



Re:BUiLD Wave 2 Randomized Controlled Trial

*Building business networks to support refugee and host entrepreneurs
in Nairobi, Kenya and Kampala, Uganda*

Policy Brief



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1. Executive summary

Refugees in East Africa: Boosting Urban Innovations for Livelihoods Development (Re:BUiLD) program, the International Rescue Committee (IRC) collaborated with researchers to evaluate how to improve economic outcomes and social cohesion among refugee and host entrepreneurs. In a Randomized Controlled Trial (RCT), the project explores how cash grants alone and in combination with a network intervention shape economic, social and psychological outcomes of refugees and hosts in Kampala, Uganda, and Nairobi, Kenya. A large number of refugees live in urban settings in developing countries, where microenterprises and self-employment are the dominant livelihood strategies (Gollin, 2008). These urban markets are challenging for refugees because they may lack the personal and professional networks to establish and sustain microenterprises or engage in entrepreneurial activities. Business and social networks provide information and facilitate collaboration (Ashraf, Delfino and Glaeser, 2019; Asiedu et al., 2023; Blattman et al., 2016; Cai and Szeidl, 2018), enable self-reliance among displaced populations (Humphrey, Krishnan and Krystalli, 2019) and can help to forge social cohesion (Betts et al., 2023).

Main findings

- **Cash grants improve business outcomes and economic and social wellbeing.** At endline, 70.4% of grant recipients owned a business, compared with 57.8% in the delayed treatment group. This corresponds to a difference in means of 12.6 percentage points in business ownership. The cash substantially increases monthly business revenues and at a smaller scale increases profits relative to a delayed treatment group. Additionally, grant beneficiaries also experience higher household income, savings, and expenditure, proving that cash has economic benefits in the short-term (6 months) and long-term (11 months). Cash is widely effective across different sub-populations.
- **Cash expands business networks.** Grant recipients reported more business ties and greater nationality diversity in their networks that connect them to new contacts. This suggests that the success of businesses, which can be promoted by removing capital constraints, corresponds with the expansion of economic networks and deeper engagement into the urban areas.
- **Networking groups activate business activity but do not improve economic and social outcomes.** Compared with cash alone, the network intervention has no clear effect on ownership, revenue, life satisfaction, trust, or business network size and diversity. However, participants in networking groups reported more collaborative business behavior and more business practices linked to learning, especially in the short-term. They also spent more time on their businesses and allocate more assets to them. The activation of Cash+Network study participants, coupled with evidence that networking benefits vary significantly across subgroups, underscores the need for more targeted support. Tailored networking opportunities should be directed toward those groups most able to translate expanded business contacts into measurable growth and economic inclusion.

Policy recommendations

1. Our findings demonstrate that unconditional cash grants should be at the center of livelihood programming for urban refugees and host communities. Cash enables households to flexibly meet both domestic and business needs, with business starters showing significant gains, underscoring the importance of embedding cash assistance within broader strategies for economic inclusion.
2. Networking groups cannot substitute cash grants. Practitioners should carefully weigh the cost-effectiveness of cash versus a networking intervention. Networking may yield positive results for some subgroups in specific sites, but it is important to identify who can benefit from lifting networking constraints as networking does not universally translate into improved economic and social outcomes.
3. Economic support alone may not generate social cohesion among urban refugees and hosts. Livelihood support, here in the form of unconditional business grants and networking groups, did not substantially increase trust between refugees and hosts or interactions between societal subgroups.

2. Study design and sample

2.1 Design

The second wave of the Re:BUiLD program supported 8,005 refugees and hosts in Kampala, Uganda, and Nairobi, Kenya, and tracked their socio-economic outcomes over a year. Refugee and host members in the program received support to build micro-enterprises through an unconditional business grant. In addition, the program invited individuals to attend networking groups. Building on the learning on mentorship from [the first wave of the Re:BUiLD program](#), the primary goal of the business network program in the second wave was to connect entrepreneurs within the cities and build up business networks. The program explored if different types of business networks are more effective at improving economic and social outcomes for program participants by varying 1) if the groups cut across or are formed within nationality groups (mixed vs same nationality groups) and 2) if the groups are aimed at building up small intensive relationship with the same entrepreneurs or connect many different entrepreneurs across the city (fixed vs rotating groups). To evaluate if and how this network initiative supports micro-entrepreneurs in Kampala and Nairobi, the program randomly assigns eligible participants to one in six groups:

1. **Cash group:** Business grants during the study period
2. **Mixed-fixed groups:** Business grant + mixed nationality group of 8 entrepreneurs
3. **Same-fixed groups:** Business grant + same nationality group of 8 entrepreneurs
4. **Mixed-rotating groups:** Business grant + mixed nationality group of 60 rotating entrepreneurs
5. **Same-rotating groups:** Business grant + same nationality group of 60 rotating entrepreneurs
6. **Delayed treatment group:** Business grants after the study period



