



I&P Afrique Entrepreneurs 1

Annual ESG and Impact Report

March 2022

Foreword

2022 is a special year for us, as it marks the twentieth anniversary since the creation of I&P. These 20 years of funding and advocating for African entrepreneurship have constantly strengthened our convictions about the importance of relying on a responsible private sector to contribute to Africa's development. The covid crisis together with the current geopolitical tensions further confirm the need to reinforce the autonomy of the African continent by strengthening local production. At I&P, we are convinced that Small and Medium-Sized businesses are key players for inclusive growth.

In 2021, and despite a difficult economic context still marked by the covid crisis, we have maintained and reinforced our commitment to African entrepreneurship.

More than ever, IPAE1 has proven to be a useful and impactful vehicle to address the challenges of our times. The purpose of impact investing is to create economic and human prosperity where markets don't work, where investors usually don't go because it's too difficult, too costly, too risky – while of course seeking financial returns. During times of crisis, it becomes even more important, both in supporting African entrepreneurs and in advocating for their cause in African public policy.



Sébastien BOYÉ
Co-CEO



Jérémy Hajdenberg
Co-CEO

A word from the team

From a « Nice to have » to a “must have”

Ten years ago, ESG was considered as a “bonus”. Only few investors had integrated environmental, social and governance dimensions into their due diligence process and the monitoring of their investees.

Over the years, institutions began to establish ESG criteria and made it a matter of compliance. Each investment fund now is required to have its own ESG policy. Each must assess its investees' working conditions, and compliance with social and environmental laws. ESG has become a “must have” and not a “nice to have” anymore. However, the methodology and consideration of ESG remain confined to the identification of risks, and management of those risks.

From ESG to Impact

How about doing beyond what is mandatory, beyond managing risk and towards creating Impact?

If I were to give my own definition, to me it means inducing a progression. Inducing is succeeding in leading or persuading others to do something. Progression is an improvement, a development, a growth. For example: selling a solar home system to a mofogasy (a Malagasy bread seller), via a pay-as-you-go system, to induce a progression of her income and livelihood. She will be able to open her store earlier in the morning and later in the evening, hence attract more customers.

This progression has to be measured, in order to know its amplitude in one hand, and in one another hand, to demonstrate the causality link, but above all, to do better.

And finally, we have to communicate this Impact, in order to allow the dissemination of the practice, to let people know that is possible, and ideally, to be copied and to be overtaken, for the good of all.



Mialy RANAIVOSON
Investment Director, Madagascar

IPAE's main results in 2021

ENTREPRENEURS



- **88%** of our partner entrepreneurs are rooted in Africa for the long term
- **16%** are led by African women
- **96%** of companies would not have been able to carry out their investment project without IPAE's funding or would have done so at a smaller scale
- **€1.5 raised for each €1 invested** by IPAE

IPAE 1 SMEs

- **Over 500 suppliers** have contracted with IPAE companies
- **72% of suppliers are local**
- Over **5,500 small producers** reached

LOCAL ECONOMIC FABRIC



JOBS



- **5,631 jobs** maintained or created since 2012
- **32,430 household members** impacted
- **71% direct employment growth** since IPAE's investment
- **100%** of our companies provide health insurance

- **89%** of our partner companies address local needs
- **61%** of our partner companies provide goods or services that address **essential needs and contribute to the new SDGs**

ACCESS



Environment

48%

of our partner companies implement "green" projects

Social

42%

of women employees in our portfolio

Governance

€7,2M

in taxes paid to the authorities in 2021



01. Impact thesis and methodology

02. Impact management in 2021

Portfolio overview

Implementing ESG action plans

Measuring impacts on local stakeholders

Enhancing outreach & impact with advocacy

Overview

Investisseurs & Partenaires (I&P) is a **pioneering impact investment group entirely dedicated to financing and supporting small and medium-sized enterprises (SMEs) and start-ups in Sub-Saharan Africa**. Launched in 2002, I&P has developed four complementary business models to provide SMEs the necessary financing and skills to succeed and grow. As an impact investor, I&P has a dual objective of financial return and impact.



A team of **130** people

- A committed team, spread over **10 African sites**: Burkina Faso, Cameroon, Ivory Coast, Ghana, Kenya, Madagascar, Mali, Niger, Uganda and Senegal, as well as in **France** and the **United States**.
- I&P and its partner funds have raised **€400+ million** from African and international investors



4 pillars of activity

- **3 pillars dedicated to SME funding and support**, segmented according to the size and maturity of the companies: I&P Acceleration, I&P Development and **I&P Expansion**.
- **1 pillar "I&P Ecosystems"**, which aims to develop an environment conducive to SMEs and strengthen the skills of the players in the ecosystem



200+ partner companies

- **130** capital-funded companies and **80** companies benefiting from acceleration programs
- Financing needs ranging **from €10,000 to €5 million**
- Based or operating in **some 20 Sub-Saharan African countries**

IPAE 1 is part of I&P Expansion's line of business:

○ Calendar	2012-2017 (closed)
○ Size	€54 million
○ Tickets	From €300 000 to €1.5 million
○ Portfolio	29 companies
○ Sectors	General (all sectors)
○ Geography	Sub-Saharan Africa
○ Fund life	Close end, 10-year tenure

Mission

Our commitments to the development and growth of African economies

I&P was created to contribute to alleviating poverty in a unique and original way: through **promoting SMEs and start-ups in Africa**. The rationale is that small businesses are one of the key drivers of increased productivity, formal decent employment and access to key goods and services improving people's lives in African societies. African entrepreneurs also transform the culture, the mindset and the structure of African societies. We believe in their ability to generate both a positive financial return and social and environmental impacts.

As documented in this report, formal SMEs pay taxes, which contribute to social expenditures and the provision of public services, which in turn strengthens the national social contract. Formal jobs also have significant benefits for employees, who can access lending, housing, health care and many other social and economic services that can dramatically improve their lives.

Our report also demonstrates **the magnitude of the impacts IPAE1 businesses have on their clients**, who benefit from the goods and services our partner companies provide. They also directly influence their suppliers. In sectors like agribusiness, thousands of smallholder farmers are positively impacted by the SMEs IPAE1 supports. IPAE1 SMEs also help shape the financial sector through their relationships with banks and their shareholders. Through their boards and management, a new form of governance is being introduced into the African economy. The ESG support that IPAE1 provides to our partner companies helps maximize this whole range of impacts, which include benefits such as employer-provided/subsidized health care for employees and their families.

I&P was born from the idea that equity investment, and technical support can efficiently help entrepreneurs to grow their businesses from the earliest stages of their development. **Our mission is to address the “missing middle”**, those SMEs that, given their small size, do not have access to international investors and banks but whose financing needs are also too great to qualify for microfinancing. We help move SMEs into the formal financial economy of their country. We are convinced that this support allows them to improve their financial performance while improving their social and environmental practices.

Additionality and sustainability are key concepts for IPAE1. Not only do we operate in particularly vulnerable countries which are largely underserved by other investors, but within these countries, we then target those SMEs that are suffering most from a lack of financing. IPAE 1 is helping to develop a SME eco-system that would not have been possible without our funding. However, we are also deeply aware of the negative externalities generated by the economic activity involved. Therefore, as often as possible we support businesses that provide direct environmental and social services. We also help reduce CO2 emissions, limit and manage waste and combat biodiversity loss.



Addressing the ‘missing middle’ in Africa

Private equity: a proven response to the growth needs of SMEs



Why promoting and growing SMEs matters

SMEs appear as solution to many development challenges in Africa as they :

- **Create decent and stable jobs** that offer higher wages than in the informal sector (50% to 60% higher according to data from Ghana and Tanzania)
- **Offer well above-average growth potential** (15% per year on average for IPAE1 portfolio companies)
- **Build and structure the local economic fabrics.** SMEs tend to obtain their supplies locally, unlike multinationals, which tend to rely on international networks.
- **Improve access to useful goods and services for domestic markets** and the BOP (such as water, healthcare, housing and education). African SMEs tend to be predominantly focused on domestic markets, thus filling these gaps.

Private equity: a new solution for Africa SMEs

Equity investors such as IPAE can effectively meet most of the needs of African SMEs:

- ① **Personalized long-term risk finance:** private equity investors can provide long-term equity and quasi-equity finance, often without asset-based collateral
- ② **Accessing skills:** the investor provides individualized management support to the investees in various areas of expertise (strategy, accounting, financial management...)
- ③ **Improving governance:** the investor structures the governance of the companies and improves management standards
- ④ **Catalyzing effect:** the presence of an investor facilitates bank financing

Investing in sub-Saharan Africa

A dynamic yet challenging region

COVID19 crisis and its consequences

- African countries have been hard hit by the COVID-19 pandemic, with activity in the region shrinking by an estimated **3.7%** in 2020 (World Bank).
- The hardest hit countries were those with **large domestic outbreaks**, those heavily **dependent on travel and tourism**. As well as **commodity exporters**, particularly of oil.
- There was also an increase of government debt to **70%** of GDP in 2020. As economic activity and government revenues sharply fell while pandemic related spending rose appreciably.

Economic recovery ahead

- **Growth has been revised upward to reach a level of 3.7 in 2021**, which is 0.1 percentage points higher than previously projected.
- The enactment of the **African Continental Free Trade Area (AfCFTA)** is the larger free trade area in the world, with a market of 1.2 billion of customers for a GDP around \$2500 billion. By 2035 the total export volume could increase by 29%, with an increase of intra-continental exportation of 81%, creating new opportunities for African manufacturers and employees, and bringing 30 million people out of extreme poverty (WB).

A strong entrepreneurial spirit

- A 2015 Approved Index study ranked Africa among **the top of the entrepreneurship chart**.
- **26% of sub-Saharan African women are actively involved in entrepreneurship**, making Africa the leading continent for women entrepreneurship (Rolland Berger).

Still many development challenges

- Africa's recent high economic growth rates **have not been accompanied by high job growth rates**. Between 2000 and 2008, employment grew at an annual average of 2.8%, roughly half the rate of economic growth. Hence the importance of financing SMEs that have a greater potential for job creation.
- **African SMEs suffer from very limited access to the formal financial sector**: more than 21% of SMEs cite access to finance as the major factor limiting their growth (WBES, 2019).
- **Africa is particularly vulnerable to climate change** because it is exposed to damaging climate risks including extreme droughts, flooding and storms. The continent also has low adaptive capacity making it particularly vulnerable.

In such a context, I&P capitalizes on its knowledge in the field and on its 20 years of impact investing in these countries.

This enables it to fulfill its mission to invest in these fragile countries by managing the risks involved as effectively as possible.

82%

of IPAE1 investments are operating in Least Developed Countries or Fragile Countries.

These designations are established by the United Nations and the World Bank, respectively.

