Climate & Gender Investing in Africa

September 2025

Gender & climate investing in Africa overview

What is it?

Gender-Lens Investing (GLI) is an investment approach that integrates **gender-based factors** - e.g. share of women in ownership, leadership, or employment, and products or services that benefit women - to guide investment decisions.

In the context of climate change, GLI recognizes that **African women often face greater vulnerability** to climate change due to their social roles, economic circumstances and limited access to resources.[1] At the same time, these challenges position women as **key drivers of inclusive and effective climate solutions.**

The landscape

VC funding gap

Africa has the highest female entrepreneurship rate globally, yet **in 2024, female-founded teams received only $48m**, equivalent to **1%, of VC funding**. This was the lowest since 2019, compared to >$2b for male founders; $121m for mixed teams, and only $21m for all-female startups.[2]

Market inefficiency

Women are underfunded despite outperforming in capital efficiency and long-term ROI: research shows **women-led startups deliver 35% higher ROI** and generate more revenue with less capital.[3] In climate tech, where **Africa's adaptation market could reach $50B by 2030,**[4] women leaders are underrepresented in agriculture, off-grid energy, and circular economy models.

Favorable macro trends

GLI has mobilized **$33B globally,**[5] DFIs are de-risking early-stage capital, and African women-led VC and angel networks are expanding rapidly.

These factors present an opportunity to back exceptional founders and impactful solutions as the market begins to correct.

Why is it important?

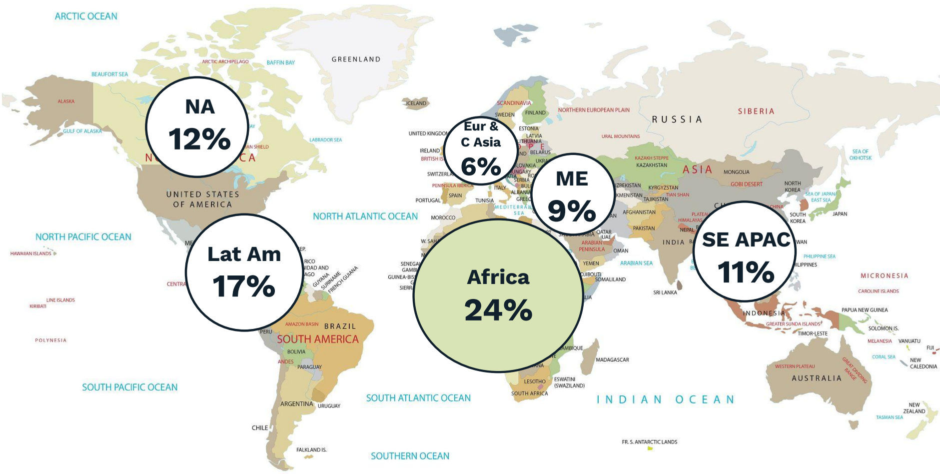
14x greater risk of death for women globally in climate disasters[6]

1% of VC funding in Africa went to all-women founded teams in 2024[9]

1 in 4 women in Africa are entrepreneurs, the highest rate globally[7]

43% of gender-lens PE and VC funds worldwide target Sub-Saharan Africa[8]

Percentage of women who are entrepreneurs by continent[10]



Why gender matters for climate innovation in Africa

Global studies have shown women-led companies to be strong investments from both a financial and climate impact perspective.

Environmental impact

Companies with women in leadership roles report:

- ➔ Up to **60%** lower energy use
- ➔ **39%** fewer GHG emissions
- ➔ **46%** less water consumption[11]

Governance & innovation

Teams with **≥30%** women are linked to:

- ➔ Better risk management and climate governance
- ➔ More climate innovation in energy, mobility, agriculture[12]

Social leverage

African Women make over **89%** of household spending decisions[13]

They reinvest **90%** of their income into their families & communities (vs. 35% for men)[14]

Strategic advantage

Gender integration is a **"resilience multiplier"** in climate finance

Access to DFI funding increasingly requires intentionality on gender aspects

Greater financial returns

Women-led startups deliver **2x higher revenue** per dollar invested[15]

Achieving full gender equality by 2043 could boost Africa's GDP by **$1 trillion**[16]

GDP

Gender-balanced leadership teams correlate with **25% greater increases** in valuation vs unbalanced teams[17]

Investing in women isn't just equitable—it drives stronger environmental, social, financial, and governance outcomes.

Sectoral opportunities & gaps for women entrepreneurs

Women are heavily concentrated in climate-vulnerable sectors, yet their underrepresentation in the formal climate tech startup ecosystem thwarts the potential for them to realise their game-changing competitive advantages.

