

The Baobab Network Report
for
ZENMONDO Members
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Baobab Insights weekly round-up
News, views and analysis on tech and VC in Africa

22nd October 2019

Issue #15



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Hello,

Jumia's 6-month lock-up period came to an end last week

Since its IPO on the NYSE back in April, the e-commerce giant has had a wobbly start to life as a public company. [Jumia's](#) share price has fallen by approximately 50% since its IPO at \$14.50 in April, with allegations of fraud and poor reviews from analysts stifling the stock price's growth. We took a look at the volatility since April.

Jumia Share price since IPO (USD)

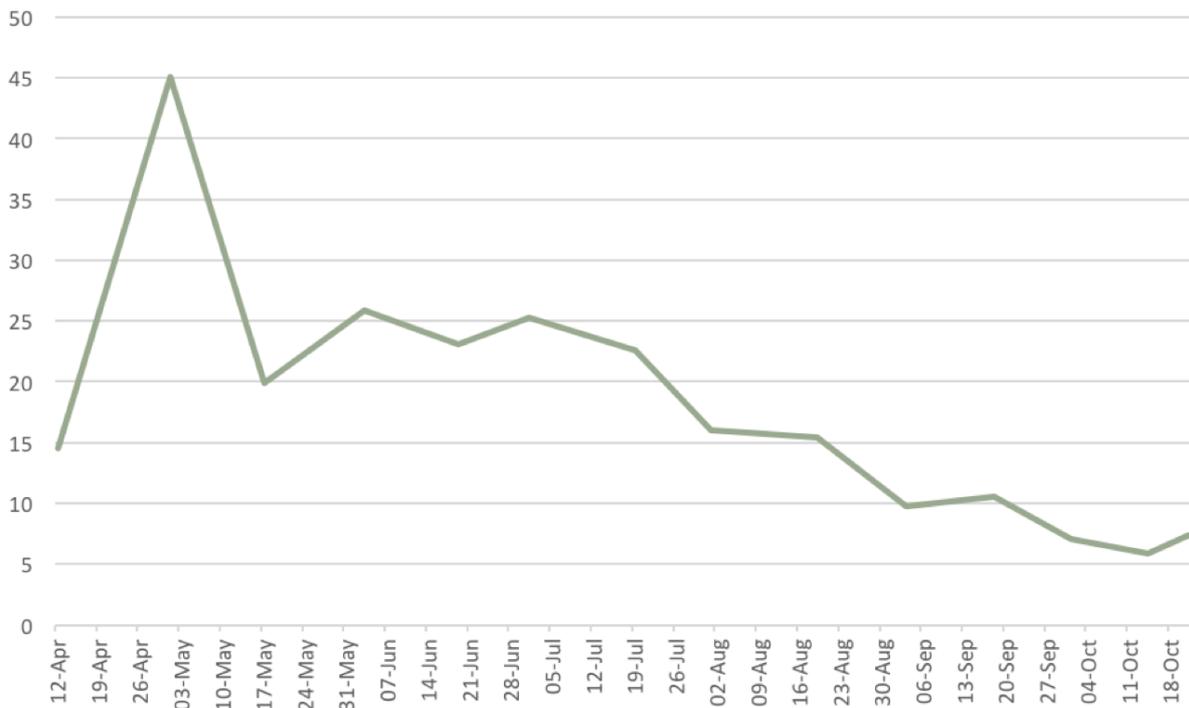


Chart Source: [Baobab Insights](#)

Although the price dropped by 4% once the lock up period expired last week, Jumia's key shareholders did not show an immediate big stock sell. What should we expect in the months to come? Will Jumia's Amazon style model bounce back despite the difficulties in rolling the platform out across African markets? We will keep you up to date....

News

Nigerian FinTech start-up Lydia expands in Europe

Financial services platform, [Lydia](#), has announced its [launch](#) into Poland and the Czech Republic. The company assesses credit risk on the basis of around 100 data points, builds a credit score, and finally disburses a loan in 24 hours or less. Lydia is already operating in Nigeria, US, Portugal, and now Poland and the Czech Republic. Lending agreements for Nigerian customers averaged \$3,000 while the number of loans totalled 10,000.

