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Africa

Fund Managers Double Private Capital in Africa to USD 4 Billion
Fund managers focused on raising private capital for African companies more than doubled their funds to USD 4 billion in 2024, the third highest value in 10 years.

Most of the funds (42 percent) came from development finance institutions (DFIs), demonstrating the continent's growing appeal to investors despite its macroeconomic headwinds.

The amount, which represents a 110.52 percent increase from USD 1.9 billion in 2023, was raised in final closes across 22 funds, boosted by a resurgence in commitments to infrastructure and private equity funds, according to the latest study by the African Private Equity and Venture Capital Association Ltd (AVCA).

The African Private Capital Activity report, dated April 2025, shows that DFIs contributed 42 percent of the USD 4 billion, while African investors increased their commitments between 2022 and 2024, growing their share from 14 percent to 19 percent.

The rebound in private capital activity on the continent pushed the value of fundraising above the USD 2.7 billion annual average of the previous five years (2019–2023) and ended two consecutive years of decline. “Steady commitments into private equity funds further bolstered fundraising values as the asset class, alongside Infrastructure funds, each accounted for 30 percent of the total value of final closed funds,” the report says.

Source: The EastAfrican