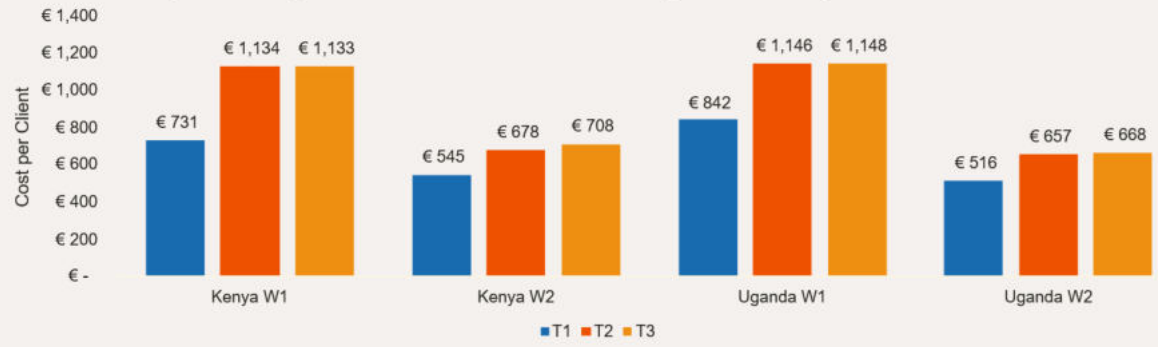
Understanding cost-efficiency helps program designers create interventions that maximize impact with limited resources. Re:BUiLD provides livelihood support options tailored to local needs, access, and context. Program models vary in cycle length, dosage, and delivery method, creating cost differences across and within models. Re:BUiLD delivered livelihood interventions to aspiring entrepreneurs at a cost of €516-€842 for cash grants treatment, with additional costs for mentorship and networking.

Three key insights frame the interpretation of cost data. First, cash-grant-only treatment (T1) always costs less than the additional modalities (Figure 1), because all groups receive the cash transfer, while T2 and T3 add interventions that demand more time, effort, and resources. The size of the cash transfer—€394–€510 per client, depending on country and research wave—drives T1 costs. Therefore, the cost per client for T1 cannot fall below the transfer amount itself.

Second, adding mentorship increases cost per client by €300–400, on top of the cash grant. This increase reflects mentor stipends, transportation for mentors and mentees, and materials for mentorship sessions (T2 & T3). The two mentorship arms incurred similar costs, showing no difference in cost-efficiency between them. Third, adding networking increases costs by nearly €150 per client in addition to the cash grant, a smaller increase than mentorship. The additional network costs were driven by stipends for community facilitators, venue rental, and transport. Rotating network groups cost slightly more per client than fixed groups, mainly due to higher venue rental expenses.

The cost differences between Kenya and Uganda highlight that context influences program costs.

Figure 1. Impact Evaluation CostEfficiency Estimates per Treatment Arm



Wave 1	Cash Grant	Group Type	Mentorship Exposure	Duration
Kenya	€ 442	1:1 mentee to mentor	8 consecutive weeks	9 months
Uganda	€ 510	3:1 mentee to mentor	2-3x/month for 6 months; and 1x/month thereafter	12 months
Wave 2	**Cash Grant**	**Group Type**	**Network Exposure**	**Duration**
Kenya	€ 413	Fixed or rotating	Weekly meetings for 10 weeks	3 months
Uganda	€ 394			

IMPACT **EVALUATION**

COST-EFFECTIVENESS FINDINGS

The RCTs evaluated how the tested treatment arms affected the following economic outcomes, collecting data every three months throughout implementation.[1]

Wave 1	Wave 2
Business ownership	
This evaluated whether clients owned a business that was open and operational	
Business Profits	**Business Revenue**
This evaluated change in business profits over the past 30 days (from the time of measurement).	This evaluated change in business revenue over the past 30 days (from the time of measurement).

