

# AFRICA

## GLOBAL FUNDS

# The Power of AI In Transforming The Trading Process

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**Why Outsourcing Your Financial Statements Preparation to a Dedicated and Qualified Service Provider Is Fast Becoming a Must Rather than an Option?**

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**T**his month, our cover story focuses on Artificial intelligence (AI) and how it has emerged as a game-changer across numerous industries. Dharmeshsingh Mohadewo and Alok Raj Naga, SBM Capital Markets, write that the integration of AI into the trading process has revolutionised the way trades are analysed, executed, and managed (pp. 14-15).

This month, Adriaan Loubser, Executive Director, IQ-EQ, shares his thoughts on why outsourcing financial statements preparation to a dedicated and qualified service provider is fast becoming a must rather than an option. More on p.11.

In addition, Thobile Finca of the African Women Impact Fund (AWIF) Foundation, writes that many investors are unaware of the evolving African investment landscape and the critical role women have in driving economic growth across the continent. She says that fostering gender diversity and inclusion into investment strategies is therefore an essential element to achieving Africa's full economic potential. Read on p.12.

Finally, Yuma Sasaki, Founder and CEO of Dodai, writes about EV adoption in Africa, saying that Ethiopia is a particularly exciting market for EVs because of the country's status as a world-leading hub for renewable energy. More on p.18.

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***If you would like to get in touch with any comments or suggestions for future issues, please e-mail myself at a.lyudvig@africaglobalfunds.com***

Best regards,  
**Anna Lyudvig**  
 Managing Editor

# SA SME Fund, TIA And E Squared Launch R300m Seed Fund of Funds



**Ketso Gordhan,**  
CEO  
**SA SME Fund**

The SA SME Fund, the Department of Science and Innovation (DSI), along with its entity, the Technology Innovation Agency (TIA), and impact investor E Squared Investments have launched a R300m Seed Fund of Funds aimed at providing critical early-stage capital to startups. <sup>1</sup>

This initiative aims to fund at least 50 technology-driven startups through experienced fund managers, with a focus on innovation and transformation in South Africa.

Ketso Gordhan, CEO of the SA SME Fund, said: "Seed capital is the

developing the country's seed stage funding ecosystem, building the foundations that will deepen investment into the innovation economy and placing the venture capital industry on sustainable footing for the future.

"The support by the DSI (through its Innovation Fund) to both TIA and the SA SME Fund has been instrumental in the establishment of this fund, with the view to create a funding platform for seed stage VC funds."

The partners in this Fund believe that supporting entrepreneurs and small businesses will help create jobs, following the global trend where one in five jobs in the US has been created by tech companies in recent times.

**"Seed capital is the lifeblood of innovation and entrepreneurial growth. Without it, many great ideas would never see the light of day. By injecting capital at this critical early stage, we are not just funding startups - we are cultivating the next generation of industry leaders"**

lifeblood of innovation and entrepreneurial growth. Without it, many great ideas would never see the light of day. By injecting capital at this critical early stage, we are not just funding startups - we are cultivating the next generation of industry leaders."

"South Africa has no shortage of brilliant minds, and this fund will ensure that more of them have the resources they need to succeed. Our goal is to make sure these companies have a fair chance at success and scale in the local and global markets."

The fund addresses a key gap in South Africa's venture capital ecosystem, where later-stage investments, such as Series A and Series B, have historically attracted more funding.

TIA has been pivotal in driving this initiative. Patrick Krappie, acting CEO of TIA, said: "Governments across the globe play a crucial role in fostering innovation ecosystems, and South Africa is no different. The partnership with SA SME Fund aims to bolster funds towards startups and SMMEs through a fund of funds approach."

"We understand that early-stage ventures, especially those grounded in technology, need a supportive environment to thrive. The Seed Fund of Funds will catalyse a wave of new startups by enabling them to transition from ideas to viable enterprises. This presents an opportunity for the fund to play a catalytic role in

With a focus on high-impact innovation, this investment marks a significant milestone in strengthening South Africa's venture capital landscape.

As the fund prepares to allocate capital to at least five skilled fund managers, it is expected to drive the success of dozens of technology startups over the next few years, empowering entrepreneurs to push the boundaries of what's possible.

Gladwyn Leeuw, CEO of E Squared Investments, commented: "At E Squared, our mission is to empower responsible entrepreneurs driving transformative change. By making strategic capital accessible, we hope to foster innovation and ensure South Africa's tech sector reflects its diversity. This initiative aligns with our vision to be a leading early-stage investor, contributing to entrepreneurial activity and meaningfully impacting millions of lives."

"Partnering with experienced fund managers and leveraging synergies with entities like the SA SME Fund, we are confident in driving the success of numerous tech start-ups, paving the way for sustainable economic growth and transformation. By focusing on both innovation and transformation, this fund is ensuring that the future of South Africa's tech sector reflects the diversity and talent of its people."

# Vantage Invests €66m in Camusat



**Luc Albinski,**  
Executive Chairman  
**Vantage Capital**

**V**antage Capital, Africa's largest mezzanine fund manager, has closed a €66m mezzanine investment in Camusat Holding, a telecommunications company.

The proceeds will be used to refinance debt and fund the capital expenditure required for expansion of the group's AktivCo division. Vantage Capital's investment is part of a global financing package of €81m provided in consortium with Eurazeo, an European investment group.

Luc Albinski, Executive Chairman at Vantage Capital, said: "We are proud to partner with such a leading and dynamic group as Camusat.

excellence to design, build, and manage telecom infrastructure.

Since inception, Camusat has been capitalizing on the rapid expansion of the telecom industry, but most importantly the ever-growing need of MNOs to outsource non-core operations to specialized service providers. This trend is observed worldwide but is more prevalent in emerging markets, especially Africa.

As network coverage remains relatively low, MNOs are being pushed by regulators to ramp up their infrastructure investment especially to increase coverage in rural areas, where most of the population lives. MNOs therefore need to contract with service providers like Camusat to support the rapid and viable roll-out and management of their tower infrastructure.

In this context, Camusat has established itself as the key strategic

**"Since inception, Camusat has been capitalizing on the rapid expansion of the telecom industry, but most importantly the ever-growing need of MNOs to outsource non-core operations to specialized service providers. This trend is observed worldwide but is more prevalent in emerging markets, especially Africa"**

Throughout the process, we have been impressed by management's deep knowledge of the telecom industry, but also their firm commitment to help increase connectivity in parts of Africa where network coverage remains underdeveloped."

Camusat manages fully integrated and sustainable business models for the deployment and management of telecom infrastructure whilst championing the decarbonization of mobile network operators (MNOs). Partnering with major investment funds that support green investments, Camusat is pursuing its ambition to become the leading "Infra as a Service" partner for the mobile telecom industry, with a broad presence in emerging markets, especially in Africa.

