

Africa's multi-year decline extended into Q1 2025 which closed with 116 deals. While this 3% YoY decrease is milder than the 25% YoY drop seen in Q1 2024, deal volume still sits 21% below the five-year average, indicating an incomplete market recovery.

Figure 1: **Volume of Venture Capital Deals in Africa, by Year & Quarter**

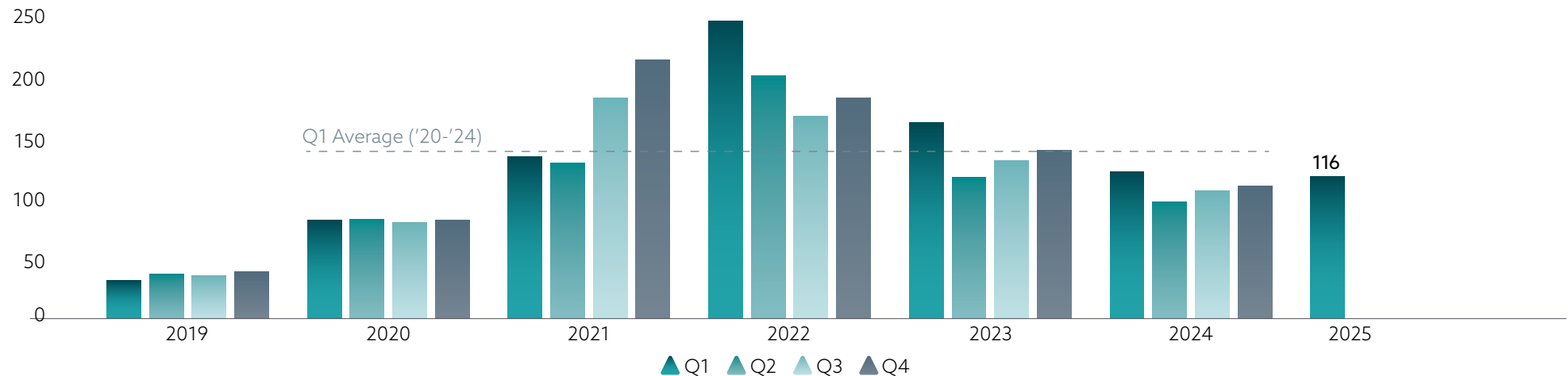
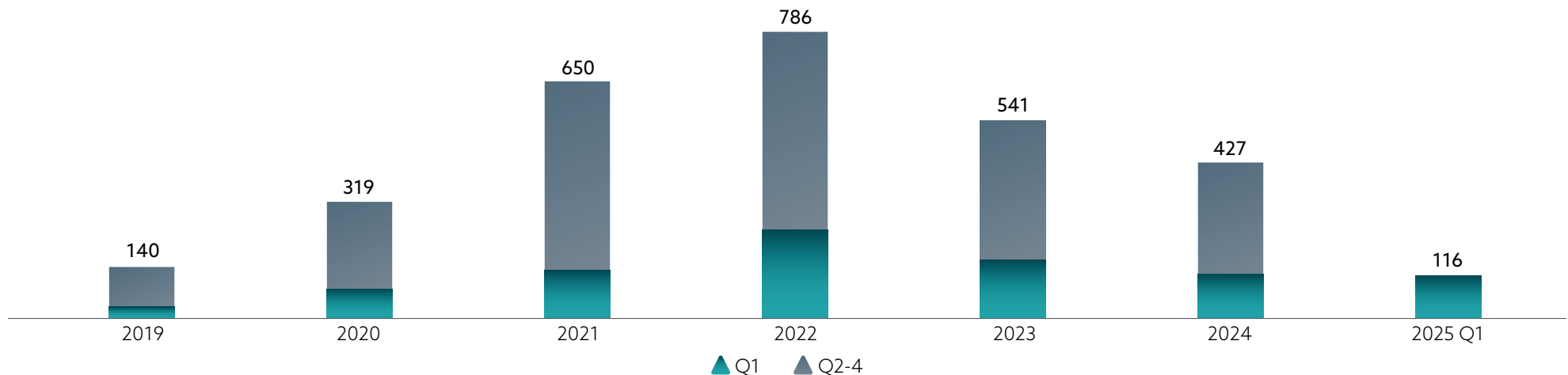


Figure 2: **Volume of Venture Capital Deals in Africa by Year, Q1 vs. Q2-Q4**



VC funding rebounded by 26% YoY to US\$0.6bn in Q1 2025, but nearly half of capital was concentrated in 7 large (US\$20mn+) deals. Despite the headline lift, funding remains 53% below the Q1 average during the 2021-23 bull run and 37% under the five year norm — reinforcing that Africa’s recovery is real, but still incomplete.

