

African startups score big in World Bank fintech challenge

Ten Southern African startups received \$5,000 (almost R100,000) each after pitching their solutions to bridge the gap in financial access for underserved communities at the Fintech Challenge, an ecosystem development initiative under the Southern Africa Innovation Bridge Portal supported by the World Bank. The initiative is aimed at providing low-cost and appropriate savings and de-risking products for the low- and middle-income market and lending solutions for SMEs.



World Bank awards 10 Fintech Challenge winners. Source: Supplied

“The region's most innovative and impactful fintech companies unveiled their solutions to enable greater financial access to the poor, after an eight-week investment readiness program which included masterclasses and mentoring,” said Marie Francoise Marie-Nellie, World Bank country director for Botswana, Eswatini, Lesotho, Namibia, and South Africa.

“Of the 15 participating startups, 10 were awarded financing. These businesses are investment ready and now eager to engage further with interested investors.”



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The money is for them to get their businesses investment ready and forms part of the key Fintech Challenge objective to provide underserved entrepreneurs with access to markets, business networks, and investment opportunities.

Participating entrepreneurs received training to help better engage with investors and enhance their chances of successful capital raising. All the entrepreneurs have businesses that have notable traction and are now ready to grow and engage with pre-seed and seed investors.

South African initiative

The Innovation Bridge Portal Entrepreneur Community is an initiative of the Department of Science and Innovation/Council for Scientific and Industrial Research (CSIR) in partnership with the Department of Small Business Development.

The initiative is establishing a digital platform for innovation, collaboration, co-creation, knowledge sharing, and matchmaking amongst ecosystem actors in South Africa, Botswana, Namibia, eSwatini, and Lesotho.

“To date, over 170 fintechs have had regulatory guidance from the IFWG. There has been such high interest in the sandbox process that we have changed the approach from testing specific cohorts to a rolling approach. In other words, applications for the sandbox are always open,” said Awelani Ruhalani, deputy chair of the Intergovernmental Fintech Working Group (IFWG), at the awards event.

Switzerland's State Secretariat for Economic Affairs provided funding for the Fintech Challenge.

“South Africa’s financial services sector is well regarded and we are thrilled to be actively promoting fintech in partnership with the World Bank. There are many untapped opportunities to be explored,” said Marino Cuenat, Deputy Head of Mission for the Embassy of Switzerland.

The following start-ups received awards:

Abela (South Africa)
Bento Technologies (South Africa)
Fintr (South Africa)
Moya Money (South Africa)
Sum1 Investments (South Africa)
Thumeza (South Africa)
Chaperone (Lesotho)
FundRoof (Namibia)
Ipachi Capital (Botswana)
Prime Capital (Lesotho)

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