Silicon Savannah: the new co-working hubs in Nairobi

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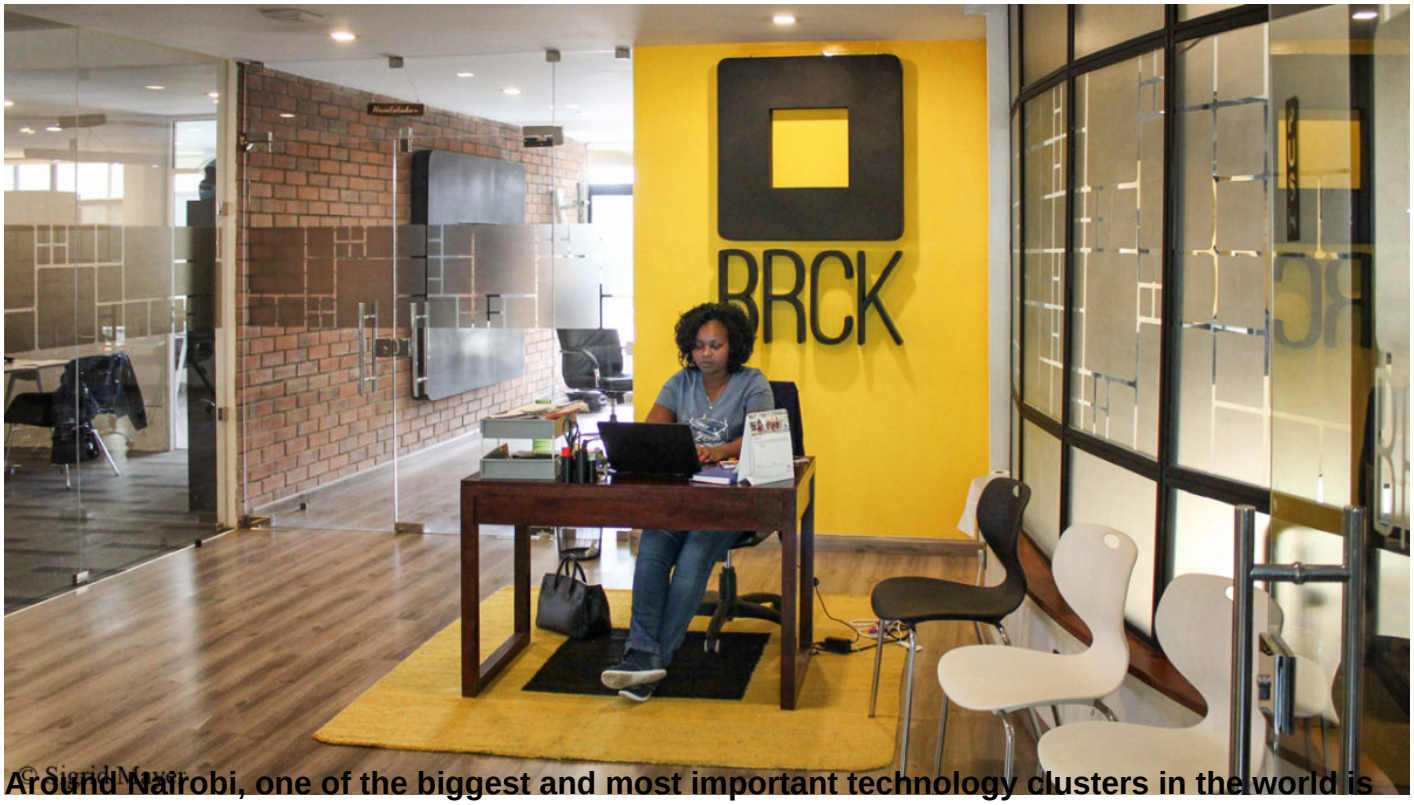

Around Nairobi, one of the biggest and most important technology clusters in the world is currently forming. In the iHub, Nailab and Nairobi Garage co-working spaces, a few apps have already been developed which have sustainably changed everyday life in Africa. A stroll through Silicon Savannah.

Travelling west of the city centre, the traffic becomes quieter, developments more scattered, and the country gets greener and greener with each step. You walk past churches, state schools and restaurants from all over the world, then at the corner of Galana Road and Lenana Road, you suddenly see a black glass office building, clad in concrete panels, reaching up into the sky. The more inconspicuous the hardware of the so-called Senteu Plaza, the more fascinating the software hidden inside. “I admit, it’s a pretty unspectacular nucleus”, says Erik Hersman. “But this place is actually an important part of the origins of the Silicon Savannah story. This is where it all started.”

