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## US Government Backs Water Unite Impact to Fund the Water Sector's Missing Middle in Emerging Markets

**London, 19 September 2024** – Wellers Impact is delighted to announce a US\$7.5 million commitment to Water Unite Impact (WUI) from the U.S. International Development Finance Corporation (DFC). This strategic investment will create a stronger and more climate-resilient water sector by providing catalytic growth finance to emerging market companies in this space.

WUI is managed by Wellers Impact, an FCA-authorised impact investment manager with offices in London and Nairobi.

*"We are thrilled to have DFC's support as we work to scale our efforts to build out this essential and exciting sector. Wellers Impact has a strong investment management ethos, focusing on in-depth analysis of circular economy and highly effective technology opportunities in the sector. DFC's investment is a real endorsement to that professional approach."* said Neil Sandy, CEO of Wellers Impact.

771 million people still don't have clean water close to home and 1.7 billion people lack access to a toilet. Due to the impact of climate change, 52% of the world's population will live in water-stressed regions by 2050.

The sector experiences a significant 'missing middle', the funding gap in parts of the finance landscape not met through charitable foundations, microfinance institutions, commercial banks and/or formal capital markets.

DFC's funding will accelerate WUI's mission to connect ground-breaking companies with capital, expertise and networks for substantial growth. This commitment follows the successful completion of WUI's pilot phase, which resulted in a strong portfolio of five investments across Africa and Asia and a strengthened management approach and investment thesis.

Investments have been made into Jibu, Sanivation, GREE Energy, Mr Green Africa and Seabex, covering the five key pillars of WUI's "Water+" investment thesis:

- A. Access to clean water
- B. Access to sanitation/toilets
- C. Wastewater circularity
- D. Solid/plastic waste circularity
- E. Water preservation



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*“DFC is pleased to be supporting such innovative and impactful work with Water Unite Impact in alignment with our priority of catalysing private investment into small businesses operating in the climate space,” said Justin Andrews, DFC’s Acting Vice President of Small Business & Financial Services. “This is a highly significant transaction that will provide vital financing to support small businesses that are addressing the challenges of water, sanitation and plastic waste in emerging markets.”*

The fund uses an innovative blended finance strategy to leverage and de-risk private sector finance. This consists of a catalytic First Loss Tranche, primarily funded by corporate donors through Water Unite (a non-profit), and Senior Capital, sourced from private impact investors including Family Offices, High Net Worth Individuals (HNWIs) and Development Finance Institutions (DFIs).

*“Water scarcity poses a significant risk that transcends individual sectors and affects the entire economy. As we approach 2030, a radical new approach to address this issue is required. Alongside our corporate partners, we believe that leveraging philanthropic funds to support impact investing has the potential to magnify their impact, making philanthropy more efficient and transformative. We’re calling on more corporates to join forces and unite around this cause.”* said Water Unite Chair, Lord Malcolm Bruce.

Current corporate donors include Co-op Group, who have been supporting Water Unite Impact since its inception.

*“Co-op’s vision is firmly rooted in co-operating for a fairer world - one that is fairer to people, and fairer to the planet. Water Unite Impact (WUI) provides an innovative platform for Co-op colleagues, members and customers to protect our most precious resource; water. We’re delighted that the US International Development Finance Corporation (DFC) shares our vision and will be leveraging our funding. Their commitment provides significant validation to the early success and scalability of the WUI model.”* said Co-op’s CEO, Shirine Khoury-Haq.

DFC’s investment forms part of ongoing fundraising efforts for the fund’s close of up to \$60m, which is anticipated to be the end of this year. Wellers Impact is now actively inviting new Limited Partners (LPs) to join forces in tackling water insecurity.

— ENDS —

## **NOTES TO EDITORS:**

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### **Image to download**

[https://drive.google.com/drive/folders/12l1ZkDwG8ZGE-gyN-Fyi85k2JjJMdfQZ?usp=drive\\_link](https://drive.google.com/drive/folders/12l1ZkDwG8ZGE-gyN-Fyi85k2JjJMdfQZ?usp=drive_link)

### **About Water Unite Impact**

*Water Unite Impact (WUI) is an investment vehicle developed in partnership between Wellers Impact, an FCA regulated impact investment manager, and non-profit Water Unite. WUI invests into private sector water SMEs in the global south to transform lives and communities whilst generating risk-adjusted, market-rate returns for investors. WUI is applicable only to suitable Professional Clients, as defined under the Financial Conduct Authority’s (“FCA”) conduct of business rules. [waterunite.org/water-unite-impact](http://waterunite.org/water-unite-impact)*



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### **About the DFC**

*The U.S. International Development Finance Corporation (DFC) is the U.S. Government's development finance institution. DFC partners with the private sector to finance solutions to the most critical challenges facing the developing world today. DFC invests across sectors including energy, healthcare, infrastructure, agriculture, and small business and financial services. DFC investments adhere to high standards and respect the environment, human rights, and worker rights.*

### **About Wellers Impact**

*Wellers Impact is an FCA regulated impact investment manager founded in 2016 by a group of experienced investment professionals based in London and Kenya. The Wellers Impact team have been involved globally in investment management, private equity, real estate development, impact investing and the charity sector for over 15 years. The team's first-hand experience has provided them with an invaluable understanding of the progress that is made possible through providing organisations in developing economies with sustainable financial solutions. [wellersimpact.com](http://wellersimpact.com)*

### **About Water Unite**

*Water Unite is a global not for profit working to provide clean water for people and planet. The non-profit unites corporate partners around a common collective action - to fill the funding gaps in the water sector. Large corporates including Co-op, Elior PLC, Lucazade, Ribena, Suntory and Britvic PLC have already joined Water Unite. To date the organisation has supported nine projects directly benefiting over one million individuals in developing countries. [waterunite.org](http://waterunite.org)*

### **About Co-op**

*Co-op is one of the world's largest consumer co-operatives with interests across food, funerals, insurance and legal services. Owned by over 5 million members, Co-op operates almost 2,400 food stores, over 800 funeral homes and provides products to over 5,000 other stores, including those run by independent co-operative societies and through its wholesale business, Nisa Retail Limited. Employing almost 60,000 people, Co-op has an annual turnover of over £11 billion and is a recognised leader for its social goals and community-led programmes. Co-op exists to meet members' needs and stand up for the things they believe in. [coop.co.uk](http://coop.co.uk)*

*Investment Involves Risk. Wellers Impact Limited is a limited company regulated by the Financial Conduct Authority, and registered in England and Wales with Company Number 9857205.*