Strategic Consultative Meeting
In Partnership with the United Nations Development Programme (UNDP)

7 May 2019 – Addis Ababa, Ethiopia

Meeting WIFI Password: Meet1nG2018
Welcome Address, UNDP

Lamin M. Manneh, Director, Regional Service Centre for Africa (RSCA)
United Nations Development Programme (UNDP)
02.

Remarks, SDC

Natasha Fröjd, Program Manager – Private Sector and Development Finance
Swiss Agency for Development and Cooperation (SDC)
03.

Setting the Scene: The Impact@Africa Journey & Proposed Way Forward

Michael Sudarkasa, Impact@Africa Chair
Tomas Sales, Impact@Africa Vice Chair
Introduction: UNDP Regional Private Sector Work in Africa

Dedicated Private Sector Unit
- Between 2010 and 2014 as project, since then part of IGSD Cluster, RSCA
- Track record: combining policy work, programming and partnerships

Inclusive Markets & Finance
- Innovative financing: impact investment
- Inclusive business and markets (AIMEC and IBEI) and agri-food value chains

Ecosystem Approach & Catalytic Action
- Facilitation, partnership and leveraging strengths: Multi-Stakeholder Platforms, action plan
- Enable large achievements through scaling up of innovative approaches
Impact Investment in Sub-Saharan Africa

Impact Investment

• “Investment practices made in companies, organizations and funds that intentionally aim to create measurable social and environmental impact alongside financial return” (GIIN)

Innovative & Strategic Opportunity

• Impact investment is an innovative and strategic opportunity to harness private sector and individual investments that contribute to meeting the SDGs – gap of 600 billion a year in Africa alone

Practice Remains Nascent in Africa

• ... but has the potential to significantly contribute to the continent’s economic growth and development objectives, in line with the AU Agenda 2063
UNDP & Impact Investment

Scaling-Up of Inclusive Businesses
• Inclusive Business Ecosystem Diamond: Information, incentives, investment, implementation

Mapping Impact Investment in Africa
• Knowledge report on impact investment in Africa (2015)
• Trends, constraints and opportunities

Streamlined Global Efforts
• SDG Impact: start-up to catalyze financial investments from the private sector that advance the SDGs
• Finance Sector Hub: agile innovation platform; brings together all UNDP’s work and capabilities to provide service offer to governments on SDG Finance
**UNDP Approach & Service Offers**

**Ecosystem approach: support development of sector and its contribution to SDGs and Agenda 2063**

- Thought leadership, trust and collective action within the industry
- Collaboration with all industry actors, including governments, development partners, AU and RECs

**Service Offers**

- Strengthening the information and knowledge base on impact investment in Africa
- Facilitating action and providing technical assistance support as well as financial backing towards alleviating the key challenges of the impact investment sector
- Convening impact investment stakeholders to dialogue on the development of the impact investment sector
Achievements (I)


4. Impact@Africa Validation and Operationalisation Meeting (2017, Egypt)

5. Launching of Impact@Africa at RBF 2018 (2018, South Africa)
Impact@Africa

The pan-African impact investment ecosystem development network that brings together all ecosystem players and provides a strong, unified voice for the advancement of impact investing on the continent.

Mission

Foster impact investment ecosystem growth in Africa by serving as a leader and information hub that pilots, promotes and advocates for innovations that solve transactional barriers and builds capacities to strengthen infrastructure.

Vision

A robust impact investment ecosystem that delivers for Africa and supports the implementation of Agenda 2063 and the Sustainable Development Goals (SDGs).
## Impact Investment in Africa Action Plan

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<thead>
<tr>
<th>Infrastructure &amp; Mechanisms</th>
<th>Policy &amp; Regulatory Environment</th>
<th>Adoption Of Good Practices</th>
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<tbody>
<tr>
<td>Appropriate infrastructure and mechanisms to facilitate impact investment deals</td>
<td>Enabling policy and regulatory environment in which impact investment can thrive</td>
<td>Good practice in impact investment by high capacity, skilled and experienced impact investors</td>
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<th>Enterprise Development</th>
<th>Measurement Standards</th>
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<td>Strong pipeline of viable impact investees that are able to meet financial, social and / or environmental requirements</td>
<td>Consensus on broad-based adoption of impact measurement standards &amp; metrics to demonstrate social &amp; environmental returns</td>
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**Ecosystem Advocacy:** Dynamic advocacy and awareness raising programme on impact investment in Africa

