
I&P Afrique Entrepreneurs

*Combining performance
and impact*

July 2020

About Investisseurs & Partenaires

Investisseurs & Partenaires (I&P) is an impact investing group dedicated to supporting small and medium-sized companies in Sub-Saharan Africa.

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.

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.



I&P Afrique Entrepreneurs: Promoting African entrepreneurship

The I&P Afrique Entrepreneurs funds (IPAE 1 and its successor fund IPAE 2) target **formal SMEs and start-ups operating in Sub-Saharan Africa and the Indian Ocean**. These generalist funds provide companies with equity investment and strategic support. Their objective: to **promote the emergence of a new generation of African entrepreneurs** while seeking to generate both financial profit and social impact.

I&P Afrique Entrepreneurs 1 (IPAE 1)

- **Calendar** 2012-2022
- **Status** Divestment
- **Size** €54 million
- **Portfolio** 29 SMEs
- **Tickets** €300,000 - €1.5 million

I&P Afrique Entrepreneurs 2 (IPAE 2)

- **Calendar** 2017-2027
- **Status** In the course of investment
- **Size** €92 million
- **Portfolio** 30-40 (target)
- **Tickets** €300,000 - €3 million

A DIVERSE RANGE OF INVESTORS

Institutional and public investors



Private investors, individuals, family offices



IPAE 1 and IPAE 2's portfolios

35 companies in
portfolio

13 Sub-Saharan
African countries

10 Business
sectors

CLINIQUE PROCRÉA



© Bechir Malum

Country Côte d'Ivoire

Sector Health

Entrepreneur Myriam Kadio-Morokro Brou

Fund IPAE 2

In portfolio since 2018

The medical-surgical clinic PROCRÉA, based in Abidjan, began operation in 2008. It specializes in the field of reproductive health and is the leader in Côte d'Ivoire in Assisted Reproductive Health Care (AMP), a technique that treats people with infertility issues and helps them to achieve parenthood. PROCRÉA also provides mother-child care, including obstetrical gynecology, neonatology (newborn care), and pediatrics.

AMI



© AMI

Country Kenya, pan-African

Sector Education, Training

Entrepreneur Jonathan, Cook, Rebecca Harrison

Fund IPAE 2

In portfolio since 2018

Launched in 2014, the African Management Institute (AMI) provides formalized training to empower managers and entrepreneurs. AMI has developed over 45 practical business modules with Africa's leading business schools and global experts on adult learning. AMI's training strategy and programs are based on a blended offer of both online material and in-person workshops with experts in their field.

TRIANON HOMES



© Yvan Gabon Pictures

Country Gabon

Sector BTP

Entrepreneur Folly Koussawo

Fund IPAE 1

In portfolio since 2014

Trianon BTP Gabon is a construction company created in 2012 by a young team of Gabonese professionals who studied and trained in France. Trianon has boldly positioned itself to fill a gap in the local construction market: as a small-sized company, it has the agility to tailor medium-size jobs to its clients while providing high service standards that rival those of the largest contractors.



A multi-dimensional partnership

I&P brings its finance and management expertise to its active partnership with the entrepreneur.

I&P puts the entrepreneur at the heart of its approach and strives to build a long-term relationship of trust with him or her. Our assistance is built around four key areas of support:

1

FINANCING

Through an **equity investment** as a minority shareholder, in equity or quasi-equity.

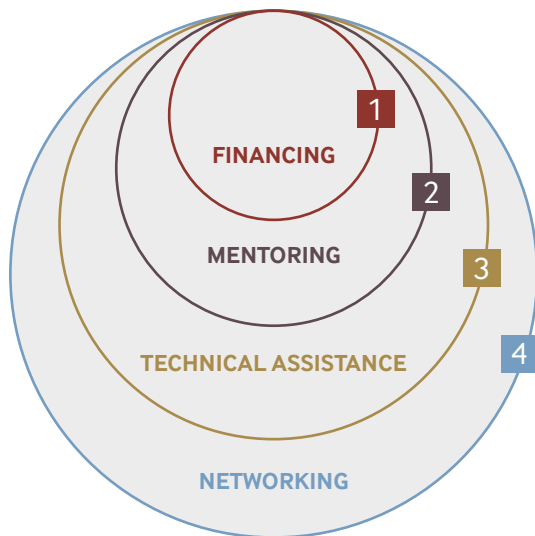
The shareholding is operated through a capital increase on the basis of a mutually agreed upon valuation, with an investment amount that ranges **between €300,000 and 3 million**.

