

African ICT development to accelerate through CPCIF

The Convergence Partners Communications Infrastructure Fund (CPCIF), an infrastructure fund that is dedicated solely to the information and communications technology (ICT) sector in Africa was launched this week by Convergence Partners.



With a first close of \$145 million, it is one of the largest African based infrastructure funds, notwithstanding its single sector focus.

CPCIF, which has a targeted final close of \$250 million, aims to invest in communications infrastructure and related services and technologies across sub-Saharan Africa. It expects to generate significant returns for investors, while also enabling ICT-driven socio-economic development.

"As specialist ICT investors and innovators, Convergence Partners is dedicated to accelerating investor capital, digital access and ICT infrastructure development on the continent," says Andile Ngcaba, chairman of Convergence Partners. "As a result, we focus strongly on initiatives that increase the availability of communications, broadband services and new technology offerings to African people. The launch of this Fund will enable us to achieve these objectives on a greater scale."

Infrastructure remains underdeveloped

CPCIF will invest across sub-Saharan Africa, with no single country or region expected to dominate in terms of capital allocation. It will look to deploy capital in both regional and in-country opportunities.

The African ICT sector has reportedly seen significant growth and acts as a catalyst for economic development. According to a recent McKinsey report, increased use of the internet in Africa could result in a contribution of \$300 billion a year to the continent's gross domestic product (GDP) by 2025. However, the infrastructure to enable such increased use remains significantly underdeveloped.

Brandon Doyle, CEO of Convergence Partners, says: "Based on World Bank data, we estimate that there is an ICT infrastructure deficit of \$20 billion a year in Africa. The evolution of the ICT landscape, with its increasing focus on shared, open access models, provides significant investment opportunity for a specialised infrastructure fund."

For more, visit: <https://www.bizcommunity.com>