**Network Development:** Coordinated action across ecosystem stakeholders to leverage off existing efforts, share knowledge and best practices, and facilitate engagement and action
1. Facilitation and Operationalisation Support for Impact@Africa
2. Proposed Hybrid Finance Impact Investment Fund of Funds for Africa
Impact@Africa 2019 Priorities & Activities

Advocacy and Outreach
• West Africa Presence at ANDE Regional Conference 2019
• Match-Making at SEWF 2019
• African Delegation at GSG Global Summit 2019

Promoting Ecosystem Thought Leadership
• Knowledge Hub: Impact Investing in Africa Resource Portal
• Annual State of Ecosystem Report (collective exercise)

Membership Development
• Communications Strategy Implementation
• Annual Conference and General Meeting at RBF 2019
Impact@Africa Strategic Consultative Meeting

Strengthening the African Impact Investment Ecosystem and its Linkages to the Agenda 2063 and SDGs

• Alignment with African Union (AU) Agenda 2063
• Impact Investment in Africa Action Plan

Strategic Sessions

• Impact Investing and the Agenda 2063 (African Union)
• Policy in Supporting the Impact Investment Ecosystem (British Council)
• Partnerships and Capacity Building for Impact Investing in Africa (ANDE)
• Impact Investment Funding – Domestic Resource Mobilization and Match-Making (Ceres Ventures)
Strategic Consultative Meeting
In Partnership with UNDP
7 May 2019 – Addis Ababa, Ethiopia
The Role of Impact Investing in the Realisation of Agenda 2063

Islam Swaleh, Acting Head, Private Sector
African Union (AU)
Impact Investment and Agenda 2063
“During the preparation of Agenda 2063, the Private sector was involved. This was aimed at having an all inclusive process since Agenda 2063 has a bottom up approach.”
The Aspirations

Agenda 2063 has seven aspirations as a result of the consultations conducted during its preparation.

1. A prosperous Africa based on inclusive growth and sustainable development
2. An integrated continent, politically united and based on the ideals of Pan-Africanism and the vision of Africa’s Renaissance
3. An Africa of good governance, democracy, respect for human rights, justice and the rule of law
4. A peaceful and secure Africa
5. An Africa with a strong cultural identity, common heritage, shared values and ethics
6. An Africa where whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children
7. Africa as a strong, united and influential global player and partner
Investment in the aspirations of Agenda 2063

- Private sector investment in quality education, health Care system and housing
- Investment in Modern agriculture for scaled up production and value addition
- Industrialization, adding value to extractives (oil and gas, minerals) to attract higher prices and thus leading to Job creation.
- Investment in the blue/ Ocean economy to exploit these resources sustainably for the benefit of Africans and market-led aquaculture which will close the supply gap in fish
- Private sector investment in ICT to drive industrialization and easy access to information.
- Private sector investment in the financial sector. Capital Markets
1. Integrated High Speed Train Network
2. African Commodity Strategy
3. Continental Free Trade Area
4. Pan-African E-Network
5. African Passport and free movement of people
6. Silencing the Guns
7. Grand Inga Dam Project
8. Annual African Forum
9. Single Air-Transport Network
10. African Outer Space Strategy
11. Pan-African Virtual University and E-University
12. Continental Financial Institution
13. Great Museum of Africa
14. Cyber Security
SAATM is to facilitate air transportation on the continent. It originates from the Yamoussoukro Decision (YD) on the liberalization of access to air transport markets in Africa adopted on 14 Nov. 1999, in Yamoussoukro, by African ministers responsible for civil aviation.

