

I&P Développement

ANNUAL ESG AND IMPACT REPORT

MARCH 2024



IIP INVESTISSEURS
& PARTENAIRES

GRITZ
Pour :

Foreword



**Jérémy
HAJDENBERG**
Co-CEO, I&P



David MUNNICH
*Executive Director, I&P
Acceleration and I&P
Development*

When IPDEV was started, almost nine years ago, Africa was experiencing a dynamic growth of GDP and a relatively stable political situation among West Africa and East Africa. At the time, supporting African entrepreneurs, start-ups and SMEs was of course already a key factor in favor of the continent's economic, social and environmental development. SMEs create jobs, improve the quality of employment, provide essential services and goods sustainably, pay taxes, and many more. But little did we know what they would be up to.

In the past 3 years, the continent faced a surge in political and social tensions, local or international. 7 transfers of power to the military took place in this period in seven countries, including in 4 countries where IPDEV is active: Niger, Burkina Faso, Mali, Guinea, but also in Chad, Sudan and Gabon. In other cases, like in Senegal, political turmoil appeared and led to elections and to a transfer of power to new Authorities. All these countries are on the same latitude in the Sahel region, where IPDEV is especially active. These countries also faced, as well as Sub-saharan Africa in general, a strong surge in inflation after the outbreak of the Russia-Ukraine war and in the aftermath of the pandemic. Public debts are now reaching alarming levels. And recently West Africa faced major and unprecedented heatwaves, that climate change vows to make more frequent in the future. Africa certainly has many assets, but the challenges are obviously greater than ever.

In this context, the initial motivation behind the creation of IPDEV proved even more relevant. Not only do entrepreneurs and SMEs create jobs, give access to services and pay taxes. They also do it against the odds. Entrepreneurs and SMEs show an extraordinary resilience in challenging times, by finding new suppliers, new customers, and innovative ways to deliver their services and products. By finding solutions.

Thanks to the 50+ companies supported by the Partner funds of IPDEV, 10 000 direct and indirect jobs were supported, as well as 10 000 smallholder farmers. Almost 120 000 stakeholders benefit from the activities financed by IPDEV overall. The SMEs supported by the 7 Partner funds of IPDEV grow fast. They raise additional financial resources, they play a key role in structuring the African economies, and they deliver a major impact in the field. This report intends to capture and measure these impact.

Thank you to our investors and funders for allowing to reach these results to date. IPDEV is now preparing its next phase, in order to continue supporting its Partner funds and expand to support new partners in other frontier markets.



Kim KAMAREBE
Managing Director, Inua Capital

As the newest addition to the IPDEV fund of funds, Inua Capital brings yet another new perspective to the ESG and impact investing ethos across Africa.

Fifteen years ago, I moved back to Uganda and switched my career from conventional finance to impact-driven finance for a single reason – to, in alignment with my own personal values, bring inclusivity and sustainability to the centre of my investment work, to transition into finance that leaves *no one behind*, be it my fellow Ugandans and East Africans, be it women, be it ethnic minorities in our region, be it our planet.

With this founding background, it is no surprise that Inua Capital is an ESG champion – in our own processes, we operate as a role model and take a pragmatic approach to driving ourselves and our investees towards best practice in sustainability. In addition to our ESG and impact focus, Inua Capital invests with an explicit gender lens – Inua recognises that gender biases persist in Uganda's economic landscape and believes that it is our responsibility to use our financial resources to help address the systemic gender gap in access to credit, industry and employment, and to even the playing field.

In our first year of operation, we have supported 2 companies, both in the agricultural value chain and thus both delivering substantial economic impact to our smallholder farmers while also both being strategically placed to have an influence on our country's environment and climate future. Equator Chocolate, one of our first investments and which makes sustainable, single-origin craft chocolate, promotes the production of (higher-earning) specialty cocoa, pays Ugandan cocoa farmers a premium price for their cocoa, and localises the chocolate value chain in Uganda (versus exporting the bulk of the financial benefits of the value chain abroad). This positive impact on incomes and farmers needs to be balanced with potential environmental impacts as well, ensuring (and documenting) that yields are NOT at the expense of good agricultural practices, deforestation or exploitative labour.

We have also invested in Forna Health Foods, a female-led social enterprise in the nutrition sector, which manufactures all-natural, highly-nutritious composite porridges for infant nutrition (from weaning children to toddlers), for the sick, elderly and otherwise malnourished, and – more broadly – for all the family. This investment is so important in our country where one-third of children under 5 in the country are stunted due to malnutrition and where undernutrition is responsible for 40% of deaths of children under 5. A local, affordable, nutritive porridge is undeniably transformational. And with 11 agro-ingredients, all grown in Uganda, Forna Health Foods has as impactful an effect on Ugandan agricultural value chains as it does on the health and nutrition of vulnerable groups.

At Inua and across all IPDEV funds, we iterate our commitment to use our resources to drive sustainable socio-economic change – creating jobs, propagating entrepreneurs, increasing access to essential goods and services, improving social conditions for people at work, empowering women in the economic fabric, and responsibly managing our world's finite natural resources for our and future generations.

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AerialMetric ©Momenti, 2024



ESSECT Bouraké ©Atchioua Photography, 2022



Codetrain ©Michael Kwame Dakwa, 2022

Executive Summary

What is IPDEV ?

I&P Development (IPDEV) is the first sponsor fund dedicated to jumpstarting, developing and supporting pioneer African Funds Managers. IPDEV is intrinsically suited to blended finance structuring, mainly relying on equity from private and institutional investors, but also on loans and grants from donors, each type of capital playing a key role to catalyze the impact of the other. In its first phase, IPDEV raised €21m in equity, €3m in first loss loan, and €3m in grants.

Since 2015, IPDEV has launched 7 Partner Funds in 7 fragile countries (Niger, Burkina Faso, Mali, Senegal, Côte d'Ivoire, Uganda, Madagascar) and 2 are in the process of launching (Cameroon and Guinea). They, in turn, have invested and supported nearly 60 Small & Medium-Sized Enterprises (SMEs) with an average ticket of €250k, with very promising financial and impact results. IPDEV is now fully committed.

IPDEV is now preparing its next phase in order to double its assets under management. IPDEV aims at raising €25m in equity and €10m in grants and will thus grow its network of African Fund Managers to 15 teams in 15 countries at least, to serve more early-stage businesses.

Key Figures 2023

7

African investment companies launched
+2 in the process of launching

African-led initiative which promotes local roots to strengthen resilience

79% of investors at the IPDEV investment company level are African*

100% are the first SME impact funds registered in their respective host countries

121 (vs 77 in 2022) team members recruited and trained in Africa

54 SMEs

financed in equity

Contributing to local economic development

31% rise in average sales (CAGR)

€2.4M paid in taxes to the local authorities

• Creating decent jobs

+1650 permanent jobs

91% of employees are covered by social security

• Gender-based investment

36% of businesses founded by women

80% of SMEs satisfied the 2X Challenge

IPDEV's leverage effect on African investors*

€23.8M

raised locally by IPDEV investment companies from **52 investors**

€1

IPDEV



€2.85

other investors



€3.85

total invested

IPDEV has raised €21M in capital over 10 years, in order to create a network of 10+ African impact investment companies. Seven investment companies **have raised an additional €23.8M locally** from 52 investors, including **79% from African investors**, with a leveraged effect of €2.85 raised from other investors for every €1 invested by IPDEV.

Our key results 2023

CONTEXT

OVERVIEW

KEY RESULTS

African countries experiencing a series of crises

IPDEV's countries of operation have been facing a series of crises in recent years that pose threats to fragile gains.

Focus on political and security crises: The West Africa and the Sahel region have a complicated political and security context. The coups in Burkina Faso, Guinea, Gabon, Mali and Niger and the spread of terrorism in these countries have greatly deteriorated the business climate. Rising violence and worsening insecurity have displaced over 4 million people in the Sahel and coastal countries as of 2023 according to UNHCR.

In addition, Senegal, Côte d'Ivoire and Madagascar have succeeded in holding elections and strengthening a certain political stability, in spite of some fears about political unrest expressed a few years ago.

This resurgence of instability threatens to spread conflict across the entire continent. Indeed, in a global context where humanitarian needs are reaching historically high levels due to the multiplication of conflicts and the consequences of climate disruption, these further eclipse the rise in insecurity on the continent. According to the UN, nearly 130 million people in Africa are considered to be in a humanitarian emergency, out of 300 million worldwide.

In that context, efforts were brought by IPDEV's investment team to help the investees companies with several challenges. Those efforts and persistence resulted in good performance for companies in terms of turnover and job creation.

The resurgence of insecurity in rural areas



Palobdé, Manufacturier, Equity Investment

Sinergi Burkina, 33 permanent jobs, +13,000 beneficiaries of reusable sanitary towels

Burkina Faso is facing an upsurge in insecurity, particularly in rural areas in the North and West of the country. But this is also where most of the users of products from Palobde, a company that manufactures washable sanitary towels, live. However, after the second coup, the NGOs, which are their main paying customers, stopped and then largely slowed down their activities in the region. This had a direct impact on the company's sales and viability. Sinergi Burkina is therefore helping the entrepreneur to diversify her customer base and reduce her risk, given the unique nature of her paying customers (NGOs). To do this, the company is stepping up its efforts to do more BtoC by winning new customers in towns rather than in rural areas.



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Supporting Africa's resilience by funding high-potential SMEs

In today's global context of high uncertainty and high volatility in many respects, Africa faces an increased level of risk: macroeconomic risk, risk of social tensions, higher risk of conflicts linked to institutional fragility, higher climate risk due to global warming, that can in turn increase social tensions.

In this context, IPDEV contends that African SMEs can play a key role for the resilience of society, through social cohesion and the reduction of conflict risks, through economic opportunities and job creation, through the inclusion of women and youth in the economy, through the incorporation of climate related topics, and through ESG and impact.

IPDEV sponsors locally rooted African Fund Managers, supported by African investors, to help African SMEs grow and expand in a sustainable way. In this regard, IPDEV has the unique opportunity to support an extraordinary resilience capacity from these African players in the field even in crisis situations.

An innovative incubating mechanism of African investment companies

In 2023, the IPDEV portfolio added eleven new investee companies through Comoé Capital, Miarakap, Sinergi Burkina, Inua Capital and Zira Capital making a total of 54 equity investments (vs 43 in 2022). Meanwhile the seed recipients increased by 15% (+17 recipients).

54 EQUITY INVESTMENTS



* 14 out of 54 investees benefited from seed funding through I&P Acceleration in the Sahel and I&P Acceleration Technologies, to help them get through the COVID-19 crisis. These investees are not included in the seed investments listed below.

143 SEED INVESTMENTS

Seed financing investees, benefiting from zero percent interest rate advances without guarantees, account for 143 seed funding recipients (vs 114 in 2022) from the USAID PACE program, I&P Acceleration in the Sahel, I&P Acceleration Technologies and Mitsiry (a program launched by Miarakap).



Read more on p.41-42

** For the equity investments, we only report on 50 companies for which we have data (excluding XOOM which has not yet launched its business and Golden Nuts and Gain which is being wound up). Neither the 143 seed investments or the exited SMEs are included.

Our SME portfolio overview

EQUITY POTFOLIO

Size

Turnover < €0.1M and 5 < Employees < 30	<div style="width: 26%; height: 15px; background-color: #800040; display: inline-block;"></div> 26%
€0.1M < Turnover < €0.5M or Employees > 30	<div style="width: 53%; height: 15px; background-color: #800040; display: inline-block;"></div> 53%
Turnover > €0.5M	<div style="width: 21%; height: 15px; background-color: #800040; display: inline-block;"></div> 21%

Countries

7 different countries

Senegal	33%
Cote d'Ivoire	28%
Burkina Faso	18%
Madagascar	18%
Niger	4%
Mali	0%*
Uganda	0%*

Sectors

7 different sectors

Agribusiness/Nutrition	38%
Education/Publishing	16%
Health & well-being	13%
Services	12%
ICT/Technology	9%
Industry	8%
Energy	5%

*The recent investments by Inua Capital in Uganda and Zira Capital in Mali are not included here.

SEED FUNDING PORTFOLIO

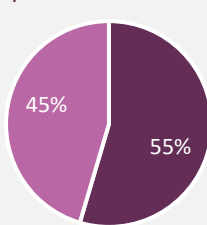
Since its creation in 2015, IPDEV's investment companies have supported **54 SMEs invested in equity and quasi equity** and **143 SMEs financed through seed funding programs**. Acceleration programs and investment activities are complementary. Our acceleration programs play a key role in speeding up the birth and the growth of very early stage corporations, which is particularly needed in the countries where we operate, and feed investment deal flows. This trend is going to even strengthen in the coming years.

