

African Union

- **Africa:** Entrepreneurship in Africa is increasingly seen as a key to economic growth. It has yielded huge returns, and there lies great untapped potential to drive Africa into its next phase of development. Entrepreneurship is seen as a 'necessity' at a time of high unemployment. High youth population, poor policy choices and a lack of comprehensive employment plans in many African nations precipitate the high rates of unemployment. Entrepreneurship is key to address this. Some say many African governments are not keen on developing policies that would avert unemployment among the youth in a big way and that they are not doing enough. Others, from government, state that many African governments have created opportunities in terms of finance and access to markets. However, lack of access to working capital has hampered entrepreneurship in Africa. Entrepreneurship can create more jobs on the continent and increase the middle class, which is essential in sustaining economic growth. There is need to integrate entrepreneurship training in formal education in Africa to prepare the youth for the future. For entrepreneurship to strongly impact Africa's economy, governments must tackle challenges such as a lack of funds, relevant mentorship and poor government policies. For more information, read [here](#).
- **CAS View:** Entrepreneurship is crucial for Africa to grow its economies and create jobs. This is crucial to address unemployment, specifically amongst the youth of Africa. Without jobs, social problems abound, such as alcohol and drug abuse, in addition to crime. This creates a downward spiral that never ends well. I am in the process of writing up the case study of Espinaca Innovations, where a young man from Khayelitsha, South Africa, was caught up in drug abuse and crime. He was fortunate to escape and started his own business. Today he employs a number of people in his community directly and indirectly. Unfortunately, people like him are far in the minority. The tragedy is that by developing an efficient policy framework, and by incentivising the private sector properly, more could be done to stimulate the creation/development of entrepreneurs such as Lufefe Nomjana. The reality is that if we keep on ignoring the unemployed youth, they become disciples of demagogues who abuse them for political purposes!
- **Africa:** African cities have seen skyrocketing population growth (4% p.a.) over the last decade, forcing governments to face a host of development challenges such as overcrowding and congestion, infrastructure shortages, pollution, social disaggregation, poor health, inadequate sanitation, contaminated water, crime and violence. Economic growth and a rapidly growing population of about 1 billion mean more urbanization in Africa than in any other continent, with major cities in Africa currently contributing about \$700 billion to the continent's GDP. This figure is set to grow to \$1.7 trillion by 2030. Rapid urbanization is bringing challenges in the distribution of people and resources, as well as in land use, which leads to inefficient land-use patterns. An increase in urban migration can exacerbate poverty and inequality as people pour into the cities, straining available services such as water, transportation and garbage collection. UN-Habitat suggests a three-pronged approach to sustainable cities, based on effective and comprehensive urban legislation, proper urban planning and design, and adequate financing for projects. Climate change is a recent consideration in the planning of sustainable cities. The Africa Urban Agenda (AUA), to be adopted by African leaders in July 2016, consists of actions to improve its cities and settlements and to promote urbanization as a catalyst for Africa's structural transformation. For more information, read [here](#).
- **CAS View:** Urbanisation is a trend clearly identified by CAS and the AfDB. CAS referred to the poor planning regarding African cities last week. Here the challenges of such poor planning have been made abundantly clear. UN-Habitat's three-pronged approach to develop sustainable cities are also in line with what Surbana Jurong from Singapore have been doing with their master planning and city development. Hopefully the AUA will be adopted

in July 2016 by Africa's leaders. The alternative, i.e. large slums filled with unemployed, unhealthy, socially challenged, and dissatisfied people, will increase violence and political volatility. There are no winners in such a scenario!

