



## **EAVCA Signs Partnership Agreement with UK-Kenya Tech Hub to nurture and mobilise the Angel Investing Ecosystem of Kenya**

*Nairobi, Wednesday 21<sup>st</sup> December 2022.* The East Africa Venture Capital Association (EAVCA) has entered a partnership with the UK- Kenya Tech Hub to catalyse Kenyan based angel networks and make available local capital for Kenyan start-ups. Under the partnership, EAVCA shall work with existing angel networks to reinforce their institutional structures, offering trainings and technical support to strengthen their foundation. The Association is also tasked with mapping out potential angel investment networks from existing investment clubs and supporting such networks with regulatory, governance, and strategic support that helps such networks become more confident in their investment within the private markets.

Angel investment into early-stage companies provides the first commercial capital for ventures that are still in their formation stage. Beyond the capital, angel investors provide a sounding board, mentorship, and strategic direction for the new companies as they move from product development to market fit and scalability.

“We are hoping to demystify the aspect of angel investing in Kenya.” said Eva Warigia, the CEO of EAVCA. “Already, most Kenyans through their chamas take part in one form of angel investment or another- supporting peers with short term loans. Often, we do not think of our investment as angel investing yet with proper coaching and guidance on investment, deal origination and valuation, we can unlock capital for valuable and scalable businesses and generate commercial returns.” She added.

Commenting on behalf of the UK-Kenya Tech Hub- Sheena Raikundalia, the Country Director remarked; “Local capital is available. Rather than investing in land and shopping malls if directed at local entrepreneurs can help them grow profitably, create jobs, and earn investors a potentially good return. We are not talking big sums- Nairobi Business Angels, completed 11 deals of (£400k) in its first year, 3 startups raised further £1.5m. Some of the angels made investments as low as £1000! UK-Kenya Tech Hub wants to replicate this across the country!”

EAVCA has been actively advocating for local capital investing in private companies and this new agreement will enable the Association to close the financing loop of local capital- working with individuals as well as institutional investors to create funding options for local businesses.

The UK Kenya Tech Hub is part of the Digital Access Programme led by the UK Department for the Foreign Commonwealth and Development Office (FCDO) and the department for Digital, Culture, Media & Sport (DCMS). The aim promoting digital inclusion, safety and inclusive growth of digital economies in their five partner countries.

In Kenya, angel investing has been taking shape albeit at a slow pace. Where we have angel groups such as Nairobi Business Angel Networks (NaiBAN), Viktoria Business Angels, PANI, the investment club established by Cellulant Founder Ken Njoroge. By championing more angel groups, EAVCA and

UK Kenya Tech Hub hope to unlock more capital from high net worth individuals in the country, to invest in local start-ups.

The EAVCA and UK Kenya Tech Hub will issue a call for application to interested groups to take part in a three-month capacity development training that will be supported by the Africa Angel Academy and NaiBAN for the purpose of building investor readiness towards angel investing. Participating groups will be evaluated based on their ability to deal source as well as to invest in early-stage companies.

“This is a programme for individuals and groups that are already considering investment and have the passion to work with early-stage companies.” Noted Warigia.



### **About EAVCA**

East Africa Private Equity and Venture Capital Association (EAVCA) is a business membership organization that serves as the voice of private capital investors in East Africa. The Association was formed in 2013 to promote partnership between capital providers and business in the region, while at the same time showcasing the opportunities for investment in East Africa. Today, EAVCA serves as the interlinking platform for public stakeholders, local businesses, and private investors, building on dialogue and industry insights to create a sustainable, informed eco-system that advances economic growth, social and environmental welfare, and wealth creation in the region.

With offices in Kenya and a regional office in Uganda, EAVCA's membership comprises financing institutions such as: development finance institutions, private equity and venture capital funds, impact funds, family offices and intermediary advisory companies. The Association represents approximately USD 3.0 billion in cumulative member funds under management, seeking to nurture local businesses by providing growth capital to scalable businesses at different stages of the business cycle.

For additional information please contact EAVCA via [info@eavca.org](mailto:info@eavca.org).



### **About the UK Kenya Tech Hub**

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