The group operates across 20 countries (including 15 on the African continent) and through two synergistic divisions, AktivCo and OpCo.

AktivCo is the Infrastructure as a Service business structuring and financing complex transactions under long-term contracts to transform the telecom infrastructure by applying sustainable business models. With a strong focus on low carbon footprint solutions and digitalization of operations, AktivCo accelerates the expansion and modernization of MNOs' infrastructure and reshapes the telecom world for cleaner communications; and OpCo is a telecom service partner that combines technical expertise with operational

partner for telecom operators such as Orange, Moov Africa (Maroc Telecom group), MTN, Vodafone, Airtel and others.

The group's comprehensive offering drives long-term performance for mobile networks and inclusive connectivity, digitalization and sustainable access to technology, making it a one-stop-shop for MNOs. Its multi-decade experience and track record attest to the quality of its performance.

Richard Thomas, CEO of Camusat, commented: "We are very pleased to have concluded the transaction with Vantage Capital. This financial and strategic partnership comes at a time when we are further expanding our presence in Africa, and we are confident that Vantage Capital's extensive network and expertise on the continent will be a great support in achieving our objectives."

Driss Benabdeslam, Partner at Vantage Capital, added: "By investing in Camusat, we are backing a group that is engaged in a vital and buoyant industry and constantly strives for operational and corporate excellence. Camusat has incorporated best-in-class ESG practices and implemented various CSR measures directed at supporting local communities and minimizing greenhouse gas emissions from the telecom sector. We are thrilled to support the group in creating more value and generating an even greater positive

social impact over the years to come.”

This transaction represents Vantage Capital's 39th investment across four generations of funds with its portfolio of investments spread across eleven African countries.

Vantage Capital was advised by Clifford Chance (in Morocco) who acted as its legal counsel. KPMG (in France) and Webber Wentzel (in

South Africa) provided tax advice, KPMG (in France) was the financial advisor, Emerton (in France) provided commercial advice, and Ibis Consulting (in France) reviewed the environmental impact.

Camusat was advised by Goodwin Procter (in France) who acted as their legal counsel and Marlborough Partners (in France) who acted as financial advisor.

## EXITS

# The EuroMena Funds Exits Two Companies in North Africa



**Romen Mathieu,**  
Co-Founder & Managing Partner  
**The EuroMena Funds**

**T**he EuroMena Funds has exited two portfolio companies: a pharmaceutical firm in North Africa and a retail holding in Morocco.

These exits delivered a combined 1.9x multiple, with approximately \$55m

returned to investors.

“Operating under siege, with war and economic collapse at our doorstep, has tested our strength. These exits reflect our team’s resilience and unparalleled flexibility in adapting to the most extreme challenges. We know how to get the job done, no matter the obstacles,” said Romen Mathieu, Co-Founder & Managing Partner of The EuroMena Funds.

In December 2013, EuroMena II acquired a minority stake in Biopharm, an Algerian pharmaceutical company that is vertically integrated, covering importation, distribution, direct distribution, and production of pharmaceutical products. In April 2016, 20% of the Company was listed on the Algiers Stock Exchange.

The pharmaceutical company, a leader in North Africa’s healthcare sector, operated in a particularly challenging economic landscape marked by currency devaluation, social unrest, and complex conversion issues.

During the investment period, the company transitioned from

being a distributor to becoming a major producer. Identifying a buyer willing to acquire a minority stake in such a challenging geography, under difficult economic conditions, and able to transact in USD, was a significant challenge.

“Navigating through these harsh conditions—where social crisis and economic collapse were the constant—has been an enormous challenge. However, it has also been the ultimate test of The EuroMena Funds’ strength. Our ability to adapt, pivot, and secure successful exits in the face of such adversity and market illiquidity proves the strength of our strategy and partnerships”, said Gilles de Clerck, Co-Founder and Executive Partner of the EuroMena Funds.

Retail Holding, one of Africa’s largest diversified retail groups, expanded from 70 to over 250 points of sale with the EuroMena Funds’ support.

Its sale to Morocco’s Caisse de Dépôt et de Gestion and the IFC - International Finance Corporation for approximately \$150m required navigating two years of complex negotiations.

These talks culminated in a successful closure just this week.

“Being able to create tailor made deals by finding unique compatible buyers while being the best partners for the portfolio company and its founders as well as managing complex transactions with multiple parties of different natures, are part of our strength and virtues,” said Paul Khoury, Partner, the EuroMena Funds.

## DEALS

# International Banks Invest in Kineden Commodities

**K**ineden Commodities, one of the largest Ivorian sustainable cocoa traders, has secured nearly €60m from a pool of international banks to cover part of its financing needs for the next three cocoa seasons.

This structured financing will enable Kineden to optimise its funding

costs, diversify into agricultural processing, and most importantly, secure its supply chain in a context marked by record-high cocoa prices.

Of the total financing package, €20m will be allocated to the 2023-2024 season., for this syndicated financing, which was coordinated by

## Investors

a pool of international banks headed by Ecobank International.

Olivier Raiga-Clemenceau, Head of Trade Finance & Financial Institutions at Banque Chaabi du Maroc (BCDM), added: "This transaction was an opportunity to extend BCP Group's efforts to support the leading Ivorian cocoa producers, while reinforcing our collaboration with Ecobank International."

Moukaramou Chanou Alao, Managing Director of Ecobank International, said: "We are delighted to continue supporting Kineden Commodities in its efforts to promote sustainable and high-quality cocoa production. This partnership reflects our commitment to supporting local businesses in their growth and contributing to the social and economic development of the region."

Kineden aims to diversify into processing and expand its trading activities into other agricultural commodities, notably cashew nuts.

This vertical and horizontal integration of the agricultural value chain is expected to further strengthen Kineden's position within the Ivorian agro-industrial sector.

In the current context of heightened competition for cocoa bean supplies, Kineden aims to use these resources to secure its bean purchases at a time when cocoa prices are reaching unprecedented highs.

Stéphane Apoque, Kineden's Managing Director, said: "The scale of this fifth consecutive offshore fundraising reflects the attractiveness of the Ivorian cocoa industry following the sector's reform and is a testament to the confidence international banks have in Kineden's robust business model. These optimised funds send a strong signal to the Coffee and Cocoa Council, which, under the leadership of its Director General Yves Birahima Kone, is working to develop local entrepreneurs capable of mobilising the necessary funds to fulfil the government's ambitions of industrialising the sector and improving incomes for Ivorian farmers."

"I would also like to take this opportunity to thank the unwavering support of the Ecobank Group and encourage other African financial institutions, such as the AfDB (the African Development Bank) and BOAD (the West African Development Bank), to follow suit in financing African agro-industrial companies."

Kineden was advised by Obara Capital; the legal documentation for the transaction was prepared by Hughes Hubbard & Reed.

