

Victus Global: Transforming African agri, empowering women

Impact fund Victus Global Capital was founded last year to finance food manufacturers and primary producers in Africa and help take these businesses to the next level. Founders Zee de Gersigny and Bo Masole talk to Agri Investor about their women-focused approach and the impact they hope to achieve.

Q Last year, you partnered together and founded Victus Global Capital. How did that come about?

BM: Zee and I met at an investment conference in the UK about three years ago. On meeting and getting to know each other, Zee and I realized we shared a vision to see the positive development of our continent and increased participation of Africa in global markets. From a food manufacturing perspective, there is very little coming out of the continent, outside of South Africa. We see an opportunity to assist in the development of the food manufacturing sector, helping businesses grow and provide access to markets. We brought our skills together to partner in Victus Global Ltd and created Victus Global Capital Ltd with aims to transform agriculture in Africa and empower women.

ZG: A big component – aside from the shortage of skills and market linkage – is also the need for financing. Having many late-night discussions talking about how we wanted to make a difference on the ground, in people's lives – we came up with the whole idea of Victus Global Capital [the investment division of food security consultancy Victus Global] and the decision to raise our impact fund.

Q Why target women specifically? Investing in Africa can have an impact in general, so why the more specialized focus?

ZG: From my perspective, coming from a finance background, I see that finance is dominated by men – typically white men. As a result, I think there's a lot of unconscious bias where people are more comfortable allocating capital to people who look

like themselves. So, for me, if we are truly going to address gender inequality, we need to have a specific focus of allocating capital to women-led or women-focused businesses that are currently under-served by financial institutions. So, that was from my point of view, but Bo, who is a food-manufacturing expert, can talk about the agricultural side of things.

BM: From an agricultural point of view, the reason why we also wanted to focus on women apart from the fact that it's something that's close to our hearts, is because actually on the African continent, agriculture is a big employer, accounting for around 85 percent of total employment. This is an industry that employs a lot of women, so it just made sense for us to focus on this because they're the ones that really struggle to access opportunities, financing and so forth.

Q Is the fund you are currently raising your first impact fund?

ZG: Yes, it is our first vehicle but we are partnering with Atree Capital and they've been running an Africa equity fund since 2006. They have an Africa fixed income fund that they've been managing for three years and they've also put together a number of special purpose vehicles for investment in Africa.

In my previous life, before joining Victus Global, I worked for the Momentum Group, the third largest life insurance company in Africa, managing and establishing a number of Africa focused funds. So, while this is the first vehicle for Victus Global Capital, it is certainly not the first for our team.

Q What kind of investments will you be targeting through the fund?

ZG: We're looking to invest primarily in agri-processing projects, that are either women-led, large employers of women or produce products that benefit women and girls. Our country focus has been driven by where we've done a lot of consulting work, so Ethiopia, Kenya, Tanzania and Zambia.

But we'll also look at opportunities outside of those countries. For instance, there's quite an interesting opportunity in Malawi, a women-owned meat-processing plant; a women-led organic condiments producer in Swaziland, working with smallholder farmers, mainly women; and a tea plantation in Uganda, where many of the workers are women.

We obviously do look at opportunities outside those main countries but we see most of the capital being deployed mostly across our focus countries. In terms of size, the majority of our investments are going to be between \$1 million and \$10 million.

Q When do you expect to close the fund?

ZG: We're looking to have our first close at \$20 million by the fourth quarter of this year and we think the remaining \$30 million will be raised over the following year. What is very important in the process is simultaneously working on

the pipeline and we've spent a year and a half developing the pipeline, so for the first close, we already have a number of projects to deploy capital in. That's been really, really important to us.

I think there are a lot of people looking to raise funds, but they often don't have the pipeline that's needed to deploy the capital once they've raised it. Africa is very difficult in terms of finding investment-grade projects so we spent a lot of time developing a credible pipeline. ■