Countries (6)¹

Burkina Faso	20%
Cote d'Ivoire	15%
Senegal	20%
Niger	10%
Madagascar	8%
Mali	10%

55%

very small or small SMEs



■ Small or very small
 ■ Medium

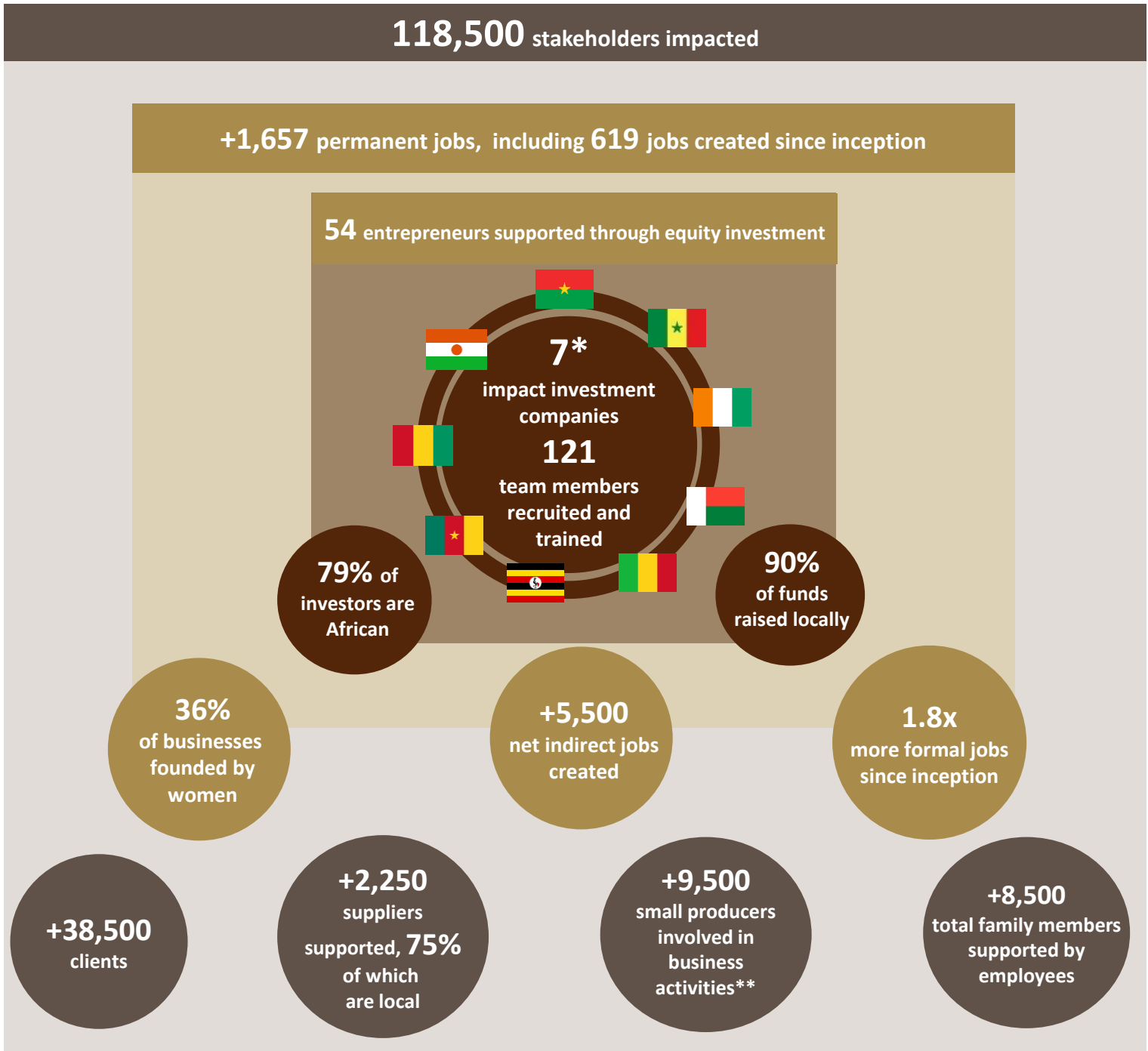
Sectors (9)

Agribusiness/Nutrition	27%
ICT/Technology	18%
Services	15%
Education/Publishing	11%
Industry	8%
Health & well-being	8%
Energy	6%
Water, sanitation & waste management	4%
Transport & logistics	3%

¹ The remaining 17% concern IPAS countries, outside the scope of IPDEV (Togo, Tchad, Ghana...).

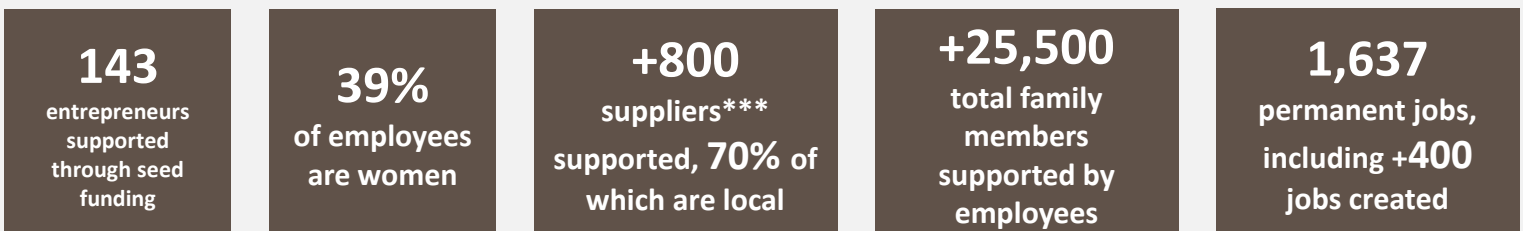
Note: The percentages in each category are calculated according to the amounts invested.

Key 2023 results, global portfolio



*Two of which are currently being launched: Guinea and Cameroon.

Focus on our seed funding programs



Methodological note:

- 1) Stakeholders impacted include suppliers, small producers, employees' family members and clients (see more details on page 44).
- 2) Seed funding programs: the data on suppliers only concerns 3 out of 6 seed programs (IPAS, IPAT & PACE), for which data are available.

[Read more on p.24](#)

Key 2023 results, our progress in one year

Read more on p.24

Accelerating local socio-economic development



Financing and supporting African SMEs (over 15 years)



Creating or maintaining quality jobs

- Permanent or direct jobs
- Job creation since investment
- Average-wage to legal-minimum-wage ratio
- Rate of social protection for permanent staff
- Employees who received training during the year



Meeting unsatisfied demand for products and services

- SMEs addressing the SDGs through their products/services



Subcontractors

- Share of local suppliers

Promoting ESG and impact best practices



Improvement of working conditions

- Private health insurance for employees



Gender equality

- Women entrepreneurs
- Highly-skilled women
- Women employees



Environment

- SMEs implementing systems to reduce negative impacts on local ecosystems



Governance

- 100% SMEs with a board of directors or strategic committee

	2022		2023
Financing and supporting African SMEs (over 15 years)	43	→	54
Creating or maintaining quality jobs	1438	→	1657
• Permanent or direct jobs	460	→	619
• Job creation since investment	1.7	↘	1.6
• Average-wage to legal-minimum-wage ratio	76%	→	91%
• Rate of social protection for permanent staff	35%	→	40%
• Employees who received training during the year			
Meeting unsatisfied demand for products and services	77%	→	78%
SMEs addressing the SDGs through their products/services			
Subcontractors	81%	↘	75%
Share of local suppliers			
Improvement of working conditions	36%	→	37%
Private health insurance for employees			
Gender equality	35%	→	36%
Women entrepreneurs	41%	↘	39%
Highly-skilled women	42%	→	46%
Women employees			
Environment	35%	→	40%
SMEs implementing systems to reduce negative impacts on local ecosystems			
Governance	100%	=	100%
100% SMEs with a board of directors or strategic committee			

Note: This data and performance only focuses on equity investments

A word from our partners



Angella NABWETEME, Forna Health Foods | Uganda | Agro-food | Inua Capital, Equity investment | Since 2024 | 30 permanent jobs

Angella Nabweteme is the founder and Managing Director of Forna Health Foods Ltd, which produces Aunt Porridge and Instapo. The company uses their composite food technology to mix 12 flours into one composite flour that is popular for improved immunity, energy and appetite. Started in 2014, Nabweteme abandoned her vain search for a job to put in practice her nutrition knowledge. Her innovation has grown from a simple car-trunk sales business to a registered company processing over 200,000MT of locally sourced grain annually. She is now proudly referred to as a previously unemployed woman who is now employing 30 people (19 being female and 22 youths) and giving ready market to smallholder farmers.

What are the challenges for women entrepreneurs in Africa?

The major problem is that access to capital becomes difficult especially when it is tagged to collateral security like land which women were not allowed to own until only recently. Secondly, many businessmen underestimate us and try to cheat, fleece or exaggerate costs because they think that, being women, we would be naïve. Those who endeavor to help out, want to sexually exploit you. I also have challenges in balancing motherhood and family with my work demands, but I persevere.

Why did you choose Inua Capital?

I accepted Inua Capital because they have dependable and reputable partners. I had phobia for others who I feared wanted to wrestle the company from me. They were also so knowledgeable of the market and I found their advice insightful and reliable. From initial conversations, I could tell that our plans were synergistic when it comes to the growth and potential of Forna Health Foods. When we studied their terms, they looked like they were genuinely aiming at helping us grow. The fact that it was a women led company, calmed me down also.

What are the next steps in your journey?

I want to build systems that can pilot the company and allow me to get out of operations and concentrate on strategic thinking and planning. My team and I are building a sales infrastructure that will multiply sales and increase our performance, ultimately leading us to our own home, with our own machines unlike the ones we are currently renting. The main goal however is to become a household brand – we want to be on everyone’s go-to breakfast option regionally. Our focus is on health and nutrition and we are determined to aid in growing healthy families in the face of food insecurity.



Gaoussou MARICO, Gama Conseils | Mali | Education & Training | Zira Capital, Equity investment | Since 2024 | 75 permanent jobs

Gama Conseil is a training center from pre-school to university in Mali. It includes 12 establishments, including 3 universities (under the brand ESCAE), 3 high schools, 3 technical and vocational training schools and 3 basic schools. Gama Conseils establishments have served more than 2,800 pupils and learners in the towns of Bamako, Dioïla, Ségou and Sikasso.

Gama Conseils was founded by Gaoussou Marico, a chartered accountant with a doctorate in economics. With over 25 years' professional experience in the banking sector and higher education in Mali, he worked as Administrative and Financial Director and Deputy General Manager of Banque Atlantique Mali before joining Compagnie Financière d'Afrique (COFINA) as Deputy General Manager in 2016. In January 2023, he decided to devote himself fully to his company Gama Conseils, which he founded in 2014.

What advice would you give to a future African entrepreneur?

He must first choose the field in which he has proven expertise, and agree to suffer for several years before starting to see a return on his investment. He must recruit his employees on the basis of their skills before any social considerations.

Why did you choose Zira Capital?

Firstly, because Zira agrees to share the entrepreneurial risk

and the financing is relatively less restrictive (no guarantee) and less costly. Zira also provides advice, recommendations and technical assistance.

What are the next steps in your journey?

The aim is to further strengthen the range of courses on offer and the quality of the scientific facilities in order to become one of the best schools and universities in Mali, and then to begin conquering the sub-region.

Launching impact investment companies

7 INVESTMENT COMPANIES TO DATE

A network of sponsored investment companies

IPDEV aims at contributing to creating and strengthening the equity financing sector of SMEs in Africa **by structuring African investment companies and recruiting and training local teams** in SME financing, ESG risk and impact management and fundraising.

Seven sponsored impact investment companies are operational in seven African countries, and two are well advanced in launching in Cameroon and Guinea. **121 team members have been recruited, 55** of whom are dedicated to seed programs. **All team members have benefited from training on capacity building in investment**, as well as in strategic, managerial, operational and impact support to investees.

IPDEV is also contributing to a strong leverage effect for its investment companies by mobilizing capital from African investors. Taking into account the latest fundraisings, as well as the funds raised by Zira Capital in Mali and Inua Capital in Uganda, in terms of investment, IPDEV accounts for less than a third of total fund capitalization, alongside many other local investors.

LEVERAGE EFFECT OF IPDEV'S INVESTMENT

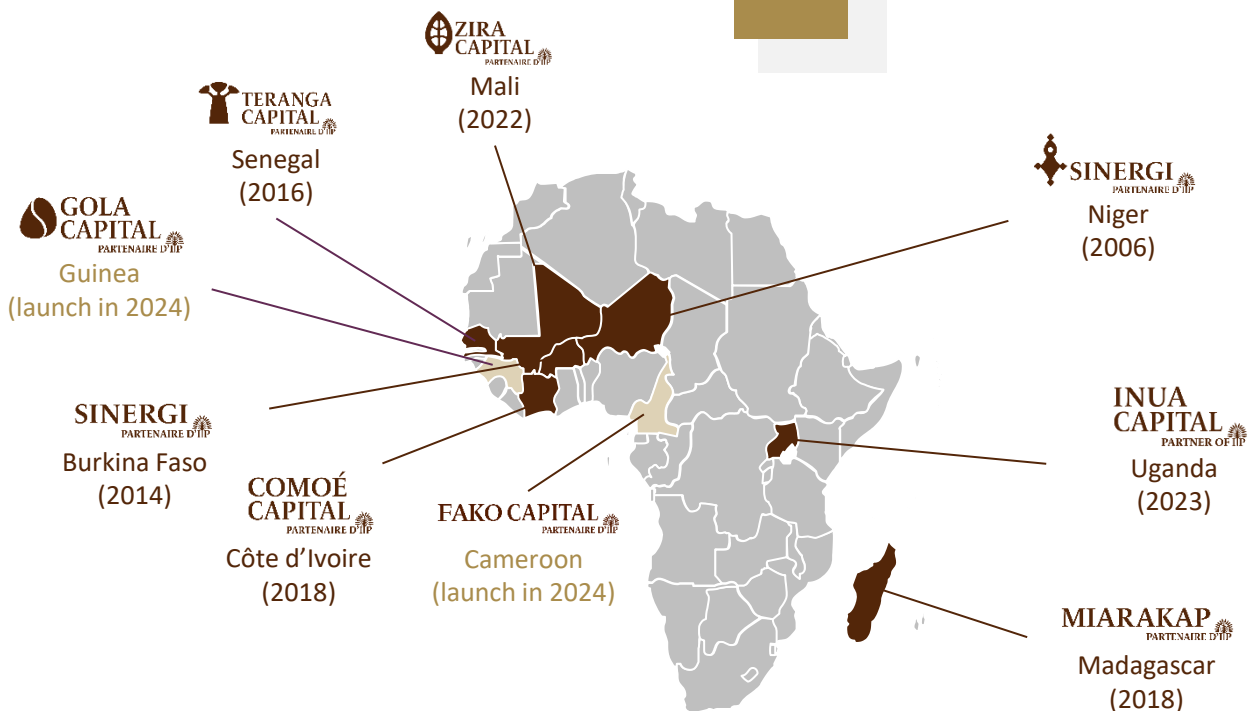


€23.8M raised locally by IPDEV investment companies from **52 investors**

79% of investors at the IPDEV investment company level are **African**

100% are the **first SME impact investment companies** registered in their respective host countries

121 team members, as of March 31, 2024



INUA CAPITAL: OVERVIEW

Country	Uganda
Launch	2023
AUM	€8 million

2 EQUITY INVESTEEES

(as of March, 2024)

1 SEED INVESTEEES

(as of March, 2024)

Inua Impact Fund was launched on March 8th 2023. Inua Capital has successfully managed to raise USD 8 million from IPDEV, EDFI and the Mastercard Foundation Africa Growth Fund (MFAGF). Inua aims at investing in **30 SMEs in equity and quasi equity across all sectors** over the next decade. As a **gender lens investment company**, Inua will seek to build a gender balanced portfolio with at least 30% of its investee companies owned or led by women (in line with Uganda's ratio of female entrepreneurs), to embed gender inclusive practices in all its investees and to ensure gender parity in its own management and governance bodies (and those of its investees). Inua will also **embed agriculture and agribusiness** in its investment strategy, a dynamic and priority sector in Uganda, and will benefit from the investment of EDFI AgriFI to support SMEs with a value chain approach focusing on smallholder farmer inclusiveness. Thanks to the support of EDFI AgriFI, **3,000 smallholder farmers are expected to be targeted over 10 years via investments in 10 agri-SMEs.**

5 TEAM MEMBERS (as of March, 2024)



Kim KAMAREBE
Co-founder, CEO



Edith NAMUSOKE
Finance Manager



Michelle MBOHA
Investment Manager



Dorcas NABIRYE
Investment Analyst



Caroline WAMANGA
Investment Analyst

Inua Capital Top-management

FOCUS ON EQUATOR CHOCOLATE

Equator Chocolate

Agrofood | in portfolio since 2024

Equator Chocolate is a paragon of artisanal mastery and distinction within Uganda's chocolate landscape. Established in 2018, Equator Chocolate is a pioneer in adding value to Uganda's cocoa (in place of exporting the raw commodity), buying cocoa from smallholder farmers in Uganda to manufacture dark, milk and white craft chocolate loved by local consumers and corporate kitchens alike, and customized for special occasions and premium brands across East Africa.

