




**ASPEN NETWORK  
OF DEVELOPMENT  
ENTREPRENEURS**

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# Strengthening Gender and Climate-Lens Investing in Sub-Saharan Africa

A Learning Brief by  
**the Aspen Network of  
Development Entrepreneurs**

November 2022



AGA KHAN FOUNDATION  
CANADA



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# ABOUT ANDE

**The Aspen Network of Development Entrepreneurs (ANDE)** is a global network of organizations that propel entrepreneurship in developing economies.

ANDE members provide critical financial, educational, and business support services to small and growing businesses (SGBs) based on the conviction that SGBs create jobs, stimulate long-term economic growth, and produce environmental and social benefits. As the leading global voice of the SGB sector, ANDE believes that SGBs are a powerful, yet underleveraged tool in addressing social and environmental challenges. Since 2009, we have grown into a trusted network of nearly 300 collaborative members that operate in nearly every developing economy. ANDE grows the body of knowledge, mobilizes resources, and connects the institutions supporting the small business entrepreneurs who build inclusive prosperity in the developing world. ANDE is part of the Aspen Institute, a global nonprofit organization committed to realizing a free, just, and equitable society.



# ABOUT ANDE LEARNING BRIEFS

**ANDE Learning Briefs** are short reports describing various programs ANDE has implemented to support small and growing businesses and intermediaries. By sharing lessons learned from implementing new programming, ANDE hopes to expand the knowledge base of stakeholders in the global entrepreneurial ecosystem and encourage best practices in the field. The briefs are specific to a particular program and do not capture all related research regarding a given topic.

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## SUPPORT FOR THIS REPORT

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## 1.0 INTRODUCTION AND PROJECT SUMMARY

The [Accelerating Women Climate Entrepreneurs \(AWCE\)](#) project was a two-year (2021-2022) initiative focused on addressing barriers and opportunities for women entrepreneurs to grow climate-related businesses in Sub-Saharan Africa. This initiative was led by the Aga Khan Foundation Canada (AKFC) in consortium with World University Service of Canada (WUSC) and Aspen Network of Development Entrepreneurs (ANDE) with financial support from Global Affairs Canada (GAC).

The project targeted climate-focused women entrepreneurs, defined by the project as “women entrepreneurs whose locally-available, contextually-appropriate goods and services align with their country’s expressed climate adaptation and/or mitigation priorities.” The AWCE project focused on improving entrepreneurial ecosystems that support growth-oriented women entrepreneurs engaged in climate-related businesses in targeted regions through two key interventions:

- + Strengthening economic intermediaries providing gender- and market-responsive support to women entrepreneurs focused on climate-related businesses; and
- + Increasing start-up and scale-up capital invested in women-led ventures providing climate-related goods and services.

This report shares learnings from AWCE’s work with economic intermediaries, climate- and gender- lens investment manager training, and research and advocacy work to rally institutional funders and investors to incorporate a gender lens into global climate finance.



Women climate entrepreneurs supported by Ongoza and partners from AKF, WUSC and ANDE during an AWCE learning event in Nairobi, Kenya

In 2021, ANDE launched the AWCE Fund and awarded projects in Sub-Saharan Africa to address the financing gap and support the growth of women climate entrepreneurs (WCEs) in the small and growing business (SGB) sector. Winners received one-year grants of up to USD 65,500 to test models for increasing gender-lens investing in women climate entrepreneurs through innovative approaches. ANDE awarded three economic intermediaries: [Future Females](#) supporting 20 WCEs from South Africa, Namibia, Nigeria and Kenya; [Westerwelle Startup Haus Kigali](#) with 30 WCEs in Rwanda; and [Kawjo Foundation](#) with 70 WCEs in Malawi. These AWCE Fund winners offered incubation, technical, and financial support to WCEs addressing barriers and opportunities for women entrepreneurs to grow climate-related businesses in their target regions.

