

Case study

Female fund managers in Africa:
the AfricInvest women

Adam Smith Europe
part of the Adam Smith International group



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The AfricInvest women

Women have always been underrepresented in the venture capital (VC) space worldwide. Some of the earliest research from the US (2018) found that only nine per cent of VC decision-makers were women.ⁱ In Africa, new data by Disrupt Africaⁱⁱ shows more promising trends - 39.6 per cent of VCs actively investing on the continent in 2022 had a female partner or founder; while 47.6 per cent of Africa-based VCs active in this period had women in leadership roles.

With the direct link between gender diversity in teams and increased profitability,ⁱⁱⁱ funds worldwide are looking to attract more women to their ranks. Tunisia-based AfricInvest has done just that, with the VC firm's junior team staffed mostly by vibrant young women.

Patricia Rinke, Azza Khalfallah, and Hana Maalej are three of the women on AfricInvest's investing and fundraising team. From different backgrounds, they all came to VC very early in their careers, and say it makes for an exciting, passionate, and challenging vocation.

ⁱ [Axios](#)
ⁱⁱ [Disrupt Africa](#)
ⁱⁱⁱ [McKinsey & Company](#)



Hana Maalej

Fund Officer, AfricInvest Group

Based	Tunis, Tunisia
Born	Tunis, Tunisia
Education	Bachelors - Finance; Masters - Corporate & Market Finance: IHEC Carthage
Career	Financial Analyst - TSI; Sell-side Financial Analyst - ODDO BHF
Hobbies	Salsa, Body Combat, Running, and Singing



Azza Khalfallah

Investor Engagement Officer, AfricInvest Group



Based Tunis, Tunisia

Born Tunis, Tunisia

Education Bachelors - Applied Management; Masters - Finance: Université Paris Dauphine; MSc - Financial Markets and Investments: SKEMA Business School in partnership with North Carolina State University.

Career Financial Analyst - Tech Superpowers; Financial Analyst - ODDO BHF; Investment Officer - AfricInvest.

Hobbies Crossfit and Travelling.

Patricia Rinke

Investment Associate, AfricInvest Group



Based Tunis, Tunisia

Born Vienna, Austria

Education BSc - International Business: Vienna University of Economics and Business, Masters - Management: HEC Paris; Masters - Cognitive Sciences: Ecole Normale Supérieure Ulm

Career Total Compensation team - Magna International; Reporting Intern - Atos; VC Intern - AfricInvest.

Hobbies Crossfit, Boulderling, Yoga, and Learning Languages



DID YOU KNOW?

African tech startup funding has been increasing dramatically over the last few years. From just US\$129 million in 2016, total investment secured per year passed the **US\$3 billion mark in 2022.**

The number of startups securing investment each year has also been on the rise. In 2015, only 125 startups secured investment, but by 2022 this figure had increased to 633.

A key feature of the African startup landscape over the last few years has been growth in the number of active investors on the continent. Disrupt Africa tracked just 155 investors in 2018, which increased to 261 in 2019, 370 in 2020, and 771 in 2021. In 2022, we saw 987 different investors back African tech startups. With a large range of institutional investors, VC firms, family offices and angels active in Africa, there is clearly an increasing confidence and interest in backing startups on the continent across all stages of the startup lifecycle.

The Path to VC

Very different walks of life have converged in the case of the women at AfricInvest. While Patricia was born and raised in Vienna, Austria; Azza and Hana are both from Tunis, Tunisia. Their university educations span three continents, and while Patricia first came to AfricInvest as an intern, Azza held several financial and equity roles and Hana came following a 10-year career as a financial analyst.

But all three women say they knew little about the world of VC prior to joining AfricInvest - it seemed like work for older, more experienced candidates, not those starting out in the financial jobs market. They all feel this lack of awareness of the possibility of a career in VC is a key barrier to female representation.

"I think that the biggest obstacle that I had, especially at the beginning, was that I didn't really know what VC was. I had heard about it, but I thought it was something where you need a lot of experience before, like you'd worked a lot in PE before, or years and years in investment banking, or something so that you can even access this field, which is actually not true," says Patricia.

