

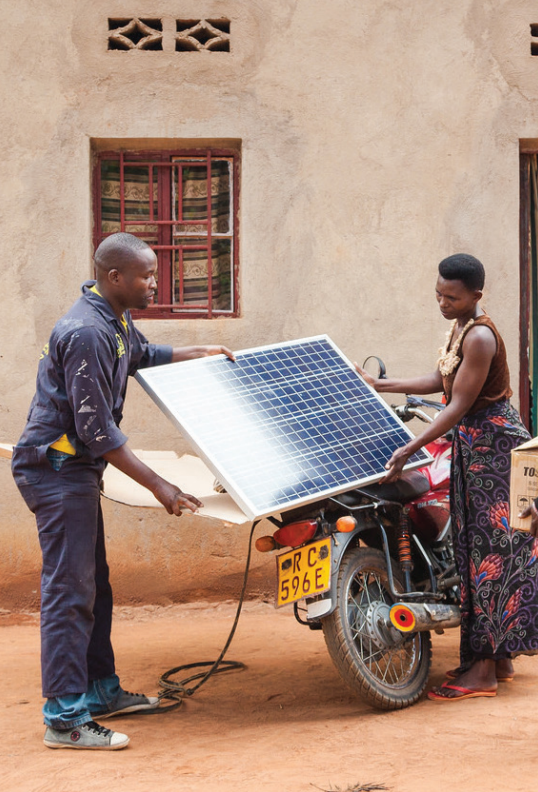


DAI AND INVESTMENT

DAI seeks to unlock the potential of private capital to drive inclusive growth. Leveraging our corporate expertise in private sector engagement, economic growth, public finance, and other sectors such as water and sanitation, health, education, and environment, we develop integrated cross-sectoral, market-based approaches that lower transaction costs and mitigate risk in emerging markets to facilitate investment that generates positive social, economic, and environmental impact.



Shaping a more livable world.



Two out of three people in sub-Saharan Africa live without access to electricity. Photo: Rachel Couch for Power Africa



INVEST supported Power Africa Kenya by bringing in transaction advisors who helped off-grid energy firms secure debt and equity totaling

\$105.3 MILLION

OUR CLIENTS

- European Union (EU)
- U.S. Agency for International Development (USAID)
- World Bank

OUR INVESTMENT SERVICES INCLUDE

INVESTMENT AND FINANCE ASSESSMENTS

DAI engages financial institutions, investors, government entities, and the private sector to better understand a country's finance and investment environment. We conduct investment and finance opportunity and market assessments to identify investment opportunities, locate sources of capital, map key stakeholders, and understand obstacles.

INVESTMENT FACILITATION

DAI provides assistance—directly or through specialized firms—to support investees and investors in raising capital. Through transaction advisory support, we bring impactful financial transactions and investment deals to close. We work with investment promotion agencies, building their capacity and helping to facilitate foreign direct investment and linkages with small and medium enterprises.

ECOSYSTEM AND ENABLING ENVIRONMENT STRENGTHENING

DAI partners with public and private sector actors, subject matter experts, donors, and government entities to improve policies and regulations that increase investment, reduce barriers to finance, and support a competitive and robust investment system. We provide capacity building and thought leadership on best practices to mobilize private capital, strengthen financial institutions, align public investment vehicles with market-

based approaches, and overcome investment obstacles.

CATALYTIC CAPITAL

DAI engages businesses, experts, and investors to execute studies that evaluate the structure, resources, and activities of investment facilities and funds. We work with stakeholders to develop recommendations, provide assistance, and manage concessional capital to structure facilities and funds that pool and deploy capital for investing in development objectives.

INTEGRATED SOLUTIONS

DAI designs and manages integrated investment approaches to align incentives, address ecosystem strengthening, and improve enabling environments. We create investment platforms that facilitate networks of specialized firms to support a pipeline of investments using pay-for-results and market development mechanisms.



33
FINANCIAL INSTITUTIONS
assistance provided
by Nguriza Nshore



250+
PARTNERS
In the INVEST
partner network



36
REFORMS
improving trade and
investment in Africa region



25
INVESTMENT ACTIVITIES
supported by
USAID missions



1.25
MILLION
new or upgraded electricity
connections in Africa



57
COUNTRIES
assisted by INVEST

“The INVEST team works collaboratively with firms from the partner network, and it guides new partners as they learn the ropes and figure out how to navigate USAID requirements.”

— Cameron Khosrowshahi of
USAID

CURRENT AND RECENT PROJECT IMPACT

INVEST

INVEST is a flexible, global on-demand mechanism that helps the U.S. Agency for International Development (USAID) mobilize private capital to drive inclusive growth. Leveraging its network of more than 250 partners from the investment and development community, INVEST conducts investment assessments, structures investment funds and facilities, and provides transaction advisory services to unlock capital for development. As of March 2020, INVEST identified 442 investment opportunities and directly supported 50 transactions, together valued at more than \$2.9 billion. INVEST works throughout the developing world, from frontier markets such as Haiti, Afghanistan, and the Democratic Republic of Congo to countries with deeper capital markets such as Kenya and India. For example, INVEST supported Power Africa Kenya by bringing in transaction advisors who helped off-grid energy firms secure debt and equity totaling \$63.25 million and designed an investment platform of local and international transaction advisors with a goal of initially mobilizing more than \$30 million in capital for Haitian small firms. The INVEST team is helping USAID to develop new models, such as a structured six-step approach on how to consider blended finance instruments to address health challenges. In 2019 it designed a first of its kind investment arrangement, through which INVEST used a contract to provide Women’s World Banking \$500,000 in funds to take a subordinate position and thereby de-risk other investors into a new Women’s World Banking Capital Partners’ Fund II. The \$500,000 enabled them to raise \$100 million in investment fulfilling the conditions of the contract.