For Sena Agbayissah, Partner at Hughes Hubbard & Reed, said: "This transaction is an excellent example of the added value that appropriate legal tools can bring to modernising the financing of African agricultural value chains."

## DEALS

# Afreximbank to Invest \$20.8m in Starlink Global

**A**frican Export-Import Bank (Afreximbank) has approved a \$20.8m financing facility for Nigeria-based Starlink Global & Ideal to enable the company construct and operate a 30,000-metric tonne per annum cashew processing factory in Lagos.

Afreximbank will provide the funds in two tranches with the first tranche of \$7.48m going toward capital expenditure for the construction of the factory and the second, totalling \$13.25m to be deployed as working capital for the operations of the factory.

The facility is expected to promote value addition which will guarantee increased earnings to the company while also fostering the creation of about 400 new jobs once the factory becomes operational. It is also expected to support about 40 small and medium-sized

enterprises.

Kanayo Awani, Executive Vice President, Intra Africa Trade and Export Development, Afreximbank, said that by supporting Starlink Global to establish a modern processing facility, Afreximbank is making it possible for Africa to add value to its agro-commodities, thereby facilitating exports and subsequent inflow of much-needed foreign exchange into the continent.

"We are delighted at this partnership which promises to deliver significant impact on employment in Nigeria. It will contribute to value creation and to the development of the local community while also improving the lots of smallholder farmers and small business suppliers that will work with Starlink across the value chain," she added.

## PEOPLE MOVES

# BII Names Leslie Maasdorp New CEO

**L**eslie Maasdorp has been selected as the new Chief Executive of the UK's development finance institution British International Investment.

Maasdorp has had a broad career across development finance, climate finance, investment and wider financial services.

Most recently he was Vice-President and Chief Financial Officer of the New Development Bank (NDB), the multilateral development bank.

He is a recognised leader in the field of development and climate finance in emerging markets, having played a key role in the formation and growth of NDB.

Maasdorp has a deep-rooted knowledge and understanding of the emerging and developing economies on which BII is focused.

His experience in development is complemented by a background in financial services as well as in several leadership posts in the

Government of South Africa.

The selection follows an extensive global search, led by BII's Board.

Maasdorp will succeed Nick O'Donohoe, who is retiring after over seven years in the post.

BII invests about £1 billion a year in markets across Africa, Asia and the Caribbean. BII is the UK government's primary vehicle for delivering climate finance in emerging markets and has investments in nearly 1,600 companies across 65 countries.

Diana Layfield, BII's Chair, said: "The Board and I are delighted to welcome Leslie as the new CEO for BII. His broad career across financial services and the public sector, and his proven track record of success within international development and climate finance, positions him extremely well to lead BII. Leslie's unique perspective and leadership qualities will enable him to build on the great work of our outgoing CEO, Nick O'Donohoe. His lived experience of many of our markets, his values and his deep personal passion for development will be immensely valuable as we continue to respond to the environmental, economic and social needs of our markets."

Maasdorp said: "I am thrilled and deeply honoured to join British

International Investment at this critical time when development finance institutions continue to evolve and innovate to play a key role in the sustainable development of emerging economies. I spent time studying in London and I am delighted to return to the city - a key global financial centre at the forefront of development thinking.

"The private sector is the principal engine of economic growth and prosperity. BII plays a vital role in supporting economies to grow, create jobs and raise living standards in Africa, Asia and beyond. I look forward to working alongside the dedicated professionals at BII, who are deeply committed to this mission to contribute to sustainable development."

Nick O'Donohoe, BII's outgoing CEO, said: "BII is a unique organisation committed to development and improving lives in some of the world's most challenging countries. I am delighted to hand over to Leslie who I know will bring great experience, leadership and most importantly the passion for development outcomes that will ensure BII continues to deliver its mission for all its stakeholders and beneficiaries."

Maasdorp will join BII later this autumn.

His recruitment is subject to Financial Conduct Authority approval.

## INVESTORS

# ARISE IIP Raises \$443m from FEDA And AFC



**Marlene Ngoyi,**

CEO

**The Fund for Export Development**

**A**RISE IIP, a pan-African developer and operator of industrial parks, has announced a significant capital raise of \$443m.

The funding includes a strategic \$300m investment from Afreximbank's development impact investment arm, the Fund for Export Development in Africa (FEDA).

Marlene Ngoyi, CEO of the Fund for Export Development in Africa (FEDA), said: "Our investment in ARISE IIP is a critical step towards fostering sustainable industrial growth across Africa. By supporting the development of high-impact industrial infrastructure, we are helping to create an environment that will drive economic diversification, boost value-added production, and position Africa as a key player in global trade."

Gagan Gupta, Founder and CEO of ARISE IIP, said: "This equity partnership with Afreximbank significantly enhances our financial capacity to execute our pan-African industrial development strategy. It's a strong vote of confidence in our business model and growth prospects."

Additionally, the capital raise is supported by an additional \$143m contribution from Africa Finance Corporation (AFC).

This investment builds on debt funding relationship of over 12 years between ARISE IIP and Afreximbank, during which about \$2bn has

been provided to support ARISE IIP's investments across Africa.

ARISE IIP's total equity capital now exceeds \$1bn, with AFC holding a majority stake, followed by Afreximbank's FEDA and Equitane as key shareholders.

Samaila Zubairu, President & CEO of AFC said: "Our journey towards capturing greater value within the continent, by converting raw materials into intermediate and finished goods, has already shown significant progress in three countries, with an expanding pipeline of projects in ten more. This success reinforces our commitment to further support and invest in this important initiative, including our latest equity investment of \$143m.

"We are also delighted to formally welcome Afreximbank-FEDA as a new shareholder, having previously supported us through debt financing. Their participation, alongside other prospective investors, is a testament to the strength and de-risked nature of our ecosystem value chain industrial platform. We look forward to continuing our partnership to drive industrialization and sustainable economic growth across Africa."

This significant capital injection is strategically aligned with both entities' objectives to catalyse industrial transformation across Africa. The funds are intended to accelerate ARISE IIP's fast expansion and operational efficiency across its 12-country portfolio, that comprises key markets such as Malawi, Cameroon, Sierra Leone, Benin, Togo, Ivory Coast, Rwanda, Gabon, DRC, Congo, Chad, and Nigeria.

This investment is anticipated to strengthen Africa's position in

global value chains, aligning with Afreximbank's mandate to promote intra-African and extra-African trade.

President & Chairman of Board of Directors at Afreximbank, Prof. Benedict Okey Oramah, said: "We are very pleased with our latest investment in ARISE IIP which is aligned with Afreximbank's

strategic pillars of promoting intra African Trade and facilitating industrialisation and export development across Africa. The capital boost will arm ARISE IIP with the financial muscle needed to drive Africa's industrialisation, promote intra and extra-African trade, job creation and the general economic growth of our continent."