The Union Assembly officially launched the Single African Air Transport Market (SAATM) in Addis Ababa, Ethiopia, on 29th January 2018 during its 30th Ordinary Summit Session; Twenty-eight (28) Member States have signed the Solemn Commitment to establishment of the SAATM. Sixteen (16) countries have signed a Memorandum of Implementation (MOI) aimed at harmonizing all Bilateral Air Services Agreement between members.
African Continental Free Trade Area (ACFTA)

- ACFTA is to accelerate growth and sustainable development targeting to double intra-Africa trade by 2022, strengthening Africa’s common voice in international trade dealings, accelerating the establishment of the continental financial institutions, and continental integration.

- The Agreement Establishing the AfCFTA with the Protocols on Trade in Goods, Trade in Services and on Rules and Procedures on the Settlement of Disputes was adopted and signed by AU Heads of States and Government during the 10th Extra-Ordinary Summit through Decision Ext/Assembly/AU/Dec.1(X) of 21st March 2018. Fifty two (52) AU Member States have signed the Agreement; Nineteen (19) Member States have so far ratified the Agreement in their national Parliaments, of which fifteen (15) have deposited the instruments of ratification.
Free Movement of all Persons and African Passport

- Free movement of people is crucial to the advancement of inter-African trade, hence socio-economic development and integration. The aim is to have a borderless continent to enhance free movement of Africans with a common passport by 2018.

- Protocol to the Treaty on the Establishment of the African Economic Community relating to Free Movement of Persons, Right of Residence and Right of Establishment was adopted in January 2018 together with a comprehensive implementation Roadmap as its annexure.

- 32 Member States have signed the Protocol and only one Member State, Rwanda, has ratified it.

Pan African e-Network

- is a joint undertaking by the Government of India and the AUC and whose main objective is to help with capacity building by imparting quality education, as well as medical tele-expertise and consultations to AU Member States by some of the best Indian academic and medical institutions.
- As of March 2017, the Network was installed in 48 AU Member States, 22,000 students obtained degrees in various undergraduate and graduate disciplines, 770 annual Tele-medicine consultations were carried out, 6,700 Continuous Medical Education (CME) sessions were held for nurses and Doctors.

Silencing of the Guns and End Wars in Africa by the Year 2020

The Silencing the Guns by 2020 was envisaged to end all wars, civil conflicts; gender based violence; violent conflicts and prevent genocide.

- The Peace and Security Council (PSC), developed the AU Master Roadmap of Practical Steps to Silence the Guns in Africa by Year 2020 which was endorsed by the 28th Ordinary Session of the Assembly of the Union on 30 – 31 January 2017.
- The PSC has carried out several activities, with a view to ensuring that the conditions necessary to achieve the goal of silencing the guns by 2020 are created throughout the Continent.
Grand Inga Dam

- The Project is to boost Africa’s production of energy, as currently only 7% of Africa’s hydropower potential is exploited. It is estimated that the Dam can generate up to 43,200 MW to benefit the whole continent.
- The DRC Government has recently decided to change Inga 3 concept from 4,800 MW to 11,000 MW for an investment cost of $18Bn.
- An Agreement was signed on 16th October 2018 between the DRC Government and a Consortium of Chinese and Spanish companies to undertake technical studies and environmental and socio-economic impact assessment of Inga 3 new concept. The investment cost will be mobilized by the consortium.

Continental High-Speed Train Network (CHSRN)

It is designed to interconnect African capitals, economic and other industrial hubs as well as major tourism locations with appropriate high speed rail technology, and other complementary electricity/power, and ICT broadband infrastructure and services.

