

## Investing in Early Stage Startups in Benin

April 09-10 2019 📍 Golden Tulip Le Diplomate

Cotonou, April 18, 2019

## Press Release on the closing of the Early Stage Startup Investment Conference

The curtain fell on the two-day Early Stage Startup Investment Conference (ESSIC) which took place April 9–10th at the Golden Tulip in Cotonou (Benin). More than 120 participants representing the Government of Benin, bilateral and multilateral organizations, Non-Governmental Organizations, foundations, investors and startups gathered to discuss one prominent challenge for entrepreneurship in Benin: How to create financing mechanisms that meet the specific needs of startups? The conference presented a specialized program that included two plenaries, 15 thematic panel discussions and roundtables, and a startup showcase including pitches by over 30 entrepreneurs.

Two major announcements were made at the event.

Firstly, the Benin Business Angels Network (BBAN) launched with 15 founding members pledging, as a condition of their active individual membership, to invest an annual minimum of 2,500,000 CFA francs (roughly \$4,300 US). BBAN is composed of local and diaspora entrepreneurs, investors and professionals willing to invest their money, open their networks and mentor entrepreneurs of the Benin Eco-system. BBAN will be instrumental in providing seed money to promising startups to help them reach product-market fit and to scale. BBAN aims to make its first investment deal by the end of May 2019.

Secondly, Noru Capital, an impact fund with a clear focus on early-stage startups was also announced. Spearheaded by EtriLabs, this evergreen fund will provide financing in the form of equity and quasi-equity in an initial phase, to promising startups operating from Benin with great teams, having reached product-market fit and with business models based on rapid expansion in Benin, then regionally and internationally. Noru Capital will seek exits through larger funds or acquisition by larger companies.

There were also pledges by various stakeholders to increase their support to business accelerators and incubators, to improve the sourcing of entrepreneurs.

Participants to the ESSIC included four Ministries and six Agencies representing the Government of Benin, the World Bank, the African Development Bank, UNDP, UNFPA, UNICEF, WHO, the Agence Française de Développement (AFD), the Belgian Development Agency (Enabel), The German Development Agency (GIZ), diplomatic missions of the European Union, Belgium, France, and the Netherlands. Technical support companies such as Deloitte, ASA Consulting, and Afribourse also attended.

ESSIC was organized in partnership with APIEX, the state agency for the promotion of investment and export in Benin, with the support of the Organisation Internationale de la Francophonie (OIF) and Afric'Innov.

## About the organizer:

### **EtriLabs**

Founded in 2009, EtriLabs is the oldest innovation lab in Benin and one of the leading digital economy support organizations in Africa. With hubs in Cotonou, Parakou (Benin) and Dakar (Senegal), EtriLabs' mission is to develop an ecosystem favorable to the emergence of a new generation of entrepreneurs in Africa.

EtriLabs offers services in 3 key areas: Innovation ecosystems development, Corporate Innovation, and Entrepreneurship acceleration. Its hubs welcome hundreds of entrepreneurs, developers, social scientists, and practitioners daily.

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