Figure 3: Value of Venture Capital Deals in Africa, by Year & Quarter, US\$bn

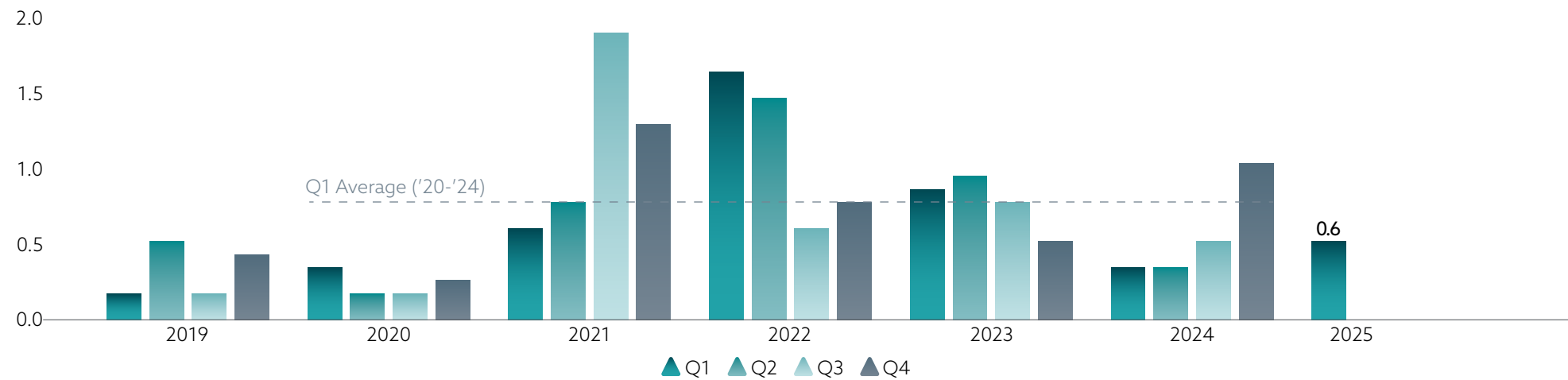
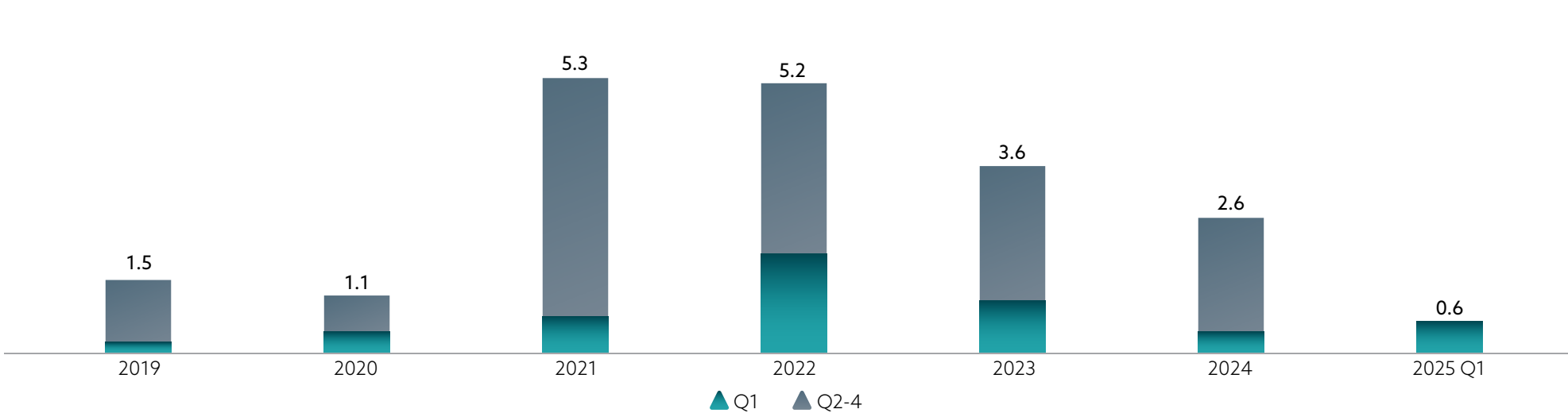


Figure 4: Value of Venture Capital Deals in Africa by Year, Q1 vs. Q2-Q4, US\$bn



Recovery at seed, fragile stability in the middle, and continued stagnation at the top: Seed rose 48% YoY to 43 deals, while Series A-B held steady at 13 deals. Late Stage funding was absent for a second consecutive Q1, underscoring persistent caution at the upper end of the market.

