

OVERVIEW: BOOST AFRICA PROGRAMME

Title of facility or programme **BOOST AFRICA PROGRAMME**

Implementing partners EIB – European Investment Bank
AfDB – African Development Bank

Budget **Total budget: €180 million**

- Lead FI: €120 million (AfDB, EIB)
- Intra-ACP/EDF: €60 million (TA € 4.2 million + Risk capital € 50 million plus lead fees)

Duration 17 years for the Boost Africa Investment Program
As needed for the technical assistance component

Program description Boost Africa is a blended finance and multi-partner initiative focused on supporting entrepreneurially-driven early stage and start-up SMEs on the African continent.

PROGRAMME COMPONENTS:

1. Boost Africa Investment Program (BAIP):

- 17-year Program
- 'wholesale' program
- target capitalization of €180 million.
- will invest +/- €1 - 10 million in various African angel, Private Equity (PE) and patient capital funds which target mostly young entrepreneurs and businesses that are setting up and/or are operating diverse innovative business models with high growth and job potential.

2. Technical Assistance (TA) Facility:

- Size: € 9.2 million (incl. € 4.2 million from Intra-ACP/EDF)
- Managed by EIB
- TA services to increase capacity of beneficiary fund managers and investee companies

3. Innovation & Information Lab (I&I Lab):

Hosted by AfDB under the JFYA ("Jobs for Youth in Africa" JfYA) strategy. Facilitator for innovation, networks and partnerships to support interaction between and support 'best practices' of fund managers as well as accelerate the development of innovating SMEs in Africa. Specific objective (outcome):

EXPECTED DEVELOPMENT OUTCOMES:

Tangible PSD and sustainable development outcomes & results:

- Help create and grow 1500 innovative businesses,
- Business advisory services and transfer of skills for early stage youth entrepreneurs to help them grow
- Create 25,000 direct jobs and 70,000 indirect jobs, and
- Improve environmental, social and governance practices in African SMEs.

Financial institutions (FI) and PSD intermediary capacity development outcomes:

- Innovative, additional and long term financial capacities in Africa
- Strengthen local fund managers targeting *early stage SMEs and young entrepreneurs* in Africa, a market that is extremely underdeveloped on the continent.
- Capacity of enterprise support organizations (such as incubators and accelerators)
- improvement of knowledge, information and networks regarding entrepreneurship and SME development in Africa.

Governance

A joint Steering Committee (SC), comprising the Contracting Authority (EC), EIB, AfDB and the ACP Secretariat, will provide strategic guidance to the initiative, in particular with regards to the geographic distribution and the pipeline of potential funds which could benefit from the AfIF junior tranche as well as the effective use and performance of TA funds and the ELab.

The SC will also provide strategic guidance on the various components, notably on the TA, the investments and the Lab, and provide recommendations on communication matters.

In addition, the Steering Committee will be periodically informed of the transaction pipeline and oversee the implementation of the project's components (investment, TA, ELab) to ensure that the projects considered fulfil the objectives of the initiative.

Geographic coverage and beneficiaries

Geographic coverage: Africa

Beneficiaries:

- SMEs/projects that have proven to generate strong impact such as off grid energy, agriculture & agri-business, health, education and ICT.
- African angel investors, private equity (PE) and patient capital funds
- Entrepreneurs and enterprise profile: early stage SMEs, young entrepreneurs (men and women), innovative businesses

Access conditions for TA facility

The TA facility will support funds in the Boost Africa investment portfolio as well their investee companies.

Access conditions for financing facility

The financing facility is open for venture capital funds- preferably seed, early stage and growth venture capital funds -focusing on African innovative startups and SMEs

The focus will be on funds that target sectors where innovations can improve the quality of people's lives, in particular that of poorer households, providing access to affordable products and services. These sectors include, but are not limited to:

- ICT
- agribusiness
- financial services and financial inclusion
- health, education
- renewable energy
- light industrialization, value-chain creation

There will be a particular emphasis on intermediaries that focus on youth and women as final beneficiaries.

How to apply / contact details

Send a request for support to the program management unit at EIB or AfDB.

AfDB: Mr. Robert Zegers, Coordinator VC and impact funds for SMEs
r.zegers@afdb.org

EIB: Mr. Enrico Canu, Head of Unit -Outside EU PE/VC funds for SMEs
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