



FSDAi Nyala Facility B.V. invests USD 1.5 million in equity into ARUWA Capital Management

Amsterdam, 05 December 2022 – FSDAi Nyala Facility BV (FNF BV or Nyala) has invested USD 1.5 million in equity into Nigerian based ARUWA Capital Management. ARUWA is a Gender Lens Investing (GLI) Fund which provides capital and post-investment management support to Small and Growing Businesses (SGBs). This investment has brought the Fund to its target size of USD 20 million.

In addition to the investment, Nyala will provide post-investment catalytic support to ARUWA’s team focused on achieving a sustainably investable proposition with a robust team and governance.

This transaction is a high-profile deal in the GLI space. ARUWA Capital Management is a Nigerian GLI fund, founded in 2019 by seasoned investment professional, Ms. Adesuwa Okunbo Rhodes.

ARUWA’s investment thesis is to make healthy returns by investing in female-oriented, female-owned or female-led SGBs in real economy sectors with steep growth curve potentials, thanks to the leverage of technology. ARUWA’s post-investment support to its portfolio companies is also well thought through as it makes use of high-quality finance and administration expertise from a locally renowned consultancy with a strong track record in venture building.

Joris van Oppenraaij, Senior Investment Officer at Nyala Venture stated that *“Pre-investment, we closely worked with ARUWA on attracting more institutional investors to speed up the closing of the fund. During that period, I witnessed the swiftness with which ARUWA’s team executes high quality deals, followed by post-investment focused and tailor-made support to their investees”*.

“This is Nyala Venture’s first investment and is an excellent fit with Nyala’s catalytic mandate given ARUWA’s focus on Gender Lens Investing and on Small and Growing Business. As part of our mandate, we aim to build a new asset class of Local Capital Providers, such as ARUWA, to further strengthen and deepen the SGB Financing ecosystem in Sub-Saharan Africa” added **Bart Schaap, Managing Director at Nyala Venture**

“This marks an important moment to celebrate as we back female fund managers in Africa, future and formidable allocators of capital for our sustainable future” noted **Anne-Marie Chidzero, CIO FSDAi**. *“This investment builds upon the Collaborative for Frontier Finance’s vision for Africa that Small and Growing Businesses need local capital managers to address the systemic gap in financing these engines of growth and jobs”* concluded **Drew von Glahn, Executive Director, Collaborative for Frontier Finance**.



For more information, please contact: info@nyalaventure.com

About Nyala Venture

[Nyala Venture](#) is a Fund Manager, set up as a joint venture between Cardano Development and Total Impact Capital Europe. The German Federal Ministry for Economic Cooperation and Development (BMZ) contributed to the seed capital of Nyala Venture. As a Fund Manager and through the various funds it raises, Nyala Venture aims to contribute to boosting local economies by providing capital and capacity strengthening services to Local Capital Providers (LCPs), with a priority for Gender Lens Investing, which are best equipped to finance and support Small and Growing Businesses (SGBs), the most important business segment in any economy.

About FSD Africa Investments

[FSD Africa Investments \(FSDAi\)](#) is the investing arm of FSD Africa, a specialist development agency working to make finance work for Africa's future. FSDAi deploys early-stage, risk-bearing capital to unlock green economic growth, benefiting both people and planet. Our investments are catalytic, serving to crowd-in larger volumes of private capital, and patient, with long-term horizons. We use a range of equity, debt and grant-based investment instruments specifically designed to accommodate early-stage commercial risk, drive high market development impact and generate acceptable risk-adjusted financial returns on investment. FSDAi's distinctive approach focuses on backing ambitious management teams with innovative financing solutions that fill a critical gap in the existing financial system – gaps requiring an investor with appetite for proof-of-concept investment risk. In this way, innovation potential and scalability lie at the heart of each and every investment decision we make.

About Cardano Development

[Cardano Development](#) (CD) is an incubator and fund manager, established in 2007. Through careful risk-management analysis in data-poor settings, CD identifies scalable solutions that help to make frontier financial markets more inclusive, investible, and sustainable to unlock lasting economic value. CD creates solutions for local currency, credit, and liquidity risks in these markets. With over USD 6 billion assets and USD 1.5 billion capital under management, CD supports its scale-up funds and a number of start-ups with ongoing management services, financial support and corporate governance oversight. Cardano Development works with reputable partners including foundations, governments, impact investors, institutional investors and commercial partners.

About Total Impact Capital Europe

[Total Impact Capital Europe \(TIC EU\)](#) provides advisory services and manages investment vehicles in emerging markets, in sectors that are key to economic and social development, but often considered high risk by investors, such as SME financing, healthcare, and water. We work with reputable international and local partners that are making a real, positive impact on the ground and seek to scale up their efforts. We connect these opportunities with investors who seek modest financial returns while advancing their social or environmental priorities in a sustainable way. TIC EU works in close partnership with its US based Sister organization Total Impact Capital.



About Collaborative for Frontier Finance

[The Collaborative for Frontier Finance](#) is a multi-stakeholder initiative that aims to increase access to capital for small and growing businesses in emerging markets. Small and growing businesses (SGBs) create roughly 80% of formal employment opportunities in frontier and emerging markets, making them an essential part of every economy and an important lever for social and environmental impact. However, SGBs face an estimated \$940B financing gap in appropriate capital they need to grow. SGBs are often called the “missing middle” because few investment models are tailored to their needs. They are too big for microfinance, too small for private equity, too risky and lack sufficient collateral for commercial banks, and lack the growth trajectory that venture capital seeks. Additionally, because SGBs require small amounts of capital to grow, the cost of conducting the transaction is often disproportionately high relative to the size of the investment.