Figure 5: Evolution of VC Deal Volume by Stage, 2019-2025 Q1

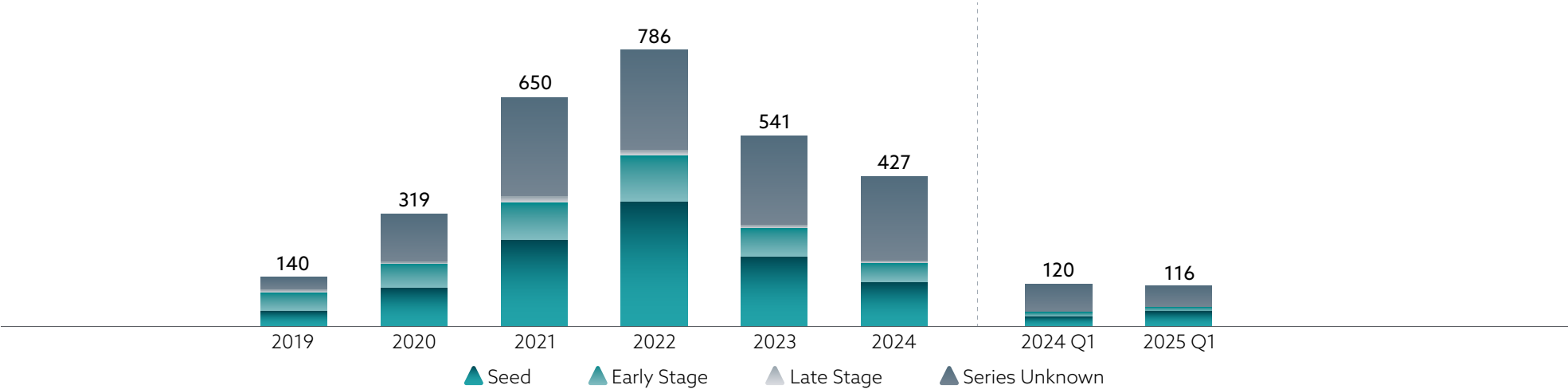
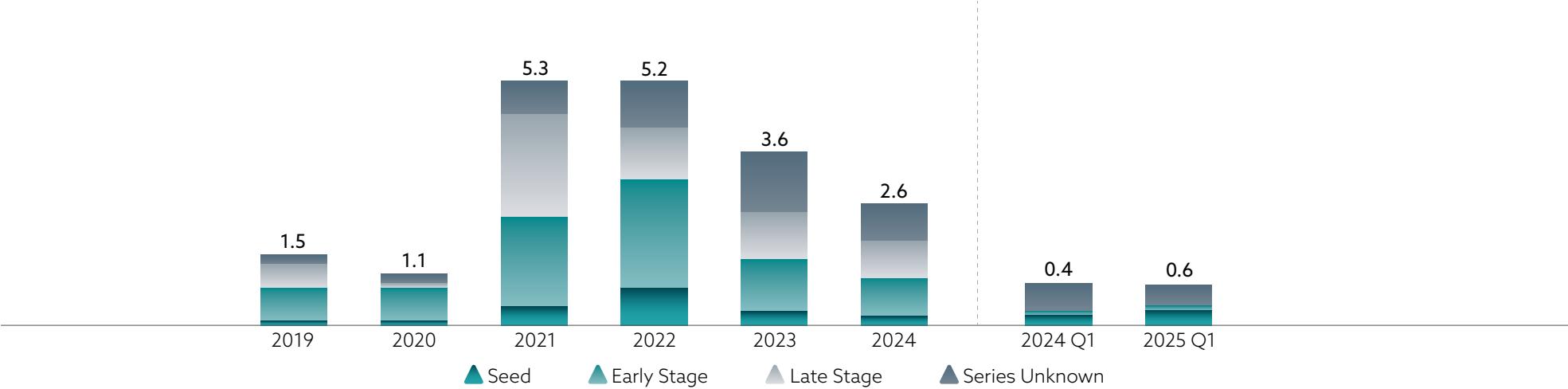


Figure 6: Evolution of VC Deal Value by Stage, 2019-2025 Q1, US\$bn



West Africa topped funding despite fewer deals, lifted by early-stage rounds including a US\$53mn Series B for a digital bank and two HR-tech Series A deals totalling US\$20mn. North Africa held steady on volume, but values fell as fundraising skewed toward seed transactions amid persistent FX and macro headwinds. Meanwhile, high value Multi-Region rounds continued to fade.

Figure 7: Share of VC Deal Volume in Africa by Region, 2020-2023 vs 2024 vs 2025 Q1

