

# Connect Humanity Announces New Impact Fund With Support From Microsoft To Tackle Appalachia's Digital Divide

WASHINGTON, DC, UNITED STATES, April 23, 2024 /EINPresswire.com/ -- Connect Humanity, a non-profit impact investor, announced today it is collaborating with Microsoft to support high-speed internet access and adoption in underserved Appalachian communities.



Appalachia is one of the least digitally connected regions of the United States, with households 31% more likely than the national population to [lack a broadband subscription](#). In some Appalachian counties, [fewer than 20%](#) of households use the internet at broadband speeds in a time when connectivity is critically important for education, health, and remote work. With 80% of jobs now advertised solely online and 92% requiring digital skills, this lack of access represents a major hurdle for Appalachian residents.



Access to reliable broadband is a prerequisite for rural communities to reach their full potential in the areas of education, employment, healthcare and much more"

*Vickie Robinson, General Manager of Microsoft's Global Airband Initiative*

To tackle this digital divide, Connect Humanity's IDEA Fund (Investing in Digital Equity Appalachia) plans to invest in community-focused Internet Service Providers (ISPs) which are best placed to meet the digital needs of residents and businesses in Appalachia's unserved areas.

Brian Vo, Connect Humanity Chief Investment Officer

explains: "With the right partners, it's possible to build gold-standard internet in every rural and low-income community in Appalachia. Public investment is necessary but insufficient. It must be paired with capital from partners that prioritize community needs and understand root causes of digital inequity, while grasping the strong economics of community-based broadband. That's what we have in Microsoft and why we're excited for their partnership."

Microsoft is committed to promoting and protecting fundamental rights through data,

technology, and partnerships.

"Access to reliable broadband is a prerequisite for rural communities to reach their full potential in the areas of education, employment, healthcare and much more," said Vickie Robinson, General Manager of Microsoft's Global Airband Initiative. "Digital opportunities shouldn't be out of reach for communities across Appalachia. Our work with Connect Humanity will help catalyze the additional funds and tools needed to close the gaps.

Microsoft Airband is proud to be a founding capital partner in the IDEA Fund."



Great Smoky Mountain Cell Tower at Dusk | Photo by Steven Van Elk

The Microsoft Airband Initiative collaborates across private, public, and nonprofit sectors to build the digital infrastructure required for internet access and adoption, and to support the programs and public policies needed for newly connected communities to leverage the full value of connectivity to digitally transform. This strategy advances high-speed internet access and meaningful connectivity around the world.

With few current lenders adequately serving community-focused ISPs, many providers struggle with access to capital, even in the face of federal grant programs. Addressing this gap, IDEA Fund will provide low-cost loans and other financial tools enabling these ISPs to build and expand high-speed broadband networks in areas the market has failed to connect.

While Connect Humanity is launching IDEA Fund at a moment of unprecedented public investment, including the Broadband, Equity, Access and Deployment (BEAD) program, BEAD alone [is unlikely to close the digital divide](#). Additional philanthropic and private capital is needed to ensure high-speed internet is available to all, particularly in historically marginalized communities.

Connect Humanity aims to convene a diverse group of capital partners including Community Development Financial Institutions (CDFIs), banks, impact investors, and foundations to meet this need through IDEA. Microsoft has committed "first loss" capital as a credit enhancement in IDEA Fund.

Connect Humanity intends to use this blended capital approach to offer financing at affordable rates and flexible terms that enable ISPs to build in high-cost and/or low-income areas on a sustainable basis.

The organization's existing portfolio of investments in community-focused ISPs have to date put

well over 100,000 people in rural and low-income areas on the path to fast, affordable internet connectivity. This work has been recognized by ImpactAssets which named Connect Humanity as an IA50 2024 Emerging Impact Manager. The funding catalyzed through IDEA will enable local ISPs to expand broadband to many more families and businesses, while providing responsible returns.

LaShawn Williamson, CEO of North Carolina-based provider Wave 7 Communications and previous Connect Humanity investee, emphasized the importance of a mission-aligned capital partner: “Connect Humanity understands our pain points, can speak our language, and understands that in rural areas the economics are different and that bringing costs down is key for sustainability. The team made the financing work for our model and helped grow our business and expand our reach”.

Connect Humanity is collaborating with Appalachian Community Capital, an organization dedicated to bringing investment to underserved communities in the region, to support capital raising efforts. Connect Humanity and Appalachian Community Capital are now actively seeking additional partners for IDEA Fund. To learn more, contact [investments@connecthumanity.fund](mailto:investments@connecthumanity.fund).

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#### About Connect Humanity

Connect Humanity is a nonprofit impact fund advancing digital equity. It provides tailored investments, strategic advice, and technical guidance to help underserved communities build the internet infrastructure needed to thrive. The organization was named an IA 50 2024 Emerging Impact Manager by ImpactAssets. Since forming in 2021, Connect Humanity has partnered with 90 communities across 20 US states to develop digital access plans and catalyze +\$45 million in community broadband investments. These efforts have put well over 100,000 people on the path to fast, affordable internet connectivity. 100% of Connect Humanity's investments have focused on low-income, rural, and/or BIPOC communities, with 75% going to minority- or women-led ISPs.

#### Notes to editors

- Prospective investors in IDEA Fund should see additional disclosures:

<https://connecthumanity.fund/wp-content/uploads/2024/04/IDEA-Fund-Additional-Disclosures.pdf>

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