

# IUNGO CAPITAL SEND IN THE ANGELS – HELPING START-UPS IN UGANDA

## About the SME

Company: **iungo capital**  
Sector: **Early-stage finance**  
Region: **East Africa**  
Country: **Uganda**

## DGGF impact

DGGF investment: **€2.30 million**  
Jobs created (expected): **220**  
Entrepreneurs trained: **32**



Together with local angel investors, Roeland Donckers aims to be a core supporter of small SMEs in East Africa that desperately want to continue growing but just cannot find the money to back their ambitions. The type of investments he looks for, companies with financing needs of between USD 50,000 and USD 500,000, are often seen as too costly and too risky. However, Roeland came up with an innovative solution to reduce the costs and risks by investing in these companies together with local business angels.

With his business partner Steven Lee, Roeland founded iungo (Latin for 'to bridge') capital in 2016, with the objective of bridging the SME finance gap. To do so, iungo capital engages locally-based angel investors through a co-investment structure. "Local angels", says Roeland, "bring in local knowledge, experience, resources and networks that no investment team alone has." It was this investment strategy that convinced DGGF to be the first seed capital investor in iungo capital in 2016, allowing the team to start making investments.

Their co-investment with angels has been successful: "They bring in 5-20% of the investment and do 5-20% of the work." The angels do not only reduce the costs for iungo capital, but also the risks. "The companies we invest in are not only dealing with us, a foreign investor, but are also dealing with people who are respected in their local community." This makes them more eager to meet their financial obligations. This way, iungo capital invests in SMEs that otherwise would not have received the financial backing they needed.

To date, iungo capital has invested in eight companies, and expects to invest in a total of 50 companies in Uganda, Kenya and Rwanda in the coming three years. "This would not have been possible without DGGF's early support, which has helped us to start building our portfolio and track record", says Roeland. Specifically, SC&BD supported iungo capital to pilot its innovative co-investment model. The initiative graduated to a fully-fledged vehicle in mid-2018 and aims to raise USD 10 million by the end of 2019.

"The main objective of DOEN Participaties is to achieve a positive impact on society by supporting innovative entrepreneurs. Thanks to the early support of DGGF the new model of iungo was validated. This gave like-minded investors the change to step in."

**Daan Laméris, Investment Manager at DOEN Participaties**

