

Diaspora Investment in Africa: Kanessa Muluneh on Building Investable Businesses and Unlocking African Opportunities

This interview features Kanessa Muluneh, a serial entrepreneur and impact investor with a strong track record in building and scaling companies in technology, healthcare, fashion, and manufacturing. By age 21, she exited her first venture, a telehealth startup, and has since led six businesses, achieving four successful exits totalling over \$9.5 million. Born in Ethiopia and raised in the Netherlands, she offers a unique combination of local insight and global expertise.

Kanessa currently leads [Nyle](#), a pan-African investment firm that connects diaspora capital with scalable African businesses. Her mission is to restore ownership and equity for Africans by building a profit-driven, purpose-led investment ecosystem supported by the diaspora.

A. From Remittances to Ownership: Reframing Diaspora Capital

Question 1. You've spoken about moving diaspora capital from remittances toward ownership. What structural gaps currently prevent diaspora investors from participating meaningfully in equity, and how can those gaps realistically be closed?

Kanessa Muluneh: The process starts with knowledge and access. For diaspora investors, the path to professional ownership is often unclear. Building relationships, gaining local insight, and securing legal and regulatory support often require a physical presence, which is impractical for those living abroad.

Without access to professional pathways, many rely on family and friends instead of professionals or structured vehicles, which often leads to problems. Diaspora investors want ownership but lack access to the right systems and people to achieve it safely.

Bridging this gap requires visible, structured, and trustworthy professional access, with clear rules and transparent processes. Trust built through structure makes ownership attainable; otherwise, remittances will remain the default.

Question 2. In your experience, what misconceptions do diaspora investors often have about risk in African markets, and which risks are actually the most underestimated?

Kanessa Muluneh: Trust is the main concern and is complex. Diaspora investors often adopt negative narratives about Africa from Western perspectives and family stories, shaping their risk perceptions before any real engagement.

Real risks are present, including weak structures, inconsistent reliability, and political instability in some regions, all of which contribute to negative perceptions. These concerns are valid.

However, the most underestimated risk is not fraud, but time. Western investors expect fast systems and constant communication, while many African markets operate at a slower pace. This is not a problem or sign of fraud, but simply a different tempo.

Slow timelines and limited communication often cause frustration. Investors may withdraw early, not because of failure but because of misaligned expectations. Time, pace, and communication are often overlooked risks.

Question 3. What does “responsible ownership” look like in practice when capital is coming from outside the continent, but operations are deeply local?

Kanessa Muluneh: Responsible ownership starts with formal structure and documentation. Ownership should be established through official channels, with proper legal setup, clear shareholder rights, defined risks, and a thorough understanding of the law.

If you are unaware of your rights, obligations, or the legal framework, ownership is not secure. Without the ability to navigate, protect, or enforce your interests, assets can be lost quickly.

African markets are unforgiving of non-compliance. Lack of legal knowledge exposes investors to risk. Responsible ownership requires respecting local regulations, establishing proper structures from the start, and avoiding informal arrangements. Structure provides protection; without it, ownership is only nominal.

B. Building Investable Businesses: Operator Fundamentals That Matter

Question 1: Having built and exited multiple companies across sectors, what are the most common reasons African businesses fail to become investable even when demand is strong?

Kanessa Muluneh: The main challenge is a lack of structure. Often, proper records are missing, facts are hard to verify, and due diligence is complicated. This shows the business lacks a strong foundation, even when demand exists.

Investors do not expect Western-level perfection, but they require clear evidence that a company is real, operational, and capable of growth. Confidence is built on clarity. We also assess team composition. While family involvement can help at the start, scaling requires qualified professionals, expertise, governance, and accountability.

Ultimately, investability depends on fundamentals: structure, transparency, capable leadership, and a realistic path to returns, rather than the uniqueness of the idea.

Question 2: At what stage should founders realistically start preparing for external capital, and what should already be in place before the first serious conversation?

Kanessa Muluneh: Preparation should start well before seeking investment. Investors look for evidence of growth, such as confirmed orders, a strong backlog, signed partnerships, brand agreements, or clear customer demand. These indicators reduce uncertainty and demonstrate that capital will accelerate existing momentum.

Mindset is equally important. Once external capital is involved, the business shifts from a small startup to an organisation with accountability, reporting, and shared decision-making. Founders must recognise and adapt to this change.

We are active investors. We provide more than capital and partner throughout the process, assessing financial stability, operational readiness, and the team's preparedness for scaling. Raising capital is not only about securing funds; it also requires readiness for the responsibilities that come with it.

Question 3: How do capital readiness requirements differ between local investors and diaspora or international partners? And what advice do you give founders who feel pressured to raise capital before their internal systems are mature?

Kanessa Muluneh: Founders should not seek capital until they are prepared for thorough scrutiny. Accepting investment brings ongoing accountability. Investors maintain expectations, oversight, and influence until their capital is returned. If internal systems are weak, this pressure can overwhelm both the business and the founder. Do not raise capital until operational maturity is achieved.