Recovery amid ongoing uncertainty

Sub-Saharan Africa has been hard hit by the COVID-19 pandemic, with activity in the region shrinking by 1.7% in 2020. There was also a step-change in government indebtedness in 2020, as economic activity and government revenues sharply fell while pandemic related spending rose appreciably. Mostly with the combination of the **disruption of China related supply chains, the collapse of the export market towards Asia and Europe, and the unprecedented drop in oil and key mineral prices**. Moreover, **remittance inflows dropped** by about 7% to reach 78.3 \$ billions in 2020. Whereas, remittances are the main source of external financial contribution in Africa.

Economic activity in Sub-Saharan Africa has been recovering slowly with an **upward revised economic growth by 3.7% in 2021**. Nonetheless, SSA is still very vulnerable given the **low vaccine coverage at 3%** of the population compared to more than 60% for emerging and developed countries..

Impact of the covid-19 crisis on our activities

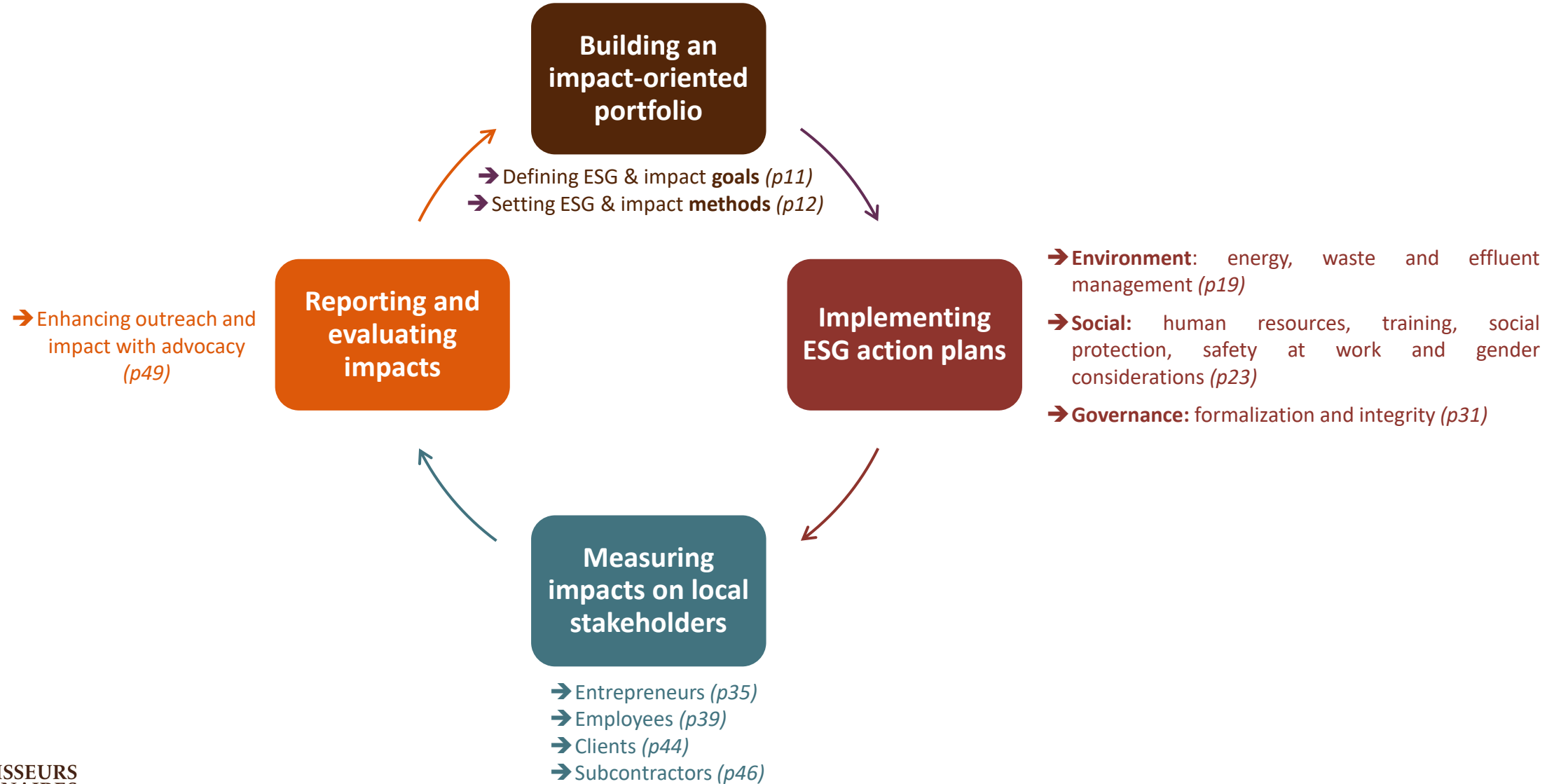
- ➔ **Keeping a cautious approach towards exits:** the pandemic has notably put a high pressure on the promoters to respect the commitments defined in IPAE1's exit agreements. Repayments and negotiations have resumed, thanks to the promoters' resilience, and the outlook on the portfolio is encouraging: out of 8 committed exits, 3 have been fully realized.
- ➔ **Continued support to SMEs:** throughout the covid crisis, the IPAE 1 team has tried to tailor its support to the needs of partner companies, be it in terms of exploring funding opportunities to adjust the business model, or in terms of improving Business Continuity procedures through technical assistance for example. That support extends to companies which were already in difficulty before the start of the crisis.
- ➔ **Job preservation:** the overall job growth has increased (*2335 new jobs in 2021 vs 1988 new jobs in 2020*), and is almost similar to its pre-pandemic level (*2413 jobs in 2019*).
- ➔ **Back to the new normal:** companies have pared back on remote working, whilst trying to maintain barrier gestures, and some even organized vaccination campaigns. The year was also marked by the easing of border restrictions and resuming of travel.

FOCUS ON ENVAL, COTE D'IVOIRE

Clients decided to slow down their testing campaigns during the period, with a big impact on turnover. Moreover, acquisition of key reagents was made complicated by the crisis and the cost of supply increased, which caused delays in the delivery of analysis and additional working capital needs. An important effort of receivables collection was carried out in order to mitigate the impact of the crisis.



I&P impact management wheel



ESG and Impact overarching objectives

Four impact goals supported by strong ESG performance

From ESG to impact

RISK MANAGEMENT

Understand and minimize Environmental Social and Governance (ESG) risks

VALUE CREATION FOR THE INVESTEE COMPANY

Identify ESG opportunities and promote actions creating combined societal and economic value

DEVELOPMENT IMPACT

Enhance positive impact to achieve broader development outcomes, especially on our four impact objectives

Our impact objectives



ENTREPRENEURSHIP

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



JOB

Creating decent jobs and training opportunities



ACCESS

Meeting unmet demand for essential goods and services



LOCAL ECONOMIC FABRIC

Creating opportunities for local suppliers and distributors

I&P's main contributions to the SDGs



while fostering environmentally friendly development and integrating a gender lens perspective

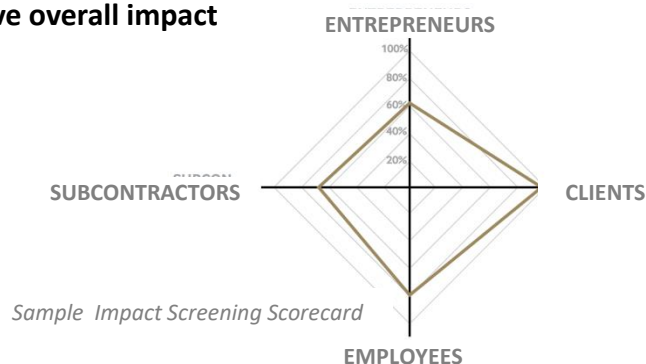
Impact management – Pre-investment

Screening investment projects on ESG & impact

Assessing prospective impacts

For each of its impact funds, the I&P team uses **Impact Screening Scorecards** to:

- **Screen investment projects** for alignment with the fund's core impact objectives for:
 - Impact on local entrepreneurship (entrepreneur nationality and location, additionality of the investment, etc.)
 - Impact on employees (creation of decent jobs)
 - Impact on clients (meeting of local and essential needs)
 - Impact on local suppliers and distributors
- Encourage gender empowerment and foster environmentally-friendly development
- Identify ways to **improve overall impact**

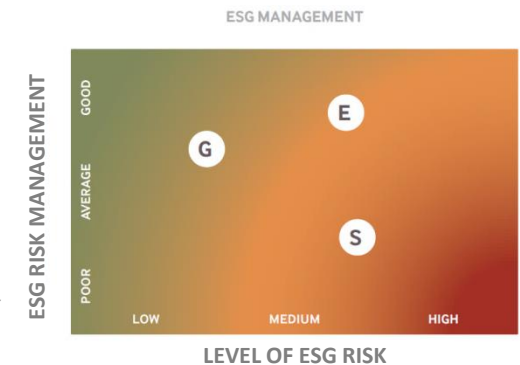


Evaluating ESG risk and ESG management

The I&P team rates **ESG risk** (high, medium or low), as well as the **level of ESG management** (good, average or poor)

ESG risk rating categories are based on **international standards** (IFC, CDC)

Sample ESG risk categorization matrix



Conducting ESG risk due diligence

Includes an **in-depth analysis of the following ESG-related matters as an integral part of the assessment:**

- **Social considerations** including, but not limited to, working conditions and human resources management, occupational health and safety, and impact on local communities
- **Environmental considerations**, such as water and waste management, carbon footprint and energy efficiency, impact on biodiversity, etc.
- **Governance-related considerations**, such as business integrity and corporate governance framework

Impact management – Post-investment

Impact and ESG monitoring during investment and exit

Implementing ESG action plans to generate economic and societal performance

- The investment team works with partner companies on **ESG actions** that generate economic value and are fully integrated into the company's operations.
- Partner companies legally undertake implementing and monitoring of these ESG action plans, and a contact person is appointed to oversee the process.
- **Bi-annual meetings** with the company's management team are set up to assess progress made and to update the action plan.

Ensuring good impact management after exit

- The investment team works with partner companies on **ESG actions** that generate economic value and are fully integrated into the company's operations.
- Partner companies legally undertake implementing and monitoring of these ESG action plans, and a contact person is appointed to oversee the process.
- **Bi-annual meetings** with the company's management team are set up to assess progress made and to update the action plan.

Measuring ESG & impact results annually



Annual Collection & Analysis of Impact Indicators

I&P measures investee company performance with an **in-house IM tool** based on IRIS metrics. Close to **one hundred indicators** are collected on a declarative basis and analyzed every year to assess partner companies' impacts on their local stakeholders:

ENTREPRENEURS

Share of companies led by Africans and by women
Age, level of education, years of experience, etc.