- **Africa:** Africa has abundant reserves of bamboo plants that can help it build a green economy and join the global \$60 billion bamboo trade. Bamboo can also help Africa address its deforestation problem. Africa's vast reserves of largely untapped bamboo could, if properly managed, benefit rural communities and promote green economic development. Bamboo is used to make watches, bikes, scaffolding, chopsticks, flooring, furniture, building and roofing materials, paper, textiles and many other items. Apart from that, the plant, which can grow almost one meter a day, is a sustainable resource and can provide an environmentally sound way to alleviate poverty, while addressing Africa's deforestation problem due to increased industrialization. Bamboo can be harnessed to reverse land degradation, slow deforestation, combat climate change through carbon sequestration, and boost rural livelihoods through the creation of jobs and income. Ethiopia leads other African nations, including Ghana, Liberia, Kenya, Malawi, Madagascar, Mozambique, Nigeria, Rwanda, Senegal, Sierra Leone, Tanzania, Togo, and Uganda, in terms of bamboo forests. Despite its clear benefit and huge potential, many African countries still do not have practical policies. In some ways, the challenge in Africa is not to introduce bamboo, but to persuade people and governments that it has commercial uses. For more information, read [here](#).
- **CAS View:** The article clearly shows the many uses bamboo has. It grows extremely fast and has numerous benefits. What is puzzling, is that Africa's governments and people need to be convinced it has commercial uses. What the article did not touch upon, is that it can also be used to produce fuel-grade bio-ethanol. This has been done in India. In South Africa, Michael Back from the wine estate Backsberg, has also tested bamboo to produce bio-ethanol. What now remains in Africa is for entrepreneurs to embrace bamboo as a resource to exploit for commercial gain on a sustainable basis. Job creation and economic growth will receive a welcome boost! For more information, read [here](#).
- **Africa:** African tech start-ups have been blossoming in the past few years, e.g. Kenya's M-Pesa, now offered by Vodafone in Asian markets, and Ushahidi, a crowdsourcing platform used the world over. Recently a new crop of African tech start-ups took to the stage - everything from apps which plan train journeys to insurance comparison platforms - showing just how much growth there is around ICT in Africa. This growth is accelerated by the increases in funding that African tech startups have been receiving; in 2015 this was in excess of \$185 million. McKinsey subsequently predicted that Africa's iGDP should grow to at least 5 - 6% and could account for as much as \$300 billion of total GDP. However, the level of connectivity on the continent is low and highly unequal; by November 2015, 71.4% of Africa's population did not have access to the Internet. Africa is also not reducing the digital divide between it and other regions, due to the fact that Africa has the most expensive mobile-broadband. This digital divide continues, due to affordability, to lock many people out of budding ICT opportunities. However, once the cost comes down, the speed at which this divide could be eliminated could turn around very quickly. For more information, read [here](#).
- **CAS View:** Africa's potential in the field of mobile technology needs no introduction. In addition to the above 2 applications, one finds others such as MFarm, MHealth, and various financial applications that use M-Pesa as base platform (M-Akiba, M-Kopa, M-Shwari), etc. One factor that does act as a severe constraint is the high cost of broadband in Africa, clearly identified in the article above. This is a situation that needs to be addressed by the telecommunications authorities of Africa's economies as it does tend to curtail opportunities and limit economic growth in Africa. At an earlier stage, the cost of smartphones used to be a limiting factor. However, the MNO's in Africa, such as Vodafone, addressed this by developing cheap smartphones for Africa. Cheap smartphones were

in any case available at that stage in countries such as India. In this country there are numerous smartphones under S\$205 (they have a Top 20 list for smartphones under Rs10 000). The MNO's would be hesitant to reduce the price of broadband too quickly as the margins on voice were thin due to a saturated market. They were also looking at added value services (entertainment, etc.) as additional income streams. The constraint does remain the high cost of broadband.

