

# Private equity firm raises \$296m to drive digital inclusion across Africa

Convergence Partners, a private equity investor dedicated to the technology sector across sub-Saharan Africa, has closed its Convergence Partners Digital Infrastructure Fund (CPDIF) at \$296m, surpassing its initial target by over 18%. This achievement is despite subdued private capital fundraising on the continent in 2022.



Source: Supplied. Andile Ngcaba, chairman and founding partner at Convergence Partners.

This marks a significant milestone for the company, as it represents Convergence Partners' largest fund to date, bringing total funds under management to more than \$600m.

The close was backed by a combination of existing and new investors comprising global and regional development finance institutions (DFIs), pension funds and financial institutions based in Europe and Africa.

CPDIF was launched in June 2020 and had a first close of \$120m in July 2021. The fund is focused on investing in digital infrastructure opportunities across sub-Saharan Africa. This includes investments in fibre networks, data centres, wireless, towers, cloud, Internet of Things (IoT), artificial intelligence (AI) and other critical digital infrastructure that is vital for the growth of the digital economy in the region.

In addition to investing in physical assets, CPDIF is also aimed at developing and supporting initiatives that promote access to education, financial services, healthcare, and other essential services through digital technologies.

## Closing the digital divide

The last 20 years have seen internet penetration in sub-Saharan Africa grow exponentially as a result of investments in enabling infrastructure. Since inception, Convergence Partners has seen the need to invest in this space, motivated at the time by the International Telecommunications Union's *The Missing Link/Maitland Report*. Years later there is still more work to be done if we wish to close the digital divide and ensure that Africa is able to reap the benefits from the current and next iteration of technologies.

"The closing of CPDIF is a major step forward for Convergence Partners and for the development of the digital economy in sub-Saharan Africa," says Brandon Doyle chief executive officer and founding partner of Convergence Partners. "This closing is just the beginning, and we look forward to working with our investors and partners to build the digital infrastructure required to support the growth of the region's digital economy."



Source: Supplied. Brandon Doyle chief executive officer and founding partner of Convergence Partners.

"We strongly believe such collaborations promote innovation, entrepreneurship, skills development, and job creation by vastly expanding access to the internet and all the essential digital tools it provides."

Convergence Partners has played a crucial role in ensuring the sustained growth of digital technologies across sub-Saharan Africa and is committed to continuing to support the growth and development of the region's digital economy

through investments in critical digital infrastructure.

"We are extremely grateful for the continued support of our repeat investors and the new support given to us from first-time investors that have joined us on this journey to address the challenge of the digital inclusion across the continent, one technology at a time.

As we are seven years away from 2030 we commit to addressing sustainable development goals (SDGs) and preparing digital infrastructure for Africa which is soon to be home to 2 billion people with the youngest population on our planet," says Andile Ngcaba, chairman and founding partner at Convergence Partners.

"We will continue to build on our original vision by investing in digital infrastructure that is a key enabler for digital inclusion. This fund will enable us to continue leveraging our deep knowledge of technology, investments and the African market to deliver measurable impact."

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