

Arise investment firm to boost access to capital in Africa

 By Tom Jackson

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Investment firms Norfund, FMO and Rabobank, which hold stakes in a number of financial service providers (FSPs) across Sub-Saharan Africa, have partnered to launch Arise, a new fund that will assist FSPs in providing startups and SMEs with access to capital.



Image by 123RF

Arise starts operations with a presence in more than 20 countries and US\$660 million in assets, an amount that is anticipated to grow to US\$1 billion.

The new company will take and manage minority stakes in African FSPs, with the key ambition being to build strong and stable FSPs that will serve retail, small and medium enterprises (SMEs), the rural sector, and clients who have not previously had access to financial services.

“Rabobank’s activities in investing and building strong financial service providers in emerging economies, especially Sub-Saharan Africa, truly fit our Banking for Food strategy; focused on creating solutions with our clients to feed the world in 2050,” said Berry Marttin, executive board member of Rabobank.

“It is therefore very important to us to take this approach to a higher level. By joining forces and pooling assets, networks and expertise with Norfund and FMO, two highly experienced development institutions of excellent reputation, we are taking

a major step forward.”

Kjell Roland, chief executive officer (CEO) at Norfund, said the establishment of Arise would contribute to the development of the financial sector in Africa on a scale which is far beyond what Norfund could achieve by itself.

“By partnering with experienced, like-minded investors such as FMO and Rabobank, will ensure that Arise benefits from excellent banking, technical and managerial expertise,” Roland said.

FMO’s CEO Nanno Kleiterp said Arise can leverage the extensive banking knowledge and valuable agri-banking expertise of its founding partners.

“This partnership will increase the availability of financial services to small and medium enterprises. Above all it will allow the people in Sub-Saharan Africa to empower themselves by getting bank accounts and taking loans and thus building a better life for their families,” said Kleiterp.

ABOUT TOM JACKSON

Co-founder @DisruptAfrica. Tech and business journalist in Africa. Passionate about the vibrant tech startups scene in Africa, Tom can usually be found sniffing out the continent’s most exciting new companies and entrepreneurs, funding rounds and any other developments within the growing ecosystem.

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