SUBCONTRACTORS

Number and share of local suppliers and distributors
Number of smallholders for agribusiness companies

EMPLOYEES

Job creation
Job patterns (gender, wages, etc.)
Employee training and other benefits

CLIENTS

Quantity of goods/services provided (company-specific metrics)
Number of clients (company-specific)



360° Impact Studies (available on I&P's website under "Resources")

Once a year, I&P conducts in-depth impact studies on one or two partner companies. A 4- to 5-members team conducts a field survey among local stakeholders to evaluate those company's impacts. Practical recommendations are provided, and followed-up on by the investment team. In 2018, two studies were published on the impacts of formal employment in Madagascar and Senegal. [\(See more on page 43\)](#)

Impact management – PRI assessment

Best in-class practices according to PRI assessment

UN Principles for Responsible Investment Pilot Assessments



- International network of investors (1,184 signatories): implementation of **6 Principles for Responsible Investment**
- **Third assessment report** based on I&P's 2020 report to the PRI. Evaluation is underway for 2021.
- Based on three modules, on a scale from A+ to D: overarching approach, private equity and inclusive finance (for microfinance)

Module STRATEGY AND GOVERNANCE

TOTAL SCORE 29★ (out of a maximum 30★)

Band A+ (median score of all respondents: A)

- Very good assessment, placing I&P among the top performers of its category
- To achieve the best score (30/30), increased disclosure of ESG commitments and third-party verification of the PRI annual report

Module PRIVATE EQUITY

TOTAL SCORE 28★ (out of a maximum 30★)

Band A (median score of all respondents: A)

- Very good assessment
- Improvement potential: more formal sustainability policies within partner companies

Module DIRECT – INCLUSIVE FINANCE

TOTAL SCORE 34★ (out of a maximum 36★)

Band A (median score of all respondents: A)

- Improvement (from B to A) since 2014
- As a result of an increased focus on client protection principles and social performance management



ACEP Madagascar © ZenDesign

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Overview of IPAE 1 portfolio

Western Africa

15 investments

Benin

- TINCY Boulangerie (*Nutrition & Agribusiness*) *

Burkina Faso

- ACEP Burkina (*Microfinance*) **
- Bakou Logistics (*Transport*) *

Cote d'Ivoire

- CONERGIES Group (*Construction & Equipment*) – Branch in Mali *
- Enval Laboratoire (*B to B Products & Services*)
- Pharmivoire Nouvelle (*Health*)

Ghana

- Eden Tree (*Nutrition & Agribusiness*)
- PEG (*Renewable Energy*) – Branches in Cote d'Ivoire and Senegal
- VRS (*Transport*) – Branches in Cote d'Ivoire and Senegal

Mali

- Carrières et Chaux du Mali, CCM (*B to B Products & Services*)
- Société Malienne de Blanchisserie, SMB (*B to B Products & Services*)

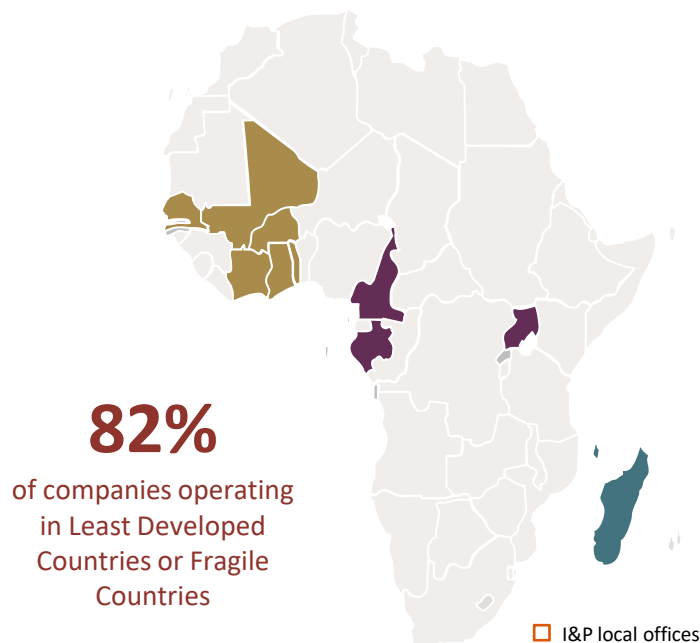
Senegal

- Delta Irrigation (*Construction & Equipment*) – Branch in Côte d'Ivoire
- NEST FOR ALL (*Health*)
- Neurotech (*IT*)
- SOFAMAC (*Construction & Equipment*)

For the impact assessment, we consider the latest data for 21 SMEs only (out of 29 investments),

* We no longer receive impact report from 8 companies since IPAE has mostly or fully exited from these companies.

** Acep Madagascar and Acep Burkina are integrated in new investment ACEP GROUP



Pan-Africa

4 investments

- ACEP Group
- Africa Radio (*Media*)
- Enko Education (*Education*)
- Barajii (*Nutrition & Agribusiness*)

Central Africa

5 investments

Cameroon

- Carrières du Mongo (*Construction & Equipment*) *
- ITG Store (*IT*)

Democratic Republic of Congo

- OXUS DRC (*Microfinance*) *

Gabon

- TRIANON (*Construction & Equipment*)

Uganda

- Finance Trust Bank, FTB (*Microfinance*)

Indian Ocean

6 investments

Comoros

- Banque des Comores, BDC (*Microfinance*) *

Madagascar

- ACEP Madagascar (*Microfinance*) **
- IOT (*Nutrition & Agribusiness*) *
- PDS (*Nutrition & Agribusiness*)
- SCRIMAD (*Nutrition & Agribusiness*)
- Ultramaille (*Other Industry*)

Various countries and sectors

Since its creation in 2012, IPAE has invested in **29 companies located in 12 different African** countries and operating in a great variety of sectors.

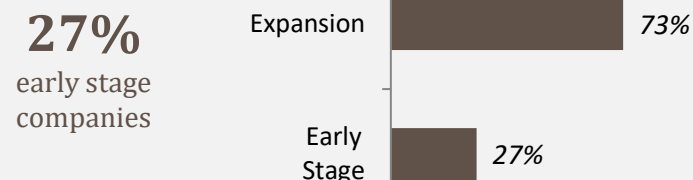
To foster Sub-Saharan SME development, IPAE finances **small to medium-size businesses** that are mostly at an early or expansion stage.

Countries

12 different countries

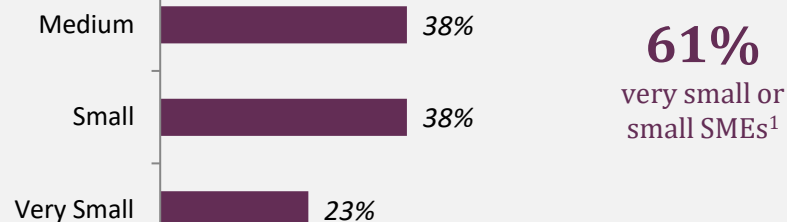
Madagascar	17%
Senegal	14%
Côte d'Ivoire	10%
Ghana	10%
Pan-African	10%
Mali	7%
Cameroon	7%
Burkina Faso	7%
Benin	3%
Gabon	3%
Uganda	3%
Comoros	3%
Democratic Republic of Congo	3%

Maturity



Note: The percentages in each category are calculated according to the number of companies and include all 29 IPAE investments.

Size



¹ **Very Small SME** : Turnover < € 0.5M and Employees < 25
Small SME : €0.5M < Turnover < €1.5M or 25 < Employees < 50
Medium SME : €1.5M < Turnover < €4M and Employees > 50

Sectors

11 different sectors

Nutrition & Agribusiness	21%
Construction & Equipment	17%
Microfinance	17%
B to B Products & Services	10%
Health	7%
IT	7%
Transport	7%
Education	3%
Renewable Energy	3%
Media	3%
Other Industry	3%



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Contribution to environmental challenges

Addressing energy, waste and effluent issues

Promoting environmental opportunities

28% of IPAE's partner companies provide products and services involving positive impacts on the environment.

48% of our partner companies **implement "green" projects***, as part of their products and services or as a way to mitigate their environmental impact.

FOCUS ON IPAE POSITIVE CONTRIBUTIONS

- 5 IPAE companies provide **equipment and/or services with environmental benefits**:
 - Conergies - Energy-efficient cooling and AC systems
 - Delta Irrigation - Water-efficient irrigation systems
 - Enval - Air and water quality analysis
 - PEG - Solar systems for rural households
 - SOFAMAC - Clay bricks with high insulating properties
- **Aquaculture**: IOT (part of PDS Group) contributes to biodiversity in Madagascar by implementing an innovative sea cucumber breeding project that reintroduces natural stocks of sea cucumbers, which are overexploited, albeit very beneficial to local ecosystems.

** Significant actions with regard to renewable energy, energy efficiency projects, CO2 capture or offset, waste or effluent management, sustainable agro-business projects, etc.*

Mitigating potential negative impacts

REDUCING THE PORTFOLIO CARBON FOOTPRINT

OUR ACTIONS

26%
of our partner companies are using renewable energy in their mix after IPAE investment

We assess the **portfolio's carbon emissions** on a yearly basis to identify the main sources of reduction or offset

We are implementing specific and systematic actions to **promote energy efficiency and renewable energy**

MANAGING WASTE AND EFFLUENT ISSUES

60% of our partner companies are faced with significant waste and/or effluent management issues.

Environmental impact assessments conducted by external experts include waste and effluent management specifications that are added to ESG action plans.

Focus on energy-related measures

Update on energy-related actions

Our approach

Our investees can play an active role in experiencing and sharing innovative and replicable energy-related solutions. For energy-consuming projects, energy screenings are now systematic but need to be carried out as early as possible in the investment process (to include specifications in the equipment list).

26%

of our partner companies are using renewable energy in their mix after IPAE investment



Main achievements since IPAE investment



ENERGY EFFICIENCY

- **Enval:** They conducted an environmental impact study to reduce their negative impact and promote better practices.
- **Carrières et Chaux du Mali (CCM):** Plans in place to use sawdust as a fuel for quicklime production
- **Conergies:** 100% of energy efficient air conditioning and cooling systems as well as audit/consulting services on energy efficiency



RENEWABLE ENERGY

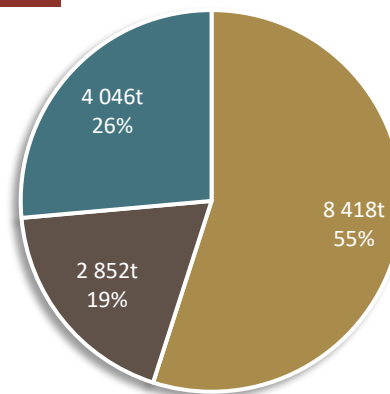
- **Ultramaille:** Study for the installation of a hybrid system for energy optimization with solar power (estimated cost: EUR 150k)
- **Eden Tree:** Implementation of a solar PV system to reduce energy costs and carbon footprint
- **PEG:** Installation of 15,724 new solar kits for underserved rural households in 2021

Carbon footprint

Current portfolio carbon emissions by scope and category

GHG EMISSIONS BY SCOPE IN 2021

A **carbon footprint** is measured in **tons of carbon dioxide equivalent (tCO₂e)**, which allows the different greenhouse gases (GHG) to be compared on a like-for-like basis relative to one unit of CO₂.



