
I&P Développement 2 IPDEV 2

*Building investment
capacity in Africa*

September 2020

IPDEV 2, SPONSORING AFRICAN IMPACT FUND MANAGERS

IPDEV 2 partners with first-time investment teams and provides them with catalytic capital and technical support to launch successfully and invest in **early-stage African small and medium-sized enterprises**.

To date, IPDEV 2 has launched 5 funds and plans to expand its network to include **10 African impact funds in the coming five years**. Over time, IPDEV 2 aims to finance up to 500 SMEs and thus help create up to 15,000 jobs in Africa.

- ➔ **INVESTMENT CAPACITY**..... € 24M
- ➔ **SUBVENTIONS** € 21M
- ➔ **CLOSING** July 2018
- ➔ **GEOGRAPHY** Sub-Saharan Africa and Indian Ocean
- ➔ **STRUCTURE**..... Evergreen investment company
- ➔ **ACTIVE FUNDS**..... 5
- ➔ **INVESTMENT TICKETS** €50,000 - €500,000

LONG TERM IMPACT OBJECTIVES



10

African funds



500+

SMEs financed



15 000

jobs created
or maintained



TERANGA CAPITAL
PARTENAIRE D'IIIP

Senegal

2016

SINERGI
PARTENAIRE D'IIIP

Burkina Faso

2016

COMOÉ CAPITAL
PARTENAIRE D'IIIP

Côte d'Ivoire

2018



SINERGI
PARTENAIRE D'IIIP

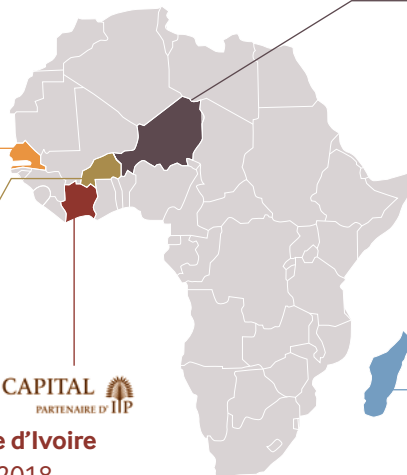
Niger

2006

MIARAKAP
PARTENAIRE D'IIIP

Madagascar

2018



An Investisseurs & Partenaires (I&P) initiative

Investisseurs & Partenaires is an impact investing group dedicated to supporting small and medium-sized companies in Sub-Saharan Africa. I&P manages and advises several funds and programs that address the needs of African SMEs according to their size. Acceleration programs are designed for young and very small businesses, while more structured SMEs benefit from capital financing.

Created in 2002 by Patrice Hoppenot and managed by Jean-Michel Severino since 2011, the team is made up of about **80 people based in 8 African countries** (Burkina Faso, Cameroon, Côte d'Ivoire, Ghana, Kenya, Madagascar, Niger and Senegal), as well as in Paris and Washington D.C.

Unlocking Africa's job creation potential

By 2050, Africa is expected to see 450 million people enter the job market, while only 220 million jobs are anticipated to be available. Accelerating job creation requires a focus on startups and SMEs: this is key to ensuring the sustainable development and political stability of the continent.

Most African SMEs are still in the early-stages of development and require between 50,000 and 500,000 EUR in funding in order to thrive. Yet very few investors are able to provide the financing and managerial support needed to help these early stage businesses get established.

Fostering the growth of these early-stage SMEs, Africa's future job creators, requires the **emergence of new impact fund managers** who can leverage local capital and build innovative models that offer a financing adapted to the needs of African SMEs.

FOCUS: A BLENDED FINANCE PROGRAM

€24 million in capital

IPDEV 2 raised patient capital as an evergreen company to roll out its long-term program and provide anchor investments of € 1M to € 2M to 10 African impact funds..

OPEN SOCIETY
FOUNDATIONS

 ceniARTH

AHL VENTURE
PARTNERS



PROPARCO
GROUPE AGENCE FRANÇAISE DE DÉVELOPPEMENT



BNP PARIBAS



€21 million in grants

IPDEV 2 has designed and secured a € 4M grant program to address the key challenges of early-stage investing and to scale its impact via seed funding, investment-readiness, capacity-building and peer learning.