Mentorship v. Cash

Evidence from East Africa shows that mentorship can improve business profitability over time.[iii] In the Kenya RCT,[iii] cash grants combined with mentorship increased profits more than no support at all. However small differences in outcomes between cash only and cash plus mentorship suggest that the increase in profits was driven more by the cash grant than mentorship. Similarly, the likelihood of owning a business because of this joint treatment increased by 21-25%, which again was driven by the grant rather than mentorship. Qualitative insights suggest that mentorship at such a large scale may not be as cost-effective as smaller scale examples of successful mentorship due to larger variation in mentorship quality.

Cash and mentorship interventions showed different effects across subgroups: Kenyan men benefited most when mentorship was added, while Kenyan women saw stronger outcomes when perspective-sharing was included. Refugee men experienced positive impacts across treatments, but refugee women showed little consistent improvement, suggesting persistent barriers.

In Uganda,[iv] the cash grant made an impact on business profits; however the addition of any mentorship did not make an observable significant impact that is distinct from cash-only. Impacts also evolved differently across groups: Ugandan and refugee men sustained profit growth up to a year after the transfer, while women—especially Ugandan women—saw strong short-term gains that faded after six months.

Mentorship had little effect on average, though it increased profits for refugee men in the medium term. For women, mentorship was neutral to negative, dampening profit growth compared to cash alone, particularly among the most profitable businesses. Overall, cash produced substantial gains across demographics, while mentorship added targeted benefits for refugee men but limited or even adverse effects for women. We observed a similar pattern for business openness; mentorship had no additional effect compared with cash.

Given the substantially higher cost for mentorship in Kenya and Uganda, programs and policy would need to consider if the effects of mentorship on other outcomes is sufficient to outweigh the additional cost.

[1] Other outcomes evaluated can be reviewed in Appendix D. For simplicity the body of this report focuses on the primary economic outcomes evaluated in the impact evaluations.

Appendix D summarizes the costs of achieving change through treatment by presenting incremental cost-effectiveness ratios (ICERs). These metrics compare treatment costs with observed effects to show what it costs to produce a one standard deviation change in outcomes using each treatment modality. To achieve a one standard deviation change in business openness using only cash (compared to pure control) it costs €1,740. When cash and mentorship are implemented jointly, it costs €2,313 to observe a one standard deviation change. Similarly, in terms of business profits, using cash only costs €1,828 to observe a one standard deviation shift, and €2,267 when we cash and mentorship are implemented together.

Networks v. Cash

Networks play an important role because they help entrepreneurs overcome information gaps, such as knowing about market opportunities, suppliers, customers, or administrative requirements. Networks also foster cooperation through resource-sharing, risk-pooling, and word-of-mouth marketing, while strengthening social solidarity and improving psychological well-being. In short, networks support both the economic and social aspects of business success.

In the second wave of research, the evaluation between cash only and any form of networking found that cash grants significantly improved business ownership and revenue: 72% of recipients had an open business at midline compared to about half of the control group. However, cash alone did not strengthen business practices or collaboration.

Adding networking groups to the grants boosted collaboration and slightly increased business ownership. Fixed groups of the same nationality showed the strongest gains in ownership, while most network types increased collaboration compared to cash alone, with the exception of mixed-nationality fixed groups.

Based on midline effectiveness results, we find that it costs €1,323 (Kenya) and €1,252 (Uganda) to enact a one standard deviation change in business ownership, an additional €2,000 (Kenya) and €1,980 (Uganda) to enact change in openness when adding networks. In terms of improved business revenue it costs €2,390 (Kenya) and €2,263 (Uganda) to enact a one standard deviation change, where no additional effect was observed by adding networks. We do, however see that networks enact a change in business collaboration that cash only does not have an effect on. We find that networks enable a one-standard deviation change in comparison to cash only, at the cost of €1,423.

Future research should consider what one standard deviation change in these outcomes means for clients, and how it will affect them in the longer term, given that these outcomes are measured in the short term (i.e., one year). Understanding the implications of these outcomes can help policy makers better evaluate the value of investing in these interventions.