TOTAL: 21,611 tCO₂e

- Total GES Scope 1 (tCO₂e) Emissions due to the company's direct activity
- Total GES Scope 2 (tCO₂e) Indirect GHG emissions from consumption of purchased electricity, heat or steam
- Total GES Scope 3 (tCO₂e) Other indirect emissions (production of purchased materials and fuels, transport-related activities in vehicles not owned by the company, outsourced activities, etc.)

LARGEST SOURCES OF EMISSIONS



36% from ENERGY: Some companies need energy to run their plants (PDS, Pharmivoire, Baraji) or for their offices.



26% from freight: Sea, air and road transport for equipment or goods, mainly due to CCM, Eden Tree and PDS activities.



24% from refrigerants: mainly due to PDS and Scrimad activities.

LARGEST EMITTERS

Two companies (PDS and CCM) represent the largest CO₂ emitters with nearly 58% of the portfolio's total emissions.

However they contribute to environment preservation, as the quicklime production is CO₂ emission neutral: the same quantity of CO₂ emitted during production is captured during its use by CCM's clients ; and PDS contributes to the promotion of sustainable fishing and provide training to local fishers and surrounding communities in order to raise awareness about good practices with regards to marine species management and conservation

Promoting traceability and best E&S standards

Access to new certifications, skills and technologies

45% of companies incorporating new technology or knowledge transfer

32% of companies developing environmental, social or quality certifications

Implementation of international standards to ensure traceability and good industrial practices

Industrial companies benefit from developing international safety and quality standards that are certified by recognized labels to ensure transparency and traceability on Environmental and Safety (E&S) and quality practices.

SCRIMAD

- Technical assistance mission conducted by a local NGO to engage producers in an **organic and fair trade labelling process** (20% of its producers are organic certified, plans to achieve 35% in 2019)
- Implementation of **HACCP processes** (with regular audits)

Ultramaille

- Products certified by the **Global Organic Textile Standard**, an international inspection agency
- Plans to further develop its **CSR strategy** to turn it into a competitive strategic asset

PDS

- Fishing activities are certified by the **Marine Stewardship Council (MSC)**, the widely respected international label that testifies to the sustainability of a company's fishing activities

Pharmivoire

- Gradually implementing **Good Manufacturing Practices in their new production unit** to increase sales

Eden Tree

- Implementing rigorous **HACCP processes** in the fruits and vegetables processing unit (control system that identifies where hazards might occur in the food production process)

Promoting social standards in microfinance

Implementing the SPTF Universal Standards for Social Performance Management

CUSTOMER PROTECTION PRINCIPLES

I&P and its Microfinance Institution (MFI) portfolio are signatories of the SMART campaign (www.smartcampaign.org), which helps provide MFIs tools to prevent client over-indebtedness, ensures transparency about lending conditions, and facilitates implementation of consumer complaint mechanisms.

SOCIAL PERFORMANCE MANAGEMENT

Our institutions have proactively implemented **social performance management (SPM)**, in line with the universal standards for inclusive finance: <https://sptf.info>. They were supported by SPM experts (with a financial contribution from the technical assistance program).

Social Performance Management at ACEP Group



In 2016 and 2017, an initial mission was conducted by CERISE and Aïda Gueye (SPM expert) to initiate SPM processes at ACEP Burkina and ACEP Madagascar (ALINUS assessments, appointment of SPM coordinators, SPM trainings and drafting of action plans).

Since then, ACEP GROUP was committed to coordinating and further improving its social performance management system with technical assistance support, as described below.

CORPORATE SOCIAL RESPONSIBILITY POLICY

ACEP is grouping its partner MFIs into a common holding structure and seeks to develop shared policies and approaches. The first ACEP seminar brought together ACEP's CEOs in June 2018. In close cooperation with the shareholders, the Corporate Social Responsibility policy of the group was reviewed by the CEOs and finalized by CERISE experts (technical assistance mission). This policy aims at reflecting ACEP's core values and strategic positioning with regard to social impact.

WEBINARS

An SPM expert (Aïda Gueye) has facilitated a set of virtual workshops ACEP SPM champions (technical assistance mission). These workshops were focused on lessons learned around several key SPM issues (impact metrics, complaint mechanisms, client surveys, ethical charter, environmental policy). Updated ALINUS assessments are currently being conducted in ACEP institutions.

CSR COMMITTEE

The creation of a holding company grouping together the various subsidiaries of ACEP was an opportunity to review the governance of the company in 2021. It now includes a CSR committee to monitor the annual roadmap of the group and the areas of improvement planned. As Head of ESG and Impact at I&P, Samuel Monteiro is a member of this committee.

Human resources and & training

Moving towards improved and more formalized HR practices



SDG 4.4
Promote lifelong learning opportunities
IPAE current performance

71%
of companies held at
least one training in 2021

€ 159 520
training budget in 2021

1,769
employees
trained in 2021

Almost two-thirds of our partner companies have formal human resources management structures in place, and all are committed to further improving their practices.

80%
have staff in charge of HR

65%
have a formalized
HR policy

75%
have a formalized salary grid

50%
have staff representation systems

HUMAN RESOURCES MANAGEMENT

I&P entrepreneurs' training seminar: Organized in Abidjan, a former training seminar held in 2018 has included a one day focus on human resources management in an African context. This training was conducted by Agnès Tano (CIFIP), a renowned HR expert in Côte d'Ivoire with extensive experience working in many African countries. Agnès discussed some cultural barriers to good HR management and shared practical ways to overcome them, in a highly interactive course which was greatly appreciated by the participants.

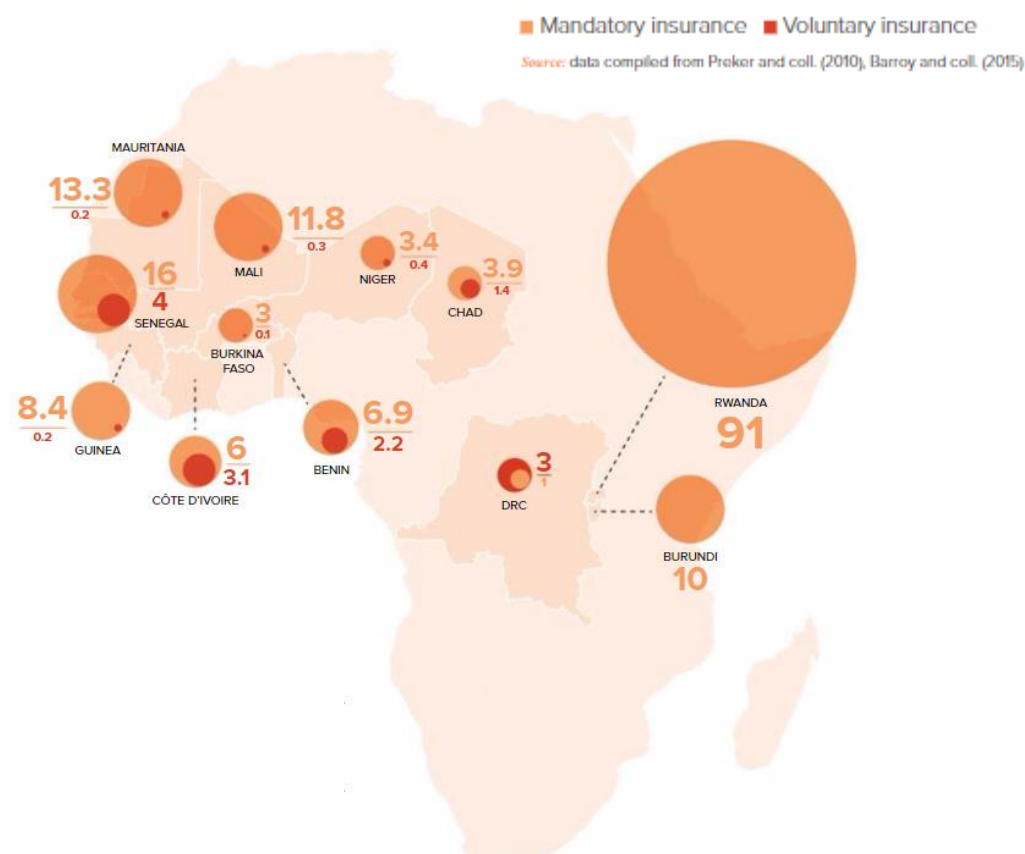
COVID-19: The year 2021 marks a return to normal on the subject of training with a proportion of companies (71%) having carried out at least one training course similar to the years before covid. Indeed, with the covid crisis, many fewer companies conducted at least one training session during the year 2020 (57% in 2020) where other managerial emergencies have emerged, such as the introduction of teleworking for some teams.

Health insurance & social protection (1)

Performance of partner companies since IPAE investment

Current situation in Africa

As indicated below, **health insurance coverage remains extremely low in Africa**, from 3% to 20% in West Africa



For more information on the African insurance sector, see PROPARCO's magazine *Private Sector & Development*: https://issuu.com/objectif-developpement/docs/proparco_revuepsd_n25_uk/1?e=4503065/39027290

Current situation in partner companies

Country	Context	Performance of partner companies	Improvements since investment
Senegal	Collective insurance scheme ("IPM") including health insurance	All 4 portfolio companies provide private health insurance	Implementation of the system in 3 companies
Burkina Faso	Basic system only covers work accidents	2 out of 3 companies provide a private or in-house health insurance system	Implementation of the system in 1 company
Cameroon	Basic system only covers work accidents	1 out of 2 companies provides private health insurance	No significant improvement
Madagascar	Basic system includes health insurance	All 4 portfolio companies provide health insurance and 2 provide additional services	Upgrades for 2 companies
Ghana	Basic system includes health insurance	All 3 portfolio companies provide basic health insurance	Upgrades for 3 companies
Côte d'Ivoire	Basic system only covers work accidents	All 3 portfolio companies provide private health insurance	Implementation of the system in 2 companies and process upgrade in 1 company
Other countries		2 companies provide in-house systems, 4 companies rely on the public system, 1 company provides private insurance	Implementation of the system in 2 companies

Health insurance & social protection (2)

Main actions to date



3 GOOD HEALTH AND WELL-BEING

SDG 3.8

Achieve universal health coverage

100%

of our companies
provide health insurance

54%

have implemented or upgraded their
system since IPAE's investment

Main actions to date

- In 2015** Feasibility study was conducted on health insurance systems in partner companies and training provided during the annual entrepreneurs' seminar.
- In 2016 and 2017** A technical assistance contract was implemented **with a health insurance specialist**:
- Help companies implement/upgrade their health insurance systems
 - Launch pilot initiatives at the portfolio level (share occupational physicians, define minimum health care benefits)
- In 2018** The technical assistance contract ended due to increased unavailability of the health insurance expert. Projects in 2018 included:
- Implementation of a portfolio-wide study **to identify best practices & lessons learned** (25 respondents among portfolio companies). This study was shared with the entrepreneurs and presented during the 2018 entrepreneurs' annual seminar.
- In 2020**
- A new independent and qualified expert/consultancy company has been identified to assist portfolio companies in case of request.