Equator Chocolate manufactures white, milk and dark craft chocolate from organic and sustainably-grown Ugandan cocoa. Equator's chocolate is internationally award-winning, winning a bronze medal at the 2023 Agency for the Valorization of Agricultural Products (AVPA) International Gourmet competition in Paris. Equator serves a wide range of customers: from hotels, lodges and high-end brands seeking to give their discerning clients a delectable taste of Uganda; to ethical consumers in export markets (predominantly Europe) where it retails with high demand; to bakers, chocolatiers, cafes and other corporate kitchens across East Africa whose products require high-quality chocolate; to local individual consumers that pick up an Equator Chocolate off the shelf to satisfy a craving or celebrate a special occasion.

Partnership with Inua Capital :

- Inua Impact Fund has invested equity and mezzanine financing into Equator Chocolate to scale its production by over 3x and expand its ability to source cocoa from local smallholder farmers at a premium price.
- Inua's investment in Equator Chocolate intends to put Ugandan chocolate on the map

ZIRA CAPITAL: OVERVIEW

Country	Mali
Launch	2022
AUM	€1.5 million

The first impact investment fund dedicated to start-ups and high-potential SMEs in Mali. Zira provides innovative financing and support solutions specifically designed to feed the needs of Mali's start-ups and small and medium-sized enterprises, that are facing with difficult access to long-term financing and skills.

1 EQUITY INVESTEE

(as of December, 2023)

8 SEED INVESTEES

(as of December, 2023)

Zira Capital manages a impact fund with EUR 1.5m investment capacity, and also developed a partnership with the European Union for I&P Accelerate in Sahel and the Agence Française de Développement for the Digital Africa programme.

6 TEAM MEMBERS (as of March, 2024)



Mohamed KEITA
Co-founder, CEO



Aïcha HAIDARA
Seed Funding Manager

Zira Capital Top-management

PIPELINE OF EQUITY PORTFOLIO

Despite the political and social climate, their pipeline is good **and 4 companies are currently under due diligence for equity investment**. Moreover, the 8 companies supported with the seed funding program have been performing well on average and 2 of them are being instructed for the equity activity.

INVESTORS

Zira Capital fund size is EUR 1.5m thanks to the support of **5 key investors in the Malian landscape**, including financial institutions, insurances and entrepreneurs.

FOCUS ON IKALOOK



Textile | in portfolio since 2022 | Seed funding

IKALOOK, "your style" in Bambara, is a Malian company specialized in the confection of women's clothing and advocates ethical fashion. It is the first Malian company to modernize the woven loincloth, a fabric obtained from the artisanal weaving of local cotton.

Partnership with Zira Capital (I&P Acceleration in Sahel) :

- Increase the company's working capital by providing more raw materials and tools
- Strengthen the team by hiring new staff and improving working conditions (formalization of employment, medical and social coverage)
- Implementation of a communication and marketing strategy to boost sales
- Technical assistance to formalize and structure the organization (e.g. implementation of internal procedures and internal accounting system)
- Increase the supply capacity and quality of finished products

MIARAKAP: OVERVIEW

Country	Madagascar
Launch	2018
AUM	€5.9 million

Miarakap is a Malagasy investor and accelerator of impactful entrepreneurs launched in 2018. Its goal is to contribute to Madagascar's economic and social development by financing, supporting and promoting a new generation of ambitious, responsible entrepreneurs. In addition to the ESG and impact commitments, Miarakap has adopted a specific focus on biodiversity which is a huge challenge in Madagascar.

12 EQUITY INVESTEES

(as of December, 2023)

27 SEED INVESTEES

(as of December, 2023)

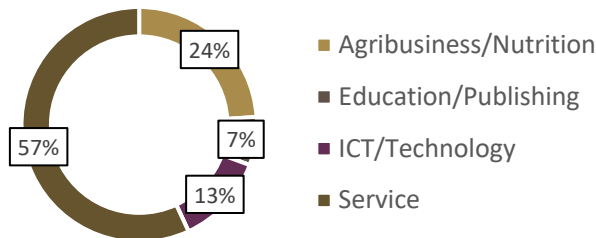
Miarakap manages a impact fund with EUR 6m investment capacity, and also developed a partnership with the Critical Ecosystem Partnership Fund (CEPF), the Prince's Government of Monaco and USAID (with the Mitsiry program), and launched a consulting activity.

44 TEAM MEMBERS

EQUITY PORTFOLIO, INVESTED AMOUNT



Emmanuel
COTSOYANNIS
Co-founder, CEO



KEY 2023 IMPACT RESULTS

Employees

- 862 permanent jobs maintained or created, 43% are held by women
- The minimum wage is 8% higher, on average, than the minimum wage in Madagascar
- 3,601 indirect beneficiaries of income distributed to employees

Suppliers and clients

- 2,258 customers (APEM PAIQ), 58% of whom are women and 42% of whom are new customers
- 863 suppliers, 78% local
- More than 1,339,797 euros spent for the supply of raw materials, 94% of which were from local suppliers (Le Complexe)

FOCUS ON LAITERIE MAMINIAINA



Agribusiness | in portfolio since 2023 | 110 permanent jobs | €322k of committed investment

Laiterie Maminiaina, based in Antsirabe since its creation in 2009, is run by Serge Randriamahefasoa, a Malagasy entrepreneur with strong roots in the dairy triangle, his native region. Number 1 for cheese in Madagascar, Laiterie Maminiaina currently works with 750 breeders, employs around 50 people in its factory, and distributes its products through a network of 8 sales outlets in the capital and Antsirabe. The entrepreneur's ambition is to raise his profile in the dairy products market and join forces with an international player in dairy or agri-food processing.

Partnership with Miarakap

- The funds raised will enable the company to double its supply capacity, with the number of partner farmers rising to 3,000 (i.e. +15,000 people affected) by 2027.
- The partnership with Miarakap will also enable the dairy to acquire new machinery and set up infrastructure in line with international standards. Laiterie Maminiaina will be able to diversify its products to meet consumer demand.
- Miarakap positions itself as the entrepreneur's strategic partner, not only in the field of finance, but also in other important aspects of the business (marketing, human resources, production, etc.), and provides the entrepreneur with a useful external vision to help him make the best decisions.

COMOÉ CAPITAL : OVERVIEW

Country	Côte d'Ivoire
Launch	2018
AUM	€6.65 million

14 EQUITY INVESTEES

(as of December, 2023)

18 SEED INVESTEES

(as of December, 2023)

Comoé Capital is a private company under Ivorian law created in 2018 by entrepreneurs and private actors including Investisseurs & Partenaires (I&P), a pioneering group in impact investment, entirely dedicated to the financing and support of start-ups and small and medium-sized enterprises (SMEs) in Sub-Saharan Africa.

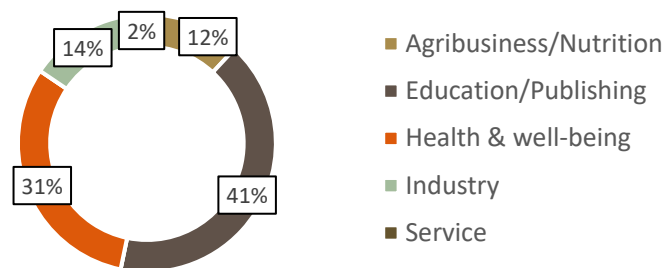
Comoé Capital works with Ivorian entrepreneurs and local suppliers to develop a dynamic community of SMEs in Côte d'Ivoire. Working with the entrepreneur, they build a strategy to boost the company's development.

12 TEAM MEMBERS



Djibril DOUMBIA
Principal

EQUITY PORTFOLIO, INVESTED AMOUNT



KEY 2023 IMPACT RESULTS

Employees

- **329** permanent jobs maintained or created, **55%** are held by women
- The minimum wage is **29% higher**, on average, than the minimum wage in Cote d'Ivoire
- **924** indirect beneficiaries of income distributed to employees

Suppliers and clients

- **29,650** clients (Etudesk, HMS, Rama, Biomea)
- **54,603** students, **53,455** of whom trained via e-learning (through Etudesk)
- **524 tons** of fruits bought directly from 283 small producers (ITIA, Rama), more than 27,000 euros spent with them for the supply.
- **268** suppliers, **88%** local

FOCUS ON BIOMEA



Health | In portfolio since 2023 | 19 permanent jobs | €205k of committed investment

Created in 2018 in the commune of Cocody (II Plateaux), BIOMEA is a private health establishment specializing in medical analyses. The laboratory offers health check-ups for companies (periodic check-ups/pre-employment), health check-ups dedicated to private individuals and medical analyses for general patients. The laboratory's activities began in earnest in July 2021. The opening was delayed by the need to raise the necessary funds and to obtain and fit out the premises.

Partnership with Comoé Capital :

- Setting up a diagnosis and prevention centre
- Improving the quality of care (investment in technical facilities and staff capacity building)
- Strengthening of governance through the transformation into an SAS and the setting up of a strategic committee
- ISO 15189 certification
- Targeted business development, including the recruitment of a dedicated sales representative

TERANGA CAPITAL: OVERVIEW

Country	Senegal
Launch	2016
AUM	€6.1 million

12 EQUITY INVESTEES

(as of December, 2023)

22 SEED INVESTEES

(as of December, 2023)

Teranga Capital is a Senegalese investment company for impactful entrepreneurs launched in 2016. Its goal is to provide innovative financing and to support solutions specifically designed to meet the needs of small and medium-sized Senegalese and Gambian businesses with financing requirements of up to 300 million CFA francs, often hampered in their development by difficult access to long-term financing and skills.

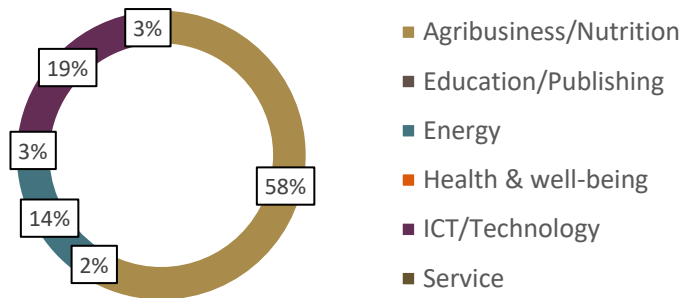
Teranga Capital manages an impact fund with an investment capacity of €6.1 million, and has also developed partnerships with the Mastercard Foundation for the Suqali programme and the new E4Y programme, the Agence Française de Développement for the Digital Africa programme and the European Union for I&P Accelerate in the Sahel.

21 TEAM MEMBERS



Olivier FURDELLE
Co-founder, CEO

EQUITY PORTFOLIO, INVESTED AMOUNT



- Agribusiness/Nutrition
- Education/Publishing
- Energy
- Health & well-being
- ICT/Technology
- Service

KEY 2023 IMPACT RESULTS

Employees

- **180** permanent jobs maintained or created, **47%** are held by women
- The minimum wage is **73% higher**, on average, than the minimum wage in Senegal
- **1,944** indirect beneficiaries of income distributed to employees

Suppliers and clients

- **370 tons** of cereal and fruits directly purchased from **1000** small producers (La Vivrière, Fruitales and Lysa&Co)
- **816** suppliers, **62%** local
- **742** clients
- **220** students, **60%** of whom are women (CAIF)

FOCUS ON E4Y PROGRAMME



Faced with the challenges of employment and underemployment in the countries of the West African Economic and Monetary Union (UEMOA), particularly among young people and women, the Mastercard Foundation, in collaboration with Teranga Gestion, Entrepreneurial Solutions Partners and Club Tiossane, has launched the E4Y Programme ('Development of Entrepreneurship, Access to Employment and Economic Empowerment of Young People, in particular Young Women').

This programme, with a total budget of 45.5 million dollars over 6 years, aims to provide an integrated suite of services to facilitate :

1. access to finance,
2. access to skills, experts and shared services
3. access to the market, to eligible small and medium-sized enterprises (SMEs) operating in the agri-food and related sectors within the West African Economic and Monetary Union (WAEMU), with a view to promoting the creation, maintenance and consolidation of dignified and rewarding jobs for young people, particularly young women.

SINERGI BURKINA: OVERVIEW

Country	Burkina Faso
Launch	2014
AUM	€2.5 million

Sinergi Burkina is the first impact investment company dedicated to high-potential start-ups and SMEs in Burkina Faso, created in 2014. The aim is to provide innovative financing and support solutions specifically designed to meet the needs of Burkinabe start-ups and small and medium-sized enterprises, often held back in their development by difficult access to long-term financing and skills.

9 EQUITY INVESTEEES

(as of December, 2023)

1 EXIT

26 SEED INVESTEEES

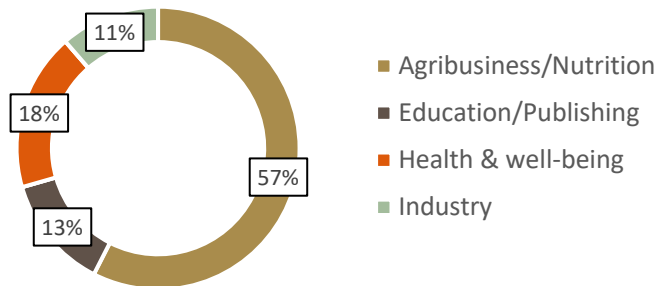
Sinergi Burkina manages a impact fund with EUR 2.5m investment capacity, and also developed a partnership with the European Union for I&P Accelerate in Sahel, USAID for Partnering to Accelerate Entrepreneurship program and WATHI Program.

14 TEAM MEMBERS



Job ZONGO
Principal

EQUITY PORTFOLIO, INVESTED AMOUNT



KEY 2023 IMPACT RESULTS

Employees

- 276 permanent jobs maintained or created, 42% are held by women
- The minimum wage is, on average, 2x higher than the minimum wage in Burkina Faso
- 1,946 indirect beneficiaries of income distributed to employees

Suppliers and clients

- 5,719 small producers*
- 5,351 tons of soybeans and rice purchased (Agroserv, Siatol, Kokuma) from small producers
- 286 suppliers, 94% local
- 5,031 students (UMANIS), 25% of whom are women

*significant drop in the number of small producers compared to 2022 linked to Agroserv and Bioprotect

FOCUS ON AGRO-EMBALLAGE

Industry | in portfolio since 2023 | 5 permanent jobs | €205k of committed investment



Agro-Emballage specializes in the production and commercialization of woven polypropylene bags. Agro-Emballage aims to support the agri-food industry by making their products more competitive through the provision of packaging that is adapted and attractive in terms of design and quality. It also installs and maintains machinery.