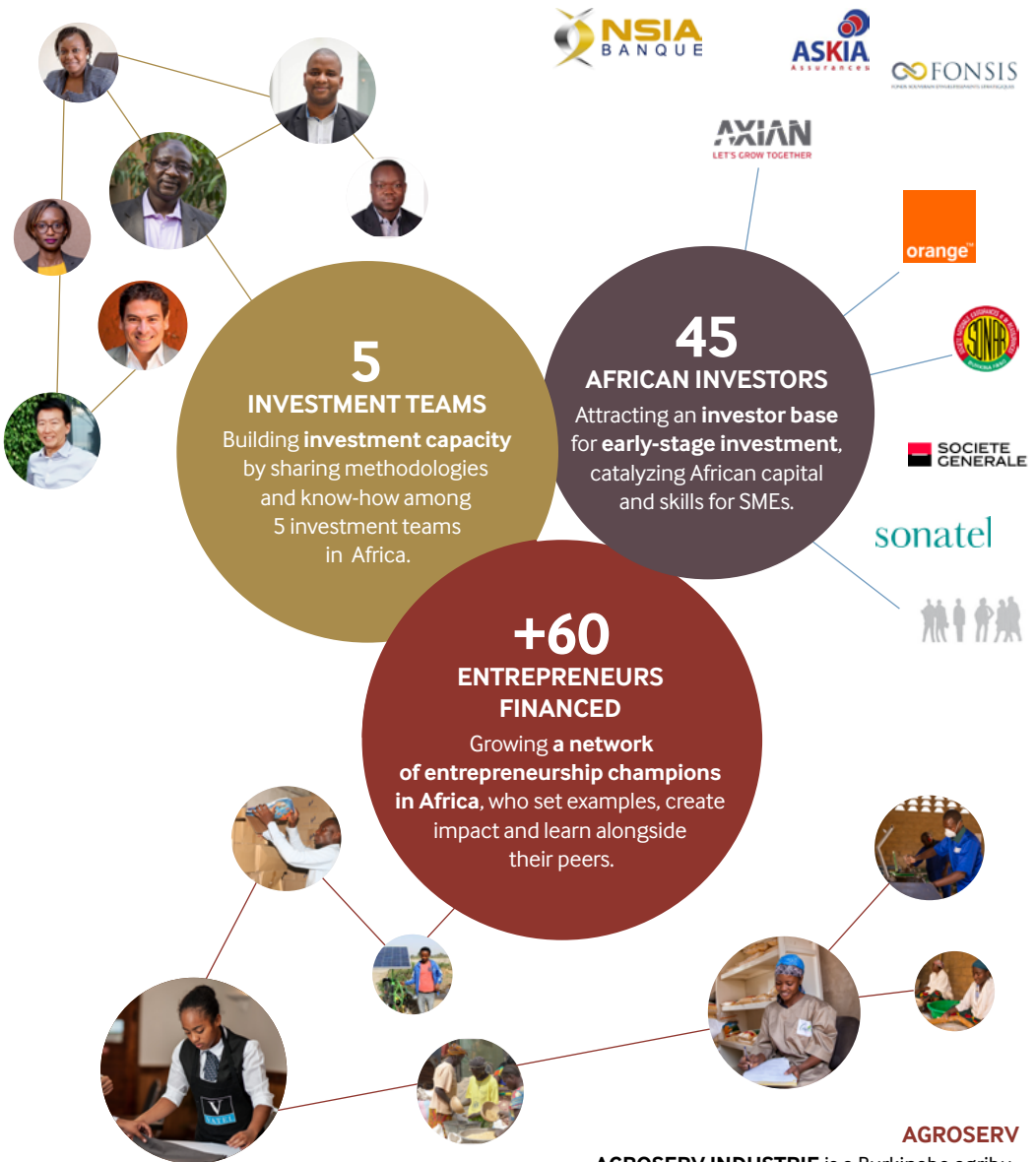


 Gouvernement Princier
PRINCIPAUTÉ DE MONACO

argidius



IPDEV 2 today: a growing ecosystem



VATEL

VATEL is a higher education school of Tourism and Hotel Management, a subsidiary of the Vatel group, created in 2014 by Falihero Ramakavelo and his wife Hanitra Ramakavelo. Vatel provides a Bachelor's level training in 3 years, and since 2018 a Master's level training (Bac+5) in 2 years, including a final year of specialization in Ecotourism