East Africa

- **Rwanda:** Over the past years, Rwanda has had a consistent external trade deficit, which has contributed to a negative balance of payments situation. One of the strategies to reduce the trade deficit gap is to promote the production and consumption of locally made products. Rwanda subsequently laid out a new strategy to promote Made-in-Rwanda products. Dubbed the "Domestic Market Recapturing Strategy", the plan involves media efforts to boost the Made-in-Rwanda campaign. While they targeted to change the mindset of the people towards consuming locally made products, the media had to reach out to all categories of people. Media platforms that were used include radio stations, television, print and online platforms, as well as social media such as Twitter and Facebook. They identified priority sectors that could quickly contribute to Rwanda's domestic market recapturing. The total foreign exchange savings induced by the DMRS could reach almost \$450 million per year, which accounts for 17.8% of the import bill. Almost one third of this would come from the cement sector. This would reduce Rwanda's average annual import bill by almost 6%. For more information, read [here](#).
- **CAS View:** Rwanda joins a growing number of African countries who have launched a "buy local" campaign. The savings in Rwanda are quite substantial. In Nigeria, President Buhari did not rely on the changing mindsets of the Nigerians, but drew up a ban list of products for which there would be no foreign currency available. This somewhat draconian measure has drawn a lot of criticism in Nigeria, but the weakening of the Naira due to falling oil prices has forced Buhari's hand. Something needed to be done! This does not mean that Buhari's actions were the correct strategy, as economist would be quick to point out. In South Africa, deputy president Cyril Ramaphosa recently also encouraged the people to buy local. Buying local means the money paid stays in the area, it increases the level of employment, and helps to increase the level of wages. Import substitution will boost economic growth and back up the local currency.

West Africa

- **Cote d'Ivoire:** Abidjan is rebuilding its infrastructure. The combined effects of an armed conflict, which began in 2002, and an intense post-election crisis in 2011, destroyed much of the city infrastructure. Some of the major infrastructural developments include bridges and connecting bypasses, new hotels and old ones being rehabilitated. A growing number of foreign travellers are again flocking to the city, attracted by the country's economic growth rate of about 8% for 2015, forecasted to remain so in 2016. The African Development Bank's (AfDB) decision in 2013 to bring back its headquarters from Tunis to Abidjan was considered one of the earliest signs of international institutions' renewed confidence in Côte d'Ivoire. Various large financial institutions have invested heavily in infrastructure financing, including road rehabilitation and construction. With the economic boom and the city's growing influx of expatriates, and a flourishing middle class with disposable income and a willingness to spend, the service industry is picking up. In December 2015, a new 20,000-square-metre shopping mall opened in Abidjan. Yet chronic problems of income inequality, access to basic services and youth unemployment continue to fester. Making sure the strong economic growth works for all, including providing employment, is key to Côte d'Ivoire's sustainable growth. For more information, read [here](#).

- **CAS View:** Cote d'Ivoire was the only commodity exporter in 2015 with such a high economic growth rate. It seems that they have succeeded in diversifying their economy. The construction of infrastructure would have made a good contribution to the economy, as would the spending of expatriates and the local middle class in the service industry. Again, linking to the article on city development in Africa, it is imperative that the youth unemployment issue be addressed. It is also good to see another potential stable economic hub developing in Africa.
- **Togo:** In February 2016, Tanzania's Buni Hub created Africa's first-ever 3D printer from e-waste. Now WoeLab in Togo has just announced an e-waste-based 3D printer of its own. WoeLab focuses on locally sourcing and creating sustainable technology to help promote urban renewal in Togo. Africans are finding a lot of ways to make money off e-waste in West Africa, by collecting and recycling it. After raising \$4,000 on a crowdfunding campaign, WoeLab used e-waste components from computers, scanners, and other electronic devices to produce the W.Afate 3D printer. Their 3D printer is being used by local firm, Africa Tracing, to 3D-print plastic casings for its vehicle GPS technology. The WoeLab wants to use recycled e-waste 3D printers for education, and has launched an initiative to put W.Afate 3D printers in schools throughout Lomé. Other community members and startups are working to build drones and jerry can computers out of e-waste materials as well. WoeLab members are also working on the Ifan project, a "multifunctional agricultural robot", also made from recycled electronic components. WoeLab needs funding to help jumpstart their educational initiative, and will continue to offer workspace and hacking camps to local residents throughout the year. For more information, read [here](#).
- **CAS View:** Necessity is the mother of invention! Let no one say that Africa cannot be creative and innovative! Using \$4000 to make a 3D printer from e-waste is a clear sign of the ingenuity of African innovators! Here is an opportunity for investors to get involved in scaling the activities of WoeLab. The proof of concept is already in operation!