Partnership with Sinergi Burkina :

- Structure and improve governance
- Finance working capital and optimize inventory
- Help set up the unit
- Increase the company's intervention capacity
- Formalize jobs

SINERGI NIGER: OVERVIEW

Country	Niger
Launch	2006
AUM	€1 million

Sinergi Niger is a Nigerian investment company created in 2006 on the initiative of I&P and local entrepreneurs, with the aim of participating in the creation and development of small formal businesses. Sinergi takes minority equity stakes, with investments ranging from €30,000 to €75,000, alongside entrepreneurs, and provides local support as part of a long-term partnership.

3 EQUITY INVESTEES

(as of December, 2023)

25 SEED INVESTEES

(as of December, 2023)

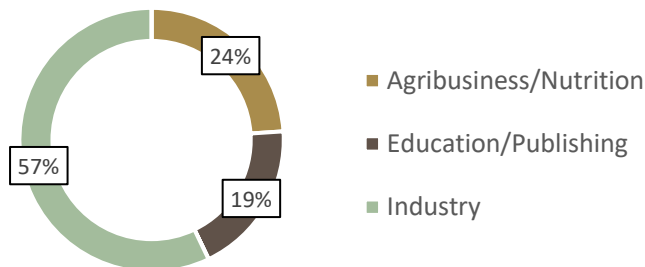
Sinergi Niger manages a impact fund with EUR 1m investment capacity, and also developed a partnership with the European Union for I&P Accelerate in Sahel, USAID for Partnering to Accelerate Entrepreneurship program and CATALYZE Finance for Resilience program funded by USAID and managed by Palladium.

10 TEAM MEMBERS



Maimouna SYLLA
CEO

EQUITY PORTFOLIO, INVESTED AMOUNT



KEY 2023 IMPACT RESULTS

Employees

- 10 permanent jobs maintained or created, 33% are held by women
- The minimum wage is , on average, 3x higher than the minimum wage in Niger
- 75 indirect beneficiaries of income distributed to employees

Suppliers and clients

- 21 suppliers, 67% local
- 1 ton of seeds sold (HALAL SA)
- 14,177 buyers of handbooks (EAL)

FOCUS ON I-FUTUR



ICT | in portfolio since 2023 | Seed funding

I-Futur is a Niger-based start-up specialized in the development of web and mobile applications. In addition, it has developed its own solutions/applications, notably the IPAY solution (payment aggregator), which has various applications, such as online payment of the A-levels or payment of school fees.

Partnership with Sinergi (I&P Acceleration in Sahel) :

- Deploy Terra Finance, a rural payment and financial inclusion solution
- Disseminate its solutions to players (microfinance, groups)
- Implement a targeted sales strategy
- Strengthen the accounting and management departments

GOLA CAPITAL: OVERVIEW

Country	Guinea
Launch	Expected in 2024

Gola Partners, the GP, was formed in **April 2024**. It is the first Guinean investment company dedicated to start-ups and SMEs. Gola Capital strengthens the equity base of SMEs and start-ups in Guinea by making equity investments (minority stakes) of **between GNF 1 and 10 billion over an average period of 4 to 7 years**. The presence of Gola Capital in the capital of an SME also facilitates access to bank credit and other investors, thereby strengthening the credibility and solidity of the SME. In addition to its private equity activities, Gola Capital is a fund manager and provides seed financing to young companies to help them succeed in their start-up phase.

4 SEED INVESTEES

(as of March, 2024)

Fund-raising is still under way, but has been subject to a number of delays. Prospects, including main corporate, banks and insurance companies, are still showing strong interest, but the internal decision-making processes are taking longer than expected. An initial potential closing of **€3 million is still in progress**.

5 TEAM MEMBERS (as of March, 2024)



Mouctar BAH
Co-founder, CEO



Maïmouna KEITA
Administrative and
Financial Assistant,
Office Manager



Abdoulaye DIALLO
Market Analyst



Zézé Oyé Koivogui
Senior Investment
Manager



Tomy HABA
Accountant

FOCUS ON MAGOÉ TECHNOLOGIES

Education & Training | in portfolio since 2023

Magoé Technologie is a Guinean company specializing in educational technologies.

Partnership with Gola Capital (I&P Acceleration in Sahel) :

- Improve the design and user-friendliness of the website and applications
- Produce additional video content
- Improve sales and marketing activities
- Strengthen the management system
- Reorientation of the business model



MAGOÉ EDUCATION
L'éducation pour tous

FAKO CAPITAL: OVERVIEW

Country Cameroon
Launch Expected in 2024

Fundraising is still underway but has suffered a number of delays. The considerable efforts of Vivian and her team have generated significant interest in **Fako Capital** from Cameroonian investors. Prospects, including key industrial players in the Cameroon ecosystem, have shown strong interest and have conducted due diligence on Fako Capital in Douala. Further discussions will follow with banks, insurance companies and individuals, and we hope to take Fako Capital forward this year.

12 SEED INVESTEES

(as of December, 2023)

Fako Capital's four-strong team is already running **acceleration programmes in Cameroon**, as well as raising funds. These programmes provide seed funding to young companies to help them succeed in their start-up phase.

4 TEAM MEMBERS (as of March, 2024)



Vivian TCHATCHUENG
 Co-founder, CEO



Christie BABEL
 Seed Funding Officer



Benjamin NDI
 Investment Officer



Dominique MEWOLI
 Office Manager

FOCUS ON YELLOW



ICT | in portfolio since 2022 | Seed Funding

Yellow is the first independent solution for mobilizing their trade receivables in Cameroon.

This young company responds to the difficulties encountered by SMEs in mobilizing short-term resources due to long payment delays. Yellow relies on transparency, speed in setting up funds, and flexibility to provide SMEs with a response adapted to their needs. To meet this challenge, Yellow has a team of young, solution-oriented, positive, and committed professionals who develop a cooperative model.

The company hopes to relieve many SMEs, have a strong impact on the economy's financing, and become the reference player in alternative finance for SMEs by mobilizing their trade receivables.

Partnership :

- Yellow is supported by I&P through I&P Acceleration in Sahel, financed by the European Union. The partnership aims to support the company in the platform's development for the digitalization of services, the fitting out of premises, and computer equipment and human resources acquisition.
- Since 2024, the company has also been supported through I&P Accélération Technology, funded by Agence Française de Développement. The financing and support aims to help the company strengthen its digital services platform (developments, server acquisitions), its human resources and its transformation.



Gaubys KOUASSI

Analyst, Comoé Capital

Why did you join Comoé Capital?

My decision to join Comoé Capital was fundamentally motivated by a need to find a sustainable solution for SME growth. Coming from a family of entrepreneurs, I saw my parents encounter difficulties in raising bank finance to expand their business. So I chose to study finance, both for the beauty of the science and to be useful to my family.

My aim was to understand the world of finance and, in particular, the financing alternatives for companies other than those traditionally offered by banks. The opportunity to work in private equity at Comoé Capital was a godsend and a fantastic opportunity to live out my passion and achieve my goal.

What does it bring you and what are the challenges you see in the project?

First of all, knowing that through your own actions you've managed to put a smile on an entrepreneur's face and stimulate the growth of his business can only make you proud. My work at Comoé is a great source of pride for me. Being aware of how difficult the world of entrepreneurship is, being able to make myself available to meet the needs of our entrepreneurs and find solutions to their problems gives me great satisfaction.

The challenge now is to replicate this model on an African scale. We need to develop national and regional champions that will have a significant impact on Africa's development. I am convinced that the development of our African economies depends on investors who are committed to growth and ready to lend their expertise to small and medium-sized enterprises. That's what I'm trying to bring to our businesses.

What are your main contributions to the company?

At Comoé, I'm involved in a number of different areas. My first task is to identify investment opportunities, which is the start of the whole financing process. I meet committed and passionate promoters who need financing. I discuss their business at length with them to understand their projects and needs, so that I can provide tailor-made assistance if there is a possible synergy with Comoé.

The second phase of my assignment is to build a viable multi-year business model and value-creation models, which are essential for achieving good returns by focusing on the operational and growth aspects of the business. This phase involves several weeks of due diligence (operational, strategic, financial, ESG, etc.), enabling us to add comfort to the dossier before it is presented to the investment committee.

The final stage of my mission is to monitor the companies in our portfolio. This stage is just as important, given the impact that our actions can have on these companies in terms of strategic support, value creation and technical assistance.

What do you really appreciate about this project?

Supporting SMEs requires an open mind and an in-depth understanding of different sectors. Comoé Capital is a generalist fund that invests in all areas of activity. This enables us to take a global view of the market, to meet entrepreneurs from a variety of sectors (health, education, technology, agri-food, etc.), to understand the diverse issues facing the market and to make a significant contribution.

With experience, I've found that, whatever the sector, the basic problems are often similar. However, the support we provide is always tailored to the specific needs of each company, offering tailor-made assistance. Our contributions and actions have a strong impact on the development of the SMEs in our portfolio. Ultimately, what I particularly enjoy is contributing to the development of SMEs by working in a healthy environment with a great and dynamic team.

Why did you join Miarakap?

I've always been passionate about entrepreneurs (and I may be one one day) - and about the ability of businesses to respond to real everyday problems (education, transport, food, access to water, etc.), even more so in environments like ours in Africa.

In my former life, during my university years, I organised a project competition for students, which enabled them to get in touch with the local ecosystem supporting entrepreneurship (banks, investment funds, incubators, etc.).

I discovered MIARAKAP 5 years ago, just out of school. I never asked myself where I could have applied, because the fit between what I wanted to do (finance and contact with companies) and MIARAKAP was obvious.

What are your main contributions to the company?

Since I started working at Miarakap, I have made 7 investments. I'm now responsible for monitoring a portfolio of 14 companies, with the support of a 5-strong investment team.

I also contributed to the 2nd closing of Miarakap Investissements, which doubled the size of the fund.

What do you really like in this project ?

Seeing companies and entrepreneurs, supporting them and writing great growth stories with them. And more recently: accompanying young investment managers and introducing them to the profession; and experiencing at MIARAKAP (which has grown from 15 employees to 64 in the last two years) the growth (and the difficulties that go with it) that we ourselves expect from the companies we finance.



Eric RAVOHITRARIO

Investment Director, Miarakap

What challenges do you see ahead?

With the team, we are continuing to build our portfolio (1st ongoing challenge), the position we have acquired in the ecosystem (thanks to the multiplicity of tools and activities deployed by MIARAKAP today) giving us access to a greater flow of incoming business, the quality of which remains heterogeneous, and the time taken to appraise and close deals remains long and uncertain (the investment maturity of the companies we look at; the time needed to build a real relationship with an entrepreneur; and also the need for a team that is still young to progress).

2nd challenge: The expansion of our financing and support tools enables us to provide our entrepreneurs with concrete operational and strategic solutions. (Example: We organised a one-week trip to France to meet several key players in the dairy industry, organised by the team for the entrepreneur of Laiterie Maminiaina). However, monitoring and support remain a general challenge for each company and for the portfolio as a whole, with much greater attention being paid to controlling profitability, gradually exiting the informal sector and managing the risks associated with growth - in a sector where entrepreneurs, businesses and competitors are generally informal.

Challenge 3: Organising the first exits.

An impactful SME portfolio

EMPLOYEES

CLIENTS

INDIRECT IMPACTS

Financing African entrepreneurs

IPDEV pursues two objectives regarding entrepreneurs:

- Support 500+ SMEs with entrepreneurs rooted in the continent
- Focus on Least Developed or Fragile Countries

Entrepreneurs supported through equity since inception

54

(vs 43 in 2022)



©Fruitales, 2022

Fruitales was founded by Ms. TALL, a Senegalese entrepreneur. She holds an MBA and has 21 years' experience in entrepreneurship, following a 14-year career in teaching Philosophy and Modern Literature. She is also deeply involved in the agri-processing industry ecosystem, where she is or has been a member of several organizations such as AAFEX, FARM, AWEP and the Enablis network.

ENTREPRENEUR PROFILES

The entrepreneurs supported through IPDEV possess a high level of education and significant professional experience.

- ➔ **94%** of entrepreneurs are African
- ➔ **88%** have a university level education
- ➔ **13 years** of experience, on average, in their respective sectors
- ➔ **12 years** of experience, on average, in corporate management positions

COMPANY PROFILES



100% of companies operating in Least Developed Countries or Fragile Countries



31% rise in average sales (CAGR)



59% year-over-year of job growth (vs 54% in 2022)

TOTAL LEVERAGE EFFECT OF IPDEV'S INVESTMENT

€10.6
total invested

HIGH CATALYTIC EFFECT IN EARLY-STAGE SMEs

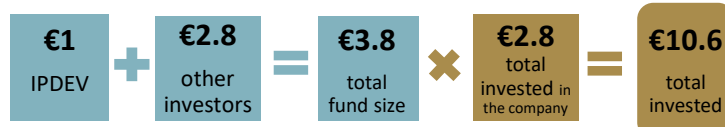
SMEs face **significant difficulty securing external financing** from local commercial banks and other traditional financiers.

IPDEV investment often acts as a catalyst for the investees to raise funds from other investors or banks. **For EUR 1 invested by IPDEV investment company, EUR 1,8 are raised by the investees from other investors.**



(* This figure is computed by dividing the amount invested (equity and debt) by non-IPDEV investors at the time of the initial investment by the amount of IPDEV investment (equity and debt).

This **doubles the overall leverage effect of IPDEV to 10.6**. In fact, as seen above, €1 of IPDEV invested in an investment company raises an additional €2.8, to reach an average fund size of €3.8. This €3.8 will then be invested in companies which, thanks to the IPDEV investment, will raise an additional €1.8 on average, for a total of €2.8, giving an overall leverage effect of 10.6 (2.8 * 3.8 = 10.6).



SDG 17

Strengthen the means of implementation and revitalize the global partnership for sustainable development

Creating better and decent jobs

IPDEV pursues three job-related objectives :

- Creating quality and inclusive jobs which include more permanent jobs, social protections, decent wages and skills development
- Extending social protections for investee employees
- Developing employee skills

According to the International Labor Organization, a decent job is one with access to productive and adequately paid work, safety in the workplace, social protection for families, better prospects for personal development and social integration, freedom of association and speech and equal treatment for men and women. Under this framework, we monitor working conditions within our portfolio in order to promote the creation of sustainable, decent and inclusive jobs.

