

Working session I: Current needs and financing gap to support refugee labour pathways in the EU

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Financing of refugee labour pathways: Challenges & Opportunities

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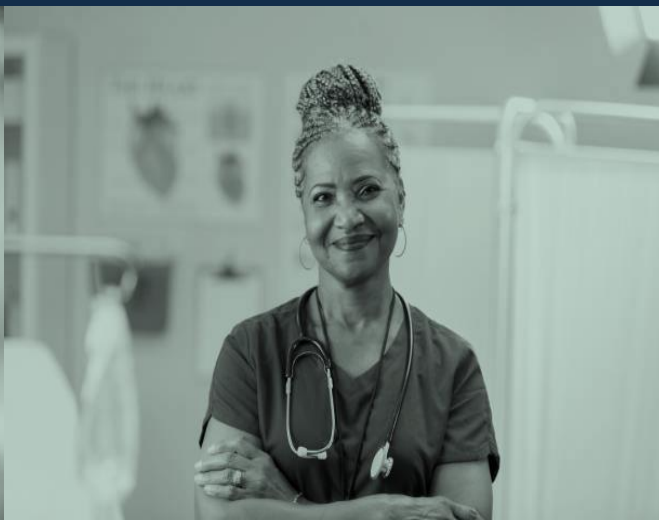




LaMP
Labor Mobility Partnerships

Financing of refugee labour pathways: Challenges & Opportunities

November 2025



LaMP is a non-profit organization with a **worldwide mission to dramatically increase the scale and quality of labor mobility**, helping workers from low-income countries access quality jobs across borders and businesses in high income countries respond to deepening labor shortages

Develop labor mobility models that deliver ~10x income gains for workers and meet employer needs

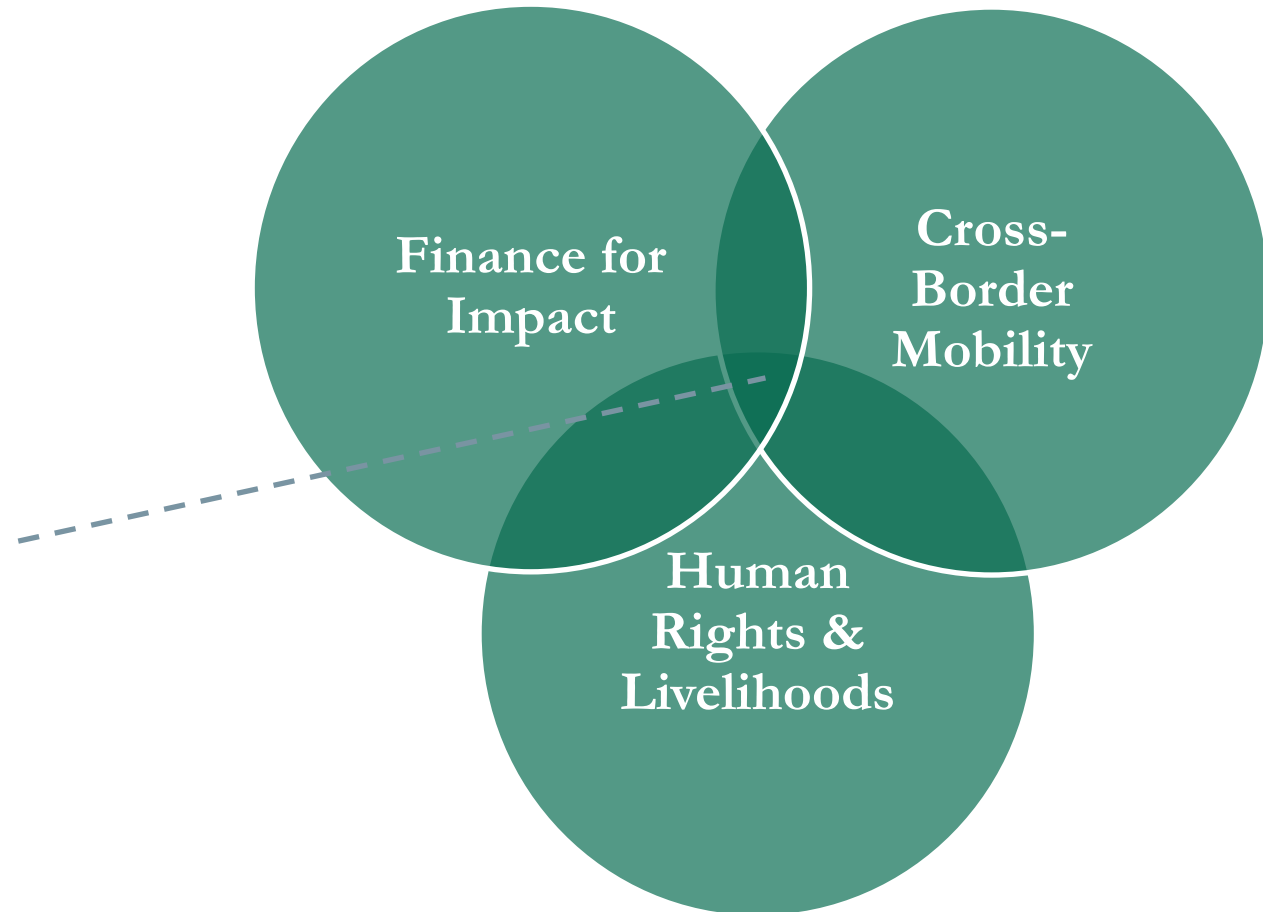
Multiply impact by building constituencies for policy change and incubating global solution providers