Procurement of a consultancy firm was completed in 2018 and the first phase of the study known as the Detailed Scoping Study (DSS) was launched towards the end of 2018. The DSS will focus on developing the first 10-year Implementation Plan of the CHSRN Project.
Great Museum of Africa

- The Great Museum of Africa Project was adopted as a Flagship Project of Agenda 2063 by the Executive Council in July 2016. The Museum will be built in Algiers, near the Ministry of Foreign Affairs.
- The Technical Committee on the Establishment of the Museum held its first meeting in June 2018 in Addis Ababa, Ethiopia and agreed on the following:
  - Need to re-adapt the architectural design to the new site;
  - Need to think through all technical aspects as well as the legal basis of the Great Museum of Africa as an institution of the AU;
  - Need for Algeria to provide the estimated total cost for the establishment of the Museum;
  - Comprehensive Concept Note of the Great Museum of Africa will be developed;
- Algeria hosted the 2nd Meeting of the Technical and Advisory Committee in December 2018 to review the Draft Comprehensive Concept Note.
African Outer Space Program

- The Africa Space Policy and Strategy was adopted by AU Heads of State and Government in Jan 2016. It is aimed at creating a well-coordinated and integrated African outer space programme that is responsive to the social, economic, political and environmental needs of the continent, as well as being globally competitive. It is also to develop a regulatory framework that supports an African space programme and ensures that Africa is a responsible and peaceful user of outer space.
- In their decision [Assembly/AU/Dec.589 (XXVI)] adopting the space policy and strategy, the Heads of State and Government requested the Commission to carry out consultations to evaluate the legal, structural and financial implications for the African Space Agency.
- The Commission carried out the assessment and evaluation of the candidate countries that offered to host the African Space Agency, and the 2019 Assembly decided that the Agency will be hosted by the Arab Republic of Egypt.
Pan African Virtual and E-University (PAVEU)

- The Pan African Virtual and E-University (PAVEU) is one of AU’s flagship projects that has been proposed for addressing the Agenda 2063 need for accelerating development of human capital, science and technology and innovation through increasing access to tertiary and continuing education in Africa by capitalizing on the digital revolution and global knowledge.

- The January 2018 summit, decided that PAVEU be an Open, Distance and eLearning (ODeL) arm of the PAU and to be hosted at the PAU Rectorate Headquarters in Yaoundé, Cameroon.

- PAVEU Project Implementation Framework has been developed to guide the implementation of the PAVEU in terms of its mission and scope of work, principles and core values, content delivery modes, scope of curriculum, modes of teaching and learning, access requirements, assessment modes, as well as accreditation and quality assurance.
African Economic Platform

• The African Economic Platform is an Agenda 2063 programme that brings together African Heads of State, Business Leaders, Academics and Youths to have discussions and deliberate on Africa’s Development

• The inaugural African Economic Platform was held in Mauritius from 20 to 22 March 2017, and some of the key topics included African Development;
  a) Economic Transformation;
  b) Industrialization and Free Movement of people and goods;
  c) All pivotal components of Agenda 2063.

• It is expected to convene again in 2019
The Continental Financial Institutions

- They are to accelerate economic development and integration by mobilizing resources, managing financial sector and promoting trade. The project started in the Abuja Treaty’s monetary union stage. It has 4 institutions: African Central Bank (ACB), African Investment Bank (AIB), African Monetary Fund (AMF) and Pan-African Stock Exchange.

- African Central Bank (ACB): To be established between 2028 and 2034 through the African Monetary Institute. ACB will be based on the Joint AUC/Association of African Central Banks (AACB) Strategy adopted in August 2015.

- African Investment Bank (AIB): AIB statute were adopted in February 2009. As of this day, twenty-two (22) Member States have signed; and six have ratified the Protocol. The Bank is to be established by 2025; and the Libyan government has reiterated its readiness to play its role in hosting the bank.

- African Monetary Fund (AMF): The Protocol and statute were adopted in June 2014. To date, 10 Member States have signed the Protocol, with only one having ratified it. The agreed timeframe for its establishment is by 2023;

- Pan-African Stock Exchange: the feasibility study was considered by the AU Ministers of Economy and Finance in 2014 and requested more inputs from Member States. Consultations are still on-going and the Feasibility Study Report is yet to be submitted to the STC on finance.
Cyber Security

• Through Decision *EX.CL/Dec.987(XXXII)*, the 32<sup>nd</sup> Ordinary Session of the Executive Council held between 25 to 26 January 2018 in Addis Ababa, Ethiopia, adopted the Cyber Security as a Flagship Project of the African Union Agenda 2063 and the African Union Commission has been active in promoting cyber security in Africa

• The AUC adopted the AU Convention on Cybersecurity and Personal Data Protection in Malabo in 2014. Four Member States out of the required 15 ratified the Convention;

• The AUC developed data protection guidelines and launched them in 2018 during the Africa Internet summit in Dakar, Senegal.