Photo Credit: November 18, 2024, Nairobi, Kenya. Re:BUiLD clients take part in a session during the RCT wave 2 intervention in Nairobi. (PHOTO: Edgar Otieno for The IRC)

After recruiting interested refugees and hosts across both cities, the selected study participants were surveyed before the program start (baseline) and randomized into the above 6 arms. Cash+Network participants then attended a 10-week networking program and received an unconditional lump-sum cash transfer that was labeled as money to start or invest in a micro-enterprise in week 7. The cash group simultaneously received the cash. A follow-up survey took place with all study participants 6 months after the end of the business groups (midline), and 11 months after the end of the program (endline). Endline survey completion was high at 92.62% and there was no differential attrition. The delayed treatment group received the cash after the final data collection. This research brief focuses on three main comparisons:

- **Cash vs. delayed treatment:** whether receiving the grant improved outcomes relative to those who received it later.
- **Cash+Network vs. cash:** whether adding networking sessions improved outcomes beyond the grant itself.
- **Specific networking arms vs. cash:** whether mixed vs. same-nationality groups and fixed vs. rotating groups produced different effects.

Our analysis controls for participants' starting conditions and key background factors to ensure robust results. Outcomes are adjusted to reflect July 2024 U.S. dollar values*, with extreme outliers minimized to preserve accuracy. This approach provides reliable evidence on the economic impacts of the intervention, while accounting for differences across treatment areas and individual circumstances.

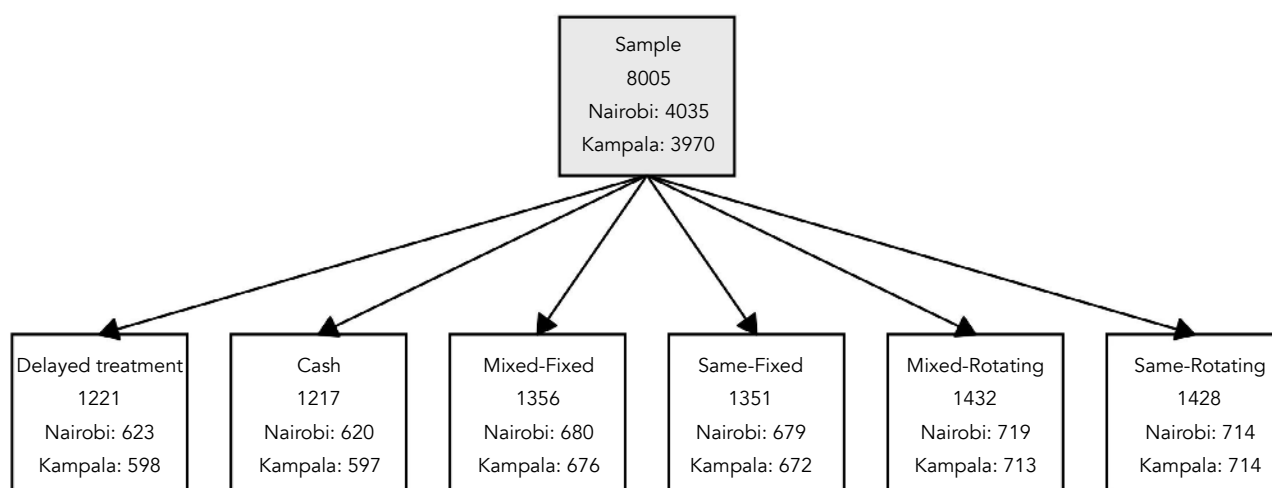


Figure 1: Treatment arms in the Re:BUiLD RCT

2.2 Sample

The full study sample included 8,005 respondents: 3,970 participants in Kampala and 4,035 participants in Nairobi. The study population is diverse, including refugees and hosts from 10 different nationalities, in particular from the Democratic Republic of Congo (18.6%), from Somalia (9.1%) and from Ethiopia, (10%). The sample includes 57.4% refugees and 56.4% women. All study participants are between 18 and 45 years old. Participants differ considerably in their business experience and in their economic and social circumstances. Despite these differences, they have on spent 11 years in the city, reflecting strong urban embeddedness. At baseline, approximately 52% were already operating a business, while the remainder expressed interest in starting one. Table 1 provides summary statistics.