Catalyze a global mobility ecosystem

Targeted Funding & Financing Are Essential to Grow a Scalable, Sustainable Industry for People on the Move



We connect people and ideas at the intersection of finance for impact, cross-border mobility, and human rights & livelihoods.



The MFN aims to strengthen the mobility ecosystem across 3 areas

Focus Areas



Finance for POTM

Develop cross-border skilling loans and income share agreements (ISAs) to upskill workers without risk of debt bondage.



Business Support





Adapt financial solutions (e.g. working capital and insurance products) to support companies facilitating legal and ethical cross-border mobility.



Tech Investment

Invest in platforms that will streamline the mobility process (e.g. corridor matching, skilling, financing, and job placement).

LaMP has designed and implemented 3 financial unlocks for POTM

 Pathway	 Challenge	 Unlock	 Status
INDIA-GERMANY	Aspiring migrant workers do not have funding to cover costs of language/skills training and other pre-departure expenses	First loss default guarantee for a pre-departure loan product	Implementation
RWANDA-GERMANY	Same funding challenge as above, and: <ul style="list-style-type: none"> Refugees/displaced workers may not have co-borrower, relevant documentation, or history ISAs offer a longer tenor for repayment, which is helpful for apprenticeships/entry-level roles 	Income-share agreement via global mobility organization and ISA provider, Malengo	Implementation
LATAM-SPAIN		ISAs for displaced workers funded initially through donor-funded revolving social loans	Design

Learnings

- The funding and financial **ecosystem for POTM is still nascent: concessional and philanthropic capital is required** to build the system
- (More) equitable cost-sharing between stakeholders is essential for scale
- Product **design requires balancing needs** of the target segment and risk appetite of the financing provider
- A small but growing ecosystem of innovators already exists, look to them for guidance and design



LaMP

Labor Mobility Partnerships

We **believe** in the power of
movement. **Do you?**

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Thank you!