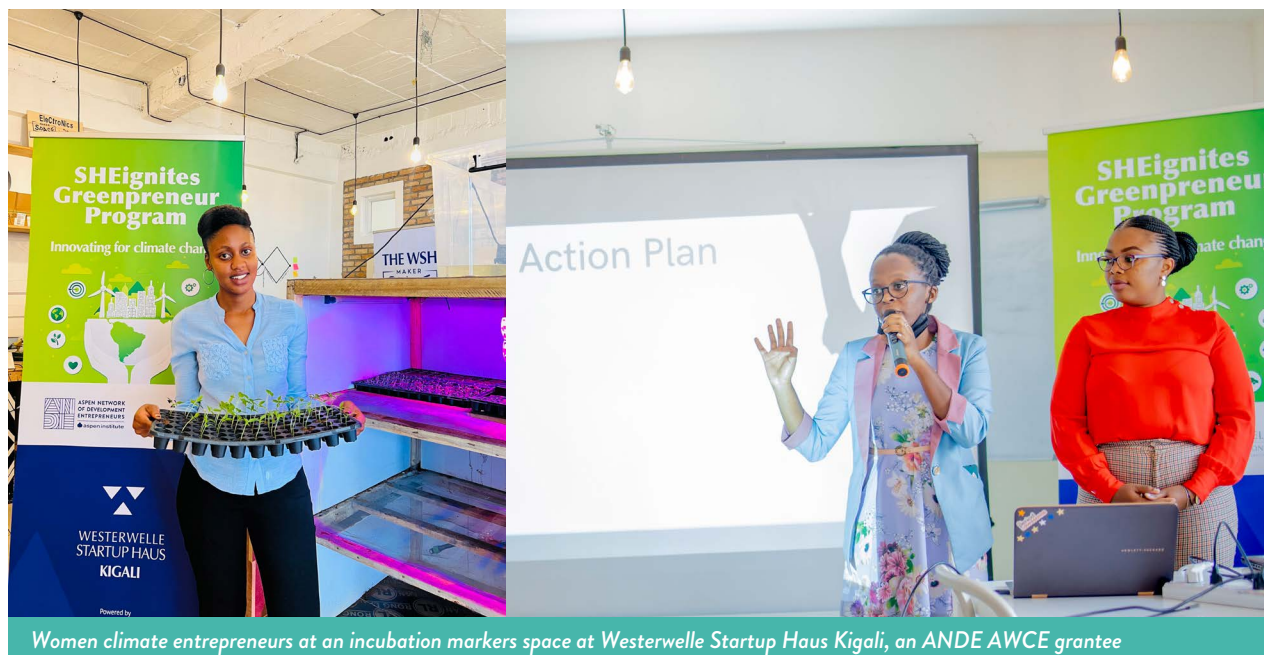


Similarly, Aga Khan Foundation East Africa (AKF EA) offered capacity strengthening to WCEs through two economic intermediaries: Anza Entrepreneurs (Tanzania) and Ongoza (Kenya). The intermediaries offered incubation support to 24 WCEs across the two countries with a focus on: climate smart entrepreneurship and finance, gender integration in curricula content and language, gender lens investing safeguarding, and gender equality issues in Kenya and Tanzania.

ANDE conducted a series of investment manager trainings (IMTs) with gender- and climate-related curricula for investors in South Africa, West Africa, and East Africa, including a training of trainers to 22 trainees to aid finance professionals in SSA to understand the realities of investing in developing economies.

ANDE and consortium partners (AKFC and WUSC) used a wide array of multi-stakeholder events for advocacy and knowledge sharing on incorporating a gender lens into global climate finance. The fora attracted investors, funders, WCEs, intermediaries, government stakeholders, and other partners. These included [GenderSmart's Global Summit](#), [Sustainable Energy for All Forum](#) (SEforALL), ANDE Annual Conferences [2021](#) and [2022](#), UN General Assembly (UNGA) Climate Week NYC, ANDE's [Entrepreneurial Ecosystem Convening \(EECO\)](#), and The Conference of Parties of the UNFCCC; the 27th United Nations Climate Change Conference (COP 27).

The project learnings aim at strengthening ecosystem support for WCEs, inform programming to replicate or scale-up similar initiatives as AWCE, and encourage incorporating a gender lens into global climate finance.



*Women climate entrepreneurs at an incubation markers space at Westerwelle Startup Haus Kigali, an ANDE AWCE grantee*

## 2.0 WHY WOMEN CLIMATE ENTREPRENEURS (WCES)?

✦ **Women suffer the effects of climate change disproportionately.**

This is due to the intersection of social and economic inequalities such as land ownership rights, access to finance, and patriarchal power structures.<sup>1</sup>

✦ **Investing in women is investing in climate and environmental action.**

Gender equality and climate and environmental action are inextricably linked. One crucial area is in food production, for which women constitute a considerable proportion of the labour force in the Global South. Crop and livestock production on land is estimated to contribute 24% of global greenhouse-gas emissions,<sup>2</sup> hence the need to finance climate-smart agricultural women entrepreneurs.