* All monetary values are reported in inflation-adjusted July 2024 USD to enable comparability with the baseline data collection across survey rounds

Table 1: Core summary statistics of the sample

Indicator	All	Kampala	Nairobi	Refugees	Hosts	Women	Men
Age	31.3 (7.1)	31.4 (7.1)	31.2 (7)	30.8 (7.3)	32 (6.7)	31.7 (7)	30.8 (7.1)
Household size	4.6 (2.6)	4.7 (2.7)	4.6 (2.6)	4.7 (2.7)	4.6 (2.5)	5.1 (2.4)	4.1 (2.7)
Has children under 5 (%)	50.3 (0.5)	45 (0.5)	55.4 (0.5)	44.3 (0.5)	58.3 (0.5)	58.7 (0.5)	39.4 (0.5)
Secondary school completed (%)	53.1 (0.5)	54.3 (0.5)	51.8 (0.5)	54.7 (0.5)	50.9 (0.5)	44.7 (0.5)	63.9 (0.5)
Self-reported disabled (%)	3.8 (0.2)	4.4 (0.2)	3.3 (0.2)	3.8 (0.2)	4 (0.2)	4.5 (0.2)	3 (0.2)
Years in the city	11.1 (102.2)	9.2 (103.3)	12.9 (96.4)	7.4 (60)	16 (116.8)	11.7 (104.3)	10.3 (98.7)
Rent problems in last 3 months (%)	66.2 (0.5)	61.5 (0.5)	70.8 (0.5)	59.3 (0.5)	75.5 (0.4)	68.1 (0.5)	63.8 (0.5)
Self-reliance index	3.2 (0.6)	3 (0.6)	3.3 (0.6)	3.1 (0.7)	3.2 (0.6)	3.1 (0.6)	3.2 (0.7)
Owns business (%)	52.5 (0.5)	47.3 (0.5)	57.5 (0.5)	48.1 (0.5)	58.3 (0.5)	56.9 (0.5)	46.7 (0.5)
Business revenue (USD/ 30 days)	106 (226.3)	109 (258.7)	103 (188.9)	107.1 (229.6)	104.5 (221.7)	92.5 (191.2)	123.4 (263.9)
Business assets (USD)	81.3 (234.7)	95.1 (271.9)	67.7 (190.3)	70.6 (225.3)	95.7 (246.2)	55.4 (170.6)	114.8 (294.6)
Business network size	4.2 (4)	4.5 (4.2)	3.9 (3.7)	3.7 (3.8)	5 (4.1)	4.1 (4)	4.3 (4)
Observations	8005	3970	4035	4599	3406	4517	3488

3. Results

3.1 Cash improves business outcomes in the short and long term

Means and percentages at baseline. Standard deviations in parentheses.

Cash had large and persistent effects on business ownership, business revenues and profits and other indicators of business success. Figure 2 displays coefficient estimates for the main outcomes and main comparisons (**green = Cash compared to Delayed treatment, orange = Cash+Network compared to Cash**). Figure 3 shows the rate of business ownership and average business revenues across the three data collection rounds for all network arms, **the cash group (yellow)** and **the delayed treatment group (grey)**. This indicates that in particular the cash improves economic outcomes considerably. Note that the positive economic effect is larger at midline.

