

G7 partners to invest over \$80 billion in Africa's private sector

- Investment from countries, including G7 host UK, will help boost economies and jobs across the continent
- The G7 Development Finance Institutions (DFIs) and multilateral partners commit to invest over \$80bn in the private sector in Africa over the next five years
- First time G7 DFIs have come together to make collective commitment on funding for Africa

G7 countries, along with multilateral partners, have this week announced an \$80 billion commitment to invest in the private sector across Africa.

This investment, set to roll out over the next five years, will see the G7 Development Finance Institutions (DFIs), including the UK's CDC Group, support sustainable economic recovery and growth in Africa. Other investors include the World Bank's International Finance Corporation, the African Development Bank, the European Investment Bank and the European Bank for Reconstruction and Development.

The investments will support the long-term development objectives of African economies, including those which have been negatively hit by the Covid-19 pandemic. It is the first time the G7 DFIs have come together to make a collective partnership commitment to the African continent.

The UK's CDC Group invests in private sector businesses in Africa and South Asia, to bring about positive environmental, social and economic change.

The UK's investments in Africa over the next five years will be drawn from existing capital and focus on renewable power, infrastructure, manufacturing, agriculture and technology sectors. These investments will collectively provide clean, reliable power to millions of people, give underserved markets better access to finance, and help create jobs and reduce poverty.

Minister for Africa James Duddridge said:

"The UK is proud to back this commitment by world leaders at the G7 Summit to invest more than \$80 billion in Africa's private sector over the next 5 years.

"This investment will create jobs, boost economic growth, help tackle climate change and fight poverty. It comes at a crucial time as the continent rebuilds its economies, severely impacted by Covid-19."

Previous UK investments through CDC Group have helped over 9.9 million people in East Africa light their homes through solar panel technology, contributed over 40% of the installed electricity capacity in Kenya, Uganda, and Benin and added over 18,000km of fibre optic cabling from Cairo to Cape Town.

Nick O'Donohoe, CEO of CDC Group, said:

"The patient, high quality capital that DFIs provide is urgently needed if African economies are to start to rebuild quickly from the impact of the pandemic. CDC is committed to building long term investment partnerships in Africa that fuel sustainable private sector growth in support of the UN's Sustainable Development Goals."

Notes to editors

- The G7 DFI group consists of CDC (UK), Proparco (France), JICA and JBIC (Japan), DFC (US), FinDev Canada (Canada), DEG (Germany) and CDP (Italy). This commitment is also supported by the World Bank's International Finance Corporation, the African Development Bank, the European Bank for Reconstruction and Development and the European Investment Bank
- CDC's investments in Africa include helping 700,000 people across East Africa to light their homes through solar panels bought from one of CDC's investees, M-KOPA. In the DRC, where 72% of the population lives in extreme poverty, CDC has backed Liquid Telecom to help it expand its network and lay 2,600km of fibre optic cable in DRC – the equivalent distance of London to Moscow. Greenlight Planet is providing solar home systems on a pay-as-you-go basis to 9.9 million people across Kenya, Tanzania, Uganda and Nigeria, of which 80 per cent are rural customers.