

BURKINA FASO | NIGER | SENEGAL | MULTI-COUNTRY AFRICA

Promoting the creation of investment vehicles focused on microenterprises in Sub-Saharan Africa

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To promote “micro-investment capital” and create investment vehicles specialized in supporting microenterprises in Sub-Saharan Africa, Proparco is supporting the leading platform dedicated to their creation. The project aims to build the capacities (i) of local funds in order to help them build their microenterprise portfolio, (ii) of the microenterprises from the respective portfolios of these local funds.

PROJECT DESCRIPTION

IPDEV 2 is the largest incubation platform dedicated to the creation of national investment vehicles in Sub-Saharan Africa to support microenterprises excluded from long-term financing sources.

The project aims to create a network of 10 vehicles in 10 countries over the next 10 years by structuring and training 10 local investment teams.

Each vehicle will finance needs ranging between EUR 30,000 and EUR 300,000, in the form of participatory loans, convertible bonds or minority equity investments.

PROPARCO’s financing involves supporting the technical assistance facility of the IPAE 2 fund to promote the development of skills, the transfer of know-how and training for microenterprises with strong impacts in Sub-Saharan Africa. This financing will support training for both the African management teams of the national investment vehicles and technical assistance missions to the funded SMEs (management, procedures, information systems, etc.). The project thereby builds the capacities of (i) local funds to assist them in the creation of their microenterprise portfolio, (ii) microenterprises in the respective portfolios of these local funds.

CLIENT PRESENTATION

Investisseurs & Partenaires (I&P) is an impact investing group dedicated to small and medium-sized enterprises in Sub-Saharan Africa. Since it was set up in 2002, I&P has invested in

This information is given
at the time of signature,
without prejudice to any
developments in the
operation/project

20/10/2015

Date of signature of the project



Multi-sectors
sector(s)



Burkina Faso, Niger, Senegal,
Multi-country Africa
Location



Equity investment
Technical Assistance
Financing tool



2 450 000 Euros
Amount of funding



Equity investment of EUR 2m
and technical assistance of
EUR 450,000
Financing details



I&P DEVELOPPEMENT 2
Client

IF-B

some 60 enterprises in 15 countries via three vehicles (IPDEV 1, IPDEV2 and IPAE), accounting for a total of EUR 75m of assets. In addition to the financial contribution, I&P helps the enterprises invested in strengthen their strategic, financial management and managerial skills. I&P has 20 employees working between Paris and 6 African offices.

PROJECT IMPACT

The project aims to create a new industry in Africa – micro venture capital. In addition to the 10 local management teams which have been set up and trained, IPDEV 2 will finance at least 150 microenterprises and help create or support 2,000 jobs in sectors as diverse as agribusiness, education, health, energy and distribution. This operation will also contribute to building the capacities of SMEs through the training and missions financed by the funds' technical assistance facility.

IPAE 2 will strengthen the impact hypothesis of the IPAE 1 fund by setting 7 impact objectives in the thematic areas of African entrepreneurship, gender, employment, the response to the Millennium Development Goals and the environment.