

START-UP PORTFOLIO



Ecosystem
Accelerator
Innovation Fund





The GSMA represents the interests of mobile operators worldwide, uniting nearly 800 operators with almost 300 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and internet companies, as well as organisations in adjacent industry sectors. The GSMA also produces industry-leading events such as Mobile World Congress, Mobile World Congress Shanghai and the Mobile 360 Series conferences.

For more information, please visit the GSMA corporate website at www.gsma.com

Follow the GSMA on Twitter: [@GSMA](https://twitter.com/GSMA)



The GSMA Ecosystem Accelerator programme focuses on bridging the gap between mobile operators and start-ups, enabling strong partnerships that foster the growth of innovative mobile products and services. These partnerships bring impactful mobile solutions to the people and places that need them most, generating the greatest socioeconomic impact. In particular, the programme operates an Innovation Fund which supports African and Asian start-ups with direct funding, technical assistance, and connections with mobile operators. The programme is supported by the GSMA, its members, and the UK Department for International Development (DFID).

Learn more at:

www.gsma.com/ecosystemaccelerator

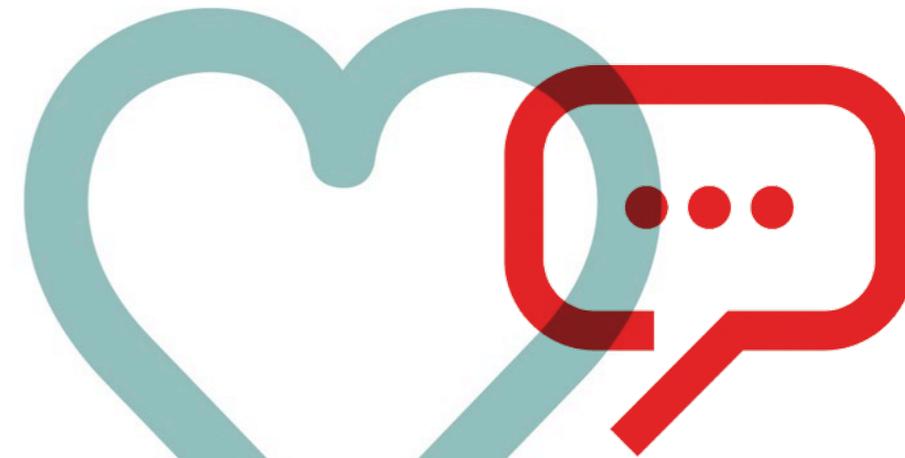
Contact us at: accelerator@gsma.com

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“Bringing impactful mobile solutions to the people and places that need them most, generating the greatest socioeconomic impact.”

FOREWORD

When the term “unicorn” first emerged in 2013 to describe a privately owned start-up valued at over \$1 billion, there were no start-ups from emerging markets on the list of thirty-nine. Three years later, the list had more than quadrupled to 179, including 11 from emerging markets. Beyond their 10-digit valuation, emerging market unicorns such as Jumia (Nigeria), Go-Jek (Indonesia), Decolar (Argentina) and Hike (India) have rapidly become major commercial and socio-economic players in their respective regions. Combined, these four unicorns have 6,500 direct employees and several hundreds of thousands of contractors; Go-Jek alone operates a fleet of 200,000 drivers and Jumia works with a network of 30,000 sales agents.

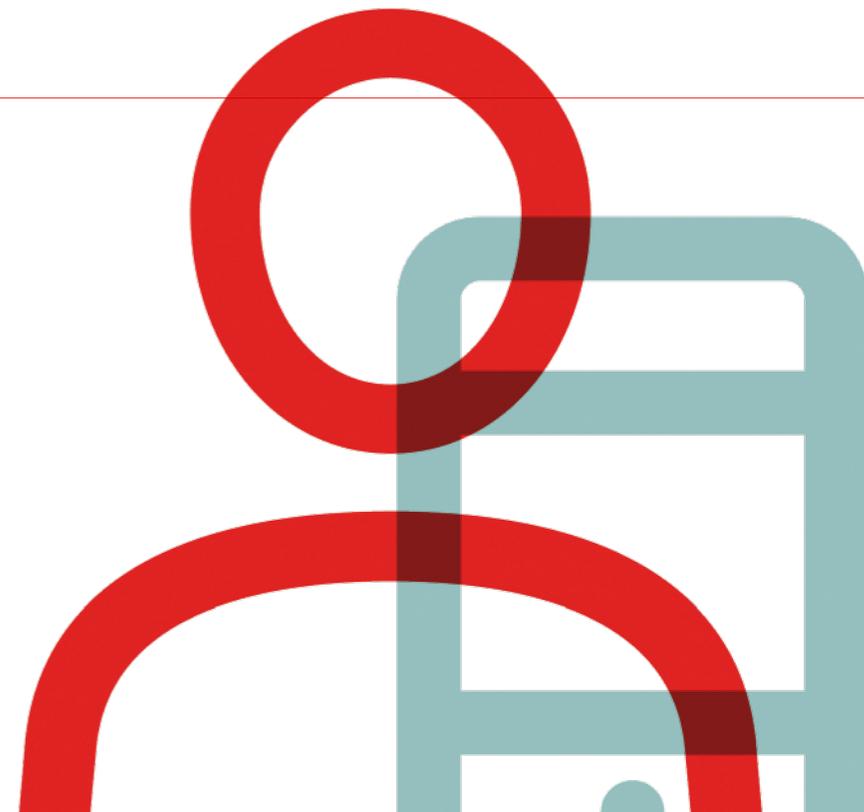
Nevertheless, these mobile operators face a plethora of challenges. Sustainable