The Case of Banca Etica

Simone Grillo, Marketing Strategy Office, Banca Etica, Italy

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Who We Are



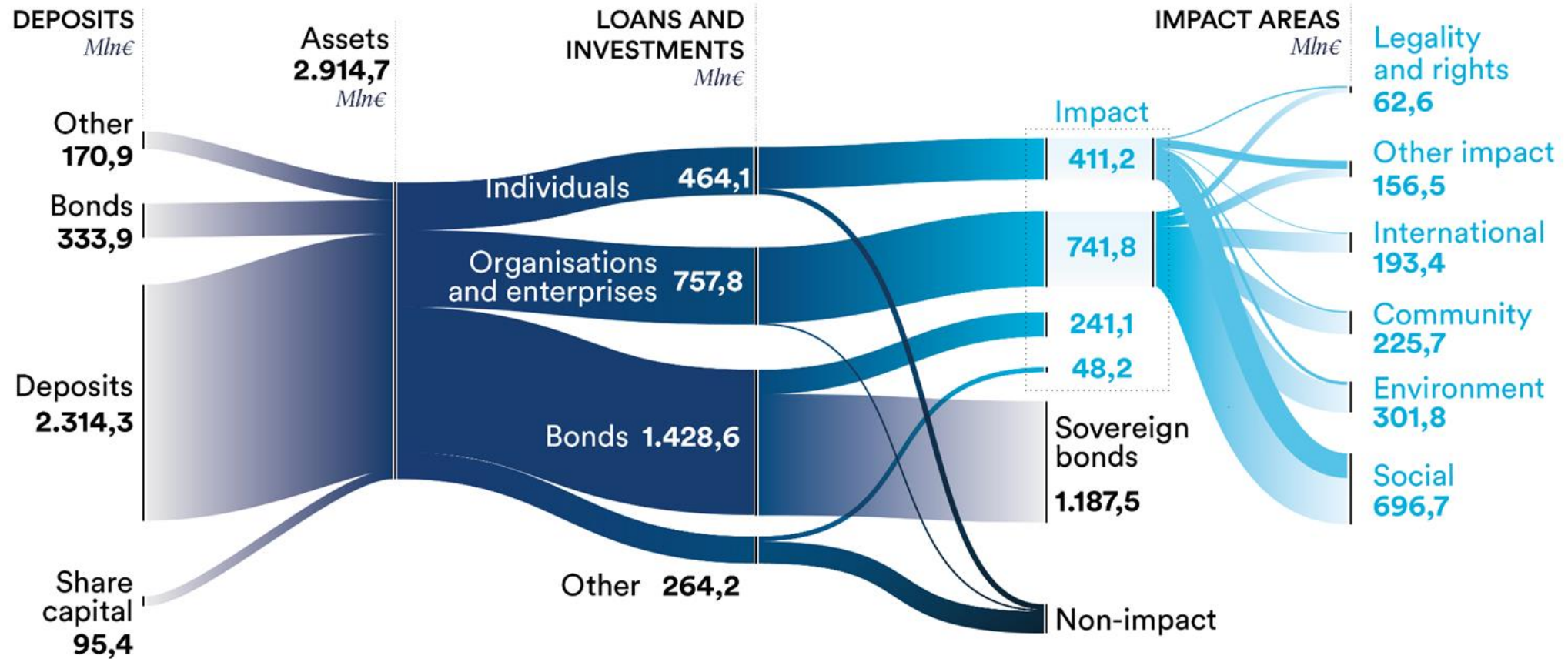
Banca Etica (BE) is the first and only Italian bank entirely dedicated to ethical finance, with 26 years of experience in Italy (and Spain since 2015). It operates through branches, consultants, and online services. The bank collects savings from responsible individuals and organizations and uses them to fund projects aimed at collective well-being

Some Key Figures

- 50,000 shareholders and €99 million in capital
- Over €2.6 billion in savings collected
- More than €1.3 billion in loans to organizations, families, and businesses in areas like social innovation, environmental protection, responsible tourism, organic farming, and housing rights

Banca Etica is part of international networks like the Global Alliance for Banking on Values (GABV) and FEBEA (European Federation of Ethical and Alternative Banks)

Our Numbers



EIB - Banca Etica Partnership: A deal for gender equality and asylum seekers



- In June 2024 European Investment Bank (EIB) and Banca Etica have signed a **€60 million agreement** called BE Loan for SMES- Gender Equality and Refugees.
- Banca Etica supported EIB in the definition of the operational detail for a **new Side letter** dedicated to Refugees and Women entrepreneurship.
- The operation is expected to help stimulate €165 million of investment in the real economy.