✦ **Supporting women climate entrepreneurs is good business.**

Women represent an enormous opportunity for economic growth, generating more revenue per dollar invested in startups compared with male peers.<sup>3</sup>

✦ **All investing, especially climate investing, should be done with a gender lens.**

Gender lens investing must become a mainstream practice if the sector is to close the gender financing gap. [Global Accelerator Learning Initiative \(GALI\)](#) data shows that women-led SGBs have less access to capital and experience fewer benefits from entrepreneur support programs compared to male peers.<sup>4</sup>



*Women climate entrepreneurs in a learning session by Westerwelle Startup Haus Kigali, an ANDE AWCE grantee*

1 Vizaki, M. et al. (2021). Ways to Gender-Smart Climate Finance: Climate Change Adaptation. [2X\\_ClimateTaskforce\\_Adaptation\\_v8.pdf \(squarespace.com\)](#)

2 FAO (2014). [Agriculture, Forestry and Other Land Use Emissions by Sources and Removals by Sinks \(PDF\)](#). (89 pp, 3.5 MB) Climate, Energy and Tenure Division, FAO.

3 Vizaki, M. et al. (2021). Ways to Gender-Smart Climate Finance: Climate Change Adaptation. [2X\\_ClimateTaskforce\\_Adaptation\\_v8.pdf \(squarespace.com\)](#)

4 ANDE (2019). Gender Equality in the SGB Sector. [Gender Equality in the SGB Sector - ANDE \(andeglobal.org\)](#)

## 3.0 LEARNINGS

### 3.1 LEARNINGS FROM SUPPORTING WOMEN CLIMATE ENTREPRENEURS THROUGH ECONOMIC INTERMEDIARIES

► **There is high demand for climate and gender-related financing for economic intermediaries.**

- ✓ The ANDE AWCE Fund attracted over 500 submissions, an indication that significantly more funding and support to economic intermediaries is needed to enhance their capacity to offer climate-smart interventions for WCEs in Sub-Saharan Africa.



*Women employed by Patrice, a woman climate entrepreneur from Kenya, working on eco-friendly beehives made from recycled plastic and rice husks. Patrice is supported by Ongoza, an intermediary that works with AKF-EA.*

► **Economic intermediary support combined with WCE proactiveness enhance the ability of WCEs to secure financing for scale-up.**

- ✓ Two WCE enterprises supported by Westerwelle Startup Haus Kigali under AWCE project secured grants of up to USD 20,000 to scale up their operations. This was attributed to advanced pitching skills gained through the program, the WCEs' proactiveness, and Westerwelle's deliberate efforts to connect them with financiers.
- ✓ Thirteen WCEs under Future Females applied for investment, eight of which successfully secured a total of USD 335,307 in the form of grants, equity, and debt (including national government grants). The WCEs were also able to create 51 new jobs. The key enablers for WCEs to secure funding include:



- + Developing pitch-ready decks for their businesses (by following the module content and completing each assignment). This included getting fundamentals in place such as their financials and three-year financial projections.
  - + Developing an understanding of what type of funding is best suited for their business.
  - + Increasing confidence in pitching to investors through coaching.
- ✓ Five WCEs supported by Anza in Tanzania raised USD 175,976 and a further three were in advanced partnership negotiations for another USD 500,000 by the end of the project period. This is attributed to the confidence, pitching skills, understanding of their value proposition and market intelligence gained through the program and through the coaching received from Anza.
  - ✓ Kawjo Foundation facilitated WCEs under their project to connect with one formal financial institution, a microcredit agency, that offered training on financial management. However, the WCEs were not able to access additional financing within the project period. This was attributed to WCEs' enterprises not being fully formalized and certified. To a large extent, the WCEs relied on informal lending groups to access capital. This shows it is important to facilitate public finance for start-ups as such financing can play a role in de-risking some investments in climate interventions when private finance considers them unattractive.



Dupe Killa of Platinum Fisheries next to one of her Tilapia ponds. She is one of the women climate entrepreneurs supported by Future Females, an ANDE AWCE grantee.

- ▶ WCEs are more likely to use climate-smart technologies when they access better paying markets.