Facebook backs VentureBuilder to support off-grid solar in Africa

[VentureBuilder](#) provides early-stage capital and business development services to off-grid solar companies in Africa. The start-up has officially launched and has received the support of big players such as Facebook, Shell Foundation, DOEN and USAID.

The World Bank sets price tag to bridge broadband gap in Africa and it's not cheap

According to a recent report released from [The World Bank](#), in order to achieve access to broadband connectivity across the entire African continent by 2030, an investment of \$100bn is required. What would this number cover? Around 80% of the investment would target the introduction and maintenance of broadband networks. 20% would be allocated to building the user skills and local content foundations and finally, a small percentage would be allocated to the development of an appropriate regulatory framework.



Image source: [Quartz](#)

Deals

- Ghana based [PEG Africa](#) has raised \$4m in debt financing from CDC Group, SunFunder and responsAbility
- Rwandan EdTech start-up [BAG Innovation](#) has raised \$150k in seed round

Fund news

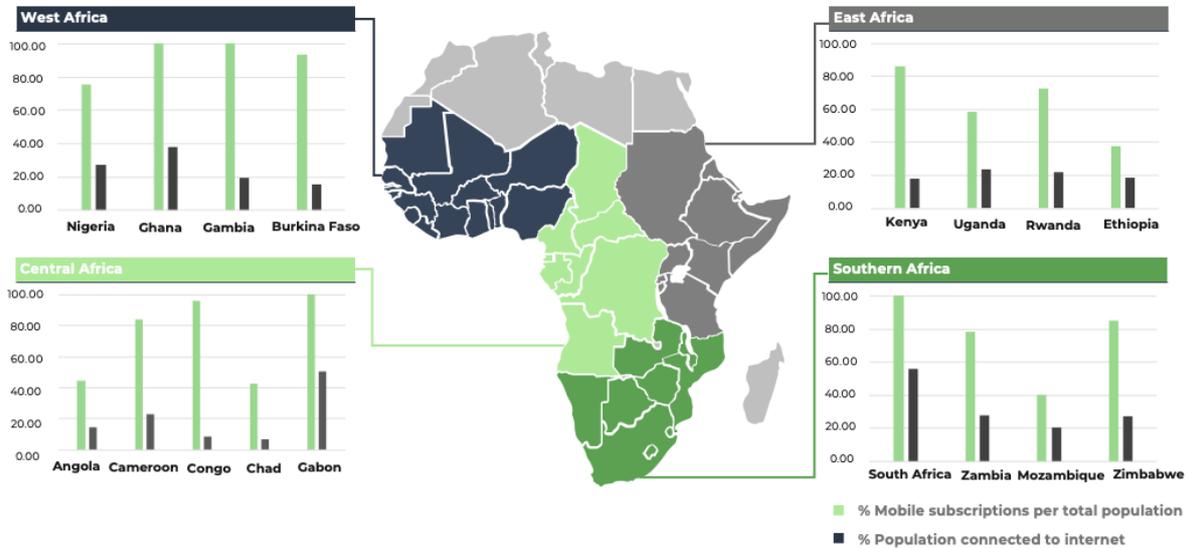
The [UK government](#) has announced a plan to invest \$12.9m into Kenyan FinTech start-ups through the Catalyst Fund, in collaboration with JP Morgan, DFID and BFA. Up to now, 48% of the fund's support has been towards African start-ups.



Image source: [Disrupt Africa](#)

Chart of the week

In light of The World Bank's estimation of the \$100bn investment needed to achieve broadband access for all, our team decided to take a look into the percentage of the African population per region with internet connectivity:



Source: [Baobab Insights 2019](#)

Start-up spotlight

Energy-focused start-up [Jaza](#) are building a network of renewable energy hubs in off-grid communities. Tanzania based Jaza are addressing the lack of access to electricity through the provision of hubs where individuals can charge battery packs. One hub serves up to 100 households. The company has already built 47 hubs and has powered 18,700 people, and has ambitions to grow quickly across Africa.



Image source: [Jaza](#)

Know a company building something cool?

Nominate them for our weekly spotlight at team@baobabinsights.com.

Get in touch

Want to learn more about our content or send us feedback? Email us on team@baobabinsights.com.



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Our mailing address is:

81 Rivington Street, London EC2A3AY, UK | M2, Mirage Building, Nairobi, Kenya

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