competitive advantage in the telecommunications sector is becoming increasingly difficult to achieve. Digital disruption has made it difficult for mobile operators to keep up with the accelerating pace of innovation. Likewise, while start-ups are vital forces in both the innovation ecosystem and the wider economy, the majority struggle to reach scale. They are often stifled by a dearth of investment capital, lack of payment infrastructure, difficulty to reach unconnected users, a shortage of market insights and limited government support, among other challenges.

Today in emerging markets, more than anywhere else, there are opportunities for mobile operators and startups to collaborate. A large part of Jumia’s success,

for example, can be attributed to their partnership with mobile operator MTN. We found evidence that Jumia successfully leveraged MTN’s resilient brand equity, substantial customer base, and their established communication and distribution channels in a mutually beneficial manner. A similar partnership would also bring benefits to smaller start-ups.

Mobile operators have reached the scale that start-ups lack, while start-ups have the local innovation mobile operators need.



THE GSMA ECOSYSTEM ACCELERATOR INNOVATION FUND



The GSMA Ecosystem Accelerator Innovation Fund ('the Fund') is funded by UK Department for International Development (DFID), and supported by the GSMA and its members.

It provides selected start-ups in Africa and Asia with grant funding, technical assistance, and the opportunity to partner with mobile operators in their markets to help scale their products and services into sustainable businesses.

The objectives of the Fund are to:

1

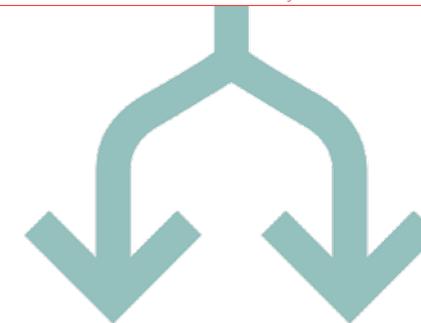
Establish partnerships between operators and start-ups in order to increase the reach of innovative mobile services

2

Test business models with the greatest potential for growth; and

3

Provide lessons and examples for stakeholders within the ecosystem, on the ways in which mobile is driving positive socio-economic change



The Fund will run several rounds between 2016 and 2020. The specific areas of focus selected for the first round launched in 2016 were:



The sharing economy

Defined as any mobile-based platform, product or service which enables low-income citizens in emerging markets to generate income from 'underutilised assets' through sharing those assets with their peers.



Services for SMEs

Defined as any mobile-based solution, product or service designed for Micro, Small and Medium Enterprises (SMEs) – formal or informal – in emerging markets which unlock improved productivity and growth.

This catalogue presents the Fund's first portfolio of start-ups across Africa and Asia.

ADDRESSING SUSTAINABLE DEVELOPMENT GOALS AROUND THE WORLD



eSEWA

NEPAL

ESEWA.COM.NP



In Nepal only 34 per cent of the adult population has an account at a financial institution, with lower numbers for women (31 per cent), and in particular lower-income individuals (24 per cent). Financial inclusion is a key enabler to reducing poverty and boosting prosperity; without it, many societies are held back.

Source: World Bank



eSewa aims to make financial services accessible to unbanked populations in Nepal and to provide them with business opportunities through mobile phones. Their objective is to bring more people into mainstream financial channels through mobile financial services.

Funded Project

To expand the distribution of their mobile money services to SMEs and customers in the eastern part of Nepal.

eSewa believe that mobile operators are highly desirable partners due to the high penetration of mobile phones in Nepal. They hope to leverage this market penetration in order to provide financial services to unbanked populations.

“More than 60% of Nepalese [people] do not have access to finance while more than 90% have [a] mobile phone. The only way we can reach them is by converting their mobile phones into their mobile wallets.”



