

Press release: Ambitious new Innovation Partnerships with African countries

A series of ambitious new Innovation Partnerships between the UK and Africa are expected to stimulate significant economic growth and support the creation of thousands of new jobs.

The partnerships, announced by the Prime Minister as the UK strengthens ties with the region, will be established in African countries with growing tech sectors where there are young, expanding populations with ideas and innovations developing at a rapid pace.

Building on the UK's already-strong investment in science and research in Africa, the partnerships will enable UK and African entrepreneurs to share skills and ideas, and encourage future trade.

The increased engagement comes after the Department for International Trade announced the appointment of a dedicated HM Trade Commissioner to Africa. Emma Wade-Smith will now lead a team which will provide expert in-country investment and export advice for UK and African companies.

The Innovation Partnerships are a unique opportunity for UK entrepreneurs to work alongside and collaborate with African entrepreneurs at the cutting-edge of technology. The UK has a lot to gain from this untapped market, and a lot to share with its own expertise.

The tech sector is one of the fastest growing sectors in Africa. The continent's startups raised 50 per cent more venture capital in 2017 than in 2016, and the majority of this is being invested in South Africa (£130 million), Kenya (£114 million) and Nigeria (£89 million).

Nigeria and Kenya's technology sectors are also growing rapidly and generate more than ten per cent and 11 per cent of their respective economic output.

Technology can help transform societies by increasing economic participation and creating sustainable jobs and growth. It also increases the potential for countries to 'leapfrog' to the latest developments. This happened in Kenya where a small UK aid investment in a startup ten years ago led to the explosion of mobile-phone based money transfer service MPesa.

Today more than half Kenya's daily GDP goes through mobile money.

The new plans will bring together the best of British science, research and technology to offer tailored support to businesses and entrepreneurs in sectors from health to farming. And in partnership with DIT and DfID, will also open up new trading opportunities for exporters by helping promote stability and creating strong new markets.

The partnerships with South Africa, Kenya and Nigeria include:

- Dedicated UK science, technology and innovation teams who will build on the strong existing science relationships with South Africa and Kenya, including through the shared investments in the Newton Fund and high-end research programmes like the Square Kilometer Array. The aim is to leverage all of UK's investments in science and research and broaden this into the regions across Africa to achieve real impacts and support mutual interests
- New regional tech experts in Kenya and Nigeria to build links between the UK and Africa's cutting-edge digital sectors; support a wide range of startups to grow and create jobs; and help those in need of digital skills get access to training
- A significant new DFID programme to accelerate the growth of promising technologies and support startups to grow sustainably, including through early-stage investment, connecting them with private financing, and building connections with UK peers
- The rollout of digital skills and entrepreneurship programmes including TeXchange, Global EdTech Awards, Go Global and Founders and Coders programmes in Nigeria, Kenya and South Africa, so the UK becomes the partner of choice for startups to expand internationally

Digital Secretary Jeremy Wright said:

These new Innovation Partnerships will not only help countries turbocharge their development, but they will also promote the UK as the place to start and grow a digital business.

Nigeria, South Africa and Kenya's technology sectors are growing rapidly and generating a significant part of their economic output. This means huge opportunities for UK businesses and for future partnerships.

New ideas, game-changing research and cutting-edge science are good news for our African partners and good news for the UK's world-leading scientists, technologists and researchers who are representing the country on a global stage.

Emma Wade-Smith, Her Majesty's Trade Commissioner for Africa, said:

I'm delighted to see these ambitious partnerships being driven forward in one of Africa's most rapidly-growing sectors.

We're already seeing fantastic work being done to transform the UK and Africa's shared entrepreneurial spirit into jobs and growth. In my role, I see first-hand the huge potential that Africa holds for British businesses looking to create modern trading partnerships.

Julian David, CEO of techUK, said:

Africa's economy is projected to grow by 3.2 per cent in 2018 and to a further 3.5 per cent in 2019, according to the latest 2018 World Bank report. Kenya, Nigeria and South Africa represent a significant part of that growth with technology increasingly underpinning these numbers.

The decision to set up Innovation Partnerships and extend the tech hub network to these African nations shows the Government clearly recognises this opportunity.

The decision will allow the UK tech community to engage with high-growth markets internationally, and in turn provide an important corridor for international communities to engage with our burgeoning UK tech sector.

techUK looks forward to working with the UK Government to grow these Innovation Partnerships for the benefit of the UK tech sector, the host countries and beyond

FURTHER INFO AND NOTES TO EDITORS

Innovation Partnership team

The Innovation Partnerships will bring together UK teams and expertise across Government— providing a 'one stop shop' of UK excellence and tailored support.

