

## ***The African Innovation Report* unlocks opportunity**

A newly launched report identifies six African, and two South African, companies as market-creating innovators. The report is designed to stimulate conversations about entrepreneurial innovation in Africa and understand the challenges startup ecosystems face.



The report by the Harambe Entrepreneur Alliance, *The African Innovation Report*, launched at the first for Africa Harambeans Global Summit in Franschhoek, unpacks the current African entrepreneurship ecosystem and explores how entrepreneurs and innovations can contribute to unlocking the continent's potential.

Harambeans are African innovators admitted to the Harambe Entrepreneur Alliance, who have pledged “to work together as one” to unlock the potential of Africa. Since 2008, more than 300 Harambeans have developed high impact ventures in Africa with lasting social and economic impact, explains Okendo Lewis-Gayle, chairman of Harambe Entrepreneur Alliance.

“Collectively, Harambeans have generated over 3000 jobs and raised over \$500m from Google Ventures, Chan Zuckerberg Initiative and Alibaba,” he says.

## A continent of potential

The organisation focuses on Africa for several reasons, but primarily because it is the laboratory for market-creating innovation.

With a growing population (50% of the global population between now and 2050), Africa boasts a 1.2 billion-person market that has the potential to unlock significant wealth. However, this population growth has also brought with it challenges: While poverty rates have decreased on the continent, the number of Africans living on under \$1.90 a day has increased. It now falls to entrepreneurs such as Harambeans to find ways to empower this growing workforce to alleviate poverty.

In the report, 54 African countries were analysed to build a different understanding of the African continent and its innovation potential. The countries which possessed the type of innovation ecosystem to build a different understanding of the African continent and its potential have been highlighted in the report. The innovation landscape is measured according to the strength of the local economy and the innovation environment.

The report identifies four archetypes for innovation ecosystems:

- **Fertile grounds:** Economies that combine the strength of the local economy with a strong enabling environment for innovation.
- **Innovation engineers:** Markets that have seen a recent slowdown in their economic growth but manage to build an enabling environment for innovation.
- **Rising economies:** Markets are going through transformation, attracting significant amounts of investment whilst on the conquest to diversify and grow their local economies.
- **Autopilots:** The best innovations do not always originate in places that have the strongest economies or best infrastructure. At times, innovation emerges where the need is the most pronounced.

South Africa falls into the category of Fertile Grounds – economies that combine the strength of the local economy with a strong enabling environment for innovation. Despite a high unemployment rate and currency devaluation, South Africa has one of the most advanced startup hub ecosystems in Africa. South Africa boasts 80 active tech hubs and the government demonstrates a dedication to the creation of an enabling environment for innovation, the report found.

## The faces unlocking the future

Investment into Africa presents another focus for the Alliance. Many companies have shown reluctance to invest in economies without developed infrastructure and systems. But the entrepreneurs behind market-creating innovations can trigger the development of institutions and infrastructure, and the continent is becoming a fertile ground for investors seeking above-average returns over a long-term horizon.

The analysis can serve as a guideline for policymakers, entrepreneurs and investors alike, and the framework has allowed the Alliance to identify six market-creating innovators.

These companies are:

- BRCK (Kenya)
- Lifebank (Nigeria)
- Max.ng (Nigeria)
- Spark Schools (South Africa)
- Twiga Foods (Kenya)

- Yoco (South Africa)

“We want to help our audience understand the challenges startup ecosystems face across countries and the best practices that are emerging. By informing the conversation on startup investment, acceleration and growth, the Alliance can spread the ideas that are working, faster,” says Lewis-Gayle.

The report also unpacks some of the innovation that is a catalyst for change on the continent, and the Harambeans behind these enterprises.

In addition, the report shortlists ventures operating in Africa across several sectors which most reflect market-creating innovation.

“Africa faces significant and evolving challenges, from digital transformation to building human capital. These challenges will be solved by leaders who creatively engineer solutions, and in so doing transform obstacles into opportunities,” says Lewis-Gayle.

Entrepreneurial innovation is creating unprecedented opportunities for Africa to grow its economy, create jobs, and transform people’s lives, Lewis-Gayle adds.

“The African Innovation Report seeks to highlight ventures whose ambitions and activities are geared towards the advancement of the continent’s growth, by innovating, creating new markets that unlock non-consumers, and capitalizing on Africa’s immense human potential to deliver sustainable solutions,” he says.

Download the [African Innovation Report](#) (PDF File: 2.63MB)

For more, visit: <https://www.bizcommunity.com>