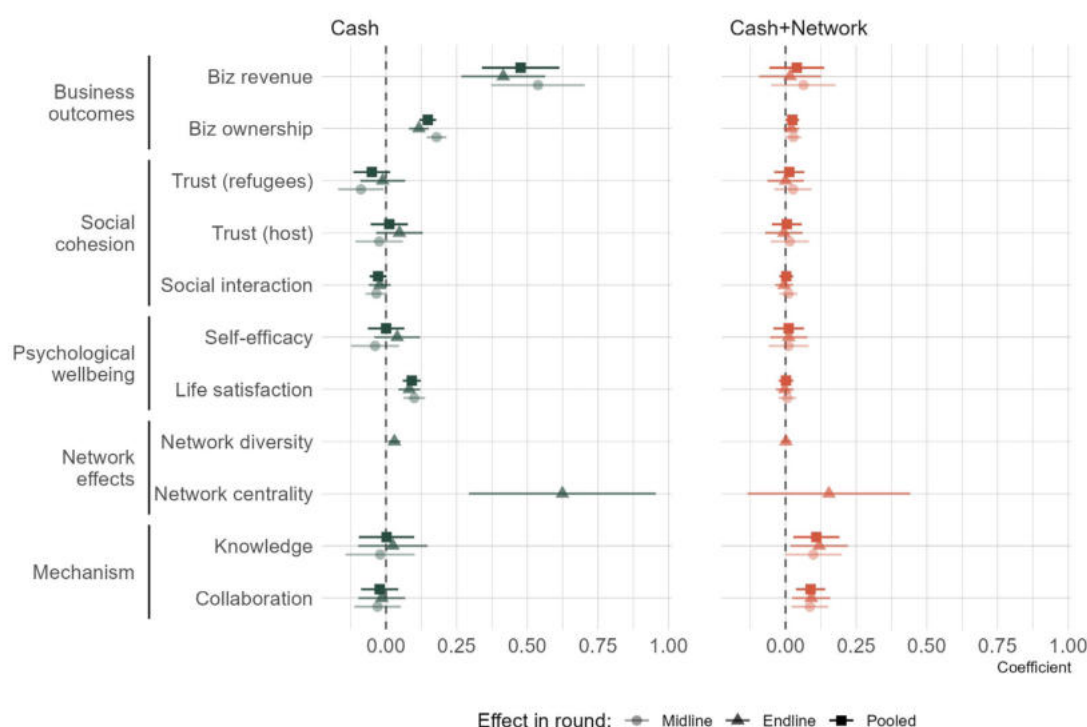


Figure 2: Main effects of cash and cash+network across primary outcomes and rounds

At endline, the cash group's business ownership (70.4% are business owners) is on average 12.6 percentage points higher than in the delayed treatment group (57.8% of business owners). The cash group also reports higher average business revenues and profits than the delayed treatment group at endline (11 months after grant): monthly revenues are on average \$72.71 higher and monthly profits are on average \$19.82 higher in the cash group compared to the delayed treatment group's average revenues (\$150.42) and profits (\$47.41). Specifically, the cash group reports average monthly revenues of \$223.13 and average monthly profits of \$67.23 at endline. Grant recipients also report higher productive assets in their businesses and more hours spent in business. These are meaningful changes in the context of the study population, where baseline business activity and income levels were modest.

The positive cash effect on business outcomes applies generally to different subgroups in the study population but cash has particularly positive impacts for business starters. A large share of respondents who received cash either maintained an existing business or started a new one that persisted through the study period. This is a particularly important outcome for refugee and host entrepreneurs, since many livelihood programs aim not only to raise earnings but also to help households establish a more stable income-generating base. Lastly, the cash also translates into improved household income, savings, and expenditure.