• In October 2018, the first African forum dedicated to Cybercrime was held in Addis Ababa in collaboration with the US Department of Justice. Also capacity building workshops were held on Cyber diplomacy, Cyber strategy and Cyber legislation.

• An African Cybersecurity Expert Group is being formed to advise the African Union Commission concerning international discussions on cybersecurity and cybercrime and to exchange best practices
Business Opportunities in the Flagship Projects of Agenda 2063

- Establishing the SAATM makes travel within the continent easier and less costly.
- AFCFTA offers an opportunity to break barriers to trade on the continent by increasing the volume of trade, Investments, Industrialization and tackling the challenge of youth unemployment.
- The Pan-African e-network provides for investments in ICT and education.
- Achieving peace on the continent offers conducive environment for growth and development.
- Having seamless borders and management of cross-border recourses through dialogue and a continent where free movement of people, capital, goods and services will result in significant increases in trade and investments.
- The Grand Inga Dam further offers an opportunity to light up the continent, lower the cost of energy thus reducing production costs.
- The High Speed train, will ease transport costs and connection on the continent.
- Flagship projects offer business opportunities in terms of supply of materials, employment etc.
THANK YOU!
3. Structure of the Agenda 2063

- **Development is people-driven**
  - A Strong and Influential Global Player and Partner
  - Constitutive Act
  - African Union Vision
  - The 8 Priority Areas of the Solemn Declaration
  - African Aspirations for 2063
  - Regional and Continental Frameworks
  - Member States National Plans

- **Prosperous Africa**
  - Environmental Sustainability and Climate Resilience
  - Inclusive Economic Growth
  - High Standard of Living (Income, Jobs, Health, Education)
  - Transformed Economies

- **Political Unity and Integrated Continent**
  - Politically United Africa
  - Economically Integrated
  - Free Movement of People, Goods and Services

- **Peaceful and Secure Africa**
  - Security and Stability
  - At Peace with Herself and Neighbors

- **Good Governance, Democracy, Human Rights, Justice and rule of law**
  - Universal principles of human rights, justice and the rule of law observed
  - Capable Developmental State

- **Equally opportunities and Participation of women and youth**
  - Local governance for sustainable development
  - Civil society contributes to development

- **Speaks with one voice in global affairs**
  - Major partner in the process and outcomes of global economic prosperity

- **Strong Cultural Identity Values and Ethic**
  - National culture are recognized and respected
Impact Investment Drivers

**Global**

- More commitment to responsible investment following 2008/2009 financial crisis
- Philanthropy insufficient to sustainably address all access to social service needs
- Need for market-based solutions to basic service provision

**Africa**

- Declining Official Development Assistance (ODA) & increasing private investment
- Strong economic growth: Africa GDP risen to over $2 trillion in 2014
- Shortage of public sector funding to provide access to social services
African Union Agenda 2063: Opportunities for Transformational Impact Investing

Focus: Invest to improve the quality of life and infrastructure
- Energy and water
- Health care
- Eradicating Poverty

Focus: Invest in women and young people
- Financial access, services & products for MSMEs and women
- Agriculture and Agribusiness modernization and value addition
- Private development and intra regional trade
- Education

