

AFRICA

GLOBAL FUNDS

The Rise Of African Female Entrepreneurs



OPINION:

Mauritius's Strategic Role In The China-Africa Trade And Investment Partnership

PROFILE:

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Powering Africa's Future Through The Rise of Corporate Venture Capital

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This month, our cover story focuses on African female entrepreneurs. Dorothy Nyambi of Mennonite Economic Development Associates; Mimi Kalinda of Africa Communications Media Group (ACG); and Joy Anderson of Criterion Institute, say that women are Africa's economic backbone. They comprise 58% of Africa's self-employed population and contribute 13% to the continent's GDP, however despite their contributions, female entrepreneurs still struggle more relative to men. Read on pp. 14-15.

In addition, Feroz Hematally of IQ-EQ, shares his thoughts about Mauritius's strategic role in the China-Africa trade and investment partnership. He says that Mauritius represents an unparalleled opportunity for Chinese investors looking to establish or expand their operations into the greater African continent. More on p.13.

This month, we also spoke with Nieros Oyegun Sørensen, Partner and Chief Operating Officer at Verod about unique opportunities in Africa, regional integration between Francophone and Anglophone Africa and the firm's investments.. Read our interview on p.16-17.

Finally, we look into Corporate Venture Capital and how it is increasingly making its mark in Africa. The potential for corporate venturing to unlock innovation is clear—what remains is for Africa's businesses to seize the opportunity and lead the charge into a new era of growth and innovation (p.22).

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***If you would like to get in touch with any comments or suggestions for future issues, please
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Best regards,

Anna Lyudvig
 Managing Editor

Jango Capital Announces Final Close of Its Oversubscribed \$78m Fund



Fatoumata Bâ,
Founder and Executive Chair
Jango Capital

Pan-African venture capital firm Jango Capital, one of the very few female-founded, owned and led venture capital firms in Africa, has announced the final closing of its second fund at \$78m, 20% beyond its initial target.

“We are proud to announce the final closing of our second investment vehicle. We are particularly honored to have attracted a great mix of top-tier investors, African and global, institutional and private, impact and commercially driven to support our ambitious vision. Beyond our team, it is a strong signal of confidence in the African tech ecosystem and its solid growth prospects,” said Fatoumata Bâ,

Additionally, six new world-class investors joined this final closing, including: Mastercard Foundation Africa Growth Fund - MEDA, an innovative impact fund of funds initiative targeting Africa-based investment vehicles, the U.S. International Development Finance Corporation (DFC); International Finance Corporation (IFC); and ANAVA (Smart Capital), a Tunisian fund of funds backed by the World Bank, CDC, and KFW; and additional private investors such as the leading African university endowment fund.

“Creating secure, dignified, and fulfilling jobs is a priority for Africa's economic growth,” said Samuel Akyianu, Managing Director of the Mastercard Foundation Africa Growth Fund.

“For Africa to achieve its development agenda, as well as the UN Sustainable Development Goals, innovative and proactive approaches to job creation for women and youth—are essential.”

“Six new world-class investors joined this final closing, including: Mastercard Foundation Africa Growth Fund – MEDA, the U.S. International Development Finance Corporation (DFC); International Finance Corporation (IFC); and ANAVA (Smart Capital), a Tunisian fund of funds backed by the World Bank, CDC, and KFW

Founder and Executive Chair of Jango Capital.”

“We are committed to keep supporting category-defining startups leveraging technology to help leapfrog development in Africa, in a more equal way,” she said.

Jango Capital Start-up Fund invests up to €5m, from seed to growth, in technology startups that enable Africans to improve their access to essential goods and services such as healthcare, education or financial services; enable African SMEs to improve their access to market and capital; or create sustainable jobs at scale, with a focus on women and youth.

The fund received backing from its anchor investors the European Investment Bank (EIB) and the African Development Bank (AfDB).

“Empowering female entrepreneurs across Africa is crucial for unlocking the continent's full potential. The European Investment Bank is pleased to support venture capital investment by the Jango Capital Start-up Fund that is enabling women-led businesses to thrive, innovate, harness technology and create sustainable jobs. By providing access to finance and fostering entrepreneurial talent, we are not only contributing to gender equality but also driving economic growth and resilience across Africa,” said Ambroise Fayolle, Vice President, European Investment Bank.

“DFC is delighted to partner with Jango Capital Start-up Fund, a commitment intended to support the continued development of the venture capital ecosystem across Africa. Jango's approach of leveraging capital and technology nurtures entrepreneurship while fostering economic empowerment. Through DFC's commitment, this partnership will result in improved access to financial resources, bolster economic stability, and increased job opportunities, especially for women and the youth,” said Senior Vice President of Investments, Mateo Goldman.

“The project will help expand access to early-stage equity financing for tech entrepreneurs in the Francophone West Africa region, which is underserved by venture capital compared with other regions in Africa,” added Farid Fezoua, Global Director for Disruptive Technologies, Services, and Funds at IFC.

“We are delighted to support the fund's investment strategy through this project, as it intends to allocate 80% of its invested capital in low-income and post-conflict countries and at least half in women-led companies. This investment is part of the IFC Startup Catalyst program, which supports incubators, accelerators, and seed funds investing in innovative early-stage startups in nascent venture ecosystems with capital, mentoring, and networking.”

Phatisa, Masimong, And Sabvest Sell 100% Interest in Rolfes to Solevo Group



Joris Coppys,
CEO
Solevo

Phatisa, through Phatisa Food Fund 2, Masimong through Masimong Chemicals and Sabvest through Sabvest Finance and Guarantee Corporation have agreed to sell their collective 100% interest in Rolfes Holdings, a South African based food ingredients and diversified chemicals provider to Solevo, a pan-African speciality chemicals distributor.

Solevo has also agreed to sell a 12.5% interest in Rolfes to Afropulse Group, a long-term capital investor that is wholly owned by black women, entering a partnership that will continue to grow the business.

The financial details of the transaction were not disclosed.

Solevo's acquisition of Rolfes allows the company to enter new markets in sub-Saharan Africa by leveraging Rolfes' customer base and product offering.

The combination of Rolfes and Solevo is going to strengthen both firms' competitive position in Africa enabling them to build a complementary and sizeable geographical presence, a complementary product and principal portfolio, and commercial acumen.

Joris Coppys, CEO of Solevo, said: "We are pleased to have acquired Rolfes Group, which marks an important milestone in Solevo's evolution. Together, we can build a diversified business that better serves customers across Africa and cements our market share position in key geographies - including South Africa."

"As an established industry leader, we have the right blend of experience, ability and vision to capitalise on this acquisitive growth by expanding reach and providing customers across the continent with the most extensive range of high-quality specialty chemicals and value added solutions. We are poised for this exciting next stage of Solevo's growth journey."

Founded in 1938, Rolfes has grown and expanded its portfolio across five end markets, which include:

- Agricultural crop inputs - Rolfes Agri which develops, manufactures and distributes products for general plant, root and soil health including defence against prolonged conditions
- Food ingredients - Bragan Ingredients which is the market leader in the food and beverage ingredients sector importing and distributing food additives and ingredients used in the food and beverage industry
- Industrial chemicals - Rolfes Chemicals which is a diversified, leading provider of solvents and chemicals to a client base

across a range of sectors in SA

- Leather tannery inputs - Rolfes Leather which provides leather and tanning chemicals as well as technical solutions supplied to the tanning industry
- Water treatment - Rolfes Water offers a wide range of water treatment solutions that can be tailor made to suit any industrial application including cooling water treatment

Phatisa, alongside Masimong and Sabvest, delisted Rolfes from the JSE in 2020, enabling management to focus on private equity aligned growth targets. During their ownership period, the shareholders worked closely with Rolfes' management to support its response to the Covid-19 pandemic and the market disruptions that ensued, whilst reinvesting in the business to improve its market penetration and distribution capabilities, streamlining operations and enhancing market responsiveness.

They have now successfully grown the business and expanded it into new markets positioning it well for continued future growth.

The company has a strong multi-regional presence servicing over 3 400 active customers across Africa, eastern and western Europe.

Rinolán Moodley, Senior Partner at Phatisa said: "Delisting Rolfes from the JSE has allowed the business to focus on operational excellence, becoming more agile in realising both organic and inorganic strategic initiatives. Over the past four years, Rolfes has delivered consistent revenue and market share growth and we are proud that our collective efforts with management and our fellow shareholders has resulted in a leading diversified chemicals group, well recognised by Solevo. This transaction allows Rolfes to become part of a wider African business and we wish both parties continued success."

Richard Buttle, Chief Executive Officer of Rolfes, added: "Despite the Covid-19 pandemic occurring just one month after we delisted Rolfes from the JSE, we have achieved our goals of improving and growing our business. We are thankful to our Shareholders and Board for their guidance but importantly we could not have achieved this without the support of our staff, customers and suppliers. We are excited about the future, being part of Solevo, and look forward to the next chapter for Rolfes."

The transaction has received all regulatory approvals.

Rand Merchant Bank (a division of FirstRand Bank) served as financial adviser and DLA Piper Advisory Services acted as legal adviser to the Selling Shareholders and Rolfes. Birkett Stewart McHendrie served as financial adviser and Bowmans acted as the legal adviser to Solevo.