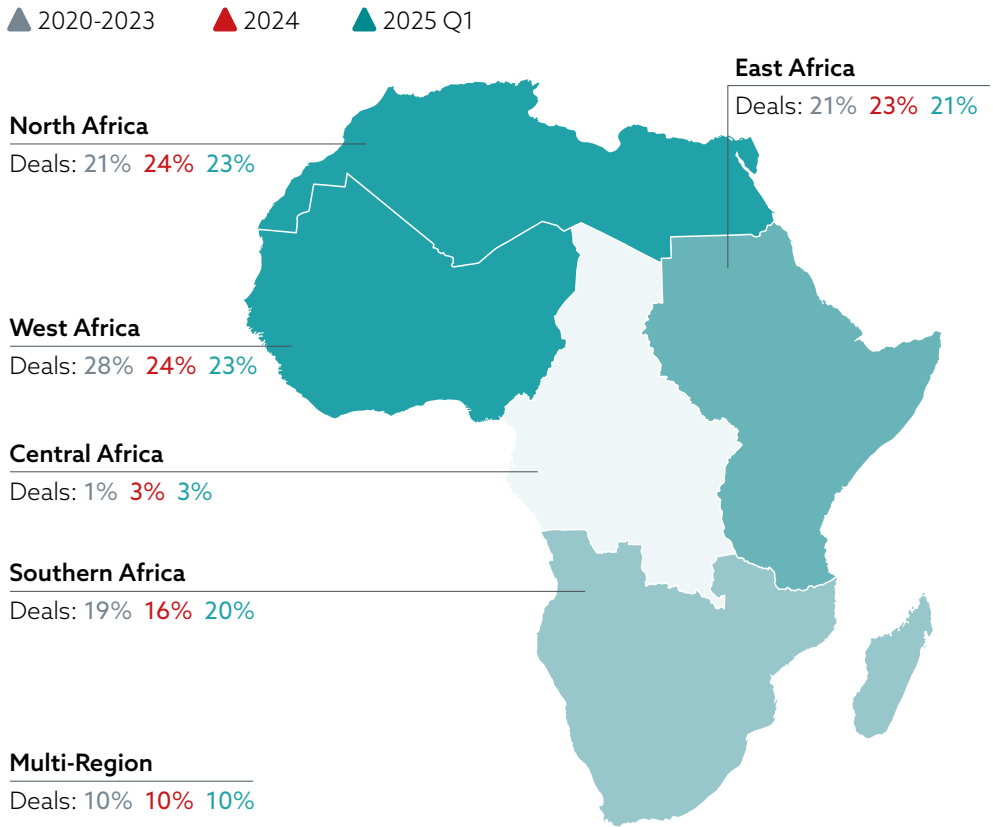
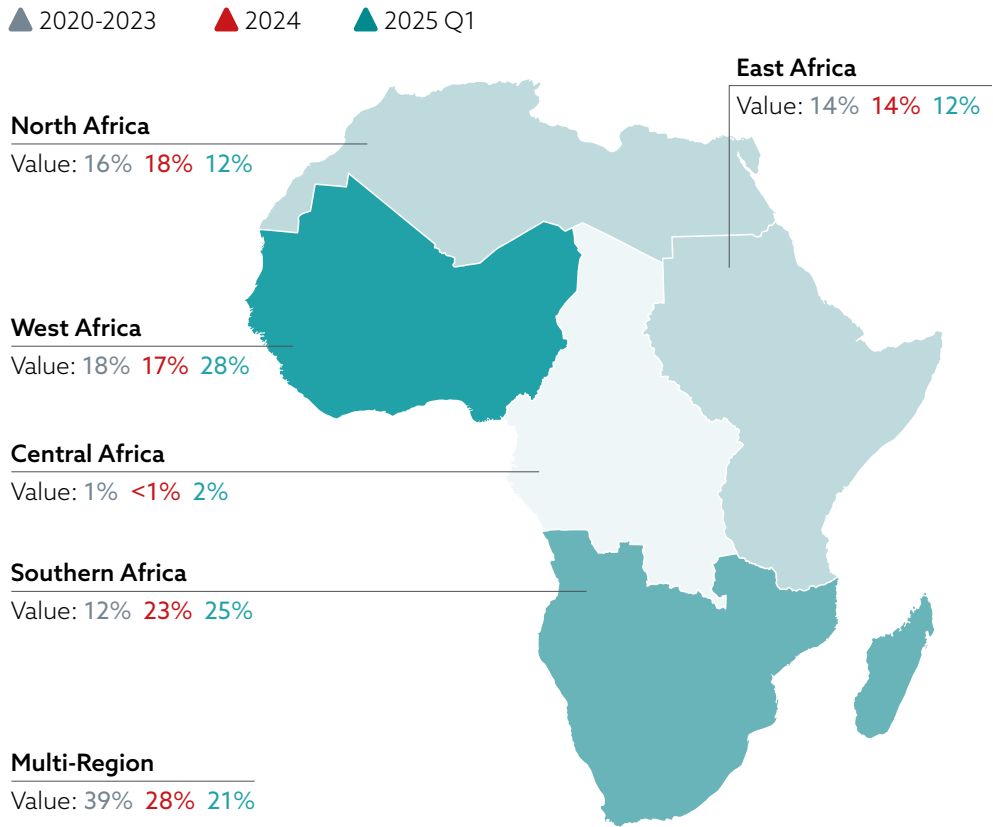


Figure 8: Share of VC Deal Value in Africa by Region, 2020-2023 vs 2024 vs 2025 Q1



Financials kept the top spot, but capital share slipped to 34% as none of 2024's super-sized FinTech deals repeated. Industrials climbed to record highs, driven by climate-smart farming (Capital Goods) as well as e-mobility and logistics solutions (Transportation). Information Technology held steady at #2, while consumer-facing sectors - Consumer Discretionary and Health Care - continued to decline.