CONCLUSION **AND RECOMMENDATIONS**

SMALL-SCALE INTERVENTIONS CONCLUSIONS AND RECOMMENDATIONS

For future implementers that plan to evaluate their effectiveness and implement on a larger scale, we recommend:

- Identify client needs and preferences in terms of self-employment or wage employment, and assess the corresponding market and legal barriers, before designing the intervention to meet those needs within the realities of the local context.

- Build strong partnerships with private sector partners who can commit to supporting refugee employment while meeting their business needs, provide them with training on the legal and operational regulations to employ refugees, and connect them with refugee clients who match their business needs.

- Build strong partnerships with government partners who can help improve market and legal conditions for refugee employment, provide technical vocational educational training (TVET) for refugees through free or subsidized training institutions, and streamline skills certification and accreditation processes at various government agencies.

- Local and international NGOs can collaborate and divide responsibilities according to their own technical expertise in different areas: reaching refugee communities, identifying their needs, assessing the local context, engaging private sector partners, and engaging government partners.

IMPACT EVALUATION CONCLUSIONS AND RECOMMENDATIONS

For programs and policies whose objective is improved business outcomes, the RCTs and accompanying cost-effectiveness analyses suggest that cash is the most cost-effective option at this scale given mentorship modalities have relatively small impact and high cost. Cash offers a scalable solution with minimal additional expenditure on support. However, policy makers should also consider whether the program goals extend to fostering long-term business growth or social cohesion, which may require complementary interventions.

© International Rescue Committee. 2025. Kampala, Uganda. Racheal Chibalama, attends to a client. She received a microenterprise grant through the Re:BUiLD program that helped her to start the business. (Photo: Nathan Ijjo for the IRC).

Mentorship may be effective and worth the costs at smaller scales when there can be an assurance that quality mentors are identified. However, programs and policy design should avoid use of this intervention if quality mentorship cannot be guaranteed.

Alternatively, if programs aim to improve business outcomes as well as collaborative practices, networks are a viable option. While networks are more expensive per client by approximately €150, programs need to consider if the additional influence networks may have on future business outcomes and collaboration is worth this additional cost per client, which theoretically facilitate greater sustainability beyond the program duration, than cash.

From a policy perspective, networking interventions can play a strategic role to facilitate peer to peer learning, cohesion and collaboration. When designing programs with limited budgets, fixed groups offer a slightly lower cost approach to achieving these goals, however rotating groups could also offer the same outcomes but across a wider social network fostering broader cross-sectoral linkages. Policy makers should align the choices of networking modality with the intended goals and outcomes they intend to achieve as well as the resources they have available.

How can program design and policy use this information to identify the most cost-effective and cost-efficient programming?

- **Step 1.** Identify the needs of the population intended to serve.
- **Step 2**. Program and policy should identify their objectives as aligned with the needs of clients, their policy mandate, and comparative advantage in delivery.
- **Step 3**. Once program and policy have identified their primary objectives, e.g., to improve business profits, they should select the treatment modality that achieves this at the lowest cost per outcome effect.

For this reason, policy makers may want to consider the additional outcomes evaluated by the RCTs beyond economic outcomes. For example, if a program aims to improve social cohesion as its primary objective, mentorship plus cash grants may achieve this goal better for some sub-groups than cash alone at a smaller scale, even though mentorship increases costs. Similarly, if a program aims to reduce information gaps and improve coordination between entrepreneurs, the fixed networks plus cash could be the preferred choice despite its additional cost.

© International Rescue Committee, 2024. Jasmini Muzamiru, 39, sells the dried fish to a client. Jasmini is a Congolese refugee living in Kampala, Uganda, where she started her business four years ago. She received a business grant from the Re:BUiLD program as part of microenterprise Randomized Controlled Trial (RCT) (Photo: Edgar Otieno for the IRC)

APPENDIX A: **DESCRIPTION OF INTERVENTIONS**

Small-Scale Interventions

The small-scale interventions were implemented by the International Rescue Committee (IRC), Shining Hope for Communities (SHOFCO), and Raising Gabdho Foundation (RGF).

