Startup Ecosystem Report Summary
Ethiopia – Addis Ababa
2023

MinT
የኢኖቬሽንና ቴክኖሎጂ ሚኒስቴር

JICA
Japan International
Cooperation Agency

Project NINJA
JICA Innovation Challenge

Table of Content

For more information, please download documents from the followings.
- **Details_ Ethiopia Startup Ecosystem Survey (English)**
- **JICA Project NINJA: Ethiopia Startup Ecosystem Report**

Acknowledgment

This research was developed by a team led by Anteneh Tesfaye (Project Lead) and composed of Michael Tomas (Lead consultant), Nathnael Tsegaw (Consultant) and Zemariam Abenet (Creative Lead).

2. Background

The African startup ecosystem has experienced significant growth in recent years, with an increase in funding, the number of startups, and the number of investors involved in the ecosystem.1 However, despite this expansion, the African startup ecosystem still represents only 0.2% of the global startup value. Much more work is needed to enable the continent to catch up with the global startup scene.

The Ethiopian startup ecosystem is a part of the wider African startup ecosystem, but it falls behind in terms of funding, number of startups, and involvement of both local and international investors compared to the regional leaders (Kenya, South Africa, Egypt, and Nigeria). The vibrant seed ecosystem of Ethiopia has jumped 5 spots to secure its position in the global top 100 for the first time in the ranking in the Global Startup Ecosystem Index by StartupBlink and, after completing in the top 100, is ranked 100th globally. The Ministry of Innovation and Technology (MInT) was founded to ensure the development and competitiveness of technologies and innovations in Ethiopia. Also aiming to improve the startup environment and entrepreneurship. They are also facilitating the establishment of startup funds to support these initiatives. Addis Ababa, the capital of Ethiopia, has emerged as a significant hub for the country's startup scene and ecosystem players. Analysing the startup ecosystem in Addis Ababa can provide valuable insights into the national level of startups and

ecosystem players. However, despite its potential, the Ethiopian startup ecosystem lags behind other players in the region, according to surveys conducted by JICA and UNDP. This can be attributed to a range of factors, including limited access to funding, regulatory challenges, and other barriers.

The Japan International Cooperation Agency (JICA) and the Ministry of Innovation and Technology (MInT) have joined forces to conduct a mapping exercise and survey of the startup ecosystem in Addis Ababa. Developed a comprehensive report using primary and secondary sources that provides a thorough assessment of the ecosystem in Addis Ababa, covering various industries and stakeholders. This report marks the first time that a study has been conducted solely on the startup ecosystem in Addis Ababa. The main goal of the research was to evaluate the state of the startup ecosystem in Addis Ababa.

3. About MInT and JICA

Ministry of Innovation and Technology (MInT)

The Ministry of Innovation and Technology (MInT) is one of the major government organization in Ethiopia with the responsibility of initiating policies, strategies, laws, and programs that sustainably ensure the development and competitiveness of innovation and technologies in Ethiopia, enhance the digital and tech-based investment ecosystem, and bring about digital transformation in Ethiopia. In particular, the ministry is entrusted with the role of promoting startups as well as innovation ecosystem development and start-ups that, by their nature, blend innovation and entrepreneurship capacities.

The ecosystem will also be instrumental in the full-scale operationalization of the national goals, policies, and regulatory frameworks, such as the National Science, Technology, and Innovation Policy, the National Startup Act, and the Innovation Fund Guideline, as well as the development of new initiatives that will be instrumental in strengthening the innovation-driven entrepreneurship and innovation culture in the country. Innovation is not the result derived by just one institutional player, such as universities or industries, but rather the result of the interaction between all actors in the ecosystem. The ministry promotes the essence of an ecosystem characteristic, "connectedness," among various actors and initiatives and

shapes the local ecosystem life cycle after the global startup ecosystem.

As a country, the ministry envisions Ethiopia's startup ecosystem reaching the fourth stage of its life cycle, which would enable Ethiopia's startup ecosystem to finally integrate with the global fabrics of knowledge, produce a global business model, and achieve high global market reach in the long run. However, the ministry places its priority on the first cycle, which is the activation ecosystem life cycle, which is stifled by challenges such as limited ecosystem experience, challenges of resource leakages to later-stage ecosystems that inhibit growth, and also activation cycle success indicators such as triggering the globalization ecosystem life cycle through multiple startups with 100 million+ USD exits and through national resource attraction in some of our regions, such as Kenya's and Nigeria's startup ecosystems.

In the coming few years, the local ecosystem must ensure connectedness among ecosystem actors such as startup founders, startup talents having both innovation and entrepreneurial capacities, governmental and private organizations, international partners, the academies, ecosystem builders such as incubators, accelerators, VCs, and angel investors, and resources such as funds and infrastructure that result in startups with economic impact oriented to the local market as well as envision global connectedness and beyond.
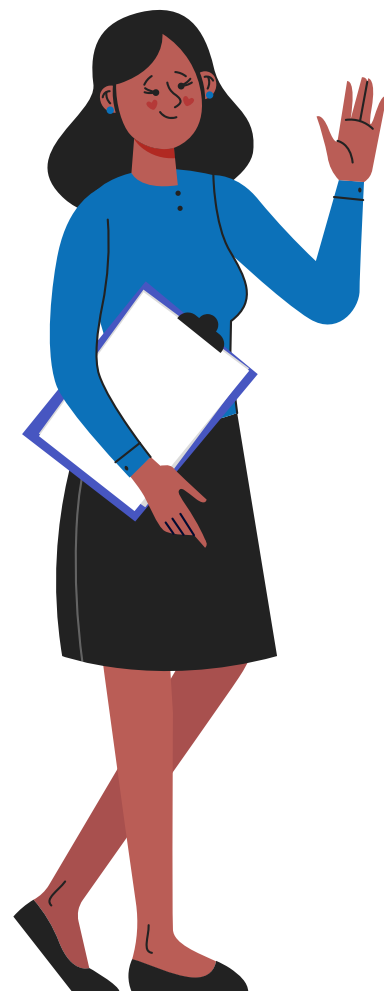
JICA Project NINJA

JICA launched Project NINJA (Next Innovation with Japan) in January 2020, and is working on multifaceted support for entrepreneurs who take on the challenge of solving social problems in developing countries. NINJA's support includes entrepreneurship development activities, business matching, promotion of venture/impact investment, and policy recommendations to strengthen the ecosystem. The inclusion of "with Japan" in NINJA means that Japan will continue to innovate with entrepreneurs in developing countries to co-create sustainable and prosperous economies and societies.

We will also promote collaboration between entrepreneurs in developing countries and Japanese companies, investors, and research institutions to make a significant contribution to achieving the Sustainable Development Goals (SDGs). Project NINJA is expanding to many countries around the world, including Africa, Asia, the Middle East, Europe, and Latin America. JICA provides Startup support by leveraging its knowledge and experience from projects in various countries. Ethiopia is one of the focus countries for the Startup support program, starting with SolveIT in 2019, which has supported more than 2000 entrepreneurs in Ethiopia and has supported numerous Startups and ecosystem players to date. Currently, JICA is implementing various Startup support projects in Ethiopia together with the Ministry of Innovation and Technology. JICA will continue to actively pursue the goal of

Project NINJA, which is to support entrepreneurs for socio-economic development in the world, including Africa, by connecting our startups and ecosystem players.

With Japan	**Overcoming Social Challenges**	**Creation of Innovative Industries**

1. Entrepreneurship enlightenment and entrepreneur development activities
2. Promotion of corporate collaboration by holding events in Japan and overseas
3. Venture investment / impact investment promotion
4. Information dissemination related to startups in Africa and Asia
5. Policy recommendations for strengthening the ecosystem
6. Survey about the impact of startups

Website: Project NINJA | Our Work | JICA

JICA's Startup Support Activities in Ethiopia

NINJA Business Plan Competition in Africa

- Target: Registered company promoting innovative or technological business
- Selection: 2,713 applied→69 (Funding provided)→10 Startups(Final pitch)
- Final pitch was held with Nikkei and 8 Japanese companies awards to startups

Awards in Ethiopia

Orbit Health (Health tech)

YenePay Financial Technologies P.L.C (Fintech)

19 Countries

Website: NINJA Business Plan competition

Matching Oppotnities(Foreign Delegation Program)

- Theme: ① delegating top startup to GITEX (Dubai expo) ②Training 8 startups
- Target: Top Ethiopia startups (have registered as business and experienced in sales)
- Purpose: ①Advertisement for Ethiopia startups ②Provide Matching opportunity between Japan and abroad investors and companies

Acceleration Program for middle stage of startups

- Theme: lead to the acquisition of funds and strategic business alliances with other companies
- Target: 30 & 6 middle-stage of startups
- Purpose: ①Advertisement for Ethiopia startups ②Provide Matching opportunity between Japan and abroad investors and companies

Online pitch event for advertisement to abroad

- Theme: Ethiopia Startup Innovation Pitch with Japan and abroad
- 300 people from around the world, including Japan, attended the event online and about 50 Ethiopian startups and stakeholders at the venue.
- 5 private companies (Sumitomo Corporation, Safaricom Telecommunications Ethiopia PLC, Kazana Group, DIVE INTO CODE, Inc. Amazon Web Services, Inc. presented special awards to the startups, which had pitch in the event.

- Website: Report: Ethiopia Startup Innovation Pitch | Our Work | JICA

4. Methodology

To conduct the research, we combined different conceptual frameworks that would enable us to understand the startup ecosystem in Addis Ababa. Based on the conceptual frameworks and research objectives we created and collected questionnaires from different stakeholders. In addition to the questionnaire, we conducted Key Informant Interviews were carried out to get insight about the startup ecosystem from different stakeholders in Addis Ababa.

Conceptual Framework: Startup Ecosystem

We primarily used the startup ecosystem framework developed by (Ziakis et,al 2022) to identify what constitutes of startup ecosystem players. The six ecosystem players are Startups, Education Service, Finance Providers, Startup Ecosystem Builders, Government and Human Resources. Based on this framework, we analysed the startup ecosystem of Addis Ababa.

To conduct the research, we combined different conceptual frameworks that would enable us to understand the startup ecosystem in Addis Ababa. Based on the conceptual frameworks and research objectives we created and collected questionnaires from different stakeholders. In addition to the questionnaire, we conducted Key Informant Interviews were carried out to get insight about the startup ecosystem from different stakeholders in Addis Ababa.

- Start-Up Ecosystem Factor Model – Startup Genome introduces us to six different factors that help us label what makes a startup successful or not in the market. The success factors include performance of the startups, funding level of startups within the ecosystem, market reach of startups, talent and experience of startups, connectedness of startups, and knowledge of startups.

- Startup Ecosystem Lifecycle – The Startup Ecosystem Lifecycle model by StartUp Genome is designed to describe the typical stages of evolution that an ecosystem undergoes. This model recognizes that startup ecosystems are dynamic, evolving entities with specific characteristics, challenges, and assets at each stage. The four stages defined in this model include Activation, Globalization, Expansion, and Integration, each with unique characteristics that define the evolution of the ecosystem over time. Ultimately, the lifecycle model aims to identify and address the challenges and needs of the ecosystem at different stages of development to support its sustainable growth.

To gain deeper insights, we conducted 15 face-to-face interviews with influential stakeholders, providing the team with a more comprehensive view of the developing ecosystem. Employing multiple research methods allowed us to develop a comprehensive understanding of the startup ecosystem in Addis Ababa and report on the critical role of entrepreneurship in driving development.

Sampling Strategy

Our comprehensive report utilized a range of methodologies to gather data on the Addis Ababa startup ecosystem, including online surveys, face-to-face interviews, and extensive secondary desk research. We distributed the online survey questionnaire to nearly 800 firms and institutions within the startup community in Addis Ababa. Ultimately, we were able to collect valuable survey data from 300 startups and input from 80 key stakeholders actively involved in the ecosystem.

5. Executive summary – Startups

Addis Ababa - Startup Profile

>300

Registered Startups in the Addis Ababa Ecosystem

77%

of registered Startups in the Addis Ababa Ecosystem are in their early stages

52%

Annual growth rate in the number of startups in Ethiopia from 2018 to 2022.

70%

Of the Startups surveyed had a revenue size of less than 20K USD

56%

of the Startups surveyed bootstrapped their business in order to fund their initial business stages

86%

Of the startup surveyed said that they would consider raising capital from foreign investors or consider merger and acquisition (M&A) Opportunities

59%

Of the Startups surveyed didn't pass through any valuation process

- Most startups in Addis Ababa are in their early stages of business, with only 23% being post-early stage, suggesting that the startup ecosystem in Addis Ababa is still developing.

- Transportation and logistics sectors have the highest number of post-early-stage startups, with the highest employment levels, annual revenues, and investment rounds compared to other sectors.

- Most early-stage startups are willing to receive investment from foreign investors. Early-stage startups are looking for investment either for working capital or expansion purposes, suggesting that foreign investors can invest in different Ethiopian startups to enable them to grow and help investors get profit and growth from their investment.

- Accessing capital is extremely difficult for startups in Addis Ababa, with an average rating of 1.3. Almost half of the startups (48%) found it very difficult to obtain capital, and only 16% rated it as average, indicating that most startups in Addis Ababa struggle to secure funding.

- Startups planning to raise capital from abroad prefer to raise funds in USD due to the currency's stability in the face of the continuous devaluation of the ETB. This is mainly due obstacles like high collateral requirements and a lack of access to financing options.

- Startups in Addis Ababa consider the business environment to be average, with an overall rating of 3.1. However, agri-tech and health-tech startups rated the environment more favourably, with 25% rating it as very good.

- Most startups have not undergone any valuation process, indicating a lack of understanding of their potential value and growth. However, 20% of startups have reported a valuation of over 250,000 USD.

The Addis Ababa and Ethiopian startup ecosystems are in the activation stage, which is characterized by a lack of experience and resources and requires the establishment of a supportive infrastructure and early-stage funding.

Figure 5 A Map of Startups in Addis Ababa

Figure 5 A Map of Startups in Addis Ababa

Fin-Tech · **Health-Tech** · **E-Commerce & Market Place** · **Ed-Tech** · **Agri-Tech** · **Job-Tech** · **Transportation Services** · **Renewable Energy and Clean Tech** · **Media and Entertainment** · **Delivery and Logistics** · **Super App** · **Others**

For a list of the startup ecosystem stakeholder that participated in this survey, please see "Chapter 4, List of the startup ecosystem stakeholder.

Or please check the www.jica.go.jp/longform that describes the entire survey.

6. Executive summary – The Startup ecosystem

🏛 Government institutions

- **The Ministry of Innovation and Technology (MInT)** is responsible for developing policies and programs to support innovation and technology in Ethiopia. The Ministry of Innovation and Technology is preparing to create a National Innovation Fund to support startups in Ethiopia and has engaged with different development partners on several startup projects. One example of this collaboration is the relationship between JICA and MINT to begin the NINJA acceleration program for startups. .
- **The Ministry of Labor and Skills (MoLS)** launched the **EDGET program**, which has five pillars to support startups and SMEs in Ethiopia: strategic communication, direct DE ecosystem intervention, entrepreneurship fund, access to finance, and DE through **FROG (Digitizing Entrepreneurship through Financial Reporting, Online Registration, and Governance).**
- The **MoLS** operates the **Enkopa** Campaign website and YEGARA portal which has a mission to provide ecosystem focused, and innovative financing service through motivated team and state of the art technology.

📊 Finance

- Startups in Ethiopia face challenges in accessing finance, primarily due to **high collateral requirements and interest rates.** Female founders, in particular, face difficulties in accessing finance due to limited access to collateral.
- Financial institutions should explore alternative forms of collateral, such as **intellectual property or personal guarantees,** to make financing more inclusive for women-led startups.
- The transaction costs involved in processing small loan amounts can make it less economically viable for banks to lend to startups.
- Banks in Ethiopia tend to lend more to larger, established businesses with predictable revenues and cash flows. The lending distribution by sector is led by **the industrial/manufacturing sector, followed by domestic trade, housing and construction, and international trade.**
- A few large corporate clients hold a significant proportion of outstanding loans, making it difficult for startups to access funding.
- Startups should understand sectoral lending trends, comply with regulatory guidelines, manage credit risk, and meet specific lending criteria when approaching banks for funding.
- Initiatives like the **"Ethiopian Talent Power Series"** by Dashen Bank aim to provide training and financial support to talented individuals and promote job creation and entrepreneurship.

Investors

- There are **16** different investment firms, both domestic and international, actively investing in Addis Ababa-based startups.
- **Half** of the investment firms are incorporated in another country, indicating international interest in the Ethiopian startup ecosystem.
- Local investors and foreign investors are equally engaged in the Ethiopian startup ecosystem.
- **Seed-level** companies are the primary focus of investment firms, with some also considering pre-seed levels.
- Investment sizes tend to increase as startups progress in their business operations.
- The ticket size of investments in Addis Ababa startups is lower compared to other regional peers.
- To attract more local investments, the startup sector needs to be de-risked and made more attractive.
- Increasing the quality of local startups and reducing regulatory barriers, particularly related to the investment law, can attract more foreign investments.

Educational institutions

- Universities in Ethiopia, including **Addis Ababa University (AAU), Jimma University, Bahirdar University, and Mekelle University,** among others, have established innovation and business incubation centers to support startups.
- **AAU's Innovation Centre** holds business contests and provides support for businesses derived from on-campus training, offering funds and conducting Proof of Concept tests.
- **Addis Ababa University** has a business incubation and techno-entrepreneurship center that provides technical support, mentorship, working space, and access to funding for startups.
- These educational institutions play a crucial role in creating a conducive environment for startups, providing physical space, technical assistance, mentorship, funding, and networking opportunities.
- Private colleges like **BITS College, Saint Mary College, and Unity University** also offer supportive spaces for entrepreneurs looking to start their own companies.

6.1 Startup ecosystem map

Established Investors

Financial institutions

Government Institutions

Educational Institutions

Startup Ecosystem Builders

Network Operators

Banking Infrastructure

Mobile Money/Payment

International Development Partners

Advertising and Marketing Agencies

Law Firms

Payment processing & Network

Saving & Wealth Management

7. Attraction of the Ethiopian Startup Ecosystem

7.1 Why Ethiopia?

There are various reasons why Investors should choose the Ethiopian and Addis Ababa startup ecosystem as their investment destination. The reasons to choose Ethiopia and Addis Ababa include the following.

1 Huge Population and Market Size

Ethiopia is the second largest population in Africa with a population of 120 million People in 2021. The Ethiopian population is also young by its nature, and has a higher urbanization rate of around 4.4%, which is higher compared to sub-Sahara (3.6%) and world (1.1%).