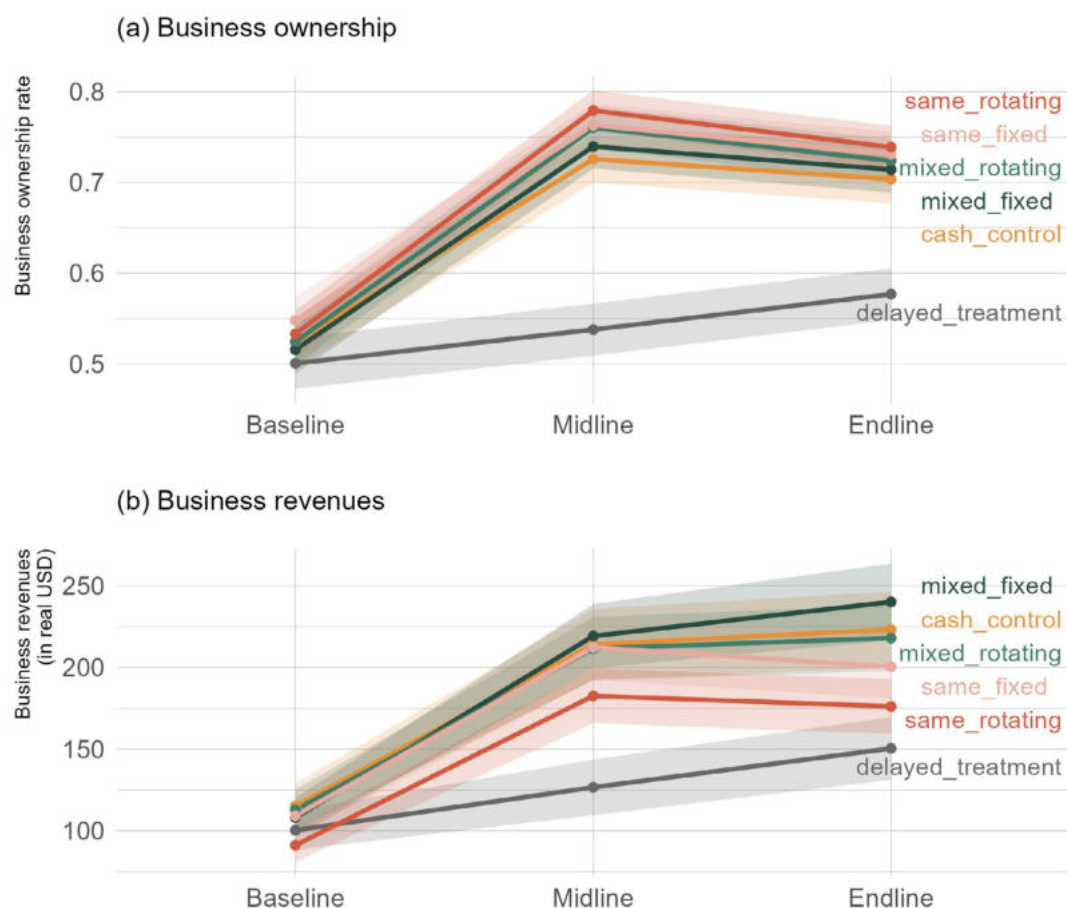


Figure 3: Business ownership and revenues over time

Key finding

Cash has a substantial positive impact on business outcomes (e.g. revenue and profits) and economic conditions (e.g. household income and savings). While particularly helpful for business starters, cash has a positive impact across refugees and hosts, men and women.

3.2 Cash+Network does not improve business outcomes but contributes to activation

The networking intervention, by contrast, had no clear effect on business outcomes or on broader economic indicators (see Figure 2). Compared to cash recipients, the additional participation in network groups does not increase business ownership, revenues, or profits. Table 2 reports the effect of Cash+Network compared to cash recipients across the rounds, displaying the null finding on business ownership and revenues. However, those that participated in the business network groups report more collaborative behavior in their businesses and they report more business practices that indicate learning at endline. We also find modest increases in secondary outcomes such as short-term increases in the number of customers, the hours spent in business or the number of productive assets allocated to the business. A plausible interpretation is that networking may encourage entrepreneurs to work more actively or invest more effort in their businesses, but without sufficient market expansion to produce large gains in earnings.

Compliance with the networking intervention was high: 84% of participants attended at least 9 of 11 sessions. Descriptively, we have suggestive evidence that a higher dosage of the networking sessions is associated with small increases in the estimated effect of networking. However, this pattern likely reflects selection — participants who attended more sessions tend to differ from those who did not. Complier analyses suggest that the null effect of networking is unlikely to be driven by low attendance; and more likely to be driven by the fact that parts of the population cannot easily translate additional business contacts into economic gains.

We do not find that the different possible network arms - mixed vs same nationality and rotation vs fixed groups - yield significantly different results. Neither of the arms systematically outperforms others.

Table 2: Effect of Cash+Network (compared to cash) at midline, endline, and pooled across both rounds

Effect	Term	Biz ownership	Biz revenue	Biz practices	Biz collaboration
Midline	Cash+Network	0.027 (0.01)	0.064 (0.06)	0.099 (0.05)	0.086* (0.03)
Endline	Cash+Network	0.021 (0.01)	0.016 (0.06)	0.119* (0.05)	0.091* (0.03)
Pooled	Cash+Network	0.024 (0.01)	0.040 (0.05)	0.109* (0.04)	0.089* (0.03)
Estimation		OLS	PQMLE	OLS	OLS
Baseline means	Cash	0.5	109.55	-0.05	0.03
Midline means	Cash	0.72	211.89	0.03	-0.02
Endline means	Cash	0.7	222.39	0.11	0

Key finding

Cash is the more reliable instrument to improve the economic situation of urban refugees and hosts. Networking may help participants become more active and collaborative, but it should be understood as an add-on rather than the main driver of economic improvement.

3.3 Reducing financial constraints may increase business networks and success simultaneously

A central aim of Re:BUiLD Wave 2 was to test whether entrepreneurship support could expand business networks. The endline results show that cash clearly helped to achieve this: Relative to the delayed treatment group, grant recipients report an increase in business ties by 0.6 ties on average. Their networks also became more diverse in terms of nationality/gender and more likely to include bridging ties, which can connect people to new contacts, markets, and sources of information. In practical terms, the grant seems to have enabled participants to reach out more actively and build useful business relationships.

The networking intervention itself had no clear impact beyond the cash. Compared with cash alone, Cash+Network participants did not show meaningful gains in network size, diversity, clustering, or bridges. This is an important result because it suggests that networks may form organically when entrepreneurs have the resources to operate, rather than simply through participation in structured group sessions.

Key finding

Capital, here in the form of business grants, can create networks. Entrepreneurs who receive funding may be better able to buy inventory, travel, make introductions, or sustain the repeated interactions needed to build business relationships. Structured networking, by itself, may be too weak to do that at scale.

3.4 Livelihood support does not translate into strong social or psychological transformation

Compared to the delayed treatment group, cash recipients experience improved life satisfaction at midline and endline. This is an important result because it shows that livelihood support can have positive spillovers on subjective wellbeing, not only on business activity. At the same time, however, we do not document a positive impact of the grant on:

- perceived self-efficacy,
- trust in host and refugee nationalities,
- self-reported interaction with people from other nationalities, or
- support for progressive refugee policies.

