



## Press Release

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### **RENEW & the Impact Angel Network Commit Capital to an All-Women Fund**

*The Fund will support female entrepreneurs and job creation for women and youth in Sub-Saharan Africa*

**Denver, CO and Addis Ababa, Ethiopia, April 23, 2019** -- RENEW and the [Impact Angel Network](#) (IAN) have committed capital to a fund dedicated to investing in women-owned and led companies in Ethiopia and Uganda. RENEW and the IAN, now one of the most active investment groups in East Africa focusing on small and medium enterprises (SMEs), designed the fund to address a pressing need to close the financing gap for women-owned companies in Sub-Saharan Africa.

Worldwide, only one-third of SMEs are managed by women (World Bank, 2015). In developing countries in particular, studies have shown that women-owned businesses face higher challenges to business success, especially in the area of financing. It is estimated that 70% of women-owned SMEs in emerging markets are not being properly served by the financial institutions in the area, resulting in a \$285 billion financing gap. The World Bank notes that “addressing this financing gap and investing in women-owned enterprises is one of the highest-return opportunities available in emerging markets” (2015).

The new fund will make investments in 3 to 5 women-owned companies, pending satisfactory completion of due diligence. In creating the fund, RENEW and the IAN used a new approach to address social and financial barriers holding back the private sector in Africa. The fund, which supports the [Sustainable Development Goals](#) (SDGs), was oversubscribed by the IAN and will support job creation for women and youth and empower women entrepreneurs in Ethiopia and Uganda.

“There is data that shows that despite comparative investment outcomes, female entrepreneurs are often overlooked by the business and investment communities,” said Laura Davis, Partner & Head of Investor Relations at RENEW. “We hope the Impact Angel Network can show others that by investing in women-led companies we are not just advancing a social agenda, we are making sound investments.”

The inspiration for the fund came after a number of the owners being considered for the fund took and excelled in RENEW’s [Exec’s Program](#), a four-month business program which provides participants with the tools they need to successfully scale their businesses. All the companies currently being considered



for the fund have completed or are currently participating in The Exec's Program. "We've known the women we are planning to work with as part of this fund through our Exec's Program, and we have been impressed with their companies," explained Laura Davis.

The all-women investment fund has been made possible because of RENEW's partnership with [Global Affairs Canada](#) (GAC). RENEW's public-private partnership with GAC aims to support high potential, responsible SMEs in Ethiopia, providing them with the tools, resources and training they need to attract and efficiently use finance to grow, thereby enabling them to play a stronger role in the Ethiopian economy.

Several of the entrepreneurs being considered for this fund will be attending RENEW's Impact Angel Network [International Gathering](#) on May 17, 2019 in Washington D.C.

### **About the Impact Angel Network and RENEW**

The Impact Angel Network is one of the most active private equity investors in Ethiopia. Its members seek to achieve both significant positive social impact and financial returns through investments in small and medium enterprises (SMEs) in Africa, a proven engine of economic growth and job creation which often lacks capital due to their size. RENEW and IAN members believe that targeting employment through SMEs is, dollar-for-dollar, is the most effective and sustainable way to reduce poverty.

RENEW, with its largest office in Addis Ababa, Ethiopia, manages the IAN's investment operations and provides investment advisory and consulting services in support of its investments. RENEW's work in Ethiopia was piloted with USAID and is currently undertaken with financial support from the Government of Canada provided through Global Affairs Canada. The project, Accelerating Business Growth, aims at sustainable job creation for low-skilled workers, including women and young adults, through a dynamic and growing small and medium business sector in Ethiopia.

To find out more, please visit [www.renewstrategies.com](http://www.renewstrategies.com).

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Source: The World Bank, 2015: [SME Financing: Women Entrepreneurs in Ethiopia](#)