120 Million+

2.6% Growth Rate

2 Government Focus

The Ethiopian Government has given startups focus as an enabler for high economic growth. The government has also drafted several policies and incentives including startup act to aid the development of the startup ecosystem, and Science, Technology and Innovation (STI) Policy.
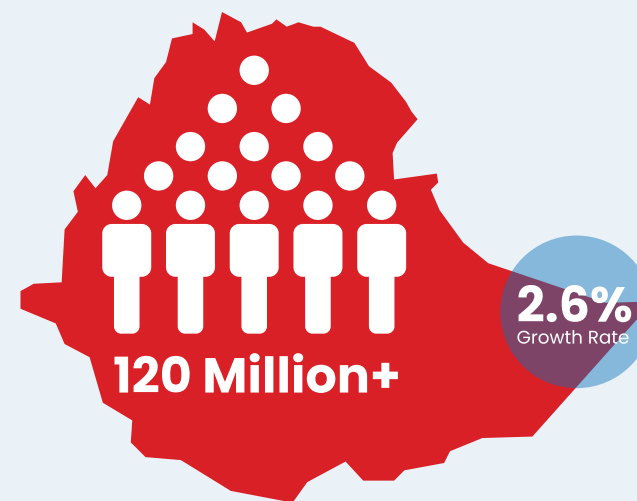
- Startup act and innovation fund proclamation
- Promoting Innovation driven jobs and wealth creation
- National Innovation/ Startup/ Fund
- STI policy and National STI Council (NSTIC)

3. World Bank (2021)
4. World Population Meter (2021)
5. Digital Ethiopia 2025: A Digital Strategy for Inclusive Ethiopia
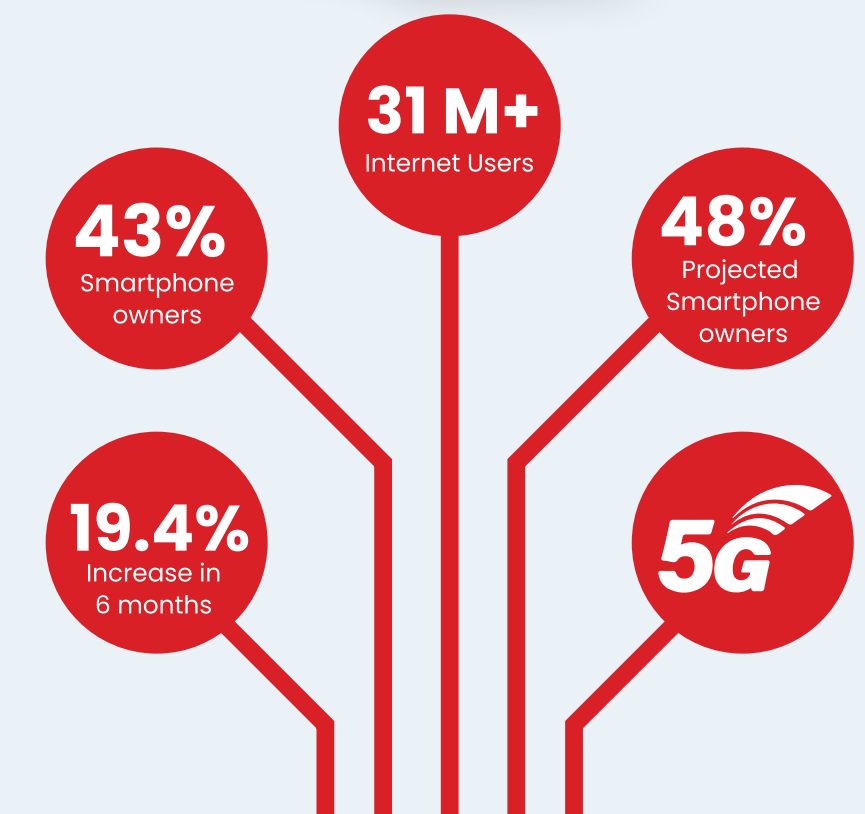6. STI Policy

3 Improving Business Environment

There has been several incentives to improve the business environment through digitization of government services and opening up of the telecommunications and financial sector in Ethiopia.
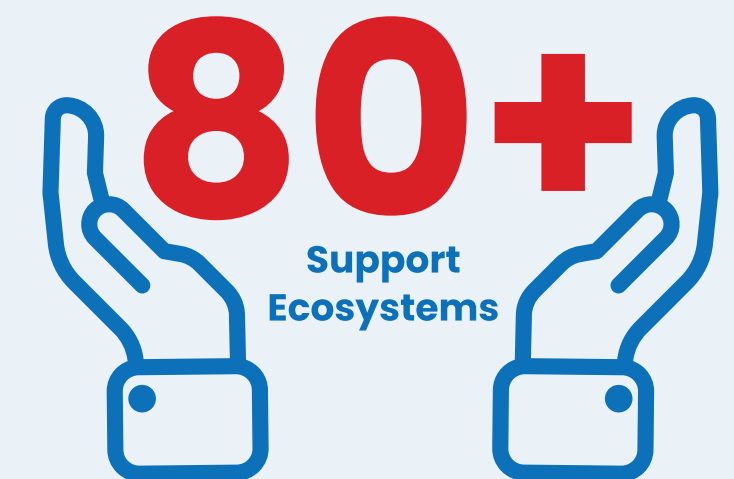
M-PESA

Safaricom

E-Gov't

4 Increased Internet Users

The number of data and internet subscribers increased and surged of data and internet users reaching 31.3 million users by December,2022. The Ethiopian government is also trialing 5G internet in Addis Ababa and Adama for commercial scale out.

31 M+ Internet Users

43% Smartphone owners

48% Projected Smartphone owners

19.4% Increase in 6 months

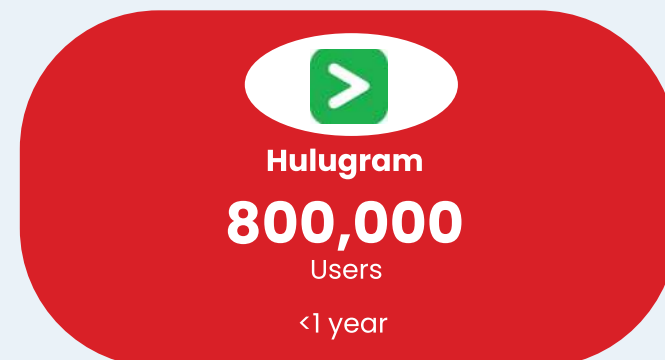**5G**

5 Growing Support Ecosystem

We have mapped around 80 different participants in the start-up support ecosystem in Addis Ababa, which engaged in different programs to enable startups.

80+ Support Ecosystems

7. National Bank of Ethiopia, Proclamation No 1282/2022
8. https://shega.co/post/ethio-telecom-reports-exceptional-surge-in-internet-users/
9. GSMA (2022), The Mobile Economy of Sub-Sahara Africa
10. https://www.ethiotelecom.et/2015-efy-2022-23-first-half-year-business-performance-summary-report/
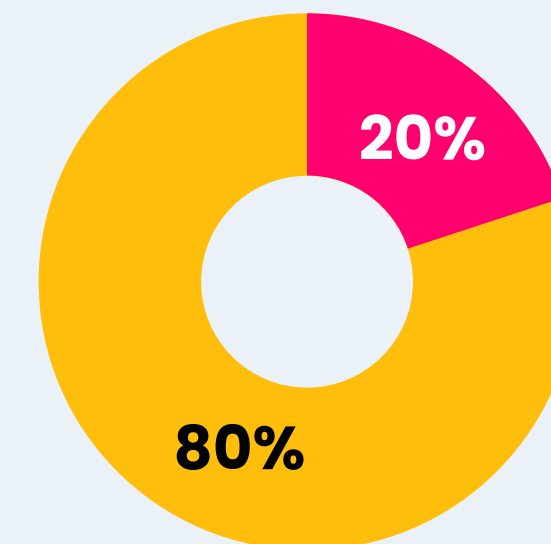
6 Changing Consumer Perceptions

There has been an increase in the use of digital products for day-to-day activities. Hulugram, an Ethiopian Super-based on telegram, reached 800,000 subscribers in October 2022. While Telebirr an Ethio-Telecom wallet transacted a total of 1 trillion ETB in August 2023.

Hulugram
800,000
Users
<1 year

Telebirr
27.1 Million
Users
166.1 B ETB
in total transaction

7 Hard Infrastructure

There has been a massive increase in the hard infrastructure over the past decade throughout the Ethiopian Economy, which has resulted in increased coverage in roads, electricity and communication for Ethiopians.

8 Increasing Access to Capital

There has been an increase in venture capitalists and angel investors to invest in startups, while the Ethiopian Government has introduced several initiatives including tax breaks, subsidies and loan guarantees to boost the availability of capital for startups.

11. Interview Reports

ACCESS TO CAPITAL

9 Talent

Addis Ababa is home to different public and private universities and research centers, with 75-80% of the graduates being from Science, Technology and Engineering (STEM) sectors.

20%
80%

■ STEM Graduates   ■ Others
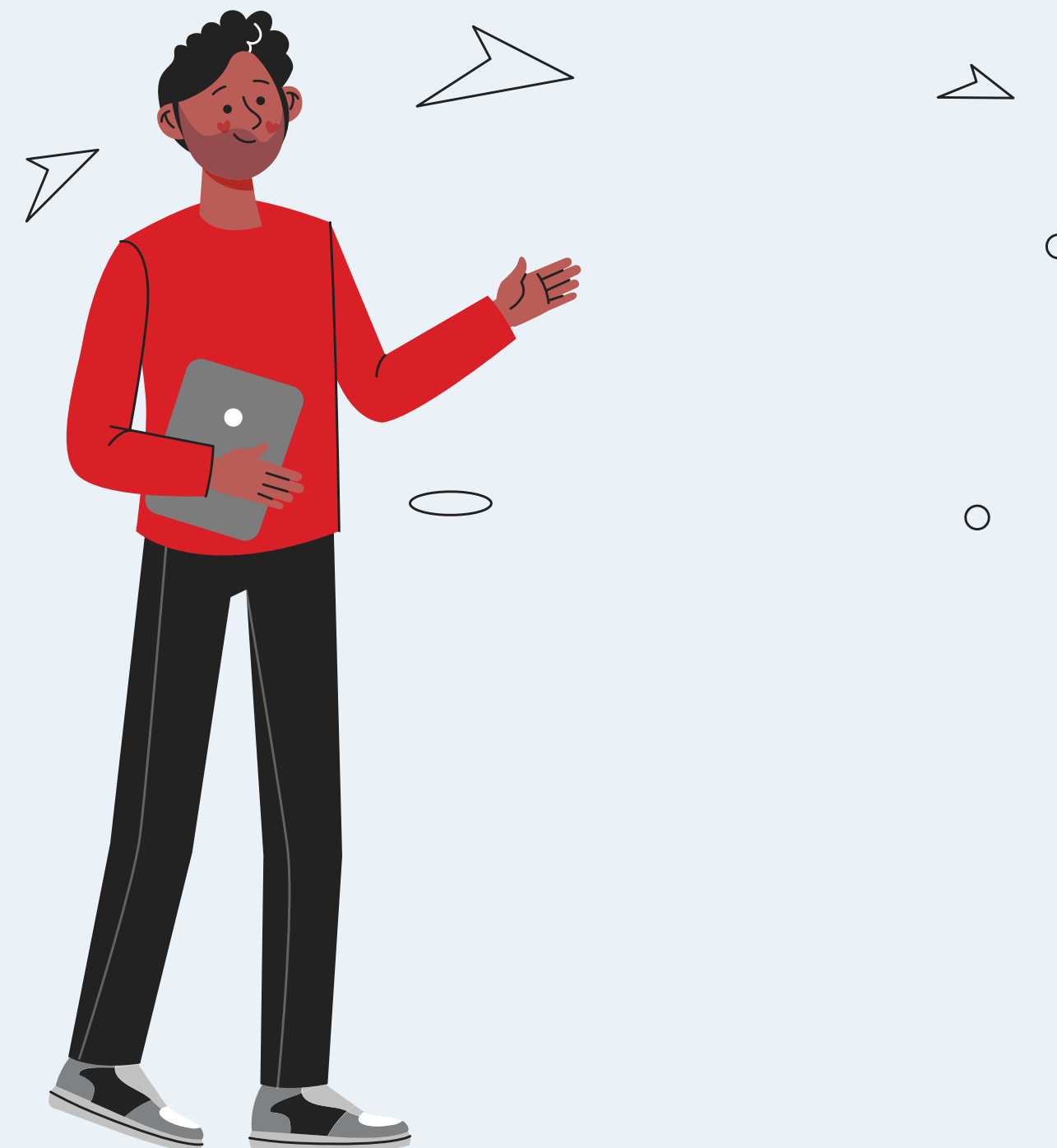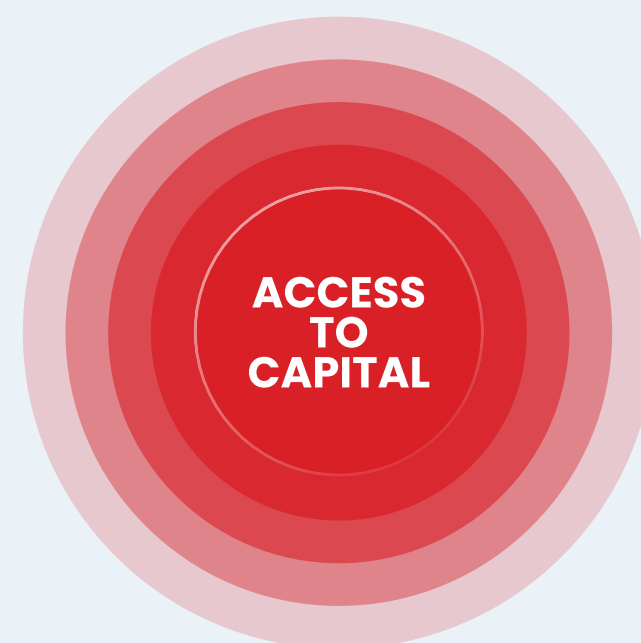
7.2 Why Addis Ababa?

1 Addis Ababa large and growing population makes it a prime location for startups, which makes it an ideal location for different kinds of startups. Addis Ababa is also home to five million people, which is projected to grow to 5 Million People in 2040.

2 The Ethiopian Government unveiled the ICT park in 2015, which was built to serve as an impetus for the development of the country's ICT sector. The ICT park hosts around 20 different IT companies, including Safaricom, Wingu, Tecno Mobile and Red Fox.

3 Addis Ababa is home to several banks, venture capital firms and angel investors which provide startups with opportunities to secure funding. Addis Ababa is known to have strong talent pool which is home to several unviersities including engineering, computer science and business.
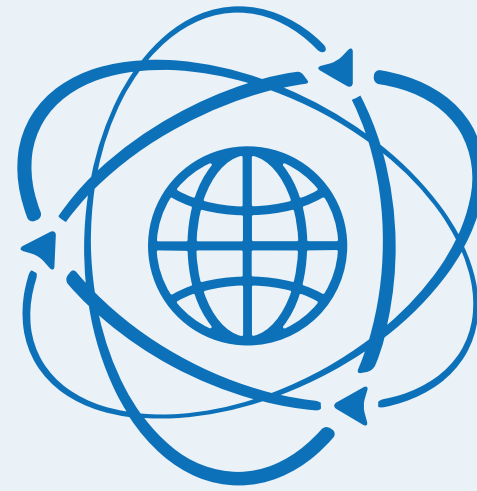
4 Addis Ababa has had a growth in the internet usage and ownership of Smart Phones, which has led to creating opportunities for startups in different sectors. The city has also had different policies to support the development of tech-hubs and Co-working spaces dor startups
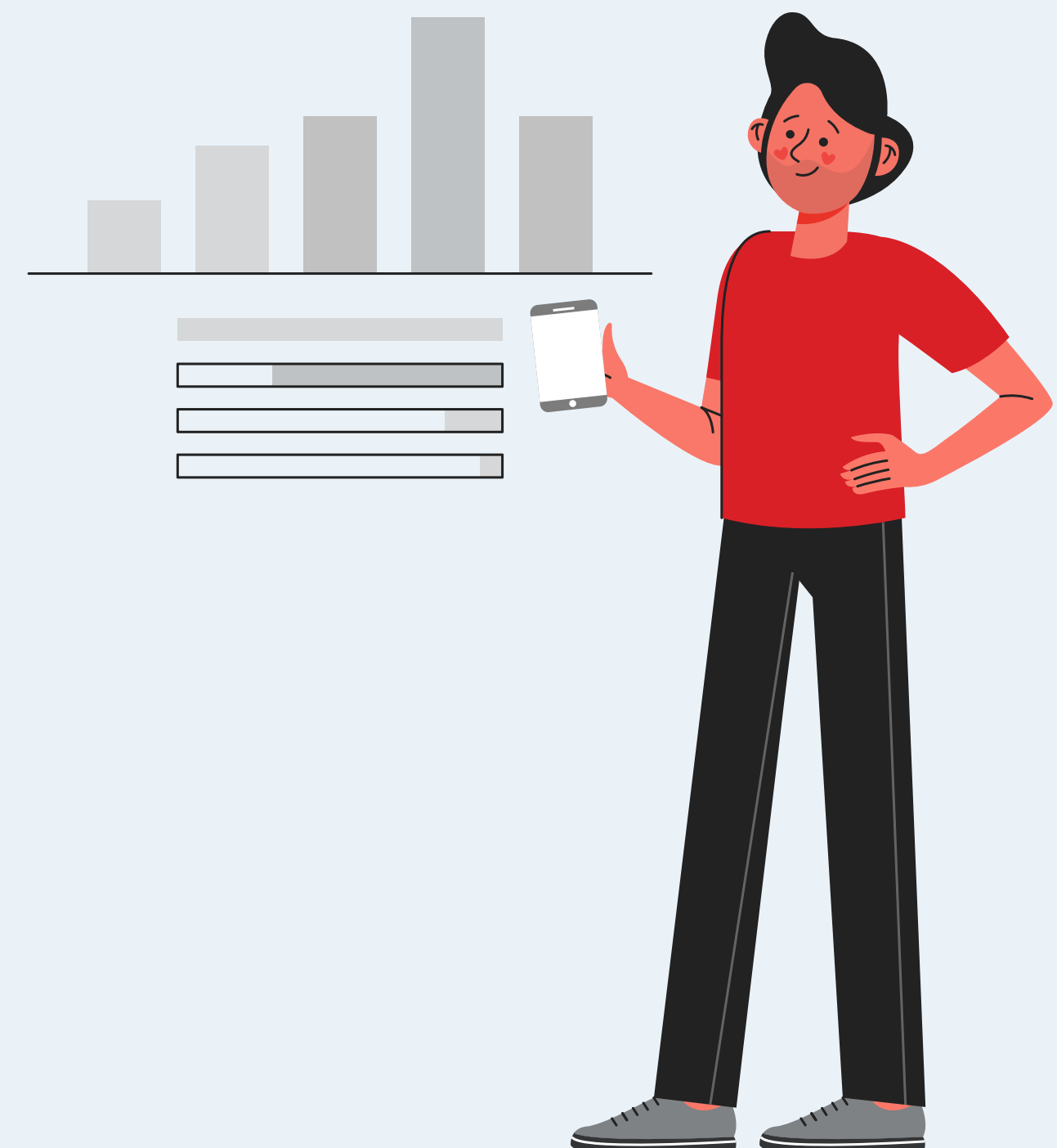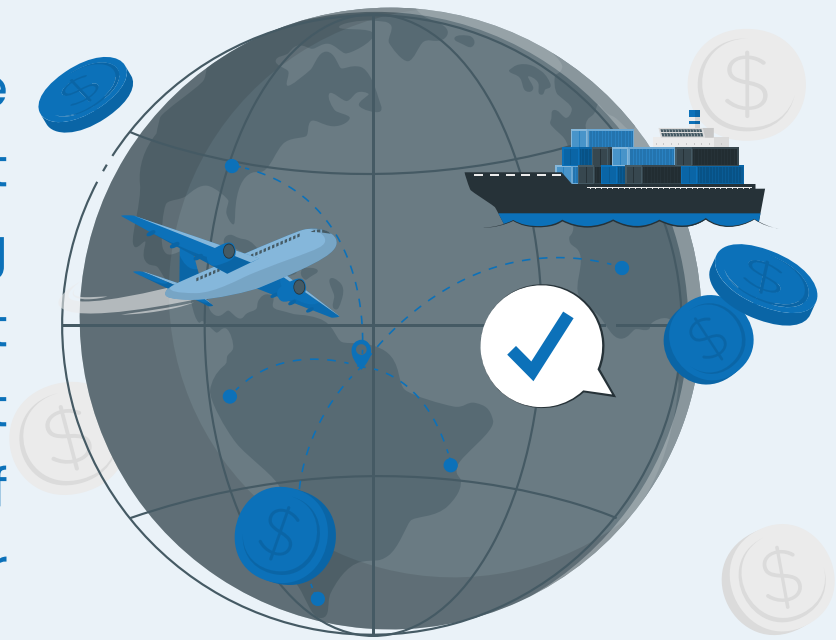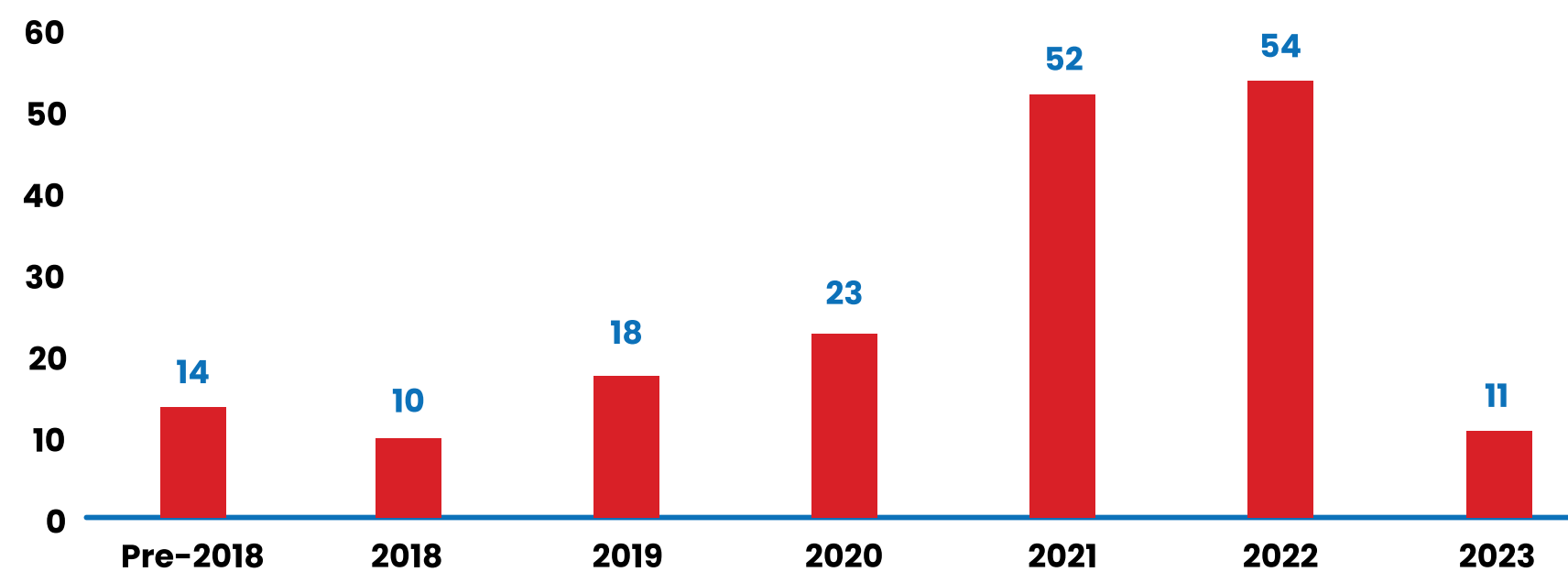
8. Key findings