This pattern suggests an important distinction of refugee livelihoods programming from socio-psychological interventions: Improvements in income or business activity do not automatically translate into stronger social cohesion. The additional networking intervention, which was equally focused on encouraging business rather than purely social interactions, did not change that picture. Compared with cash alone, the network groups did not produce measurable improvements in life satisfaction, self-efficacy, trust, or social interaction.

Key finding

Unconditional business grants and/or networking groups may have positive economic impacts, but entrepreneurial support does not automatically translate into social cohesion and psychological wellbeing. Refugee and host communities may need specific relationship-building, social contact, or community engagement in addition to economic support.



Photo Credit: November 14, 2024, Kampala, Uganda. Re:BUILD clients take part in a session during the RCT wave 2 intervention in Kampala. (PHOTO: Nathan Ijjo Tibaku for The IRC)

3.5 Cash is widely effective across sub-populations while networking requires targeting

Figure 4 and Figure 5 display effect sizes across different core subgroups in the population. Two observations may be particularly relevant to highlight: First, across different subgroups, cash compared to delayed treatment is consistently increasing business outcomes, business networks and life satisfaction while not shaping social cohesion strongly. While business starters that did not have a business at baseline are particularly benefitting from cash, we generally conclude that cash is beneficial to a wide universe of refugees and hosts within the two sites. In substantive terms, cash effects are, however, stronger in Kenya than in Uganda.

Second, the additional networking groups, compared to cash, have a less consistent effect across subgroups. Business starters and those with smaller networks may benefit more strongly. However, to maximise the gains from a networking intervention, policy makers should consider to target specific populations in specific sites that may indeed benefit from a networking intervention.