EXITS

Saham And Tana Exit Flipper International School

The Saham Group and Tana Africa Capital have exited its 100% stake in Flipper International School in Addis Ababa, Ethiopia to the ADVTECH Group (ADVTECH).

Founded in 1998 by Menna Selamu Bekele and Serkaddis Seifu Yeteshawork, Flipper International School quickly became renowned for its academic excellence.

Flipper International School's five campuses are located in Beklobet in the centre and Summit in the East of Addis Ababa, which is benefitting from the rapid urbanisation in Ethiopia, leading to increased demand for high-quality education.

The founders commitment to developing the Ethiopian education sector, and enhancing the country's internationally-focused education options, led to the creation of a globally competitive school in the Summit area of Addis Ababa.

Saham and Tana made funding available to complete the Summit facility and bring about enhancements in technology, academics,

governance and human resources.

This helped boost the strong growth of Flipper International School over the last five years.

The acquisition by ADVTECH will add five schools and approximately 3000 students to the group's international portfolio.

Geoff Whyte, ADVTECH CEO, said: "We are delighted to welcome Flipper International Schools to the ADVTECH Group and remain committed to its founding ethos. Furthermore, the acquisition positions us well to grow our presence in the Ethiopian market, as well as expand our scale across the continent."

Sharing their thoughts on the acquisition, Menna and Serkaddis said: "We are incredibly proud of what we have built at Flipper International School. Our mission has always been to be a beacon of academic excellence in the region. We are confident that ADVTECH's expertise and resources will help the school further enhance the educational experience and growth opportunities for students and staff."

DEALS

Mergence Acquires Remaining Stake in Lesotho Aquaculture Project



Semoli Mokhanoi,

Managing Director

Mergence Investment Managers (Lesotho)

Mergence Investment Managers (Lesotho) has acquired the remaining 51% of the shares in Sanlei Premium Trout, an integrated aquaculture producer of Africa's largest sushi-grade trout.

Semoli Mokhanoi, Managing Director, Mergence Investment Managers (Lesotho), said that Mergence bought an initial stake in Sanlei in 2019.

"Mergence is in the process of raising capital to deploy expansion and working capital to further scale up Sanlei's operations to attract other potential customers, particularly further in the Far East as well as in the European Union," he said.

The stake was sold to Mergence by the former co-investor, a private family capital fund backed exclusively by industry-leading families, largely from the USA.

The investment sits in Mergence's Lesotho Private Equity Fund, whose main investor is the largest pension fund in Lesotho.

Accordingly, the investment sits fully in-country with benefits to the Basotho such as improving food security, sustaining 102 jobs and generating hard currency revenues.

As a commercial-scale rainbow trout farm, Sanlei is located on the edge of the Katse Dam in the remote highlands of Lesotho, a site known for its deep, pristine waters and highly favourable environment for growing premium trout.

Sanlei is the largest trout farming operation in Southern Africa and has successfully farmed rainbow trout since 2018.

Sanlei has the licence and physical infrastructure capacity to supply the bulk of the South African rainbow trout market. In addition it has a fast-growing niche export market, currently focused on the USA.

Following successful trials, Sanlei has recently been appointed as a permanent supplier to one of the largest FMCG retailers in the USA with a nationwide footprint of over 2,000 stores.

Sanlei CEO Dewald Fourie said that they are delighted to have entered the massive US market which will make a significant boost to Lesotho's export capability, food security, provide access to as hard-

currency dollar revenue stream, as well as grow the Lesotho country brand on a global scale.

“Growth projections are to double the current trout production of 1,000 tons of trout per annum to 2,000 tons by 2030,” he said.

The 100% Mergence investment in Sanlei is strategically aligned with the asset manager's focus on Lesotho's national development plans and the United Nations' Sustainable Development Goal (SDG) 2, aimed at ending hunger, achieving food security and improved nutrition and promoting sustainable agriculture.

As an institutional impact investor, Mergence requires Sanlei as an investee company to report back on strict environmental, social and governance (ESG) criteria.

In June 2024, Sanlei achieved Best Aquaculture Practices (BAP) certification from the Global Seafood Alliance, an international standard for sustainable produce. Sanlei's farm and hatchery are the first in Lesotho to attain BAP certification, as well as the first farm and hatchery on the continent.

The company measures various water parameters including phosphorus, pH and oxygen levels at regular intervals to remain within set sustainable limits for healthy water bodies. Rigorous requirements are adhered to in order to minimise disease outbreaks and antibiotic use.

A special feed formula adheres to strict limits to minimise the use of wild fish as an ingredient for feed and the farm by design runs at lower stocking densities than the industry average in order to benefit

fish welfare and product quality.

As the largest employer in the local Katse community, Sanlei currently sustains 102 jobs in Lesotho. 34% of the workforce are women. With the planned expansion of the production facilities over the next two to three years, the number of jobs is expected to increase significantly.

All employees are remunerated well above the Lesotho minimum wage, and receive healthcare, pension, death and disability cover as well as a funeral policy. Further education and training are also provided, with most of the courses and certifications focused on aquaculture production management, leadership and operations management, maintenance for food safety and vaccination training.

Local companies are used for the transport of certain supplies and staff, as well as clearing agents for imports and exports.

Sanlei provides Mergence with regular beneficitation reports which detail its relationship with the surrounding communities from where the workforce is derived. There are two primary beneficitation projects, The Rosehip Company and the Khokhoba CaRe Fund, which help to generate additional income streams for the local communities and to complement Sanlei's operations.

Sanlei is committed to upholding the highest standards of corporate governance, ensuring transparency, accountability and ethical practices in all aspects of its operations. The robust governance framework is designed to foster trust and enhance stakeholder value.

DEALS

DPI Leads \$110m Series C in Moniepoint

Development Partners International's African Development Partners (ADP) III fund, has led a \$110m Series C investment in Moniepoint, Africa's fastest-growing fintech company.

Other new investors include Google's Africa Investment Fund, Verod Capital and Lighthouse.

Founded in 2015 by Tosin Eniolorunda and Felix Ike, Moniepoint (formerly known as TeamApt) has an enviable track record of serving customers across Africa.

Initially focused on providing infrastructure and payment solutions for banks and financial institutions, Moniepoint has grown into Nigeria's leading business banking provider, trusted by millions of businesses.

Each month, Moniepoint processes over 800 million transactions, with a monthly total value exceeding \$17bn.

Adefolarin Ogunsanya, Partner at DPI, said: “We are delighted to lead this investment round in Moniepoint, one of Africa's most exciting and fastest growing companies. A profitable business led by an excellent leadership team with clear strategic vision, Moniepoint is well positioned to continue its impressive growth trajectory while driving financial inclusion for underserved businesses and individuals across Africa.”

“DPI has a long track record of supporting businesses like Moniepoint to achieve their next stage of scale. The company's combination of innovative technology, fast growth, and positive

impact on the continent underpins our conviction in its future success. We look forward to working closely with Tosin and his talented team to expand Moniepoint's customer base by providing businesses and individuals with first-class banking and payments services.”

The new capital follows a successful period for Moniepoint building on its profitable business model with major operational and financial milestones. In August 2023, Moniepoint entered the personal banking market through its subsidiary, Moniepoint Microfinance Bank, experienced 2,000% growth in personal finance customers over the past year, and was ranked as Africa's fastest-growing fintech for the second consecutive year by the Financial Times.

The capital raised will be used to accelerate Moniepoint's growth across Africa, building an all-in-one, seamlessly integrated platform for African businesses of all sizes.

This platform will include services such as digital payments, banking, foreign exchange (FX), credit, and business management tools, making it a one-stop shop for business solutions.

Tosin Eniolorunda, Founder and Group CEO of Moniepoint, said: “Our mission is to help our customers solve their challenges by making our platform more innovative, transparent, and secure. The proceeds from this raise will speed up our efforts to drive financial inclusion and support Africa's entrepreneurial potential. I want to sincerely thank the entire Moniepoint team for making this achievement possible.”

“We’ve been encouraged by the diversity and huge swathe of those who have found value in our platform and the services we provide in helping to create financial happiness. But, we’re just getting started, as it is just day one from here.”

In this latest capital raise - DPI, Google's Africa Investment Fund, and Verod join existing blue-chip investors in Moniepoint such as QED Investors, Novastar Ventures, Lightrock, British International Investment, Global Ventures, Endeavour Catalyst, and New Voices Fund.

Danladi Verheijen, Managing Partner at Verod Capital, said: “Our investment in Moniepoint aligns with our mission to back high-growth companies that drive both market leadership and transformative social impact. By supporting Moniepoint's ambitious expansion, we are advancing financial access and unlocking the potential of underserved markets, fostering widespread economic empowerment.”

Ravi Sharma, Partner at Lightrock, added: “Tosin and the dedicated team at Moniepoint have achieved something remarkable. They

have built one of the most promising fintechs in Africa by creating economic opportunities for others, most notably SME businesses - critical drivers of economic and social progress.”

