Early Warning System

EIB-20170078

CEPHEUS ETHIOPIA SME FUND

Early Warning System
CEPHEUS ETHIOPIA SME FUND

EIB-20170078

Quick Facts

Countries	Ethiopia
Financial Institutions	European Investment Bank (EIB)
Status	Proposed
Bank Risk Rating	U
Borrower	SPECIAL PURPOSE ENTITY(IES)/FUND
Sectors	Finance
Investment Amount (USD)	$ 10.00 million
Project Cost (USD)	$ 100.00 million

Project Description

Cepheus is a local Ethiopian fund manager launching its first fund focused on Ethiopia where the private equity industry is nascent. The fund is incorporated in Mauritius and will focus on providing growth capital for Ethiopian small and medium-sized enterprises (SMEs) with a focus on strong job creation and sustainable financial returns. The significant job creation will impact the root causes of the migration crisis in this frontier country. The operation is EIB's first fund investment in Ethiopia, supporting a first-time manager with a focus on generating superior developmental returns.
The proposed operation concerns a participation in Cepheus Growth Capital Fund, a closed-end growth equity fund with a target size of USD 100m. The fund will be set up to make privately negotiated equity and equity-related investments in SMEs in Ethiopia. With a generalist approach in terms of sectors, the fund will support local companies in need of growth financing with strong job creation focus. Its main objective consists in acquiring significant minority stakes in businesses with a strong growth potential. The manager will seek to create value through a hands-on management approach, driving the growth and profitability of investee companies and enhancing enterprise skills, governance as well as environmental and social standards.

Investment Description

- European Investment Bank (EIB)

Contact Information

ACCOUNTABILITY MECHANISM OF EIB

The EIB Complaints Mechanism is designed to facilitate and handle complaints against the EIB by individuals, organizations or corporations affected by EIB activities. When exercising the right to lodge a complaint against the EIB, any member of the public has access to a two-tier procedure, one internal - the Complaints Mechanism Office - and one external - the European Ombudsman. A complaint can be lodged via a written communication addressed to the Secretary General of the EIB, via email to the dedicated email address complaints@eib.org, by completing the online complaint form available at the following address: http://www.eib.org/complaints/form, via fax or delivered directly to the EIB Complaints Mechanism Division, any EIB local representation office or any EIB staff. For further details, check: http://www.eib.org/attachments/strategies/complaints_mechanism_policy_en.pdf

When dissatisfied with a complaint to the EIB Complaints Mechanism, citizens can then turn towards the European Ombudsman. A memorandum of Understanding has been signed between the EIB and the European Ombudsman establishes that citizens (even outside of the EU if the Ombudsman finds their complaint justified) can turn towards the Ombudsman on issues related to 'maladministration' by the EIB. Note that before going to the Ombudsman, an attempt must be made to resolve the case by contacting the EIB. In addition, the complaint must be made within two years of the date when the facts on which your complaint is based became known to you. You can write to the Ombudsman in any of the languages of the European Union. Additional details, including filing requirements and complaint forms, are available at: http://www.ombudsman.europa.eu/atyourservice/interactiveguide.faces

Bank Documents

- Project Information