Malabo Heads of State Commitments and Targets 2015 - 2025
- End Hunger in Africa by 2025
- Reduce Poverty by 50%
- Increase youth employment in value chains by 30%
- Double agricultural productivity
- Increase farmer resilience to climate change by 30%
- Tripling Intra African Trade
<table>
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<tr>
<th>Structural Economic Growth</th>
<th>Science, Technology &amp; Innovation</th>
<th>People-centered Development</th>
<th>Environmental Sustainability</th>
<th>Peace &amp; Security</th>
<th>Finance &amp; Partnerships</th>
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<tr>
<td>Inclusive growth reduces inequality</td>
<td>Enhance technology capacity for innovation</td>
<td>Poverty eradication</td>
<td>Improve natural resource and biodiversity management</td>
<td>Address root causes of conflict</td>
<td>Improve domestic resource mobilization</td>
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<tr>
<td>Sustainable agriculture, nutrition, food self-sufficiency</td>
<td>Build enabling environment for innovation</td>
<td>Education &amp; human capital development</td>
<td>Universal access to safe water</td>
<td>Prevent outbreak of armed conflicts</td>
<td>Maximize innovative finance</td>
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<tr>
<td>Diversification industrialization and value addition</td>
<td>Support R&amp;D</td>
<td>Universal access to healthcare</td>
<td>Respond to climate change</td>
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<td>Implement existing development commitments</td>
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<tr>
<td>Develop service sector</td>
<td>Optimize use of space &amp; geospatial technology</td>
<td>Gender equality</td>
<td>Address desertification, land degradation, soil erosion</td>
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<td>Promote mutually beneficial partnerships</td>
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<td>Leverage population dynamics for development</td>
<td>Reduce &amp; manage natural disasters</td>
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<td>Strengthen partnerships for trade</td>
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<td>Harness youthful population</td>
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<td>Establish partnerships to manage global commons</td>
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Impact Investment in Africa: Potential

- Lack of basic goods, services & infrastructure (aggregate demand for services estimated at least US$240 billion)
- Household incomes are rising, consumer spending is expected to grow to $1.4 trillion by 2020.
- GDP has risen almost fourfold since 2000 to over US$2 trillion in 2014.
- Increased economic and political stability, combined with improved business environment

The impact investing sector is growing globally, with many success stories, best practices, and standardization and this provides excellent momentum for Africa.
05.
The Importance of Policy in Supporting the Impact Investment Ecosystem in Africa Strategic Session

Paula Woodman, Global Social Enterprise Programme Lead
British Council
Problems

- Lack of economic justice
- Inadequate policy & regulatory environments
- Lack of trust
- Lack of evidence
- Lack of systematic SE procurement
- Lack of understanding of SE ecosystems
- Lack of support from different countries
- Most current support ecosystems do not comprehend SEs that are a hybrid of NGOs & Business
- Lack of adequate & inclusive employment
- Not enough philanthropy to achieve SDGs
- Failure to meet SDGs

Goals
- Social
- Cultural
- Environmental

Evidence about the efficacy of SEs in substantially advancing programs of SDGs

Inadequate access to skills & networks
- SEs lack access to networks & finances
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Phase 1 - Foundational policies
Fostering a favourable environment for impact businesses including educational programmes; capacity building and access to capital (often linked to incubators)

Phase 2 - Strengthening policies
Providing the market e.g. impact values in procurement decisions; legal forms for impact businesses; impact reporting standards; impact investment wholesalers

Phase 3 - Expansive policies
Further broaden the reach of the impact investment industry by opening the market to retail investors. Fiscal incentives both in the demand and supply side are starting to be explored.
**History of the UK movement - UK government**

- **Prime Minister Tony Blair** commits to supporting social entrepreneurs in his first policy speech.
- **Social Enterprise Unit** formed as part of the Department for Trade and Industry.
- **Community Interest Companies (CICs)** – legislation to create a new form of corporate entity introduced.
- **All main parties manifestos have strong commitments to social enterprise** – social enterprise features in the Queen’s speech.
- **Launch of Big Society Capital** with £200 million of investment for social enterprises and charities.
- **Passing of the Public Services (Social Value) Act**
- **Prime Minister David Cameron** launches the G8 Social Investment Taskforce.
- **International Social Investment Strategy** launched.
- **UNLTD* launched to promote and develop social entrepreneurs with £100 million endowment**
- **Social Enterprise Coalition** (now Social Enterprise UK) established.
- **Social Enterprise Investment Fund** – £100 million for investment in new and existing social enterprises delivering health and social care services.
- **Francis Maude** commits that one in six public sector employees will work for staff-owned social enterprises and mutuals.
- **Community rights** to challenge, to bid and to build enshrined in the Localism Bill.
- **First ever Social Impact Bond** launched.

