

It's time to invest in improving the lives of women in Africa

By [Omega Collocott](#)

13 Jul 2017

In recent years, Africa has been an area of focus for investment in infrastructure development, trade, and financial inclusion (partly through fintech and the financing of SMEs). However, environmental and 'gender lens' investing (which targets women-led businesses and initiatives) are gaining traction, particularly in the development finance community.



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Despite an increase in social development investments in Africa, more is needed to improve the lives of women and girls on the continent. According to Oxfam South Africa, a third of all women will experience violence at some point in their lives and marginalised women are the most vulnerable.

Changing lives

A key take-away from the African Financial Services Investment Conference (AFSIC), recently held in London, was that investment that can improve the lives of women and girls is of paramount importance to the future wellbeing of the African continent. Women have the power to change lives, and all they need is an opportunity to change their own. European development finance institutions were particularly vocal regarding the importance of investing in Africa, noting that women and the environment were important themes in their future investment strategies.

There is much evidence to support the rationale for 'gender lens' investing. The World Bank states that labour productivity can be increased by as much as 25% in Africa by simply eliminating the barriers that keep women from working in various sectors. In addition, the African Development Bank notes that women are more active as economic agents in Africa than anywhere else in the world, and in some countries make up 70% of employees, in addition to being integral to the household economy and welfare of their families.

Investing in Africa

Whilst the need to invest in the economic empowerment of women in Africa was seen as a key to social upliftment,

environmental, infrastructure, trade and financial inclusion investing remain high on the agenda. The continent finds itself at a crossroads with regards to investment. Sovereign risks, financing constraints, regulatory roadblocks and limited tools for risk assessment are still challenges to investment in Africa. However, the benefits of investing in Africa are starting to outweigh the challenges. The expected strong growth in GDP and increased intra-regional trade make Africa an increasingly viable option for prospective investors.

Africa is making great strides in improving its investor-friendliness. The list of international companies currently operating in Africa is growing, supported by regulator-supported financial market development. Africa's banking sector is still relatively underdeveloped, but it is gaining traction, and non-banking financial institutions are pushing the financial inclusion agenda.

Infrastructure development is a critical component to unlock the true potential Africa has to offer. There are still massive infrastructure needs on the continent, all requiring substantial capital investment. Infrastructure development (especially transport corridors and power generation) significantly boosts intra-regional trade and attracts international companies to open operations.

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