“Their innovative offering which combines digital payments, banking, and business management tools, is transforming the financial landscape for millions of businesses across the continent. All of us at Lightrock are proud to be supporting Moniepoint through this next chapter as they scale their presence and positive impact.”

Gbenga Ajayi, Partner and Head of Middle East and Africa at QED Investors added: “We are delighted to welcome DPI and Google to the Moniepoint journey. We have been very impressed with the execution of the team and strong customer focus over the past few years. The results speak for themselves - Moniepoint has outperformed expectations and it continues to deliver superior products to merchants across Nigeria. We couldn't be more excited for the company's next phase of growth.”

Financial Technology Partners acted as exclusive financial and strategic advisor to Moniepoint.

DEALS

Investors Back BasiGo with \$42m



Jit Bhattacharya,

CEO

BasiGo

BasiGo, a provider of electric bus solutions in sub-Saharan Africa, has announced the successful closing of a \$42m in new capital.

The funding round consists of \$24m in Series A equity funding along with \$17.5m in debt facilities from British International Investment (BII) and the U.S. Development Finance Corporation (DFC).

Seema Dhanani, Head of Office, Kenya and Coverage Director, East Africa at BII, said: “We are delighted to support BasiGo as it expands into Rwanda. This marks a significant step in electrifying the local public transport sector, reducing pollution, and combating climate change impacts. This is in line with our priority of supporting e-mobility to foster sustainable economic growth.”

The equity funding round is led by Africa50, the pan-African infrastructure investor and asset manager, marking the most significant investment from an African fund in an e-mobility company.

“We are delighted to conclude Africa50's first investment in the e-mobility space to support the greening of the public transport sector in Kenya and Rwanda. We believe BasiGo is well positioned to scale in East Africa and beyond given its world class engineering and operations teams, strong value proposition to transport operators and the caliber of strategic and financial partners assembled by the founders,” said Raza Hasnani, Managing Director and Head of Infrastructure Investments at Africa50.

“As the largest investment to date by an African fund in an e-mobility company, we are proud to support innovation that drives green growth and development in the region,” he said.

The equity round features co-investments from Novastar Ventures, CFAO Kenya, Mobility54, SBI Investment, Trucks VC, Moxie Ventures, and Susquehanna Foundation.

The Series A equity round unlocks a \$10m debt facility from DFC for BasiGo Kenya, as well as a new \$7.5m in debt facility from BII specifically designed for scaling BasiGo's E-bus deployment in Rwanda.

Steve Beck, Managing Partner at Novastar Ventures, said: “As an early investor in BasiGo, we are immensely proud of the team's continued progress towards transforming the public bus transport sector in Africa - delivering improved experience for commuters and substantial environmental benefits. This latest funding round is a testament to the strong investor confidence in BasiGo's business model, value proposition and customer demand as it expands its operations and leads the way in sustainable transportation in Africa. We are thrilled with this latest milestone and look forward to our continued partnership with BasiGo through the next phase of growth and beyond.”

The capital raised by BasiGo will be put towards the company's core objective of delivering 1,000 electric buses in East Africa within the next 3 years. In Kenya, the funds will specifically be used to increase manufacturing capacity at BasiGo's dedicated E-Bus assembly line located at Kenya Vehicle Manufacturers. The investment will also

support the expansion of BasiGo's Pay-As-You-Drive offering to new vehicle types, and to improve BasiGo's technology platforms such as Jani which make electric buses more accessible and convenient for passengers.

In December 2023, BasiGo expanded its operations to Rwanda where it is currently operating 6 pilot electric buses on routes inside Kigali as well as inter-city routes serving nearby towns. The newest debt facility from BII will be put towards launching commercial deliveries of E-Buses in Rwanda, where BasiGo has already received over 300 reservations from bus operators.

The total capital raised represents one of the most significant investments into Electric Mobility in Africa.

The investment accelerates BasiGo's growth trajectory and strengthens its position as a leader in Sub-Saharan Africa's evolving EV landscape.

Jit Bhattacharya, CEO of BasiGo, said: "Since we founded BasiGo in 2021, our mission has been to create the future of clean, electric public transport in Africa. We are thrilled to have Africa50, a premier African infrastructure investment fund, recognize the potential of our mission. The combined equity and debt investment into BasiGo validates our vision and positions BasiGo to focus on scale and profitability. With BII's support to expand our E-bus model in Rwanda, we are ready to deliver hundreds of modern, emissions-free electric buses across East Africa."

DEALS

Kalon Venture Partners Backs visionAI



Leron Varsha,
Acting CEO
Kalon Venture Partners

Kalon Venture Partners has invested an undisclosed sum in visionAI, a leader in artificial intelligence and computer vision solutions.

This funding will fuel visionAI's growth as it continues to transform not only the manufacturing and supply chain sectors but also a wide array of industries through its innovative AI-driven technology.

Kalon Venture Partners is known for investing in innovative, high-growth companies, and visionAI aligns perfectly with their strategy.

The partnership with Kalon Venture Partners will further empower visionAI to redefine the use of AI in these sectors.

visionAI is the brainchild of the leaders at Mint Technology Group, a leading global Microsoft partner recognised within the top 1% of Microsoft's Global AI systems integrators.

Trevor Ahier, Chairperson and Co-Founder of visionAI, said: "We are delighted to welcome Kalon Venture Partners on board. Their investment highlights the substantial impact our visual AI technology is already making across South Africa, the UK, and Australia, while signalling the immense growth potential ahead. Together, we look forward to advancing AI innovation to further enhance operational

"visionAI is the brainchild of the leaders at Mint Technology Group, a leading global Microsoft partner recognised within the top 1% of Microsoft's Global AI systems integrators"

Leron Varsha, Acting CEO of Kalon Venture Partners, highlighted the disruptive potential of visionAI, stating that visionAI is set to transform the visual intelligence landscape.

"The combination of their exceptional team and innovative technology positions them as leaders in the AI space. We are thrilled to support their growth journey," he said.

visionAI has been making waves by helping manufacturing and supply chain operations leverage their existing CCTV camera feeds with visual AI to track business critical metrics that lead to increased productivity, cost savings and reduced operational risk.

efficiency."

With this latest investment, visionAI is poised to enhance its product development and extend its reach, enabling businesses to leverage AI for smarter, data-driven decisions.

Peter Reid, CEO and Co-Founder of visionAI, added: "This partnership with Kalon Venture Partners is a major milestone for visionAI. Their support will help us scale our offerings and redefine the potential of AI across the manufacturing and supply chain sectors. We aim to make visual intelligence an essential driver of operational excellence and industry-wide transformation.

Mashreq Collaborates with British International Investment



Chiradeep Deb,

Global Head of Investment Banking, Corporate & Investment Banking

Mashreq

Mashreq, a financial institutions in the MENA region, has announced a \$50m trade finance partnership with British International Investment (BII), the UK's development finance institution and impact investor - to boost cross-border trade finance in key emerging markets across South Asia and Africa.

Chiradeep Deb, Global Head of Investment Banking, Corporate & Investment Banking at Mashreq, said: "We are delighted to announce our collaboration with British International Investment, a partnership that will benefit many customers in our key emerging markets and reinforce our commitment to sustainable, resilient economic development."

"This collaboration, which enables us to benefit from BII's considerable experience and legacy, aligns with our aim of being a progressive bank and providing innovative solutions to all our clients, and we look forward to a long and mutually beneficial working relationship."

The collaboration is instrumental in providing the much-needed

US dollar liquidity to support the import of critical goods to these countries during challenging economic conditions.

It addresses a growing trade finance gap, driven by rising inflation and decreasing investor interest outside of traditional banking.

Under a Master Risk Participation Agreement (MRPA), the BII facility will leverage Mashreq' extensive network and track record in trade finance. It will further strengthen the bank's capacity to provide trade finance to clients in West Africa and South Asia, ensuring faster response times and better client support. It will also enable a more targeted origination process, matching opportunities to investor preferences.

Initially, the focus of the collaboration will be on Angola, Bangladesh, Benin, and Ivory Coast, with plans to expand into additional countries over the coming year.

Admir Imami, Director and Head of Trade and Supply Chain Finance at British International Investment, said: "Bridging the trade finance gap is a collaborative effort. We are delighted to work with Mashreq to extend our reach to countries that are struggling to get access to finance for imports and exports. This is well aligned with our goals to make trade finance more accessible and foster sustainable growth of emerging economies."

INVESTORS

The OPEC Fund Signs Sustainability-Linked Financing to Boost Agriculture in Africa

The OPEC Fund for International Development (the OPEC Fund) has signed a \$40m loan as part of a \$394m sustainability-linked loan for ETC Group (ETG), one of Africa's largest agricultural commodity supply chain managers.

The financing will enhance ETG's working capital, strengthen food systems and support the livelihoods of more than 600,000 smallholder farmers across sub-Saharan Africa.

This is the OPEC Fund's first sustainability-linked loan, a financing tool that ties lending terms to meeting environmental, social and governance (ESG) targets.

The loan incentivizes ETG to improve farmer livelihoods, reduce environmental impacts and enhance food security.