Hersman, red beard, bald head and the stature of a doorman, someone you don’t want to get in the way of, grew up in Florida, Kenya and Sudan and focused on developing the black continent into a tech hub, a digital oasis with wild, innovative start-ups. In 2010, the “White African”, which is what the blogger and tech expert is now known as, founded the co-working platform iHub in the

Kenyan capital of Nairobi, an open space for geeks, nerds, hackers, technologists and all interested investors. “iHub”, says the 42-year-old, “is an incubator, an incubator for new ideas, a start-up centre for young IT companies.”

Education through apps

The premises aren’t very impressive. A bar like in a Waldviertel guest house, wooden tables and colourful plastic chairs like in any mediocre canteen, the whole thing is boxed in laminate flooring, acoustic ceiling and a few broad-leaved plants which rise up out of colourful flowerboxes in the middle of the room, almost as if they wanted to prove that the digital Savannah in Africa isn’t nearly as barren and dried out as most of us non-Africans would falsely assume. And yet, some of the most important and, in the meantime, highest ranked African tech companies have been brought into the virtual world here. These are intelligently designed apps which aim to make life easier for people living in Kenya and can also be installed on the most simple, affordable mobile phones and tablets: the learning platform eneza, a type of virtual teacher, is designed to increase the level of education, above all in rural areas, and is already used by more than four million pupils.

The start-up BRCK, founded in 2013, has focused on building laptop classes and fitting the remote steppe region with WIFI and using this to connect people to the internet. The first apps for deaf people are currently in development, which strive to introduce a uniform sign language for all levels of the population.

Digitisation in business

> *“We are massively underestimating the African market with our prejudices and misjudgements.”*

There’s also a lot going on in other sectors: with the Buupass, Kenyans can buy bus and train tickets online for the first time. With eCow, a virtual agricultural midwife, cattle herds can be increased specifically. M-Farm, on the other hand, connects farmers and local sellers quickly and ensures that the goods can reach the customer in the shortest and most lucrative way – without a detour via large industrial middlemen traders. And mHealth aims to focus on places where the public hand of their work can’t be met and provides people outside of the city with projects and services in the health industry in the form of public private partnerships.

“iHub has absolutely nothing that is staged or gimmicky like many other co-working spaces in Europe or the Anglo-American countries”, says Karin Krobath, grounding partner of the Austrian

agency Identitäter, which specialises in employer branding and corporate culture and which regularly organises learning journeys to Nairobi since discovering the African tech scene. “iHub is an authentic and down-to-earth stage for everyone committed to finding real solutions to real problems.” As well as iHub, explains Krobath, there are also other hubs and co-working platforms already actively participating in the tech business, such as Nailab and Nairobi Garage, for example.

Silicon Savannah

The high concentration of innovative tech start-ups means that the region around Nairobi has now gone down in the digital business atlas as Silicon Savanna – following Silicon Valley in California. “And I can say from my observations that because of our prejudices and misjudgements, we massively underestimate the African market”, says Krobath. “Here, huge development steps are made, even from the bottom up, that no government and no NGO in the world could achieve this quickly.” Among the most important digital developments on the tech market, the Identitäter founder includes both start-ups M-Pesa and M-Kopa, which have already changed the lives of millions of people. M-Pesa, a cooperation project between Safaricom and Vodafone, is the largest and most successful mobile phone payment system in the world, with almost 30 million customers. Even in taxis and at markets, M-Pesa is used as a payment method. This is possible because new functions have been built into the SIM card. And M-Kopa provide compact home solar power systems which are paid off in instalments and are used for LED lightbulbs as well as to charge smartphones and laptops, in a place where 70% of people aren’t connected to a regular power network.

Around 500 start-ups

“The start-up scene in Africa is booming, and I mean really”, says Karin Krobath, who can confirm she has seen the leap-frogging phenomenon – the skipping of development stages –among the approximately 500 new technology companies in Silicon Savannah. Where other countries have been working on implementing digital, mobile payment methods for years, in Kenya, Nairobi, South Africa – and now even in Romania and Albania – it’s been common practice to pay for a kilo of beef at the market with M-Pesa for a long time. “Silicon Savannah is becoming digitised at an astounding pace”, says Krobath. “And of course, this is capturing the interest of investors. And I think that this boom is offering the chance for the continent to develop itself further substantially under its own steam. We could all learn something from that.”