## INVESTORS

# AFC And Itana to Create Africa's First Digital Economic Zone



**Samaila Zubairu,**  
President & CEO  
AFC

Africa Finance Corporation (AFC) and Itana, Nigeria's first licensed digital economic zone management company, have agreed to jointly develop the first digital economic zone in Africa.

It is designed for global and Pan-African technology, finance and service-based businesses to operate and scale with ease across Africa, unlocking the continent's digital economy.

AFC will support Itana with project development funding and intends to lead in the financing of phase 1 of the Itana project which is budgeted at around \$100m.

"Africa's digital economy is poised for significant expansion and innovation following the rapid adoption of mobile technology, a

their businesses in the Itana zone, with laws, business incentives (tax, immigration & banking), and services optimized for the digital economy.

This will be coupled with eco-friendly live-work districts and a live-in accelerator program, showcasing the future of African cities and providing the ideal infrastructure and support for businesses in Africa to scale and compete globally.

This will include an eco-friendly tech campus in Lagos, Nigeria, and funding of startups in Accelerate Africa, the accelerator program of Itana in partnership with Future Africa.

AFC will also support the roll-out of the Itana Digital Economic Zone for global and Pan-African tech, finance, and service-based businesses seeking to operate across Africa.

Itana and AFC are already collaborating alongside Future Africa, PwC Nigeria, and Charter Cities Institute as technical advisers to the

**"This unprecedented initiative marks a pivotal step towards creating a thriving hub for the African digital economy, cementing the Corporation's commitment to driving innovation, job creation, and sustainable economic development across the continent"**

Samaila Zubairu, President & CEO, Africa Finance Corporation

burgeoning youth population, and the growing importance of digital commerce and services," said Samaila Zubairu, President & CEO, Africa Finance Corporation.

"In support of this, AFC is proud to be a pioneer alongside Itana, in building Africa's first digital economic zone. This unprecedented initiative marks a pivotal step towards creating a thriving hub for the African digital economy, cementing the Corporation's commitment to driving innovation, job creation, and sustainable economic development across the continent," he added.

The Itana Digital Economic Zone in Lagos, Nigeria is intended as an online jurisdiction and to serve as a gateway to build a global business in Nigeria.

Through Itana, companies can remotely incorporate and operate

Initiative for the Promotion of Digital Free Zones in Nigeria (DiFZIN), a non-profit advocacy and policy research organization representing the private sector in the recently announced Nigerian Federal Government steering committee for the establishment of Digital Economic Zones in Nigeria.

The committee is chaired by President Bola Tinubu and includes relevant Government Ministers and Agency Heads.

As the first Digital Zone, Itana remains committed to making Nigeria a powerhouse in the global digital economy.

It will be hosted in Alaro City, an integrated, mixed-use city planned on over 2,000 hectares in the Lekki Free Zone.

"Itana intends to be to Nigeria and Africa what Delaware & Silicon Valley is to the U.S., the DIFC is to Dubai, and e-Estonia is to the

European Union,” said Luqman Edu, CEO of Itana.

“Itana is poised as the gateway to doing business in Africa. Local

and International businesses looking to expand their operations across Africa will naturally look to Itana as their point of entry”.

## MARKETS AND INDUSTRY NEWS

# AfDB Collaborates with Absa



**Charles Russon,**  
Interim CEO Designate  
**Absa Group**

**T**he African Development Bank (AfDB) and Absa Group, have unveiled a multi-billion Rand financial package to expand sustainable capital markets and boost economic growth for women-owned businesses, youth entrepreneurs, and small and medium-sized enterprises (SMEs).

Leila Mokaddem, Director General of the African Development Bank's Southern Africa Region, said: “This partnership with Absa Group underscores our commitment to driving sustainable and inclusive economic growth across Africa. Through this financial package, we are not only fortifying Absa's capital base but also ensuring that essential funding reaches women, youth, and entrepreneurs, fostering a more equitable and prosperous continent. This collaboration

The R1bn proceeds from this bond will be allocated towards affordable housing loans specifically targeting women, empowering them as first-time homeowners in low-income segments.

Absa has secured a R1.7bn sustainability-linked Tier 2 loan aimed at general corporate business purposes while incentivizing the extension of finance products to women-owned SMEs as a key performance indicator.

As part of this agreement, Absa is collaborating with the African Development Bank to enhance skills among both Absa staff and women business owners.

A capacity-building training program has been launched to address the unique challenges faced by female and youth entrepreneurs, by providing mentorship and financial solutions.

Charles Russon, Absa Group interim CEO designate, said: “The finalisation of this package concludes a three-year process that

**“The finalisation of this package concludes a three-year process that significantly enhances our capacity to fund social initiatives aligned with our commitment to being a force for good**

Charles Russon, Absa Group interim CEO designate

aligns seamlessly with our strategic priorities of supporting Africa's industrialization and enhancing the quality of life for its people. “

In addition to enhancing Absa's regulatory capital, the facility will promote access to finance, deepen domestic capital markets, and ensure continued access to global supply chains for issuing banks in regional member countries, including low-income and fragile states.

The financial package includes: a subordinated sustainability-linked (Tier 2) loan amounting to R1.7bn, complemented by a non-financial support package of R18m for capacity building and technical assistance targeted at SMEs, youth, and women-owned enterprises.

Subscription of R1bn into Absa's inaugural social (Tier 2) bond issuance, with proceeds earmarked for providing affordable housing loans to female homeowners; a trade finance Risk Participation Agreement (RPA) facility valued at \$150m, designed to underwrite the risks of trade transactions originated by African issuing banks, reinforcing Absa's role as a regional bank.

Several components of the package have already been executed, including the successful issuance of Absa's first Tier 2 social bond on the Johannesburg Stock Exchange in July 2024.

significantly enhances our capacity to fund social initiatives aligned with our commitment to being a force for good. This partnership enables us to increase funding for women and youth in South Africa while facilitating greater trade opportunities across the continent. “

“This partnership aligns with the African Development Bank's strategic objectives of advancing green, social, and sustainability instruments in the domestic capital markets, supporting African capital market development and regional financial integration,” said Ahmed Attout, Director of the Financial Sector Development Department at the African Development Bank.

He emphasised that it is designed to empower Absa to effectively disburse funds for highly impactful social and sustainable economic development initiatives.

The \$150m trade finance facility will drive trade support across Africa, addressing the continent's annual trade finance gap of over \$100bn.

This initiative will enhance access to financing for key sectors such as agriculture, transport, and manufacturing, while fostering financial sector development and regional integration.

# Why Outsourcing Your Financial Statements Preparation TO A DEDICATED AND QUALIFIED SERVICE PROVIDER IS FAST BECOMING A MUST RATHER THAN AN OPTION?



