

# Fact Sheet: U.S. Investment in Entrepreneurship

[July 25, 2015](#) / [GES 2015](#)

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## **FACT SHEET: U.S. Investment in Entrepreneurship**

President Obama and President Kenyatta opened the 6th annual Global Entrepreneurship Summit (GES), co-hosted by the United States and the Government of Kenya, and announced new commitments to promote entrepreneurship as a driver for economic growth, social inclusion, and secure communities. Following his historic 2009 Cairo speech, President Obama elevated innovation and entrepreneurship in the U.S. engagement agenda and hosted the first GES at the White House in 2010. Over the past six years, the United States has been a leader in catalyzing entrepreneurship globally by developing innovative ecosystems; advocating for stronger business climates through rule of law and transparent business conduct; promoting entrepreneurship for women, youth, and marginalized communities; and mobilizing the private sector to expand impact.

GES 2015, held in Nairobi, Kenya, is the first summit held in sub-Saharan Africa, highlighting the entrepreneurial dynamism of the continent. The summit brings together approximately 1,000 outstanding entrepreneurs and investors from across the world for dynamic, outcome-oriented sessions; mentoring; and opportunities to showcase their work. With a strong focus on African-based solutions, the summit showcases how investors and entrepreneurs from other regions of the world can connect with the continent in new ways. GES has become a preeminent annual gathering that provides emerging entrepreneurs with exceptional networking, insight, and investment opportunities.

At the 2014 GES in Marrakesh, Morocco, the U.S. Government set a goal of sparking \$1 billion in new private investments over the next three years for entrepreneurs worldwide. President Obama issued a call to action in May to governments, companies, organizations, and individuals to help reach that target. Today, President Obama announced over \$1 billion in new commitments from banks, foundations, philanthropists, and the U.S. Government, with half of that money going to support youth and women entrepreneurs.

### **U.S. Investment in African Entrepreneurs**

President Obama announced that the U.S. Government is committing significant new resources to advance entrepreneurship in sub-Saharan Africa:

- The Overseas Private Investment Corporation (OPIC) will support up to \$200 million for Equity Bank Group lending of \$450 million in foreign currency, with a focus on youth and women, to small and medium enterprises over the next five years.
- OPIC signed a memorandum of understanding to explore OPIC financing of \$100 million in Goldman Sachs 10,000 Women and the International Finance Corporation's Women Entrepreneurs Opportunity Facility, extending debt investments to help support financial institutions supporting women-owned small and medium enterprises worldwide.
- OPIC announced the [Portfolio for Impact](#) program, a two year, **\$50 million pilot program that will support smaller earlier stage companies that generate positive social impact**. The first three commitments under this program support companies focused on expanding their operations in Sub-Saharan Africa.
- USAID will provide a **\$25 million Loan Portfolio Guarantee** to support Deutsche Bank's newly launched \$50 million Essential Capital Consortium (ECC) Fund, a debt fund focused on lending to social enterprises targeting the financial services, energy, and health sectors around the world, including sub-Saharan Africa.
- The Department of State's successful [Global Innovation through Science and Technology \(GIST\) initiative](#) will launch Africa-focused GIST TechConnect, GIST Startup Boot Camps, and GIST STEM Women's Village Workshops to train, mentor, and connect **more than 10,000 young African science and technology entrepreneurs**, with a focus on women, by July 2016.

- The Department of State's [African Women's Entrepreneurship Program](#) (AWEP), Caterpillar Inc., Caterpillar Foundation, and StartUp Cup will open the third new [Women's Entrepreneurship Centers of Resources, Education, Access, and Training for Economic Empowerment](#) (WECREATE), in Mali this year, in addition to the centers already open in Zambia and Kenya. The centers are expected to create 7,194 new jobs and 630 certified female mentors by October 2016.

### Private Sector Impact

President Obama has called upon the private sector to lend their support to entrepreneurs around the world through capital mentorship, training, and partnerships. At GES 2015, private sector companies around the world committed to train and mentor over **1 million** burgeoning entrepreneurs and pledged **nearly \$700 million** of capital to the next generation of entrepreneurs:

- Over the next three years, Chase Bank Kenya will **lend over \$580 million to entrepreneurs** with small and medium enterprises, with a focus on youth and women, ensuring that formal credit lines can be extended to entrepreneurs who would otherwise not have access to formal financing.
- Village Capital is announcing **\$13.2 million to supporting entrepreneurs at the critical seed-funding stage** who are solving major problems in society. VilCap Investment anticipates that over the life of the fund, 25 entrepreneurs in Kenya will receive critical seed-stage support.
- The Coca-Cola Africa Foundation (TCCAF) will pledge **\$4.5 million towards a new youth empowerment initiative** that will provide life skills training, business skills training and access to employment and mentoring for 25,000 young Africans. The Youth Empowered for Success (YES!) program will empower marginalized youth in six African countries, leveraging technology and strategic partnerships.
- The Global Entrepreneurship Network (GEN) is launching GEN Kenya and **commits \$100 million for programs** to support entrepreneurs and the development of their local ecosystems.
- The Mara Foundation pledges to **empower 1 million youth and women entrepreneurs in East Africa** through the Mara Mentor Platform. The platform will offer free courses, mentoring, e-learning, business financing through Mara Ad-Venture Investments, networking and internship opportunities, with the goal of enabling and inspiring women and youth to grow successful businesses globally.

### Impact of U.S. Government Entrepreneurship Programs

U.S. Government entrepreneurship programs and partnerships developed and implemented over the past six years have been instrumental in driving entrepreneurship around the world:

- The State Department's [LIONS@FRICA](#) and [TIGERS@MEKONG](#) Partnerships strengthen the technology and innovation entrepreneurship ecosystems across Africa and the Lower Mekong region respectively. Within a year of its inception, LIONS@FRICA reached approximately **2,000 entrepreneurs and mobilized more than \$75 million in new commitments** from Microsoft.
- USAID's [Partnering to Accelerate Entrepreneurship](#) (PACE) Initiative, started in 2014, continues to catalyze private-sector investment into early-stage enterprises and identify innovations that help entrepreneurs bridge the gap between early stage and scale-up funding. PACE has created six public-private partnerships and **163 entrepreneurs have been reached, catalyzing \$34.4 million in funding** for early stage entrepreneurs.
- The Department of State's [Global Entrepreneurship Program](#) (GEP) has worked with UP Global to introduce StartUP Weekends and other UP Global signature programs to U.S. embassies, consulates, and entrepreneurial contacts worldwide. UP Global now boasts **726 communities and approximately 7 percent of businesses that are created through StartUP Weekends are acquired or go public.**
- USAID and the Department of State's GEP formed an alliance to support [Centers for Entrepreneurship and Executive Development](#) (CEED) in Tunisia and Morocco. Since 2013, CEED has **trained 617 entrepreneurs and firms that joined CEED experienced an average of a 25 percent increase in employees and a 33 percent increase in revenues. CEED Morocco entrepreneurs have raised \$837,000 in in the past two years.**
- The State Department and the Aspen Institute's [Alliance for Artisan Enterprise](#) (AAE), has reached **more than 500,000 artisan businesses globally in the last year.** AAE is launching four innovative technologies and social media based initiatives: (1) a digital Artisan Supply Chain Toolkit to improve business operations and innovation; (2) a global awareness campaign and media competition; (3) a 300-person global stakeholder meeting to link investors with artisan businesses; and (4) expansion of an innovative financing fund for artisan businesses with KIVA.

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