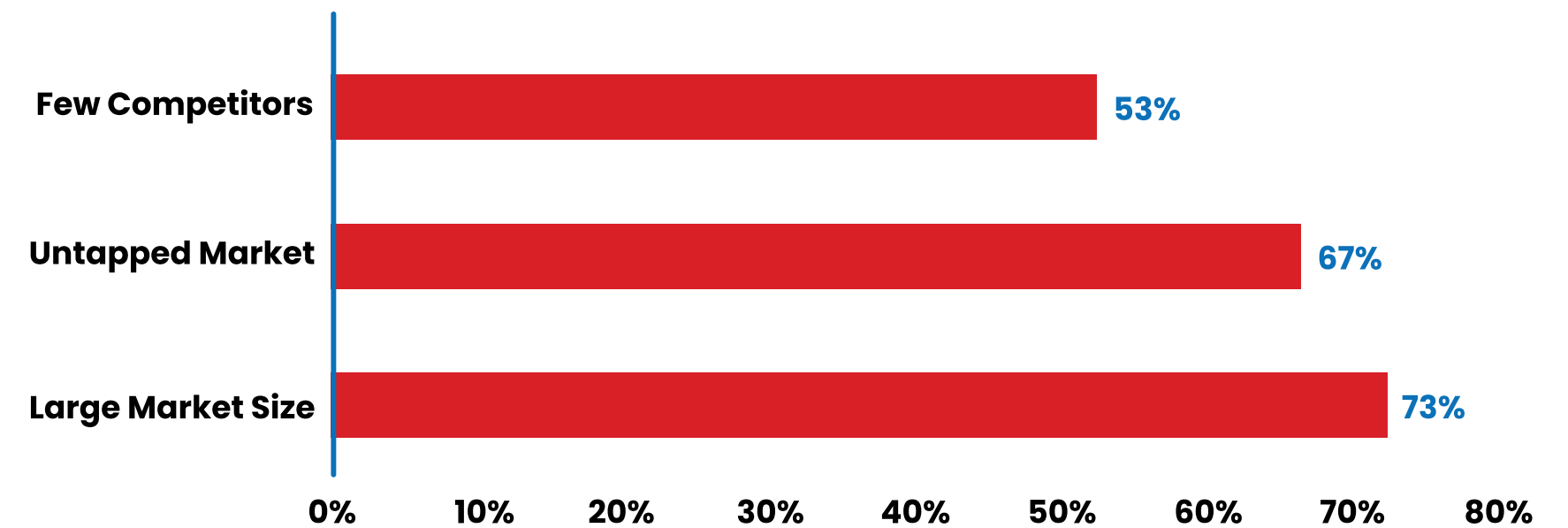## 8.1 Overview of Startups in Ethiopia

The start-up scene has been growing over the past few years, as the overall survey data shows an annual growth rate of 52% in the number of startups between 2018 and 2022.

Figure 1- Number of Startups by Year of Establishment


The Ethiopian startup ecosystem has a potential for rapid expansion, due to various factors. The startups in our survey mentioned huge market size for their products (growing urban and middle-class population), untapped market (increase in tech-savvy population and potential for disruption) and lack of strong competition as the top three opportunities for their products. We have also identified increased government focus and incentives as an opportunity for Ethiopian Startups.

Figure 2- Top Three Identified Opportunities by Startups in the Ethiopian Ecosystem

8.2 Overview of Start-Ups in Addis-Ababa

Figure 3 Business Stages of Addis Ababa Startups

Early Stage
Post-Early Stage
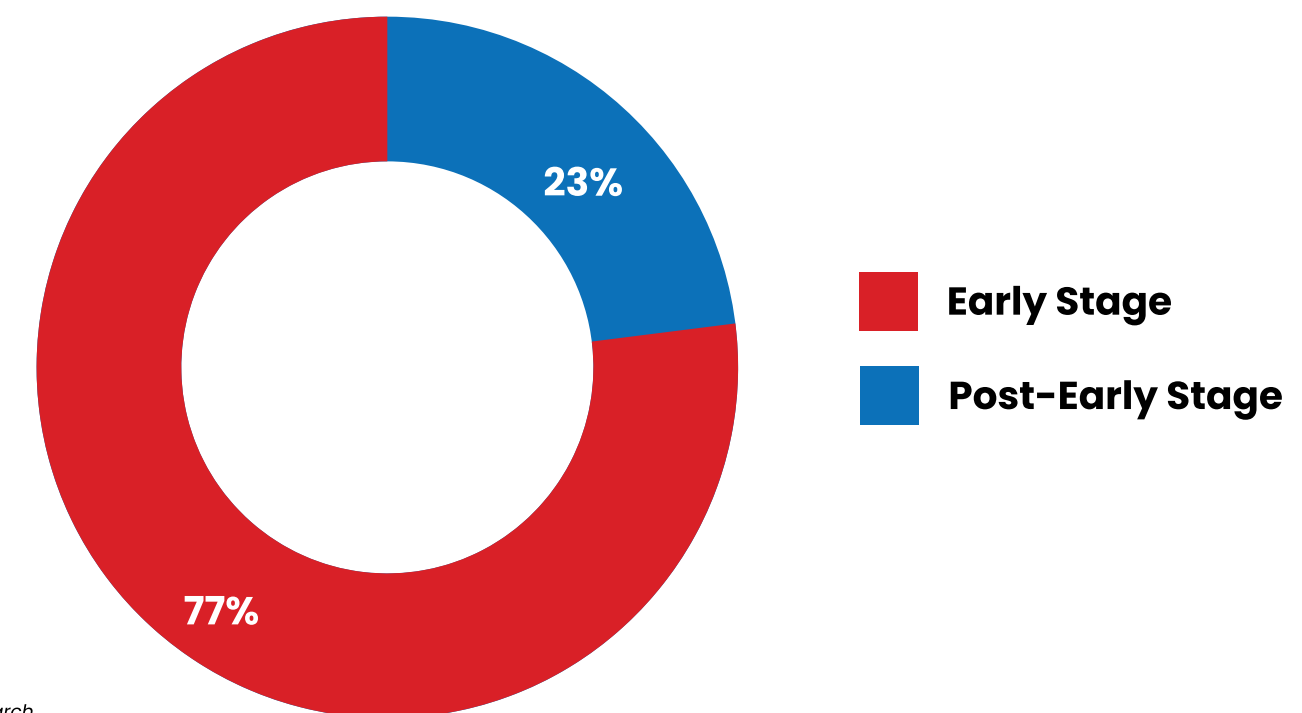
Source: Shega Research

Most of the start-ups we surveyed were in their early stages of their business, with 77% of the overall surveyed startups classified as startups in their early stages. In terms of sector, Transportation and Logistics was the sector that had the most startups in post-early stage, as 35% of the startups were in their post-early stages.

In terms of direct employment, around 72% of the overall startups had an employment size of less than 10 people, with only 15% reporting to having more than 15 employees. Around 90% of the startups at early-stage of the business had less than 10 employees, with this number going down to 26% for post-early-stage startups. In terms of indirect employment, most of the startups in different stages of business were optimist about their job creation potential.

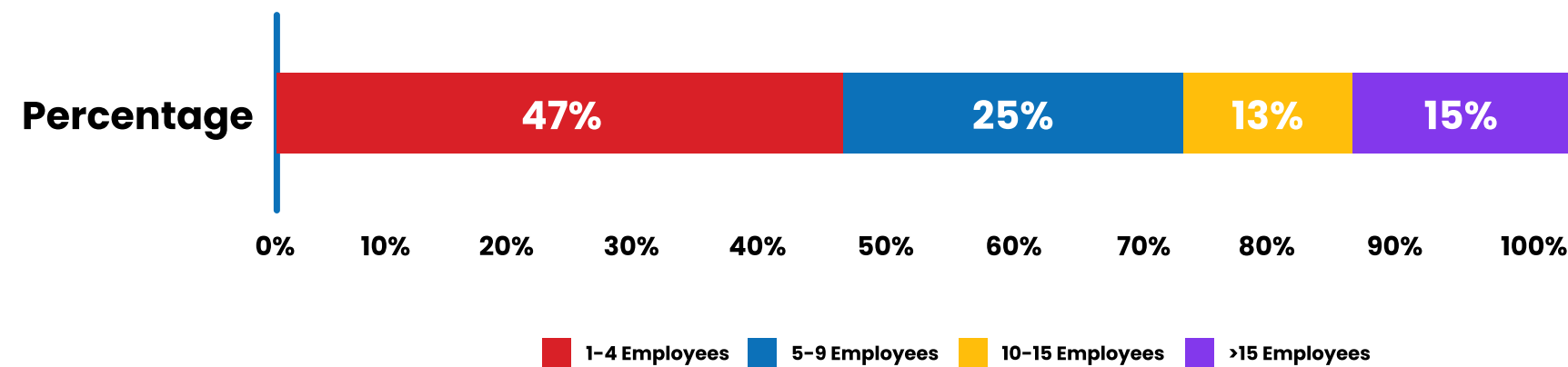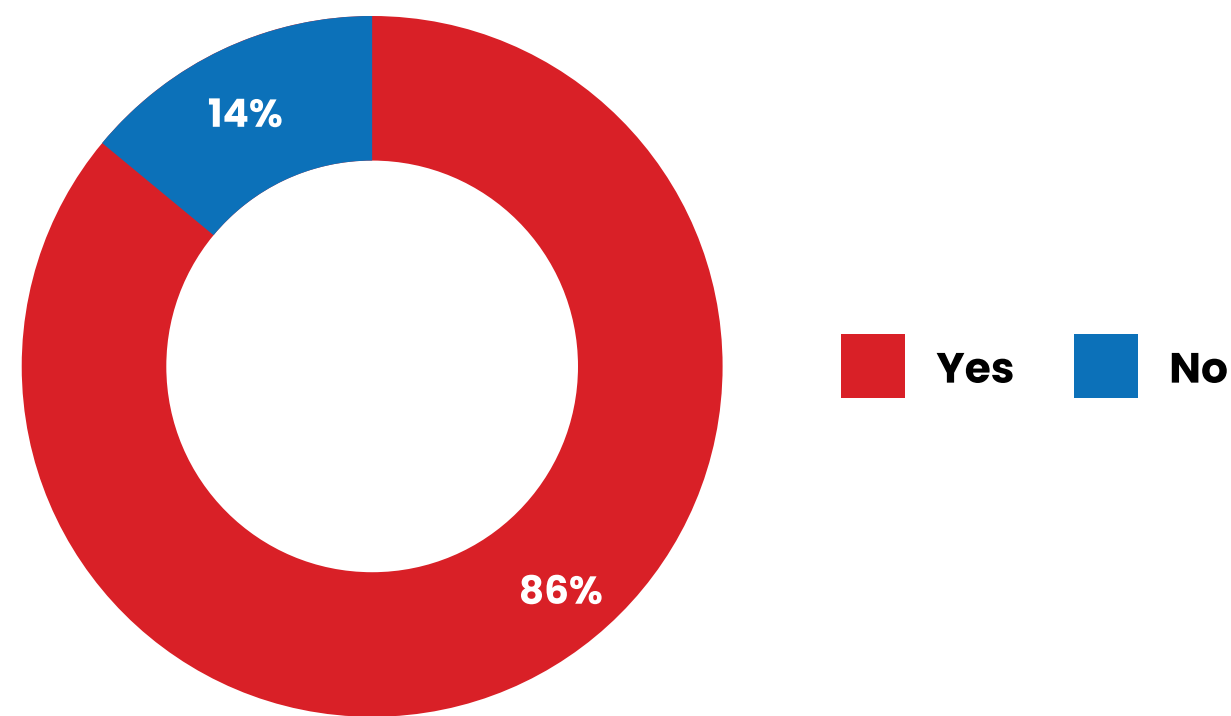*Figure 4- Number of Employees of Surveyed Addis-Ababa Startups*

Figure 5 Plan to raise capital from foreign investors or M&A

Source: Shega Research

In terms of fund-raising, we found that 86% of the surveyed Addis Ababa startups were open to raise capital from abroad or consider merger and acquisition (M&A) opportunities. In terms of instruments, most of them considered equity or both equity and debt solutions by foreign investors as an acceptable means of financing their start-ups.

8.3. Startup Sectors

8.3.1 Agri-tech

Agriculture is a critical sector of the Ethiopian economy, contributing approximately one-third of the Gross Domestic Product and providing employment for 65-70% of the population. However, the sector faces several challenges, such as a lack of quality inputs, poor productivity, low levels of mechanization, and inadequate value processing and market linkage. As a result, various types of Agri-Tech firms have emerged across the startup spectrum in Addis Ababa, capitalizing on these challenges.

Different surveyed Agri-tech startups address various problems in the agricultural value chain, including those that focus on increasing mechanization services for farmers through tractor-lending, leveraging technology and advisory services to enhance the productivity of agricultural and livestock products, and delivering value-added agricultural products for the local and foreign markets.

Figure 6 Agri-tech Startups in Addis Ababa

Agricultural Productivity

Tractor Lending

Source: Shega Research

Agro-Processing
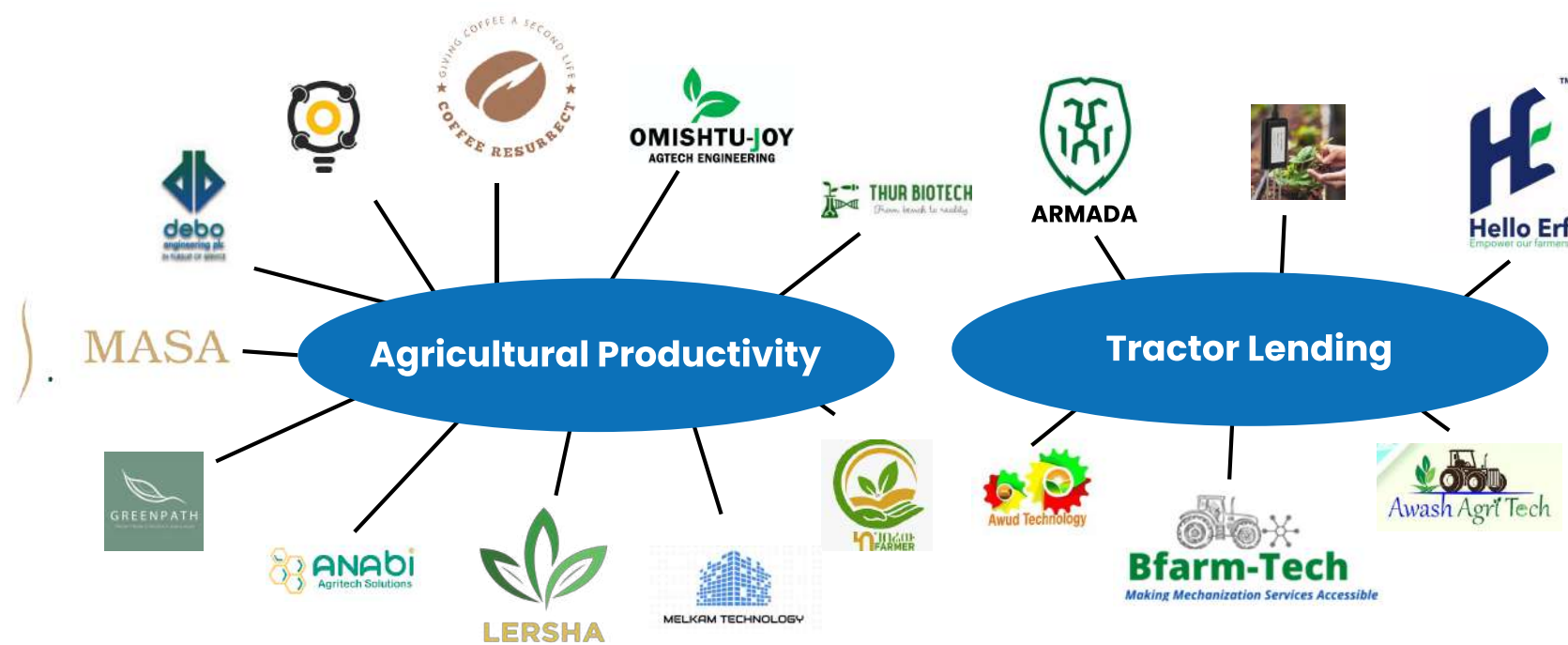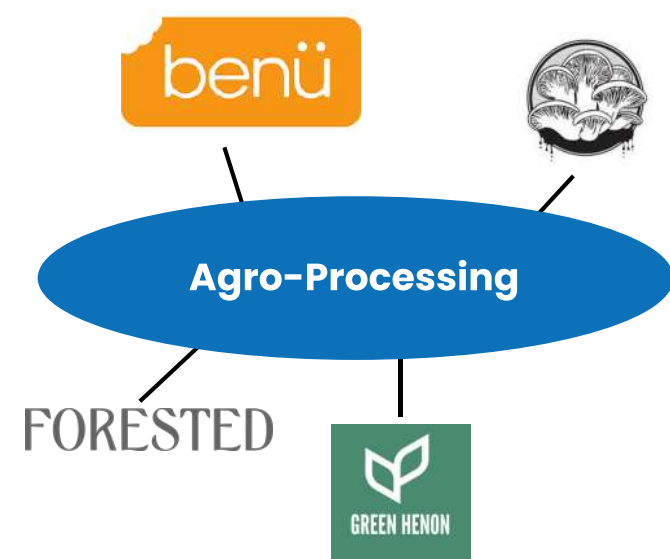
Source: Shega Research

In-Terms of Business Stage, from the overall surveyed startups, only 19% of the Agri-tech startups were in their post-early growth stage of their business. Agri-Tech startups that were on their post-growth stage of their business were creating direct employment opportunities for more than five people, indirect job opportunities for more than 10 people, and had a revenue exceeding 20,000 USD.