By Adriaan Loubser, Executive Director, IQ-EQ, South Africa

**B**efore the global pandemic, a trend among investment managers toward outsourcing was already on the rise, driven by increasing investor and regulatory demands. Finding (and retaining) talent is a nearly unprecedented challenge, and even large firms are struggling to keep pace with the rapid advances in technology. In today's fast-paced business environment, investment managers are constantly seeking ways to optimise their operations and focus on their core competencies. We're all familiar with alternative funds outsourcing their fund accounting and administration, but this article focuses on the outsourcing of financial statements preparation to a third-party firm, that is not the fund administrator.

As it has been the case across the alternative funds industry for several years, it's most common to outsource the preparation of the annual financial statements. This typically is performed by the fund administrator that oversees the books and records of the fund, but investment managers may also consider other third-party firms that focus solely on preparation of financial statements. The benefit of outsourcing to a specialised firm is that the team members focus on financial statements all year round, and not only during their clients' audits.

This strategic decision offers numerous benefits to investment managers, ranging from access to specialised expertise, but most importantly, to a smoother audit process. Audits are an integral part of financial reporting, and we all know how tough, and sometimes frustrating, an audit can be. These specialised firms work collaboratively with their clients' auditors, facilitating open communication and providing the necessary documentation and support. By leveraging the expertise of specialised firms, investment managers can streamline the audit process, reduce errors, and ultimately expedite the issuance of financial statements.

Usually, financial statements preparation specialised firms build their teams from prior auditors, or accountants that have at least performed an auditor's training contract (usually three years). These team members are better qualified and equipped to handle the most complex and daunting audit process while successfully navigating their clients through timely sign off of their financial statements.

Risk management issues and true impact on the users of the financial statements come to mind when thinking about receiving auditor's review comments. The team members must be able to assess the auditor's comments and advise the client on the best suitable outcome that adds value to the fund's financial statements, but also be acceptable for the auditor to avoid a modified audit opinion.

It is important that the preparers of financial statements (either internally or externally) stay on top of new accounting standards and amendments. Since a specialised firm focuses solely on preparing financial statements, its principal revenue-driving activities, much time is allocated towards ensuring they're fully comfortable with new accounting standards and amendments.

Presenting high quality financial statements is extremely important. Financial statements are distributed to current and prospective investors, including regulators. When it comes to financial reporting, errors or inconsistencies in financial statements can have serious implications, ranging from regulatory penalties to loss of investor confidence.

Investment managers should consider their outsourced team as an extension of their management team. They should all work closely together to ensure the end-goal is met. Even if preparation of the financial statements is outsourced, ultimate responsibility for the financial statement rests with management.

Cognisant of the growing need for a dedicated and hands-on approach, at IQ-EQ in South Africa, we've built a team that focuses solely on preparing investment fund financial statements. This team currently prepares financial statements for close to 2,300 investment funds, which consists of circa 70% of the South African regulated funds market and funds domiciled in the Cayman Islands, United States, United Kingdom, Ireland, Mauritius, Namibia and Luxembourg, prepared in accordance with various accounting frameworks such as IFRS and US GAAP.

We've supported our clients through changing accounting reporting frameworks, auditors, and even fund administrators. The most challenging projects involve clients with more than 100 funds on their platform, all of which must be audited and released within 90 days of their financial year-end. The pressure is real, but with a dedicated, focused, and dynamic team (and, of course, clever automation initiatives), we successfully support our clients through this period—much to the delight and satisfaction of general partners, limited partners, directors, trustees, and even the auditors!

# Gender-Inclusive Capital To Build Africa's Investment Future



## Thobile Finca,

Strategic Partnerships, Manager

**African Women Impact Fund Foundation (AWIFF), Standard Bank**

Africa is emerging as a significant global investment destination, driven by dynamic population growth, urbanization, and robust economic expansion. Despite this, many investors are unaware of the evolving African investment landscape and the critical role women have in driving economic growth across the continent.

**A**frica's rapid population growth is one of the key factors positioning it as a future economic powerhouse. By 2035, the continent is expected to have the largest and youngest workforce in the world with projections indicating the emergence of six megacities, each with over 10 million residents.

In addition to population growth, African markets are seeing a surge in mobile connectivity and technological advancement. With over 600 tech hubs and a growing number of tech start-ups, Africa is becoming a global hub for innovation particularly in fintech, AgriTech, and e-commerce.

The demographic and technological shifts create substantial opportunities for investors across sectors such as infrastructure, renewable energy, health, and telecommunications. Africa's overall economy has the potential to grow from \$3 trillion to \$20 trillion by 2050, bolstering the investment case for the region.

## WOMEN ARE PIVOTAL TO AFRICA'S ECONOMIC FUTURE

Women make up 50% of Africa's population. Fostering gender diversity and inclusion into investment strategies is therefore an essential element to achieving Africa's full economic potential. A report by McKinsey & Company found that advancing gender equality in Africa could add \$316 billion to the continent's GDP by 2025, underscoring the broader economic impact of investing in women. Supporting women at the entrepreneurial level uplifts entire communities which contributes to sustainable development of the continent.

Despite this, Crunchbase indicates that less than 3% of private equity and venture capital funding is currently allocated to female fund managers, with only 2.3% directed towards women led companies. This substantial underinvestment in female fund managers is estimated to result in \$4.5 trillion of foregone economic opportunities globally.

Gender diversity and financial inclusion play a critical role in driving better financial outcomes through innovative capital allocation and market transformation. Diversity can unlock unique opportunities that might otherwise go untapped as women bring broader perspectives and networks to the table. Through gender-inclusive investment strategies, investors are able to tap into a wider opportunity set and achieve substantial returns while contributing to sustainable economic growth and empowerment across the continent.

## THE PATH FORWARD IS THROUGH COLLABORATION AND CONTINUED EDUCATION

While the investment opportunities on the continent are abundant, challenges exist particularly around risk perception and mitigation. Collaborations between Development Financial Institutions (DFI's), private investors, and government agencies are essential to successfully navigate the African investment landscape, develop innovative tools and structures to de-risk investments transforming investment propositions and mobilizing capital at scale for Africa.

That said, a notable private-public partnership contributing towards the economic development of Africa is the African Women Impact Fund (AWIF). AWIF is a Pan-African initiative, and a collaboration between the UN Economic Commission of Africa (ECA), the African Union Commission, the African Women Leadership Network (AWLN), Standard Bank, MiDA Advisors, and RisCura.

As a platform that allocates capital and builds the capacity of female-led asset managers, AWIF presents an opportunity to cultivate catalytic change on the continent, both economically and socially. The program is structured to address a variety of investors' needs such as the ability to absorb large pools of capital, investments in highly regulated investment vehicle, and robust risk management practices. As such, AWIF is a prime example of a solution through which private investors such as pension funds, foundations, and family offices can create meaningful impact through collaborative investments.