After IPAE Investment



2,622

employees are covered by health insurance



3,443

people (employees and family members) are covered by health insurance

Health and safety at work

Production related risks and road safety under close scrutiny

8 DECENT WORK AND ECONOMIC GROWTH



SDG 8.8

Promote safe and secure working environments

67%

of our companies have implemented measures to **enhance safety at work** (formalized processes, employee training, etc.)



MONITORING OF INDUSTRIAL AND SANITARY RISKS

- During the due diligence phase, impact assessments or technical audits are conducted for all projects involving significant risk
- Any serious incident is directly reported to our investors. **In 2021, no major incident has occurred.**
- Most ESG action plans include actions related to health and safety at work.



ROAD SAFETY REMAINS A MAJOR HEALTH AND SAFETY RISK

- The investment team regularly raises the road safety issue during board meetings and management meetings.
- For microfinance institutions, but also for companies such as PEG who frequently travels to the villages to meet the beneficiaries of the solar panels, this risk has been clearly identified and discussed by management to strengthen practices and agent safety.

Addressing the gender gap (1)

Women's access to entrepreneurship and leadership positions



In June 2018, the G7 member DFIs launched the 2X Challenge to invest \$3 billion by 2020 to provide women in developing countries with opportunities. In order to do that, they have defined what can be considered as a gender lens investment.

76% of IPAE's portfolio companies satisfy 2X Challenge criteria

52% of those companies satisfy at least two criteria

[Read more about the 2X Challenge and its criteria](#)

FOCUS ON MAIN FIELDS OF ACTION

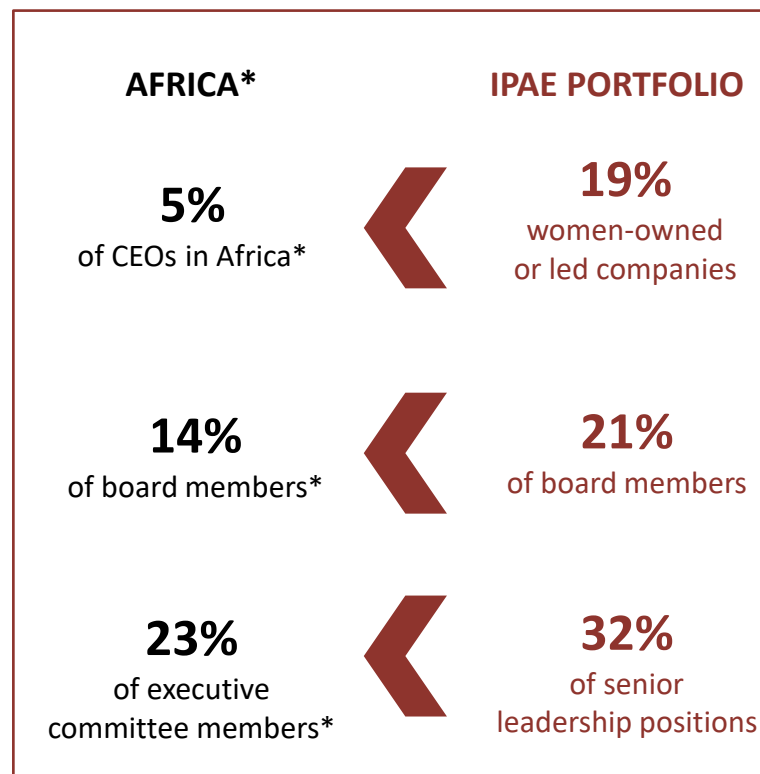
On International Women's Day (March 8th), I&P took a step back to assess the progress made one year after the launch of our **gender strategy**, "**Opportunities to bridge the gender gap in African SMEs**". Beyond our achievements with entrepreneurs, clients and employees, I&P has been an active advocate for the promotion of women:

- On Women's Day 2022 I&P published [a report in order to review I&P's performance in terms of gender equality](#), in particular by comparing our performance against France Invest benchmarks.
- In 2019 I&P published an article entitled "[How can general impact investors tackle gender-related issues?](#)" in the Proparco magazine : *Private Sector & Development*.
- Through our advocacy activities, portraits of women entrepreneurs are realized and shared widely across our networks. We believe that highlighting these examples can create role models that inspire other women to follow this path.
- Raising awareness on the topic of women entrepreneurship is a key objective of our advocacy objectives and strategy.



SDG 5.5
Ensure women's full participation in leadership

REPRESENTATION OF WOMEN : Portfolio performance after IPAE investment

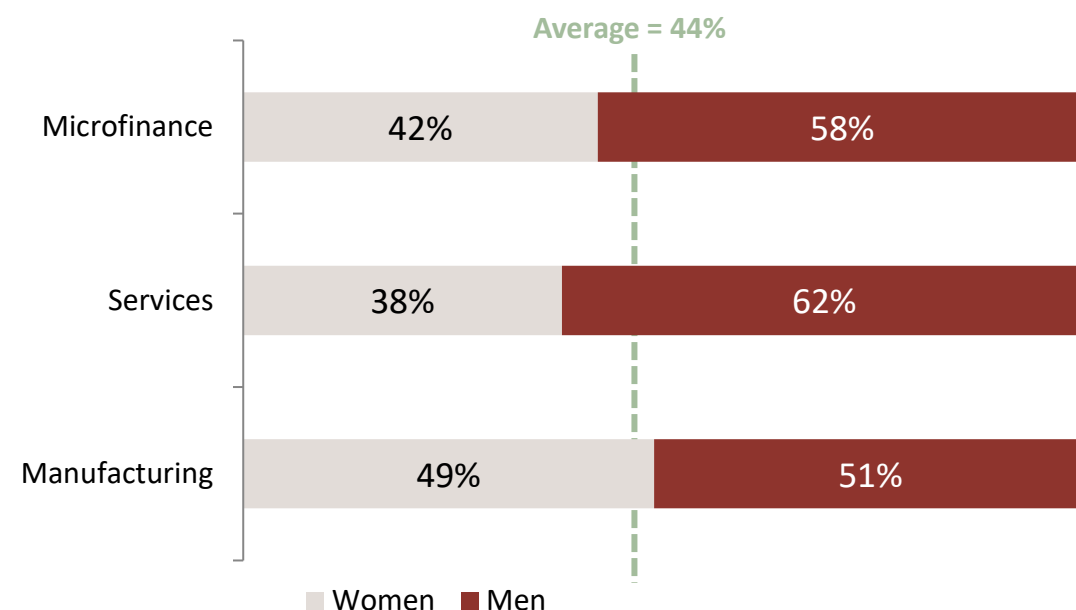


(*) Women Matter, Africa, Mc Kinsey & Company, 2016

Addressing the gender gap

Women's access to decent jobs and training opportunities

Gender breakdown in current IPAE portfolio by sector



The proportion of women among employees is fairly balanced, whatever the business sector, with an average of 44% of women employees in our portfolio.

Contrary to the global data mentioned in the literature, the proportion of women remained stable despite the covid crisis. Therefore, job losses encountered in 2020 have not disproportionately affected women. The strong creation of jobs in 2021, which will enable a return to the pre-crisis level of employment, has also been achieved in the same proportions since the share of female jobs is stable



Keynote

Gender inequality is costing sub-Saharan Africa on average \$US95 billion a year – or 6% of the region's GDP – jeopardizing the continent's efforts for inclusive human development and economic growth. It is estimated that a 1% increase in gender inequality reduces a country's human development index by 0.75%.

Source: Africa Human Development Report 2016: Advancing Gender Equality and Women's Empowerment in Africa, UNDP

Fostering good governance (1)

Shared governance with a majority of boards, including independent(s)



Keynote

Under the New Partnership for Africa's Development (NEPAD), African governments have committed to:

- Implement regulations to foster economic activity, as well as subsidies when necessary
- Develop company responsibility towards Human Rights, society and the environment (Corporate Social Responsibility, CSR)
- Fair and equitable treatment of all stakeholders (shareholders, employees, society, suppliers, customers)
- Accountability of all companies and administrators, as well as mandatory disclosure of all relevant information
- Accounting and auditing procedures in line with national and international standards

Source: 2011 African Development Report, African Development Bank

1- Implementation of a shared governance

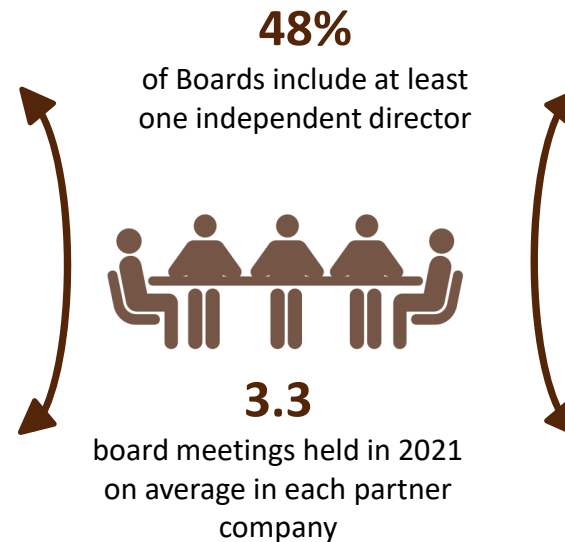
IPAE requires all partner companies to establish a Board of Directors. Board members include:

Entrepreneur(s)

usually hold a majority stake and remain in charge of day-to-day operations. They are provided with strategic guidance, as well as additional skills and networks in a context of difficult access to talent and financing. This also improves the credibility of the business vis-à-vis external partners.

One or two independent directors

are included when appropriate and possible, to bring additional expertise with an independent view. In situations of conflict, they can play a useful mediatory role.



One or two IPAE members

on the investment or strategic advisors' teams, as part of I&P's commitment to providing close support to the entrepreneurs. With respect to ESG, they ensure that extra-financial considerations are regularly raised and discussed.

Other minority shareholders

might be represented in some cases.

Fostering good governance (2)

Transparent & reliable accounting management practices

2- Upgrading of accounting and reporting practices

OUR CONTEXT

- IPAE invests in fast growing companies, which have an urgent need to strengthen their internal capacities to achieve sustainable growth.
- In particular, financial and accounting practices generally need to be upgraded to enable both management and shareholders to adequately track the company's performance.

OUR ACTIONS



16

TA missions focused on improving accountability and financial practices

5

manuals for financial and accounting written.