Apprenticeships are on-the-job training provided at private sector companies for 3 months for clients to gain technical skills and hands-on experience; also referred to as internships. Example sectors include catering, baking, hairdressing, cosmetics, tailoring, electronics repairs, business administration, wholesale or retail trade, and journalism. During this period, clients receive stipends for transport, meals, and childcare. Some clients may also receive start-up kits to boost their employability.

Vocational Training are training courses provided through technical vocational educational training (TVET) institutions for 4–6 months for clients to gain technical skills. Example courses include catering, baking, hairdressing, tailoring, driving, motor vehicle technology, electronics, solar energy, and digital skills such as graphic design, photography, and videography. During this period, the training course fees are covered by Re:BUiLD, and clients receive stipends for transport, meals, and childcare. Some clients may also receive start-up kits to boost their employability.

Value Chains involves grouping refugee and host community businesses together under a collaborative platform to access markets and services, create economies of scale, create more employment and trading opportunities, and strengthen social cohesion between refugees and host communities. It also includes targeted technical assistance to help small businesses prepare for scale. In Kenya, clients were linked with the beauty & cosmetics industry for 6 months of skills training and 2 weeks of job placements. In Uganda, clients were linked with the clothing & textiles industry for 10 weeks of skills training and job placements; some also received start-up kits to create their own businesses.

Skills Certification is also referred to as recognition of prior learning (RPL), which is a process of assessing clients' technical skills in a specific domain by a governing body to receive a certificate confirming their capabilities. Skills Accreditation is a process of equating or aligning clients' education certificates or degrees from their country of origin to the standards of education in the country of residence.

Bridging services were designed to support clients who struggled to secure wage-earning jobs after initial program participation. For those pursuing self-employment, services included entrepreneurship training and linkages to financial service providers for access to capital. For clients seeking wage employment, services focused on soft-skills and job readiness training, as well as connections to potential employers through roundtable job fairs organized by the IRC.

Impact Evaluation (RCT) Interventions

Wave I: 2022–2023 (Kenya and Uganda)

The first wave of RCT evaluated the effectiveness and cost-effectiveness of business grants and mentorship in improving economic outcomes and social cohesion among aspiring youth microentrepreneurs from refugee and host communities. The study included 1,570 participants in Kenya and 1,648 participants in Uganda, along with a control group in each country (see Annex A for details).

In Kenya, there were two populations of interest: Mentees[2] and Mentors.

Treatment arms for Mentees had 4 groups, with cross-randomization between arms 2 & 3:

- **Cash Grant Only (T1):** Aspiring entrepreneurs received a cash grant for their businesses
- **Cash Grant + Mentorship (T2):** Aspiring entrepreneurs received a cash grant for their business and were assigned to a mentor who held a pre-existing business.
- **Cash Grant + Mentorship + Perspective Sharing (T3):** Clients received the same treatment as T2, however had an additional curriculum that focused on perspective-sharing sessions sought to build trust and shared understanding of experiences.

In Uganda, treatment arms had three groups:

- **Cash Grant Only (T1):** Aspiring entrepreneurs received a cash grant for their businesses, and were entered into a lottery to win a small disbursement of cash for their business once their businesses were open and operational.
- **Cash Grant + Mentorship Groups (T2):** These clients received the same treatment as T1, but were also assigned to a mentor who shared business knowledge. Groups of mentees to mentors was 3:1.
- **Cash Grant + Mentorship + Shared Fate:** Clients received the same treatment as T2, however, the group of mentees and mentors were entered into the lottery based on their group performance: all mentees in the group needed to have their business open and operational to be jointly eligible for the cash disbursement.

[2] The mentee population consisted primarily of youth aged 18–25 (with some older participants included based on vulnerability criteria).