	Agri-Tech Startups
Post-Early Stages	19%
Early Stages	81%
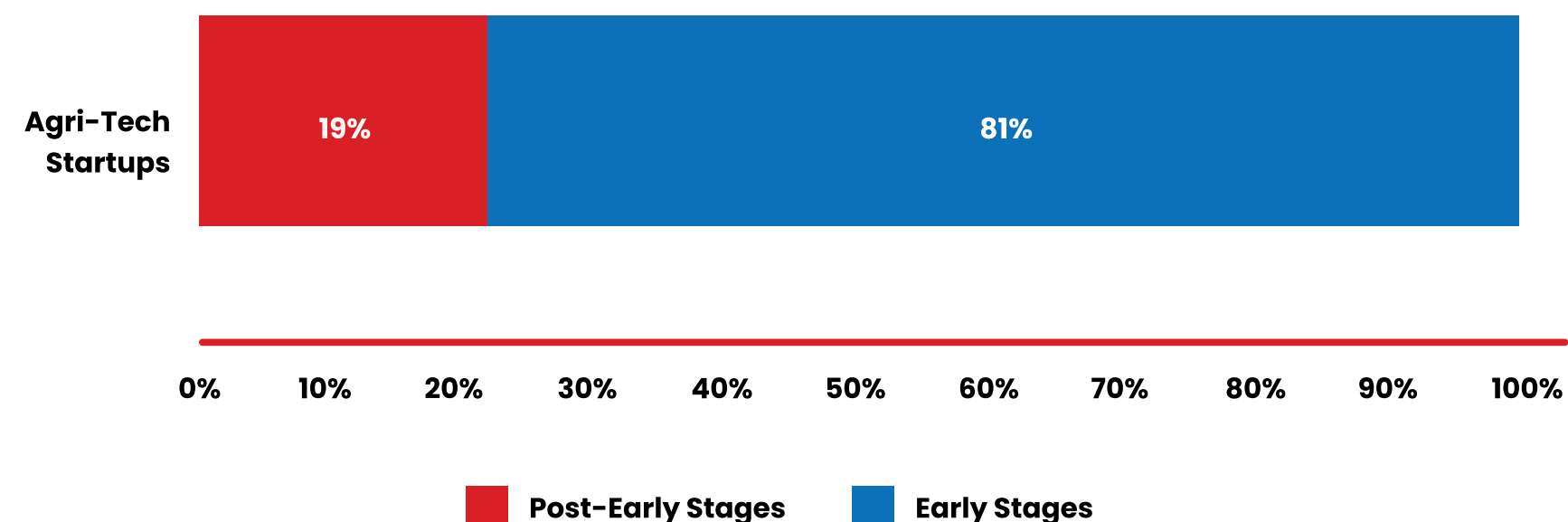
Source: Sheaa Research

8.3.2 Fin-tech

Financial technology (Fin-Tech) has the potential to revolutionize the financial services sector in Ethiopia, particularly in increasing financial inclusion and bridging the financing gap for Small and Medium Enterprises (SMEs). The Ethiopian government has made it a priority to increase access to financial services through financial inclusion and deepen the product range through financial deepening. A key avenue for achieving these objectives is through Fin-Tech products. To this end, we have mapped around 30 different Fin-tech startups that are operating across a diverse range of sectors.

Figure 8 Fintech Startups in Addis Ababa

Source: Shega Research

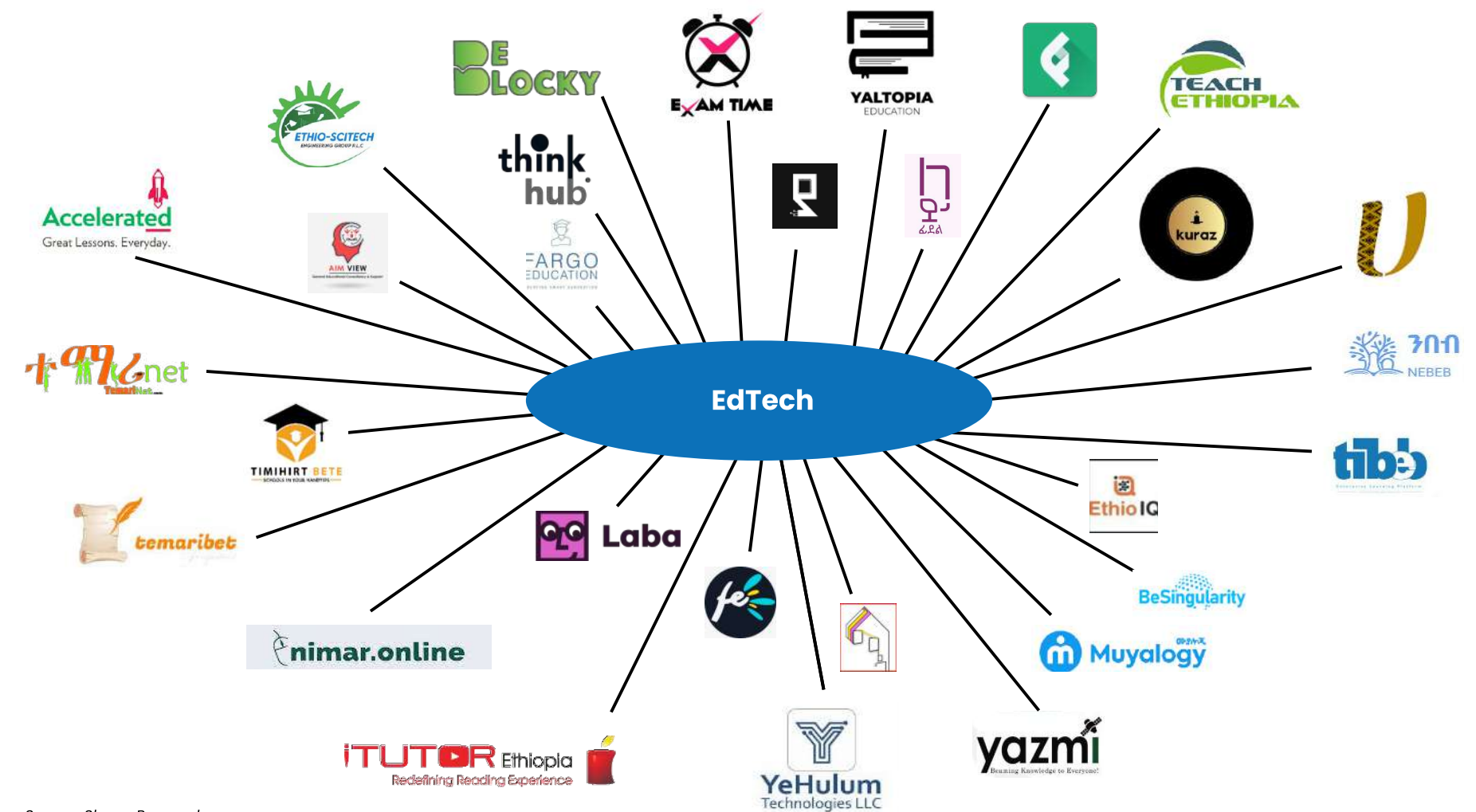Through rigorous mapping efforts, we have identified several promising ed-tech startups operating in Addis Ababa. The startups' services include essential features such as tutor services, whereby they facilitate the matching of students with tutors, skills development, providing courses, and skills training through digital platforms, and discussion platforms, which enable students to work collaboratively to tackle education-related challenges.

Figure 9 Ed-tech Startups in Addis Ababa

Source: Shega Research

8.3.3 Ed-tech

The Ethiopian government has recognized education as a critical investment area and a priority sector for sustainable development. Consequently, significant funds have been dedicated to the education sector, leading to the achievement of universal primary education, as well as notable progress at the secondary and tertiary levels. Despite these impressive advancements, the quality of education output remains insufficient, coupled with numerous challenges that require attention to improve the education system. It is essential to leverage technology to improve the education system's quality and equip students with the necessary knowledge and skills required for different phases of their lives.

From the overall surveyed startups, around 79% of the ed-tech start-ups are in their early-stages. This means that they are in the process of developing and testing their business models, acquiring customers, and building brand recognition in the market.

Overall, the survey data highlights the rapid growth of the EdTech sector in Addis Ababa, with a significant number of startups emerging in recent years.

Figure 10 Business Stages for Addis Ababa Ed-Tech Platforms
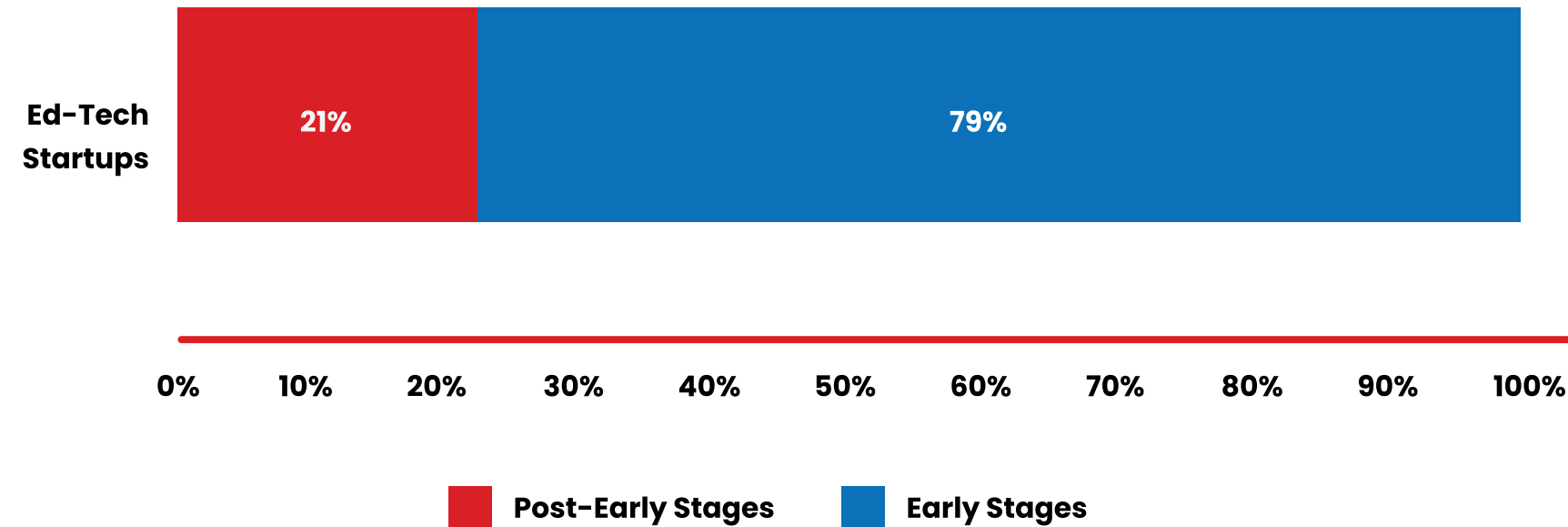
Source: Shega Research

8.3.4 E-commerce

The rise of E-commerce, facilitated by digital platforms, has revolutionized the global trade landscape, with e-commerce giants like Alibaba, and Amazon driving significant growth in this industry. In recent years, Ethiopia has also experienced a surge in E-commerce as its economy becomes increasingly digitized.

The E-Commerce industry in Ethiopia has witnessed notable growth, and its adoption has gained considerable traction among local businesses and consumers alike. Driven by increasing internet penetration, smartphone ownership, and mobile money services adoption, the sector's potential for growth remains vast. Notably, local businesses and

entrepreneurs operating in Ethiopia have been quick to take advantage of this growing E-commerce trend, with an increasing number of start-ups offering online shopping platforms, digital payment gateways, and delivery services.

Our study aimed to map and survey E-commerce startups operating in Addis Ababa, with a focus on the business models adopted by these ventures, along with the range of services offered to their customers. Our research revealed that Addis Ababa has a vibrant E-commerce industry, with startups employing diverse business models, including the popular Business to Business (B2B) and Business to Consumer (B2C) platforms, as well as marketplaces offering multiple sellers' products.
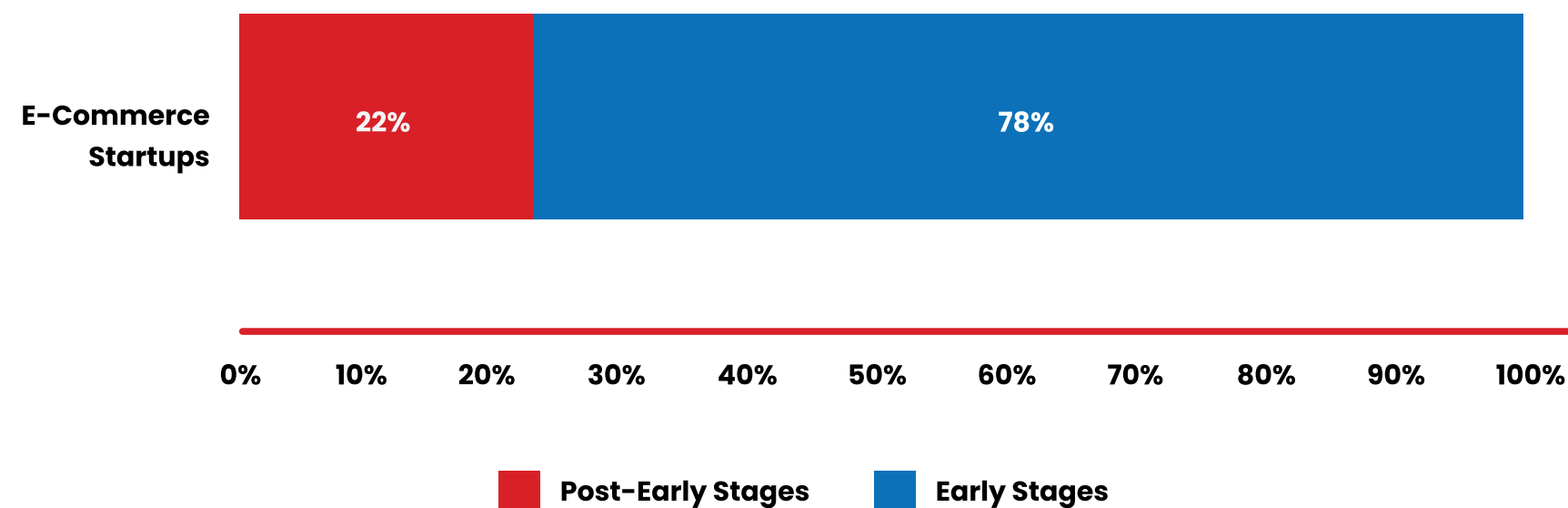
Figure 11 E-Commerce Startups in Addis Ababa

Source: Shega Research

From the overall surveyed startups, around 22% of them are in their post-early stages of business. The e-commerce platforms that are in their post-early stage are operating in a sustainable manner. Overall, while the e-commerce industry and most of the startups are in their early stages of development, momentum is building and the potential for growth is significant. With continued investment in digital infrastructure and the implementation of supportive policies and regulatory frameworks, the sector could become a major driver of economic growth and innovation in the country.

Figure 12 Business Stages of Surveyed E-Commerce Startups

Source: Shega Research

Through rigorous mapping efforts, we have identified several promising ed-tech startups operating in Addis Ababa. The startups' services include essential features such as tutor services, whereby they facilitate the matching of students with tutors, skills development, providing courses, and skills training through digital platforms, and discussion platforms, which enable students to work collaboratively to tackle education-related challenges.

Figure 9 Ed-tech Startups in Addis Ababa

Source: Shega Research

From the overall surveyed startups, around 79% of the ed-tech start-ups are in their early-stages. This means that they are in the process of developing and testing their business models, acquiring customers, and building brand recognition in the market.

8.3.5 Delivery

Our research has uncovered a rapidly expanding delivery market in Ethiopia, underpinned by the rise in popularity of product delivery and restaurant takeaways. Addis Ababa has witnessed the emergence of several new companies to cater to the increasing demand for efficient and reliable delivery services. With a range of services, including rapid same-day delivery and next-day delivery, these enterprises are striving to improve their operations continually and enhance their customer experience.

We have mapped different startups that are working in the delivery market. From the overall mapped startups, 74% of them are engaged mainly in the food delivery, while the rest of them are engaged in product or last-mile delivery of different supplies for wide range of consumers in Ethiopia.

Figure 13 Delivery Startups in Addis Ababa

Source: Shega Research

Based on our comprehensive survey data analysis, it was discovered that 47% of delivery startups based in Addis Ababa have transitioned beyond their initial stages of business. This development is indicative of the increasing maturity of the delivery sector and the startups' ability to successfully establish themselves in the market. Delivery startups also created the largest direct and indirect employment opportunities in the market.