Continued education on the available investment opportunities and risk mitigation strategies available is also essential for successfully investing on the continent. Platforms such as the Standard Bank and MiDA Advisors educational webinar series titled "Investing in Africa – The Time is Now", foster exchange and dialogue amongst industry experts and asset allocators on understanding the unique value creation of African investments.

Africa is an attractive investment destination for investors looking to diversify their portfolios and tap into new growth opportunities. The time is now to harness the investment potential of Africa and to recognize the vital role of women in this journey. As the continent continues to grow and evolve, those who invest now will be well-positioned to benefit from the economic transformation underway.

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# THE POWER OF AI IN TRANSFORMING THE TRADING PROCESS



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By Dharmeshsingh Mohadewo and Alok Raj Naga

**A**rtificial intelligence (AI) has emerged as a game-changer across numerous industries, significantly impacting the financial sector, especially in trading within the brokerage arm. AI is revolutionising the trading process, allowing investors to make faster, more informed decisions. From pre-trade analysis to execution, risk management, fraud detection, and post-trade analysis, AI technologies are enhancing accuracy, efficiency, and speed. By automating tasks, analysing vast amount of data in real-time, and equipping traders with advanced tools, AI is reshaping the entire trading workflow. This article will provide a succinct view of AI's transformative effects on trading from a desk perspective.

## PRE-TRADE ANALYSIS: TURNING DATA INTO INSIGHT

The trading process begins with pre-trade analysis, a critical phase where traders evaluate market conditions, identify potential opportunities, and develop strategies. AI has drastically enhanced this stage by analysing large datasets, including market data, historical prices, news, and social media sentiment. AI models, such as Machine Learning (ML) algorithms and Natural Language Processing (NLP), are now widely used to detect patterns, forecast market trends, and generate trading signals based on fundamental and technical analysis.

In pre-trade analysis, AI systems excel at identifying correlations and patterns in historical and real-time data that would be nearly impossible for a trader to detect. Empirical research by Hu, Liu, and Zhang (2020) reveals that NLP algorithms are increasingly used to analyse news articles and public filings for sentiment analysis, providing traders with insights into market sentiment that may impact price movements. Furthermore, a recent CFA Research Foundation's literature review by Bartram, Branke and Motahari purports that AI tools help traders process immense amounts of data at unprecedented speeds, providing insights into market trends and future price movements. This real-time analysis allows traders to adjust their strategies in response to emerging market conditions, making pre-trade analysis more dynamic and responsive.

Additionally, AI-driven systems use historical data to back-test strategies before trades are executed. This helps ensure that trading strategies are optimised for current market conditions in terms of liquidity and volatility, reducing the likelihood of unexpected outcomes. As AI continues to evolve, pre-trade analysis will increasingly rely on these systems to predict market movements and recommend optimal entry and exit points for trades based on liquidity available at the time of getting the orders filled. We are already seeing this trend by simply doing a quick search on currently available mobile applications which offer real-time, precising trade signals as markets move.

## TRADE EXECUTION: OPTIMISING SPEED AND EFFICIENCY

After developing a strategy in pre-trade analysis, the next critical step is trade execution. AI has revolutionised this process through the use of algorithmic trading, enabling faster, more efficient trades. High-frequency trading (HFT), a subset of algorithmic trading, relies heavily on AI to analyse market conditions and execute trades in milliseconds, taking advantage of short-lived price discrepancies that would otherwise go unnoticed.

An IMF report on AI in financial markets (*Powering the Digital Economy: Opportunities and Risks of Artificial Intelligence in Finance, October 2021*), highlights that AI-powered algorithms optimise trade timing, adjust order sizes, and route trades to different venues to minimise transaction costs. This process, known as "smart order routing," allows AI systems to break

large trades into smaller orders, executing them across multiple markets to reduce the market impact and avoid significant price slippage.

AI's ability to adapt to real-time market conditions means that trade execution strategies can be adjusted on the fly. For instance, when there is heightened market volatility or liquidity levels change, AI algorithms can recalibrate their approach to ensure trades are executed under the most favourable conditions. By doing so, AI systems help traders minimise costs, maximise profits, and avoid the pitfalls of delayed or inefficient execution.

In today's fast-paced markets, speed is crucial. AI's role in reducing execution time gives trading desks a significant competitive edge, allowing them to capture fleeting market opportunities. Furthermore, AI-driven execution strategies are not static; they learn and evolve over time, continuously improving their performance by adapting to changing market conditions.

#### **RISK MANAGEMENT: REAL-TIME DETECTION AND MITIGATION**

After the trade is executed, managing risk becomes a top priority and this is pivotal in post-trade analysis. AI has dramatically transformed risk management by allowing traders to monitor and mitigate risks in real time by analysing multiple streams of data—from market prices and volatility levels to external factors like news and social events—that help traders identify potential risks and make timely adjustments to their positions.

As trading desks face increasingly complex market environments, AI's real-time risk assessment has become indispensable. AI tools can simulate stress scenarios, analyse portfolio exposure, and predict trading performance under different conditions, allowing traders to manage risk proactively rather than reactively. According to the DSFE journal (*Theory and application of artificial intelligence in financial industry, June 2021*), AI-driven risk management systems are particularly effective at identifying market anomalies like sudden price swings or unusual trading volumes. These systems can alert traders to potential threats early, giving them time to adjust their strategies or hedge their positions before market conditions worsen.

AI also plays a key role in regulatory compliance, monitoring trades in real time to ensure compliance with regulatory requirements, such as market manipulation rules or insider trading restrictions. This real-time oversight minimises legal risks and protects financial institutions from penalties or reputational damage.

More importantly, AI is transforming the prime brokerage landscape by significantly improving how leveraged trading and credit lines are managed for clients. AI's real-time monitoring provides brokers with insights into intraday leverage, enabling quick risk assessments and automatic position adjustments. This innovative technology optimises credit allocation, enhances risk management strategies, allowing both brokers and clients to effectively maximise on investment opportunities while mitigating exposure to market fluctuations. In this endeavour, AI is reshaping the relationship between brokers and clients, creating a more dynamic and efficient trading environment.

#### **MARKET SURVEILLANCE: SAFEGUARDING THE MARKETS**

AI has also proven to be a powerful tool in detecting fraud and market manipulation, helping trading desks maintain the integrity of their operations. AI systems excel at identifying unusual trading

patterns, such as wash trading (when an investor buys and sells the same financial instrument simultaneously or in quick succession to create misleading market activity), indicating potential market manipulation or fraud. By continuously monitoring market activity, AI can detect subtle signals of potential fraud that traditional surveillance methods might overlook.

