

News Release

**CDC commits over \$50 million of new funding in 2 investments to expand digital infrastructure and boost rural connectivity across sub-Saharan Africa**

- These investments will enhance expansion of digital infrastructure, increase mobile penetration and contribute towards bridging Africa's digital divide
- Commitments aim to play a key role in market disruption and expansion, supporting economic diversification and inclusive economic opportunities
- Promotes UN SDGs on improved access to ICT and greater opportunities through technological updates

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CDC Group, the UK's development finance institution (DFI) and impact investor, has announced commitments totalling US\$50.9 million to expand digital infrastructure, boost rural connectivity and accelerate digital technology access for rural and underserved communities across sub-Saharan Africa. The capital will support the continued growth of the ICT sector in the continent, helping to boost development of necessary infrastructure and providing rural and underserved communities with access to affordable mobile connectivity.

The first investment is a \$40 million commitment to Convergence Partners Digital Infrastructure Fund (CPDIF), managed by Convergence Partners – a specialist Africa-focused ICT fund manager - supporting a first close together with other DFI and financial investors of \$120 million and a target fund size of \$250 million. CDC's funding will enable CPDIF to invest in digital infrastructure and the overlays needed to improve connectivity and access to ICT across the continent. In addition to investments in data centres, fibre networks, towers, software and wireless networks, the funding will support CPDIF to invest in fourth industrial revolution technologies such as 5G, cloud, Internet of Things and Artificial Intelligence – helping to stimulate innovation that will help bridge Africa's digital divide.

CDC's second investment is a \$10.9 million equity commitment to a consortium led by Metier (a leading mid-cap fund manager in sub-Saharan Africa), alongside fellow DFIs DEG, Proparco and other leading financial institutions investing just under US\$40m in Africa Mobile Networks (AMN) – the 5<sup>th</sup>-largest independent tower company operating in Africa.

The growth equity will enable the expansion of AMN's mobile network infrastructure and rural connectivity, from the current level of circa 2,000 towers across 10 countries, to 5,000 towers across more than 15 countries by 2023. This increased delivery of 2G, 3G and 4G services will substantially increase economic opportunities in sub-Saharan Africa. Expansion of digital connectivity to people living in remote villages and settlements will improve access to information and facilitate inclusive development that will have generational impact for such communities.

The World Bank estimates that approximately 45% of Africa's population is further than 10 km from fibre network infrastructure, higher than any other continent. Delivering scalable solutions that enables lasting digital infrastructure will improve access and ultimately lower costs of services for end-users.

CDC's investments in CPDIF and AMN further demonstrates the DFI's commitment to making investments that help narrow the connectivity gap across its markets. CDC is helping to scale access to affordable and high-quality internet with its \$220 million investment in [Liquid Telecom](#), and its \$12 million investment in [Worldlink](#) is helping to accelerate internet connectivity in Nepal.

**Clarisa De Franco, Managing Director & Head of Private Equity Funds, CDC Group, said:** "Digital inclusion provides an unparalleled opportunity for African countries. Tapping into these opportunities require long-term investments and the right partnerships to help develop innovative, sustainable and inclusive solutions to bridging the continent's connectivity gap. We are proud to be investing our patient and flexible capital in two partners that align with our goals to help improve digital infrastructure. We are thrilled to back CPDIF and AMN with investments that will support Africa's digital transformation, connect millions of people across the continent, facilitate access to quality education and healthcare, enhance digital skills, and promote financial inclusion"

These investments are contributing to UN SDG 8 on Decent Work and Economic Growth, and SDG 9 on Industry, Innovation, and Infrastructure.



**ENDS**

## Notes to Editors

### **Media contact**

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### **About CDC**

CDC Group is the UK's development finance institution (DFI) and impact investor with over 70 years of experience of successfully supporting the sustainable, long-term growth of businesses in South Asia and Africa.

The company is a leading player in the fight against climate change and has committed more than \$1bn of climate finance over the last four years.

CDC is also a founding member of the [2X challenge](#) which has raised \$10bn to empower women's economic development.

The company has investments in over 1000 businesses in emerging economies and total assets of \$9.3bn. In 2020, CDC committed over of \$1.5bn to businesses in Africa and Asia and aims to invest up to \$1.75bn in 2021 – with a focus on driving inclusive growth, job creation and supporting economic recovery from COVID-19.



Investment works

CDC is funded by the UK government and is a champion of the UN's Sustainable Development Goals. All proceeds from CDC's investments are reinvested to improve the lives of millions of people in Africa and South Asia.

CDC's expertise makes it an ideal partner for private investors looking to devote capital to making a measurable environmental and social impact in countries most in need of investment.