1 DIRECT AND DECENT JOBS (1/2)

Direct jobs

As of 31st December of 2023, total permanent jobs created and maintained accounted for 1657 (vs 1438 in 2022), 619 (vs 460 in 2022) of which have been created since inception. On average, partner companies created 12 jobs (vs 11 in 2022). The majority of partner companies have recovered from the pandemic. Between 2022 and 2023, 219 jobs were created (vs 193 between 2021 and 2022). Some investees are still struggling to recover from financial and operational difficulties due to the impact of Russia's invasion of Ukraine on food and energy prices and continued disruptions in global supply chains, that led to job losses in 2023 (16 investees of 50, mainly in the agribusiness and service sectors). The service sector employs the majority of permanent employees (64%).

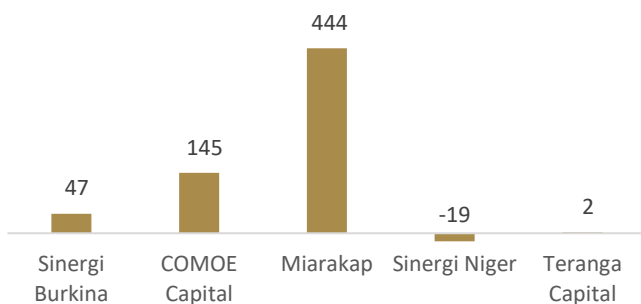
1657

Permanent jobs

619

Permanent jobs created since inception

JOB CREATION SINCE INCEPTION



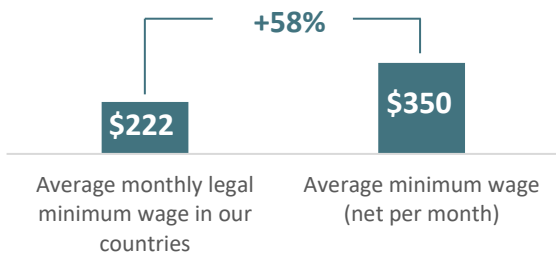
Since the inception, the number of permanent jobs created has varied greatly depending on the partner funds. Miarakap stands out for its remarkable performance, thanks in particular to 3 companies: Laiterie Mamiaina, Hairun and Stephaina Beauty. Conversely, the low number of jobs created by Sinergi Niger can be explained by the difficulties encountered by the 1st companies in the portfolio.

Decent wages

The average minimum wage is 58% higher than the legal minimum wage.

In 2023, some investees increased their minimum wage (9 of 50).

The industry sector wage is, on average, 2.4x higher than minimum wage. While the agribusiness and service sectors offer, on average, 50% higher salaries.



*We use the Purchasing Power Parity (PPP) conversion rate to control for the variable cost of living in various countries. The minimum wage in our countries is the net salary (after social contributions and taxes).

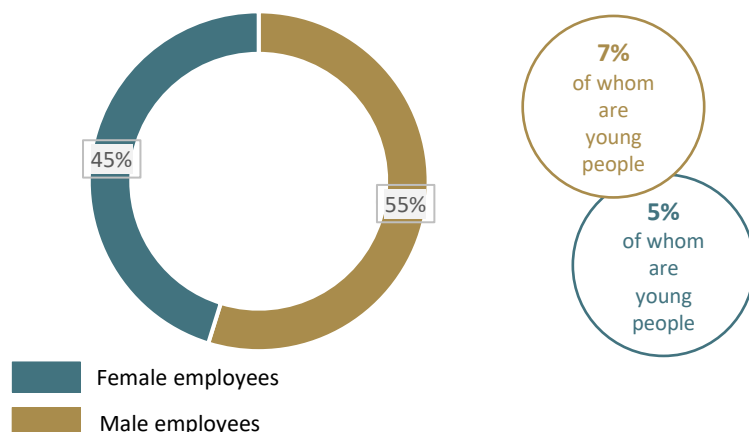
(*) Borat H., Kanbur R. and Stanwix B. (2015). *Minimum Wages in Sub-Saharan Africa: A primer*. IZA DP No 9204.

BREAKDOWN OF LOW-INCOME EMPLOYEES, BY GENDER

Low-income employees across our countries accounted for 427 or 26% (vs 32% in 2022) of total employees.

In our methodology, a low-income employee earns less than EUR 244/month.

Repartition of low-income employees, by gender



SDG 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8 DECENT WORK AND ECONOMIC GROWTH



Female employees

Male employees

1 DIRECT AND DECENT JOBS (2/2)

ACCESS TO SOCIAL PROTECTIONS AND HEALTH INSURANCE

Formalization and access to public social protections offer better working conditions and job security for employees. Therefore, IPDEV investment companies are strongly committed to formalization. Nevertheless, formalization can be a long and complex process for companies.

The formalization rate increased to **90%** (vs 76% in 2022). Nevertheless, most jobs are formalized during the post-investment phase. Indeed, prior to and within the first year of investment, most of the companies have a low rate of employees declared to the national social security administration. Compared to the initial formal job rate of the portfolio (55%), great efforts are being made to reach **719** (vs 556 in 2022) jobs formalized thanks to the IPDEV's teams support to investees.

34% (vs 37% in 2022) of investees offer complementary health insurance going beyond public health programs. **37%** of employees benefited from private health insurance in 2023 (+79 employees covered), most of them are from the service sector (56%).

37%

of employees covered by private health insurance

719

of permanent jobs formalized since inception



© Ivoire Garba, 2023

Ivoire Garba, commonly known as I-Garba, is a company that markets and promotes an Ivorian dish called garba. The company's ambition is to create a fast-food chain in Côte d'Ivoire, and in the future to export its model to the interior of the country and to neighboring countries. It is therefore an example of a company wishing to formalize a hitherto informal sector.

IPDEV
91%

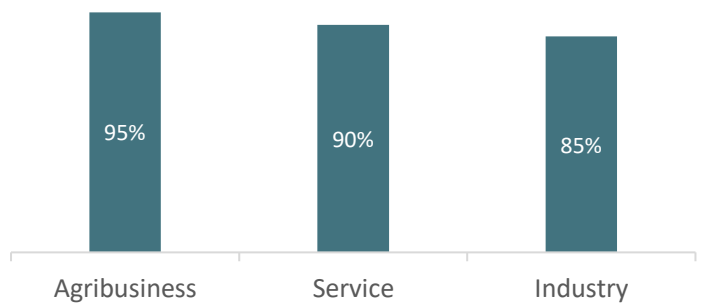
of investees' employees are covered by a public social security program.

AFRICA*
17%

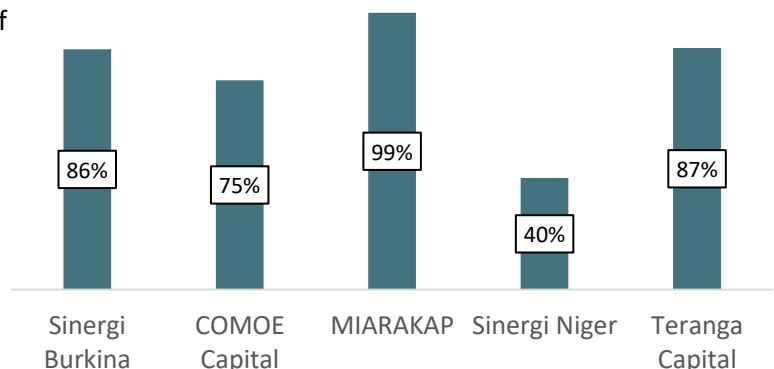
of the population is receiving at least one social protection benefit.

* Source: ILO, 2022

Percentage of employees with public social protections, by sector



Percentage of employees with public social protections, by country



Each IPDEV investment company has a strong commitment to progressing toward 100% job formalization with each investee. In 2023, formalization rates increased for all partners funds.

1 NO POVERTY



SDG 1 - End poverty in all its forms everywhere, *SDG 1.1 - Eradicate extreme poverty*

8 DECENT WORK AND ECONOMIC GROWTH

**SDG 8**

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

YOUTH

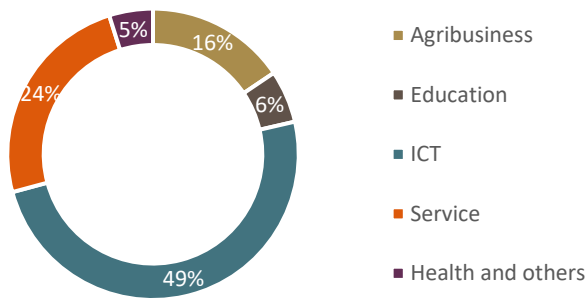
Context: Africa's youth, labor market and young employees at the IPDEV investee level

Today, more than 60%¹ of Africa's population is under the age of 25, but most of them (40%) are under 15 and therefore not legally old enough to work. This explains why the number of young people under the age of 25 is not very high among the employees of portfolio companies (6%). Nevertheless, by 2030, young Africans are expected to constitute 42% of global youth². While **10-12 million young people arrive each year on the labor market**, only 3 million formal jobs are created. Most young people in Africa are either unemployed or in precarious or informal jobs.³

Young people (under 25 years old) account for 107 (vs 103 in 2022) of IPDEV's investee employees (1,657), highly represented in the e-commerce, AI, ICT, fast-food and agribusiness sectors. The share of young employees is still low compared to the 19% share of the African population aged 15 to 25. Nonetheless, the percentage is calculated on permanent employees, who are often senior, more qualified, and therefore older. If we consider the number of employees under the age of 35, they represent 43% of permanent employees, which is quite high compared to the 34% of the African workforce aged between 15 and 35.

¹ Source: Population Pyramid, 2020 ² Source: UN, 2022 ³ Source: AFDB, 2017

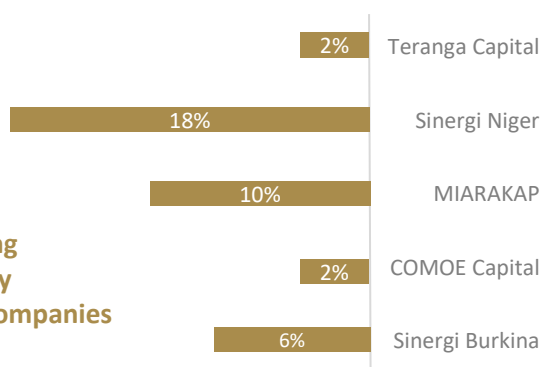
Share of young employees, by sector



Representation of young investee employees in each IPDEV's investment companies

Young employees represent 9% of Miarakap's total investee portfolio. Within Sinergi Niger, the data dating from 2018 for Unifam were updated with the relaunch of its activities. Within Sinergi Burkina, the share of young employees recruited has slightly decreased (6% vs 7% in 2022).

Share of young employees, by investment companies



GENDER

Context: women and the labor market in Africa

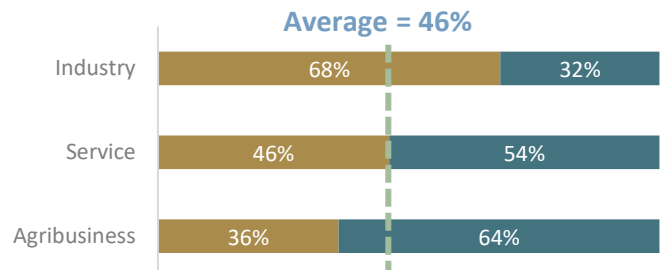
In Africa, women are disproportionately employed in the informal economy in small-scale food processing, subsistence farming and petty food trading, suffering poor working conditions and living standards as a result. The lack of power exercised by women in these sectors – because they are functioning primarily in gendered roles, and still grappling with barriers like unfair land laws and poor access in the food supply chain – puts them at a considerable disadvantage¹.

¹Source: WEF, 2021

Women at the IPDEV investee level

46% (vs 42% in 2022) of IPDEV investee employees are women. The number of women employees increased by 25% between 2022 and 2023. The relaunch of activities is positively impacting women, with 148 women recruited in 2023 versus only 126 in 2022. Several sectors are concerned - microfinance, beauty, education, agribusiness, services, ICT and AI. In 2023, there were 71 departures by women employees versus 33 in 2022 and 17 in 2021. The departures of women mainly concern 3 companies whose overall workforce has been impacted.

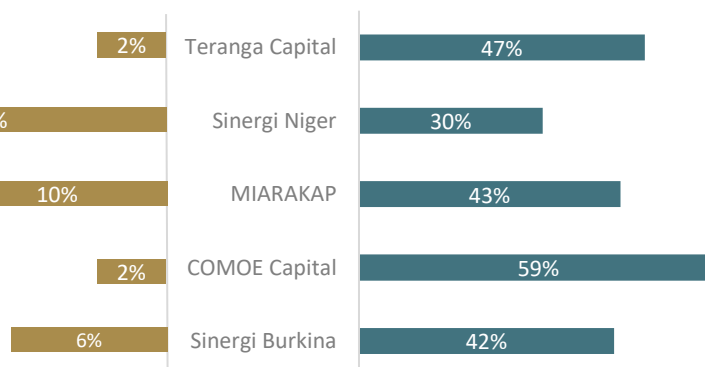
Share of women employees, by sector



Representation of women investee employees in each of IPDEV's investment companies

All IPDEV investment companies have integrated a gender-lens in their investment strategy. Some efforts are being made to improve the rate of women employees at the investee level. The share of women employees increased within almost all IPDEV's investment companies in 2023 (except for Sinergi Niger, due to only 1 company). Taking gender bias into account will be strengthened in the IPDEV network, with the recent creation of Inua Capital, a gender-lens investor with the objective of addressing the systemic gender gap in industry and employment in Uganda.

Share of women employees, by investment companies



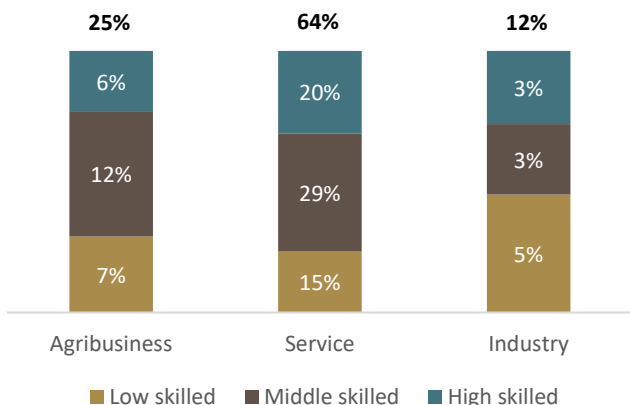
3 SKILLS DEVELOPMENT

The service sector remains the prevalent employer providing 64% of total jobs (1,657). It also employs mostly highly-skilled and middle-skilled employees for 49%.

The agribusiness sector had the highest number of employees who benefited from training in 2023 (57%), followed by the service sector (35%).

