

## African Union

- **Africa:** Many bright and motivated people in Africa do not have a typical CV listing the universities they attended. While only 7% of Africa's youth gets into university, most job vacancy postings block out anyone without a university degree, no matter what other marketable skills they possess. The skills employers require are the ability to work well in a team, to make decisions and to solve problems. While more people with degrees are needed in Africa, it should not be, by default, the top criteria for job selection. Characteristics of a successful employee focus on character, behaviour and soft skills, not a university degree. Companies like Ernst & Young, PwC, and Penguin, have already done away with academic and education details in their application processes and are levelling the playing field for talented individuals, regardless of their background. Employees, starting with minimum pay, can work their way up the experience, skill and income ladders. Governments can help by connecting young people to credible skills providers and creating bursaries to financially assist the most disadvantaged youth in attending those programs that demonstrate successful employment outcomes. For more information, read [here](#).
- **CAS View:** When talking to companies operating in Africa, 2 issues stand out as a challenge, i.e. uneducated and untrained employees (or applicants), and educated employees that are not directly "usable" and that need retraining in order to be productive. This leads to foreign companies appointing foreigners instead of providing the job opportunity to locals. This in turn exacerbates the unemployment crisis Africa finds itself in. This is never an ideal situation. In addition, in Africa, 90% of its students studied the humanities. The other 10% studied science, technology, engineering and mathematics (STEM), but that is not enough. Ideally Africa should have a target of 70% of students studying science, technology, engineering and mathematics and 10% studying the humanities. For more information, read [here](#).
- **Africa:** SA and Nigeria have been hit by the global fall in commodity prices, which led to inflation and negative GDP growth. Both seem to be paying the price for years of over-dependence on commodity exports. Nigeria's GDP fell in the first quarter of 2016, entering negative figures after more than 12 years. Millions of Nigerians have no jobs as unemployment has increased and petrol sales have recently dropped 40%. Nigeria tried to control inflation by setting an official rate for forex, then banned importation because of depleted foreign reserves. Foreign businesses are leaving. Then there are the actions of the Niger Delta Avengers down south, coupled with the failed kick-off of a genuine diversification. In SA's case, the economy is about to be on the sub-investment level. Zuma's decision to sack finance minister Nene in 2015 and replace him with an unknown backbencher, shocked investors. He eventually replaced the new minister with his finance minister in his first term, Pravin Gordhan. The saga led to a devaluation of the Rand, and shaky investor confidence. Investor confidence has reached a new low in SA; coupled with rising unemployment, bad power supply and severe drought, things could get worse. For more information, read [here](#).
- **CAS View:** The article puts Buhari and Zuma in the same category of poor management, which is probably not fair towards Buhari. His insistence to not devalue the naira and his ban list, linked to the lack of job creation in Nigeria, is undoing a lot of good his foreign policy approach has created. However, his bad decisions were not aimed at creating benefits for him or parties close to him. Buhari has just finished his first year as president and still has 3 years to achieve his campaign promises. In his defence, he did inherit a bad financial situation in his country and had to deal with a dropping oil price over which he has no control. The same could not be said of Zuma. His own ministers are talking about "state capture"; party stalwarts have asked him to step down as president. His bad decisions are clearly designed to create value for himself and apparently the Gupta family. The once mighty ANC have lost their moral high ground. The party that has produced icons such as Nelson Mandela,

Oliver Tambo, Walter Sisulu and Govan Mbeki, is standing at a crossroad. They need visionary leadership, and it is uncertain where it will come from. In the end, lacking this leadership, South Africa will be the loser.

- **Africa:** With the proliferation of mobile banking services offered by Mobile Network Operators (MNOs), African banks are running the risk of being beaten at their own game. Their reactive approach to mobile banking means they're missing out on a huge growth opportunity in Africa, and are under threat of being usurped by MNOs themselves. African banks are losing their hold in the payment space from 100% to 75% in 2014 – and it is predicted to fall as low as 50% by the end of 2016. The solution for African banks is simple and achievable: embrace mobile banking. Firstly, they can partner with an MNO, which strategically isn't a viable option. They can do it themselves, but this takes time and diverts scarce internal IT resources from other critical projects. They can partner with a technology provider with a proven and credible track record. Or lastly, they can do nothing – probably the most expensive option of all. The bottom line is that African banks need an agile partner to develop their own mobile banking model – and they need to do it quickly. For more information, read [here](#).
- **CAS View:** CAS has been stating for quite a long time that banks in Africa run the risk of being disintermediated, with MNOs boldly stepping into the banking space. The reality is that the Kenyan Central Bank made it easy for M-Pesa (from Safaricom) to enter the mobile money arena. This helped Kenya to increase the level of financial inclusivity from 40% less than a decade ago, to about 75% at the end of 2014. Kenya now leads in Africa on this parameter. South Africa lies in second place at 70%. The prominent position of Kenya is due to the role mobile money plays. Some banks in Kenya have responded initially by partnering with M-Pesa. Equity Bank was the first bank in Kenya to do just that. It has subsequently created a subsidiary, Equitel, to offer free mobile money transfers with its sim card, which is running on Airtel Network Limited, the second largest MNO in Kenya. A small number of banks in general have responded to this threat. In countries with a strong banking infrastructure, mobile money is struggling to take off. Vodacom in South Africa has twice tried to launch M-Pesa, and both times failed to develop enough traction. However, given the lack of banking infrastructure in many African countries, the MNO approach is bound to succeed in most of them.