Figure 14 Business Stages of Surveyed Delivery Startups
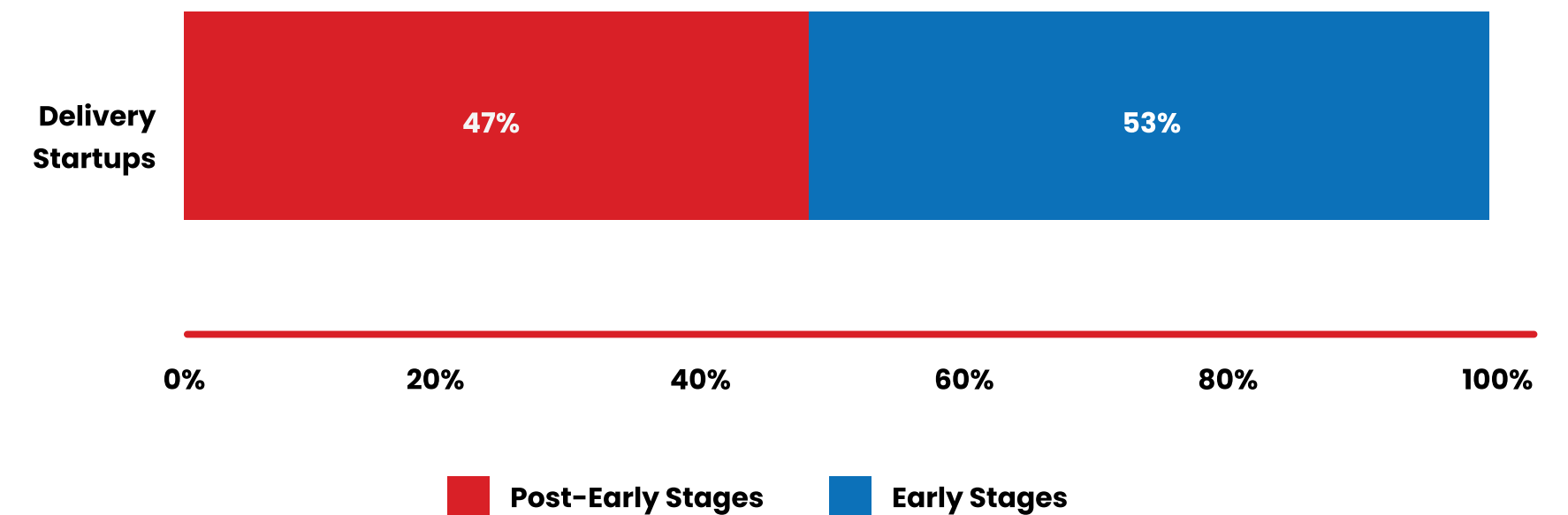
Source: Shega Research

These findings represent a positive reflection of the broader startup ecosystem as it demonstrates that startups can achieve sustainability and significant growth beyond their early stages. This insight could potentially lead to an increase in investor interest, creating more opportunities for the delivery sector's growth and development in the future.

8.3.6 Transportation

Our analysis of the transportation sector in Addis Ababa has revealed that it is primarily comprised of Ride-Hailing startups and ticketing platforms that facilitate the transportation of people across the country. Ride-Hailing platforms use mobile applications and call centres to connect passengers with drivers for transportation services. An upsurge of ride-hailing platforms in Addis Ababa has occurred, driven by a range of factors such as technological advancements, rising urbanization, and increasing demand for convenient and accessible transportation options. They have emerged as significant disruptors within the transportation sector, changing the way people commute in Addis Ababa.

In addition to ride-hailing startups, we have also observed the emergence of various start-ups in the bus ticketing business in Ethiopia that facilitate cross-country transportation. These ticketing platforms have diversified the means of transportation and provided additional options for travellers' who need to travel between cities.

Figure 15 Transportation startups in Addis Ababa
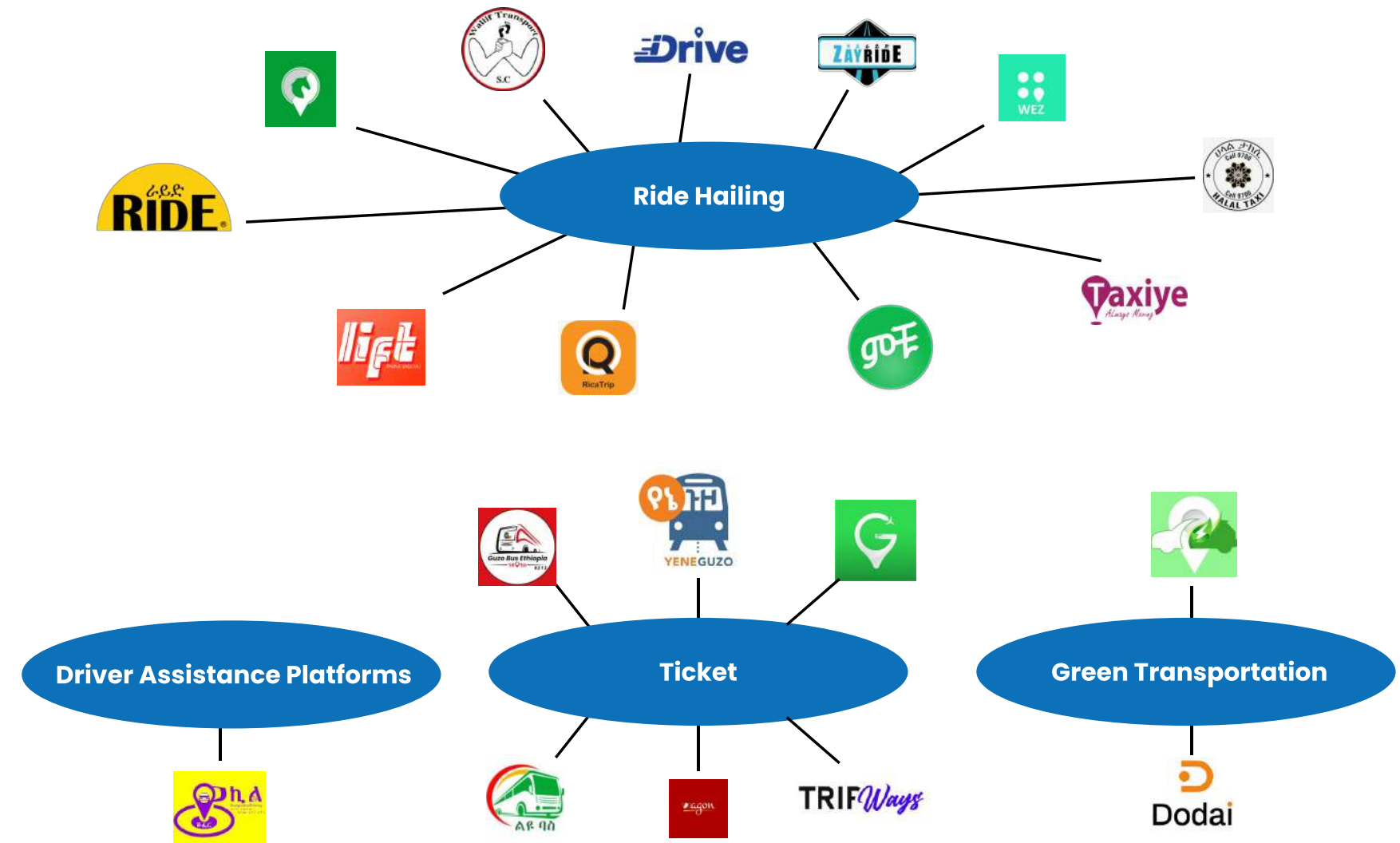
Source: Shega Research

We have mapped around 25 different ride-hailing startups working in the ride-hailing business. Among the surveyed ride-hailing startups, approximately 25% are in their post-early development stages, with a significant portion concentrating on ride-hailing ventures. The leading ride-hailing platforms in Ethiopia include Ride, launched by Hybrid Designs in 2017, and Feres, developed by Feres Technologies in 2019

Figure 16 Business Stage of Surveyed ride-hailing Companies
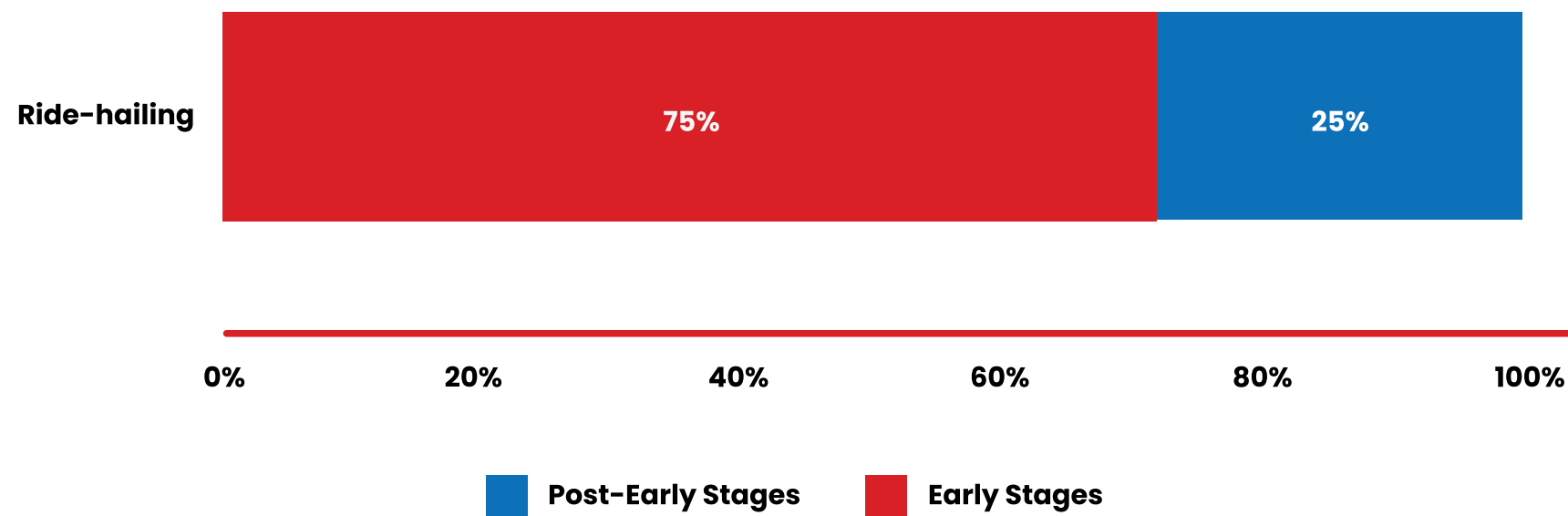
Source: Shega Research

8.3.7 Job-tech

There has been a significant problem of both unemployment and underemployment in urban areas of Ethiopia, with unemployment levels reaching a concerning 23.1% in 2021. In response to this crisis, the Government of Ethiopia has set ambitious targets of creating three million new jobs each year, with the Federal Government seeking to provide 20 million new jobs by the year 2022.

To support these critical employment initiatives, several startups have emerged within Ethiopia's job-tech ecosystem. These startups have developed innovative platforms that facilitate the connection between job seekers and providers in the Ethiopian economy, including connecting job seekers to potential employers.

Figure 17 Job-Tech startups in Addis Ababa
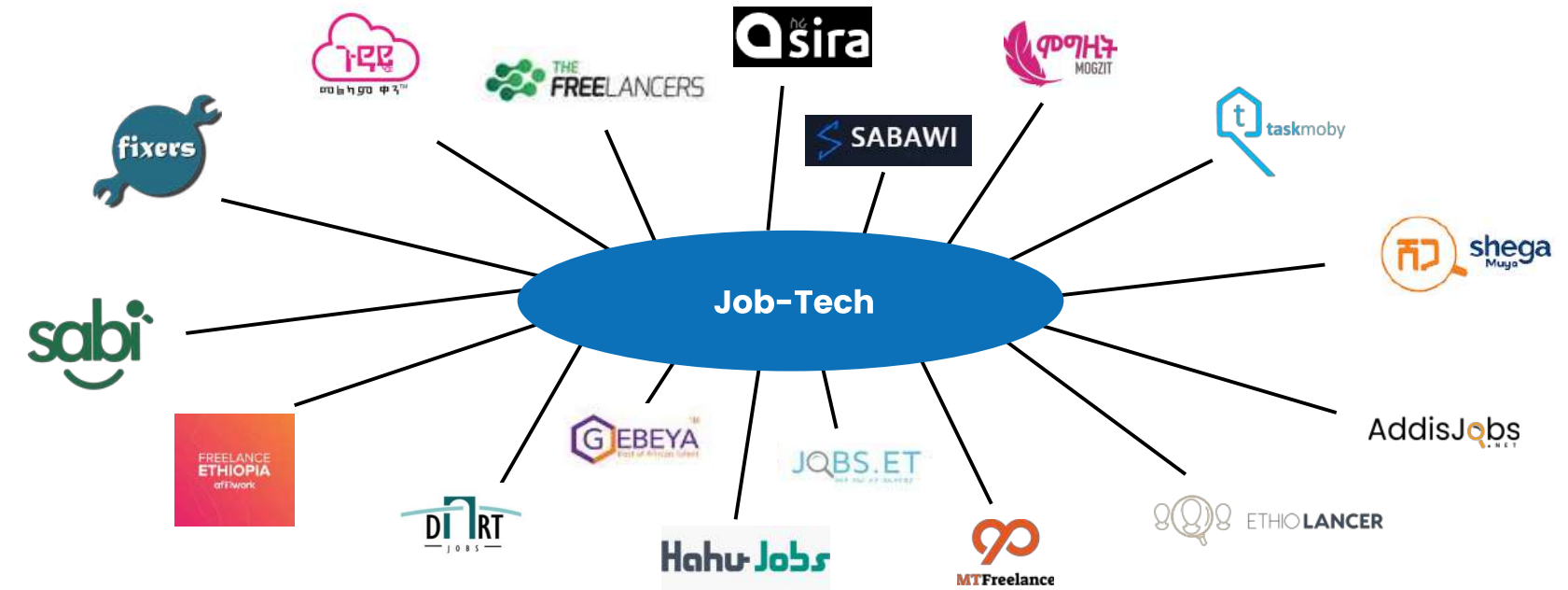
Source: Shega Research

From the overall startups, that were surveyed, we found that 15% of them were in their post-early stages, while the rest were in their early stages.

Figure 18 Business Stage of Surveyed Transportation Companies

Source: Shega Research

9. Opportunities for startups

According to the survey, startups have expressed their belief that the Addis Ababa ecosystem provides a significant market opportunity. The market is seen as being untapped, which means that it ha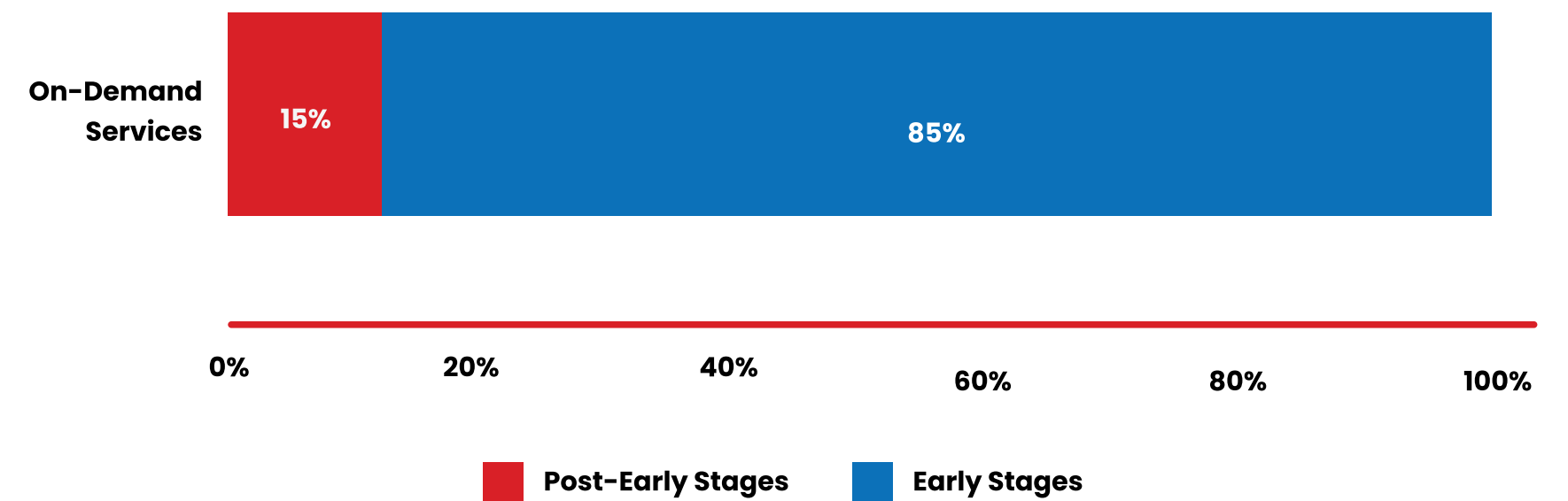s not been fully explored or developed yet. This presents a unique opportunity for startups to enter the market and potentially carve out a niche for themselves. Furthermore, the survey suggests that there are few competitors in this market, which further increases the attractiveness of the opportunity.

Startups that are able to establish themselves early on in this ecosystem could potentially enjoy a first-mover advantage, which can be critical to long-term success.

Also, one of the primary factors driving the growth of startups in Addis Ababa is the increasing availability of capital. In recent years, there has been a surge in investment in the city's startup ecosystem, with venture capitalists and angel investors pouring in funds to support the growth of new businesses. This has enabled entrepreneurs to secure the necessary funding to develop their ideas and turn them into viable businesses. Additionally, the government has also introduced several initiatives to promote entrepreneurship, including tax breaks, subsidies, and loan guarantees, further boosting the availability of capital for startups.

According to the survey, startups have expressed their belief that the Addis Ababa ecosystem provides a significant market opportunity. The market is seen as being untapped, which means that it has not been fully explored or developed yet. This presents a unique opportunity for startups to enter the market and potentially carve out a niche for themselves. Furthermore, the survey suggests that there are few competitors in this market, which further increases the attractiveness of the opportunity.

In 2021, only 40% of loans were directed towards the private sector, but only 10%-13% went towards small business highlighting a need for increased investment in this area.

In addition, the country has experienced foreign currency shortages, creating further challenges for capital supply. However, there are initiatives underway to address these issues, including the establishment of a well-functioning capital market. Startups have historically faced challenges when it comes to securing financing, with many having to rely on informal sources of funding or personal savings to get their businesses off the ground. The introduction of the Ethiopian Capital Market provides a formalized platform for startups to raise capital, attract investors, and grow their businesses. This will, in turn, contribute to the overall growth of the Ethiopian economy, creating job opportunities and stimulating innovation.
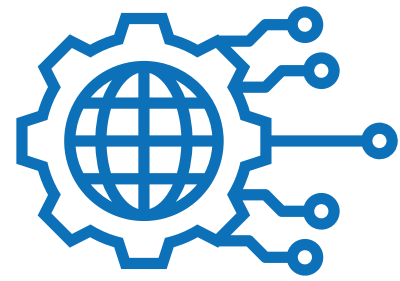
Banks are also exploring digital and alternative lending options, which provide greater access to financing for startups in Addis Ababa.

As a result, the current landscape presents a significant opportunity for startups to grow and succeed in the Ethiopian market. The supportive regulatory environment is another key factor behind the growth of startups in Addis Ababa. The Ethiopian government has introduced several measures to create a conducive environment for businesses, such as streamlining the process of registering and incorporating a company, simplifying tax laws, and reducing bureaucratic red tape.

Government measures have simplified the process of starting and operating businesses, contributing to the overall growth of Ethiopia's startup ecosystem.

Despite low rankings in ease of doing business, the government is committed to improvement, evident through ongoing efforts to establish institutional support mechanisms and nurture innovation through a startup proclamation. Initiatives such as amending laws, implementing e-government platforms, and enabling movable collateral enhance the business environment and expand lending opportunities. These factors create an ideal environment for startups to thrive, offering the necessary support and infrastructure for their success in Ethiopia.