- ✓ Kawjo Foundation WCEs in the fishing industry who were facilitated to connect with and access a bulk commercial buyer for value-added fish took up climate-smart technologies. These are fish solar driers and modified smoking kilns that use briquettes made from waste.

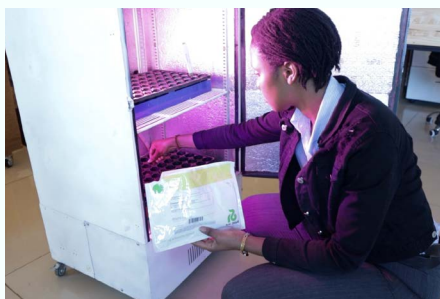


*Fish solar driers and modified smoking kilns that use briquettes made from waste are some of the climate-smart technologies used by women climate entrepreneurs supported by Kawjo Foundation an ANDE AWCE grantee in Malawi.*

- ▶ Incubation programs enhance WCEs' capacity to develop and launch ready-for-market climate-smart prototypes.

- ✓ Eleven out of fifteen WCEs' enterprises supported by Westerwelle Startup Haus Kigali were able to develop new prototypes under AWCE programme. To develop the prototypes, the WCEs were provided with a co-working space, internet, a lab for prototype development and testing and technical advisory services at Westerwelles's Markerspace in Kigali. Westerwelle also gave the WCEs an opportunity to pitch their business ideas and prototypes to investors and funders during a pitch day at the end of the programme.

**1**  
SEED  
INCUBATOR  
SMAGRI



**2**  
UPCYCLED  
BAG  
RM EXTRA



**3**  
ORGANIC  
PESTICIDE  
AGRO ELITE



**4**  
BRIQUETTES  
FROM WASTE  
OKIRA



*Prototype examples were developed by women climate entrepreneurs at Westerwelle Startup Haus Kigali, an ANDE AWCE grantee.*



► Coaching helps WCEs develop new products.





- ✓ Fifteen Future Females' WCEs developed 31 new products during the project period. The products cut across different sectors/sub-sectors such as agriculture, including food value addition, agritech, and organic inputs; waste recycling; manufacturing; and transport.
- ✓ The key drivers for this product development include:
  - + Future Females and project partners Impact Amplifier Impact business analysts, The Fold Ventures and Investments, and four business investment coaches in the programme helping the WCEs to review business models allowed for new opportunities to be identified. For instance, a module focusing on market segments was identified as key.
  - + Upskilling of WCEs in investment readiness resulted in increased confidence that enabled them to make strategic partnerships that allowed for new products/services to be developed.
  - + Peer to peer learning provided an opportunity for new ideas to be shared between WCEs during their coaching sessions.
  - + Having coaches knowledgeable in investing and scaling climate enterprises was important. Future Females hired four business investment coaches who are also women entrepreneurs and social impact consultants to support the WCEs.



Esther Ebis' selection of Bequeenz Beauty products. The products are made from local organic fruits, herbs and seeds grown by rural female farmers. She is one of the women climate entrepreneurs supported by Future Females, an ANDE AWCE grantee.

► Online platforms with a well-vetted, ready-to-invest pipeline have potential to link WCEs and investors.

- ✓ Future Females advanced the [Future Finance platform](#) which is currently in the testing phase. The platform also attracted other ready-to-invest WCE enterprises within the AWCE project, particularly those from Westerwelle Startup Haus Kigali.

 <p><b>AEA</b></p> <p>DESCRIPTION</p> <p>The Agency focuses on the development of micro, small and medium enterprises within the Federal Capital Territory (FCT), an...</p> <p>SECTOR</p> <p>Agriculture, Manufacturing</p> <p>COUNTRY</p> <p>Nigeria</p>	 <p><b>Acumen Fund</b></p> <p>DESCRIPTION</p> <p>We invest in entrepreneurs who had the capability to bring sustainable solutions to big problems of poverty.</p> <p>SECTOR</p> <p>Agriculture</p> <p>COUNTRY</p> <p>Nigeria Kenya South Africa</p>	 <p><b>EDGE GROWTH</b></p> <p>DESCRIPTION</p> <p>Edge Growth has two funds which would be in a position to fund Green projects, which typically provide growth funding to SMMEs that hav...</p> <p>SECTOR</p> <p>Various</p> <p>COUNTRY</p> <p>South Africa</p>	 <p><b>Business Partners</b></p> <p>DESCRIPTION</p> <p>"Business Partners is a viability-based risk financing company for formal small and medium-sized businesses in South Africa, and ...</p> <p>SECTOR</p> <p>Manufacturing</p> <p>COUNTRY</p> <p>South Africa</p>
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*A snapshot of Future Finance online platform developed by Future Females, an ANDE AWCE grantee*

► Funders and investors need to deliberately encourage support for WCEs outside major cities for wider impact.