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*www.britishcouncil.org*
Policy work: Knowledge and evidence
Policy work: Capacity building

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<th>Organisation</th>
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<td>The Social Investment Business</td>
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<td>Social Finance</td>
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<td>Finance SouthEast</td>
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<td>Key Fund</td>
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<td>Bridges Ventures</td>
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<td>Big Issue Invest</td>
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<td>Esmee Fairbairn</td>
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<td>Break Through</td>
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<td>Charity Bank</td>
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<td>Alka</td>
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<td>Unity Trust</td>
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<td>private equity</td>
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![Image of a donkey and a bag of money]

![Image of a Nudge logo]
Policy work: policy dialogue and technical advisory services

GHANA SOCIAL ENTERPRISE POLICY

DRAFT
Follow us on twitter
@SocEntGlobal  @paulawoodman1

Sign up for our newsletter
http://www.britishcouncil.org/society/social-enterprise
Strategic Consultative Meeting
In Partnership with UNDP
7 May 2019 – Addis Ababa, Ethiopia
06. Partnerships and Capacity Building for Impact Investing in Africa

Maryanne Ochola, Regional Coordinator, East Africa
Olatunji Ajani, Regional Coordinator, West Africa
Aspen Network of Development Entrepreneurs (ANDE)
What is ANDE?

**Aspen:** a non-partisan organization whose mission is to bring together people who *should* be collaborating on societal challenges but would not do so ordinarily

**Network:** an interconnected group or system

**Development:** improving the economic, social and environmental welfare

**Entrepreneurs:** individuals whose passion leads them to organize available resources in new and more valuable ways
Small and Growing Businesses (SGB)

5 – 250 employees
Seek growth capital from $20,000 - $2 million

Too large for microfinance, too small for traditional commercial capital
ANDE Membership: An SGB Ecosystem

- Investors: 23%
- Capacity Development Providers: 42%
- Sector Association: 3%

Categories and Percentages:
- Development Finance Institution or Donor Agency: 5%
- Academic Institution: 5%
- Corporation or Corporate Foundation: 7%
- Research or Advisory Service Provider: 7%
- Foundation: 8%
ANDE Core Activities

Strengthen ANDE Members

Networking and Knowledge Sharing
Metrics and Impact Assessment
Training and Talent Development
Funding Initiatives

Build SGB Sector

Research
Education/Advocacy
ANDE Strategy 2019 and beyond

Central Pillars

Making the Case for SGBs
Increasing Effectiveness of SGB Support Organizations
Cultivating Entrepreneurial Ecosystems

Functional Enablers
Talent Development
SGB Finance/Impact Investing
Impact Assessment

Urgent Issues

Promoting SGBs as drivers of decent work and economic growth
Promoting Gender Equality via SGBs
Promoting Entrepreneurial Approaches to Environmental Action

Promoting SGBs as drivers of decent work and economic growth
Promoting Gender Equality via SGBs
Promoting Entrepreneurial Approaches to Environmental Action
Thank You!
Strategic Consultative Meeting
In Partnership with UNDP

7 May 2019 – Addis Ababa, Ethiopia
07. Impact Investment Funding – Domestic Resource Mobilization and Match-Making with Global Funds

Tara Sabre Collier
Ceres Ventures
Impact Investing Funding
Domestic Resource Mobilization and Match-Making with Global Funds
Impact Investment Has Grown To Over 1000 Funds With Only 6% Based In SSA

The current size of the global impact investing market is $502 billion

The GIIN, Sizing the Impact Investing Market, April 2019
Africa’s Impact Investment Funds Are Primarily In 6 Core Markets