Addis Ababa's startup ecosystem benefits from the availability of talent, including skilled graduates from prestigious universities and research institutions. The presence of tech incubators, accelerators, and co-working spaces facilitates collaboration and idea sharing among entrepreneurs, further nurturing the talent pool. The ecosystem's focus on technology and the increasing adoption of digital solutions drives startup growth, catering to the demands of a tech-savvy population. This attracts investors and promotes the development of innovative products and services.

10. Startup Ecosystem in Addis Ababa

10.1 Government institutions

The Ethiopian government has taken steps to support the development of startups in the country. In this essay, we will explore the various government bureaus and their initiatives to support startups in Addis Ababa, Ethiopia.

The Ethiopian government, acknowledging the pivotal role startups and entrepreneurship play in job creation and economic expansion, has established numerous initiatives and departments to provide resources and support to young entrepreneurs. The principal agency, the Ministry of Innovation and Technology (MInT), has a mandate to craft policies, strategies, and programs to boost innovation and technology, striving to create a digital and tech-based investment ecosystem, and to spur digital transformation in the country. MInT has implemented a series of initiatives, including the creation of internationally standardized labs, workshops, and ICT parks for selected innovation and technology research projects, as well as facilitating the setup of startup funds. Through these efforts, MInT aims to foster an environment conducive to innovation and entrepreneurship, thereby promoting the growth of startups in Ethiopia.

Also, the Entrepreneurial Development Institute (EDI), an autonomous quasi-governmental institution under Ethiopia's Ministry of Labour and Skills, promotes entrepreneurship and innovation across the country. Their flagship program, Women's Entrepreneurship Development Project (WEDP), operational in 18 cities and over 150 satellite towns, assists women entrepreneurs with financial access and skill development, among other key services. Funded by the World Bank, the WEDP has facilitated substantial loans and grants to support micro, small, and medium enterprises (MSMEs), predominantly owned by women and youths. EDI also collaborates with Enat Bank, MOLS, and the Ministry of Innovation and Technology (MiNT) to bolster the entrepreneurial ecosystem and stimulate economic growth. In partnership with MOLS and UNDP, EDI has established the Public Sector Innovation Lab (PSI Lab) for innovative problem-solving in the public sector.

Launched by Ethiopia's Ministry of Labor and Skills, the "Empower, Digitize, and Globalize Entrepreneurs for Ethiopia's Transformation" (EDGET) program, funded by the UNDP, aims to support startups and Small and Medium Enterprises (SMEs) in line with the Digital Entrepreneurship Vision 2025. The program is centered on five pillars: strategic communication, direct DE Ecosystem intervention, an entrepreneurship fund, access to finance, and DE through FROG (Digitizing Entrepreneurship through Financial Reporting, Online Registration, and Governance).

As part of the EDGET initiative, the Enkopa Campaign and YEGARA websites have been launched to create a digital platform for entrepreneurs, featuring interviews, virtual panels, and matchmaking opportunities between investors and startups, with a focus on aiding youth and women entrepreneurs.

Figure 19 Government institutions in the Ecosystem

Source: Shega Research

Table 1 List of Key Government Stakeholders

No.	Name	Website
1	Entrepreneurship Development Institute	https://edi-ethiopia.org/
2	Bio and Emerging Technology Institute	https://www.betin.gov.et/
3	Federal TVET Agency	http://0.62.93.55/
4	Information Network Security Agency	https://www.insa.gov.et/web/en
5	Ministry of Education	https://moe.gov.et/
6	Ministry of Innovation and Technology	https://mint.gov.et/?lang=en
7	Ministry of Labour and Skills	https://mols.gov.et/
8	Ministry of Water and Energy	https://www.mowe.gov.et/
9	The national digital ID program	https://id.gov.et/en/
10	Federal Small and Medium Manufacturing Industries Development Agency	http://sme.gov.et/overview-of-the-ministry

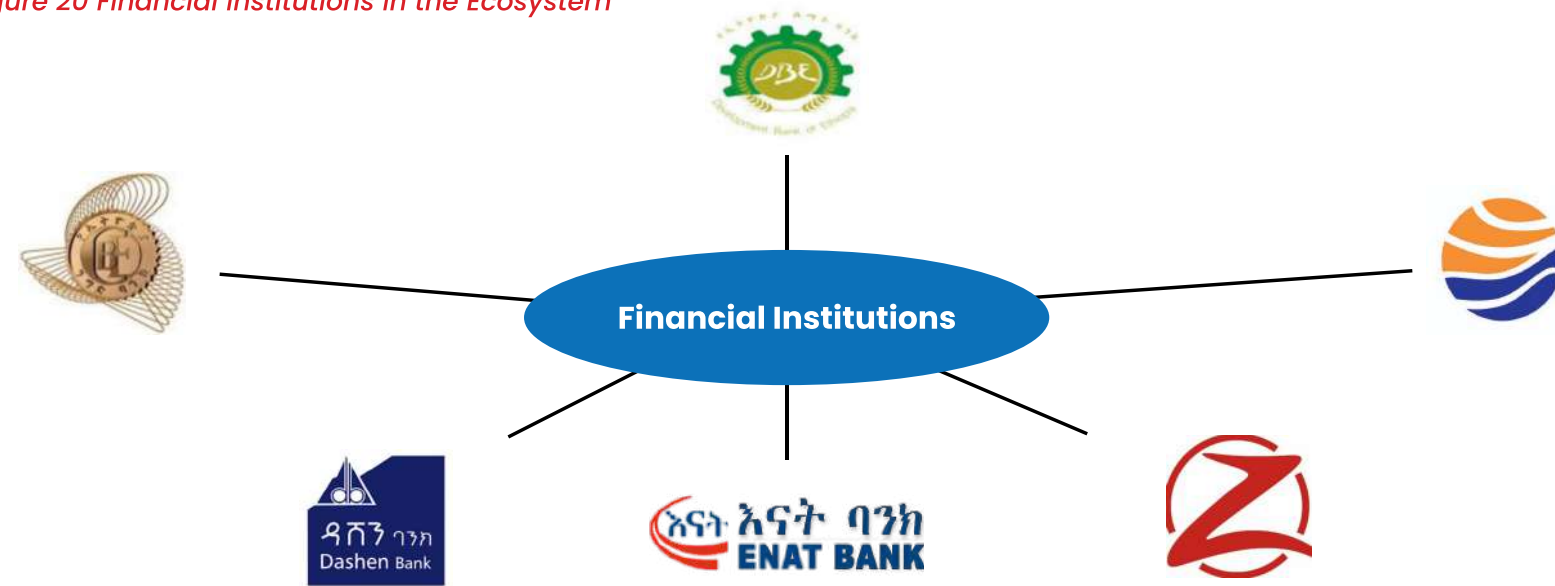*Source: Shega Research*

10.2 Financial institutions

In Ethiopia, startups face significant challenges in accessing finance, much like households and individuals. Banks in Ethiopia have high collateral requirements, which can be as much as 1.5 times the original loan amount. Financial institutions (FIs) believe that there is significant untapped potential in the startup market, but most startups still struggle to access capital from banks and other FIs. This is due to the "missing middle" financing problem. Female founders are especially disadvantaged in accessing finance for their startup businesses, primarily due to their limited access to collateral. According to the World Bank's 2015 Enterprise Survey for Ethiopia, the percentage of female startup owners who use bank financing for investment purposes (3.1%) is smaller than the corresponding figure for male startup owners in Ethiopia (8.1%) and female startup owners in other African countries (9.6%).

To address this issue, financial institutions should work towards offering alternative forms of collateral that are more inclusive and accessible to women-led startups, such as intellectual property or personal guarantees. Additionally, mentorship programs and networking opportunities that provide guidance on financing options and strategies for women entrepreneurs could help them overcome barriers to startup funding. These steps can support the growth and success of women-led startups, contributing to a more diverse and inclusive startup ecosystem.

Some banks have started SME segments that could marginally serve SMEs as well. Awash, Dashen, and Zemen banks have already started this division. <u>Dashen Bank</u>'s initiative, called 'Ethiopian Talent Power Series," launched back in December, is now touring the country and providing training for youths who want to start their own business. This 100 million birr initiative is <u>aimed</u> at encouraging job creation, providing financial support to talented individuals, and reducing unemployment.

Figure 20 Financial institutions in the Ecosystem

Source: Shega Research

Table 2 List of Financial institutions in the Ecosystem

No.	Name	Website
1	Development Bank of Ethiopia	https://www.dbe.com.et/
2	Commercial Bank of Ethiopia	https://combanketh.et/
3	Dashen Bank	https://dashenbanksc.com/
4	Awash Bank	https://awashbank.com/
5	Zemen bank	https://www.zemenbank.com/
6	Enat Bank	https://www.enatbanksc.com/

Source: Shega Research

10.3 Investors

In terms of investment size, from the surveyed companies, we see that as the company moves into the latter stages of business operation, the ticket size of investments increases. However, we compared the investment size of Addis Ababa startups to that of other regional peers, which we found to be lower. The investors were asked how we can also attract different investments into the startup sector. The surveyed investors replied that for local investors to invest in the startup sector, we need to increase the attractiveness of the startup economy through de-risking the sector and increasing its attractiveness. For increased foreign investments, the investors mentioned a reduction of regulation, especially with the investment law, and a focus on increasing the quality of local startups.

Some of the accelerators, business incubators, and development partners mentioned in the support organisation are also interested in investing in startups with debt and equity. The goal of this section, however, was to see incorporated venture capitals and angel investors investing in startups in the Addis Ababa Startup Ecosystem. To that end, we identified 11 different investment firms, both domestic and international, that are actively investing in Addis Ababa based startups. Half of all investment firms are incorporated in another country.

The startup investment companies in Ethiopia are looking at seed level companies for investing in startups, although as in the case of Kazana Group (whose primary focus is on pre-seed companies) and Renew Capital (which looks at both pre-seed and seed companies). The investment companies we surveyed mentioned that although Ethiopia is their major target for investment, they have also invested in or are looking to invest in the East Africa Region. In terms of investment size, from the surveyed companies, we see that as the company moves into the latter stages of business operation, the ticket size of investments increases. However, we compared the investment size of Addis Ababa startups to that of other regional peers, which we found to be lower.

The investors were asked how we can also attract different investments into the startup sector. The surveyed investors replied that for local investors to invest in the startup sector, we need to increase the attractiveness of the startup economy through de-risking the sector and increasing its attractiveness. For increased foreign investments, the investors mentioned a reduction of regulation, especially with the investment law, and a focus on increasing the quality of local startups.

Figure 21 Investors in the Ecosystem.

Source: Shega Research

No.	Name	Website
1	Kazana Fund	https://kazanafund.com/
2	Africa Renaissance Partners	https://www.african-renaissance.com/
3	Savannah Fund	https://savannah.vc/
4	The Betam Group	https://www.betamgrup.com/
5	The Baobab Network	https://thebaobabnetwork.com/
6	Y-Combinator	https://www.ycombinator.com/
7	Ascent Capital	https://www.ascent-cap.com/
8	FairFax Africa Fund	https://www.fairfaxafrica.com/
9	Zoscales Partners	https://www.zoscales.com/
10	Renew Capital	https://www.renewcapital.com/
11	Africa Venture Partners	http://www.africaventurespartners.com/
12	Faster Capital	https://fastercapital.com/
13	Cerberus Frontier	https://www.cerberus.com/map-location/sgi-frontier-ethiopia/
14	Novastar	https://www.novastarventures.com/
15	Addis Ababa Angels	https://addisababaangels.com/
16	Inclusion Japan	https://inclusionjapan.com//
17	Future Hub	https://www.fhub.io/

Source: Shega Research

10.4 Educational institutions

Universities' innovation and business incubation centres have become critical steppingstones in the development of a cohesive startup ecosystem. These centers are designed to provide a conducive environment for entrepreneurs to grow their businesses. The centres offer physical space, technical assistance, mentorship, funding, and networking opportunities. Because the survey covered Addis Ababa, only a few universities operating in the capital are included. But, across Ethiopia, there are a growing number of universities and educational institutions that focus on startup incubation education, including Jimma University, Bahirdar University, Mekelle university and others.

Addis Ababa University (AAU) has an internal organisation called the Innovation Centre, which provides support for entrepreneurs as a university. As a university, it holds business contests and has created a system to support businesses derived from on-campus training. Not only students but also professors and others can participate in the contests, and they are encouraged to do so. Furthermore, entrepreneurs chosen by the university can obtain funds and conduct Proof of Concept tests. On the other hand, the funds are limited, and the company is still looking for funding sources to continue the program.

Notably, Addis Ababa University has a business incubation and techno-entrepreneurship center. The centre offers a platform for startups to receive technical support, mentorship, and working space. The technical support offered includes product development, design, and research. The centret also provides access to funding, enabling startups to access capital, which is essential for their growth. Additionally, the centre has an active mentorship programme that connects startups with experienced business professionals who can guide them on their entrepreneurial journey.

Similarly, Addis Ababa Science and Technology University (ASTU) hosts the Entrepreneurship Development Center. The center provides a wide range of services to support startups, including training, mentorship, funding, and networking opportunities. The training provided by the Centre focuses on developing an entrepreneurial mindset and equipping startups with the necessary skills to start and grow their businesses. The mentorship programme connects startups with experienced business professionals who provide guidance and support. Additionally, the center provides access to funding opportunities and assists startups in preparing their business plans and proposals.

Although these centers are not currently providing full support to entrepreneurs, they are making significant strides in creating an environment that is conducive to startups. The centers provide a platform for startups to interact and learn from each other, creating a community that shares ideas and supports one another. This community is vital for startups, as it provides a support system that enables them to navigate the challenges that come with starting and growing a business. Other private colleges, such as BITS College, Saint Mary College, and Unity University, have an accommodating space that provides support to entrepreneurs who would like to start companies as well.

Figure 22 Educational Institutions in the Ecosystem
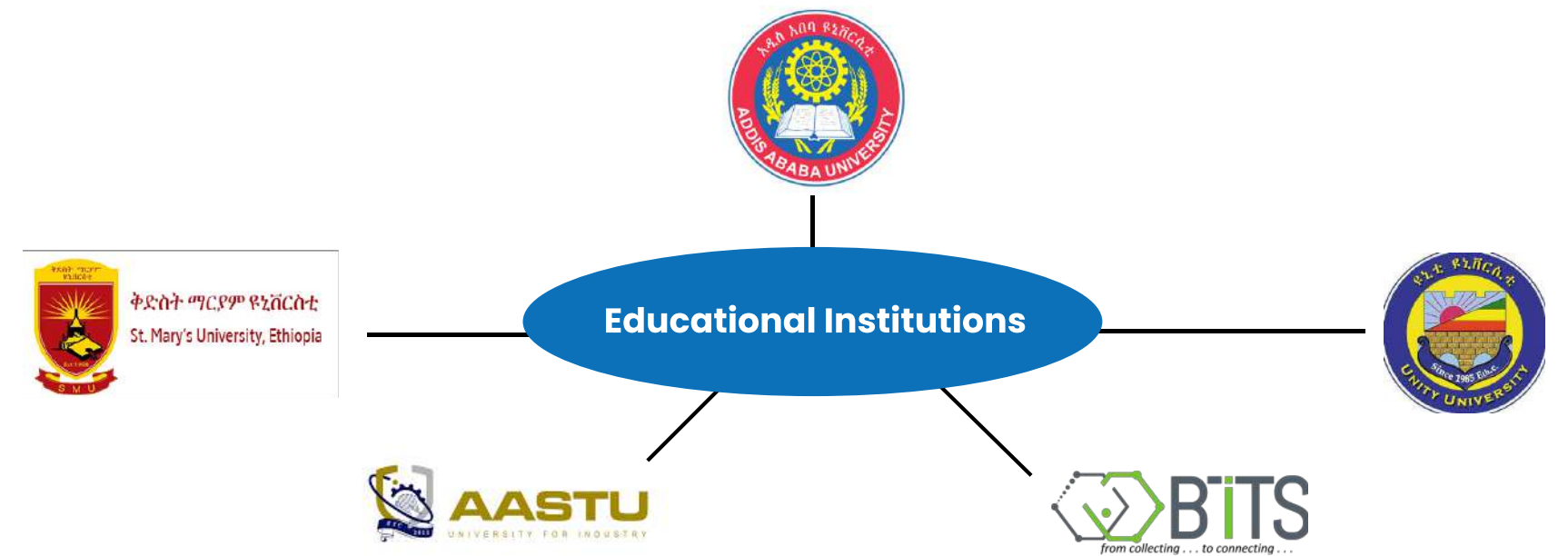
Source: Shega Research

Table 4 List of Educational institutions in the Ecosystem

No.	Name	Website
1	Addis Ababa university	http://www.aau.edu.et/
2	Addis Ababa Science and Technology University	http://www.aastu.edu.et/
3	BITS College	https://www.bitscollege.edu.et/
4	St. Mary's University	https://www.smuc.edu.et/
5	Unity University	–

Source: Shega Research

10.5 Startup ecosystem builders

Addis Ababa is becoming an increasingly popular destination for startups, in part due to the support ecosystem offered by various entities, such as hubs, accelerators, and incubators. These organisations provide an array of services that can help startups in their early stages grow and succeed.

Ecosystem builders have noted that they provide business linkage, accelerations, and incubation services for the most part, focusing on Agritech, Healthtech, delivery, and media and entertainment startups alongside others.

Hubs are one of the most prominent forms of support for startups in Addis Ababa. They offer a range of services, including networking opportunities, working spaces, and events aimed at building relationships and giving startups publicity. The first hub in Ethiopia, iceaddis, was launched in 2011 in Addis Ababa, and since then, at least 19 hubs have been established in the city. These hubs are mainly concentrated in the capital, and some of the most recent ones include Creative Hub, CIPE, and iCog Labs. The benefits of working with hubs are many. Startups can benefit from the various networking opportunities offered, which can lead to collaboration and potential partnerships. The shared workspaces are also an attractive option for startups that may not have the financial resources to secure their own space. Additionally, events hosted by hubs can be a great way to gain publicity and exposure for the startup, which can be particularly helpful for early-stage startups looking to establish themselves.

Accelerators and incubators are other forms of support offered to startups in Addis Ababa. Accelerators are organisations that support startups by providing them with the resources they need to grow their business. This can include funding, mentorship, and access to a network of investors. On the other hand, incubators are more focused on providing physical coworking spaces and access to their networks for very early-stage startups. Some incubators also provide funding for startups in the incubation program.

Accelerators and incubators typically have a selective application process, and startups need to prove themselves before being granted access. Only after reviewing the startup's concept, projections, and the quality of the team do they grant admission.

So, the support ecosystem in Addis Ababa is growing and becoming more supportive of startups. Hubs, accelerators, and incubators all offer a range of services that can be very beneficial to startups in their early stages. These services can include access to working spaces, networking opportunities, mentorship, funding, and exposure to potential investors. Startups looking to establish themselves in Addis Ababa should consider working with these organizations to take advantage of the support they offer.