OPEC Fund President Abdulhamid Alkhalifa said: "Our first sustainability-linked loan demonstrates the OPEC Fund's dedication to fostering sustainable development through innovative financing. Our strong and longstanding partnership with ETG enables us to address food security, strengthen agricultural value chains and improve the livelihoods of smallholder farmers in sub-Saharan Africa. This partnership also reflects our commitment to embedding sustainability at the core of our private sector operations."

Established as the Export Trading Company in Kenya in 1967, ETG has grown to become one of the largest independent agricultural commodity supply chain managers in Africa with more than 300 warehouses and 70 processing plants.

The OPEC Fund has supported the company's growth with several loans, with the first US\$30 million facility provided in 2009. More than 350,000 smallholder farmers have benefitted and over half the funds have gone to least developed countries.

The \$394m financing package was co-arranged by the Dutch

Entrepreneurial Development Bank FMO and the Eastern and Southern African Trade & Development Bank TDB, with additional participation from Germany's development bank DEG, Canada's bilateral development finance institution FinDev Canada and the French private sector development finance institution Proparco.

MARKETS AND INDUSTRY NEWS

Ninety One Launches Sovereign Biodiversity Index

Ninety One, a global investment manager with \$162bn assets under management, has launched a Sovereign Biodiversity Index, which provides a quantitative way for investors to assess nature and biodiversity risks at the national level.

Peter Eerdmans, Co-Portfolio Manager, EM Sustainable Blended Debt, said: "As sovereign debt investors, we therefore need a practical way to assess how governments impact nature and the risks stemming from biodiversity loss, as they can significantly influence economic performance and consequently a nation's ability to service its debt."

Compiling the data together, across the three pillars, provides an overall score for each country.

This can be used to rank countries, although zooming in on the details and analysing the scores of each of the subcomponents is often the most useful. The top and bottom 10 sovereign debt issuers ranked by Ninety One's Sovereign Biodiversity Index are shown below.

"Seven of the top 10 are European countries. This reflects stable and even improving trends in biodiversity intactness in some countries, which is counter to the global trend. Rewilding efforts and improved legal protections across the European Union have been relatively

"The Ninety One Sovereign Biodiversity Index is the third quantitative tool introduced by Ninety One to underpin its forward-looking Environmental scores for emerging countries - part of its proprietary ESG assessment framework"

"This is particularly key for investors in emerging markets, where economies often rely heavily on nature, partly because of the relative importance of the agricultural sector."

By assessing how governments are impacting nature and biodiversity, sovereign investors can also seek to direct capital to issuers that are doing the most to safeguard biodiversity by preserving natural capital.

The Ninety One Sovereign Biodiversity Index incorporates a variety of high-quality data sources - nature and biodiversity is a field in which data is relatively widely available and comprehensive indices already exist. For instance, Yale's Ecosystem Vitality index (part of Yale's Environmental Performance Index) offers useful insights and good coverage.

Ninety One incorporates this into the index, building on it to include: more data, such as the Biodiversity Intactness Index, developed by the Natural History Museum; a policy pillar, which includes progress made on relevant Sustainable Development Goals (SDGs) and environmentally aligned taxes; and a greater focus on 5-year and 10-year trends for some of the key indicators, as this provides a clearer view of near-term trends, rather than metrics based on perhaps decades of environmental change.

In summary, the index comprises three pillars: Quality of Nature; Deforestation; and Policy.

It does not currently include a pillar on 'risks from biodiversity loss', given the lack of suitable data.

successful, as highlighted in a report co-authored by ZSL and BirdLife International in 2022," Eerdmans said.

The Ninety One Sovereign Biodiversity Index is the third quantitative tool introduced by Ninety One to underpin its forward-looking Environmental scores for emerging countries - part of its proprietary ESG assessment framework.

It follows the 2020 launch of the Climate and Nature Sovereign Index - which assesses the long-term risks relating to climate change and nature loss at a country level - and the 2021 launch of the Net Zero Sovereign Index, which assesses countries' progress towards net zero, within the context of a just transition.

Eerdmans said that it is not easy to give one generic comment on African countries.

"We have countries like Zambia, Gabon and Botswana that score in the top 20 countries (out of 116). These countries have seen very little deforestation, have high % protected areas (all over 25%) and score well on the Biodiversity Intactness Indicator for instance, with reporting virtual no loss or even some slight improvements. On the other end of the spectrum, Egypt, Tunisia and Mozambique are examples of countries that score in the bottom 20," he told Africa Global Funds.

"In general for these countries, we see poor levels of protection, significant increases in threatened species as per the Red List, and poor Ocean Health (Tunisia) or negative deforestation trends (Mozambique)," he added.

InfraCredit Secures \$30m Risk Sharing And Blended Local Currency Co-Financing Facility from BII

British International Investment (BII), the UK's development finance institution and impact investor, has provided a \$30m risk-sharing and blended local currency co-financing facility to InfraCredit, a specialised infrastructure credit guarantee institution, to support clean energy transition in Nigeria.

The \$30m investment is a dual financing instrument combining a \$20m (NGN32bn) local currency counter-guarantee and a \$10m (NGN16bn) concessional financing to support decentralised renewable energy (DRE) projects, originated and guaranteed by InfraCredit.

The concessional financing will be provided through the Climate Finance Blending Facility (CFBF) which is a catalytic first loss multi-donor facility.

It aims to mobilise additional funding from development partners and domestic institutional investors to co-finance decentralised clean energy investments alongside InfraCredit's local currency guarantees in Nigeria.

Benson Adenuga, Head of Office and Coverage Director, Nigeria at BII, said: "Expanding distributed renewable energy in Nigeria is not just an environmental necessity; it's a path to empowering millions

It will reduce the risk profile of DRE projects and lower the cost of local currency debt for developers allowing them to reach low-income customers in Nigeria.

Richard Montgomery CMG, British High Commissioner to Nigeria, commented: "It has been encouraging to see how the Climate Finance Blending Facility (CFBF) has successfully mobilised a total of \$11.48m (NGN8.92bn) to support four Green Certified Local Currency Debt Issuances for rural mini grids and solar powered telephony projects in Nigeria; with more projects in the pipeline.

"With BII's latest investment, we look forward to amplifying the impacts through this facility, which was seeded with £10m concessional funding by the UK Foreign, Commonwealth & Development Office in 2021."

InfraCredit's pipeline of DRE projects has expanded consistently over the years, reaching \$497.37m (NGN746.05bn) and is projected to continue its upward trajectory in the coming years.

This innovative Facility is projected to enable over 57,000 new energy connections, increase renewable energy capacity by 20.1 MWp, reach 564 communities, create 2,558 jobs, and reduce greenhouse gas

"Expanding distributed renewable energy in Nigeria is not just an environmental necessity; it's a path to empowering millions without power, bolstering economic resilience, and reducing costly reliance on diesel"

Benson Adenuga, Head of Office and Coverage Director, Nigeria at BII

without power, bolstering economic resilience, and reducing costly reliance on diesel."

"As Nigeria's energy demand rises, decentralized clean energy offers a reliable, scalable, and sustainable solution for communities nationwide. We are delighted to work with InfraCredit to mobilise more capital to drive this shift. It can redefine growth, from rural villages to bustling cities, lighting the way to a greener future."

Nigeria has the world's largest energy access deficit, with over 85 million people, or 43% of the population, without access to electricity.

With electrification rates as low as 31% in some regions, it underscores the urgent need for DRE solutions such as solar mini-grids to reach those communities.

The investment from BII will improve quality of life particularly in rural areas and lower-income groups by providing more reliable power supply for productive use and reducing reliance on diesel power.

BII's investment will catalyse additional private institutional capital and scale the support for a wider range of DRE transactions, leveraging InfraCredit's guarantee.

emissions by 158.3 tonnes.

Additionally, the investment is expected to mobilize private capital at scale, highlighting the role of sustainable finance in long-term sector growth.

Chinua Azubike, Chief Executive Officer of InfraCredit, said: "We are very delighted to work with BII through this innovative stapled investment of a subordinated first loss facility, alongside a counter-guarantee facility that will strengthen InfraCredit's capacity to de-risk, reduce the capital cost and catalyse domestic institutional investments that will scale up renewable energy infrastructure for productive use in unserved and underserved markets in Nigeria."

"This transaction aligns with our strategy to collaborate with our development partners using proven and scalable funding models such as the Climate Finance Blending Facility to accelerate the mobilization of pools of domestic resources that will promote green growth by creating jobs, reducing poverty, promoting gender diversity and stimulating local economic growth in line with our country's nationally determined contributions (NDCs)."

Mauritius's Strategic Role In THE CHINA-AFRICA TRADE AND INVESTMENT PARTNERSHIP

By Feroz Hematally, Head of Tax, IQ-EQ, Africa, India and Middle East



Chinese Foreign Direct Investment (FDI) annual flows to Africa have been increasing steadily over the last two decades, exceeding the U.S. investment flows. Post-COVID pandemic, China has bounced back its investment into

Africa with a major focus weighted towards minerals extraction and infrastructure activities. This overseas investment is being supported by new initiatives like the African Continental Free Trade Area which promotes the growth of regional value chains by offering Chinese businesses access to a larger unified African market.

