

# INVESTMENT INFORMATION

## FSDAi Nyala Facility



*A catalytic financing facility for an emerging class of local capital provider serving small businesses*

**Sector:**  
Capital Markets

**Location:**  
Nigeria, Ghana, Kenya,  
South Africa, Uganda,  
Senegal

**In portfolio since:**  
2021



*About: FSDAi Nyala Facility is a partnership with the Collaborative for Frontier Finance (CFF), and the Facility Manager, Nyala Venture a Joint Venture of Cardano Development and Total Impact Capital Europe. It is a highly flexible investment vehicle designed to increase access to capital for small and growing businesses in sub-Saharan Africa by supporting 'local capital provider, with a priority for gender lens investing. FSDAi Nyala Facility will provide initial capital for a new class of asset allocators testing innovative fund models.*

### OUR ROLE

**Committed capital:**  
**£8.8 million**

Instrument: Flexibility in equity and debt instruments to the capital providers

Capital **£8.3mn**  
Grant **£0.5mn**

### OUR INVESTMENT

- FSDAi has provided critical anchor funding for a new facility that will leverage the experience and skills of African alternative capital providers, many of which are founded and led by women themselves, who deliberately prioritise financing "missing middle" stage enterprises.
- These asset allocators are an emerging class of indigenous capital providers that look to meet the financing needs of Africa's small and growing enterprises (SGBs). These fund vehicles apply innovative approaches and alternative investment structures specifically tailored to the local business environment.

- FSDAi's investment in the facility will demonstrate through its early stage support the critical role that this investment class will play in driving capital markets in Africa. In addition to our investment, we are funding the development of the Frontier Capital Learning Lab by CFF, which will document and share the learnings of these local capital managers with the aim of increasing their access to investment capital.

## MARKET DEVELOPMENT

- FSDAi's investment and technical assistance grant seeks to play a catalytic role in creating jobs by supporting local capital providers who in turn will provide financing to SGBs. This investment will showcase local capital providers as viable structures to support the growth of SGBs and these capital providers in turn will attract other investors such as local high-net-worth Individuals (HNIs), local institutional investors, family offices and Development Finance Institutions (DFIs).
- Building on the early-stage support of FSDAi, Nyala Venture intends to raise additional capital to create a fund of up to USD 80 million over the coming 18 months'

## KEY FIGURES

**52%**

Small business finance is the first asset class with gender parity at fund ownership/management level with 50% being female owned

**40%**

Of LCPs are investing with equity instruments

**60%**

Of LCPs are using open ended structures

**70%**

Of LCPs use fee structures outside of the 2&20 fee model



*I believe the new investment facility will unlock opportunities in a new class of capital providers that has to date often been disregarded. By treading on uncharted paths, I am confident that we shall demonstrate the appropriateness of these Capital Providers for channeling funding to small and growing businesses in Africa.*

**Bart Schaap, Managing Director,  
Nyala Venture**

*The role that SMEs play in the creation of jobs and driving more resilient economies is well documented. Nyala, by working with these local capital managers, will not only provide the necessary capital to grow and sustain Africa's emerging businesses, it will also demonstrate to the broader marketplace the critical role that women capital managers are playing in the continent's finance innovation*

**Drew von Glahn, Executive Director,  
Collaborative for Frontier Finance**



### INVESTEES CONTACTS

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