18

TA missions focused on management information systems.

3 – Diffusing anti-bribery and anti-corruption policy

Good governance involves impeccable integrity at all levels of the company. I&P assists its portfolio companies to improve their KYC practices, to elaborate ethical codes and to fight against corruption.

Contribution to SME formalization

Ensuring full social and fiscal compliance



Keynote

In IPAE's countries of intervention, the **low level of mobilization of fiscal resources** is a key barrier to developing the most needed public services (infrastructure, water, education...). Tax revenues represent less than 20% of GDP in Africa (OCDE, 2015). Most companies remain informal to avoid paying taxes and salary charges. In West Africa, **informal employment accounts for 92.4% of total employment** in all sectors (ILO, 2018).



SDG 17,1

Strengthened domestic resource mobilization

€8 million

in taxes paid to the local authorities in 2021

Focus on main areas of action

Some of our portfolio companies were partially informal (Tincy, SMB) or not fully compliant with labor laws (Pharmivoire) prior to investment. IPAE required each of them to undertake a formalization process as a condition for investment.

Some companies have experienced waves of employee departures by employees who did not wish to formalize that have temporarily destabilized the commercial activity.

In August 2018, a study was conducted in Senegal and Madagascar on a group of IPDEV2 and IPAE partner companies in order to capitalize on partner companies' experience and better understand the issues at stake, with two areas of focus:

- **Key barriers to formalization for companies.**
- **Socio-economic impacts for employees of a job contract** (higher wages, better job security, access to bank accounts, access to social benefits such as a pension plans, health insurance)

[Read more about the study](#)

Formalizing SMEs in Sub-Saharan Africa

Challenges and Recommendations for Entrepreneurs and Investors





NEST © Joan Bardeletti

01. Impact thesis and methodology

02. Impact management in 2021

Portfolio overview

Implementing ESG action plans

Measuring impacts on local stakeholders

Enhancing outreach & impact with advocacy

Promoting African entrepreneurs

Support local entrepreneurs, even in the most fragile countries

Gender-diverse entrepreneurs and managers with local roots

76% of our partner companies financed by IPAE are **led by Africans**

88% of our partner entrepreneurs are **based in Africa** for the long term

16% owned or led by **African women**

Significant local and international experience

15 Years of **experience** in their sector

90% of the African CEOs have **studied abroad**

A great majority operating in the poorest and most fragile countries

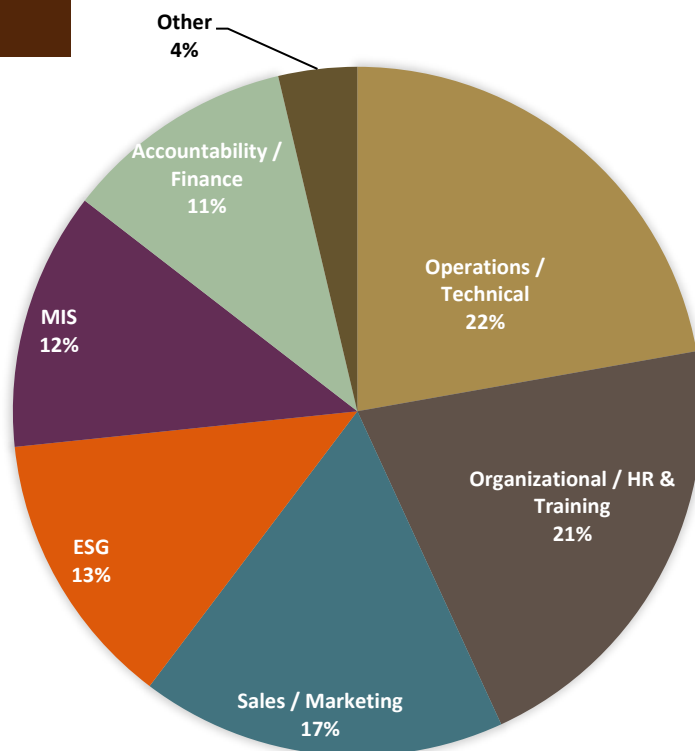
82% of our partner entrepreneurs operating in **Least Developed Countries and/or Fragile Countries**



Support from the technical assistance program

IPAE builds strong partnerships with its investee companies by providing them with both financing and managerial support. Given the lack of human and financial resources in Africa, IPAPE's technical assistance (TA) program is critical to fostering capacity building, skills transfer and training in partner companies and is complementary to IPAPE's general strategic and management mentoring. The TA program is funded by grants from the European Investment Bank and FISEA (€1.5) and co-finances a great variety of support missions being carried out by independent specialists.

Areas of action



Main figures

121 missions have been conducted and 6 are still in progress



A total budget of **€1,309k** financed by EIB (€733k), FISEA (€404k) and investee companies (€253k)



All IPAPE 1 companies have benefited from this program



3,187 days have been dedicated to TA missions



91 different experts (**46%** African experts) have been assigned to TA missions

Support from the technical assistance program

Examples of missions les in various sectors

ESG & Impact

Acep Group (IMF) received support in the implementation of an ethics code and a CSR policy (Multi-countries)

Number of beneficiary employees: 16

Number of people trained : 8

Deliverables and tools used by the company : 2

Sales & Marketing

Implementation of an effective marketing plan at Eden Tree (Ghana)

Number of beneficiary employees: 4

Number of people trained: 4

Deliverables and tools used by the company : 3

Operations

Lean management and Yellow Belt training for Ultramaille (Madagascar)

Number of beneficiary employees: 45

Number of people trained: 45

Deliverables and tools used by the company : 13

Human Resources

5 companies received team management training (Delta Irrigation, Enko, Enval, Pharmivoire, Acep Burkina)

Number of beneficiary employees: 15

Number of people trained: 15

Deliverables and tools used by the company : 1

Accounting & Finance

Capacity building of the accounting team at Enval (Côte d'Ivoire)

Number of beneficiary employees: 8

Number of people trained: 3

Deliverables and tools used by the company: 4

Management Information Systems

Implementation of an accounting software at Neurotech (Senegal)

Number of beneficiary employees: 3

Number of people trained: 3

Deliverables and tools set up by the company: 3

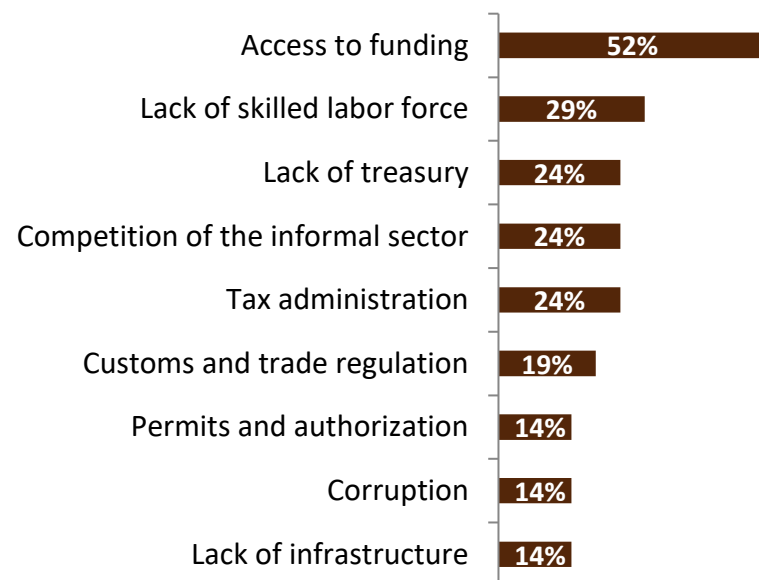
Supporting entrepreneurs underserved by financing

Strong additionality of IPAE's investment

55% of companies would not have been able to carry out their investment project without IPAE's funding

96% of companies would not have been able to carry out their investment project without IPAE's funding or would have done so at a smaller scale

Main obstacles faced by our investee companies during their development process



Leverage effect of IPAE's investment

SMEs face **significant difficulty securing external financing** from local commercial banks and other traditional financiers.

We assist our entrepreneurs in their negotiations with other local or international financial institutions or by participating in the search for new shareholders, using our networks. The resulting leverage effect is of 50%.

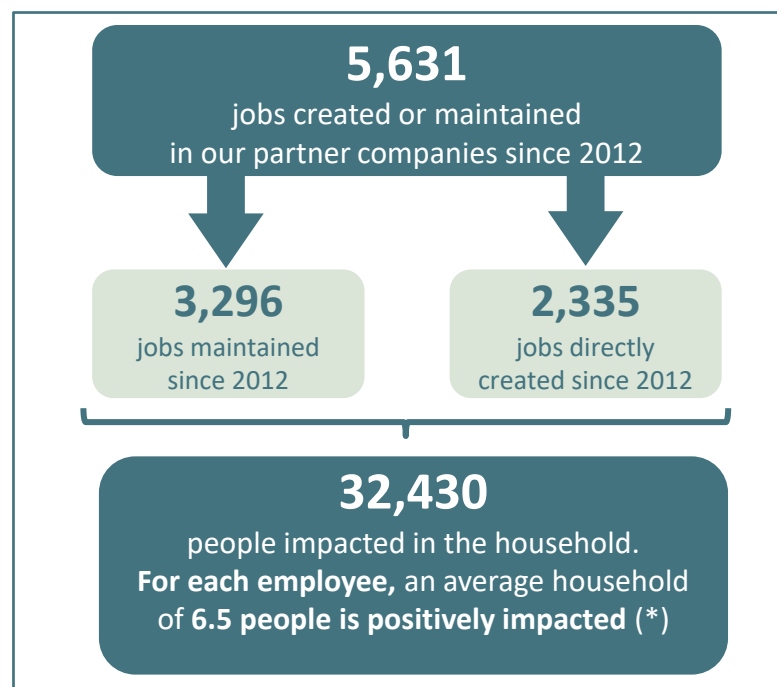


(*) This figure is computed by dividing the amount invested (equity and debt) by the amount invested by investors other than IPAE at the time of the initial investment by the amount of IPAE's investment (equity and debt).