Impact Evaluation (RCT) Interventions

Wave II: 2024–2025 (Kenya and Uganda)

During the second wave of RCTs in Kenya and Uganda, the treatments evaluated the additional effect of network groups on business ownership and profits. As such, the treatments were the same in both countries. phase was the same in both Uganda and Kenya, involving 3,421 participants in Uganda and 3,339 participants in Kenya, with three treatment arms:

- **Cash Grant Only (T1):** Under this treatment, aspiring entrepreneurs received a cash grant for their businesses.
- **Cash Grant + Fixed Business Groups (T2):** Under this treatment, clients received the same cash grant as T1, but were assigned to fixed network groups that met weekly. These groups were comprised of the same entrepreneurs every week.
- **Cash Grant + Rotating Business Groups (T3):** This treatment received the same cash grant as T1, but instead of fixed network groups, aspiring entrepreneurs were assigned to rotating peer groups to foster broader networking. These groups therefore changed in composition on a weekly basis and location.

Participants, aged 18–45, were either starting a business, running one, or had prior business experience, and were committed to two hours of peer group sessions every week, over ten weeks for three months. This phase aims to explore how different group structures affect economic outcomes and to identify scalable models for future programming. Annex A summarizes the size of each treatment arm.

© International Rescue Committee, 2024. Nairobi Kenya. Eric Kimararungu sews a trouser at his shop in Kitengela, Eric received a microenterprise grant through the Re:BUiLD program that helped him to set shop and be his own boss, employing another refugee in the process. (PHOTO: Edgar Otieno for the IRC).

APPENDIX B: **ACTIVITY BUCKETS ANALYZED IN IMPACT EVALUATION COST ANALYSIS**

Across all waves of the RCT research, set-up, or inception, costs were also evaluated as a separate activity bucket. These costs were largely one-time costs that affected or supported all other activities analyzed, such as targeting and registration. During analysis, these set-up costs are spread across the remaining activities proportional to the number of clients served by each activity.

For Kenya Wave 1, activities analyzed included business grants, mentee support, mentorship (only), and mentorship with perspective sharing. The business grant activity included time, effort, and resources associated with gathering and processing recipient bank account information, as well as time, effort and resources with the distribution of the cash grant itself, transfer fees, as well as an introductory meeting and time spent following up with clients to ensure they received their grant. Mentee support included support given to mentees from the IRC for transportation for the meeting locations, as well as materials required to cover materials and introductory meetings. The mentorship activity bucket covered mentor training and refresher training costs, as well as monthly stipends for mentors and material costs for mentor scripts. The perspective sharing activity bucket covered the additional training provided to mentors in this treatment arm to implement the perspective sharing components of the mentorship, and time spent on this additional material with mentees. Table B1 describes the allocation of activities across treatment arms.

Table B1: Activities analyzed for Kenya under wave 1

		Activities			
Treatment Arm	**Number of Clients**	**Business Grants**	**Mentee Support**	**Mentorship**	**Perspective Sharing**
T1: Grant only	388	X			
T2: Grant + Mentorship	587	X	X	X	
T3: Grant + Mentorship + Perspective Sharing	585	X	X	X	X
Control	388	X			

For Uganda Wave 1, activities analyzed included business grants (which included the same coverage of time, effort and resources for cash grants as described in Kenya wave 1 above), as well as mentorship, individual lottery and shared fate lottery. The mentorship activity bucket covered resources provided to mentees and mentors such as transport stipends and material costs, as well as staff time and effort to coordinate and monitor mentorship activities. The lottery activities were split between individual and shared fate lottery activities, as depicted below in Table B2. Whereby costs were associated with selecting, verifying eligibility, and distributing the lottery winnings (including the value of the lottery winnings themselves), were included in this bucket.

Table B2: Activities analyzed for Uganda under wave 1

Treatment Arm	Number of Clients	Activities			
		Business Grants	Mentorship	Individual Lottery	Shared Fate Lottery
T1: Grant only	450	X		X	
T2: Grant + Mentorship	750	X	X	X	
T3: Grant + Mentorship + Shared Fate	450	X	X		X
Control	350	X			

For Wave 2 in both Kenya and Uganda, the treatment arms and subsequently, the activities analyzed were the same between the two countries. The business grant activity covered the same time, effort and resources as was articulated for wave 1 above. Fixed network activity costs were associated with time, effort and resources to manage these activities and provide transport stipends to attendees. Rotating network activities included additional stipends for community volunteers who oversaw the rotating groups, as well as venue costs for meeting locations.