Organizations engaged in refugee labour pathways



- **Fields of work**

- Food and Beverage
- Environmental services
- Textile

- **Legal personality**

- Cooperative
- Social Cooperative
- Social Enterprise (limited company)
- Micro-enterprise (self employment)

- **Social Added Value**

- Social Inclusion services
 - Language learning
 - Bureaucratic orientation (renewal of residence permit; access to social services)
- Training
 - Technical competences
 - Soft skills (communication, co-working; conflicts management)
- Participation (cooperativism)
- Personal needs (psychological support)

Challenges





Thank you!

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Working session I: Current needs and financing gap to support refugee labour pathways in the EU

Julianna Hyjek, Council of Europe Development Bank

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Council of Europe Development Bank (CEB)

The social development bank for Europe

- The oldest European multilateral development bank in Europe
- Social mandate with focus on social cohesion
- Current membership: 43 member states
- Finances investment and provides technical assistance in social sectors, while focusing on the needs of vulnerable people, as well as on the social dimensions of climate change and the environment.
- Headquartered in Paris, France

How we work: Financing & Partnerships

CEB Borrowers include:

- Governments
- Subnational governments, including local or regional authorities
- Financial institutions
- Other operators/promoters and providers of social infrastructure and services, such as foundations, associations, non-profit organizations, micro-finance organizations, and private sector entities providing public services.

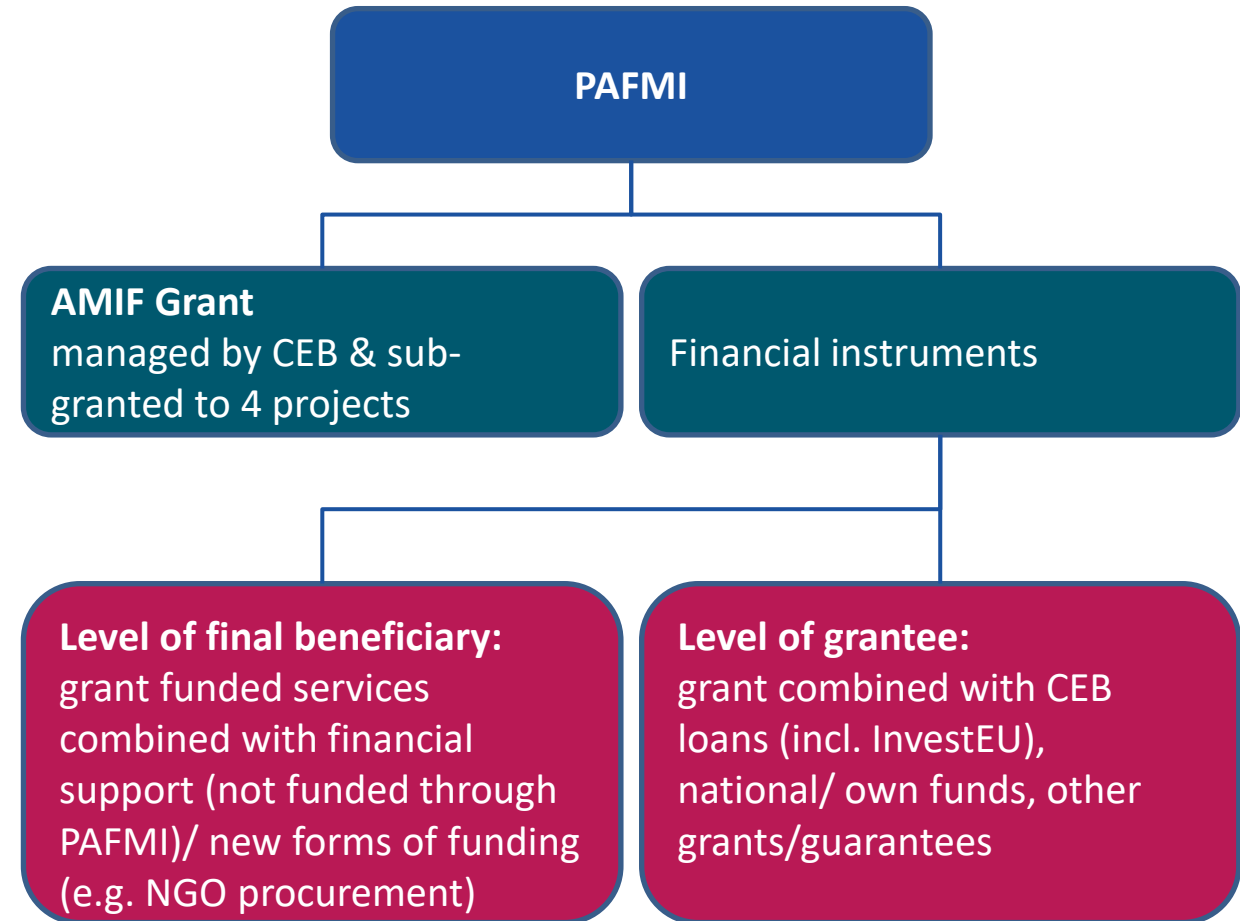
CEB Donors & Partnerships: cooperation with relevant development partners and donors to deliver higher social impact - additional support to projects in the form of technical assistance, guarantees, grants, and interest rate subsidies.