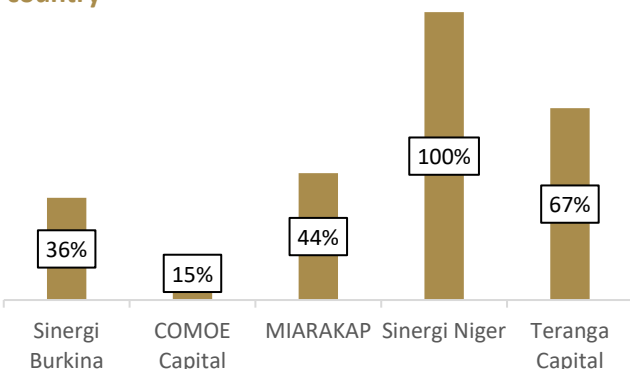
Qualified women represent 39% (vs 41% in 2022) of highly-skilled employees and are mostly represented in the service sector (69%, mainly in two sectors: ICT and AI within HaiRun Technology and SmartPredict in Madagascar). In the agribusiness sector, they represent 11%.

Employment breakdown, by qualification and sector



Ex. of low-skilled: factory worker; ex. of middle-skilled: accounting officer; ex. of highly-skilled: management positions

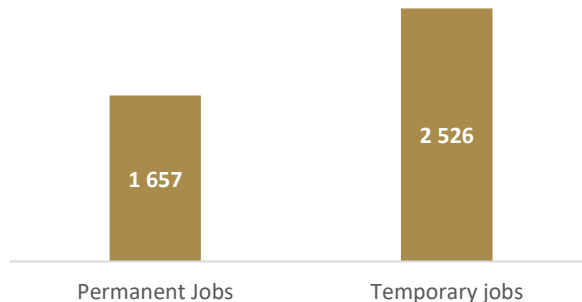
Percentage of investee employees trained in 2023, by country



Overall, 40% of employees (i.e. 656) benefited from training (vs 35% in 2022), through 25 investee companies (vs 22 in 2022), mainly in the service sector and the agribusiness sector.

4 PERMANENT AND TEMPORARY JOBS

Repartition of permanent & temporary jobs



In addition to 1,657 permanent jobs, the investees worked with 2,526 (vs 1,247 in 2022) temporary workers (interns, daily-paid workers, seasonal workers and service providers). The seasonal jobs represent 79% of temporary jobs, and those workers are mostly represented in the agribusiness, education and health sectors.

Formalization rate for temporary employees

The formalization rate of temporary jobs is lower than that of permanent jobs, 36% and 91% respectively, but IPDEV's investment companies are making efforts to improve this rate, even if it is not their main focus.

IPDEV

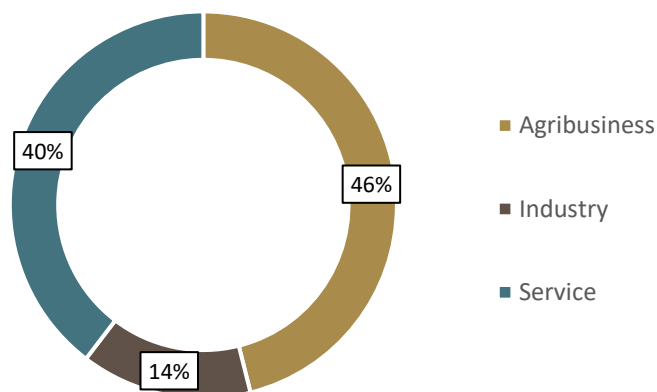
36% of temporary jobs were formal in 2023

AFRICA

Less than 24% of employment was formal¹

¹Source: OIT, 2018

Percentage of temporary employees, by sector



Providing SDG-aligned goods and services

78% of partner companies offering essential products or services directly addressing the SDGs (vs 77% in 2022 and 79% in 2021).

This percentage, reflects I&P's determination to use a strict methodology to count companies contributing to the SDGs.

The 22% of companies that don't meet an SDG are in the tech, clothing or beauty sectors and have no harmful effects linked to their activity.

IPDEV pursues two client-related objectives :

- Meet unsatisfied demand for products and services
- Provide basic products and services to the base-of-the-pyramid customers

74%

of partner companies supported mainly focus on their local markets (and not on exports), thus meeting the needs of the African population and local business partners.

2 ZERO HUNGER



GOAL 2: Achieve food security and improved nutrition

- **AGROSERV (BF):** Maize processing
- **BIOPROTECT (BF):** Production of biofertilizers and biopesticides
- **CHICKY (MA):** Fast food, specializing in chicken
- **FRUITALES (SE) :** Transformation and distribution of fruits and vegetables
- **GNG (SE):** Production and distribution of local juices
- **HALAL (NI):** Improved local rainfed vegetable seeds
- **I-GARBA* (CI):** Fast-food chain
- **IBF (CI):** Organic dried fruit production
- **KOKUMA (BF):** Transformation and distribution of paddy rice into white and broken rice
- **KOOD (SE):** Sale of ice cream



6,338 tons of agricultural products purchased in 2023 (vs 3,729 in 2022)

- **LA VIVRIERE (SE):** Local grain processing
- **LAITERIE MAMIAINA (MA)*: Production of cheese**
- **EXA FEED/FOOD (MA):** Production of protein flour based on insects
- **MALAKASS (MA):** Production and distribution of organic cassava
- **LYSA & CO (SE):** Cashews and peanuts
- **RAMA CEREAL (CI):** Grain processing
- **ROSE ECLAT (BF):** Dried fruits and vegetable -processing
- **SIATOL (BF):** Local soybean processing
- **SUPERMARCHE.MG (MA):** Home shopping delivery for households in urban and peri-urban areas

19
SMEs

3 GOOD HEALTH AND WELL-BEING



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

- **CLINIQUE DENTAIRE DU CAP VERT (SE):** Dental care clinic
- **HMS (CI):** Medical center for day care
- **PALOBDE (BF) :** Affordable hygienic pads producer
- **BIOMEA* (CI):** Medical analysis
- **EVS* (CI):** Medical center for day care
- **Pharm'XPERT* (BF):** Pharmacy management



+17,500 clients in 2023
+12,000 beneficiaries of reusable menstrual pads

6
SMEs

4 QUALITY EDUCATION



GOAL 4: Ensure inclusive and equitable quality education

- **CAIF (SE):** A training center for sewing and catering
- **COCCINELLE (CI):** A pre-school for 2-to-6-year-olds
- **EAL (NI):** A publisher and manufacturer of extracurricular books
- **ETUDESK (CI):** A tailor-made e-learning platform
- **IMGH (CI):** A training school specialized in hospitality
- **IST (SE):** A higher institute of business management and technology
- **MICHELE YAKICE (CI):** A sewing and fashion design training school
- **STUDIO KÄ (CI):** A 2D/3D children's animation producer that promotes African cultural heritage
- **VALLESSE (CI):** A textbook publisher
- **VATEL (MA):** A hotel and tourism business school

10
SMEs

6 CLEAN WATER AND SANITATION



GOAL 6: Clean water and sanitation

- **SAVONNERIE PARFUMERIE DU HOUET (BF):** Soap and cosmetic products



1,500 tons of soap produced in 2023

7 AFFORDABLE AND CLEAN ENERGY



GOAL 7: Affordable and clean energy

- **COGELEC (SE):** An electrical engineering company in rural areas



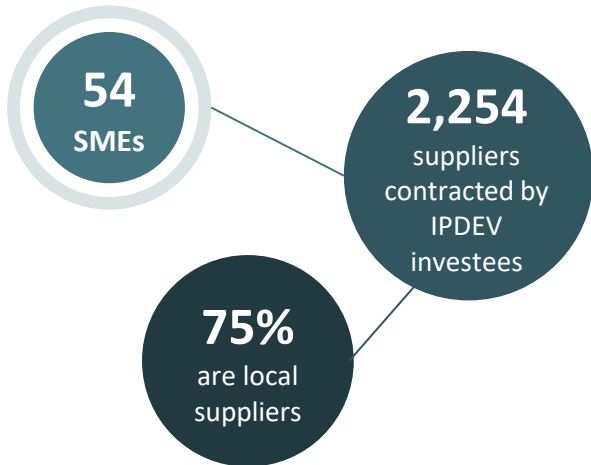
+75km of electric lines installed in 2023

Indirect impacts on local stakeholders

1 RIPPLE EFFECT ON SUPPLIERS

IPDEV pursues 2 objectives regarding subcontractors:

- Contribute to the development of local suppliers and distributors
- Structure local sector upstream or downstream



*37 SMEs does not include XOOM for which data are not yet available.

Impact on small producers

A network of **9,541** local small producers supported by the investees through different programs, such as technical assistance, trainings and agricultural advising. Over 2 million euros have been spent with these small producers to supply the SMEs.



Focus on PACE program

PACE, support program for small producers, Côte d'Ivoire, partnership GIZ - Comoé Capital

The Partnership for Growth and Employment in the Processing of Agricultural Products in Côte d'Ivoire (PACE) is a 2-year collaboration between GIZ and Comoé Capital, aimed at impacting the agricultural sector in Côte d'Ivoire. The program provides technical and financial support to four agribusinesses in the Comoé Capital portfolio, in order to structure the supply, improve the product quality and the standard of living of a maximum of producers by taking advantage of the growth of the companies' activities.

SDG 17.1

Mobilization of national resources in order to strengthen national capacities, collection of taxes and other revenues

17 PARTNERSHIPS FOR THE GOALS



SDG 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8 DECENT WORK AND ECONOMIC GROWTH



2 INDIRECT JOBS AND IMPACTED LIVES

Through investments in African SMEs, IPDEV investment companies contribute to the economic development of the continent from a larger perspective. Our partner SMEs are indeed taking part in an ongoing dynamic of building and strengthening the African economies by working mostly with local suppliers and contributing to political stabilization and social redistribution. **Through EUR 37m in revenue generated by the investees in 2023, 5,485 net indirect jobs have been created*** (vs 5,115 in 2022).

* Based on the "input-output" methodology developed by Nobel Laureate economist Wassily Leontief, compiled from Purdue University's GTAP international trade analysis data.

Through 1,657 permanent jobs within 50 partner companies, more than 8,400 family members were impacted in 2023 (vs 7,700 in 2022).

1 JOB = 1 FAMILY



** Based on household size derived from the Global Data Lab developed by researchers at the University of Radboud, the Netherlands, this figure is estimated by combining the data from different surveys (Demographic and Health Surveys, UNICEF Multiple Indicator Cluster Surveys, World Development Indicators, etc.)

" CONTRIBUTION TO NATIONAL STATE REVENUES

IPDEV pursues 2 objectives :

- Contribution to tax revenues
- Promoting technology transfers and investments

Context: Payment of taxes in West Africa

Tax revenues represent less than 17% of GDP in Sub-Saharan Africa vs 33% in OECD countries (World Bank, 2022). 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).

In IPDEV countries of intervention, the **low level of mobilization of fiscal resources** is a key barrier to developing the most needed public services (water, education...). In 2023, our partner companies paid the equivalent of **EUR 2.4 million in taxes** (VAT, employer contributions to social charges and other taxes).

€2,400,000

paid in taxes to the local authorities in 2023

Promoting best practices

GENDER

GOVERNANCE

FORMALIZATION

ENVIRONMENT

IPDEV and gender equality

In alignment with I&P's gender strategy, IPDEV pursues two gender objectives :

- Promoting women's access to **decent jobs and leadership positions**
- Adding 40% more SMEs to the portfolio that have a positive impact on women

OUR GENDER STRATEGY

Women entrepreneurs are well represented in the informal sector, but the main challenge for them is the access to higher-level, value-added positions in the formal sector.

IPDEV pursues I&P's gender strategy (available in the document "Opportunities to bridge the gender gap in African SMEs"), in addition to its own gender objectives:

- **SME leaders:** empowering women in decision-making processes as shareholders, board members and CEOs.
- **Employees:** developing women's access to decent jobs and training opportunities.
- **Clients and suppliers:** focusing on women's inclusion - providing essential goods and services for women and/or implementing specific support programs for women employees and small-scale suppliers/distributors.

ADVOCACY ACTIVITIES

Raising awareness on the topic of women entrepreneurship is a key objective of IPDEV's advocacy objectives and strategy:

- ➔ On International Women's Rights Day 2022, I&P assessed its gender policy on the basis of the Deloitte & France Invest Commission's annual report "**Talents & Diversity**", which can be found [here](#).
- ➔ I&P is a signatory of France Invest's 2020 charter, which includes 30 commitments to address the challenges of gender parity in private equity, investment teams and within investees.

IPDEV'S GENDER RESULTS

Women leadership and board members at the IPDEV level

IPDEV

35% of board members (unchanged)

27% of senior leadership positions

AFRICA¹

14% of board members in Africa¹

23% of executive committee members¹

¹ Source: Women Matter, Africa, McKinsey, 2016

WOMEN AT IPDEV INVESTMENT COMPANY LEVEL

IPDEV

26% of IPDEV's governance entity members are female (unchanged)

53% of IPDEV sponsored fund teams are women² (vs 52% in 2022)

I&P GENDER STRATEGY

50% female members of governance entities as ultimate goal

40-60% female employees

² Including Gola Capital and Fako Capital

WOMEN AT THE INVESTEE LEVEL

36% of businesses founded by women (vs 35% in 2022)

39% of highly-skilled employees are women (vs 41% in 2022)

36% of board members are women (vs 28% in 2022)



Focus

2X CHALLENGE
FINANCING FOR WOMEN

The "2X Challenge" calls for the G7 and other DFIs and private sector investors globally to join together to collectively mobilize \$15 billion from 2021-2022 to provide women in developing countries with opportunities. In 2023:

80% of IPDEV's portfolio companies satisfied the 2X Challenge criteria (vs 79% in 2022)

45% of these companies satisfied two or more criteria (vs 40% in 2022)

5 GENDER EQUALITY



SDG 5.5

Achieve gender equality and empower all women and girls

Focus on Inua Capital

“At Inua, we are committed to fostering gender equality, diversity, equity and inclusion within our organization and across our investment portfolio. Our policy is rooted in the recognition that gender biases persist in Uganda's economic landscape, and it is our responsibility to help address the systemic gender gap in industry and employment.” (extract from *Inua Gender, Diversity, Equity and Inclusion (GDEI) Policy Statement*). **Inua Capital is a gender-lens investor (GLI) with a proactive approach to providing equal opportunities to groups that have historically been negatively impacted by systemic exclusion, specifically as a result of their gender or minority status.**

Inua is committed to address the systemic gender gap in industry and employment by integrating gender, diversity, equity, and inclusion (GDEI) considerations into their investment processes and practices.

These internal principles are reflected in the operations of Inua, in the company's structure, governance, investment processes and capacity building activities. Michelle Mbohas is the **GDEI referent & Gender champion, in charge of improving GDEI standards at Inua Capital and all Inua's portfolio companies.**



IPDEV pursues two governance objectives:

- Promoting good governance **at the African investment company level** (boards of directors, investment committees, ESG coordinators)
- And **at the SME level** (boards of directors, reporting, etc.)

Building strong ESG/impact governance

Promotion of mission-driven governance, both at the IPDEV and African investment companies levels, is part of IPDEV's commitment.