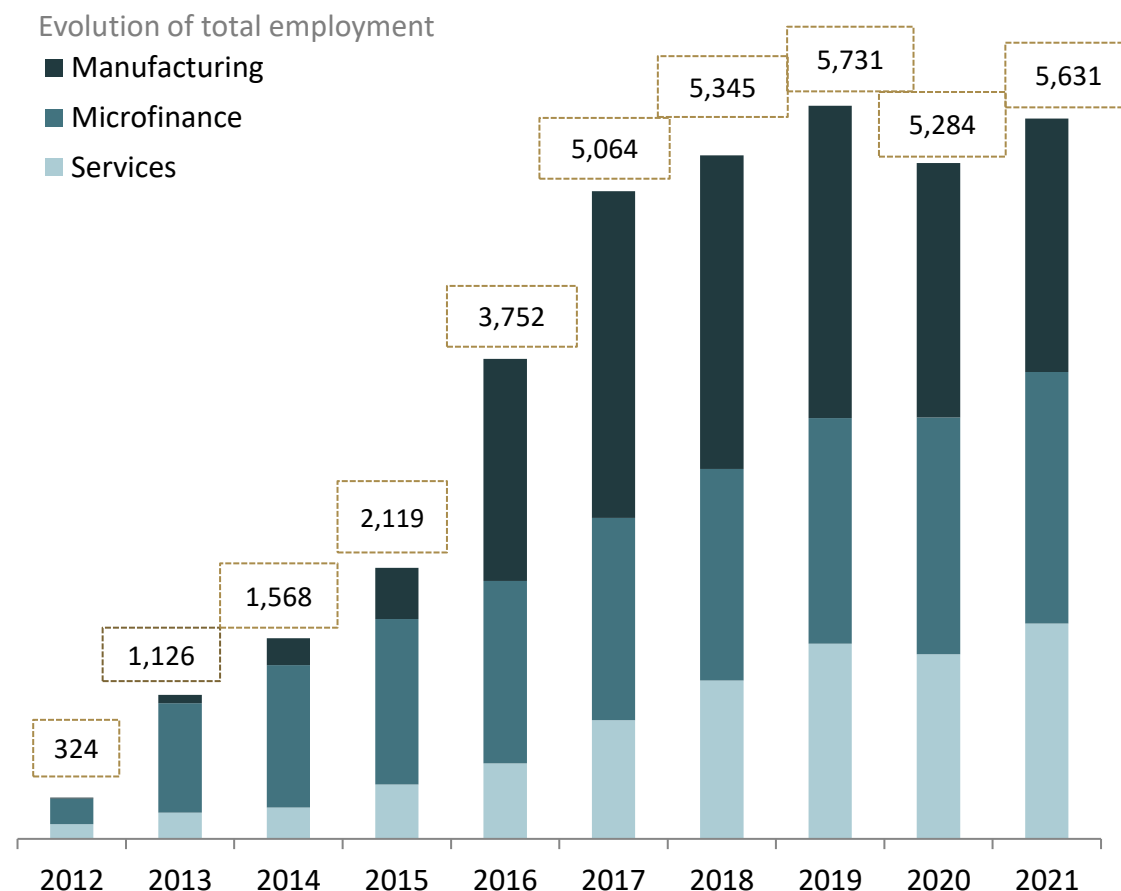
Creating decent jobs

Portfolio performance after IPAE investment

2021 has been a recovery year in terms of employment. After a slight decline of employment in 2020 due to the covid crisis, IPAE partner companies have been able to create a positive employment growth to return to a level close to pre-crisis.

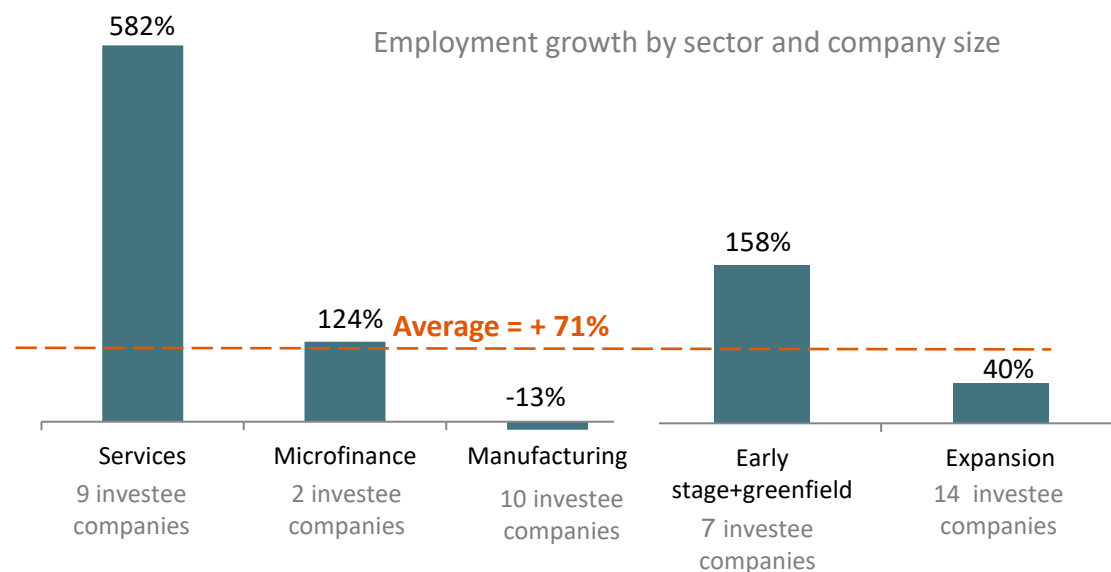


(*) This figure is computed by multiplying the number of employees by the average household size in each country, based on GDL data available online: <https://globaldatalab.org/areadata/hhsize/>



Creating decent jobs

71% direct employment growth since IPAE's investment



Keynote

The McKinsey Global Institute states that 72 million new jobs are to be created in Africa by 2020, while 122 million people are expected to enter the job market over the same period.

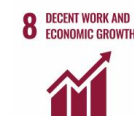
Source: Africa at Work: Job Creation and Inclusive Growth, 2012

15%
employment growth in private-
equity backed companies in Africa
over the investment period
(AVCA, 2016)



71%
direct employment growth
since IPAE's investment

- As expected, **microfinance is an important source of job creation. But has suffered greatly from the covid crisis** and has seen its overall employment level decline from last year. Growth since investment is still very much positive.
- Less well known is the equally important, and even greater, **job creation potential of service companies**. They are often very labor-intensive and their expansion often depends on the recruitment of additional human resources. Their strong job creation can also be explained by their initial development stage (more than half are start-ups).
- Manufacturing projects** have often been the most affected by the health crisis and have seen a sharp drop in employment. This is particularly the case for Ultramaille, a textile factory in Madagascar.



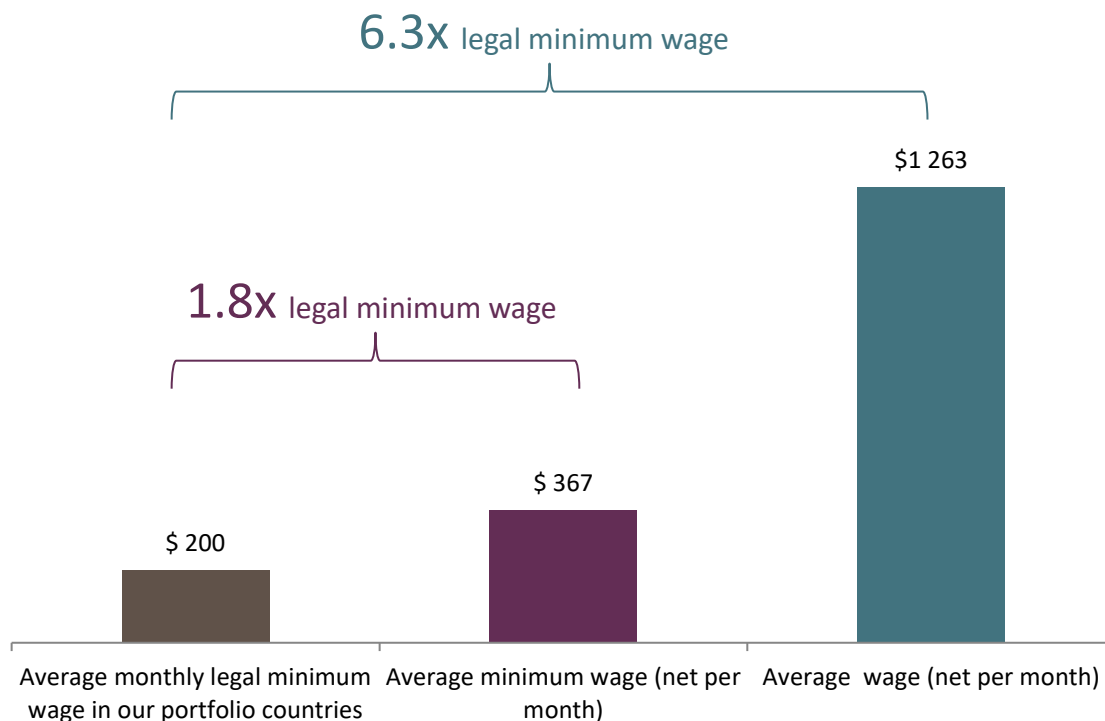
SDG 8.6

reduce the proportion of
youth not in employment

215
young employees
(under 25)

Level of wages

Average minimum wage of IPAE portfolio is currently 80% higher than the legal minimum wage



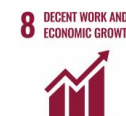
We use the Purchasing Power Parity (PPP) conversion rate to control for the variable cost of living in various countries.

CEO wages are not taken into account in order to more accurately reflect the reality of salary levels

(*) Bhorat H., Kanbur R. and Stanwix B. (2015). *Minimum Wages in Sub-Saharan Africa: A primer*. IZA DP No 9204.

€165 million
in payroll paid to employees
since 2012

€31.7 million
in payroll paid to employees
in 2021



8 DECENT WORK AND
ECONOMIC GROWTH

SDG 8.5

Decent work for all

The average net monthly wage in portfolio companies is around **50% higher than the average wage in sub-Saharan Africa.**

\$1,263
average wage in
portfolio companies



\$657
average wage in Sub-
Saharan Africa (*)

