



12 October

## **US\$162 million Canada Investment Fund for Africa launched**

- Fund being managed by Actis and Cordiant

Actis, a leading private equity investor in emerging markets, and Cordiant, a prime Canadian emerging market asset manager, today launched the pan-African Canada Investment Fund for Africa (CIFA) with H E Mr John Agyekum Kufuor, President of the Republic of Ghana, in Accra.

CIFA aims to channel a minimum of US\$162 million into Africa. Half of that amount will be provided by the Government of Canada through the Canada Fund for Africa and a further US\$40 million from CDC, the UK government's instrument for investing in the private sector in developing economies. The balance is being raised from third-party public and private investors.

Actis and Cordiant were selected by the Government of Canada to manage CIFA jointly following an extensive public tendering process. Actis is the leading private equity investor in Africa, having built up a team with deep financial and operational experience over the 57 years it has been active in various African countries. Cordiant will leverage its existing expertise as a critical link between institutional investors and private sector emerging markets opportunities to provide access to North American deal flow and investment capital.

CIFA will support managers of businesses in Africa through the provision of risk capital for private investment in companies to generate economic growth in a commercially viable and sustainable manner, and will run for ten years. The fund has the opportunity to co-invest alongside the US\$310 million Actis Africa Fund 2.

Paul Fletcher, Senior Managing Partner, Actis, said:

“This a great day for the private sector in Africa as the money we will invest will create sustainable long-term businesses in Africa. It is an exciting market, which offers huge growth opportunities and Actis has demonstrated that we have the ability to generate competitive returns helping to attract new investors into this market.”

David Creighton, President and CEO of Cordiant, commented:

“CIFA offers Canadian, African and international investors and entrepreneurs an opportunity to participate in the next stage of Africa's growth with the prospect of superior returns, capitalising



## **Notes to editors:**

### **Actis**

1. The restructuring of CDC Capital Partners into an investment company and a management company was announced in January 2004. The investment company retained the CDC name, whilst the management company is called Actis. The restructuring was designed to aid the acceleration of investment into developing countries to stimulate private sector growth in these areas.
2. Actis generally invests in:
  - Private companies seeking to achieve rapid growth either organically or through acquisitions
  - Buyouts of companies or non-core divisions of large corporations
  - Privatisations and restructurings
  - Infrastructure projects
3. Actis takes significant equity positions in businesses with talented management teams and strong, or potentially strong, market positions, which can achieve competitive rates of return.
4. Actis is a leading, independent private equity investor, which currently has over US\$3.0 billion funds under management. Actis has been investing in emerging market for over 57 years.
5. Actis invests in the energy sector in emerging markets principally through Globeleq, a world-class operating power company.
6. Actis invests in SMEs through Aureos, a specialist SME investor in emerging markets.

### **Cordiant**

1. Cordiant is a private sector emerging markets portfolio manager headquartered in Montreal, Quebec. The company specializes in international private sector investments with emphasis in emerging and high growth markets. Its professional team boasts over 150 years of combined experience in international markets.
2. Cordiant manages US\$495 million in emerging market private sector investments with holdings spread over 21 countries in 20 industrial sectors.
3. Cordiant has developed unique investment products which, combined with its focus on quantifying risk and filtering deal flow, provide a critical link between institutional investors and emerging markets.
4. Large pension funds in Canada and Europe have invested in the IFPT funds, whose diversified portfolios cover a broad range of sectors, including, among others, oil & gas,

manufacturing, mining, steel, financial services, chemicals and telecom, across a wide selection of emerging market countries around the globe.

#### **The Canada Investment Fund for Africa (CIFA)**

1. CIFA was first announced by Canada's Prime Minister Chrétien at the G8 Summit in Kananaskis, Canada in June 2002 as part of the CAD\$500 million Canada Fund for Africa. The Canada Fund for Africa was established as a key element of Canada's response to the G8 Africa Action Plan and the New Partnership for Africa's Development (NEPAD).
2. The Government of Canada established CIFA to encourage foreign direct investment in Africa because investment is vital to economic growth and sustainable development.
3. CIFA will be invested on a formula-driven parallel basis with the Actis Africa Fund 2 LP (AAF2), a 2004 vintage fund with commitments of US\$310 million. A proportion of most of AAF2 completed investments have been transferred to CIFA at first closing.
4. Current investments in AAF2 include:
  - a gold mining business, Orezone in Burkina Faso
  - a North African upstream exploration and production company, Candax
  - a commercial bank, Banque Commerciale de Rwanda
  - a provider of mobile telecommunications, Starcomms
  - a zircon and gold mining company, Mineral Deposits, Senegal
  - a South African paper manufacturing business, Peters Papers
  - a consumer and foods business, UAC Nigeria Plc
  - the acquisition of the repairs and services and replacement parts division of Delta, South Africa

#### **CDC**

CDC is a UK Government-owned fund of funds business with assets of £1.2 billion. CDC's mission is to generate wealth in emerging markets, particularly in poorer countries, by providing capital for investments in sustainable and responsibly managed private sector businesses.