In addition, there is the (mis)conception that a role in VC requires extensive tech knowledge, and existing networks

in the field. "This may be a blocker for women who tend to overestimate the prerequisites and underestimate their ability to learn and grow into the role once they start in the space," she says.

She notes the VC space is a "small universe" and there is not much literature or guidance existing on how VCs actually make their investment decisions, and as such it is not a particularly open and accessible industry for new entrants.

For Hana, the historical imbalances and ingrained tendencies within the VC space perpetuate a model which feels less accessible to female candidates. Traditionally a male-dominated space, there are still not enough high-level, high-profile women investors, and as a result there are not enough inspiring role models and support networks and mentors for younger women starting out in their careers.

Better networking opportunities will be key to addressing the gender imbalance in the space, she says.

"Women definitely have limited networking opportunities compared to men in the finance world. So it's more challenging for them to access the same networks and opportunities as men, leading to reduced exposure to VC and fewer success stories."





For all three women, the option to join AfricInvest presented itself at just the right time, and offered an intriguing opportunity, and the chance to have an impact-driven and challenging line of work. This offer of impact is a key draw of working in the VC space in Africa, they say.

“What I wanted to do is to do something that I’m really passionate about. I was always interested in technology, and so investing in VC is a way for me to combine my business background with my interest in tech. And doing VC in Africa was in response to my desire to change something, to enable positive change in the world. (...) I really feel that having a positive impact makes a big difference for me actually wanting to come to work every day,” Patricia says.

“I wanted to do something that has impact, and I wanted to try to change things. And so far I feel that working on VC in Africa is a very interesting way to do it,” says Hana.

But how to create more of these entry opportunities for more women?

Gender diversity will become an increasingly self-perpetuating cycle, Azza believes.

“I think more women as VC fund managers can imply more women recruited at least into the VC investment space.”

Hana echoes this, noting that as more women become visible in VC leadership positions, more women will feel more welcome in the field, and believe in their ability to succeed in it.

All three women say there is a need for dedicated female-focused initiatives, both within education facilities and throughout the career cycle - covering everything from education around VC, to incubation and mentorship opportunities, better networking, and even financing support.

“On a university level, there could be more courses and associations about VC, and funds recruiting directly at universities. This would show students that one does not need to have 10 years of investment banking experience to choose that career path,” Patricia says.

A Day in the Life

There are no two days the same in the world of VC. That is the answer echoing from all three women when asked how they spend their working days. There are times - for example when a deal is on the table - when work is very focused, and everyone is concentrating on due diligence and closing the deal from morning till night.

At other times of the year, work might be very networking-based. The importance of talking to other funds, new startups, attending events, cannot be understated, they say.

The team is solicited a lot via email year-round. They estimate that of 1,000 emails soliciting investment, they may move forward to screening with one or two. All team members are responsible for seeking out new leads, which are then discussed at weekly meetings. If a company meets the fund's strategy, further conversations will be had, and a pre-screening and screening phase ensues. At the very end of this process, potential candidates for investment are voted on by AfricInvest's Investment Committee.

And of course portfolio management and supporting those existing portfolio startups makes up a lot of the job.

"There is never a day that is the same in VC, and you never necessarily know what is going to happen on the same day so you have to be OK with a very volatile schedule, so to speak," says Patricia.

Hana agrees with this: "It's several topics at the same time. The key element, and the key point in order to keep up is to be organised, to know how to manage the urgent matters. It's a day-to-day learning process."

As an impact-oriented fund, all three women believe it is important to be mindful of diversity when assessing potential investments, and that getting more backing to female founders should be one priority when looking at the impact of an investment.

"Regarding women-led businesses, my message here is that we really need to put in place very specific programmes for women. Whatever their business is, whether it's a startup or if it's a different job, we need to put in place specific programmes targeting women and supporting women with their activities," says Azza.



Hana notes that improving gender diversity both within the fund's portfolio, and also within the management roles of startups the team works with, has been flagged as a key area for attention by AfricInvest's own Environmental and Social Governance team.