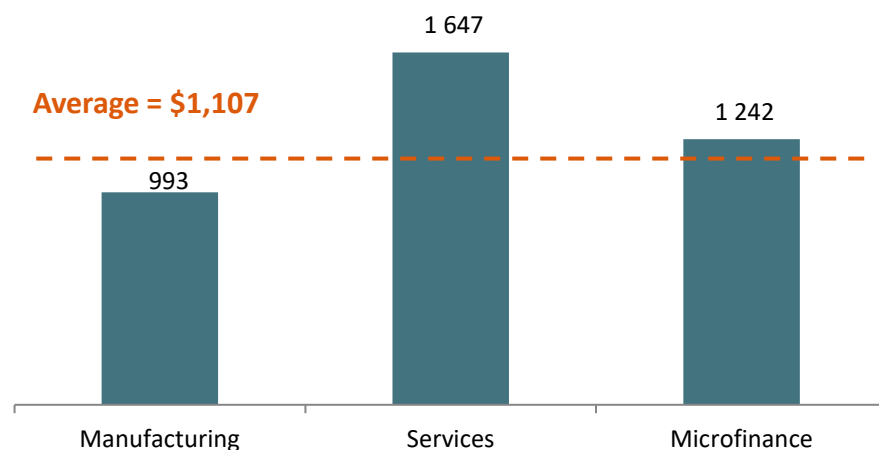
Wages and qualifications

Current portfolio performance: 30% of high-skilled employees

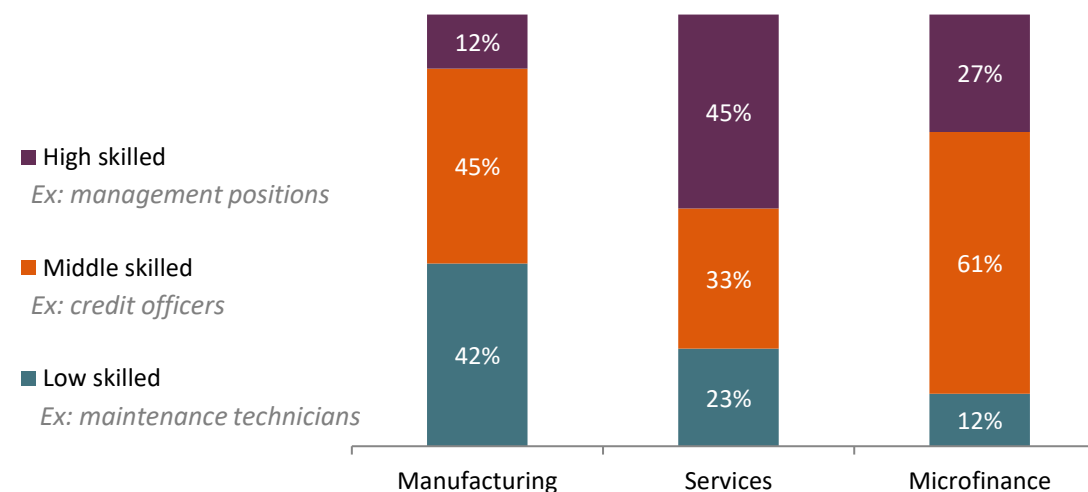
Wages are higher in the services and microfinance sectors. This can be partially explained by the high proportion of skilled jobs in these sectors, for instance in the IT field.

Wages are lower in the manufacturing sector because it accounts for a majority of low-skilled jobs. It still provides a stable wage for low-income people who lack education.

Average monthly wage in our investee companies by sector (US\$, PPP)



Employment breakdown per qualification, per sector



Focus on formal employment

An in-depth study underlining the benefits of formal job

I&P and FERDI (Foundation for Studies and Research on International Development) carried out a study on the social and economic impacts of employment and explored the impacts of an employment contract in the Senegalese and Malagasy contexts. In Senegal, over 200 employees were interviewed, in 6 portfolio companies covering several sectors, hierarchical levels and contract types. Here are the main findings of the study:



Access to employment

- 70%** of employees obtained their first job contract thanks to the companies surveyed
- 70%** of employees experienced a period of unemployment before working in companies supported by I&P



A higher wage supporting an entire household

- 60%** The average wage of a formal job at I&P's partner companies is 60% higher than the country average
- 9** The average household in Senegal has nine household members who benefit from the employee's income



Essential social benefits

- 73%** of employees have health insurance coverage for the first time, which extends to an additional person on average in the household
- 78%** of employees are also enrolled for the first time in a pension program



Better financial inclusion

- 82%** of employees have a bank account versus 42% of informal employees
- 50%** of employees have been granted a loan versus 20% of informal employees



Addressing basic needs in Africa (1)

A majority of investments providing SDG-aligned essential goods and services

89%

of our partner companies address local needs of the African population or African companies (i.e. these companies focus on the local market and do not export)

61%

of our partner companies improve local access to goods or services that address essential needs and the UN Sustainable Development Goals *

2 ZERO HUNGER



GOAL 2: End hunger, improve nutrition and promote sustainable agriculture

Eden Tree: Provider of fresh fruits, vegetables and herbs

788 tons of fruits and vegetables sold in 2021

3 GOOD HEALTH AND WELL-BEING



GOAL 3: Ensure healthy lives and promote well-being for all at all ages

NEST: Quality healthcare for women and children in Senegal

Pharmivoire: Intravenous fluids for Ivorian medical centers

10,406 visits at NEST in 2021

4 QUALITY EDUCATION



GOAL 4: Ensure inclusive and equitable quality education

Enko Education: Renowned, high quality education provider

2,613 students in 2021

15% of students received a scholarship in 2021

5 GENDER EQUALITY



GOAL 5: Achieve gender equality and empower all women and girls

49% of Enko students are women

31% of microfinance institutions' borrowers are women (ACEP & FTB)

(*) Investment companies can improve local access to essential goods or services, as direct providers or as part of the value chain. Essential goods and services include: food, water, sanitation, energy, land, health, lifelong education and learning, housing, clothes, media and information, new technologies, financial services for underserved populations, and passenger transport

Addressing basic needs in Africa (2)

A majority of investments providing SDG-aligned essential goods and services

6 CLEAN WATER AND SANITATION



GOAL 6: Ensure availability and sustainable management of water and sanitation for all

Barajii: Produces and commercializes water and locally produced fruit juices

Delta Irrigation: Saves water thanks to efficient irrigation systems

564 053hl of water and juices sold in 2021

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



GOAL 9: Build resilient infrastructure, promote inclusive and sustainable industrialization

SOFAMAC, Carrières et Chaux du Mali: Building material industries

ENVAL : Microbiological and physico-chemical tests and analysis

Trianon : Building company

CONERGIES: Air conditioning and industrial cooling systems using energy-efficient technologies

11,668 tons of quicklime sold in 2021

7 AFFORDABLE AND CLEAN ENERGY



GOAL 7: Ensure access to affordable, reliable, sustainable and modern energy for all

PEG: Brings off-grid solar energy access to rural and peri-urban communities in West Africa

15,724 solar kits sold in 2021

8 DECENT WORK AND ECONOMIC GROWTH



GOAL 8.3: Support productive activities and entrepreneurship, including through access to financial services

Microfinance (2 institutions to date, one exit): Access to affordable loans for small scale enterprises

83,814 borrowers in 2021

Ripple effect on local suppliers

SMEs build local networks of subcontractors

21

IPAE 1 SMEs
currently in
portfolio

553

suppliers have
contracted with IPAE's
companies in 2021

€20M

in intermediate
consumption in
2021

72%

are local
suppliers

Agribusiness

Agribusinesses, in particular, generate business and income for thousands of local farmers.



3,000 tons of fruits and vegetables
collected in 2021 by SCRIMAD and Eden Tree



5,619 small producers reached in 2021
by SCRIMAD, Eden Tree and PDS



26% of small producers are women
(SCRIMAD, Eden Tree and PDS subsidiaries)

Technical assistance

IPAE agribusiness investments play a key role in structuring local sectors. They rely on outgrower schemes and provide local farmers with technical assistance and other inputs (financing, seeds, etc.)

72%
of small producers
have received TA
and inputs*

*This data refers not only to IPAE-provided technical assistance but also to other programs implemented by the companies themselves



01. Impact thesis and methodology

02. Impact management in 2021

Portfolio overview

Implementing ESG action plans

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Enhancing outreach & impact with advocacy

I&P's advocacy policy

Our vision and objectives

I&P is committed to a **proactive advocacy policy for the recognition of SMEs as vectors of change** and to the promotion of adapted financing solutions in Africa. The primary objective of our advocacy mission is **to go beyond the impacts of I&P alone** and to have a multiplier effect on our contribution to Africa's development agenda.



STUDIES & REPORTS

I&P regularly publishes **studies on its areas of expertise** : impact investing, SMEs support, private equity, etc.

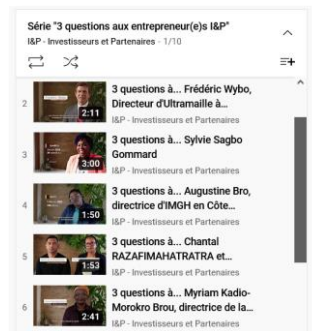
Our **impact reports** provide a comprehensive view of our impact mission and key accomplishments. [Read the 2021 report.](#)



VIDEOS

[I&P's YouTube channel](#) contains numerous reports: interviews, explanations of our activities, etc.

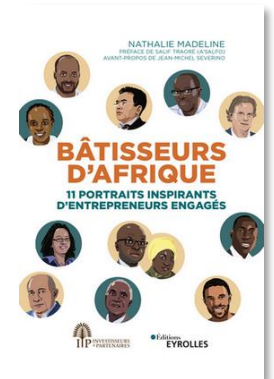
I&P highlights its partner companies through [video reports](#) that looks back on the entrepreneur's journey and the company's key impacts.



BOOKS

The members of the team also contribute to **advocate the African cause through books** that are published in bookstores.

The book ***Bâtisseurs d'Afrique*** (Builders of Africa), a collaboration between I&P and the author Nathalie Madeline, traces the careers of eleven African entrepreneurs. [To find out more, click here.](#)



ARTICLES & BLOG

The team regularly shares its experience in impact investing and African entrepreneurship with **media and specialized blogs**. I&P has also launched the ***Entreprenante Afrique*** blog, in partnership with Ferdi.

The ***Entreprenante Afrique*** blog aims to promote the entrepreneurial momentum in sub-Saharan Africa. [To access the blog, click here.](#)



Promoting good practices

A growing ecosystem

I&P helps **grow the emerging ecosystem of impact investors** and exemplifies its mission through multiple networks. Our commitment is reflected in **external evaluations and certifications such as the B-Corp™ certification and the Operating Principles for Impact Management.**

Impact investing and philanthropy networks



Networks dedicated to the promotion of entrepreneurship and private equity



Promote entrepreneurial voices in Africa

Focus on the Club Africain des Entrepreneurs

In 2016, I&P sparked the creation of the **African Club of Entrepreneurs**, a pan-African NGO (based in Abidjan) that serves a threefold purpose:

- **Promote entrepreneurship in Africa** by shedding light on the activities of the members and promoting this initiative amongst different stakeholders, including youth and women.
- **Foster opportunities** by sparking new types of interactions between members on the local, national, regional and pan-African scales, in order to share best practices and foster business opportunities.
- **Enhance skills** for both the entrepreneurs and their employees, in order to develop local human resources.

Advocacy projects and main activities in 2021

Exchanges and presentation of activities to partners and ministries during the ceremony organized by Invest for Jobs_GIZ in Abidjan at the Golf Club, Ivory Coast March 2021)

The Club is one of the founding partners, a regular contributor to the editorial committee with I&P and FERDI of the blog "[Entreprenante Afrique](#)",

Grant from GIZ Côte d'Ivoire for the capacity building of SMEs. Training and capacity building of entrepreneurs

Delivery of material and micro-equipment to entrepreneurs
Duration of implementation: 07 months (January to July 2021)



January 2021: Communication to entrepreneurs of the **LeAD Campus** training program, scheduled from May to December 2021.

Training on responsible leadership in Africa provided by HEC in conjunction with African universities and with I&P, Lead Campus partner



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