Worldwide 2017–2022
Client: USAID

Rwanda Nguriza Nshore (“Lend So I May Invest”)

The Nguriza Nshore Activity builds the capacity of financial institutions and nonbank financial institutions, facilitates private investment, and strengthens the enabling environment to drive the growth of small- and medium-sized

firms and create nonfarm jobs for rural Rwandans. The Activity facilitated approximately \$3 million in agriculture-related finance and investment in 2019. More than 115 small firms received assistance and investment readiness training. Nguriza Nshore also provided assistance to 33 financial institutions, including one bank, one nonbank financial institution, seven microfinance institutions, and 24 savings and credit cooperatives by lowering risks, building capacity, and improving strategic planning to improve their ability to finance small firms.

Rwanda 2018–2023
Client: USAID

East Africa Trade and Investment Hub

The Hub spurred economic growth in eastern Africa by facilitating \$173.6 million of investment and trade finance in eastern Africa’s private sector, \$599.9 million in exports to the United States under the African Growth and Opportunity Act (AGOA), and 36 reforms that improved the enabling environment for trade and investment in individual eastern African countries and in the region as a whole. The Hub engaged two transaction advisory firms, Crossboundary and Open Capital Advisors, one impact investment fund, GroFin, and one individual advisor to facilitate investment deals by providing market assessments, opportunity sourcing, investment structuring, and transactional and strategic advisory.

East Africa 2014–2019
Client: USAID

Southern Africa Trade and Investment Hub

The Hub engages with partners across the Southern Africa region to increase sustainable economic growth, global export competitiveness, and trade in targeted countries. It supports these objectives by increasing exports from Southern African countries to South Africa and the United States, boosting capital and technology flows from South Africa to other



Photo: Chris Chesneau from Pixabay

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Southern African countries, and providing targeted trade facilitation support to Zambia. The Hub works with market actors to identify and resolve enterprise constraints and to implement sustainable solutions through market-based trade and investment facilitation services. To date, the Hub has facilitated more than \$59 million in African intra-regional trade and exports to the United States, including through AGOA; \$153.2 million in private-sector investment (\$94.2 million in agriculture and \$59 million in non-agriculture sectors); and \$16 million in agriculture-related finance.

Southern Africa 2016–2021

Client: USAID

PALESTINE FINANCE FOR JOBS (F4J)

F4J works to bring private investment and employment to the West Bank and Gaza. F4J's Development Impact Bond (DIB) is the World Bank's first DIB and is currently mobilized with \$1.8 million in capital from international and local investors that will be used to invest in job training and skills development. Its Entrepreneurship Ecosystem Matching Grant works with investment funds and business incubators to cost-share business development and consulting services for startup and early stage enterprises. The matching grants have helped to mobilize \$3.55 million worth of services for 20 firms, creating more than 120 jobs. F4J's third instrument, an Investment Co-Financing Facility, is a risk-sharing grant mechanism that supports Palestinian commercial projects with high potential for job creation. The co-financing facility has a pipeline of projects that will help mobilize \$95 million with more than 1,800 jobs created.

Palestine 2016–2021

Client: World Bank

Vietnam Urban Energy Security (VUES)

The Vietnam Urban Energy Security project promotes the deployment of 400 megawatts of advanced distributed energy systems in selected Vietnamese cities—meaning decentralized, clean energy generation or demand-reducing systems, anything from rooftop solar and battery storage to energy efficient vehicles. DAI is raising at least \$600 million from private and public sources to meet the project's energy goals.

Vietnam 2019–2023

Client: USAID

Georgia Economic Security Program

The USAID Economic Security Program in Georgia accelerates broad-based growth of sectors outside of agriculture that show strong potential to create jobs, increase incomes, increase micro, small, and medium enterprise revenues, and support diversification to more productive economic activities, including tourism, light manufacturing, shared intellectual services, and creative industries sectors. In its startup phase, the project achieved \$421,750 in leveraged investment through initiation of three Global Development Alliance partnerships and one public-private partnership. Through its partnership with Enkeny Films FF9; the project is contributing \$45,000 towards a total investment of \$179,441 to utilize the production of "Fast & Furious 9" to train 40 Georgian film crew, providing a once-in-a-lifetime platform for skills development in production business activities. Additional partnerships are structured within the program's pipeline. Together, these partnerships are expected to produce 2,010 new high-value jobs, mobilize \$11 million in investment, and \$31 million in sales during the life of the project.

Georgia 2019–2023

Client: USAID

Trade, Private Sector Development, and Engagement (TPSD/E) Facility

DAI provides technical expertise to European Union (EU) staff working on private sector development and trade; creates and shares knowledge inside the institution; and supports the visibility of the European Commission's Directorate General for International Development Cooperation. The EU originally established the Facility to support implementation of its 2014 Private Sector Communication, and to shape and implement new policy orientations, in particular toward the EU's External Investment Plan (EIP). The Facility creates operational guidelines and knowledge, visibility, and communications materials, focusing on private sector engagement and investment identification. Additionally, the Facility has trained more than 300 staff during 30 field missions in Africa, Jamaica, and Nepal. It has also enabled the launch of the first risk-sharing finance facility in Jordan under the €3.7 billion European Fund for Sustainable Development.

Worldwide 2017–2021

Client: EU