- ✓ ANDE noted a gap in economic intermediaries supporting WCEs outside the major cities. In some instances, WCEs from secondary cities faced transport/access challenges to incubation hubs in major cities. There is a need for deliberate efforts to invest in intermediaries, particularly incubators/accelerators, in secondary cities/rural areas or those specifically investing in women in those areas. This should be considered for a Diversity Equity and Inclusion (DEI) evaluation criterion in gender lens climate investing.



*15 teams of women climate entrepreneurs from Rwanda who were incubated for close to one year pitched at SHEignites Greenpreneur Program pitch event. The women were supported Westerwelle Startup Haus Kigali, an ANDE AWCE grantee.*



### 3.2 LEARNINGS FROM FACILITATING INVESTMENT MANAGER TRAINING IN DEVELOPING ECONOMIES

The ANDE Investment Manager Training course provides a comprehensive overview of investing in small and growing businesses (SGBs). The course is designed both for investment managers who are actively making investments in SGBs and capacity development providers who are working to support entrepreneurs through the investment process. The five-day course is based largely on actual deals made by ANDE members and is designed to be highly interactive and participatory. It also focuses on the social and environmental impact of investing at this level, and how that affects the investment process while incorporating learnings on gender lens and climate-related investing.

#### ► Investment Manager Training with a gender- and climate- lens

- ✓ Under the AWCE project, ANDE offered Investment Manager Training (IMT) to 67 finance professionals in the investment space in Sub-Saharan Africa to enhance the pool of localized talent in investment management.
- ✓ Trainees expressed improved confidence and understanding of the realities of investing in developing economies. They attributed improvement to facilitators with a strong understanding of local realities while using local case studies. However, there is a need to develop new local case studies to add to the library of resource materials.
- ✓ Trainees also expressed a mindset shift and the desire to be champions for moving away from traditional investment models with weak gender- and climate-lens investing considerations.

### 3.3 LEARNINGS FROM RESEARCH AND ADVOCACY ON GENDER AND CLIMATE

#### ► Incorporating a gender lens into global climate finance needs to be an ongoing priority in advocacy and knowledge sharing. Advocacy efforts have shown positive traction to drive institutional support to WCEs in developing economies while incorporating a gender lens into global climate finance.

- ✓ Upon sharing some of the milestones and the high number of applications for the AWCE catalyst fund, ANDE secured additional grant support from FMO Dutch Development Bank for the AWCE Fund to support two more economic intermediaries in Kenya and Ghana. The additional projects run through November 2023.
- ✓ ANDE's AWCE grantee, Westerwelle Startup Haus Kigali, joined forces with other like-minded institutions in Rwanda to establish Rwanda Greenpreneur Network to strengthen gendered green entrepreneurship advocacy efforts. This is a promising sign that incubators and accelerators in the climate ecosystem can collaborate with climate-focused organizations and programs to share resources and opportunities while minimizing duplication of efforts.

- ✓ Across the board, evidence-based climate and gender lens advocacy messages and well-designed investor linkage platforms are necessary to champion resources to support WCEs and link them with investors, such as the [Future Finance platform](#) by Future Females.
- ✓ The AWCE consortium led by World University Services Canada (WUSC) supported research and learning across the project. This included continuous project monitoring and evaluation and support to evaluate the effectiveness and impact of knowledge generation. Informed by literature reviews and primary data collected from more than 150 WCEs, intermediaries and other stakeholders, WUSC led the generation of two knowledge products. The knowledge products add to the consortium's contribution to climate- and gender-lens investment/ gender-disaggregated impact data in climate investing to inform scaling of investments and funding. Learnings from one of the products [Strategies for Incubators and Accelerators \(2021\)](#)<sup>5</sup> include:
  - + More than 60% of WCEs in Sub-Saharan Africa work to address (climate adaptation within agriculture, aquaculture, and renewable energy, with a small number of WCEs focused on recycling and eco-fashion.
  - + Most WCEs in Sub-Saharan Africa produce products and services for local markets as opposed to exports.
  - + Most WCE enterprises in Sub-Saharan Africa are aligned to their countries' National Determined Contributions (NDCs) or National Adaptation Plans (NAPS) on climate change, but less than 10% are aware of the NDCs and NAPs.
  - + Most intermediaries in the study did not have a dedicated gender specialist and felt a lack of prioritization from funders and investors on gender learning initiatives, thereby making gender-responsive programming a challenge.
  - + Climate finance stakeholders noted that WCEs tend to underestimate their performance.