## East Africa

- **Kenya:** In Africa, local taxi companies and startups have been working hard to compete with Uber, but Uber has managed to outmanoeuvre most of them. Uber might now be facing its first real challenge in Safaricom. Safaricom, who launched M-Pesa, is launching a ride-hailing service in Kenya that will equip cars with free wifi, M-Pesa payment options, and connectivity on the Safaricom network. It will be called Little Cabs and is effectively a rival for Uber. It is a local competitor that will be cheaper and better for the local community. Safaricom's network is the most used in Kenya and M-Pesa has over 20 million users in the country. If successful, Little Cabs may be another step for setting up Safaricom as a platform for a range of services. Smaller competitors may be getting better at competing and distinguishing themselves from Uber, especially as Uber drivers face protests, intimidation, and in some cases violence. For more information, read [here](#).
- **CAS View:** It is about trust. Safaricom currently provides connectivity to the largest group of customers in Kenya, and its M-Pesa mobile money platform has revolutionised banking in not only Kenya, but in various other East African countries. Reaching out with a new service offering, diversified from mobile telecoms and banking, is clearly an attempt to develop a new revenue stream by tapping into the large group of customers already loyal to Safaricom and M-Pesa. To see only Uber as competition, is probably not correct. In addition, Uber customers tend to be loyal, and to only focus on them could boomerang. All taxi services in Kenya will be targeted in the competition for the transport spend of Kenyans. It remains to be seen whether the added value provided by

Safaricom, i.e. free wifi, M-Pesa payment options and connectivity on the Safaricom network, will be successful in growing a large enough customer base to make Little Cabs a success.

## West Africa

- **West Africa:** Rice is fast becoming West Africa's preferred food. The region wants to grow enough rice to meet domestic demand. Rice harvests in West Africa will reach an all-time high of 14.9 million metric tons this year. They want to meet a growing appetite for rice that's coming at the expense of traditional staples such as cassava and corn. Today, as incomes rise and African cities swell, more people eat rice as it's easy to store and prepare. Consumption in West Africa is forecast to rise to 53 kg per person per year by 2025, from 44 kg in 2011. Senegalese President Macky Sall said that governments should consider boosting rice farming because it's become a "strategic food." Senegal and Cote d'Ivoire want to become self-sufficient in rice by 2017; Nigeria by 2018. Mali, Guinea and Sierra Leone are already near self-sufficiency. Senegal, Cameroon and Nigeria have all adopted import restrictions. In Asia, rice production can't expand much more; Africa still has that potential. For more information, read [here](#).
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## Southern Africa

- **South Africa:** SA has 8 new technology-driven industries with the potential to stimulate job creation and boost SA's competitiveness. 1) **Energy storage:** to create a storage programme and investments are being made into new projects. 2) **Fuel cells:** There are already many fuel cell projects happening. The SBU wants to drive an industry-scale initiative, and export fuel cells. 3) **Gas beneficiation:** The SBU wants to clean up raw gas and put it directly into mainstream beneficiation activities. 4) **Renewable energy inputs:** Creating a manufacturing industry to supply both the local renewable companies and the export market. 5) **Medical devices:** The IDC has been investing in a lot of medical device innovation, e.g. the Lodox full-body X-ray machine (takes a full-body X-ray image in 13 seconds). 6) & 7) **3D printing and nanotechnology:** 3D printing is pursued as enabling technologies across various sectors and value chains. They present an opportunity for small businesses to disrupt industries. 8) **Natural products:** Using SA's many plants to develop new medicines and cosmetics. This can boost rural development, because new farms will be established as new uses for plants are discovered. Each of the 8 sectors can deliver thousands of jobs across industry value chains, boosting SA's economy through exports. For more information, read [here](#).
- **CAS View:** South Africa represents the most sophisticated economy on the African continent. These 8 technology-driven industries represent job opportunities, import-substitution and revenue from exports. The skills and competencies required to launch and grow these industries are scarce and in high demand. The investments required to launch some of them are also quite large. SA is in dire need of initiatives that can ignite its struggling economy

and alleviate the very high unemployment numbers. The initiatives above are also an indication of the degree of competence and innovation visible in South Africa.

- **Malawi:** Providing fishing communities around Lake Malawi with a cheap and effective way to dry their catch is boosting earnings and improving lives. Made from a polythene sheet and a simple wooden frame, the drying tents have been designed to trap warm air inside and dry the fish faster, even during rainy weather. Catches lost in the course of processing will be greatly minimised. The solar tent has resulted in cleaner and better-quality fish, which fetch higher prices and have a longer shelf life. Dried fish remains a primary source of protein for many people in the region and contributes about 4% of Malawi's GDP. The industry employs more than 50,000 fishermen and more than 35,000 people are involved in related industries; fish processing, fish marketing, net-making and boat building. There is now also no need to cut down trees to smoke the fish. For more information, read [here](#).
- **CAS View:** The fishing industry plays a meaningful role in a number of African countries. In Tanzania, Ethiopia and Rwanda, government has recently provided incentives for entrepreneurs to become involved in the production of fish. In Malawi, simple solar technology has been utilised to improve the businesses and lives of simple fishermen and their communities. So it seems that solar has the potential to become the energy business model for Africa in more ways than one. The beauty of this project is that it is using very simple applications of solar to achieve its objectives – no dramatic and highly complex technology is at work. It is about understanding the principle and adding value to the bottom of the pyramid population.