

2023 Inkomoko Results Report Ethiopia

Executive Summary

In this results report, Inkomoko presents outcomes of its 2023 program efforts in Ethiopia. Serving more than 1.3K entrepreneur clients, with 20% receiving investments, businesses in Ethiopia experienced an average revenue increase of 45K ETB (816 USD) and created 446 jobs across the country as a result.



Investment



In 2023

\$578K

Cumulative

\$578K

Micro and small businesses



1.4K

2K

Women-owned



51%

50%

Youth-led



32%

30%

Jobs created



446

702

Revenue growth



\$816

\$754

Inkomoko Results

To date, clients in Inkomoko's program benefited from an average 84% increase in revenue and 754 USD revenue growth at the end of the program.

- **Inclusive programming:** 57% of clients served were refugees, and 51% were women.
- **Skills improvement:** 65% of clients adopted new business tools, and 68% demonstrated improved skill levels.
- **Market linkage:** 45% of entrepreneurs expanded their market reach through bazaars, tenders, forums, and direct links.
- **Access to finance:** 325 investments helped address challenges and foster business growth.
- **Revenue generated:** Revenue generated by clients in 2023 totaled 508K USD. Women's revenue increased by 83%, while refugees experienced a 115% surge.
- **Satisfaction:** 87% of clients expressed overall satisfaction with Inkomoko services.
- **Livelihood impact:** After utilizing our services, 85% of clients saw an increase in their household expenses which rose on average by 92 USD.
- **New jobs created:** On average, 0.72 jobs were created per business.

Hoda Nur Hirsi



Hoda decided to start supplying construction materials in Jijiga after noticing a high demand for building materials and a shortage in the market. With assistance from Inkomoko, she obtained affordable and Sharia-compliant financing. As a result, her business capital increased from 1 million ETB (18K USD) to over 2 million ETB (36K USD). Over the next five years, Hoda plans to expand her business and venture into new locations.

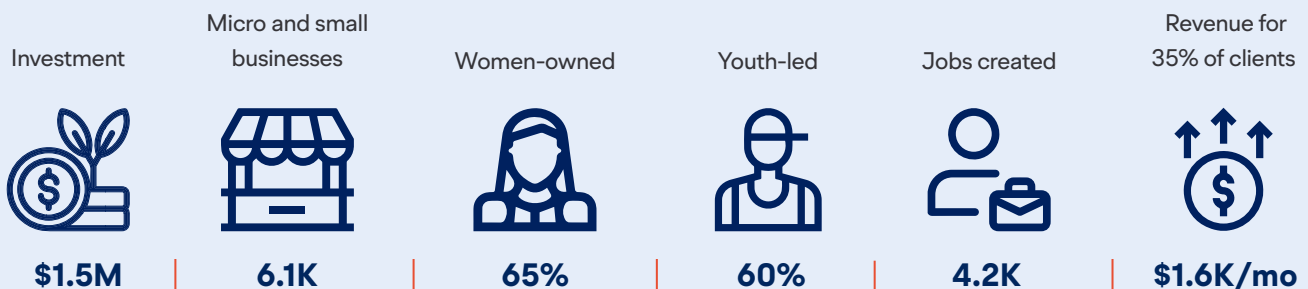
"I joined Inkomoko to access affordable capital. This allowed me to grow my business and keep up with customer demands. I want my business to be a strong wholesale provider of construction items and benefit the community by providing quality services."

Learnings from Inkomoko's Work

- **Greater results in most vulnerable groups:** Refugees have achieved significant economic success, with an average 71% higher revenue growth than the average. This highlights their resilience and ability to leverage diverse skills and networks to create opportunities. However, there is an opportunity to support refugees in transitioning from aid reliance to entrepreneurship, which requires coordination across multiple sectors and organizations.
- **Education levels affect learning:** The educational attainment of individuals influences how quickly they respond to Inkomoko content. We observed that some clients may face challenges in comprehending concepts such as bookkeeping, particularly if they have lower levels of formal education. Specifically, 34% of clients have not received any formal education, while only 23% have completed primary school. This emphasizes the importance of developing customized tools to support these clients.
- **Financing is the primary concern, reported by 82% of clients:** Despite improvements in financial access policies, micro and refugee entrepreneurs still face extensive documentation and collateral requirements to access loans from financial institutions and seek an extended grace period. To address financial constraints, we raised our maximum investment for first-round borrowers from 100K ETB (1.8K USD) to 500K ETB (9K USD). However, interventions from other stakeholders are necessary to address financing demand.
- **Coordination within the refugee enterprise ecosystem improves outcomes:** The effectiveness of loan disbursement, repayment, and service delivery improves when there is coordination among government representatives from the host community, Refugees and Returnees Service (RRS), and UNHCR. Close coordination with RRS and UNHCR also simplifies the process of obtaining work permits.

Integrating learnings into 2024 Goals in Ethiopia

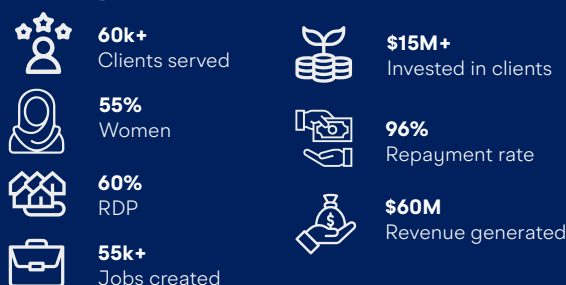
Inkomoko's results demonstrate that our model is filling gaps in the market and that there is more demand for financing, training, individualized consulting, and tools to help entrepreneurs build sustainable businesses. Inkomoko's 2024 goals include:



About Inkomoko

With 12 years of experience supporting entrepreneurs in East Africa, Inkomoko has set ambitious goals to do even more to support entrepreneurs' economic development across Africa: in the next three years, Inkomoko will provide **150M USD in investments and reach 90K clients in 6 countries, helping 600k people to exit poverty through private sector solutions.**

Our impact since 2012



Thank you to Inkomoko Partners in Ethiopia