As highlighted in the DSFE report, AI systems analyse vast datasets in real time to identify anomalies that deviate from normal trading behaviour. For example, AI can detect large orders intended for cancellation or trades made to artificially inflate a security's volume. These systems can flag suspicious trades for further investigation, helping regulatory bodies and compliance teams maintain fair and transparent markets.

Moreover, AI-driven surveillance systems may adapt to emerging forms of market manipulation. Unlike traditional rule-based systems, which rely on predefined rules to flag suspicious activity, AI systems learn from past fraud incidents and improve their detection capabilities over time. This continuous learning process keeps AI systems effective in identifying new and sophisticated market manipulation tactics.

#### **POST-TRADE ANALYSIS: ENSURING COMPLIANCE AND OPTIMISING PERFORMANCE**

The final step in the trading process is post-trade analysis, where traders review the performance of executed trades and ensure compliance with regulatory standards. AI has streamlined this phase by automating much of the reporting and analysis that occurs after a trade is completed. AI systems can analyse trade execution data to evaluate the quality of execution, assess whether the trade achieved its objectives, and identify areas for improvement in future strategies.

AI systems can analyse the details of each trade, from timing to pricing, and recommend adjustments for optimising future performance. AI's ability to quickly process and analyse this data means that trading desks can refine their strategies more efficiently, staying competitive in dynamic markets.

AI also plays a crucial role in automating compliance reporting. Regulatory requirements in financial markets are becoming increasingly complex, and trading desks must ensure that every trade adheres to these rules. AI-driven systems can generate detailed compliance reports in real time, ensuring that all trades are properly documented and meet regulatory standards. This reduces the administrative burden on traders and helps prevent costly fines or penalties due to non-compliance.

#### **CONCLUSION**

The integration of AI into the trading process has revolutionised the way trades are analysed, executed, and managed. From pre-trade analysis and trade execution to risk management, fraud detection, and post-trade compliance, AI-driven systems are enhancing efficiency, accuracy, quality, and speed across the board. By leveraging AI technologies, trading desks can make better-informed decisions, reduce costs, manage risk, and respond more quickly to market changes. While challenges remain, particularly regarding the transparency of AI models and data quality and integrity, the benefits of AI in trading far outweigh the risks. As AI continues to evolve, its role in the trading process will only become more significant, shaping the future of financial markets.

# AFRICAN MARKETS PERFORMANCE

## AFRICA SOVEREIGN BOND INDICES (TOTAL RETURNS USD %)

Country	September	3-Month	1-Year
Botswana	1.25%	1.72%	15.65%
Egypt	2.24%	4.56%	-19.74%
Ghana	9.49%	15.44%	5.45%
Kenya	1.46%	2.78%	29.58%
Mauritius	3.98%	6.96%	1.75%
Morocco	1.18%	4.96%	15.39%
Namibia	6.25%	16.87%	30.63%
S&P/FMDQ Nigeria	-0.43%	-3.78%	-49.42%
South Africa	7.05%	17.25%	38.12%
Tanzania	0.88%	-2.45%	-7.88%
Uganda	0.73%	4.31%	16.23%
Zambia	1.98%	-4.13%	5.65%

Source: S&P Dow Jones Indices

## AFRICA EQUITY INDICES (BMI GROSS TOTAL RETURNS USD %)

Country	September	3-Month	1-Year
Botswana	4.02%	12.96%	29.41%
Cote d'Ivoire	6.88%	26.25%	52.69%
Egypt	1.97%	13.41%	3.74%
Ghana	0.03%	12.31%	11.92%
Kenya	5.64%	3.65%	49.32%
Malawi	2.49%	25.48%	-23.24%
Mauritius	5.33%	15.12%	14.47%
Morocco	3.38%	13.28%	29.70%
Namibia	3.79%	7.12%	18.18%
Nigeria	3.84%	-4.38%	-32.44%
Rwanda	0.64%	2.04%	5.67%
South Africa	7.69%	17.83%	39.55%
Tanzania	-1.26%	2.83%	9.03%
Tunisia	2.39%	5.73%	22.07%
Uganda	8.70%	11.46%	38.83%
Zambia	6.09%	11.27%	70.16%

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
	21-Oct	% change			21-Oct	% change	
Algerian Dinar	133.54	-1.13	2.46	Mauritian Rupee	46.44	-1.53	-4.93
Angolan Kwanza	918.14	1.40	-9.33	Moroccan Dirham	9.93	-2.57	3.93
Botswana Pula	13.28	-1.57	3.01	Mozambican Metical	63.91	-0.99	-1.07
CFA Franc (Central Afr)	612.08	-4.10	1.16	Nigerian Naira	1,635.00	-1.27	-47.45
CFA Franc (West Afr)	603.67	-3.30	2.21	Rwandan Franc	1,354.60	-2.04	-10.39
DRC Franc	2,841.75	-0.41	-12.84	Seychelles Rupee	14.10	-7.33	0.50
Egypt Pound	48.60	-0.29	-36.52	S Africa Rand Area	17.62	-1.18	7.75
Ethiopia Birr	118.83	-1.78	-53.36	Sudan Pound	600.42	-0.26	-0.30
Ghana Cedi	15.95	-1.69	-26.02	Tanzanian Shilling	2,720.00	0.00	-8.24
Kenya Shilling	129.00	-0.39	16.05	Tunisian Dinar	3.09	-2.36	2.17
Libya Dinar	4.81	-1.55	1.56	Ugandan Shilling	3,668.00	0.55	2.13
Malawi Kwacha	1,733.67	-0.96	-34.02	Zambian Kwacha	26.73	-1.61	-19.19

# PRIVATE EQUITY FUNDS & DEALS

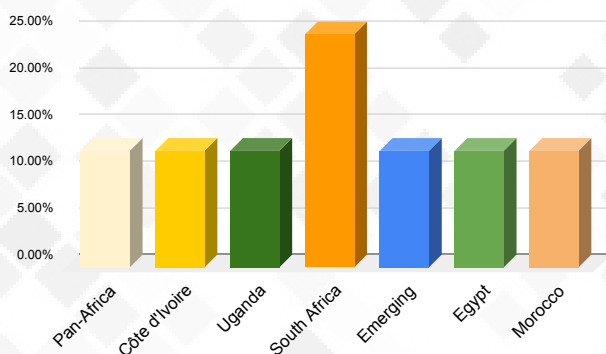
(as of the end of September 2024)

