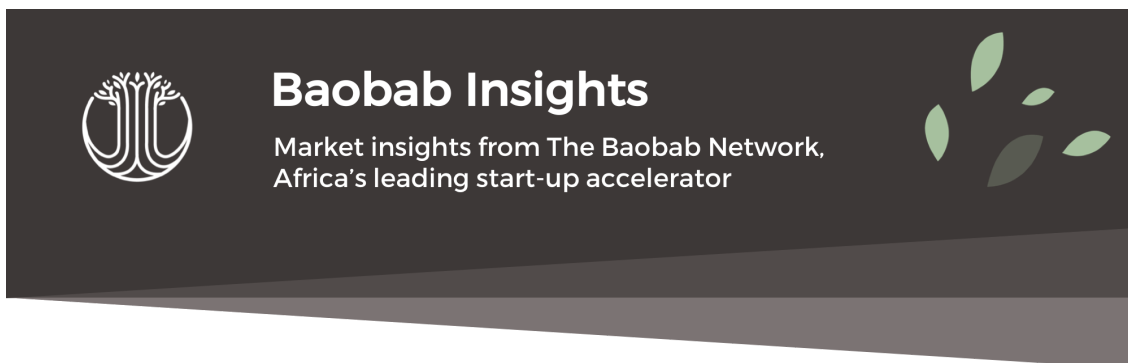


The Baobab Network Report  
for  
ZENMONDO Members  
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25th May 2021

**Hello,**

This week Flutterwave announced a partnership with Ethiopian digital e-commerce provider Amole targeting the country's diaspora. Also, our analysts take a closer look at the West Africa VC funding landscape over Q1 2021, Egyptian e-commerce has a couple of big announcements and Standard Chartered bank backs 5 Kenyan businesses.

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**Flutterwave and Amole announce global partnership**

2021 is proving to be a bellwether year for the team at [Flutterwave](#) HQ. Following the news that the Nigerian payments giant has secured Unicorn status, after their \$170 million [Series C](#) round closed in March, the team have continued to make strides, announcing a payments partnership with [PayPal](#) and their intention of later floating on the [NYSE](#).

The latest announcement, a partnership with Dashen Bank's digital payment and e-commerce service [Amole](#) targets the Ethiopian diaspora, and continues to take Flutterwave's Pan-Africa payments services to a global audience.

According to [National Bank of Ethiopia data](#), remittance is growing into Ethiopia. Their

latest report indicates financial inflows to be worth around \$4.5 billion USD annually in [2019](#) – increasing from \$3.7 billion USD in [2015](#). The teams at [Flutterwave and Amole](#) estimate that Ethiopia remittances now amount to more than \$5 billion USD annually served by an eight-million person diaspora around the world.

The deal comes as Ethiopia looks to open up its telecommunications industry to international operators, with Prime Minister Abiy Ahmed pledging to allow new entrants to offer mobile money services [over the course of the next year](#). Ethio Telecom, the state-owned monopoly, launched its own service earlier this month

Story Source: [Reuters](#)



In fact, the West Africa VC landscape has had a busy start to the year, our analysts took a closer look to find out more.

In [Q1 2021](#), West African technology start-ups have raised more than \$271 million USD across 34 funding rounds.

FinTech companies secured 31% of deals in Q1 2021 (a slight decrease from last years total of 32% of total rounds closed). Transport and logistics services accounted for 12% of total deals in Q1 2021, followed by Healthcare technology companies who secured 9%.

Perhaps an indication of how the regional start-up landscape has matured in recent years, the proportion of smaller sized rounds (totalling \$500,000 USD or less) has decreased year on year since 2018. In 2018 54% of deals totalled \$500,000 or less, compared to 36% of deals in [2021](#).



[Read our recent West Africa VC analysis here](#)

## News

### Egypt based e-Commerce platform Homzmart raises \$15m Series A

Cairo-based e-commerce company [Homzmart](#) has secured \$3m in a seed round led by [MSA Capital](#) and [Nuwa Capital](#). The round also included participation from [Rise Capital](#), [Impact46](#), [EQ2 Ventures](#), and [Outliers Ventures](#). Commenting on the recent round, Homzmart CEO, Mahmoud Ibrahim, plans to use the funding to further support regional expansion and build out their strategy to consolidate the furniture value chain.

Source: [Menabytes](#)

### Standard Chartered bank funds 5 Kenyan businesses

5 female-founded businesses in Kenya have secured a grant of KES 1 million (\$9,000 USD) at the end of the [Women in Tech](#) incubation programme run by [Standard Chartered Bank](#) in partnership with [iBizAfrica-Strathmore University](#).

The winning companies were film company [Ecila Films](#), Ufasiri Halisi, a HealthTech focussed on supporting deaf and hard of hearing, [Viwanda Africa](#) Group, which improves flight safety through a cloud-based AI platform, business efficiency company [Runnovate](#), and men's grooming e-commerce company [Mandevu Beardcare](#).



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## Deals

Egyptian e-commerce logistics and courier startup [Bosta](#) has raised \$6.7 million in a Series A deal led by [Silicon Badia](#), with participation from [4DX Ventures](#), [Plug and Play Ventures](#), [Wealthwell VC](#), [Khwarizmi Ventures](#).

Nigerian home financing start-up [Bongalow](#), announced that it has closed an undisclosed seed round from Japanese VC [Uncovered Fund](#).



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## Chart of the week

Following on from our lead story, here is another look at our recent Ethiopia technology market map. [News broke this week](#) that a consortium led by [Safaricom, Vodacom, Vodafone and CDC Group](#) has won a telecommunications service licence to provide \$850 foreign direct investment into helping to take Ethiopia fully digital. Great news for Ethiopia's start-up community.



Read our Ethiopia technology market map

## Start-up spotlight

[SIDE](#) is a Kenyan e-commerce distribution channel that allows Kenyans to unlock the earning potential of their social networks.



Founded in 2020 by  [Cathy Chepkemboi](#), the team has developed a web platform that allows users to leverage the power of social re-selling. Businesses can create online shops, and users can create accounts to become social resellers. Side has partnered with suppliers for reliable local delivery services.

The team recently took part in the Jua Kickstarter Olympics Accelerator Programme. To the side hustle!

Source:  [Side Africa](#)

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This year, we've made a pledge to support more women-led companies through our start-up spotlight feature. Know a team that deserves recognition? You can nominate them for our weekly spotlight at [insights@thebaobabnetwork.com](mailto:insights@thebaobabnetwork.com).

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Data in this newsletter comes from  [The Baobab Network](#)'s research team. Join DOB Equity, Amazon, Standard Chartered, Sanofi, Cargill, Newtown Partners, Johnson & Johnson and tonnes of other partners to get access to Africa's best VC market data.

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8 deals | 20 companies | 5 funds | 1 market report

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