

Five global accelerators supporting African startups

Look back five years, and inspect the cohorts accepted onto various programmes by acclaimed international accelerators such as Techstars, Y Combinator, and 500 Startups. See any African startups in there? No, probably not.

 By Tom Jackson 11 Jul 2016



Image by 123RF

Fast forward to 2016, and what started as a trickle in the last 18 months or so [has now become a wave](#). There are five international accelerator programmes – and accompanying VC funds – backing African tech startups.

500 Startups

A global venture capital seed fund and startup accelerator founded by Dave McClure and based in Silicon Valley, [500 Startups](#) has around US\$200 million in assets under management. Its four-month accelerator sees thousands of applicants vying for intake and only two per cent making the cut.

In spite of the level of competition, [500 Startups](#) has led the way when it comes to African startups, selecting [South Africa's SweepSouth](#) and [Ghana's Kudobuzz](#) for a programme last year, and [startups from Kenya and Egypt the year before](#). [Nigerian e-commerce startup Podozi](#) was in one of their most recent cohorts.

The company has gone beyond just accepting African startups onto its programmes. It has also [launched 500 Falcons](#), a US\$30 million fund for investing in startups from the Middle East and North Africa (MENA) region, while it has partnered DraperDarkFlow to host the US\$1 million [SpeedUPAfrica bootcamp in Ghana](#).

Techstars

Launched in the United States (US) in 2006, [Techstars](#) is now a global phenomenon, running programmes across the world. Less than one per cent of the companies that apply to Techstars are accepted.

Kenya's Bamba Group is the overseas trailblazer in this case, [taking part in the Techstars accelerator](#) held

Austin, Texas, but the accelerator's biggest impact on African startups has come on the continent rather than back home in the US. [Techstars teamed up with Barclays](#) to run the bank's fintech accelerator programme the end of last year, and just [completed its own African accelerator in Cape Town](#).

It is also keen for African startups to join more of its overseas programmes, [inviting applications](#) for programmes in New York and London recently.

Nest

Hong Kong-based VC firm [Nest](#) typically partners large corporates and runs accelerators on their behalf, aimed at identifying startups for partnerships, investments or acquisitions. The company [launched its African operations in Kenya](#) last year, led by [Aaron Fu](#), and has not looked back since.

A [product lab with Barclays](#) aside, there have been no programmes held in Africa as yet, but the company has been keen to get African startups involved in its Asia-based programmes. Kenya's SuperFluid and South Africa's Creditable took part in a Hong Kong fintech programme [held in conjunction with DBS Bank](#), while opportunities have also been available in Singapore.

Nest also recently made its first African investment, in [Kenyan instant messaging platform Ongair](#).

Startupbootcamp

Launched in Amsterdam in 2010 and now also running programmes in Berlin, Copenhagen, Eindhoven, Istanbul, London, Barcelona, Rome and Singapore, [Startupbootcamp](#) is another major accelerator fluttering its eyelashes at African startups.

Tanzanian startup BimaAfya, a mobile micro-health insurance product specifically targeted at the poor and the informal sector, recently took part in the [three-month Startupbootcamp InsurTech accelerator programme in London](#), but African programmes are also underway.

The accelerator has started a number of initiatives in South Africa, [holding mini-bootcamps last year](#), and there have been suggestions [more full-scale programmes are in the offing](#). Startupbootcamp South Africa co-founder Karolin Kruiskamp [told Disrupt Africa last year](#) the mini-bootcamps were a "truly vibrant experience", and proved a full three-month programme would work in the country.

Y Combinator

So what of Silicon Valley-based [Y Combinator](#), founded in 2005 and considered possibly the world's most powerful startup accelerator? Its model was the inspiration for a number of programmes in Africa, notably the [now dormant 88mph](#), but Y Combinator itself has been mostly quiet when it comes to Africa.

There are signs this may be changing though, with Egyptian bug-reporting app [Instabug joining a Y Combinator programme](#) earlier this year, and receiving funding. It remains to be seen whether the renowned accelerator will further increase its activities in Africa, or whether they will take the advice of Sandheep Ramluckan, managing director of Cape Town-based programme StartUp90, who [says the Y Combinator approach does not work for African startups](#).

ABOUT TOM JACKSON

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