Figure 9: Share of VC Deal Volume by Sector, 2020-2023 vs 2024 vs 2025 Q1

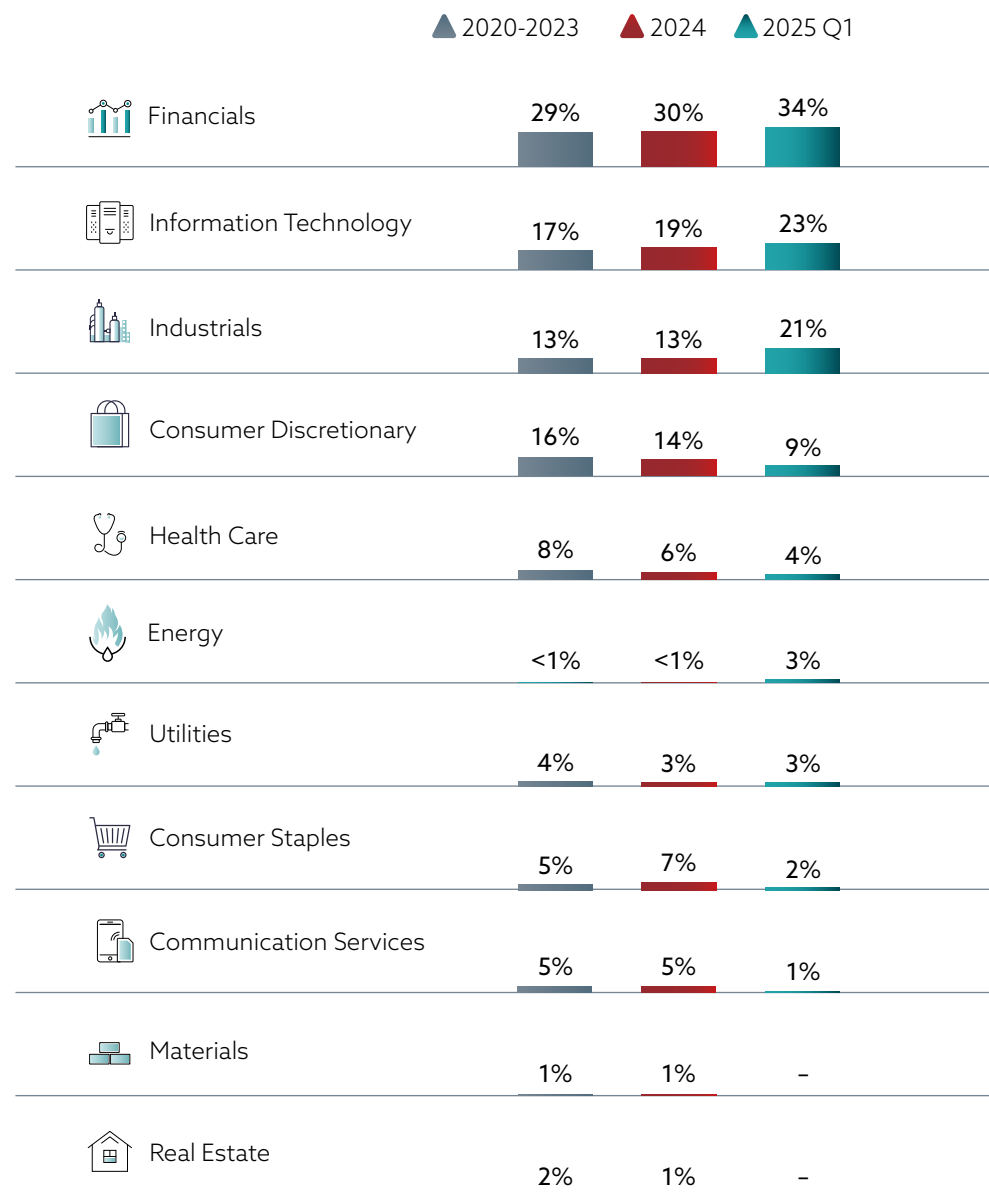
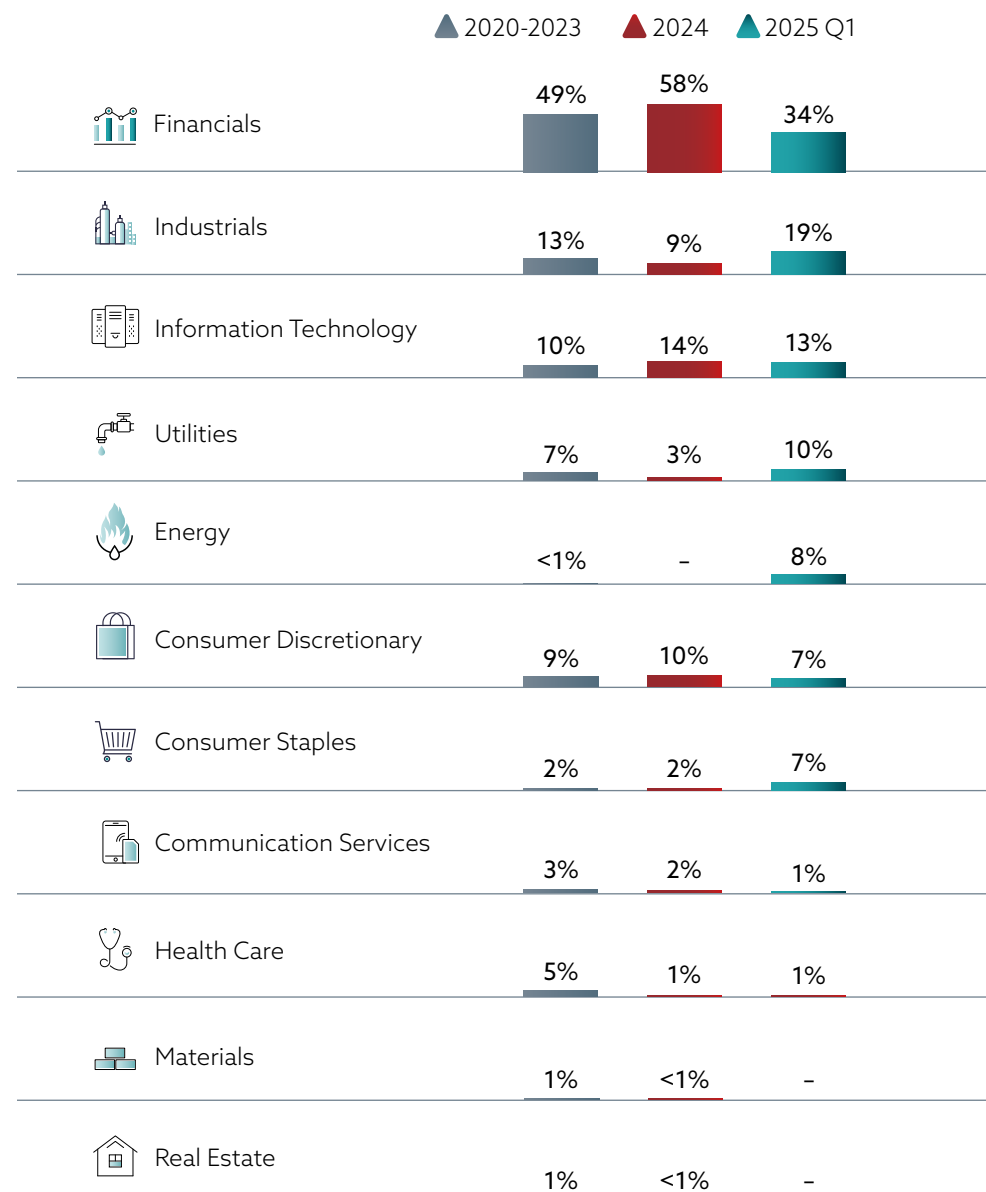