Figure 23 Startup ecosystem builders
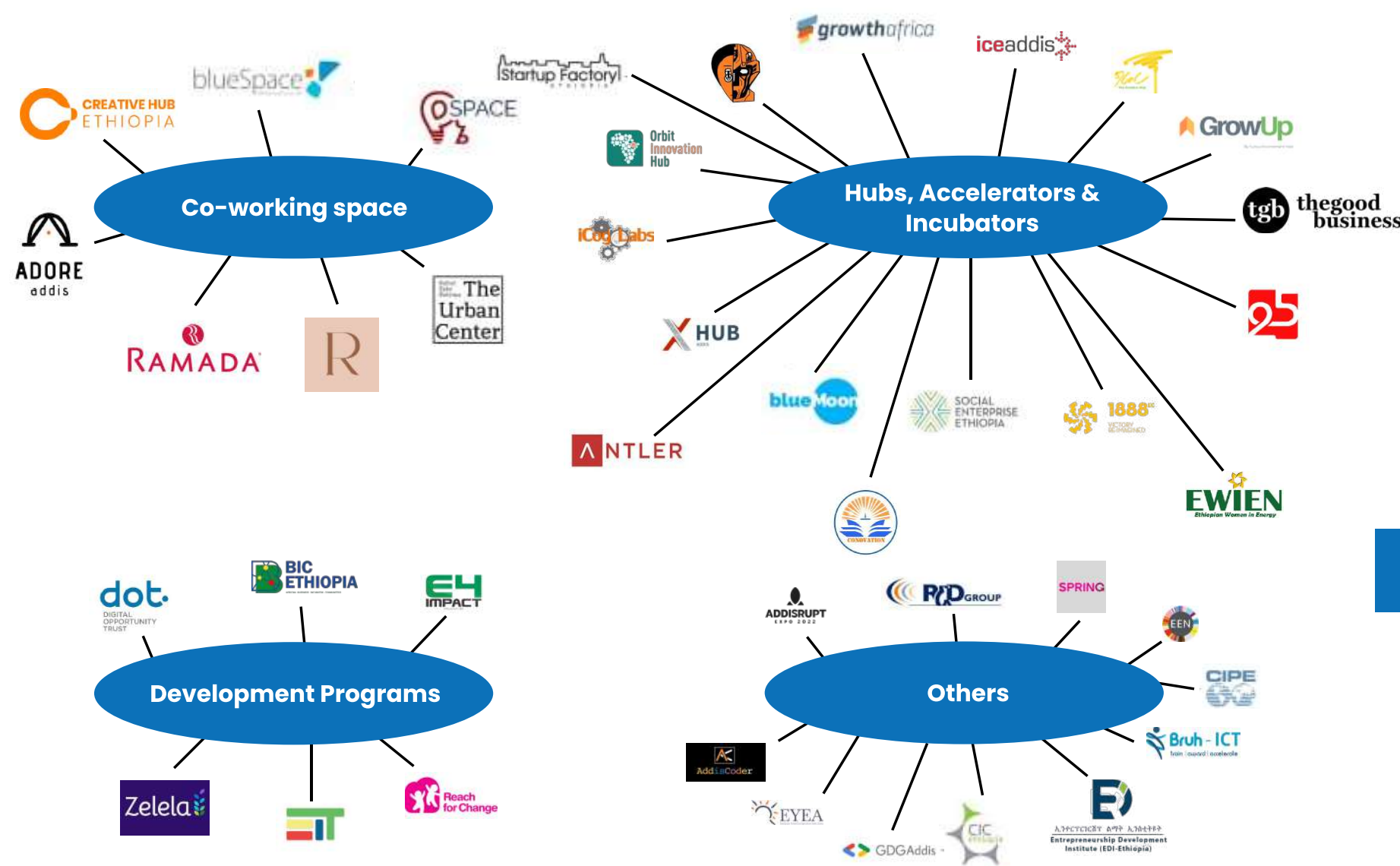
Source: Shega Research

Table 5 List of Startup Ecosystem Builders

No.	Name	Website
1	iCogLabs	https://icog-labs.com/
2	1888 EC	https://www.1888.studio/home-3/
3	Araya Venture lab	https://arayaventurelab.com/
4	Bruh Accelrator (JCC)	http://bruh-et.com/about/
5	xHub	https://xhubaddis.com/
6	Iceaddis	https://www.iceaddis.com/
7	Creative Hub Ethiopia	https://creativehub.et/
8	Nice Innovation Incubation Center	https://www.niceinnovationet.com/
9	Orbit Innovation Hub	https://orbitinnovationhub.com/
10	AddisCoder	https://www.addiscoder.com/
11	Startup Factory	http://startupfactoryethiopia.com/
12	Blue Space	https://bluespace.work/
13	Reach4Change	https://reachforchange.org/

Source: Shega Research

No.	Name	Website
14	Growth Africa	https://growthafrica.com/
15	Ethiopians In Tech (EiT)	https://www.jumpstart.et/
16	E4Impact	https://www.e4impact.org/
17	The Good Business	https://www.thegoodbusiness.com/
18	Spring Accelerator	https://www.springaccelerator.org/
19	Addisrupt	https://www.addisrupt.biz/
20	Conovation	https://www.conovationet.com/
21	BIC Ethiopia	https://bic-ethiopia.eu/
22	Gerar - The Creative Hub	https://ourgerar.com/
23	Roha group	https://www.roha-africa.com/
24	Growup Incubator	https://yunusenvironmenthub.com/growup-incubator/
25	Simuny Creative Solutions	https://sumuni.net/
26	Ethiopian Youth Entrepreneurs Association	http://etyea.com/about.php

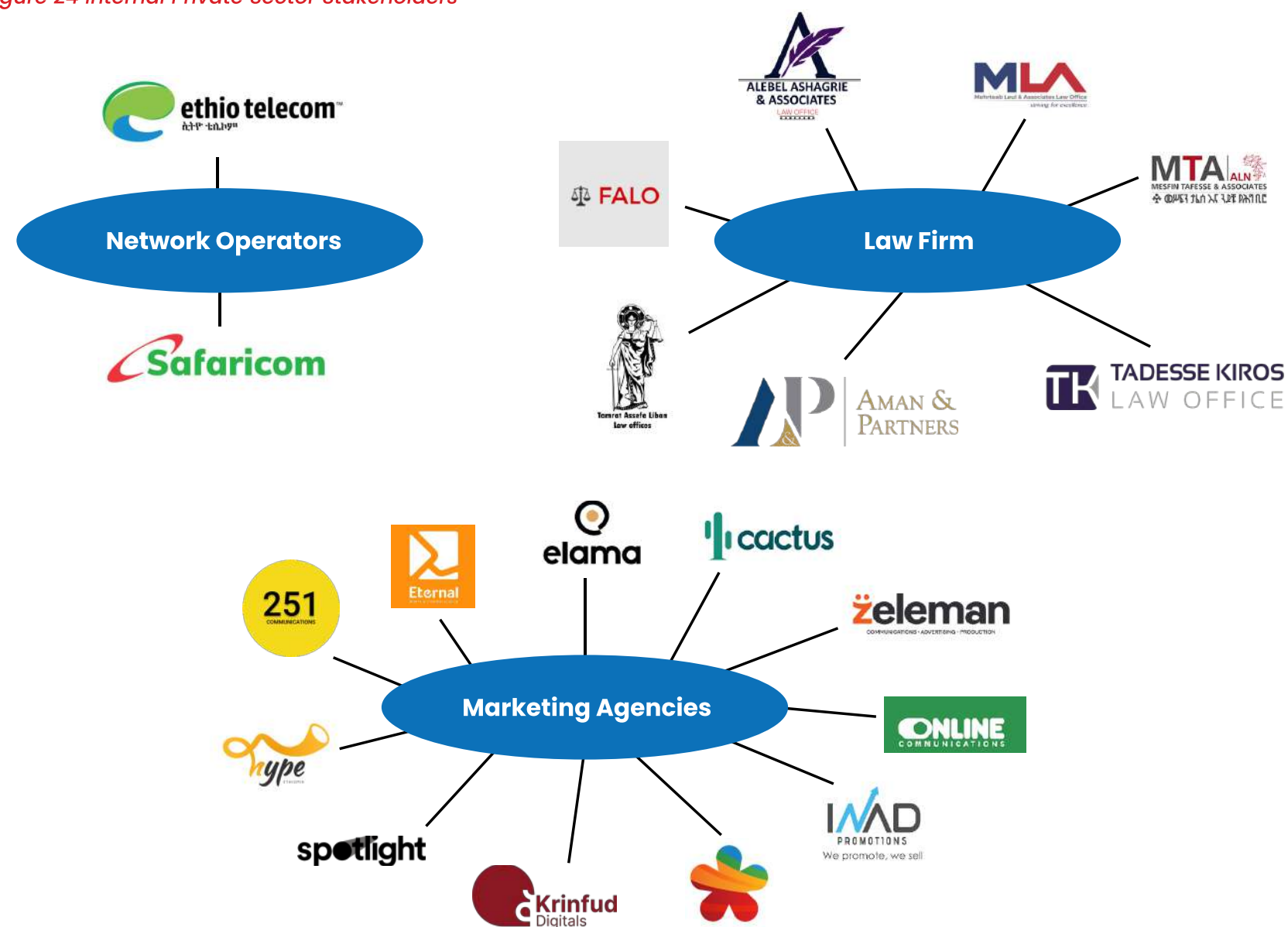Source: Shega Research

10.6 Internal Private Sectors

Network Operators: Ethio Telecom, Ethiopia's state-owned telecommunications company, has launched the Ethiotel Innovation Program to bolster technology-based startups and innovators through financial aid, training, mentoring, and networking opportunities. The three-phase program, which plans to assist the top 100 successful startups in each phase, concentrates on different areas of innovation and ends with the establishment of a TechHub center and a research and development center to institutionalize businesses and innovations. Meanwhile, the recent entry of Safaricom into the Ethiopian market promises to address the country's long-standing connectivity and internet cost issues, enhancing competition in the sector. Safaricom's commitment to extending high-speed 4G coverage to even small towns is expected to foster the growth of online businesses and promote the digital transformation of various services.

Advertising and Marketing agencies: Advertising and marketing firms are critical to the success of startups in Ethiopia, providing vital support as they scale their products or services. These firms offer expertise in creating and executing effective marketing campaigns, including brand identity development, marketing materials design, and advertising across diverse channels such as social media, TV, radio, and print media. Their knowledge of the local market and consumer behavior helps startups establish themselves and adapt their marketing strategies as they grow. Additionally, they assist in measuring marketing campaign success by tracking key performance indicators (KPIs) like website traffic, leads generated, and conversions, helping optimize marketing strategies for a better return on investment. Key agencies in Ethiopia include Zeleman Communications, Berry Advertising, Spotlight Ethiopia, Krinfud Digital Marketing, and Cactus Advertising & Marketing.

Law firms: Legal firms are recognizing the growing importance of the digital and technology industries and are increasingly tailoring their services to cater to the unique needs of startups operating within this ecosystem. For example, Aman & Partners Legal Service LLP is proactively developing its capabilities to better support this sector and is shifting its primary focus towards serving institutions that operate within it. This firm, like others, provides comprehensive assistance to startups as they establish and grow their businesses, with a particular emphasis on guiding them through the complex process of market entry.

Advisors and consulting firms: Startups are the lifeblood of the modern economy, driving innovation, creating new products and services, and ultimately contributing to economic growth. However, starting a new business is a risky and challenging endeavor, requiring significant amounts of capital, market knowledge, and expertise in various business areas. As a result, many startups turn to advisory firms for support. While advisory firms can provide valuable services to startups, they are not always the best option. In fact, in many cases, startups would be better served by pursuing other avenues for support. One reason why advisory firms may not be the best fit for startups is that many of these firms focus primarily on fundraising. While raising capital is a critical aspect of any startup's success, it is only one piece of the puzzle. Startups also need help with product development, marketing, sales, and other areas of their business. Moreover, many startups are looking for more than just funding. They may also be seeking guidance and mentorship from experienced entrepreneurs, access to networks of industry contacts, and assistance with strategic planning. While advisory firms may be able to provide some of these services, they may not be the best option for all startups.

Figure 24 Internal Private Sector Stakeholders

Source: Shega Research

Table 6 List of Internal private sector stakeholders

No.	Name	Website
1	Ethio telecom	https://www.ethiotelecom.et/
2	Safaricom	https://safaricom.et/
3	Zeleman communications, advertising, and production	https://zeleman.com/
4	Berry Advertising	https://www.berryethiopia.com/
5	Spotlight Ethiopia	https://www.spotlightplc.com/
6	Krinfud digital marketing	https://krinfud.com/
7	Cactus Advertising & Marketing	https://www.cactusinc.com/
8	INAD Promotions	https://inadpromotions.com/
9	AADVENTURE STUDIO	https://adventurestudio.com/
10	Hype Ethiopia	https://hypeethiopia.com/
11	Eternal Media & Communication	https://eternal-media.com/
12	Elama Branding	https://www.elamabranding.com/
13	251 Communications and Marketing	https://www.251communications.com/
14	Aman & Partners Legal Service LLP	https://www.aaclo.com/
15	Mehrteab Leul &Associates Law office	https://mehrteableul.com/

No.	Name	Website
16	Mesfin Tafesse and Associates Law Office	https://www.mtalawoffice.com/
17	Tadesse Kiros Law Office	http://www.tadessekiros.com/
18	Alebel Ashagrie & Associates Law Office	http://www.alebelandassociates.com/
19	Fikadu Asfaw and Associates Law Office	https://ethiopianlaw.com/
20	Online Communications	http://www.onlineeth.com

Source: Shega Research

10.7 International Development Partners

Multi-Lateral

International Finance Corporation (IFC) assists African Entrepreneurs by providing funding to support economic growth in Africa. To aid the financing constraints for startups, IFC recently introduced a 225 million USD platform which aims at strengthening VCs and supporting earl-stage startups across Africa and Asia. In Ethiopia, IFC is doing several works related to job creation, economic growth, access to finance and improvement of the Ethiopian Business Environment.

United Nations Industrial Development Organization (UNIDO) in collaboration with different stakeholders found in Ethiopia launched the "Creative-Hub Ethiopia". The hub mainly aims at supporting creative innovators, designers and SMEs through provision of advanced tools and resources, introduction of global and industrial concepts and establishing linkage between young innovators and industrial entities.

The United Nations Development Program (UNDP) has been aiding the startup ecosystem in Ethiopia since 2013. The first assistance was with Enterpreneurship Development Program (EDC) which provided different types of supports for enttrepreneurs. Different initiatives like UNDP Accelerator Lab, EDGET, and Innovation for Development Project have supported over 125 digital entrepreneurs though seed funding, innovation challenge funds, and incubation programs.

UNDP also played a key role in building the ecosystem, creating platforms like Enkopa, aiding in policy development, and establishing a regulatory sandbox for testing innovative financial tools for startups. UNDP's Accelerator Lab and policy interventions continue to transform the "doing business" environment for startups in Ethiopia.

Bilateral

Japan International Cooperation Agency (JICA) launched Project NINJA (Next Innovation with Japan) in January 2020. The program aims at supporting entrepreneurs striving to solve social issues across developing countries, with Ethiopia being the focal point. JICA in collaboration with MINT has given various supports across the startup ecosystem by encouraging the development and collaboration of the ecosystem.

German International Development Agency (GIZ) bolsters startups in Ethiopia through different programs. The "Digital Innovation Made in Africa" empowers startups with training, mentorship and an emphasis on digital innovation. GIZ gives different supports including access to finance, traningn and capacity building and establishment of innovation hubs and co-working spaces.

KOICA in collaboration with Ministry of Innovation and Technology is implementing "ICT-based business creation and SME support program", which focuses on creating quality jobs and building a robust digital economy in Ethiopia. The program offers technical and financial assistance for startups. Additionall, KOICA has also established "Innobiz-K Ethiopia (INK)". Which offers incubation, acceleration, support, training and access to funding for startups.

Foundations

The GATES foundation in collaboration with United States Agency for International Development (USAID) launched the Development Innovation Ventures (DIV) program in 2012, which aims at providing support for projects that tackle developmental issues in Ethiopia and other countries. The foundation also partners with different organizations to nurture entrepreneurship and innovation in Ethiopia.

The Mastercard Foundation is striving to foster economic growth and social development in Ethiopia through the Young Africa Works initiative, targeting to support 10 million African youths to access dignified work by 2030 and creating five million jobs in Ethiopia by 2025, with a special focus on young people and women. The foundation collaborates with diverse organizations such as the Ethiopian Ministry of Trade and Industry and the African Entrepreneur Collective, aiming to equip entrepreneurs with tools, resources, and mentorship necessary to thrive.

Through partnerships, the foundation offers services like business development training, mentorship, and financial accessibility. Moreover, the foundation launched Venture Meda, a five-year program in partnership with Ethiopia's Ministry of Innovation and Technology (MInT) and Iceaddis, aiming to spur job creation by providing startups with funding and acceleration support. The program aims to foster 100 e-commerce startups and 3,240 small businesses, creating jobs for over 56,160 young people and indirectly generating 77,000 new job opportunities.

Moreover, the foundation and Orbit Health have inaugurated the Orbit Innovation Hub, a startup incubator focused on creating digital solutions and job opportunities. A significant recent initiative is the $48 million Mesirat project in collaboration with Gebeya,

aiming to create 100 digital marketplaces, empower entrepreneurs, and equip two million young people with market-facing skills.

Figure 25 International Development Partners
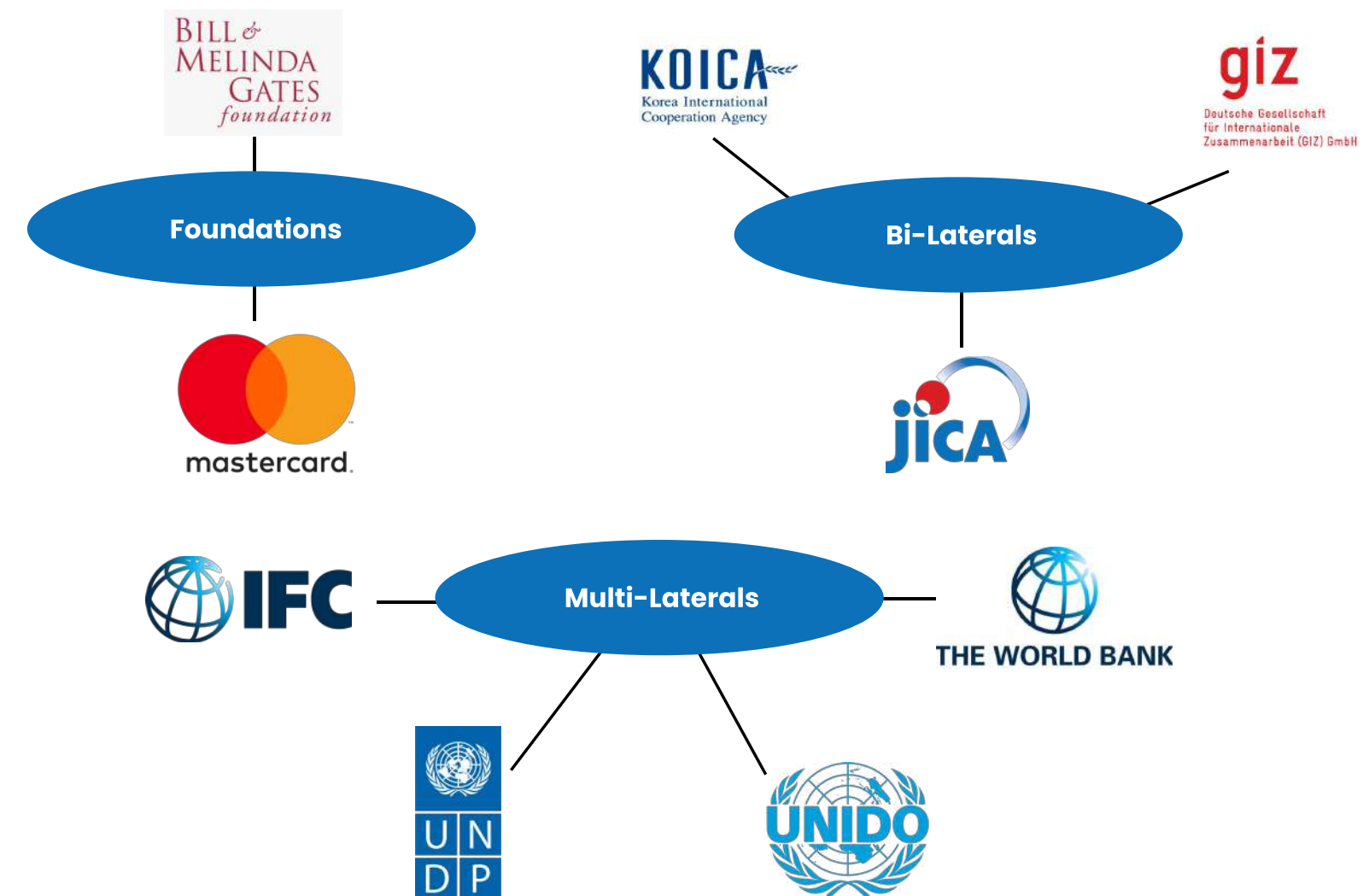
Source: Shega Research

Table 7 List of International Development partners

No.	Name	Website
1	The Bill and Melinda Gates Foundation	https://www.gatesfoundation.org/
2	Mastercard Foundation	https://mastercardfdn.org/
3	Deutsche Gesellschaft für Internationale Zusammenarbe (GIZ)	https://www.giz.de/en/worldwide/336.html
4	Korea International Cooperation Agency	http://www.koica.go.kr/
5	Japan International Cooperation Agency	https://www.jica.go.jp/english/?
6	United Nations Development Programme	https://www.undp.org/
7	United Nations Industrial Development Organization	https://www.unido.org/
8	The International Finance Corporation (IFC)	https://www.ifc.org/
9	The World Bank	https://www.worldbank.org/

Source: Shega Research

10.8 Co-working spaces

The number of co-working spaces in Addis Ababa is increasing every year. As of 2023, there are 16 in Addis Ababa. Here are some of them.