## DEALS

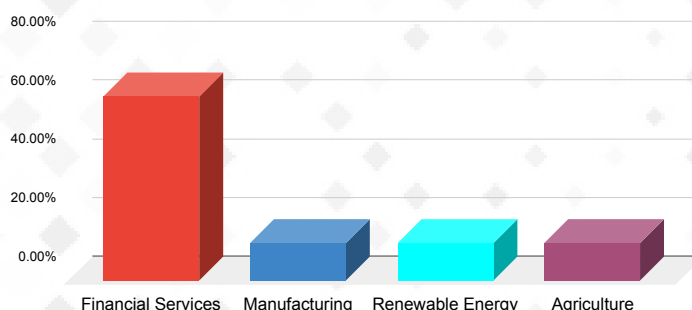
For more information on each transaction, visit Africa Global Funds's website

Company	Investment	Industry	Country	Deal Type	Deal Value
AFG Holding SA	Access Microfinance Holding, Access Bank Liberia; AccèsBanque Madagascar; AB Microfinance Bank Nigeria; AB Rwanda; and AB Bank Zambia	Financial Services	Pan-Africa	Buyout	Undisclosed
AXIAN Investment	WiASSUR	Financial Services	Côte d'Ivoire	Growth Capital	Undisclosed
Goodwell Investments	Agent Banking Company of Uganda	Financial Services	Uganda	Growth Capital	Undisclosed
Metier	Mertech Marine	Manufacturing	South Africa	Growth Capital	Undisclosed
Mirova	SolarAfrica	Renewable Energy	South Africa	Growth Capital	\$15m
Prosper Africa	ImpactA Global	Financial Services	Emerging Markets		\$5m
SPE Capital, the European Bank for Reconstruction and Development, Tanmiya Capital Ventures (TCV), British International Investment	Tamweely Microfinance	Financial Services	Egypt	Buyout	Undisclosed
Vantage Capital	Société de Production Maraîchère Samir	Agriculture	Morocco	Mezzanine	€14m

## DEALS BY COUNTRY



## DEALS BY INDUSTRY



## FUNDRAISING

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

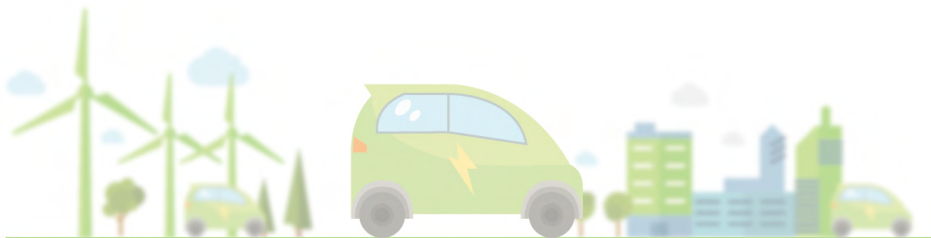
## EXITS

Company	Divestment	Industry	Geography	Buyer (s)	Nature of exit
Ayady for Investment & Development // NI Capital Holding for Financial Investments // Post for Investment Company	Tamweely Microfinance	Financial Services	Egypt	SPE Capital, the European Bank for Reconstruction and Development, Tanmiya Capital Ventures (TCV), British International Investment	Secondary Buyout

Source: AGF

# E-MOBILITY: A LUCRATIVE OPPORTUNITY FOR AFRICA'S IMPACT INVESTORS

By Yuma Sasaki, Founder and CEO of Dodai, an e-mobility firm in Addis Ababa



The average age of a vehicle in Ethiopia is 20 years. In Rwanda, the average age of a taxi is 24 and 74% of imported cars are more than a decade old. Similar numbers can be seen in other East African markets such as Kenya, Uganda, and across the entire continent.

The nature of Africa's collective automobile fleet - which overwhelmingly consists of aged, high-polluting vehicles - is a major challenge for a continent that is keen to play a leading role in the world's battle against climate change, and which aims to be on the forefront of the green technologies of the future.

Authorities such as the United Nations Environment Programme (UNEP) have long warned of the risks. "Over the years, as demand for affordable, second-hand cars has grown in developing countries, we have seen an increase in the export of polluting, outdated vehicles from developed countries," the UNEP's head of sustainable mobility noted in 2021. "If we want the global fleet to go electric, this problem needs to be tackled."

While EV adoption in Africa has been slower compared to other regions, there are signs of change. Several African governments, such as South Africa, Morocco, and Kenya are taking proactive and ambitious steps to phase out old, environmentally damaging petrol and diesel-fuelled vehicles and replace them with more sustainable alternatives.

In doing so, these governments are helping not only to improve environmental standards in their countries, but also creating significant opportunities for impact investors interested in driving the transition to e-mobility - an industry that is rapidly growing and full of promise.

However, Ethiopia's recent policy changes make it a standout case in the region. In January this year, Ethiopia's transport ministry banned the import of all petrol and diesel vehicles, making Ethiopia the first country in the world to take this crucial step. Meanwhile, the finance ministry has also introduced major tax incentives to encourage the mass use of electric alternatives. Indeed, there is now 0% import duty for electric vehicles (EVs) - compared to up to 300% for fuel-powered vehicles.

Ethiopia is a particularly exciting market for EVs because of the country's status as a world-leading hub for renewable energy. More

than 90% of Ethiopia's energy supply comes from hydropower, which means there is an abundance of cheap electricity for consumers and businesses. This means that EVs can be significantly cheaper for consumers to operate than traditional fuel vehicles - up to 95% cheaper in some cases.

Partly because of this, there are already more than 100,000 EVs on the road in Ethiopia, and the government expects that this number will more than quadruple by 2032. This massive proliferation of EVs is a major opportunity for Africa-focused impact investors, particularly given that - at least for now - Ethiopia holds a unique position as a blue ocean for this emerging technology.

Looking more broadly, it is clear that the Ethiopian government is taking radical steps to liberalize the economy and attract foreign investment into strategic sectors, such as e-mobility. The authorities have recently opened up sectors like finance and telecommunications to foreign competition for the first time, established a national stock exchange, while in July, the Ethiopian government decided to float the Ethiopian birr.

These trends demonstrate the government's commitment to liberalization and making Ethiopia as lucrative as possible for foreign investors keen to gain early exposure to a market that is set for rapid growth in the years ahead.

Ethiopia is a country that is full of economic potential. With an average age of 19 and an GDP growth rate north of 7%, the macroeconomic fundamentals are looking promising. And the future is particularly bright for the country's e-mobility sector, behind which the government is throwing considerable support as it seeks to fulfill its bold goals for strong and sustainable economic growth.

Impact investors not only have the chance to earn substantial returns but also to play a key role in solving some of Africa's pressing challenges, such as reducing carbon emissions and improving access to affordable transportation. By investing in e-mobility, they can help transform urban mobility, create jobs, and support the continent's sustainable development goals.

Impact investors can help African countries like Ethiopia harness the social, economic, and environmental benefits of e-mobility, such as cleaner air, quieter streets, and affordable transportation. Furthermore, the growth of the e-mobility industry across the continent suggests that investors can secure strong returns while supporting Africa's sustainable development goals.

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