Figure 10: Share of VC Deal Value by Sector, 2020-2023 vs 2024 vs 2025 Q1



A highly concentrated opportunity set emerged in Q1 2025 where the top five verticals captured 94% of tech-enabled deal volume (up from 60% across 2020-24). Leading the pack, FinTech, ClimateTech, and AI commanded a dominant 78%, crowding out longtime favourites like E-Commerce (9%) and Supply Chain Tech (7%).

Figure 11: **Top Verticals Amongst Tech-Enabled Companies, 2020-2024**

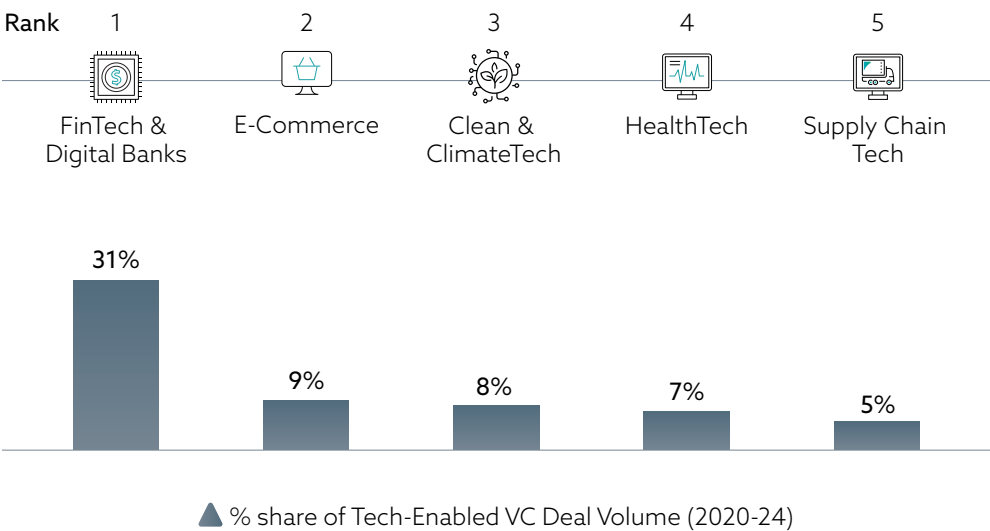


Figure 12: **Top Verticals Amongst Tech-Enabled Companies, 2025 Q1**

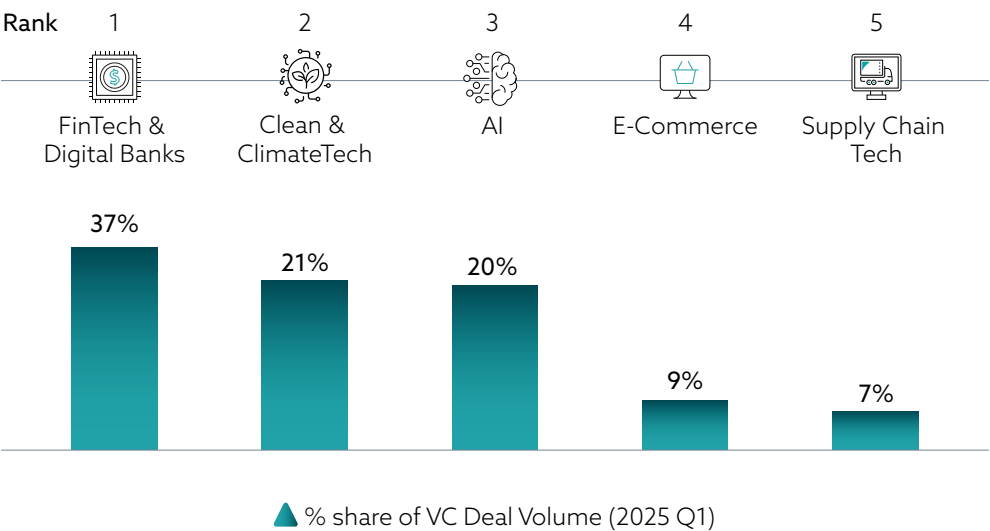
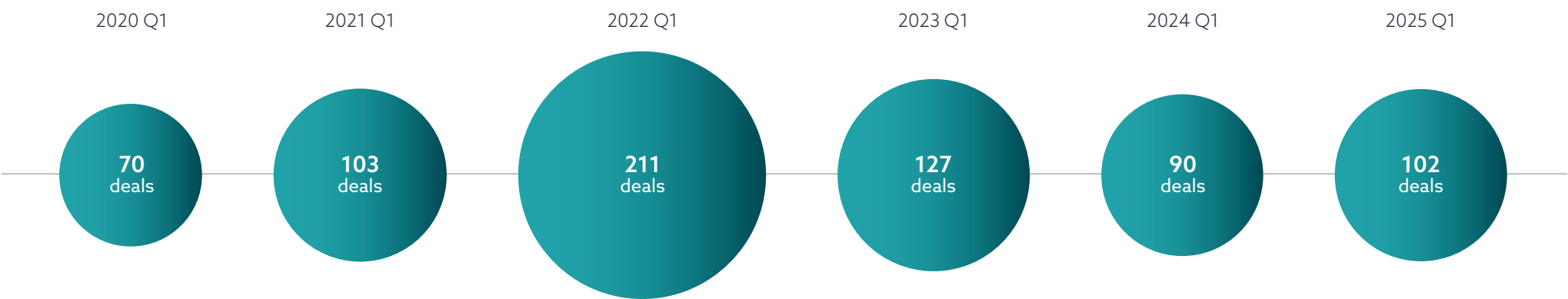


Figure 13: **Evolution of Deal Volume in Tech & Tech-Enabled Startups, 2020-2025 Q1**



Fewer venture debt deals, but more capital deployed: just 13 transactions took place in Q1 2025, but lenders disbursed US\$407mn – the second-highest quarter by value on record. A single super-sized CleanTech facility accounted for 44% of that total, distorting the broader picture given most borrowers continued to raise modest sums.