AT THE IPDEV LEVEL

5 external committee members, including investor representatives and independent members, make up the Extra-financial Committee. They **gather twice a year and play a key role in the verification of IPDEV and its approach as well as ESG/impact activities**. Every two years the members assess the achievement of eight financial and extra-financial objectives embedded in IPDEV's shareholder agreement. Based on this evaluation, a bonus for the IPDEV teams is recommended by the committee and validated by IPDEV's board members. The committee also oversees ESG/impact outcomes outlined in the impact report, the methodology used to determine some indicators, the ESG and impact, the risk management system, the reputational risk management, and the governance and ESG practices for each investment company.



Philippe LEVEQUE

Independent director of the Korian group and of the NGO Care International



Quentin DEMARLY

Venture Capital Investor at ALIAD Venture Capital by Air Liquide



Pierre ARQUIE

Representative of the Congregation of Notre-Dame



Sally WALKERMAN

Impact Management & Learning Lead at Small Foundation



Sylvie LEMMET

Investment Ambassador for Environment at Ministry for Europe and Foreign Affairs

AT THE AFRICAN INVESTMENT COMPANY LEVEL

Each IPDEV investment company has set up an **ESG committee with external members** that meet at least once a year. They have also nominated a person within the team dedicated to ESG/impact matters. **Below are the number of board members per investment company.**

AT THE INVESTEE LEVEL

IMPLEMENTATION OF SHARED GOVERNANCE

Investees work with a shareholder representative body (board or strategic committee, including the entrepreneurs and one or two investor representatives) to manage the company in a concerted manner. **Such shared governance helps entrepreneurs both to feel less isolated and to upgrade their reporting practices.**

50% of investees had at least one or two independent members in 2023 (vs 50% in 2022).

3 board meetings held in 2023 on average in each partner company.

81% of companies held at least one board meeting during the year.

UPGRADING OF ACCOUNTING AND REPORTING PRACTICES

IPDEV investment companies invest in early-stage and fast-growing companies with a need to strengthen their financial and accounting practices in order to improve performance monitoring. The following actions have been implemented: **(1) Annual audits** to ensure reliable accounting practices that fully comply with fiscal obligations. **(2) Technical assistance** provided to the majority of companies, in order to build internal reporting capacities and enhance the reliability of the accounts.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

IPDEV investment companies enforce integrity and do not tolerate corruption or other illegal practices, even if it means giving up an investment opportunity.

SAFEGUARDING POLICY

IPDEV investment companies do not tolerate any form of sexual or other harassment or offensive conduct, whether verbal or physical, that could create an intimidating, offensive or hostile workplace environment.

Training and review of ESG/impact methodology at the IPDEV level



TRAINING SESSIONS

An ongoing training effort to improve our standards

In 2023, several sessions dedicated to ESG/impact with a focus on the IFC performance standards were held with both IPDEV CEOs and the IPDEV teams, since the performance on ESG/impact is closely linked to general performance.

- During our team seminars and in remote meetings, environmental policy was presented and the team reviewed several ESG and impact case studies to brainstorm on best practices and raise awareness on the main risks and impact aspects (development of sustainable value chains, gender bias, road safety, health and safety at work...).
- In-person training sessions (on IFC standards) were held with some IPDEV team members (in Burkina Faso, Niger and Côte d'Ivoire in 2021, Mali in 2022 and Madagascar in 2023). These sessions primarily aimed at reinforcing ESG risk assessment (during due diligence) and management (after the investment).



CURRENT ASSESSMENT OF METHODOLOGY IMPLEMENTATION

After over seven years of practical implementation

STRENGTHS - Strong commitment to ESG & impact matters, including gender equality.

Teams are eager to build on I&P's methodology, which is considered a key competitive asset.

Good adoption of the ESG methods: satisfactory ESG risk assessment and ESG due diligence.

Timely collection of reliable impact metrics among portfolio companies.

AREAS FOR IMPROVEMENT - High priority currently given to SME formalization processes, especially for the employees, where delays for some SMEs have been recorded in Niger and Senegal due to difficulties (financial and operational) encountered by the investees. I&P is still working to raise awareness among IPDEV team members and investees in order to reach 100% formalization for all investee employees.



© Afroto, 2024



© Afroto, 2023

IPDEV pursues two formalization objectives:

- Pushing toward **full job formalization for permanent employees**. For temporary employees (day laborers, seasonal workers...) who are traditionally not registered with social security, even in larger formal companies, an important step is to set up formal, written employment contracts.
- Promoting access to **health insurance** for employees

IPDEV's formalization process

IPDEV is strongly aligned with I&P's commitment to formalization of the entrepreneurial sector in Africa. **All the SMEs supported embark on the path of formalization**. At the due diligence level, deep analyses are made to assess the level of formalization of each investee. After investment, SMEs have 1 year maximum to fully comply with the law. These formalization objectives are also part of the investment team's global performance measurement, thus reflecting the importance given to this issue.

However, the path to formalization can be long and complex. Transition to formality is expected but is sometimes too slow, especially employee formalization. The process can vary greatly.

For companies lagging behind, we have learned that:

- The cost of formalization is sometimes underestimated. The company's activity level is still too low to amortize the costs of formalization.
- Becoming formal is a gradual process that includes several requirements that take time: a written contract, tax status, health coverage, etc.
- Employees sometimes do not want to be declared for several reasons (requires complicated administrative documents to obtain, prefer to receive their salary in full, prefer to keep their independence...).
- When turnover is high, some companies prefer to formalize the oldest employees first and wait before declaring newcomers, to ensure their loyalty.

Our progress towards formalization

1,502 (vs 1,090 in 2022) permanent SME jobs were formal in 2023 (+412), representing **91%** (vs 76%) of the total permanent jobs. In 2023, formalization rates increased for all partners funds.

Compared to the portfolio's initial formal job rate (55%), great efforts are being made, with **968 jobs** formalized since inception (vs 556 jobs in 2022) thanks to the IPDEV teams. In addition, 507 employees (37%) also benefit from supplementary private health insurance.

IPDEV

More than **91%** of jobs were formal in 2023



AFRICA

Less than **28%** of employment was formal¹

¹Source: McKinsey, *Africa at Work, Job Creation and Inclusive Growth, 2012*

*The data collection only focuses on permanent job formalization. The impact monitoring tools and data collection will expand next year to include monitoring of seasonal job formalization as well.

3 GOOD HEALTH AND WELL-BEING



SDG 3

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

8 DECENT WORK AND ECONOMIC GROWTH



SDG 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Context: Job formalization in Africa

According to I&P's impact study on formalization, 89% of jobs in the African sub-Saharan region are in the informal sector. IPDEV believes that formalization is key to long-term social and economic development. The study also shows that formalized employees have more access to health care and twice the access to the credit needed to realize their life projects; they are also better protected against job dismissal.



Investee progress toward job formalization for two consecutive years

More than **90% jobs representing 1,502 of 1,657 permanent jobs** (vs 76% in 2022) were formal in 2023. Since inception, **968** (vs 556 in 2022) permanent jobs have been formalized, thanks to IPDEV's investments and support.

Despite the various crises (COVID-19, inflationary crisis, security issues, financial and operational difficulties), **41% of our partner companies reached and maintained a 100% formal job rate**, 27% of the companies made efforts to increase their rate of formal jobs in 2023 and 29% registered a decrease or remained stable in their formal job rates due to operational and financial difficulties (including cash flow strains), and departures of formalized employee.

Share of investees with 100% formal jobs in 2022 and 2023

41% (20 out of 49)

Share of investees with an increase in formal job rate

27% (13 out of 49)

Share of investees with a decrease or unchanged formal job rate

29% (14 out of 49)

2 of the 7 new investees within the portfolio are already 100% formal.

To improve formalization, IPDEV has implemented the following next steps:

- Include formalization commitments in shareholder agreements
- Make successive disbursements subject to progress on formalization
- Provide ongoing training of entrepreneurs and top management
- Provide support in the formalization process in the form of technical assistance

Investee progress toward job formalization in 2023

In **2023, 50%** (25 out of 50) of our partner companies achieved a 100% formalization rate of their permanent employees. Another **10%** of them are still in the process of fully formalizing their employees and **40%** are encountering financial and operational difficulties that are making the path to full formalization challenging.

51%

Share of investees with 100% permanent jobs formalized

10%

Share of investees in the process of formalization

39%

Share of investees for which formalization is a challenge (due to operational and financial issues)

The total number of investees for these rate calculations is based on 49 (XOOM in Senegal, a investment for which data have not yet been received, is excluded).

IPDEV pursues two environmental objectives:

- Foster biodiversity and soil preservation.
- Encourage energy-efficiency and renewable energy initiatives.

Contribution to reducing negative environmental impacts

40%

of the investees have a product/service or have put in place initiatives that contribute to reducing negative impact on the local ecosystem, such as the use of renewable energy and a waste management system, making soil more resilient, protecting biodiversity, reducing pressure on natural resources, etc. These actions also contribute to generating economic benefits (vs 35% in 2022).

BIOPROTECT, Agribusiness, Burkina Faso

Certified organic company that produces and sells organic fertilizers and pesticides.

Results : These fertilizers both preserve human health and protect the environment while fighting diseases, pests and insects. Substituting chemical fertilizers and pesticides with natural and organic products contributes to the fight against global warming (chemical production is one of the 10 most GHG-emitting industries).



EXA FEED, Agribusiness, Madagascar

Company specialized in the production of insect-based protein flour.

Results : Production of alternative protein to soy (one of the main causes of deforestation) and fishmeal for animal feed, thus limiting the pressure on terrestrial and marine ecosystems, while promoting a local circular economy. Insect farming also has the advantage of being very economical in resources (water, food, space) and is much less GHG emitting than popular livestock farming in Madagascar (cattle, pigs or poultry).



AGROSERV, Agribusiness, Burkina Faso

A maize processing company offering fortified flour and cornmeal for local markets.

Results : Maize replaces wheat, which is mainly imported in Burkina Faso. **1,000 tons** of flour and 5,200 tons of grits were sold in 2023.



IBF, Agribusiness, Cote d'Ivoire

IBF works with 300 small producers to implement agroforestry techniques in mango orchards. IBF is certified organic EOS and NOP and is in the process of HACCP certification whose procedures are in place and respect the environmental standards.

Results : Increasing the purchasing power of small producers while improving soil quality.



VATEL, Education, Madagascar

Offers an Ecotourism Management degree, training future managers to take into account economic, social and environment issues such as water and energy consumption, sustainable food, etc.

Results : around **260** students enrolled in 2023.



15 VIE TERRESTRE



SDG 15 • Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

7 AFFORDABLE AND CLEAN ENERGY



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



Focus on Mitsiry Program (Madagascar)

Miarakap program funded by USAID that aims to finance and support businesses with a positive impact on local communities and biodiversity conservation.

Example of a funded company: **SAHANALA**, which implements economic, social and environmental alternatives for farming families living and working in and around New Protected Areas (ecological zones threatened by degradation). Sahanala seeks to compensate for the deprivation suffered by peasant families as a result of biodiversity protection measures (notably through the development of organic farming).

Methodology and impact

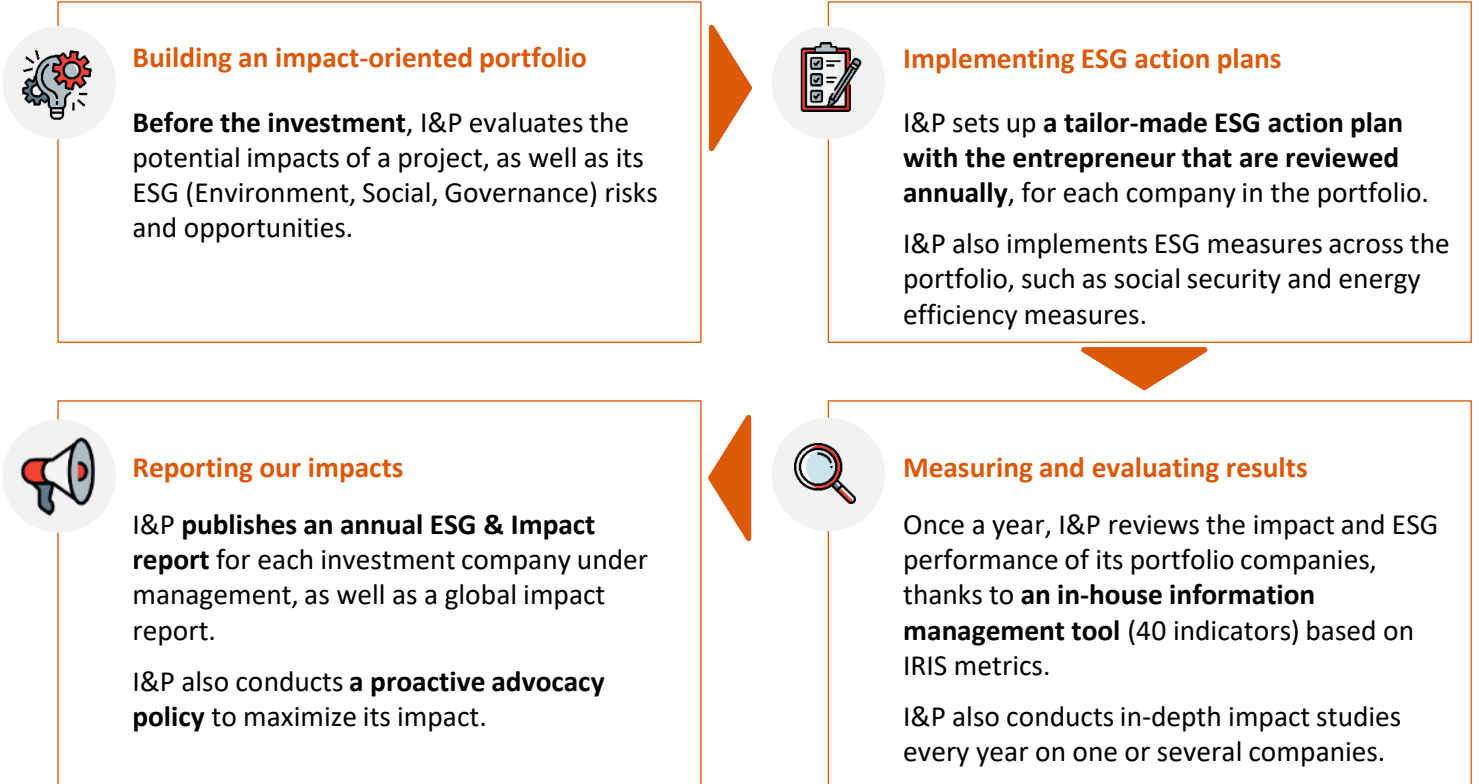
IMPACT MANAGEMENT WHEEL



IMPACT PROCESS

Pursuing specific impact objectives and strong ESG performance

The I&P team implements an impact management wheel throughout the investment process, using tools based on international standards.