These teams link UK government departments leading on UK research and technology for development (including DFID, BEIS, DHSC), digital technologies through DCMS and link to future UK-Africa trade and partnership opportunities through the Science and Innovation Network and DIT.

The team will explore a different area of research and technology, and work with different sectors in African countries to help the poorest to work and improve the trading environment.

This is drawing on expertise from across Government to provide a comprehensive package of support and a place for idea exchange and partnerships.

Digital tech experts

The Kenyan and Nigerian teams will form part a wider network of 'international tech hubs', which already includes Brazil, India, Israel and South Africa.

They will boost the UK and African digital sectors, help those in need of digital skills get access to training, fuel inclusive economic growth by supporting startups to grow, and facilitate new partnerships between UK and

African tech firms.

The teams will also address digital inequality by supporting the provision of digital skills programmes to poor and marginalised people, and making sure these are accessible to all, improving job prospects and allowing them to participate in the growth of their economies.

This programme is about identifying and pairing businesses, venture capital, universities and providing access routes for British businesses and entrepreneurs to new markets. These business-to-business connections will encourage broader innovation, productivity and growth.

The new programmes in Nigeria and Kenya – alongside the UK-South Africa hub announced in June – follow the success of the UK-Israel Tech Hub, which has generated £85 million worth of deals over the past five years, facilitated 175 linkups between the countries' firms, and had a potential impact of over £800 million for the UK economy.

Recent figures show UK tech and digital firms have seen their international trade grow by more than 20 per cent, with more than £39 billion in services exported in 2016, up from £32 billion in 2015.

DFID tech acceleration programme

The £32m accelerator scheme will:

- Offer access to early stage commercial investment for entrepreneurs by facilitating connections between investors and companies, de-risking private investors and using competitions to encourage investment;
- Build links between the UK and Africa's cutting-edge tech sectors, develop networks, linking academics, innovators, entrepreneurs and investors between the UK and Africa;
- Provide technical support for new technologies and business models to help early stage businesses scale their ideas;
- Provide a focus on innovations which help the most marginalised, such as people with disabilities – and ensure female innovators also receive support;
- Provide a channel for innovators to outline policy and regulatory barriers which are preventing growth so that local governments can address these challenges.

Examples of new technologies which may be taken to scale from UK's current research:

- Frontier technologies (for example secure cash transfer).
- New health technologies including diagnostics, drugs, and vaccines or satellite technologies to assist rural areas gain access to healthcare and veterinary innovations to protect livestock and combat antimicrobial resistance

- Mobile technologies to provide farming tips, weather updates and market prices, improving agriculture productivity and nutrition outcomes and scale up of low cost weather stations and observational data coverage through public private partnerships
- Scaling solar, clean energy and water technologies with innovative business models and linking UK expertise with African entrepreneurs, including electric cooking.

Skills and entrepreneurship programmes

To help African entrepreneurs promote their ideas on the world stage, from 2019 we are inviting African innovators to apply for and participate in:

- TeXchange, the flagship international exchange programme increases the flow of digital companies, ideas and technology between the UK and overseas markets;
- Go Global, the international programme which aims to provide early stage startups with the tools needed to expand globally via the UK;
- Founders and Coders, a tuition-free, peer-led learning programme that makes highest quality digital skills training accessible to everyone.

The UK Government is also supporting the annual startup Edtech competition brings the most innovative 15 edtech startups from across the globe to compete for a \$50,000 investment prize.

Together this work will help the countries to develop and provide the next generation of ambitious Africans with the digital skills to succeed, while helping to support entrepreneurs in the UK and Africa to solve global issues.

Notes to editors

1. The tech hub initiative is funded by the UK Prosperity Fund, aimed at removing barriers to sustainable and inclusive growth in middle income developing countries, where 70 percent of the world's poor live.
2. The technology accelerators are funded by DFID.
3. The UK Prosperity Fund will also help to harness the potential of developing markets, boosting prosperity internationally, including for the UK through increased trade and investment.
4. For more information call DCMS press office on 020 7211 6356.
5. DIT launched their Export Strategy last week, with the ambition of increasing U.K. exports to 35% of GDP. The strategy will provide an offer for all businesses, including the 400,000 which the government estimate could be selling their products overseas but currently have no overseas operation.