Table B3: Activities analyzed for both Kenya and Uganda under wave 2

Treatment Arm	Number of Clients Kenya	Number of Clients Uganda	Activities		
			Business Grant	Fixed Networks	Rotating Networks
T1: Grant only	612	584	X		
T2: Grant + Fixed Network	1371	1342	X	X	
T3: Grant + Rotating Network	1438	1413	X		X
Control	625	600	X		

APPENDIX C: **SMALL-SCALE INTERVENTION COST-EFFICIENCY ESTIMATES**

The following summarizes the cost-efficiency results for the small-scale interventions, by country, implementing organization, number of clients and cost per client observed in 2022 EUR.

Intervention	Country	Organization	Number of Clients Served	Average Cost per Client (2022 EUR)
Apprenticeship	Kenya	IRC	95	€ 1,111
	Kenya	SHOFCO	153	€ 259
	Uganda	IRC	77	€ 1,684
	Uganda	RGF	13	€ 1,293
Vocational Training	Kenya	IRC	170	€ 1,414
	Kenya	SHOFCO	402	€ 519
	Uganda	IRC	457	€ 1,670
	Uganda	RGF	197	€ 776
Value Chains	Kenya	IRC	20	€ 953
	Uganda	IRC	104	€ 1,114
Skills Certification & Accreditation	Kenya	IRC	78	€ 782
	Uganda	IRC	29	€ 1,514
Bridging Services: Self-Employment	Kenya	IRC	46	€ 229
	Uganda	IRC	77	€ 139
	Uganda	RGF	53	€ 81
Bridging Services: Wage-Employment	Kenya	IRC	200	€ 211
	Uganda	IRC	119	€ 121
	Uganda	RGF	68	€ 69

APPENDIX D: **IMPACT EVALUATION COST-EFFICIENCY ESTIMATES AND INCREMENTAL COST-EFFECTIVENESS RATIOS**

This appendix summaries outcomes evaluated across the research waves in Kenya and Uganda, the corresponding treatment on the treated effect size, and statistical significance. ICERs are only calculated on outcomes which exhibit a statistically significant difference as result of treatment. In Kenya Wave 1 effects are shown for cash plus mentorship, jointly, whereas the remaining evaluations depict the effect of additional treatment on its own (separate from cash).

Table D1. ICERs for Kenya Wave 1 (in 2022 USD)

Treatment Arm	Cost per client			
T1: Cash only	€ 731			
T2: Cash + Mentorship	€ 1,134			
T3: Cash + Mentorship + Perspective Sharing	€ 1,133			
	Cash v. Control		Cash + Mentorship v. Cash	
Outcomes	Effect Size	ICER	Effect Size	ICER
Business Ownership	0.42	€ 1,740	0.49	€ 2,313
Business Profts (30-days)	0.40	€ 1,828	0.50	€ 2,267
Hours Spent on Business (7 days)	0.32	€ 2,284	0.34	€3,334
Productive Assets	0.34	€ 2,150	0.19	€ 5,966
Employment Income	NS		-0.17	€ (6,668)
Hours Worked	-0.17	€ (4,300)	-0.26	€ (4,360)
Household Savings	0.60	€ 1,218	0.50	€ 2,267
Household Debt	NS		-0.13	€ (8,719)

*Effect sizes derived extra tables shared by authors, transformed into treatment on the treated.

