

News release

30 September 2020

Championing economic opportunities for women in Africa – Development Partners International’s (DPI) latest fund to become the first 2X Flagship Fund

- DPI’s African Development Partners III Fund (“ADP III”) has been chosen as the first **2X Flagship Fund**, committed to investing with a gender lens.
- DPI’s long-standing commitment to gender equity, along with its fund’s commercial performance, recognises the power of DFI collaboration working alongside proactive fund managers to effect real development impact while generating commercial returns. DPI is intentionally supporting United Nations Sustainable Development Goals, SDGs 5 (gender equality) and 10 (reduced inequalities) through its portfolio in Africa.
- In June, the [2X Challenge](#) exceeded its target by [mobilizing \\$4.5 billion towards](#) women’s economic empowerment.

CDC Group plc (“CDC”), the UK’s development finance institution, alongside Germany’s DEG, European Investment Bank, FinDev Canada, FMO, Proparco, SIFEM and SwedFund International, have signed a Memorandum of Understanding with Development Partners International LLP (DPI), a leading pan-African private equity firm with \$1.7 billion in funds under management, to become the first 2X Flagship Fund.

2X Flagship Funds are a new part of the 2X Challenge, a multilateral initiative launched by the DFIs of the G7 countries, with the objective of mobilizing \$3 billion to support projects that empower women and enhance their economic participation. Vehicles are awarded status as 2X Flagship Funds based on their commitment to 1) promoting internal gender diversity within the fund itself, and 2) investing with a gender lens using the [2X criteria](#).

With ADP III qualifying as the first 2X Flagship Fund, DPI is affirming its clear and long-standing commitment to advancing women’s economic empowerment and promoting gender equity both at DPI and within its portfolio companies in ADP III. Applying a gender lens helps investors unlock the multi-trillion-dollar opportunity that women represent in the global economy – as earners, women have a multiplier effect by reinvesting their income to grow their businesses, buy goods and services and improve

the welfare of their families and communities. Current estimates indicate that women control 70-80% of consumer spending decisions, estimated at approximately \$40 trillion globally (See Silverstein and Sayre, 2009: *The Female Economy*, Harvard Business Review)

DPI and all DFI members of the 2X Challenge recognise that in the private sector, gender equity drives higher performance and increased employee engagement - gender-balanced management teams typically demonstrate 10-20% higher returns (See IFC Report, 2019: *Moving Toward Gender Balance in Private Equity and Venture Capital*). DPI's leadership team has strong representation of women in key roles, led by CEO and co-founder, Runa Alam, with 50 per cent of all Partners at the firm and of the Investment Committee being women.

Runa Alam, co-founder and CEO of DPI said, *“We are extremely proud to be the first 2X Flagship Fund in the 2X Challenge, which reaffirms our commitment to advancing senior women and developing the pipeline of female talent in private equity. We are continuing to execute our strategy of investing in companies that benefit from the growth of the middle class. Working closely with our portfolio companies, we want to emphasize the benefits that gender-focused investing can provide, not just in terms of returns, but in helping to drive economies, unlock opportunities, and improve the quality of life for women across Africa. For DPI, signing on as a 2X Flagship Fund, is an important and natural step to reinforce our long-standing commitment to gender equity.”*

DPI has been a long-term CDC partner since CDC's investment in DPI's inaugural fund in 2008. More recently, CDC anchored ADP III with an \$80m commitment.

Jessica Espinoza Chair, 2X Challenge & Global Gender Finance Lead, DEG: *“As the new Chair of the 2xChallenge and one its founding members, DEG is excited about the opportunity to collaborate with DPI as 2x Flagship Fund to mobilize and drive more private capital towards gender equality and women's economic empowerment. New challenges arising with the Covid-19 crisis present a timely opportunity to transform investment cultures and promote intersectional justice.”*

Jen Braswell, Co-Chair, 2X Steering Committee & Director, Value Creation, CDC Group plc, said, *“In only two years, the 2X challenge has mobilized a total \$4.5 billion in gender-smart investments, and now we have launched the very first 2X Flagship Fund with DPI. This represents a key milestone in our work to build the field of gender finance and to empowering women through our investing. We hope that DPI's commitment will demonstrate to the private equity industry that adopting a gender lens is consistent with a commercial investing strategy and adds real value to an emerging markets portfolio.”*

ENDS

Notes:

- Members of the DFI 2X Challenge include [CDC Group](#), [DEG](#), [European Investment Bank](#), [FinDev Canada](#), [FMO](#), [Proparco](#), [SIFEM](#) and [SwedFund International](#)

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About DPI

Development Partners International LLP (DPI) is a Pan-African private equity firm that invests in companies benefiting from the fast-growing emerging middle class in Africa with \$1.7 bn in funds under management. DPI has invested in 21 portfolio companies operating across over 30 countries. As a signatory to the UN PRI, DPI promotes high ESG and Impact standards and seeks to contribute to the UN Sustainable Development Goals. DPI is also one of the first African fund to become a signatory of the IFC Operating Principles for Impact Management. DPI has developed an innovative Impact and ESG Management System and key impact themes will focus on:

- Job Quality: SDG 8
- Climate change: SDG 13
- Gender balance: SDG 5

As a 2X Flagship Fund, DPI has a commitment to gender and diversity alongside returns. DPI has a female co-founder and CEO, half of the partners are women, and over 45% of the firm are women.

About CDC

1. CDC Group is the UK's first impact investor with over 70 years of experience of successfully supporting the sustainable, long-term growth of businesses in South Asia and Africa.
2. CDC is a leading player in the fight against climate change and a UK champion of the UN's Sustainable Development Goals – the global blueprint to achieve a better and more sustainable future for us all.
3. The company has investments in over 1,200 businesses in emerging economies and a total portfolio value of £5.8bn. This year CDC will invest over \$1.5bn in companies in Africa and Asia with a focus on fighting climate change, empowering women and creating new jobs and opportunities for millions of people.

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4. CDC is funded by the UK government and all proceeds from its investments are reinvested to improve the lives of millions of people in Africa and South Asia.
 5. CDC's expertise makes it the perfect partner for private Investors looking to devote capital to making a measurable environmental and social impact in countries most in need of investment.