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 goals

ALIGNMENT WITH IFC NORMS

Our ESG and Impact management tool is based on the IFC's 8 performance standards.



Screening and monitoring during investment and until exit

1 SCREENING - ASSESSING POTENTIAL IMPACTS

Evaluation of ESG risk and impact opportunities

The investment team rates **ESG risk** (high, Medium or Low), as well as ESG opportunities, on the same scale.

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

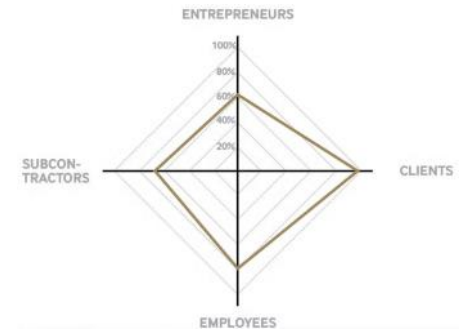
Identifying impact areas of improvement

The investment team uses I&P's **Impact Screening Scorecard** to screen investment projects aligned with IPDEV's core impact objectives and identifies ways to **improve overall impact**.

Sample ESG categorization matrix

	RISK	OPPORTUNITIES
E	Medium	High
S	Medium	High
G	Low to Medium	

Sample Impact Screening Scorecard



2 CONDUCTING ESG DUE DILIGENCE

Due diligence includes an **in-depth analysis of ESG-related matters as an integral part of the assessment and is performed in close conjunction with:**

- **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.

3 IMPLEMENTING ESG ACTION PLANS TO GENERATE ECONOMIC AND SOCIETAL VALUE

IPDEV teams work with investees on **ESG and impact action plans** in a collaborative manner, in order to mitigate risk and generate economic value.

The action plan is **fully integrated into both partner/investee company operations** and the investment agreement.

Partner companies **legally undertake the implementation and monitoring of these ESG action plans**, and a contact person within the IPDEV teams (ESG point of contact) is appointed to oversee the process.

4 MEASURING RESULTS

IPDEV measures investee performance annually with an **in-house information management tool** based on IRIS metrics. Close to **40 indicators** are collected on a declarative basis and analyzed every year to assess investees' impacts on their local stakeholders. **An update meeting is held once** a year with each ESG point of contact to review and monitor ESG action plans.

STAFF

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

CLIENTS

- Quantity of goods/services provided
- Number of clients

SUPPLIERS AND DISTRIBUTORS

- Number and share of local suppliers and distributors

NATIONAL VALUE ADDED

- Contribution to state revenues, GDP and exports

Ensuring good impact management after exit

I&P and the entrepreneurs implement actions that are deeply anchored to the business of the company in order to make these actions durable. Impact management issues are included in exit discussions with the selected purchaser(s).

Enhancing impact with advocacy

I&P'S ADVOCACY PROJECTS

I&P'S NETWORKS

I&P is committed to a proactive advocacy policy that recognizes SMEs as vectors of change and promotes adapted financing solutions for Africa's "missing middle". The objective is to go beyond the impacts of I&P alone and to have a multiplier effect on our contribution to Africa's development agenda.

Highlight: our latest report

In a new report entitled "Using Catalytic Capital to Foster African Entrepreneurs in Underserved Markets," published in partnership with the Catalytic Capital Consortium, I&P showcases the effectiveness of catalytic capital in supporting African SMEs, offering recommendations to expand its use.

Backed by a unique database of 260 African companies and insights from two decades of experience in impact investing, we highlight the critical role of formal SMEs in driving sustainable and inclusive growth in Sub-Saharan Africa, how SMEs face barriers to accessing traditional financing, and how Catalytic capital offers a solution to bridge this gap.



Catalytic capital can be defined as "debt, equity, guarantees, and other investments that accept disproportionate risk and/or concessionary returns relative to a conventional investment in order to generate positive impact and enable third-party investment that otherwise would not be possible." Catalytic capital implies capital that is patient, risk-tolerant, concessionary, and more flexible than conventional funding.

Using catalytic capital to foster the emergence of African entrepreneurs in underserved markets



[Explore the report](#)

Our advocacy tools



Studies & Reports

I&P regularly publishes studies that address its areas of expertise: impact investment, support for SMEs, private equity, etc.

[Discover our reports](#)



Articles

I&P operates the blog 'Entrepreneuse Afrique,' which compiles research articles, experiences, field testimonies on entrepreneurship in Africa.

[Discover the blog](#)



Videos

I&P showcases entrepreneurs, portfolio companies and team members through short videos and interviews.

[Discover our videos](#)

Focus on our latest articles

Two articles (and interviews), signed by Mohamed Keita and Maïmouna Baillet, address the recent events in the Sahel region and their consequences on African entrepreneurship.



I&P helps foster the emerging ecosystem of impact investors and carries out its mission through multiple networks. Our commitment is reflected in external evaluations and certifications such as B-Corp™ certification and the Operating Principles for Impact Management. In addition to its gender policy, I&P is a signatory of France Invest's 2020 charter on the challenges of gender parity in private equity. The charter includes 30 commitments and was signed by 300 members.

Impact investing and philanthropy networks



In 2017, I&P joined the **global** community of companies **certified B-Corporation™**, an independent label that brings together companies around the world that wish to make a positive contribution to a sustainable society and that meet demanding criteria in terms of strategy and transparency in their business approach.



In 2019, I&P was one of the first 60 investors to adopt the "**Operating Principles for Impact Management**" defined by the International Finance Corporation's rigorous and transparent standards to regulate impact investing.



I&P has been selected for the third time for the ImpactAssets 50 2021, a free online database for impact investors, family offices, financial advisors and institutional investors that features a diversified listing of private capital fund managers delivering social and environmental impact, as well as financial returns.

African entrepreneurship and private equity networks



I&P: an overview

Launched in 2002, 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.

● A COMMITTED TEAM OF **180+** STAFF

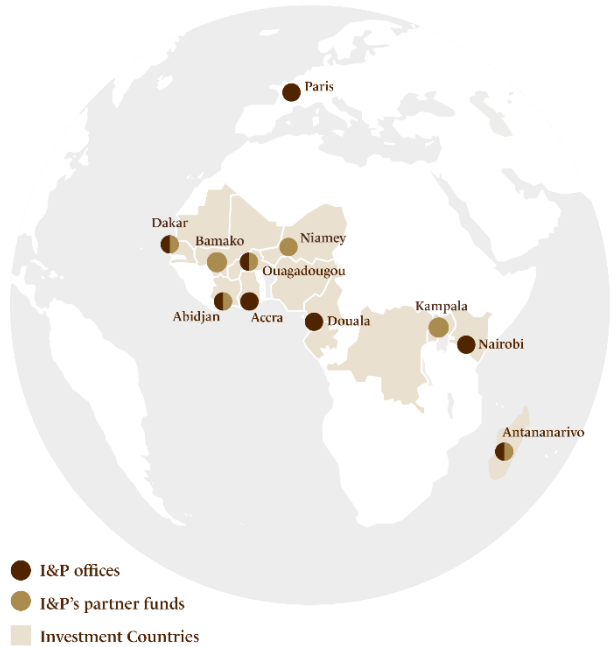
- Located across **10 African countries**: Burkina Faso, Cameroon, Côte d'Ivoire, Ghana, Kenya, Madagascar, Mali, Niger, Senegal, Uganda, as well as in France.
- I&P and its partner investment companies have raised **€400 million** from African and international investors.

● MORE THAN **330** COMPANIES SUPPORTED

- **130** capital-funded companies and 200 companies benefiting from subsidized acceleration programs
- With financing needs ranging from **€10,000 to €5 million**
- Based or operating in **20+ African countries**

● **4** COMPLEMENTARY LINES OF BUSINESS

I&P's model is based on four complementary lines of business that address the needs of African SMEs: three lines are dedicated to SME financing and segmented according to the maturity of the companies and the size of their financing needs (minority equity and quasi-equity investments, seed financing, loans...), and one is dedicated to fostering the overall business ecosystems in which our partner companies operate.



I&P ACCELERATION

Scaling-up young businesses through **seed-funding and/or training programs** [€10,000 - €50,000]



I&P DEVELOPMENT

Sponsoring a **network of African investment companies** to finance small companies with high potential [€50,000 - €500,000]



I&P EXPANSION

Supporting and providing **equity financing** to mature SMEs and start-ups [€500,000 - €5 million]



I&P ECOSYSTEMS

Promoting the emergence of entrepreneurs and investors in Africa and **fostering the development of a business environment** conducive to their prosperity

IPDEV is part of I&P Development's line of business aimed at supporting field-based SMEs.

This report also **briefly presents I&P Acceleration's line** of business. I&P Acceleration partners with IPDEV's investment companies in the implementation and support of SMEs.



EIFP Michèle Yakice © Atchioua Photography, 2023

Scaling impact through acceleration programs

As a continuum to its investment activities, IPDEV and its investment companies implement programs specifically dedicated to seed financing to support SMEs. Indeed, in order to facilitate sourcing it is important to prepare early-stage ventures to become more structured and prove their concept through seed funding and training programs. Seed financing is often repayable with a zero-interest rate or given as a subvention.

I&P and IPDEV's investment companies have raised +€34M for acceleration programs. IPDEV's investment companies are beneficiary partners that carry out acceleration programs implemented by I&P. **143 SMEs benefited from seed financing in 2023 (vs 114 in 2022).**

ACCELERATION PROGRAMS DEVELOPED BY I&P

I&P Digital Energy

2022-2027 • €4 M



I&P Digital Energy aims to finance and support a dozen start-ups and SMEs offering digital solutions for access to affordable, modern and stable energy for the greatest number of people, operating in Sub-Saharan Africa and Southeast Asia. The program will address the issues of financing, capacity building and structuring of these companies, with a view to fostering job creation and preparing them for investment and scaling up.

I&P Acceleration in Sahel

2019-2023 • €15.5 M



I&P Acceleration in Sahel is a 4-year program that aims at supporting around 300 early-stage companies with 3 components: seed funding, technical assistance and support to entrepreneurship structures. The program covers 13 countries in the Sahel region.

100 SBGs financed

2,578 jobs created or maintained

34% women employees

I&P Acceleration Technologies

2019-2023 • €2.5 M



I&P Acceleration Technologies aims at supporting around 10 digital early-stage companies by giving them access to seed funding and technical assistance. The program covers all African countries.

11 SBGs financed

303 jobs created or maintained

27% women employees

USAID PACE PROGRAM

2016-2020 (closed) • €1.05 M



Launched in 2016, the program enabled IPDEV to maintain a 3-year seed funding program for start-ups in Burkina Faso, Niger and Senegal. The program was implemented by Teranga Capital, Sinergi Burkina and Sinergi Niger.

26 SBGs financed

160 jobs created or maintained

49% women employees

Scaling impact through acceleration programs

EXAMPLES OF ACCELERATION PROGRAMS DEVELOPED BY IPDEV'S INVESTMENT COMPANIES

Pépinière program



A tier of the funds received through the Pépinière program enabled the launch of **Comoé Capital**. The program aims at supporting SBGs through technical assistance, working capital and pilot phase financing under repayable grants in Ivory Coast.

3 SBGs financed

53 jobs created or maintained

30% women employees

MITSIRY

2022-2027 • \$5 M



The Mitsiry program aims to support Malagasy SMEs and start-ups with a strong commitment to environmental conservation and to help local communities through economic empowerment and land conservation incentives. As part of the alliance between **USAID, Miarakap and the private sector**, USAID's \$5 million in funding will leverage an additional \$7.5 million from the private sector.

24 SBGs financed

CATALYZE Sahel Finance for Resilience (F4R)

2021-2022 • €6,56 M



Sinergi Niger partnered with Palladium, which launched Catalyze in Niger. The program aims at connecting ventures and SMEs with financing and investment structures. It is based on a blended-finance mechanism and on the principle of Pay for Results (P4R), using performance incentive tools. The final objective is to support growth, reduce poverty and promote job creation in the targeted areas (Tillabéry, Zinder and Maradi) in Niger.

INDIRECT FINANCING PROGRAMS DEVELOPED BY IPDEV'S INVESTMENT COMPANIES

SUQALI

2021-2023



Launched in 2021 by **Teranga Gestion**, the partnership with the Mastercard Foundation is a project to expand access to financing for micro-entrepreneurs and SMEs in Senegal via 4 components: 1) indirect financing, 2) direct co-financing, 3) the Emergency Relief Fund and 4) capacity building

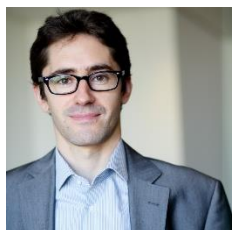
E4Y

2024-2030



This programme, with a total budget of 45.5 million dollars over 6 years, aims to provide an integrated suite of services to facilitate: 1) access to finance, 2) access to skills, experts and shared services, 3) access to the market, to eligible small and medium-sized enterprises (SMEs) operating in the agri-food and related sectors within the West African Economic and Monetary Union (WAEMU), with a view to promoting the creation, maintenance and consolidation of dignified and rewarding jobs for young people, particularly young women.

IPDEV TEAM MEMBERS



David MUNNICH
Executive Director
I&P Acceleration and I&P Development

David joined I&P in 2009. Since 2013 he has worked on the development of IPDEV and supports Miarakap and Teranga Capital's teams.



Mamadou NDAO
Investment Director

Mamadou joined I&P in 2015. Initially based in Dakar, he joined the Paris offices to support Sinergi Burkina and also the launch of Zira Capital in Mali.



Alexis THIROUIN
Financial Director

Alexis joined I&P's Paris office in 2012. He supervises the financial management of I&P and its African subsidiaries, as well as the IPDEV and Acceleration programs.



Prévost KLA
Investment Director

Prevost joined I&P in 2023. Based in Abidjan, he supports East and central African funds, notably the launch of Inua Capital and Fako Capital.



Anjaratiana RANDRIANALISON
Finance and Operations Manager

Anjaratiana joined I&P's Madagascar office in October 2023 as Finance and Operations Manager of IPDEV.



Charlotte SPECHT
Investment Officer

Charlotte joined I&P in 2022. Based in Paris, she is currently working to support the expansion of IPDEV, Sinergi Burkina and the launch of Zira Capital in Mali.

DISCLAIMER

The impact data collecting methodology is based on declarative questionnaires filled out by the investees. The information is considered to be reliable as with our proximity on the field through IPDEV teams, the results can be verified and all reasonable care has been taken in the preparation of this document. However, some errors, inaccuracies or omissions can occur. I&P is continuously evolving and improving its impact methodology in order to improve the accuracy of data and analysis but cannot certify the scientific veracity of the data. This annually unaudited impact report may contain or refer to past results. Past results are no guarantee for future results. By accepting this document, you agree to be bound by the foregoing limitations.

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