Assistance to and Integration of Refugees is a CEB Priority Area

- Investing in the **assistance** to and **integration** of refugees and migrants, in their host communities, and in **preparedness** for future migratory dynamics is a CEB overarching objective
- **CEB Loans to National and Subnational Govt. and FIs** with a focus on refugees – around €2.8 billion since 2010
- Supporting **jobs and economic and financial inclusion (MSME Financing and microfinance)**: CEB strategic priority for 2023-2027
- Piloting the bundling of loans and grants – **Partnerships and Financing for Migrant Inclusion (PAFMI)**

The Partnerships and Financing for Migrant Inclusion (PAFMI)

- Partnership between the CEB and DG-HOME (European Commission)
- PAFMI supports migrant integration in the EU through partnerships and innovative financing, with an innovative **bottom-up financing approach**
- Implementation piloted by the CEB with €3.5 million funding from the EU - Asylum Migration and Integration Fund (**AMIF**)
- 4 projects aimed at fostering entrepreneurship and employment, as well as city-migrant dialogue.



Lessons learned and good practices

- Some of the identified good practices include:
 - **Blended finance** – combining loans and grants to alleviate funding constraints, increase leverage and involve financial actors.
 - **Bottom-up approach** – translating need to demand
 - **Advocacy** – engaging public and private actors to address barriers in finance and education, with local/regional government support.
 - **Migrant partnerships and co-creation approach** – collaborating with migrant-led groups, UNHCR, and volunteers to expand outreach and improve the timeline
 - When supported with targeted funding, **microfinance institutions** can offer comprehensive support to migrants in the form of business development services and access to microcredit which when coupled together are crucial to migrant and refugee entrepreneurs' success.



Thank you!



Live questions with the audience

- What are the financing needs of initiatives in the area of refugee labour pathways? What should be the size and duration of such initiatives?
- What stakeholders and tools currently support refugee labour pathways (e.g. the Talent Catalog by TBB to map professional competences)?
- What are the key lessons learnt from these initiatives?
- What could be the incentives for such initiatives?
- What is the potential to scale refugee labour pathways up in the future in the EU (e.g. Member States)? What are the key challenges for this?



Thank you!

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