Table D2. ICERs for Uganda Wave 1 (in 2022 USD)

Treatment Arm	Cost per client			
T1: Cash only	€ 842			
T2: Cash + Mentorship	€ 1,146			
T3: Cash + Mentorship + Shared Fate	€ 1,148			
	Cash v. Control		Any Mentorship	
Outcomes	Effect Size	ICER	Effect Size	ICER
Business Ownership	0.16	€ 5,263	NS	
Business Profts (30-days)	0.59	€ 1,427	NS	
Household Wellbeing Index	0.41	€ 2,054	NS	
Psychological wellbeing index	0.29	€ 2,903	NS	
Social cohesion index	NS		NS	
Beliefs about refugee economic effect	0.14	€ 6,014	NS	
Support for inclusive refugee hosting	0.26	€ 3,238	NS	

*Effect sizes derived from: https://rescue.app.box.com/file/1547004618935

Table D3. ICERs for Kenya Wave 2 (in 2024 USD)

Treatment Arm	Cost per client			
T1: Cash only	€ 545			
T2: Cash + Fixed Networks	€ 678			
T3: Cash + Rotating Networks	€ 708			
	Cash v. Control		Any Network	
Outcomes	Effect Size	ICER	Effect Size	ICER
Business Ownership	0.41	€ 1,323	0.07	€ 2,000
Business Revenue	0.23	€ 2,390	NS	
Business Practices	NS		NS	
Business Collaboration	NS		0.10	€ 1,423
Self-Efficacy	NS		NS	
Trust in Host	NS		NS	
Trust in Refugees	-0.09	€ (6,337)	NS	
Interaction	-0.09	€ (6,264)	NS	
Life Satisfaction	0.21	€ 2,620	NS	

*Effect sizes derived from mid-line report (forthcoming).

Table D4. ICERs for Uganda Wave 2 (in 2024 USD)

Treatment Arm	Cost per client			
T1: Cash only	€ 516			
T2: Cash + Fixed Networks	€ 657			
T3: Cash + Rotating Networks	€ 668			
	Cash v. Control		Any Network	
Outcomes	Effect Size	ICER	Effect Size	ICER
Business Ownership	0.41	€ 1,252	0.07	€ 1,980
Business Revenue	0.23	€ 2,263	NS	
Business Practices	NS		NS	
Business Collaboration	NS		0.10	€ 1,409
Self-Efficacy	NS		NS	
Trust in Host	NS		NS	
Trust in Refugees	-0.09	€ (6,000)	NS	
Interaction	-0.09	€ (5,931)	NS	
Life Satisfaction	0.21	€ 2,481	NS	

*Effect sizes derived from mid-line report (forthcoming).

CONTACT **US**

This work was conducted by the Best Use of Resources Initiative at the IRC. For questions or more information please contact us at **costanalysis@rescue.org**

International Rescue Committee
122 East 42nd Street
New York, NY 10168-1289
USA

The **Airbel Impact Lab**, the IRC's research and innovation team, designs, tests, and scales life-changing solutions for people affected by conflict and disaster. Our aim is to find the most impactful and cost-effective products, services, and delivery systems possible. Airbel works to develop breakthrough solutions by combining creativity and rigor, openness and expertise, and a desire to think afresh with the experience of a large-scale implementing organization.

[i] McKenzie, D. (2020). "Small Business Training to Improve Management Practices in Developing Countries: Reassessing the evidence for 'training doesn't work'." Policy Research Working Paper – 9408. World Bank Group. 10 November 2023. https://documents1.worldbank.org/curated/en/593081600709463800/pdf/Small-Business-Training-to-Improve-Management-Practices-in-Developing-Countries-Reassessing-the-Evidence-for-39-Training-Doesn-t-Work-39.pdf

[ii] Brooks, W., K.Donovan, and T.R. Johnson. (2018). "Mentors or Teachers? Microenterprise Training in Kenya." American Economic Journal: Applied Economics, 10 (4): 196-221. DOI: 10.1257/app.20170042

[iii] Khan, S., A. Zeitlin, and E. Paluck. (2023). "What are the benefits of mentorship for aspiring micro-entrepreneurs? An examination of mixed gender, same gender, and refugee-host and host-host mentoring pairs and the effects of mentoring and mentoring with perspective-sharing over simple cash transfer." AEA Registry URL: https://www.socialscienceregistry.org/trials/10113

[iv] Baseler, Travis et al. 2023. "Re:BUiLD: Cash grants and mentorship to strengthen refugee economic and social integration in Uganda." AEA RCT Registry. https://doi.org/10.1257/rct.9212-3.0