The ninth Forum on China-Africa Cooperation in Beijing, which was held in September 2024, gave another boost to this collaboration, with China reaffirming its commitment to the African continent and positioning itself as a reliable partner for African nations seeking development. In this endeavour, Mauritius, with its strategic location and robust financial ecosystem, would be a key support to China in successfully implementing their Africa focused strategy.

Strategically located between Asia and Africa, the island positioned itself as a resilient and robust IFC for investors seeking security, transparency and tax efficiency. As the African continent continues to attract global interest, Mauritius is rising to become the natural gateway for investing into Africa. Investors use Mauritius to facilitate investment into mainland Africa supporting real economic activities, jobs, and infrastructure developments. The investments are usually in the form of loans, debt securities or investment in shares.

As a reputable and resilient IFC, Mauritius has a robust legal and regulatory framework. The legal system is a hybrid one combining both the civil and common law practices. Mauritius also retains the right of appeal to the Judicial Committee of the Privy Council, UK, which remains the highest appellate court of the country. Regarding the regulatory framework, the Mauritian government has created an environment that is both business-friendly and compliant with international standards. This has been achieved through the development of a comprehensive set of laws and regulations that govern corporate activities.

Every IFC needs a strong work force and Mauritius is no exception. Mauritius is home to a multicultural and well-educated workforce, with a population primarily of Indian, African, Chinese, and European descent. Mauritius enjoys a high adult literacy rate exceeding 92%, reflecting the government strong commitment and investment in education.

Mauritius has 19 local and international banks, offering a range

of services from the traditional retail banking to private banking, investment banking, fund administration and custodial services. With its global treasury activities licence, Mauritius can be used as a vehicle to raise debt for acquisitions, refinancing of existing debt, or restructuring of existing debt. This licence enables multinational enterprises to set up or relocate their regional treasury management functions to Mauritius and benefit from a five-year tax holiday on the income derived from such activities.

In terms of taxes, Mauritius has an attractive tax regime whereby there is no capital gains tax. Under the Mauritius domestic laws, any foreign tax suffered on foreign income is available for offset as tax credit. In the absence of foreign tax, Mauritius offers 80% partial exemption on income such as dividend and interest which reduces the effective tax rate of 17% to 3.4%. Mauritius also offers a very attractive tax rate of 5%, including corporate climate levy, for companies engaged in exports of goods. These goods do not need to transit through Mauritius. International buying and selling also qualify for exports and can benefit from the lower tax rate. There is no withholding tax on dividend from Mauritius. There are no foreign exchange controls in Mauritius, hence companies can enjoy free repatriations of profits.

Mauritius has a total of 44 double tax agreements (DTA) with countries all over the world, 17 of them are signed and are currently in force with other African countries. Mauritius has also signed Investments Promotion and Protection Agreements (IPPA) with several countries. These IPPAs protect investors, especially when investing on the African continent where there could be political and economic uncertainties. In addition to the DTAs and IPPAs, Mauritius has signed a Free Trade Agreement (FTA) with China which came into force in January 2021. This is China's first FTA with an African country, providing more solid institutional guarantee for deepening economic and trade relations between China and Mauritius.

Mauritius and China have strong and historical ties, and this cordial relation translates across political, diplomatic, economic and cultural fronts which started more than 30 years ago, and the coming into force of the FTA, marked another milestone in the bilateral relationship for economic collaboration between the two countries. In all, Mauritius represents an unparalleled opportunity for Chinese investors looking to establish or expand their operations into the greater African continent.

With our global footprint in 25 jurisdictions, including China, Mauritius, and Africa, IQ-EQ has extensive experience establishing and administering Chinese structures from Mauritius into Africa. Get in touch with our team today to learn how we can help your business expand its horizons.

THE RISE OF AFRICAN FEMALE ENTREPRENEURS

By Dr. Dorothy Nyambi, President & CEO, Mennonite Economic Development Associates (MEDA);
Mimi Kalinda, Group CEO and co-Founder: Africa Communications Media Group (ACG);
and Joy Anderson, Founder and President of Criterion Institute

The African investment climate is optimistic. The African Development Bank's 2024 outlook was explicit. Africa's economic performance was strong and shows resilience, but that performance has been slower than expected and uneven. With challenges and global shocks, Africa's 2022 GDP growth slipped from 4.1 to 3.1% in 2023, yet, forecasters predict with smart policy and stable global conditions, it could climb to 3.7% in 2024, and 4.3% in 2025, making it the second-fastest growing region in the world.

To achieve this, African economies must diversify beyond resources and low-skill services, to education, energy, productivity-enhancing tech and innovation, and productive transport infrastructure. This includes innovating areas such as agri-food and high-skilled services while developing market systems. The vast financing gap in these areas is about \$402bn annually. To close it, Africa needs to mobilize and scale, foster private investment, and support entrepreneurs, especially by empowering women through innovative finance.

Women are Africa's economic backbone. They comprise 58% of Africa's self-employed population and contribute 13% to the continent's GDP. Sub-Saharan women have amongst the highest rates of entrepreneurship at 26%. Globally, one in six women intend to start a business, in Africa, it's one in three. In addition, 58% of Africa's self-employed are women and contribute between \$250-300bn to African GDP. Women reinvest up to 90% of their incomes in education, health, and nutrition, in comparison to 40% by their male counterparts, transforming societies in the process. The female economy is the world's largest emerging market, with the potential to add \$12trn to the global GDP. Yet, women are overlooked or perceived as risky.

Africa needs all entrepreneurs to reach its economic potential. Gender parity in financing and private equity will accelerate and sustain economic growth, creating meaningful employment.

Currently, there is a \$42bn funding gap for women entrepreneurs. The World Economic Forum projects that bridging this gap could boost Africa's growth by \$316bn.

CHALLENGES FACED BY FEMALE ENTREPRENEURS

Despite their contributions, female entrepreneurs still struggle more relative to men. They face cultural, financial, and institutional barriers that hinder their economic participation and are often mischaracterized as high risk or liabilities. According to Global Entrepreneurship Monitor's 2022/23 Women's Entrepreneur Report: Challenging Bias and Stereotypes, women are over-represented

among the smallest businesses in highly competitive, low-margin markets and industries. They also face inequality in the home, carrying a heavier burden of family responsibilities, which contributes to increased economic dependence and decreased interpersonal power and influence. In Africa, these factors perpetuate harmful stereotypes that hold back women entrepreneurs in terms of legitimacy, limit access to financial capital and other critical resources necessary for business growth and success. We need to change this.

In 2018, the Boston Consulting Group (BCG) conducted a novel study at MassChallenge, a US-based network of business accelerators, companies were supposed to be evaluated on merits and not gender. They found that women-owned startups were better bets. BCG reviewed five years of data and it found a higher %age of women outperformed male-dominated companies. Yet, women-owned companies, on average, received \$1m less in financing than their male counterparts. Men-founded firms' average investment was \$2.1m, versus a women-founded average of \$935,000. Yet, women-founded and co-founded firms made 10% more cumulative revenue (\$730k) than men (\$662k). BCG expanded this research, conducting similar studies in France, then the UK, Germany, Sweden, and Spain. It concluded that the gender gap and bias are persistent everywhere, and the opportunity cost of not investing in women is too great to ignore.

Similarly in 2023, Camille Hebert from the University of Toronto reviewed French startups over 20 years. She found that female entrepreneurs were 22% less likely to obtain financing with external equity and venture capital. She discovered that highly skilled and motivated female entrepreneurs who operate in male-dominated sectors are particularly hampered, but the gender gap closes in female-dominated sectors. Moreover, female-founded startups outperform their male counterparts when offered VC. Gender stereotypes were the driver again. This meant females would substitute debt for equity and this limits scaling and faster growth. Hebert calls for policy to address the imbalance, offer balanced representation, and attenuate gender stereotyping.

Some of the origins and effects of the gender gap may hinge on male investor socialization during a leader's formative years. A 2021 study published in the Review of Financial Studies found that a gender gap in investment in US conglomerates was evident in a business leader's exposure to gender imbalance during his formative years. If he grew up in a traditional household with a male breadwinner, went to an all-boys school, and didn't see female business role models, he was less likely to invest in women.



Dr. Dorothy Nyambi



Mimi Kalinda



Joy Anderson

Research at the Wharton School of Finance at the University of Pennsylvania found homophily (tendency to bond with similar others) by male investors for male founders over females could be overcome. Women-led companies make up around 35% of new ventures but only account for 2% of venture-backed US companies. The study attributed the gap to bias and homophily preferences held by male venture capitalists. It surmised that boosting women's

investors are assets, not high-risk and liabilities.

MEDA is a global economic development organization creating business solutions to poverty. For 70 years, MEDA has worked with partners to support market-driven development and deploy impact investing.

African-owned and domiciled funds are perceived as risky, limiting both their ability to secure financing to scale and their potential to drive growth and employment and change perceptions.

“Women are Africa’s economic backbone. They comprise 58% of Africa’s self-employed population and contribute 13% to the continent’s GDP

representation in leadership and resource-controlling roles would remediate the issue if a critical mass of female talent was present. The team found that this was true as representation rose above 30%, but going over 54% began to see a gender bias reversal.

