

Inua Impact Fund



Project overview

INUA IMPACT FUND is a Ugandan evergreen (permanent capital) impact fund that invests in equity and quasi-equity in Ugandan SMEs in high impact sectors such as agriculture, healthcare, education, access to energy and financial services. INUA IMPACT FUND (INUA is a Kiswahili word that means 'to uplift' or to 'raise up') is built on a gender-lens investing approach since 80% of the investees should satisfy the 2X Challenge criteria, the global industry standard for gender-lens investing.

Funding objective

INUA raised USD 8 million to make up to 30 investments of between USD 100,000– USD 500,000 into early stage and high-growth Ugandans SMEs over the next 10 years. EDFI AgriFI wants to invest in INUA IMPACT FUND to support the development of the agriculture SME portfolio of the fund with equity/quasi equity needs between USD 100K-500K, a dynamic but underserved segment in Uganda.

By supporting INUA, EDFI AgriFI expects to reach between ~3,000 smallholders over 10 years in rural Uganda via investments in 10 SMEs.

Investment rationale

- Creation of a local ecosystem for private equity: INUA team is on the ground in Uganda and deeply rooted in the local business community
- High leverage additionality: AgriFI funds will be catalytic to attract other investors in the funds
- Jobs creation: 30 SMEs supported and 4,000 direct jobs created over 10 years and sustained in the portfolio.

EDFI [AgriFI](#), the EU Agriculture Financing Initiative, is an impact investment facility funded by the European Union, with a mandate to unlock, accelerate and leverage sustainable investments in medium, small and micro agri-enterprises (MSME) that operate in developing countries, with a specific focus on smallholder's inclusiveness. AgriFI is managed by [EDFI Management Company](#) on behalf of the 15 European Development Finance Institutions (DFI).

AT A GLANCE

- **Total AgriFI financing:**
EUR 2 m
- **Financial instrument:**
- **Status:** Approved investment
- **Region:** Africa
- **Country:** Uganda
- **Sector:** Fund

ENVIRONMENTAL & SOCIAL ASSESSMENT

Based on Environmental and Social (E&S) risks/impacts the E&S risk category is **C**.

E&S risk category is C given that the proposed financing presents no adverse environmental or social risks or impacts. The Fund ESG policy is in line with DFI requirements. Their E&S management system is currently reviewed to better integrate all the 8 IFC standards and to integrate adaptation and resiliency to climate change.

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