CEO, ASGAR ALI

KYTABU

KENYA

KYTABU.COM



In Kenya, the costs of school supplies and learning materials are inflated due to supply chain inefficiencies and trade issues. Textbooks can cost up to a third of a middle-class household's income, but these costs disproportionately affect the poorest families, who can spend over half of their income on education.

Source: UNESCO



Kytabu is a leasing application for textbooks: they are downloadable from any internet-enabled device on the online library or preinstalled on a Kytabu tablet. By breaking textbooks down into leasable lessons, their aim is to make educational content accessible and affordable to low-and-middle income families, and to improve educational access across Kenya.

Funded Project

To make the existing mobile application available on multiple platforms, create additional digital content (e.g. videos, animations) and upgrade the capacity of the service.

Kytabu believes that the high levels of mobile phone penetration in Kenya make mobile operators their most desired partners. They hope to integrate mobile payments and develop the ability to market their product to all Kenyan learners by leveraging mobile operators' strength in the market.

“Collaborative technology is the single most important accelerator for prosperity in Africa.”



CEO, PAUL MUGAMBI

OPTIMETRIKS

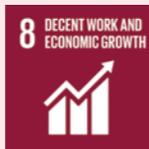
OPTIMETRIKS.COM

KENYA, TANZANIA &
UGANDA



The absence of reliable socio-economic data is a key obstacle in emerging markets when it comes to making good policy decisions. This is also valid for the private sector, where the lack of basic market data and customer feedback creates a barrier to investment for 55 per cent of brands in Africa.

Source: World Federation of Advertisers



Optimetriks is an East African company whose solutions enable fast-moving consumer goods (FMCG) companies operating in Africa to get a tighter control over their distribution networks, reach their full sales potential and better understand the market dynamics through smarter field data. This data is sourced through a community of crowdsourced contributors, who receive a source of income from their participation.

Funded Project

To improve the existing service, scale in Uganda and launch in Kenya.

Optimetriks believe they can help mobile operators better monitor their distribution networks and customer experience at Points of Sales level through recurring dynamic external retail audits. Partnering with operators will also help the company to scale their solutions more quickly, by leveraging mobile operators' significant assets.

“Our ambition is to benefit both the companies and institutions in need of reliable field data, and users looking for employment opportunities, expanding our community throughout Africa.”



CO-FOUNDERS, MARC DE COURCEL, AUGUSTIN DE CHOULOT, PAUL LANGLOIS-MEURINNE

PREPCLASS

NIGERIA

PREPCLASS.COM.NG



At over 80 million, Nigeria has the world's third largest population of under 15s, comparable to that of the whole European Union. However, the Nigerian school system ranks extremely low in terms of both quality and enrolment rates from primary (ranked 138 out of 138) to higher education (ranked 125 out of 138).

Source: World Bank, World Economic Forum



PrepClass is a tutoring marketplace that connects learners and tutors through an online platform. A pool of teachers who have been interviewed and thoroughly vetted offer their services to learners. This provides a source of income for tutors and supports the education of students in Nigeria.

Funded Project

To increase the number of tuition sessions by connecting learners and tutors via a web and mobile application. Tutors will create and upload locally relevant lessons (text/image, audio and video) on the app while learners access the app to study.

Prepclass believes that working with a mobile operator would connect them to millions of potential users of their service, giving them the power to scale their impact at a rapid pace. Their innovative product would likewise benefit the mobile operator by reaching scale quickly and generating direct and indirect revenue for them.



CO-FOUNDERS, OBANOR CHUKWUWE-ZAM, OGUNLANA OLUMIDE

“Education should not be defined by a system confined within the four walls of brick and mortar classrooms. Instead by personalising the learning process and using today’s technology we can achieve ground-breaking impact at unprecedented scale.”

RAYE7

EGYPT

RAYE7.COM



Traffic is a serious health, economic, and security issue in Cairo. Vehicles are responsible for 26 per cent of air pollution in the city, and Cairo traffic costs Egypt four per cent of its GDP a year. Unfortunately public transportation is not always an alternative, especially for women where 86 per cent feel insecure.

Source: Ministry of State for Environmental Affairs, World Bank, UN Women



Raye7 is a culturally sensitive carpooling solution for daily commuting which uses the trust reflected in social networks for a sharing economy solution using mobile services. Users receive a cost-effective transportation solution, until now difficult to find in Cairo. Drivers generate additional income daily to offset their car, insurance and fuel costs. Carpooling enables significant reductions in the amount of traffic in crowded cities and lowers CO2 emissions.

Funded Project

To scale up their B2C business with large homogeneous communities (e.g. universities, business parks) who work far from residential areas.

Raye7 believes that while mobile network operators have great resources and market penetration, start-ups have new innovative ideas that can capitalise on these resources. To Raye7 partnerships are a triple win: for themselves, for the operators, and for their customers.

“We should own less and share more.”