These financing challenges affect female African entrepreneurs. In fact, Alicia Plemmons studied gender-related bias in equity, debt, and philanthropic contribution financing decisions for early-stage African entrepreneurial ventures in 2,812 firms in Ghana, Kenya, Nigeria, Tanzania, Uganda, and South Africa in 2020. She found substantial evidence of a negative effect of having a female primary founder on the probability of getting selected for equity funding, but not in the amount the startup attracts. She also learned with debt, female entrepreneurs are subject to a lower probability of being selected for funding and smaller total

amounts of debt financing. However, philanthropic contributions don't show significant gender bias in either selection or size.

Plemmons recommends gender-lens policies for equality in both selection and investment decisions using incentive programs, networking and promotional support for female-led startups, and government programs that base funding on project performance projections. She also calls for debt lending with decisions based on project quality, instead of gender (ie property ownership or other assets for collateral for loans, non-predatory lending based on gender). And development financial institutions should spur more philanthropic investment tuned to community impact.

WOMEN ARE THE GREATEST HIDDEN ASSETS IN AFRICAN INVESTMENT

Overcoming these financing stereotypes and challenges is paramount for closing the gaps and promoting robust African economies. We must change the narrative to confirm that women entrepreneurs and

African Investment Vehicles (IVs) can be catalytic to address economic challenges, promote entrepreneurship, and leverage sustainable growth. As a pioneer Fund of Funds, the Mastercard Foundation Africa Growth Fund's investments in IVs lower the risk and serve as a pivotal player in driving continental economic transformation.

We joined with the Mastercard Foundation and a consortium of partners to create the Mastercard Foundation Africa Growth Fund. A Fund-of-funds working through African Investment Vehicles (including venture capital funds, SME debt funds, permanent capital vehicles, etc.) to support growth-oriented African SMEs with the goal of enabling dignified and fulfilling work for young people, particularly young women. It is catalytic, in helping to crowd in more capital for entrepreneurs focusing on young women, by strengthening IVs that are committed to advancing gender equity in entrepreneurship.

Ugandan-based, Inua Capital, led by Kim Kamarebe, is one of the Fund's IVs. They have invested in Forna Health Foods, Founded by African single mother Angella Nabweteme, who built her business out of necessity, when she was unemployed and raising an infant. Healthcare providers marveled at how healthy her child was due to her homemade porridge. Word of mouth spread and soon she had a business. When the COVID pandemic hit, Nabweteme doubled down, digitized, and took online nutrition classes to improve her product. Nabweteme's homemade porridge, Aunt Porridge and Instapo!, has become a sensation, with sales exceeding \$1m in 2018. The Mastercard Foundation Africa Growth Fund partnered with Inua Capital and Kamarebe to invest in these companies, recognizing them as Africa's hidden entrepreneurial assets and helping them scale.

MEETING WITH VEROD

Verod is an African private equity and venture capital firm dedicated to investing in critical growth industries and creating a lasting positive impact. Verod is the very first 2X Certified PE fund worldwide, achieving a Best-in-Class certification, the highest tier possible, reflecting the company's demonstrated commitment to achieving positive gender impact. **Africa Global Fund's Anna Lyudvig speaks with Nieros Oyegun Sørensen, Partner and Chief Operating Officer at Verod** about unique opportunities in Africa, regional integration between Francophone and Anglophone Africa and the firm's investments



Nieros Oyegun Sørensen,
COO, Partner
Verod

ANNA LYUDVIG (AL):

**HOW DO YOU SEE
AFRICA'S INDUSTRIAL AND
FINANCIAL SECTORS EVOLVING
COMPARED TO MORE MATURE
MARKETS LIKE CHINA OR THE US?**

NIEROS OYEGUN SØRENSEN (NOS): Africa's industrial and financial sectors lag behind more developed regions and need significant advancements for overall development. The financial sector has the potential to catch up quickly, largely due to advancements in technology and the absence of legacy systems. A prime example of technological leapfrogging is M-PESA, which revolutionised mobile banking in East Africa and significantly boosted financial inclusion. Fintech and mobile banking have supported economic growth by aiding critical financial inclusion. The rise of agency banking in West Africa, particularly Moniepoint, has been crucial. From 100,000 merchants in 2021 to over 2 million in 2024, Moniepoint exemplifies rapid growth in response to a young, mobile population and a large informal sector.

However, Africa's industrial sector faces slower progress. Industrialisation requires the development of infrastructure, such as power, roads, and ports, along with skilled labour and regulatory frameworks. Africa remains too reliant on imports, and recent multinational exits, like Unilever and GSK, highlight the challenges, even in larger markets, where macroeconomic pressures have weakened the middle class. A focus on exports is essential for sustainable growth. The African Continental Free Trade Area (AfCFTA) is promoting intra-continental trade and infrastructure, with reduced tariffs and improved access to a larger market. This aligns with China's export-driven strategy in the 20th and 21st centuries.

AL: WHAT UNIQUE OPPORTUNITIES EXIST ON THE CONTINENT THAT AREN'T AS PREVALENT ANYWHERE ELSE?

NOS: Africa offers a multitude of untapped opportunities, from infrastructure and real estate to fast-moving consumer goods (FMCG) and energy. With geopolitical tensions and rising labour costs elsewhere, Africa's low-cost workforce and the AfCFTA present a potential for the continent to position itself as the next

manufacturing hub. However, this thesis is complicated by Africa's education systems, which do not always equip graduates with the necessary skills. In sectors like software development, Africa's talent is emerging, but in more traditional industries, talent gaps and infrastructure deficits remain significant barriers.

Still, there are success stories. Verod's investment in DTRT, a sustainable garment manufacturer in Ghana, showcases Africa's growing role in global supply chains. By leveraging trade agreements like the African Growth and Opportunity Act (AGOA) with the U.S., DTRT has become the largest employer in Accra and plans to expand across West Africa. Africa's garment manufacturing sector mirrors the success of Ethiopia and Kenya in attracting foreign direct investment (FDI) by capitalising on low labour costs and favourable trade agreements.

Additionally, Africa's green economy holds immense potential, with the continent home to 60% of the world's best solar resources. Africa can bypass costly national grids with decentralised energy solutions, particularly in off-grid areas. The continent has the opportunity to leapfrog environmental missteps made by other regions during industrialisation, while simultaneously creating jobs and reducing carbon emissions by developing local value chains. The green economy's expansion can also enhance the local processing of raw materials, increasing Africa's self-sufficiency.

In cultural industries, Africa's music, film, and fashion sectors are gaining global recognition. Nigeria's Nollywood is the second-largest film industry in the world, while Afrobeats has taken global stages by storm. Streaming platforms like Netflix and Spotify are unlocking new ways to monetise African creative content on the global stage.

AL: WHAT OPPORTUNITIES LIE IN INDUSTRIALISATION AND MANUFACTURING IN AFRICA?

NOS: The key opportunity in African manufacturing is import substitution. As currency devaluation makes imports more expensive, Africa must produce more locally. The immediate focus should be on industries like food processing, logistics, and primary agricultural techniques, which strengthen local supply chains.

Simplicity is key. Instead of pursuing complex, high-tech industries requiring specialised talent, the focus should be on less glamorous

“The key opportunity in African manufacturing is import substitution. As currency devaluation makes imports more expensive, Africa must produce more locally. The immediate focus should be on industries like food processing, logistics, and primary agricultural techniques, which strengthen local supply chains.

sectors with quicker returns. For instance, Verod is exploring businesses with high-growth potential in packaging and textile manufacturing. Singaporean company Tolaram, for example, has doubled down on its investments in Africa, acquiring multinationals such as Diageo’s stake in Guinness, to expand its supply chain synergies. This strategy, alongside the activities of local players like Flour Mills, highlights the potential to build cost-effective local capacity. As some multinationals exit, others are seizing the opportunity to expand.

AL: HOW DOES VEROD RECONCILE LONG-TERM INVESTING AND SUSTAINABLE GOALS WITH SHORT-TERM CHALLENGES SUCH AS INFLATION, INTEREST RATES, AND FUNDING LEVELS?

NOS: At Verod, we are adept at navigating short-term macroeconomic challenges while keeping our focus on long-term goals. Our micro-investment approach—typically focusing on zero to four deals a year—allows us the flexibility to phase capital injections and adjust to changing conditions.

We prioritise non-discretionary sectors where price increases can be passed on to consumers, thus protecting margins in the face of inflation. For interest rates, we are cautious about debt and seek out concessionary funding, particularly from local sources like Nigeria’s Bank of Industry, where possible. We also diversify revenue streams in our portfolio by focusing on export-driven sectors, reducing reliance on local economies. Incorporating a fixed-income component into our private equity strategy can help mitigate risks in volatile markets.

Sustainable investments require deep knowledge of local markets. Verod’s strategy includes partnering with businesses that are resilient to economic fluctuations and can adapt to changing conditions. Private equity remains the most effective channel for long-term investments in Africa, especially for small and medium-sized enterprises (SMEs).