5 GAC, WUSC, AKFC, ANDE (2021). [Strategies For Incubators and Accelerators: Strengthening Ecosystems for Women Climate Entrepreneurs in sub-Saharan Africa.](#)



*Mildred, a woman climate entrepreneur from Kenya, processing organic waste into farm inputs like fertilizer. She is supported by Ongoza, an intermediary that works with AKF-EA.*

### 3.4 GENDER EQUALITY LEARNINGS

- ▶ Informed by economic intermediaries' interventions and research, the AWCE project identified several gender equality learnings and challenges faced by WCEs affecting their ability to grow their enterprises. These include:
  - ✓ Transport costs and travel time to incubation hubs can derail some WCEs, particularly those living outside major cities where the hub facilities are located.
  - ✓ WCEs struggle to balance between competing house chores and training time.
  - ✓ WCEs continue to face challenges in trying to scale their businesses due to lack of access to finance and gendered norms on role expectations for women.
  - ✓ WCEs face time constraints that affect their ability to grow their businesses, as well as gender norms that result in challenges in raising funds or support.
  - ✓ Some WCEs also reported having limited decision-making ability given the patriarchal structures at household level and facing harassment and discrimination in the entrepreneurship ecosystem. This is attributed to women relative to men often not being at leadership and decision-making tables in the climate entrepreneurship ecosystem.
  - ✓ Tailoring intermediary's capacity strengthening plan using a context-based diagnostic tool is crucial to attaining impact.

- + With regards to AWCE, economic intermediaries' gender-responsiveness diagnostic tool enabled the project to identify unique strengths and capacity gaps within the intermediaries that would have gone unnoticed without the tool. After the initial interaction between AKF-EA and the intermediaries following the application of the diagnostic tool, it was noticed that some of the organizational practices related to recruitment and capacity building of the WCEs were not gender-responsive. For example, in both Kenya and Tanzania intermediaries, it was found that little attention was being paid to issues of childcare for nursing mothers. Another issue that was identified was that technology was not accessible or familiar to all the women.
- + Based on the assessment and AKF-EA's guidance, Ongoza, the partner intermediary in Kenya, developed a hybrid/blended system, where in-person and online lessons were integrated. This hybrid system of working was accessible and familiar to many women and addressed some of the gender-specific challenges which may be faced by WCEs, such as childcare. Those women who were new to online ways of working were supported, as required.
- + Both Ongoza and Anza, intermediaries working in Kenya and Tanzania respectively, were sensitized and incorporated childcare into their programs. Ongoza added a gender equality module to its curriculum to sensitize entrepreneurs on the issues of gender.



Iddah (above), a woman climate entrepreneur from Tanzania, and women she employs making reusable sanitary pads. She is supported by Anza, an intermediary that works with AKF-EA.



## 4.0 WHAT'S NEXT FOR ACCELERATING WOMEN CLIMATE ENTREPRENEURS?



*One of the Lake Malawi Beaches where women climate entrepreneurs supported by Kawjo Foundation get their fish. The lake's fish catch was low in 2022, attributed to climate change associated with waves in the lake. Kawjo Foundation is an ANDE AWCE grantee.*

### **More broadly, WCEs face additional needs that ANDE and other ecosystem actors can contribute to address through continual intervention in the ecosystem:**

- ✓ Need to advocate for more public finance as it plays an important role in financing start-ups before they are investor ready for private finance. It can also play a role in de-risking some of the investments in climate interventions.
- ✓ Need to scale the climate funding ecosystem with a gender lens. Investments involve capital investments in both physical and technological platforms. This calls for hybrid/ blended financing (debt/equity/grants). Walk the talk in gender-lens investing.
- ✓ Role of climate- and gender- lens investment data. There is a need for new measurements and reliable gender-disaggregated impact data and learnings in climate investing to inform the scaling of investments and funding.



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