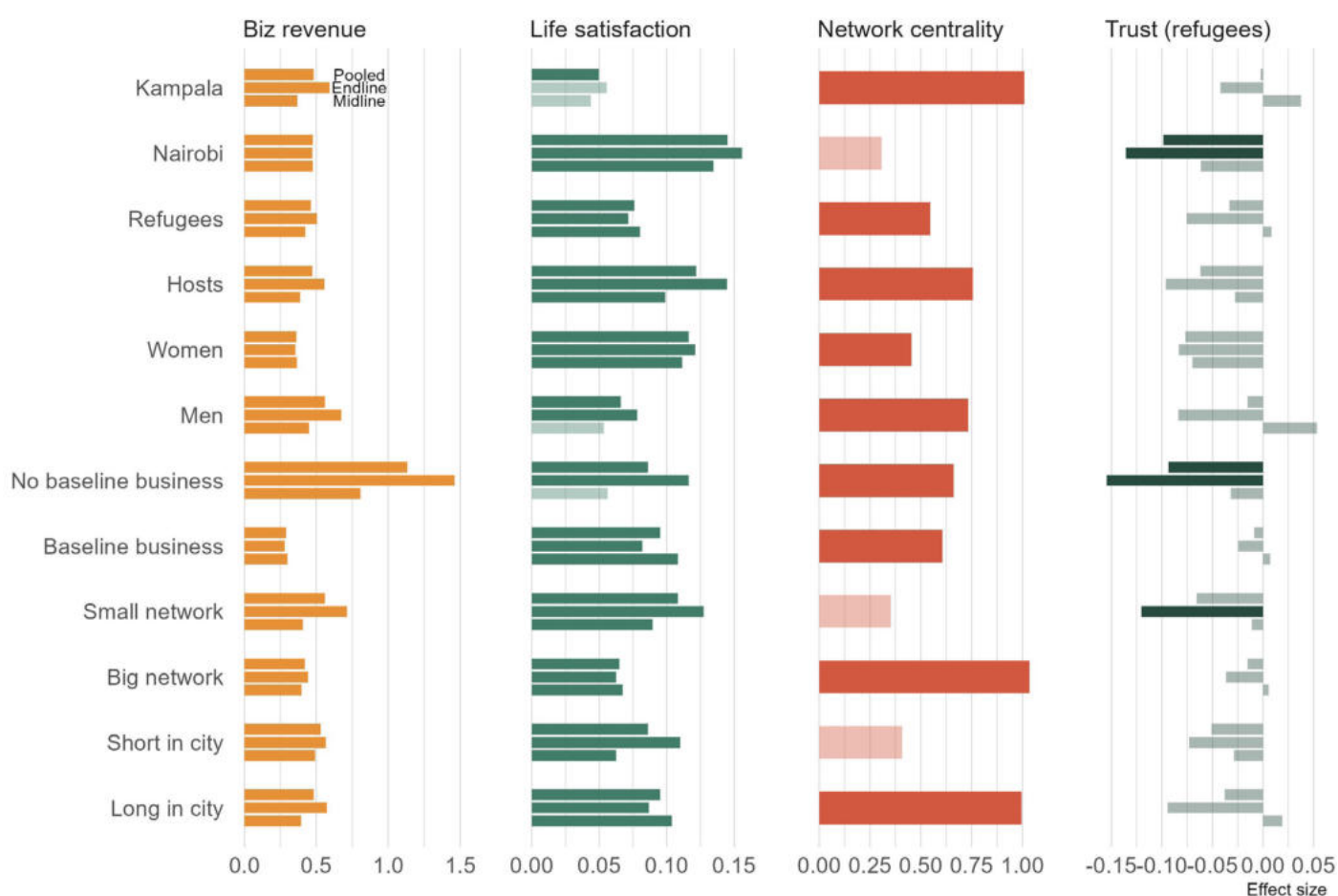


Figure 4: Effect size and significance of Cash across subgroups and domains

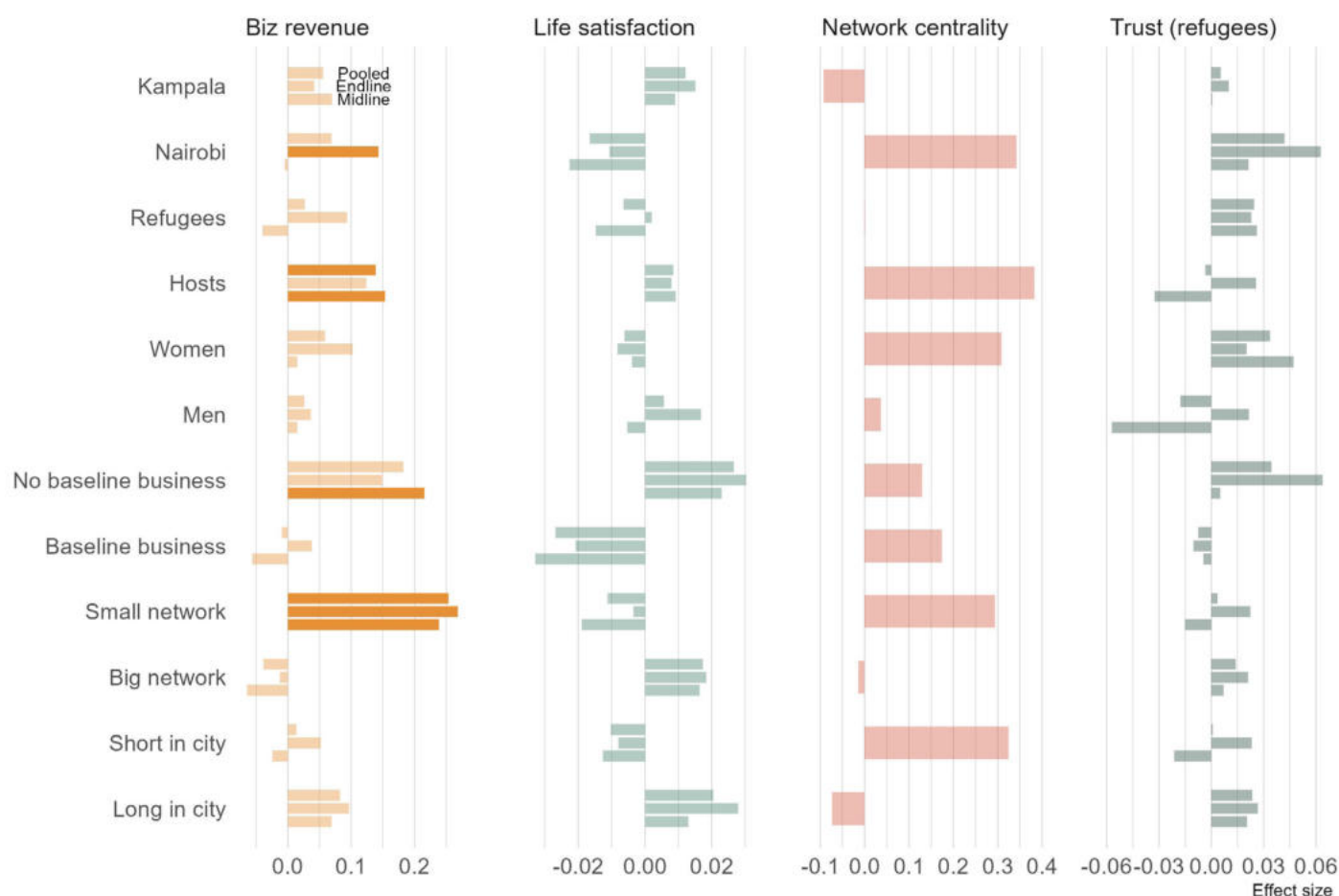


Figure 5: Effect size and significance of Cash+Network across subgroups and domains

Key finding

While cash generally supports vulnerable hosts and refugees, additional network groups can only benefit specific populations.

