

The Street

Investing in Africa, Who Gives a 'Dime'?

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NEW YORK ([TheStreet](#)) -- While it may not be the [next Asia](#) -- which could be a good thing, depending on your point of view -- some investors are seeing Africa as the next hot spot. Is Africa today what Asia was 30 years ago? If the continent's economy is any clue, Africa is on the rise.

Investors are [infusing money](#) into the continent, and not just in natural resources or commodities. Infrastructure, small business and technology have attracted smart money.

Enter [PanAfrican Investment Company](#), or PIC, which was founded with the personal capital of Richard Parsons and Ronald Lauder.

"The overall mission of the company is to do good and do well -- all of our investments seek to produce a return on capital as well as make an impact in Sub-Saharan Africa," says PIC CEO Dana Reed.

Reed says her investment team travels to the continent to learn first-hand about what Africa has to offer. In the video above, Reed discusses the importance of due diligence, and about the misperception about Africa that she says is keeping some investors on the sidelines.



Meeting of the minds, November 2012, Courtesy of PIC

PanAfrican Investment was founded in 2012 by Parsons, the former chairman of the board of **Citigroup (C)** and was the chairman and CEO of **Time Warner (TWC)**, and Lauder, the son of the late Estee and Joseph Lauder, founders of **Estee Lauder**. Lauder is an international philanthropist, diplomat, public servant, entrepreneur, investor and patron of the arts, according to the company's Web site.

Using Parsons' and Lauder's own capital, PIC has made direct investments in Sub-Saharan Africa and brought business solutions to Africa, says Reed.

So, who else is buying into Africa's growth story? Ernst & Young concludes in its 2013 study that Africa's growth is [real and sustainable](#).

According to the African Private Equity & Venture Capital Association, 2013 saw significant investment from "private equity and venture capital fund managers across the continent, with just under \$3 billion invested through around 100 deals."

West Africa received 35% of investments made; East Africa 26%; and Southern Africa 18%, according to AVCA, which is holding its 11th annual conference in Lagos, Nigeria, from March 31 to April 2, 2014.

Full video interview here: <http://www.thestreet.com/story/12477339/1/investing-in-africa-who-gives-a-dime.html>