Figure 14: Total Volume of Venture Debt Deals in Africa, by Year & Quarter

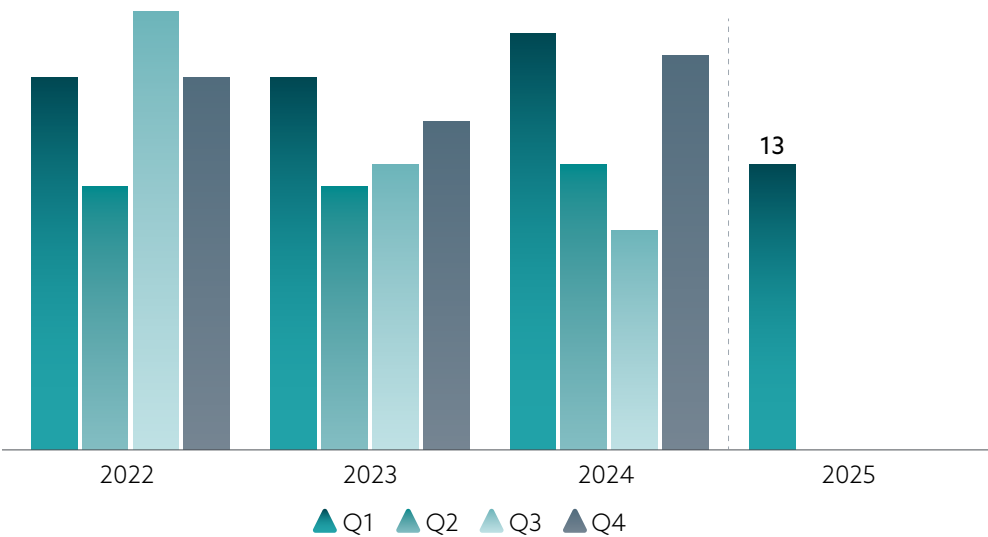


Figure 15: Total Value of Venture Debt Deals in Africa, by Year & Quarter, US\$mn

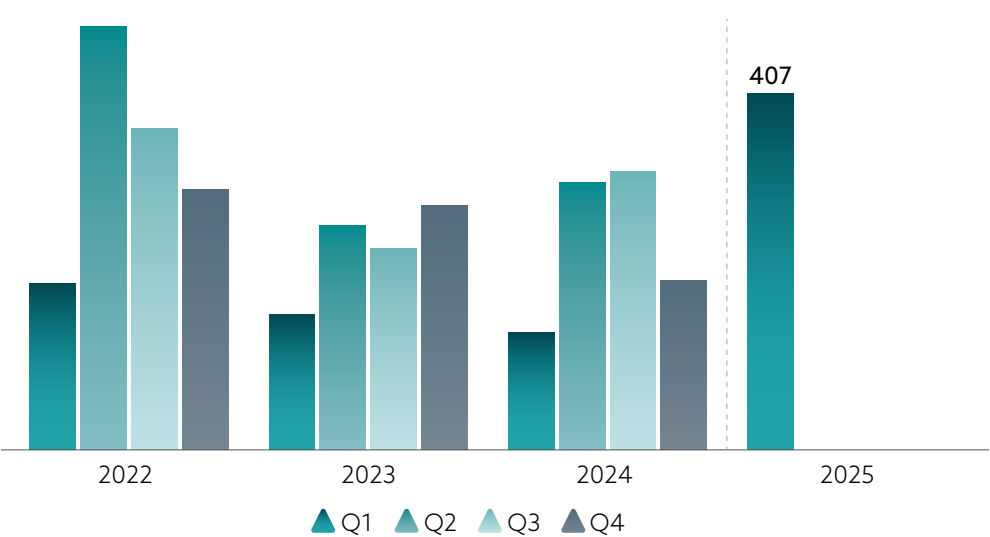
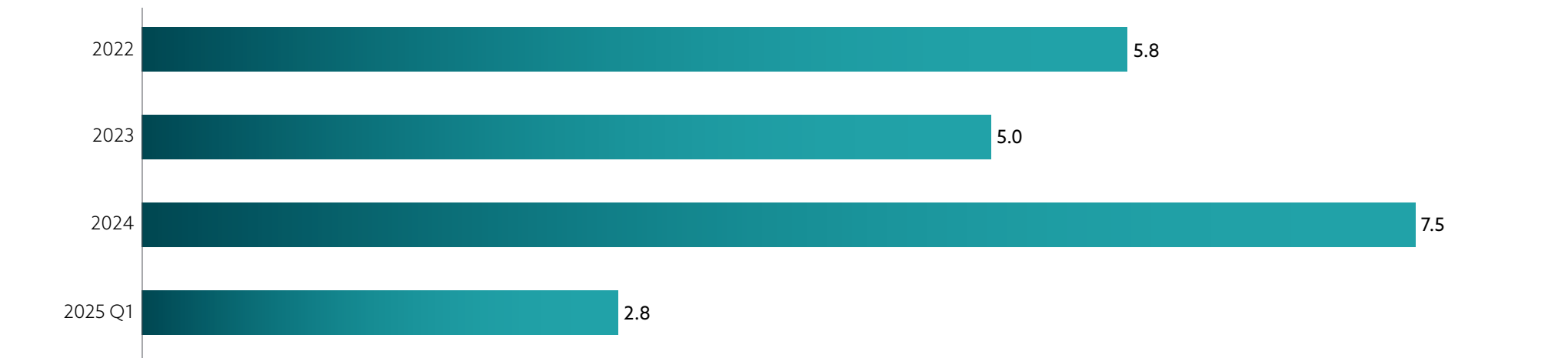


Figure 16: Evolution of Median Venture Debt Deal Value (US\$mn), 2022-2025 Q1



Research Methodology

This report maintains the same methodology used in the full year Venture Capital in Africa series. A detailed overview of the Research Methodology used can be accessed [here](#), on pages 55-56.



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