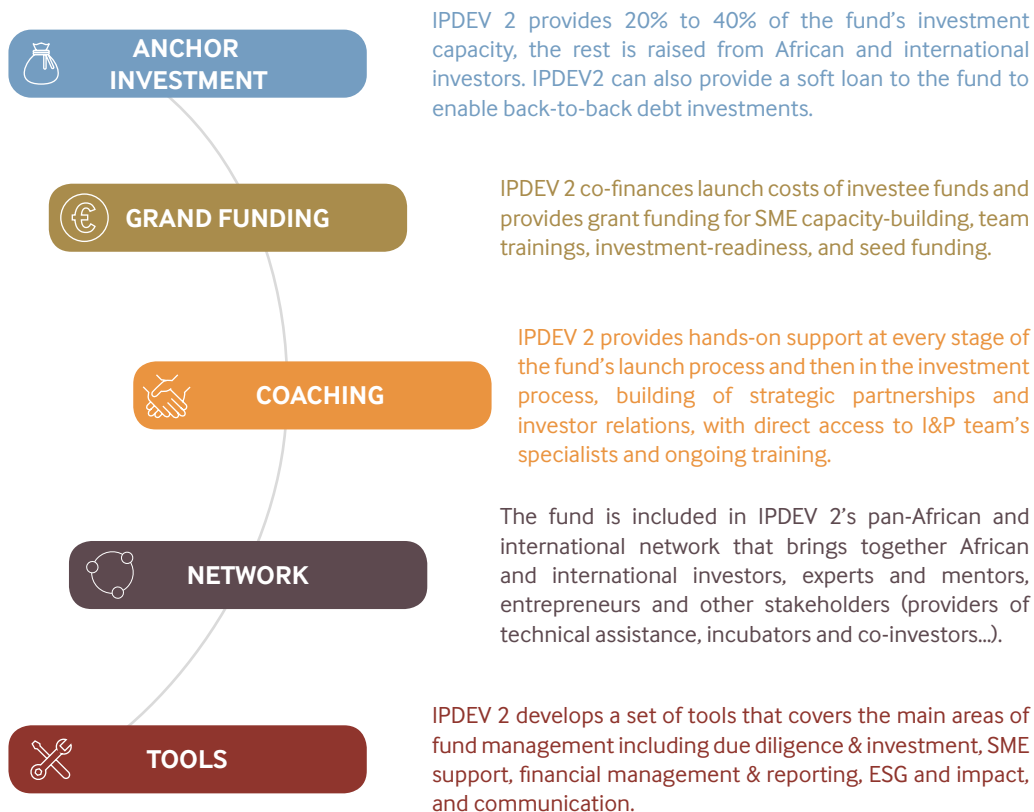
AGROSERV

AGROSERV INDUSTRIE is a Burkinabe agribusiness that processes locally-sourced maize into flour and gritz for households and industry. The company is developing an irrigation-fed out-grower network and introducing high-quality maize flour on the market as a substitute for imported wheat flour.

IPDEV 2's approach to sponsoring African fund managers

IPDEV 2 is building the first community of African impact fund managers dedicated to early-stage and small growing businesses. IPDEV 2 sponsors each impact fund manager via an in-depth partnership designed to launch their activities and address their main challenges by providing a wide range of support, including anchor investment, grants, coaching and a network of African and international mentors, investors and entrepreneurs.

The network of fund managers is a community through which **fund managers share values, experiences and a common goal of growing early-stage SMEs**. It provides continuous capacity-building and peer learning opportunities to enable members to improve their practices and increase their overall impact.



FOCUS: SEED FINANCING, A TOOL DESIGNED FOR SMALLER BUSINESSES

I&P has been developing acceleration programs for several years with the support of major donors, with the aim of scaling up small and young businesses. These programs most often thematic (technology, the Sahel) and are based on a proven methodology, using seed funding, strategic support provided by an investor and technical assistance missions implemented by external consultants.

I&P Acceleration in Sahel is the newest and largest of these acceleration programs. Financed by the European Union through the EU Emergency Trust Fund for Africa, this €15.5 million program will give some 300 companies access to the financing and skills needed to foster their development, thus promoting the creation of decent and sustainable jobs in the Sahel region. More information: www.ietp.com

An impactful portfolio



100%

of SMEs are founded and managed by African entrepreneurs



100%

of SMEs operate in Least Developed Countries and/or Fragile Countries



80%

of SMEs improve local access to goods or services that fulfill essential needs and address the SDGs



7 000

people impacted by the income paid to employees

Promoting ESG and impact best practices

FORMALIZATION

- Pushing forward full **job formalization**
- Promoting access to **health insurance** for employees

GENDER

- Promoting **women's access to decent jobs and leadership positions**
- Developing the pipeline of **women-impact SMEs**

ENVIRONMENT

- Strong commitments with agribusiness companies to respect **biodiversity and soil preservation**
- Encouraging **energy-efficiency and renewable energy initiatives**

GOVERNANCE

- Promoting good governance **at the African fund level** (board of directors, investment committee, ESG coordinator)
- **At the SME level** (board of directors reporting, etc.)

🔍 FOCUS: IPDEV 2'S CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

Our impact strategy is aligned with the the United Nations Sustainable Development Goals (SDGs):

AT THE FUND LEVEL

IPDEV 2's overarching goals:



AT PORTFOLIO LEVEL

IPDEV 2 targets cross-cutting issues (health, gender, environment, etc.) that concern all portfolio companies



AT COMPANY LEVEL

The African funds sponsored by IPDEV 2 target SDG-aligned companies, notably in the following sectors: Food and agriculture, education, water and energy

