

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**

25th February 2020

Issue #32



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In this roundup, we analyse two crypto start-ups that have raised funding this week, and reflect on how Africa's crypto and blockchain market developed in 2019. We've also looked at Sokowatch's \$14m Series A round, and there's a neat chart of the week looking at the distribution of Africa's tech talent.

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**Hello,**

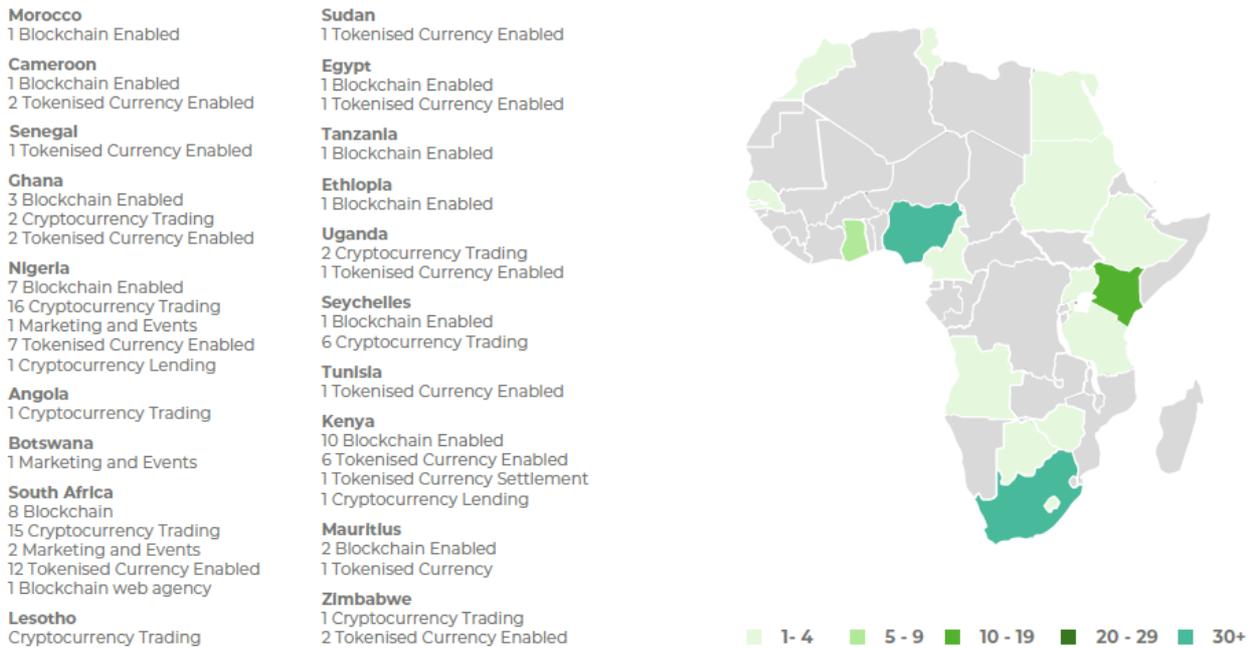
**Two crypto start-ups, Bitfxt in Nigeria and Centbee in South Africa, have raised funding this week, continuing an interesting Fintech trend that we've been tracking since July last year.**

Nigerian crypto-trading startup [Bitfxt](#) has raised a \$15m Series A round that will be used for infrastructural expansion and the development of new products. [Centbee](#), a crypto wallet based in South Africa, has raised funding from [Two Hop Ventures](#), an Amsterdam-based, bitcoin focused venture fund.

Bitfxt's \$15m Series A round was led by a UK-based syndicate of hedge funds as well as British firm Payitup Clearinghouse, which will now act as a clearing house for Bitfxt across Africa and Europe through its affiliates and networks for immediate settlements. Centbee's deal came after they raised a \$1.3m Series A round in April last year led by [Ayre Ventures](#) and [CoinGeek](#).

This news is a continuation of a trend that we tracked closely in 2019. Last year, we released [a report](#)

[into Africa's crypto market](#), and our research showed how widely distributed tokenised currencies and blockchain enabled payment platforms were across the continent:



This week, we wanted to dive deeper into 2019 crypto trends. So we did! And we found 11 Fintech startups in the crypto / blockchain space that raised funding last year:

|                                  | Pre-Seed | Seed | Series A | Series B | Series C+ | Venture Round |
|----------------------------------|----------|------|----------|----------|-----------|---------------|
| Blockchain / Cryptocurrency      | 0        | 9    | 1        | 0        | 0         | 1             |
| Currency and Remittance Services | 5        | 4    | 0        | 0        | 0         | 1             |
| Financial Administration         | 0        | 1    | 0        | 0        | 0         | 1             |
| Investment and Trading           | 0        | 1    | 0        | 0        | 0         | 0             |
| Lending                          | 2        | 3    | 1        | 1        | 2         | 4             |
| Merchant Services / Billing      | 9        | 5    | 2        | 0        | 1         | 3             |
| Payment Services                 | 0        | 1    | 2        | 0        | 0         | 0             |
| Personal banking and Saving      | 6        | 5    | 2        | 1        | 0         | 2             |
| Personal Wealth management       | 0        | 1    | 0        | 0        | 0         | 0             |

Data source: [Baobab Insights](#)

As you can see, most of the activity was at the seed stage, which suggests the market is still relatively nascent, but we predict it will continue to grow. You can find all the data behind this chart [here](#).

Our plan for this year is to release funding updates on key verticals each quarter, so look out for our next crypto update in May or June.