Diaspora investors and foreign investors behave differently. They bring emotional connection, cultural understanding, and local relationships. However, they can be harder to convince, as proximity tends to lead to higher expectations and sensitivities. Trust within communities is complex.

When diaspora investors truly believe in a founder, their support can be more powerful and long-lasting than that of purely foreign capital.

Foreign investors are more distant and rely on structure, data, and formal governance due to a lack of personal connection. This distance can simplify decisions, but rarely matches the long-term commitment of diaspora capital.

Ultimately, founders are strongest when they are ready. With structure, governance, and maturity in place, any form of capital—local, diaspora, or international—can accelerate growth.

C. Governance, Alignment, and Ethical Engagement

Question 1: How do misaligned incentives between founders, investors, and partners typically show up, and how early can those fractures be detected?

Kanessa Mulneh: Most conflicts arise from poor communication, not strategy. A clear structure is needed for communication with founders and alignment with investor expectations. Without clarity, assumptions grow, trust erodes, and minor misunderstandings can escalate into major conflicts.

The founder-investor relationship is like any long-term partnership: it requires ongoing maintenance and honesty. The relationship does not end when capital is transferred; it often marks the beginning. Ongoing support, future funding, or strategic guidance may be needed, so maintaining the relationship is essential.

Both founders and investors have limited time. Communication must be precise, transparent, and consistent. Founders should seek advice when necessary. Misalignment is often evident early. Irregular, vague, or defensive communication typically signals diverging incentives.

Question 2: What ethical red lines do you refuse to cross as an investor, even if a deal looks financially attractive?

Kanessa Mulneh: For me, the most difficult ethical questions appear in parts of the healthcare sector. Healthcare is essential. People must be treated with dignity and fairness. But in some environments, I have seen situations where access to care depends entirely on the ability to pay, even in life-threatening moments. That creates a deep moral tension, because profit becomes directly connected to human suffering.

I can be very rational in business. I can separate emotion from decision-making. But this is one area where the emotional and ethical weight remains. Unless there is a structure that guarantees fair access, such as robust insurance systems or inclusive care models, I question whether I can comfortably participate in certain healthcare investments.

Supporting medical technology, equipment, or infrastructure feels different. But owning institutions that might deny urgent care purely for financial reasons is a line I approach with caution. Financial return alone is never enough if it compromises fundamental human dignity.

Question 3: How should diaspora investors think differently about control, influence, and accountability compared to traditional venture capital models?

Kanessa Muluneh: Diaspora investors must separate emotion from governance. Investment decisions should focus on business strength, industry dynamics, and necessary systems for growth. Cultural expectations may foster loyalty and informal influence, but this can lead to unqualified appointments and blurred accountability, hindering scaling.

Both founders and diaspora investors must recognise this early. Professional structures, merit-based leadership, and clear accountability are essential for protecting both the company and relationships. Emotional connection is valuable when combined with discipline, but without discipline, it becomes a liability. Governance must take precedence over sentiment.

D. Cutting Through the Hype: Evaluating Opportunities Across Markets

Question 1: Africa is often framed as “the next big growth story.” As an operator, how do you separate durable opportunities from cyclical hype?

Kanessa Muluneh: Patience is essential. Africa's growth is underway, but the key is identifying opportunities that are globally sustainable. Time is the best measure of durability. One strong year does not guarantee long-term success; sustainability requires structure, planning, and consistency over several cycles.

Founders may struggle to accept that momentum does not equal permanence. Achieving real scale takes longer than expected, making patience a strategic advantage. In Africa, durability emerges gradually. Those who are patient and build properly achieve lasting value.

Question 2: How do you evaluate founders who are strong visionaries but weak operators, and can that gap be fixed?

Kanessa Muluneh: Evaluating founders is challenging. Some excel at storytelling and sales, persuading even experienced investors, while others execute well but struggle to communicate their value. Distinguishing perception from reality is not always easy.

In theory, operational weaknesses can be addressed through structure, partnerships, and experienced leadership around the founder. In practice, however, significant transformation is rare. Few founders fully change their core capabilities at scale.

Ultimately, it depends, and uncertainty remains. Vision without execution is fragile; execution without vision is limited. Founders who combine both build enduring companies.

Question 3: What patterns have you noticed across successful businesses operating in multiple African markets versus those that stall at expansion?

Kanessa Muluneh: Many successful businesses operate in seemingly unremarkable sectors, where stability comes from simplicity. A key differentiator is mastery of marketing and visibility. Companies that treat attention as currency scale faster, as strong PR, clear positioning, and sustained visibility build trust and drive expansion.

Many founders underestimate the importance of marketing, hesitating to invest due to perceived short-term costs. In reality, strategic visibility often determines whether a company grows or fails.

In our investment approach, marketing is foundational. Enhancing visibility and brand value is often the main lever for scaling and increasing long-term valuation.

E. The Return Story: Beyond Emotion to Operations

Question 1: For many in the diaspora, “coming back” is emotional. What does return look like when framed as an operational and investment decision?