From a practical perspective, Patricia says limited partners (LPs) of funds should include gender-based targets among the impact indicators funds are asked to report on.

"If you want to trigger that change on a larger scale and you know that there is a bias, due to for example not enough female investment officers, then as an LP you can try to push for that just as much as you push for other impact indicators. We get a lot of impact indicators from our investors - many of which are development finance institutions - they want us to create jobs, for example, they don't just want us to invest for returns only. Of course that's the goal, but there's many things you need to fulfill, to report and show that your investments are impactful as well. And I think that investing in female founders and just pushing for more women to lead companies is also an impact indicator."



Company name	AfricInvest // "CAIF"- Cathay AfricInvest Innovation Fund
Founded	AfricInvest - 1994 // CAIF - 2019
HQ	Mauritius
Other locations	Tunisia, Algeria, Egypt, Morocco, Cote d'Ivoire, Nigeria, Kenya, France, UAE
Partners	Founders and co-managing partners: Ziad Oueslati, Aziz Mebarek and Karim Trad Group CIO: Skander Oueslati Co-head of CAIF: Khaled Ben Jilani (Senior Partner) and Yassine Oussaifi (Partner)
Focus areas	Pan-African sector-agnostic early to growth-stage start-ups tech-enabled products and services.
Number of portfolio companies	Africinvest - 210 companies CAIF - 11 portfolio companies
Assets under management	EUR 2bn (CAIF size is EUR 110m)
LPs	DFIs, Corporates and Private Investors

Young Women in Investing

With a 10-year career in the financial market behind her, Hana says in her experience the industry is generally “surprised” by strong female representatives. She believes one way to start to bring about change in the status quo, is to better communicate about female investors and women-led success stories in the space.

Patricia agrees that having more women working in the VC space sharing their experiences openly can help towards increasing the number of women in the industry.

Meanwhile, Azza says the honest truth is “as a woman you really need to work harder in this environment.” And Patricia adds: “You have to be OK working in an environment that is mostly dominated by men.”

But all three of them say women should not be afraid to know their own strengths, and to take the risk of building a career in this challenging but rewarding field.

“I think one big barrier for women to not necessarily go into VC is that they often underestimate their abilities and what they can do. (...) Many women don’t realise how smart they actually are, and they should know,” says Patricia.

“Just don’t be afraid to take the risk. If you want to change things, don’t think that you already built 10 years on one career and that you cannot change anymore. I mean it was quite challenging for me to choose a different path, but now I feel I’m so happy about it, and I’m discovering a whole new world, which is really quite exciting and I really feel that I can make a difference now. Don’t be afraid, and do whatever it takes to follow the career you really want, the one you’re interested in,” says Hana.

“Stay strong. Do as much as you can to stay involved. The more you’re involved with groups and organisations promoting a strong and inclusive African VC ecosystem the more you learn. And the more you exchange ideas with others the more you’ll learn and be better at your job, Azza says.



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Hana

Boost Africa Technical Assistance Facility (BATAF) provides bespoke support to strengthen the core professional and operational skills of partner fund managers and their investees to realize growth potential among innovative tech start-ups and high growth SMEs in Sub-Saharan Africa (SSA). BATAF is funded by the European Commission and the Organisation of African Caribbean and Pacific States, through the 11th European Development fund. The funding is managed by the European Investment Bank and implemented by Adam Smith Europe, part of the Adam Smith International Group.

Women's empowerment is at the core of BATAF's mission, recognizing that women's inclusion is both the right and the smart thing to do. This case study is part of a series highlighting leading female fund managers in SSA. By showcasing the successes and challenges women face in the investment fund world these women's stories shed light on the alternative investment lens that women's inclusion in top management positions brings as well as the business and social transformation it can drive. The series is financed by the European Union under EDF Thematic Blending and Cotonou Investment Facility.



Boost Africa Technical Assistance Facility



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The authors take full responsibility for the contents of this report. The opinions expressed do not necessarily reflect the view of the European Union and the European Investment Bank.

