



GBF Spins Off Latin America Team, Strengthens Africa Operations

- Andes Impact Partners (AIP) will continue to monitor existing GBF investments in Latin America.
- Andes Plus Fund I (APF-I), managed by AIP, will provide growth financing to Small and Medium Enterprises in Peru and Colombia.
- GBF operations continue globally with an emphasis on Africa with operating offices in Nairobi and Washington, DC.

NAIROBI, February 4, 2021, The Grassroots Business Fund (GBF), a global impact organization that utilizes the power of blended capital to invest in traditionally under-financed businesses, has announced the spin-off of its Latin America team into a new fully-fledged unit operating as Andes Impact Partners – AIP with its headquarters in Lima, Peru.

AIP launched APF-I in November 2020 with an initial focus on Peru and Colombia and a possibility to expand to other markets in the region. The fund targets inclusive businesses which incorporate underserved, vulnerable or low-income communities in their supply chains, helping to improve incomes and quality of life of these communities. Target businesses must be committed to gender equity and to promoting equal opportunities.

GBF will remain as Andes Impact Partners partner of choice for grant-funded technical assistance and business advisory services, leveraging its decade-long experience managing and providing technical assistance programs to the types of businesses APF will be supporting.

According to GBF’s Chief Executive Officer, Harold Rosen, the organization’s regional office in Nairobi will continue to cover Africa and Asia explaining that “Our objective is to create financial opportunities for highly impactful businesses that invest in a sustained inclusion, economic growth and development of low-income communities in the countries where we operate.”

Mr. Rosen went on to explain that the spin-off of GBF operations in Latin America to the new Andes Impact Partners does not affect its other operations in East Africa and in Asia, adding that “GBF will continue to operate as an impact investment organization utilizing its mezzanine debt instruments and business advisory services to support companies and organizations whose business models generate economic opportunities for vulnerable communities in East Africa and in Asia.”

In Africa, GBF has invested \$12.8 million in twenty-one (21) businesses across the continent since 2008, exiting thirteen transactions successfully. It has generated \$42 million of impact to 8.6 million individuals and their dependents. Twenty-three per cent (23%) of its Africa portfolio companies are women-owned or led and 50% of the benefits generated by GBF’s portfolio companies have accrued to women.

According to Mr. Rosen, GBF aims to increase footprint in East Africa and beyond. Lilian Mramba, GBF’s Africa Regional Director, is currently spearheading fundraising efforts for the East Africa



Plus Fund (EAPF), GBF's first \$40 million East Africa-focused fund, which is projected to invest in up to 40 high impact businesses and impact the lives of 300,000 people across East Africa.

EAPF will continue GBF's signature approach of blending structured mezzanine finance, with business advisory services. EAPF will also seek to catalyze climate resilience and adaptation in the companies it supports, and will invest with a gender lens.

In addition to the fundraising efforts, GBF advisory work in Africa remains active. In Kenya, GBF is currently managing the Mastercard Foundation MSME COVID 19 Response Fund which provides emergency relief loans to members of the Kenya Private Sector Alliance (KEPSA), WomenWork Ventures, and Kenya National Chamber of Commerce & Industry (KNCCI). The loans are being managed in collaboration with its partners Cardno Emerging Markets and 4G Capital were designed to boost the microenterprises by providing them with working capital that allows them to navigate challenges brought on by the Covid-19 health crisis. The loans to microenterprises targeted gave priority to youth and women-led enterprises and to certain sectors such as agriculture, retail, healthcare.

In June 2020, GBF signed a 4-year management agreement of senior/ mezzanine debt and technical assistance facility of US\$ 1 million with the Eastern and Southern African Trade and Development Bank (TDB) SME Program to finance agribusiness SMEs in Kenya, Tanzania and Uganda. The facility is focused missing middle SMEs, especially those owned and led by women and youth, operating in the agricultural sector. These agribusinesses will have solid managerial foundations and high potential for social impact. The facility is enhanced with a partial risk guarantee from the African Guarantee Fund (AGF) and blended with two technical assistance contributions from TDB and AGF totaling USD 110,000 for investee capacity building activities.

With its unique business model with new types of vehicles setting up businesses for growth by providing direct technical assistance on financial management and organizational improvements to portfolio companies and utilizing blended capital structures, EAPF promises a bright future for Africa with economic opportunities for hundreds and thousands of people reached by portfolio companies that multiply the economic value through payments to suppliers, wages to workers, and savings to consumers leading to improved financial inclusion with additional jobs created in low income, hard to reach communities.

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ABOUT GBF:

Our mission is to grow viable, sustainable and inclusive businesses that generate earnings or cost savings for people in Africa, Asia and Latin America. GBF is an experienced think tank and impact investment partner who is committed to providing equal opportunities to high impact entrepreneurs irrespective of their gender, ethnicity, or sexual orientation. GBF provides entrepreneurs with access to appropriately structured capital and business advisory to drive sustainable growth. Our process ensures a lack of bias in the pre-investment and investment stage, particularly in the selection, assessment and structuring of investments. We support businesses that do not discriminate and that are aligned with diversity principles. To know more please visit <http://www.gbfund.org>