Sector	Women's roles	Key barriers	Competitive advantage
Agriculture & food systems 🌱	Produce **80% of food** in sub-Saharan Africa as smallholder farmers[21]	Lack access to **land titles** and **irrigation infrastructure**	**First-hand insight** into climate threats from lived experience
	Dominate **informal food processing** and market trade	Limited access to **agritech tools** restricting productivity scaling	
Energy ⚡	Primary household **energy decision-makers** and fuel managers	**Underrepresented in broader energy industry** - especially in technology development roles or project owners	**Built-in distribution channels** and strong community ties to accelerate adoption
	Natural distributors of solar systems via strong **community networks**	Lack of **technical training, mentorship and financing** for women in energy	
Water and sanitation 💧	Spend **40 billion hours/year** collecting water in sub-Saharan Africa[22]	**Lack access to technical and engineering** support from partners/advisors to scale appropriate solutions	Intimate understanding of **water stress and quality issues**
	Responsible for water collection in **80%+ of households**[23]	**Limited funding** to scale water sanitation and hygiene solutions	
Waste & circular economy ♻️	Key roles in "**waste value chain**" - from waste generation to collection	**Difficulty obtaining capital** for recycling equipment	**Established relationships in communities** reduces collection costs and ensures participation
	A growing number are **launching recycling and upcycling businesses**	Must navigate **male-dominated supply chains** for recycled materials	
Climate tech 🔬	Traditionally and currently a **male-dominated field**	**Gender gaps** in STEM education and coding skills	Diverse teams identify underserved demographics and build **inclusive products** with end-users in mind
	Seeing breakthroughs in **AI, agri-tech and biotech** sectors led by women	**Bias against and lack of funding** for women founders in climate tech	

Women-led climate startups to watch

Climate tech startups that are on our radar, founded by women across the continent.

The Awareness Company

Co-Founder/CTO: Shazia Vawda
Country: South Africa
Sector: Resource management
Description: Tracks real-time data and builds out sustainability analysis and interventions for resource optimisation
Impact: Drives cost savings through sustainable practices

Conservio

Founder/CEO: Lara Dendy Young
Country: South Africa
Sector: Eco-tourism
Description: Travel marketplace for properties that prioritize habitat conservation in Southern Africa
Impact: Promote eco-tourism for properties that protect habitats

Legendary Foods

Founder/CEO: Shobhita Soor
Country: Ghana
Sector: Agri-tech
Description: Food-tech business delivering sustainable and affordable insect protein solutions & products
Impact: Circular economy technology for alternative protein solutions

Style Rotate

Founder/CEO: Natasha Liesner
Country: South Africa
Sector: Circular fashion
Description: Circular fashion rental and resale platform
Impact: Reducing fashion waste through clothing sharing economy

Farm to Feed

Founder/CEO: Claire van Enk
Country: Kenya
Sector: Agri-tech
Description: Connects smallholder farmers with B2B buyers to sell their full harvest, including rescue produce
Impact: Reducing food waste and boosting farmer incomes

Amini

Founder/CEO: Kate Kallot
Country: Kenya
Sector: Climate-tech
Description: AI-driven climate & environmental data processing and analytics platform
Impact: Establish accurate, reliable & localised environmental data in Africa

Holocene portfolio company

Gender-responsive climate policies in Africa

GLI growth in Africa is driven mainly by DFI and European mandates, complemented by emerging African policies.

Momentum is building across the continent

The African Union adopted a common position in 2022 to integrate gender into Africa's climate action agenda.

40 out of 41 African countries that submitted updated Nationally Determined Contributions (NDCs) have included gender considerations as of 2023.

Kenya

Climate legislation pioneer

- **First African climate law with gender criteria:** Climate Change Act (2016)
- 2010 Constitution mandates **gender equality across all sectors incl. environmental governance**
- **Mandates women's inclusion** in climate decisions & sets gender targets in certain sectors

Rwanda

Gender governance leader

- **World's highest women parliamentary representation:** representing 63.8%[24]
- **National Gender Policy (2021)**: revised framework integrating climate considerations
- **Legal reforms support inclusivity** e.g. land inheritance rights and gender quotas

South Africa

Constitutional climate rights

- **Mandates gender in Climate Change Bill (2022)** e.g. gender budgeting and sectoral targets
- **Constitutional environmental rights:** Article 24 provides legal foundation for gender-inclusive climate justice

