

# IFC to invest in Capria network fund to address "missing middle"

 By Tom Jackson

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The International Finance Corporation (IFC) will make a second investment of up to US\$13m in Capria's new "network fund" to invest in and provide support to more local fund managers in emerging markets.



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Disrupt Africa reported in September 2015 Capria launched as an accelerator for venture capital fund managers in developing markets, offering investment, support and help to capitalise new fund managers backing early-stage startups primarily in Africa, South and Southeast Asia, and Latin America.

The organisation pivoted late last year, no longer offering an accelerator but framing its work as a collaborative network for fund managers. Of the 16 fund managers currently involved in the network, a number are Africa-based.

The IFC, the for-profit investment arm of the World Bank, has now stated its intent to invest up to US\$13n in Capria Fund, a US\$100n "network fund" that actively invests in and partners with next generation impact fund managers in emerging markets.

Through its work in Africa, Asia and Latin America, Capria is looking to grow current network-wide assets under

management of US\$260m to more than US\$1bn over the next two years, advancing a new model to address the over US\$1tn “missing middle” investment opportunity.

“Capria’s continued engagement with IFC shows that we are on the right path and addressing some of the most pressing issues in profitable capital deployment in emerging markets. We will soon be able to announce a number of other leading family office and foundation investors joining our second Capria Fund, similar to how we worked with Jim Sorenson, Sall Family Foundation, Bill Gates, Mohandas Pai, Ceniath, and others who supported Capria’s first fund,” said Will Poole, co-founder and managing partner of Capria.

Capria recently completed its fifth investment cycle, selecting and investing in five fund managers, collectively investing across Mexico and the major markets of South America as well as in multiple markets in West Africa. Of the 570 fund managers evaluated across the globe since 2015, only 16 managers have been chosen to join Capria’s highly qualified network.

The latest cohort includes KAP, a US\$60m fund fuelling financial innovation in frontier markets in Africa. Capria said it has now built a substantial pipeline of fund managers, and with the Capria Fund’s first close coming in this quarter it will be able to start making larger investment commitments to its partner funds, totalling more than US\$25m in the six months following its first close.

“Our long-term goal is to profitably improve the lives of over 100 million people across Africa, Latin America, and Asia through smart capital invested through a global network of the top impact funds in emerging markets,” said Dave Richards, co-founder and managing partner of Capria. “We’ll deliver this impact through Capria Network fund managers and the SGBs that they support by activating over US\$5bn of global and local capital over the next few years to move us towards that goal.”

## ABOUT TOM JACKSON

Co-founder @DisruptAfrica. Tech and business journalist in Africa. Passionate about the vibrant tech startups scene in Africa, Tom can usually be found sniffing out the continent's most exciting new companies and entrepreneurs, funding rounds and any other developments within the growing ecosystem

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