CEO & CO-FOUNDER, SAMIRA NEGM

RUANGGURU

INDONESIA

RUANGGURU.COM

ruang
guru.com

Indonesia has the world's fourth largest educational system with over 50 million students and four million teachers, however it is also one of the lowest performing. It has been claimed that over 50 per cent of Indonesia's teachers are unqualified.

Source: World Bank



Ruangguru develops a freemium Learning Management System (LMS) that helps students prepare for exams using content tailored to the national curriculum, and helps teachers to crowdsource educational content and distribute it to students. It improves the learning experiences of students while improving teachers' resource access.

Funded Project

To launch an online "Marketplace for Personalised Education" where teachers and tutors generate content, and students access content for free or can request personalised advice for a fee.

As a mobile-first company, Ruangguru sees working with mobile operators as inevitable because it allows them to reach out to a larger audience, collaborate in developing content, and cross-sell their services. On the other hand, working with Ruangguru will assist mobile operators to attract the younger market population.

“We hope that by partnering with mobile operators we can achieve our goal to enable better access to quality education.”



**CEO & CO-FOUNDER, ADAMAS
BELVA SYAH DEVARA**

SAFEMOTOS

RWANDA

SAFEMOTOS.COM



Although low-and middle-income countries have only half of the world's vehicles, they have 90 per cent of the world's road traffic deaths. Africa has the highest rates of traffic fatalities, making its roads the least safe in world.

Source: World Health Organization



SafeMotos' mobile-based platform increases road safety and enables more transparent market interaction between motorcycle taxi drivers and customers. Drivers are able to differentiate themselves from the competition and get more trips as customers know they are monitored via smartphone sensors for their driving habits. Customers are then able to access safer transportation options.

Funded Project

To further develop the existing product to provide drivers with more digital services, improve customers' experience in ordering and paying for the service, and increase the number of trips per month.

SafeMotos believes that if they are to grow beyond Kigali, mobile network operators are going to be a core part of any expansion strategy due to their unparalleled access to customers in Rwanda.

“Outside of a few dreams of drones and balloons, the tech industry hasn't really looked at Africa as an area of opportunity.”



CEO & CO-FOUNDER, BARRETT NASH

TWIGA FOODS

KENYA

TWIGAFOODS.COM



Due to issues related to storage, transportation or intermediaries, smallholder farmers in emerging markets struggle to sell their produce in urban areas, where city dwellers are overcharged for farm produce. In Africa in particular, they spend 35 per cent more for food than in other similar low- and middle-income countries.

Source: World Bank



Twiga Foods provides improved market access to farmers by buying fresh produce from them and also ensures a constant hassle-free supply chain to roadside vendors. These vendors are empowered to increase their product availability and income. It also ensures fresh and low-cost produce are available to lower-income citizens in Nairobi.

Funded Project

To build a mobile version of their food distribution service, connecting food stall owners and smallholder farmers.

Twiga Foods currently use mobile technology to manage and process mobile money payments, and to collect data at source, giving them timely insights into their operations. They plan to more deeply embed mobile technology in their operations to increase throughput and efficiency in their value chain.

“Kenya is not food insecure; Kenya is market insecure.”



CEO, GRANT BROOKE

UX

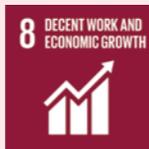
MOZAMBIQUE

UX.CO.MZ

biscate.CO.MZ
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It is estimated that 80 per cent of Mozambique's population under 35 years of age lack stable employment. Many of them struggle to meet their day-to-day living costs due to a lack of income opportunities.

Source: United Nations Office of the Secretary-General's Envoy on Youth



UX's product Biscate connects workers in the informal sector (plumbers, painters, mechanics etc.) who usually lack internet access to customers through hybrid USSD and web technologies. The service provides greater employment and income opportunities for these workers.

Funded Project

To further scale the existing service in Mozambique through partnership with more local mobile operators and to link workers to relevant training centres for skill-building and certifications.

UX believes that mobile operators can offer their channel, infrastructure, technical expertise and brand credibility, while as a start-up they will be feeding them with fresh solutions that can scale fast.

“Middle-class views are dominated by stigma and we still value a two-year technical course more than an artisan's skill inherited over three generations. Biscate has the potential to change this social paradigm and positively impact Africa's widespread challenge of low employment and income opportunities.”



CEO, FREDERICO SILVA

OUR REPORTS



Building Synergies:

How Mobile Operators and Start-ups Can Partner for Impact in Emerging Markets



Opening Doors: A Start-up's Guide to Working with Mobile Operators in Emerging Markets



Corporate Venture Capital: An Opportunity for Mobile Operators and Start-ups in Emerging Markets



APIs: A Bridge Between Mobile Operators and Start-ups in Emerging Markets

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