3.6 Cash is cost-effective; networking requires targeting to justify its cost

How do economic gains compare to program costs? Based on cost data from [Cochran-George, Lucian and Magambo \(2025\)](#), the cash grant costs \$637 per client in Kenya and \$561 in Uganda. Adding networking raises costs by \$152–191 per client. Table 3 reports the implied payback period, the months required for cumulative gains to equal program cost assuming endline effects persist.

Table 3: Implied payback period of the cash grant

	Kenya (\$637)	Uganda (\$561)
Monthly revenue gain	\$73.73	\$41.49
Revenue payback	8.6 months	13.5 months
Monthly profit gain	\$26.98	\$9.40
Profit payback	23.6 months	59.6 months

Our evidence shows that unconditional cash support delivers strong returns, effectively paying for itself within 9–14 months through revenue gains. By contrast, the networking intervention generates only modest average increases in monthly revenue insufficient to justify its higher cost. However, deeper analysis reveals that outcomes vary: individuals with lower starting incomes benefit significantly more from networking.

This highlights the importance of targeted programming. When networking opportunities are directed to those mostly likely to benefit, the program can achieve a greater impact up to USD 1,250–4,500 in additional monthly revenues per USD 100,000 invested. The additional benefits depend on the costs of the networking intervention and the share of the population targeted. For example, at a networking cost of \$175, and a targeting of the 25.5% of the 8,000 program participants most likely to benefit, the additional monthly revenues from networking vs cash can be USD 1,250.

Key finding

Compared to cash grants, universal networking is not cost-effective at \$152–191 marginal costs per entrepreneur, but a targeted allocation to predicted beneficiaries could pay off. Targeting rules do not generalize across sites — future programs should pilot locally before scaling.



Photo Credit: October 24, 2024, Nairobi, Kenya. Re:BUiLD clients take part in a session during the RCT wave 2 intervention in Nairobi. (PHOTO: Edgar Otieno for The IRC)

3.7 Refugee self-reliance improves over the study period, in particular due to cash

The Self-Reliance index (SRI) offers a broader measure of whether respondents felt more able to manage their lives and livelihoods over time. The average SRI rose from 3.15 at baseline to 3.37 at midline and 3.38 at endline. More than 61% of respondents improved their self-reliance score between baseline and endline. The cash grant increased the self-reliance index at midline and maintained that improvement at endline. The networking intervention had a positive short-term effect at midline, but that effect disappeared by endline.

The positive SRI changes are driven by several factors, particularly by respondents' improved ability to cover rent and build up savings. This is useful for policy because it shows that self-reliance is not only about income. It also depends on whether people can manage debt.

Key finding

Cash is a credible way to improve broader self-reliance in refugee and host populations. Networking may offer a short-lived boost, but the durable effect is associated with the grant itself.

4. Conclusion and policy implications

The second wave of Re:BUiLD provides strong evidence that unconditional business grants can improve livelihoods for refugee and host entrepreneurs in urban East Africa. The main policy message is simple but important: cash support delivered stronger and more reliable effects than networking support. Grants improved business ownership, business activity, income, savings, and life satisfaction. They also expanded business networks and improved self-reliance. From a cost-effectiveness perspective, cash grants may pay for themselves within 9–14 months through revenue gains. In this population, capital seems to be the binding constraint more often than connection alone because cash significantly increases business networks, either mechanistically when businesses expand or because entrepreneurs are able to make new connections when they have the cash for economic activities.

Additional networking groups, in contrast, had only limited additional value beyond cash. The evidence suggests these groups can modestly increase collaboration and learning-oriented business practices, especially in the short run. But in order to translate these gains into improved economic conditions requires a targeting of networking towards populations that can benefit. This is likely context- and site-dependent.

The study highlights an important insight for refugee inclusion policy: economic integration often progresses more rapidly than social integration. Programs designed to strengthen both dimensions should not assume that gains in one area will automatically translate into progress in the other. Instead, policies must deliberately address each pathway to ensure that refugees achieve both economic participation and meaningful social inclusion.



Photo Credit: September 4, 2024, Kampala, Uganda. Re:BUiLD clients take part in a session during the RCT wave 2 intervention in Kampala. (PHOTO: Nathan Ijjo Tibaku for The IRC)

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Re:BUiLD brings together
The International Rescue Committee (IRC), the Center for Global Development (CGD),
Open Capital (OC), Kampala Capital City Authority (KCCA)
Nairobi City County Government (NCCG) and local partners. Re:BUiLD is committed to generate
and share evidence for innovative, sustainable livelihoods solutions that can be adopted
to support refugees and host residents in other cities in East Africa and beyond.