Nigeria

Sectoral strategy approach

- **Implementation of Gender and Climate policies:** National Action Plan on Gender and Climate (2020) & National Gender Policy (2022)
- **Agricultural focus:** improving women's access to drought-resistant seeds and climate information

DFI & European gender mandates pave the path

Development Finance Institutions (DFIs)

Created by DFI's, the **2X Challenge serves as the main benchmark for gender inclusion** in investments across Africa:

- Mobilised US$33.6B globally between 2018-2024
- Targeting US$20B more by 2027

Many DFIs use 2X gender criteria as funding milestones

European Union initiatives

Large capital mobilization for gender equality and climate innovation:

- Global Gateway Africa-Europe Package: €150B (2023–2027)
- Horizon Europe Africa Initiative: ~€128M in 2025

European Investment Bank (EIB) invests with 40%+ alignment to 2X Challenge criteria

Opportunities for capital allocators and receivers

For investors

Integrate and report on gender lens criteria

- ➔ Enhances eligibility
- ➔ Attracts co-investment
- ➔ Strengthens deal pipelines with innovative, women-led climate solutions

For startups

Demonstrate gender intentionality:

- ➔ Measure gender data (e.g. % of women in leadership & workforce) to access grants & DFI/EU-backed funding,
- ➔ Adopt gender impact measurement, including end customers, for investor appeal

The gender-smart capital landscape

	Early-stage VC	Growth / private equity	DFIs & impact investors	Accelerators & incubators	Networks & NGOs
Small-scale, local	wCap	ARUWA Capital Management; OBUDU Capital	Bank of Industry	SLA She.Leads.Africa; WomHub	AWIEF Africa Women Innovation & Entrepreneurship Forum; Solar Sister; WEP International
Multi-country, regional	ShEquity; Catalyst Fund; Kazana Fund; Katapult; gather; Betawaves; Sahara Impact Ventures; Altree Capital	Alitheia; IP Investisseurs & Partenaires; ATG Samata; AfricInvest	Kuramo Foundation; shewins Africa; M-Kyala ventures		AWEP African Women's Entrepreneurship Program; avpa; wocan; The Rallying Cry; AIP Continental Africa Water Investment Programme
Large, global	Climate Pledge Fund; Janngo; BlueOrchard Impact Investment Managers		USAID; Mastercard Foundation; Global Innovation Fund; shewins Climate	techstars; She Loves Tech	UNDP; 2X Global

Backing Women. Backing Returns.

Gender-lens funds funding women

Women-led funds like FirstCheck and ShEquity are reshaping early-stage investing by unlocking capital, networks, and credibility for first-time women founders.

Result: More women-led startups are reaching the market with stronger traction and readiness

Gender initiatives and blended finance

DFIs and initiatives like the 2X Challenge and AFAWA are driving targeted funding, allowing women-led climate ventures to benefit from non-dilutive and blended capital streams.

Result: Women-led climate solutions are scaling faster and drawing follow-on investment

Increase in women-led ventures

VC funding is down, valuations are low but support systems are robust, with women-led ventures posting promising early results.

Result: Investors enter early, back de-risked teams, and capture outsized upside.

The potential of gender & climate investments

Investing at the intersection of gender & climate presents a potential opportunity to do good and do well by scaling women-led and women-benefitting climate tech startups across the continent.

Capture first-mover advantage in an undervalued market

Women-led climate enterprises receive <1% of climate finance despite strong financial performances of women-led businesses. This massive investment gap presents exceptional entry opportunities for early investors willing to back proven performance metrics.

Tap into the networks driving Africa's $50B climate adaptation market

African women control 89% of household spending decisions and possess established community distribution channels. Investing in women-led solutions can provide direct access to end-users and accelerated market penetration in Africa's rapidly expanding climate market.

Leverage sector-specific competitive moats

Women entrepreneurs dominate critical climate-vulnerable sectors (80% of food production, primary energy decision-makers) with deep market insights competitors lack. Their lived experience can translate to product-market fit advantages and reduced customer acquisition costs.

Access blended capital structures for enhanced returns

Gender-lens criteria unlock non-dilutive funding streams, accelerator programs, and DFI co-investment, reducing capital requirements while maintaining upside potential. These structures can improve risk-adjusted returns through diversified funding sources.

Scale through regulatory momentum creating market pull

40 of 41 African NDCs now include gender considerations, laying the foundation for policy-driven demand for women-led climate solutions.

Deploy capital into resilience-multiplier technologies

Women-led climate ventures demonstrate superior resource efficiency (60% lower energy use, 46% less water consumption) and stronger governance, translating to operational advantages and reduced business risks in volatile markets.

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