**Kenya**

**Tanzania**

**South Africa**

**Nigeria**
- Actis, AFC, D.Capital Partners, Flint Atlantic, Nigerian WomThe Financial Sector Deepening Trusen’s Trust Fund, RegCharles Finance and Capital LTD, Shelter Afrique, Universal Service Provision Fund

**Uganda**

**Ghana**
- Acumen fund, Alitheia Identity, Investisseurs & Partenaires, SME Relief Foundation, Venture Capital Trust Fund

**Source:** AlliedCrowds, Impact Investing in Africa, March 2018
Over Half Of Africa’s Impact Investors Are Asset Managers

At the same time, there are relatively few African-based fund of funds:

The GIIN, Sizing the Impact Investing Market, April 2019; Google search
African-based Pension Funds may be a key long-term ally to market building
Key Pillars need to be developed to build more robust impact investment markets

<table>
<thead>
<tr>
<th>Business and regulatory environment</th>
<th>Entrepreneurial culture &amp; human capital</th>
<th>Finance &amp; exit opportunities</th>
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<tbody>
<tr>
<td>Transparent government regulations</td>
<td>Access to educational opportunities</td>
<td>Strong safeguards for creditors</td>
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<tr>
<td>Strong legal framework</td>
<td>Skilled workforce</td>
<td>Automated specialized commercial courts</td>
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<td>Low barriers to competition</td>
<td>Adequate worker protections</td>
<td>Adequate tax incentives</td>
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<tr>
<td>Affordable public infrastructure</td>
<td></td>
<td>Linkage to capital markets</td>
</tr>
<tr>
<td>Availability of information and networks</td>
<td></td>
<td>Access to commercial credit at reasonable interest rates</td>
</tr>
</tbody>
</table>

The World Bank, Doing Business; World Bank Group, Emerging Social Enterprise Ecosystems in East and South African Countries, 2017; UNDP, Impact Investment in Africa; Developing Business of Scale in Sub-Saharan Africa, September 2017
Building the ecosystem will also entail business regulatory reforms + upgrades

- Mandatory inspections during construction
- Transparency among existing laws
- Equal access to property rights
- Affordable electricity and quickly restore service during power outages
- Increased public-private communication on legislative changes
- Short processing times for required approvals
- Government promotes role of entrepreneurialship

The World Bank, Doing Business; World Bank Group, Emerging Social Enterprise Ecosystems in East and South African Countries, 2017; UNDP, Impact Investment in Africa; Developing Business of Scale in Sub-Saharan Africa, September 2017
THANK YOU
08.

Wrap Up: Next Steps and Word of Thanks

Michael Sudarkasa, Impact@Africa Chair
## Call to Action: Membership and more ...

<table>
<thead>
<tr>
<th>Groups</th>
<th>Corporate Fee</th>
<th>Individual Fee</th>
<th>Offering</th>
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</table>
| Investors                          | 2,500 USD     | 200 USD        | • Matchmaking with FOF and (global / local) co-investors  
|                                    |               |                | • Access to deal-flow  
|                                    |               |                | • Thematic investment opportunities                                                              |
| Corporations and Foundations       | 2,500 USD     | 200 USD        | • Access to shared value / impact opportunities  
|                                    |               |                | • Showcase and replicate opportunities                                                              |
| Policy Actors                      | 2,500 USD     | 200 USD        | • Public-private partnership development  
|                                    |               |                | • Mapping of opportunities  
|                                    |               |                | • Advocacy and facilitate access to funding                                                             |
| Enterprise Support                 | 1,000 USD     | 200 USD        | • Access to investors and funders  
|                                    |               |                | • Outreach to new markets                                                                         |
| Advisors and Consultants           | 1,000 USD     | 200 USD        | • Access to clients  
|                                    |               |                | • Thought leadership opportunities                                                                   |
| Academia                           | 500 USD       | 200 USD        | • Promotion of educational offerings continentally  
|                                    |               |                | • Digital platform of impact investment knowledge  
|                                    |               |                | • Research sharing                                                                                 |
| Associations of Entrepreneurs      | 500 USD       | 200 USD        | • Facilitate access to capital and capacity development / technical assistance                   |