## News

### **Sokowatch has raised \$14m in a Series A round as it continues to digitise East Africa's informal B2B supply-chain**

Launched in 2016, Kenya based B2B e-commerce start-up [Sokowatch](#) has created a platform that connects merchants directly to local and multinational suppliers and also digitises orders, payments and delivery-logistics. This \$14m Series A round was led by [Quona Capital](#) but also included investments from [Timon Capital](#) and [4DX Ventures](#). This takes Sokowatch's total funding since launch to \$18.5m.

Source: [Techcrunch](#)

### **Egyptian last-mile delivery start-up Bosta has raised a seven-figure Series A round from European parcel delivery giant DPDgroup**



Launched in 2017, [Bosta](#) provides different types of last-mile delivery solutions to e-commerce businesses in Egypt. It provides clients with next-day delivery, handles exchange shipments, customer returns and cash collection. This strategic raise from [DPD Group](#) will help Bosta scale up and reach more customers across Egypt.

Source: [MENA Bytes](#)

### **Interswitch has partnered with American Express to expand the use of AmEx cards in Nigeria**

The partnership will enable American Express card holders to transact using a wide range of merchants who process payments through the [Interswitch platform](#), including travel services, retail, hospitality and dining expenses and ATM withdrawals.

Source: [Techawknj](#)

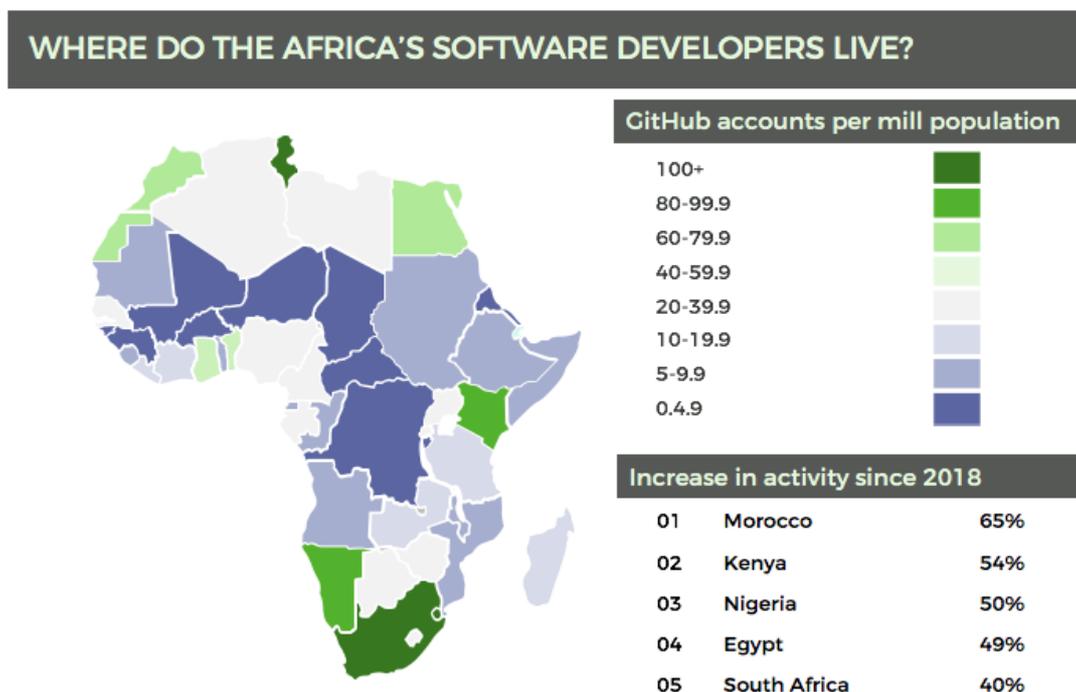
## Deals

- [Juhudi Kilimo](#), [WeFarm](#) and [Illuminum Greenhouses](#) have each raised \$856k in [grant funding from Innovate UK](#)
- [KWIKS](#), a Moroccan digital platform that specialises in rapid personnel sourcing, has [raised funding from GreenTec Capital](#) to expand its reach in Africa
- SA based Fintech start-up [Xion](#) will launch their Subscriptions Management Platform in the US later this year having bagged \$260k in funding
- Nigerian digital escrow service [Vesicash](#) has raised an undisclosed amount of funding from [Ingressive Capital](#) to help it grow its customer base and secure key partnerships
- [DevCareer](#), an organisation training software developers in Nigeria, announced that it raised USD \$16,000 with a [\\$6,000 donation from Twitter founder, Jack Dorsey](#).

## Chart of the week

One of our favourite ever charts this week. Following recent funding announcements from [Gebeya](#) and [DevCareer](#), we wanted to find out how developer talent was distributed across the continent, and whether we could spot any trends.

Luckily for us (and you!) [Ben Frederickson](#) did some research 18 months ago into the space, and our team has pulled out the key data for Africa this week. This chart shows active [GitHub](#) accounts per million of the population across the continent:



What struck us as interesting is the under-representation throughout much of Francophone West and Central Africa. We'd love to hear your thoughts, does this show where the need for EdTech and professional development is greatest, or where progress is being made the fastest?

## Start-up spotlight

Following on from our chart of the week, this week we spotlight [Blossom Academy](#), a technology talent development company that recruits and develops African analytics talents, with the goal of connecting them with job opportunities.

Based in Ghana, the start-up was founded in December 2017 by Jeph Acheampong (pictured below), and has been going from strength to strength ever since.



Acheampong says what sets Blossom Academy apart from other data science accelerators is how it consults with prospective employers on their data-related challenges and creates data-driven curricula for its students. One to watch!

Source: [Blossom Academy](#)

## Know a company building something cool?

Nominate them for our weekly spotlight at [team@baobabinsights.com](mailto:team@baobabinsights.com).

## Get in touch

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