

African ICT Infrastructure Fund closes at \$200 million

Convergence Partners announced the successful close of its Convergence Partners Communication Infrastructure Fund (CPCIF), with capital of over \$200 million, making it one of the largest funds dedicated solely to ICT infrastructure in Africa...

Convergence Partners, an investment management firm focused on the African telecommunications, media and technology sector, reached its close with capital commitments from the Public Investment Corporation (PIC), acting on behalf of the Government Employees Pension Fund (GEPF), and an Africa-focused fund of funds.

Additional investors in the Fund include Convergence Partners (as sponsors), the International Finance Corporation (IFC), the European Investment Bank (EIB), the Dutch Development Bank (FMO), the Development Bank of Southern Africa (DBSA) and the CDC Group (CDC). This diverse range of investors adds to the depth and capability of CPCIF.



Brandon Doyle

The CPCIF will deploy capital to portfolio investments across the African ICT infrastructure spectrum, improving access to technology as well as communication and broadband services. The Fund has a strong pipeline, notably in West Africa, where the company is opening a local Nigerian office; enhancing the effective execution of investments and the management of portfolio company performance on the ground.

"We believe the current fund size is well suited to the scale of infrastructure investment opportunities we are seeing across the continent, including fibre, data centres, wireless/spectrum, fintech and ICT platforms that enable e-learning and broadcast and media," says Andile Ngcaba, Chairman of Convergence Partners. "Access to quality ICT infrastructure is a catalyst for more competitive and efficient business operations and provides new business models for traditional industries such as financial services, healthcare, education and retail; driving sustainable growth and socio-economic development."

Brandon Doyle, CEO of Convergence Partners says that the demand for broadband and related services is exploding across the continent. "The Ericsson Mobility Report (2015) predicts that the proliferation of the Internet of Things (IoT) is expected to increase the number of connected devices - machine to machine (M2M) and consumer electronics, excluding mobile phones - globally from over 6 billion devices in 2014 to more than 16 billion in 2020. Africa will follow suit. However, in order to realise this potential the continent requires reliable, ubiquitous broadband. This forms part of the fund's vision and our commitment to transforming the African ICT infrastructure landscape."

Investments that currently form part of CPCIF include Comsol, a wireless network deployment and solutions company and FibreCo, a national long-haul network (both in South Africa) as well as Synergy Communications (SynCom), an investment platform for enterprise and wholesale communication services providers, which amalgamates fixed and wireless technologies across sub-Saharan Africa. SynCom is currently invested in two leading corporate ISPs, in Malawi (Skyband) and Mozambique (IS Mozambique). For more information, go to www.convergencepartners.com.