Kanessa Muluneh: Return is emotional, but not always physical. For many in the diaspora, reconnecting with Africa begins as a spiritual and identity journey, relevant to first- and second-generation diaspora and even more so for long-disconnected communities like African Americans or Caribbeans.

Investment-driven returns are different; they involve purpose and structure. Returning to Africa is not about seeking job-market stability, as the continent remains primarily entrepreneurial, with much to build before becoming a traditional employment economy.

Emotional and operational returns are distinct but connected. I reconnected personally before identifying business opportunities, though others may experience this in reverse. Investing in Africa always feels different from investing elsewhere. Emotion remains, but becomes more focused.

Question 2: How do you maintain global execution standards while adapting to local realities across different African markets?

Kanessa Mulneh: The foundation does not need replacement; it needs upgrading. With global interconnection, technology, infrastructure, and knowledge frameworks are in place. The goal is to adapt to local contexts while maintaining global standards.

Storytelling is central to this process. Markets respond to meaning as well as products or services. Africa's story must be communicated in ways that resonate with diverse audiences. Adapting the narrative while maintaining authenticity enables global execution and local relevance.

Ultimately, people connect to stories before systems, and the strength of that connection often determines scalability.

Question 3: What does success look like for you personally if diaspora-backed ownership in Africa works at scale?

Kanessa Mulneh: For me, success means reclaiming ownership—not politically or exclusively, but through Africans' understanding, managing, and participating meaningfully in their assets. If this becomes standard at scale, the mission is accomplished.

F. Looking Forward: Systems, Scale, and Legacy

Question 1: With Nyle launching a diaspora-only investment model, what systems must be in place to scale this approach sustainably beyond a single fund or firm?

Kanessa Mulneh: Working with diaspora investors requires greater alignment than with traditional foreign capital. Emotional connection, cultural expectations, and personal proximity increase the stakes, so every term and boundary must be fully understood before agreements are signed.

This process often takes longer than working with more distant external investors. Diaspora investors care deeply, so misunderstandings can have greater consequences. Once an agreement is signed, it must be treated as final and professional, not subject to family, cultural, or personal pressures.

For this model to scale beyond one fund, strong governance is essential. Clear rules, firm boundaries, and professional decision-making are required. Without these systems, diaspora capital remains emotional. With them, it becomes transformational.

Question 2: What lessons from your early exits still shape how you invest today?

Kanessa Mulneh: The most important lesson was about people, not strategy. My perspective has evolved through building companies in various markets, learning from mistakes, and maturing. Many early tactics no longer apply to my current approach.

What remains constant is the importance of understanding people; their motivations, behaviours, and how to engage them effectively. Leadership is as much psychological as operational. Now, I focus on adapting to others rather than expecting them to adjust to me. This shift has improved execution and decision-making. Experience changed not only how I build, but also how I perceive situations.

Question 3: Ultimately, what kind of investment ecosystem do you hope future African founders inherit, and what must change now to make that possible?

Kanessa Mulneh: Many necessary ecosystems already exist, but discipline in their use is lacking. The future should be built on professionalism, not familiarity. Founders must rely on qualified experts and structured decision-making, rather than family obligations.

Equally important is the ability to decline opportunities that do not align with or compromise the long-term vision.

Confidence, clarity, and professional boundaries form the foundation of a stronger ecosystem. If these qualities become standard, the next generation of African founders will inherit something more valuable than capital: stability.

G. Women, Leadership & Power

Question 1: How has being a woman shaped how you lead and invest?

Kanessa Mulneh: I am aware of the challenges women face in business, but I do not lead from that perspective day to day. I collaborate with men rather than compete, viewing them as partners who strengthen execution. When dynamics are healthy, men and women together form a powerful combination.

Men and women bring different strengths—men often lead with ego, women with emotion. With mutual respect, these differences become advantages. I am comfortable in a male-dominated environment because I focus on building collaboratively rather than fighting it.

In investing, compassion may manifest in different ways. Sectors like healthcare raise ethical questions for me that may not affect some male investors as strongly. However, I remain disciplined; emotions exist, but do not drive decisions.

Question 2: Where do women founders face structural, not personal barriers?

Kanessa Mulneh: A major structural barrier is the narrative that women must do everything alone, which is often framed as empowerment but is actually a weakness. No great system or company is built alone, and denying the need for collaboration creates unnecessary friction.

When women approach business as a professional ecosystem rather than a gender battle, collaboration becomes standard, support becomes strategic, and growth accelerates. Coexistence is not a loss; it is a multiplier.

Question 3: How do you protect conviction in rooms where you're the outlier?

Kanessa Mulneh: I no longer feel like an outlier; I am accustomed to the role.

I am clear about my goals and remain focused. If others try to divert me from my direction and it does not align with my values, I distance myself. My actions are guided by purpose, not comfort or others' opinions.

My advice is to work backwards. Begin by clearly defining your goal, then break it down into achievable steps. Focus on the destination and avoid distractions. Conviction strengthens when you do not negotiate in the face of distractions.