AL: FRANCOPHONE AFRICA IS OFTEN UNDERWEIGHTED IN PRIVATE EQUITY ALLOCATIONS. HOW DO YOU SEE REGIONAL INTEGRATION, ESPECIALLY BETWEEN FRANCOPHONE AND ANGLOPHONE AFRICA, TRANSFORMING THE INVESTMENT ENVIRONMENT OVER THE NEXT DECADE?

NOS: Regional integration between Francophone and Anglophone Africa is transforming the continent’s investment landscape. Anglophone markets often lead in business scale and knowledge sharing, but Francophone Africa offers stability in currency and economic predictability, particularly due to its ties to the CFA franc.

The AfCFTA is helping to facilitate cross-border expansion and knowledge transfer, leading to more opportunities for mergers, acquisitions, and bolt-on investments. Verod has expanded into Francophone West Africa, establishing a base in Abidjan to tap into these growing markets. There is significant potential for growth, particularly as more funds add multilingual partners to navigate both Anglophone and Francophone markets.

AL: ANY PARTICULAR VEROD INVESTMENTS, PROJECTS, OR SECTORS YOU'RE EXCITED ABOUT?

NOS: We’re particularly excited about Verod’s investment in Emzor, the largest private pharmaceutical manufacturer in West Africa. The COVID-19 pandemic exposed Africa’s reliance on imported pharmaceuticals, but Emzor is leading the charge in local manufacturing. Its impact is significant, with over 14 million pill packs sold quarterly and over 100 million people positively affected by its products since its inception.

Emzor is ramping up production, having completed a new cephalosporin plant, and is on the verge of launching West Africa’s first antimalarial active pharmaceutical ingredient (API) plant. The company’s focus on import substitution aligns with Africa’s broader shift towards self-sufficiency in pharmaceuticals.

We’re also excited about our investment in Medplus, a pharmacy retail chain, which continues to grow YoY. As drug prices rise, Medplus remains positioned for expansion, with opportunities in personal care and diagnostic services. It stands to benefit from growing consumer demand, leveraging its multiple locations and mobile/tele-services, expanding access to quality healthcare.

Beyond healthcare, our focus on education remains critical to Africa’s long-term growth. Talent development, human capital investment, and education will play pivotal roles in ensuring Africa’s future competitiveness in the global economy.

AFRICAN MARKETS PERFORMANCE

AFRICA SOVEREIGN BOND INDICES (TOTAL RETURNS USD %)

Country	October	3-Month	1-Year
Botswana	-2.58%	-0.94%	9.64%
Egypt	1.58%	5.88%	-19.70%
Ghana	0.47%	14.95%	15.57%
Kenya	5.06%	6.34%	37.40%
Mauritius	0.01%	4.90%	1.76%
Morocco	-0.65%	3.04%	14.38%
Namibia	-2.21%	8.43%	23.66%
S&P/FMDQ Nigeria	-0.89%	3.37%	-42.04%
South Africa	-4.72%	7.12%	28.76%
Tanzania	0.97%	1.02%	-6.91%
Uganda	2.61%	5.01%	16.75%
Zambia	7.81%	10.14%	9.96%

Source: S&P Dow Jones Indices

AFRICA EQUITY INDICES (BMI GROSS TOTAL RETURNS USD %)

Country	October	3-Month	1-Year
Botswana	1.02%	8.10%	27.92%
Cote d'Ivoire	-1.49%	15.68%	51.69%
Egypt	-4.38%	2.97%	-12.14%
Ghana	-1.96%	-2.80%	15.22%
Kenya	9.92%	17.28%	76.53%
Malawi	2.79%	16.16%	-7.71%
Mauritius	2.42%	15.22%	21.05%
Morocco	-2.92%	1.66%	24.66%
Namibia	-0.11%	6.31%	15.47%
Nigeria	3.30%	9.71%	-22.95%
Rwanda	-1.72%	-2.29%	4.05%
South Africa	-2.84%	9.18%	37.98%
Tanzania	1.78%	3.16%	9.55%
Tunisia	-2.99%	1.12%	20.47%
Uganda	9.85%	25.44%	50.05%
Zambia	-1.03%	12.89%	64.00%

Source: S&P Dow Jones Indices

Exchange Rate (bid) vs US Dollar

Source: Refinitiv

Country	USD	1 month ago	52 weeks ago	Country	USD	1 month ago	52 weeks ago
	26-Nov	% change			26-Nov	% change	
Algerian Dinar	133.66	-0.53	0.04	Mauritian Rupee	46.72	-1.63	-5.84
Angolan Kwanza	920.09	-1.20	-9.19	Moroccan Dirham	10.04	-1.47	0.36
Botswana Pula	13.63	-2.59	-1.01	Mozambican Metical	63.91	-0.99	-1.07
CFA Franc (Central Afr)	632.53	-3.94	-5.35	Nigerian Naira	1,681.26	-3.75	-52.48
CFA Franc (West Afr)	627.72	-4.02	-5.17	Rwandan Franc	1,366.18	-1.90	-9.94
DRC Franc	2,857.75	-0.83	-13.32	Seychelles Rupee	14.94	-11.49	-4.54
Egypt Pound	49.62	-1.89	-37.83	S Africa Rand Area	18.06	-2.27	3.31
Ethiopia Birr	125.14	-4.47	-55.51	Sudan Pound	600.52	-0.29	-0.30
Ghana Cedi	15.70	2.23	-23.89	Tanzanian Shilling	2,650.00	2.45	-5.66
Kenya Shilling	129.50	-0.77	18.07	Tunisian Dinar	3.17	-2.41	-2.29
Libya Dinar	4.89	-1.78	-1.92	Ugandan Shilling	3,705.00	-1.13	2.29
Malawi Kwacha	1,733.67	-0.96	-3.86	Zambian Kwacha	27.63	-3.75	-14.62

PRIVATE EQUITY FUNDS & DEALS

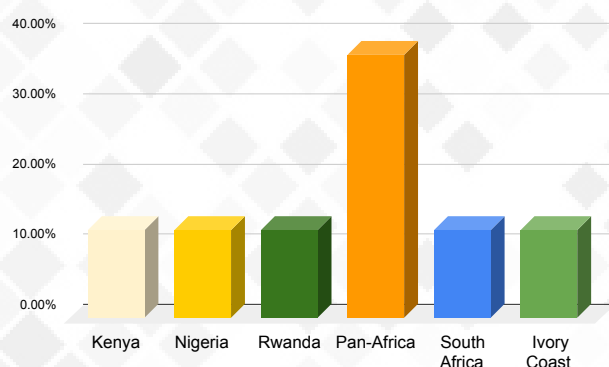
(as of the end of October 2024)

DEALS

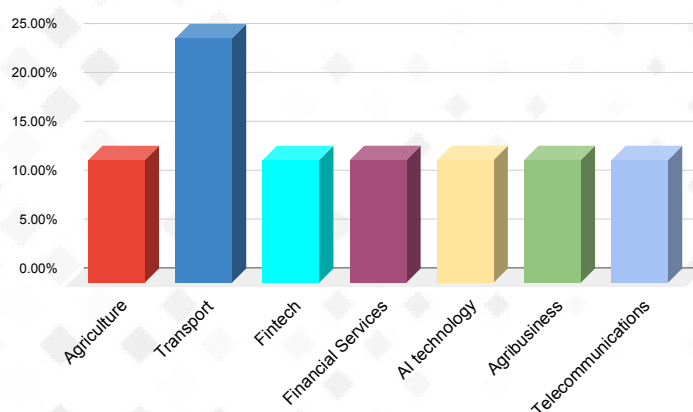
For more information on each transaction, visit Africa Global Funds's website

Company	Investment	Industry	Country	Deal Type	Deal Value
Africa50, Novastar Ventures, CFAO Kenya, Mobility54, SBI Investment, Trucks VC, Moxxie Ventures, Susquehanna Foundation	BasiGo	Transport	Kenya	Series A	\$24m
African Export-Import Bank	Starlink Global & Ideal	Agriculture	Nigeria	Financing facility	\$20.8m
British International Investment // Development Finance Corporation	BasiGo	Transport	Rwanda	Debt	\$17.5m
Development Partners International / Google's Africa Investment Fund, Verod Capital // Lightrock	Moniepoint	Fintech	Pan-Africa	Series C	\$110m
General Atlantic	Actis	Financial Services	Pan-Africa	Buyout	Undisclosed
Kalon Venture Partners	visionAI	AI technology	South Africa	Growth Capital	Undisclosed
Ecobank International, Banque Chaabi du Maroc	Kinenden Commodities	Agribusiness	Ivory Coast	Structured financing	€60m
Vantage Capital,	Camusat Holding		Pan-Africa	Mezzanine	€66m

DEALS BY COUNTRY



DEALS BY INDUSTRY



FUNDRAISING

Company	Fund	Geography	Style	Sectors	First Close	Final Close	Date Announced
n/a							

EXITS

Company	Divestment	Industry	Geography	Buyer (s)	Nature of exit
Phatisa // Masimong // Sabvest // Guarantee Corporation	Rolfes Holdings	Food	South Africa	Solevo	Trade
The EuroMena Funds	Biopharm	Pharmaceuticals	Algeria		Trade
The EuroMena Funds	Retail Holding	Retail	Morocco	Morocco's Caisse de Dépôt et de Gestion and the IFC	Trade