2

STRATEGIC AND MANAGEMENT MENTORING

Before the investment, I&P conducts a thorough analysis of the company to define the strategic components of the partnership.

During the investment period, I&P is actively involved in **charting and developing the company's business strategy** by serving on its Board and by implementing management tools developed in conjunction with the entrepreneur.



3

TECHNICAL ASSISTANCE

Technical assistance resources are raised from investors and donors and **invested in skills development, knowledge transfer and training** of entrepreneurs and their teams.

4

NETWORKING

I&P promotes participation of its partner companies in **professional organizations**, gives them visibility and communication opportunities and provides them the opportunity to be part of the **African Club of Entrepreneurs**, a club of business leaders selected for their commitment and professionalism.



Eden Tree © Béchir Malum

Our investee profile

- **Locally founded or managed** by Sub-Saharan entrepreneurs
- Within the **formal economy**
- Creating **local-added value**
- Maintaining a **leading position** in their market
- Operating in **various business sectors** (health, agriculture, agribusiness, construction, distribution, services, microfinance, etc.)

Our investment and exit process

The project lifetime follows **5 main steps** within the framework of the investment process. The diagram below offers a template for the process, with approximative timing.

A shareholders' agreement, signed by I&P and the entrepreneur, states the conditions of governance and share transfer.



EXIT SCENARIOS

As a minority investor, IPAE primarily targets **exit options aligned with the entrepreneur's vision and the ESG & impact action plan implemented** during the partnership. There are several possible options: buy-out by the entrepreneur, buy-out by a strategic partner, joint sale to a group or company with a strategic interest in the sector, transfer to another investment fund...

The exit process is **at an advanced stage for the IPAE 1 fund**, which is currently in the divestment phase. The fund has made about ten exits to date.

A tailored ESG/Impact approach for each company

We endeavor to develop a “win-win” situation while creating social and financial value for the company.

Our approach is based on a rigorous methodology which takes into account ESG (environmental, social and governance) risks and opportunities throughout the investment cycle with the intention of building responsible and sustainable growth on the African continent.

For instance, we aim at **setting up energy efficient systems** in order to reduce production costs as well as our carbon footprint. We are committed to improving **work conditions for employees** (health coverage, work safety, etc.)



Trianon Homes © Yvan Gabon Pictures

SETTING UP AN ESG & IMPACT ACTION PLAN

We build an ESG/impact action plan together with the entrepreneur. This action plan defines a number of areas for improvement throughout the investment period and beyond.

In order to evaluate the impacts, we **annually collect a number of economic, social, environmental and governance indicators** that enable us to define areas for improvement across the investment portfolio. These indicators are presented to our investors within the framework of an annual ESG and impact report.

Our main impact goals

Our impact strategy revolves around **six fundamental pillars**, which refer to the framework established by the United Nations Sustainable Development Goals (SDGs):

→ ENTREPRENEURSHIP

Accompanying the emergence of a new generation of African entrepreneurs, particularly in Fragile and Least Developed Countries.

→ EMPLOYMENT

Creating decent jobs and training opportunities.

→ ENVIRONMENT

Promoting sustainable growth and developing innovative energy solutions.

→ GENDER

Promoting gender equality in African SMEs: leadership, governance, employees.

→ LOCAL ECONOMIC FABRIC

Creating opportunities for local suppliers and distributors.

→ ACCESS

Meeting unmet demand for essential goods and services

Main
SDGs
involved

