



Press Release  
October 28, 2024

## **I&P announces the launch of FASA, a groundbreaking international initiative to finance agri-SMEs in Africa**

Investisseurs & Partenaires (I&P) is proud to announce its role as fund manager for the newly launched FASA (Financing for Agricultural SMEs in Africa), a multi-donor fund designed to support small and medium-sized agricultural enterprises across Africa. Targeting investment funds focused on agri-SMEs, FASA addresses the substantial financing gap faced by this essential sector for Africa's development..

### **An ambitious initiative to finance agri-SMEs in Africa**

African agri-food SMEs play a fundamental role: they support 95% of smallholder farmers, handle over 60% of all food production and trade and create 70% of formal employment in food systems<sup>1</sup>. These SMEs are the driving force behind the transformation of agricultural and food systems on the continent, but face a financing gap estimated at \$100 billion, hampering their ability to develop sustainably and innovate<sup>2</sup>.

**FASA aims to address this gap with an ambitious, targeted approach.** Operating as a **fund of funds**, FASA's mission is to finance and empower investment funds dedicated to agricultural SMEs across Africa. By leveraging FASA's catalytic capital, the funds will attract additional investment, **broadening financial access for a larger number of SMEs**. FASA also supports the funds to strengthen **their gender and climate-lens** throughout their investment cycle and fund structuring

*"FASA will unlock hundreds of millions of dollars more in financing for agri-SMEs by reducing the risk of investing in agriculture. Ultimately, the fund could support 1,000 agri-SMEs, create and maintain over 70,000 jobs, and benefit over one million smallholder farmers over ten years"* says Anne Beathe Kristiansen Tvinnereim, Norwegian Minister of International Development.

*"A Fund of funds is a highly impactful vehicle, not only to unlock capital but also to strengthen the ecosystem of Africa-based fund managers, providing them with the capital and support they need to scale. FASA will be providing catalytic capital which is exactly what the agri-SME finance sector requires"* adds Jérémy Hajdenberg, co-CEO of I&P.

### **A multi-donor fund managed by I&P**

FASA was initiated by Norway and the United States through the United States Agency for International Development (USAID), with the goal of **mobilizing \$200 million** in total commitments.

Investisseurs & Partenaires (I&P) has been selected, after a competitive process, to manage the FASA fund. As a pioneering impact investment group dedicated to financing and supporting African entrepreneurs, I&P brings **extensive fund management experience, especially in the agriculture and food systems sectors**. With over 20 years' experience, I&P has supported 25 African funds and over 100 SMEs in various agricultural value chains, building a solid foundation across 15 African markets.

I&P is partnering with the **CGIAR Hub for Sustainable Finance (ImpactSF)** as the Agriculture and Climate partner, and with **Small Foundation**, which will support FASA's learning agenda.

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<sup>1</sup> Source: ISF Advisors, "Landscape mapping and market sizing of agri-SME financial service providers in s-Saharan Africa", 2023

<sup>2</sup> Source: USAID, "Bridging the gap: financing Africa's agricultural growth", 2023

To date, **the United Kingdom and the Republic of Korea have joined the initiative** with financial commitments, including an initial contribution of \$9 million from the UK. These contributions add to the \$70 million provided by USAID and the Norwegian government, bringing FASA closer to its target of \$200 million in multi-donor funding.

In the years to come, FASA will play a transformative role in Africa's agricultural sector, providing investment funds and their agri-SME portfolios with the capital and tools they need to innovate, grow, and strengthen food security across the continent.

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### **Find out more**

FASA website: [www.fasafund.com](http://www.fasafund.com)

I&P: [www.ietp.com](http://www.ietp.com)

CGIAR Hub for Sustainable Finance: <https://alliancebioiversityciat.org/cgiar-hub-sustainable-finance-impactsf>

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