Source: AGF

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
337 Frontier Capital - Kimberlite Frontier Africa Fund (as-of 2024-10-31)										
14.45	4.08	26.64	8.19	5.72		Equity	Africa ex-SA	Cayman Isl.	Open-End	06/14
African Domestic Bond Fund (as-of 2024-10-31)										
	0.4	2.4	-21.7	-7.3		ETF - local currency FI	African region	Mauritius	Open-End	9/18
African Lions Fund (as-of 2024-10-31)										
15.34	3.76	13.82	29.47		27.93 (10/24)	Equity	SSA ex-SA	BVI	Open-End	10/20
Allan Gray Africa Bond Fund (as-of 2024-08-31)										
10.9		23	3.6	5.3	317.00 (08/24)	Fixed Income	Africa ex-SA	Bermuda	Open-End	3/13
Allan Gray Africa ex-SA Equity Fund (as-of 2024-10-31)										
3.93	3.27	12.07	0.24	7.54	416.00 (10/24)	Equity	Africa ex-SA	Bermuda	Open-End	1/12
Commonwealth Africa Fund (as-of 2024-11-26)										
22.02	-2.09	36.64	4.12	4.81	3.98 (10/24)	Equity	African region	USA	Open-End	11/11
Coronation Africa Frontiers Fund (as-of 2024-10-31)										
22.29	1.72	19.89	-4.5	1.83	288.60 (09/24)	Equity	Africa ex-SA	Ireland	Unit Trust	10/08
DWS Invest Africa (as-of 2024-11-26)										
2.32	1.18	6.45	-1.49	-0.99	25.42 (10/24)	Equity	African region	Luxembourg	SICAV	07/08
EFG-Hermes MEDA Fund (as-of 2024-11-26)										
7.95	5.65	18.18	17.19	18.31		Equity	Africa & Middle East	Bermuda	Open-End	12/11
Enko Africa Debt Fund (as-of 2024-10-31)										
20.08	3.58	24.03	12.35	14.71	709.90 (10/24)	Fixed Income	Africa ex-SA	Mauritius	Open-End	10/16
Fidelity Funds - Emerging Europe, Middle East and Africa Fund A (as-of 2024-11-26)										
12.47	1.67	19.37	-13.59	-3.39	221.73 (10/24)	Equity	EMEA	Luxembourg	SICAV	06/07
Imara African Opportunities Fund (as-of 2024-08-31)										
-14.69	1.97	-15.78	-20.02	-8.29		Equity	African region	BVI	Open-End	06/05

DISCLAIMER: All data is provided "as is" for your information and personal use only, and is not intended for trading purposes or advice.

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
Laurium Africa USD Bond Fund (as-of 2024-10-31)										
10.7	0.8	21.1	1.6		48.50 (10/24)	Fixed Income ex South Africa	African region	Ireland	UCITS	04/21
Laurium Limpopo Master Fund (as-of 2024-10-31)										
27.81	2	28.82	4.2	1.9	193.80 (10/24)	Equity	Africa ex-SA	Cayman Isl.	Open-End	01/14
Mazi Capital Africa Fund (as-of 2024-10-31)										
-2.86	3.25	0.44	-10.31	-6.67		Equity	Africa ex-SA	South Africa	Open-End	01/16
MCB Africa Bond Fund (as-of 2024-10-31)										
	0.2	-5.9	-31.4	-22.4		Fixed Income	African region	Mauritius	Open-End	2/14
Ninety One Premier - Africa Fund A (as-of 2024-10-31)										
-11.06	3.61	-16.58	-24.72	-23.74	0.45 (10/24)	Equity	African region	Guernsey	Open-End	01/07
Old Mutual African Frontiers Flexible Income Fund (as-of 2024-11-26)										
	3.82				20.07 (10/24)	Fixed Income	African region	Ireland	OEIC	05/22
Old Mutual African Frontiers Fund (as-of 2024-10-31)										
34.36	3.19	36.47	0.05	1.87	267.54 (10/24)	Equity	Africa ex-SA	Ireland	Open-End	5/10
Sanlam Africa Equity Fund (as-of 2024-10-31)										
19.69	3.03	29.21	3.28	4.87		Equity	Africa ex-SA	Ireland	Open-End	07/15
Steyn Capital Africa Fund (as-of 2024-10-31)										
-1.17	1.34	0.22	2.81	4.32	150.00 (10/24)	Equity	Africa ex-SA	Malta	SICAV	09/11
Sustainable Capital Africa Alpha Fund (as-of 2024-10-31)										
4.27	8.78	14.45	2.15	5.89		Equity	Africa ex-SA	Mauritius	Open-End	02/12
TCM Africa High Dividend Equity (as-of 2024-10-31)										
-3.37	6.3	-0.91	-6.3	-3.81		Equity	Africa ex-SA	Holland	Open-End	03/08
T. Rowe Price Africa & Middle East Fund (as-of 2024-10-31)										
7.92	-1.38	21.86	4.42	8.7	95.70 (10/24)	Equity	MENA & SSA	United States	Open-End	10/11

POWERING AFRICA'S FUTURE THROUGH THE RISE OF CORPORATE VENTURE CAPITAL

By Africa Global Funds



Audrey Verhaeghe,
CEO
Anza Capital

Corporate Venture Capital (CVC), once the preserve of more developed markets, is increasingly making its mark in Africa. As global corporations turn their gaze toward the continent, they are drawn by its rapid digital transformation and a youthful population eager to innovate.

In 2022, CVC represented approximately 10% of venture capital deals across Africa—a promising figure, yet modest when compared to the global stage, where CVC is projected to account for 35% of all venture capital investments by 2025. This disparity underscores the growing potential for CVC in Africa, a continent uniquely poised to leverage innovative financing to fuel its burgeoning startup ecosystem.

According to Audrey Verhaeghe, CEO of Anza Capital, the high inflation and rising interest rates faced by African startups in 2023 underscored the importance of strategic investments during economic downturns. “Many growth-stage startups were forced to cease operations due to funding shortages, presenting a missed opportunity for CVCs to step in and provide the necessary support,” she says.

In a recent webinar hosted by the CVC Consortium in collaboration with JSE Private Placements, the potential for CVCs to revolutionise Africa's innovation landscape was brought into sharp focus. Sam Mokorosi, Head of Deals and Origination at the JSE, said that Africa's market cap stands at a staggering \$1trn, with R50bn in cash on corporate balance sheets – the opportunity for CVCs to catalyse growth and innovation on the continent is ripe.

In the same discussion, Alex Fenn, Head of Technology and Innovation at Sibanye Stillwater, described CVC as a phenomenal and highly effective way of helping commercialise solutions that can apply to the core business which is where the true value of CVC lies.

According to Buntu Majaja, CEO of the SA Innovation Summit, the South African investment ecosystem faces several challenges that limit its ability to attract and deploy capital efficiently. “According to the Partech Africa (2020) report, there is a significant \$42bn funding gap for early-stage, high-growth potential startups, particularly in the technology and innovations sectors. Yet, traditional financial intermediaries are not equipped to meet these needs, preventing many promising startups from scaling effectively,” he says.

“Furthermore, a 2022 SAVCA report notes that the lack of strategic investors who provide capital, guidance, market access, and mentorship with only 15% of venture capital in South Africa coming from strategic investors, underscoring the need for CVCs to support sustainable startup growth,” adds Majaja.

Geographical disparities also persist, with the “Big Four” markets—South Africa, Nigeria, Kenya, and Egypt—capturing 79% of all deals. Yet, regions like Francophone Africa are beginning to draw attention, increasing their share of equity funding from 11% to 15%. These trends highlight both the opportunities and challenges as CVCs seek to broaden their reach across the continent.

To address this, Anza Capital leverages its extensive network and deep understanding of local markets to connect corporates with startups capable of revolutionizing industries. “Our unique role as an intermediary is crucial in the African context, where early-stage startups often struggle to secure funding and mentorship. Our approach provides startups with dual support: capital, along with access to corporate resources, expertise, and markets. This is vital for startups looking to scale and make a meaningful impact in their respective sectors,” says Verhaeghe.

In partnership with key players such as RIIS, Dream VC and JSE Private Placements, Anza Capital is fostering a collaborative ecosystem that supports innovation across the continent. These consortium partners bring together a wealth of resources, expertise, and networks essential for nurturing startups and helping them thrive in a competitive global market.

“Directing corporate capital to invest in high-growth and IP-led enterprises with the aim of increasing capital available for fund managers, and early-stage startups is one way for CVCs to increase local start-up investment. Mobilising existing General Partners (GPs) and creating co-investment panels can address this gap and increase startup success rates by up to 30% (AVCA 2023, World Bank)”, adds Majaja.

The potential for corporate venturing to unlock innovation is clear—what remains is for Africa's businesses to seize the opportunity and lead the charge into a new era of growth and innovation. “We have seen that despite the economic downturn, the continent's share of funding from Emerging Venture Markets grew to 16%, up from 13% in 2022. This indicates that while there has been a global pullback, Africa remains an attractive region for venture funding, including corporate backers,” says Verhaeghe.

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