Nuna Ethiopia

Figure 26 NUNA Ethiopia

Nuna Ethiopia is a leading startup incubator and co-working space provider in Ethiopia, offering an extensive selection of packages customized to suit the unique demands of businesses. One of their popular packages is the incubation program, which provides startups with access to an array of resources, including mentorship, training, funding, and networking opportunities, to help them grow and scale their businesses. The incubation program is designed to help startups overcome the challenges of starting a new business, including access to capital, talent, and market opportunities.

Location

Iceaddis

Figure 27 Iceaddis

Iceaddis is a pioneer in innovation hubs and co-working spaces in Ethiopia. It provides a conducive environment for techies, entrepreneurs, investors, and creatives to work and share ideas. One of the key features of Iceaddis is its flexible pricing packages that cater to the diverse needs of its clients. It offers a 'Hot Desk / Open Plan Seating' at a rate of 5.3 USD (280 ETB) for a day pass, 22.65 USD (1,200 ETB) for a 5-day pass, and 71.7 USD (3,800 ETB) for a 20-day pass. Location

BlueSpace

Figure 28 BlueSpace

BlueSpace offers a comprehensive range of services to its members, including a fully furnished facility, high-speed WiFi, and complimentary tea, coffee, and fruit-infused water.

The workspace is designed to meet the needs of modern businesses and entrepreneurs, with various types of seating arrangements available, including hot desks and dedicated desks. In addition to its office and workspace offerings, BlueSpace also provides meeting and event facilities that are ideal for hosting events, conferences, and business meetings.

These facilities cater to the growing business community and provide a professional and collaborative environment for members. Location

Inst workspace

Inst workspace offers affordable and furnished workspace options with flexible plans. The coworking space provides a professional and productive

Figure 29 Instworkspace

environment for its members and has amenities such as meeting rooms and event spaces. It offers basic office equipment like printers, scanners, copiers, desk space, and power outlets, with 24/7 access. Ins workspace also provides free water, coffee, and tea for its members. Location

Pro Office

Pro Office is a versatile co-working space that offers flexible solutions to accommodate different types of businesses. The fully equipped office space has high-speed Wi-Fi and

Figure 30 Pro Office

printer services, ensuring that all your business needs are met. Pro Office offers a range of packages to suit your specific requirements. For those looking for a private room, the daily rate is 400 ETB. For a more economical option,
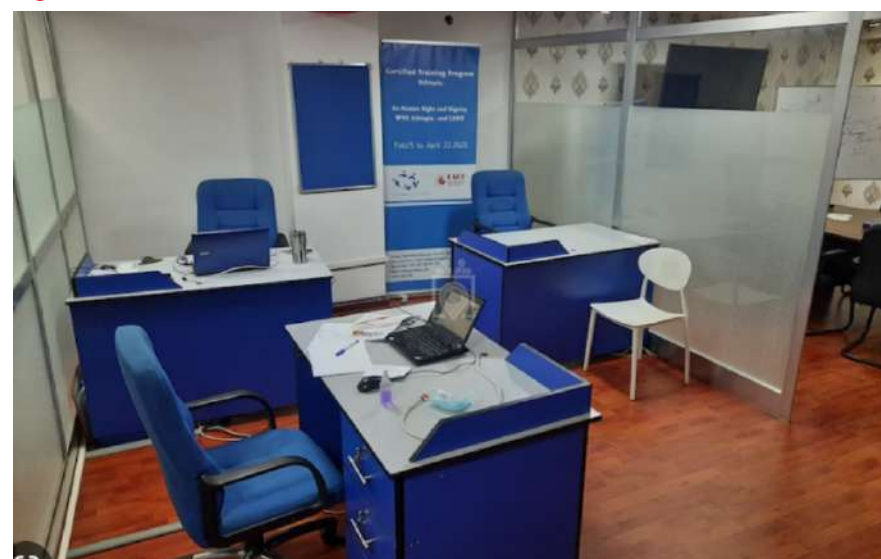
the old way cubicles are available at 255 ETB per day. The conference and training rooms are also available for rent at an hourly rate of 255 ETB. Location

The Urban Center

The Urban Center offers a space with access to unlimited internet and basic office equipment such as a photocopier, scanner, and printer. The facility includes

Figure 31 The Urban Center

meeting rooms and a library. The daily pass at the urban center for a flexible space in the main hall is 150 ETB. For those who prefer a more private space, a dedicated chair is 250 ETB, while the monthly fee is 3,000 ETB.43 The space is currently open from Monday to Saturday from 9 a.m. to 9 p.m. The Urban Center isn't currently open for external users. Location

1888 EC

Solomon Kassa, a well-known TV personality, tech consultant, strategist, author, and public speaker, founded 1888EC in 2020 as a unique and innovative

Figure 32 1888 EC

startup studio. It is an exciting addition to the Ethiopian startup ecosystem, providing entrepreneurs with the necessary resources to develop and scale their businesses.

In addition to its startup studio, 1888EC offers co-working desks and offices for daily, bi-weekly, monthly, and quarterly usage. The space is well-equipped with high-speed Wi-Fi, printers, scanners, and other basic office equipment. For those looking for a flexible workspace, a day.

Adore Addis

Adore Addis is a modern co-working space in the bustling Bole Atlas neighbourhood.


Figure 33 Adore Addis

The space is designed to cater to the needs of entrepreneurs, freelancers, and professionals looking for a flexible workspace. Adore offers a variety of office spaces that can be leased hourly, daily, weekly, or monthly, depending on the user's preference. The workspace is equipped with highspeed internet, modern furniture, and necessary office equipment like printers, scanners, and copiers. Location

Refenti World

Figure 34 Refenti World

Refenti World is a new luxury mall located in Bole Bulbula, offering a range of facilities and modern event spaces. One of the services it offers is co-working space for individuals and businesses.
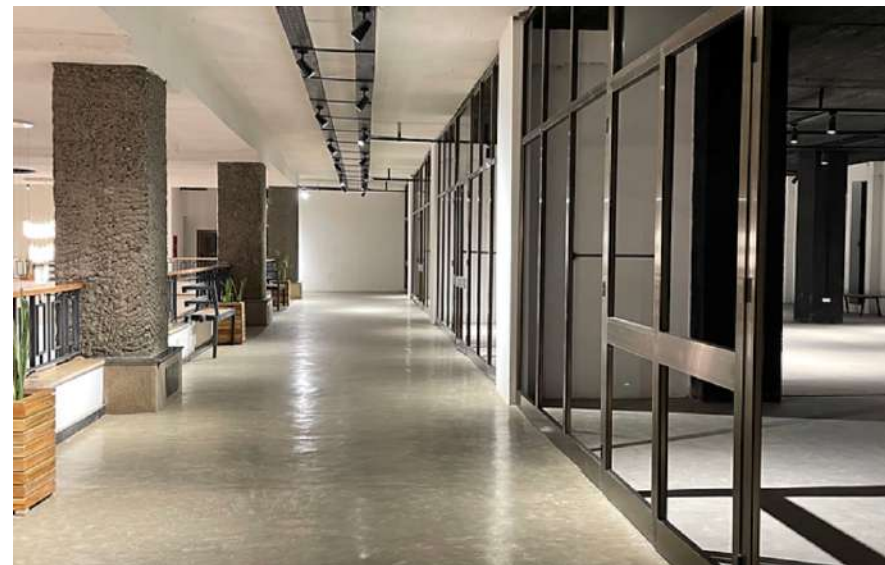
The co-working area at Refenti World is designed with state-of-the-art facilities and modern amenities, making it an ideal workspace for entrepreneurs, freelancers, and startups. Location

CoSpace

Figure 35 CoSpace

CoSpace is a coworking space situated on Bole Road, in the bustling center of Addis Ababa. The workspace is designed to enhance the productivity and well-being of professionals, providing a modern and comfortable environment with a range of amenities. At CoSpace, users can choose from flexible pricing options, with a daily rate of 4.4 USD (230 ETB),46 a weekly rate of 17.4 USD (920 ETB), and a monthly rate of 54.3 USD (2,875 ETB). Each option includes a shared workspace with access to coffee or tea twice a day. They also offer private offices. Location

Kebena House

Figure 36 Kebena House

Kebena House is a serene co-working space located in the lush woods of the Yeka Mountains, offering a stunning view of Addis Ababa.

This workspace provides a conducive environment for individuals to be productive and creative. At Kebena House, members can enjoy the peace and quiet of nature, while still having access to all the necessary amenities for a productive workday. The co-working space offers a dedicated desk for 6 USD (300 ETB)47 per day with working hours of 8 a.m. to 8 p.m. Additionally, the workspace provides free WiFi, printing, copying, and scanning services to help members stay connected and productive. Location

ShegeHive

ShegeHive is a modern and comfortable co-working space located in the Yobek Commercial Center building at the Mexico roundabout.

Figure 37 ShegeHive

The workspace offers a peaceful setting for professionals and freelancers to work in a productive environment. ShegeHive provides a range of amenities to its clients, such as printers, high-speed Wi-Fi, parking, outdoor areas, fast-food cafes, receptionists, meeting rooms, and networking events.

Location

Ramada house

Located in the bustling Bole district, the Ramada Addis Hotel offers a unique co-working space that caters to the needs of various professionals. Whether you are a freelancer, entrepreneur, or business owner, Ramada Addis provides a conducive environment to work and network with like-minded individuals. The co-working space has different package options to cater to the diverse needs of its customers. The daily rate starts at 3.8 USD (200 ETB) and includes access to the co-working area, free Wi-Fi, and refreshments. Weekly and monthly packages are also available, offering more flexibility and affordability for those who require longer-term use of the space. Location

Creative Hub

Figure 38 Creative Hub Ethiopia

Creative Hub Ethiopia is a co-working space located in Addis Ababa that provides a collaborative and supportive environment for creative entrepreneurs and professionals. This space aims to foster innovation and creativity by offering a variety of workspaces that cater to the needs of different businesses. Location

iCog Labs

iCog Labs is an Ethiopian-based research and development company that specialises in artificial intelligence, robotics, and automation.

Figure 39 Icog labs

The company was founded in 2013 by a group of Ethiopian AI researchers and entrepreneurs with the goal of advancing Ethiopia's technology sector and addressing the country's developmental challenges through AI and robotics. Location

Addis Ababa Chamber

Figure 40 Addis Chamber

After 75 years since its establishment in 1947, the Addis Ababa Chamber of Commerce and Sectoral Associations (AACCSA) opened its first business incubation and acceleration center (dubbed the BIC) in 2022. BIC sets out to contribute to the national endeavor of bringing about positive and lasting changes to the Ethiopian startup ecosystem and assist in the drive to create jobs, raise income, and sustain the country's growth trajectory. BIC commenced its operation by accepting the first batch of 10 business founders under its incubation program in February 2023. Location

11. Policy, Regulatory, and Governance Environment

Policy, Regulatory, and Governance Environment

The Ethiopian Ministry of Innovation and Technology (MInT) revised the previous (2012) Science, Technology, and Innovation (STI) policy to bring it up-to-date and to emphasize on innovation, digital economic transformation, startups, enterprise competitiveness, and the private sector's role in innovation and technology development.

One of the policy's main pillar is innovation and enterprise competitiveness, which is to build the innovation ecosystem by supporting upcoming ecosystem builders, supporting tech startups, and building digital infrastructure and enablers. The government aims to create internationally competitive enterprises by supporting companies that export their products and creating institutions to render said support. The other main pillar of the policy is financing and support, aiming to increase access to financing for the innovation ecosystem. The government plans to set up innovation fund and foundations to do this and bring forth tax and investment incentives for the sector.

Quality control and patent rights are the other pillar that aim to support the innovation ecosystem and startups community by supporting the private sector to meet international quality standards, and developing homegrown skills and patents.

Lastly, collaboration and connectedness is stated in the policy as the other main pillar that aim to create international and local ties to facilitate technology transfer and open science.

The policy also emphasis on talent and capacity building to assist startups in obtaining a skilled workforce and enhance their competitiveness. Additionally, the creation of clusters for pre-identified tech sectors with high job creation potential can help startups gain economies of scale, obtain the necessary resources, and access the required infrastructure to succeed.

The remaining other pillars of the policy provide startups with the necessary support to expand and scale their businesses, tax and investment incentives to encourage startups, and assistance to gain access to international markets and compete with established players.

The digital strategy

The digital strategy brought forth in 2020 highlights the development of digital infrastructure, such as expanding broadband internet access and increasing the number of mobile phone users. This can create new opportunities for startups to develop and offer digital products and services, including those related to e-commerce, mobile payments, and digital content. The strategy also emphasizes the importance of promoting digital entrepreneurship and innovation, which can help foster a more vibrant startup ecosystem in the country.

This includes creating incubators and accelerators, providing training and mentoring for entrepreneurs, and establishing partnerships between the government, private sector, and academia to support innovation.

In addition, the digital strategy aims to enhance the regulatory environment for startups by improving policies and regulations related to intellectual property, data protection, and e-commerce. This can create a more stable and predictable environment for startups, which can help attract more investment and foster growth. Thus, this strategy can lay the digital foundation for innovation and startups which can be fully taken advantage of with other complimentary policy and stakeholder actions.

The upcoming startup act

The Startup Act, introduced in 2020 and expected to be approved soon, demonstrates the government's strong commitment to assisting startups and eliminating some of the hurdles they encounter. One of the measures outlined in the act includes the establishment of an innovation fund to bolster the startup ecosystem. The Act includes significant changes aimed at supporting startups and fostering the innovation ecosystem in the country. One of the key changes is the creation of institutional mechanisms to support startups, such as the national technical advisory board made up of private and public sector experts will work on startups labeling.

The changes include new eligibility requirements for the startup and innovative business label, which provides registration and associated benefits outlined in the act. Regulatory changes include the introduction of a two-year pre-registration certificate, allowing foreign investors to invest in areas that were previously restricted, and lifting the obligation to obtain a business license before commencing operations.

The Startup Act is expected to have a significant impact on startups and the startup ecosystem in Ethiopia. The availability of an innovation fund and the removal of some of the barriers faced by startups, such as the pre-registration certificate and the lifting of the obligation to be issued a business license to commence operation, are expected to make it easier for startups to launch and grow in Ethiopia. The tax breaks, capital gains tax breaks, and other incentives provided for investors are also expected to attract more investment to the country's startup ecosystem. Also, the institutional mechanisms to support startups and the government's commitment to creating an enabling environment for startups and innovation are ways to catalyze connectedness in the ecosystem and create synergy.

12. Conclusions and recommendations

The startup ecosystem in Addis Ababa is still developing, with only 23% of startups being post-early stage. Most startups in the city have fewer than ten employees, and their annual revenues are generally between $0 and $20,000, indicating that they are still in the early stages of business.

The transportation and logistics & last mile delivery sectors have the highest number of post-early-stage startups, with the highest employment levels, annual revenues, and investment rounds compared to other sectors. On-demand services, transportation, and logistics & last mile delivery sectors created the most job opportunities in Ethiopia, highlighting their importance for economic growth.

Accessing capital is extremely difficult for startups in Addis Ababa, with almost half of the startups (48%) finding it very difficult to obtain funding. Ethiopian startups typically obtain capital through informal channels such as bootstrapping, family, and grants.

Startups planning to raise capital from abroad prefer to raise funds in US dollars due to the currency's stability in the face of the continuous devaluation of the Birr. Almost half of the startups prefer equity funding from investors, and some prefer a combination of equity and debt funding.

Also, investment companies are primarily looking at seed-level companies, with some companies focusing on pre-seed companies as well. While Ethiopia is the major target for investment, investment companies are also investing in or looking to invest in the East Africa region. However, compared to other regional peers, investment size in Addis Ababa startups was found to be lower.

There is also a shortage of local venture capitalists in the ecosystem due to regulatory hurdles, a forex crunch, and business environment challenges, and as a result, investments tend to focus on more stable projects such as construction. This presents a challenge for startups with high-risk profiles, as there is a lack of interest and understanding among Ethiopian domestic investors.

The Ethiopian government has taken several initiatives to support the growth and development of startups in the country. The government has established various institutions, such as the Ministry of Innovation and Technology, the Ministry of Water and Energy, the Ethiopian Innovation Center, and the Ministry of Labour and Skills, that provide resources and support to young entrepreneurs.

The government has established programs such as the EDGET program, which provides funding support and access to finance to startups and SMEs, and also facilitates the establishment of startup funds to promote innovation and entrepreneurship in the country. In additionThe regulatory and governance environment towards the startup ecosystem in Ethiopia is undergoing significant reforms, which have the potential to enable significant growth and reach for startups in the country.

The Startup Act, expected to be approved soon, is a strong commitment by the government to assisting startups and eliminating some of the hurdles they encounter. The digital strategy aims to address critical gaps in finance, promote digital entrepreneurship and innovation, and enhance the regulatory environment for startups.

The Addis Ababa startup ecosystem, as well as the broader Ethiopian startup ecosystem, is currently in the activation stage as per the Genome framework. This stage is commonly associated with emerging startup ecosystems that face challenges related to limited resources and experience. At this stage, the emphasis is on establishing a robust infrastructure to support startups and attracting early-stage funding. However, it's important to highlight that the ecosystem currently lacks significant milestones that indicate a potential for global recognition, such as the creation of several $100 million+ exits.

Based on the challenges faced by startups in Addis Ababa, the following recommendation can help the government and relevant stakeholders can unlock supportive environment for startups in Ethiopia and help to unlock the full potential of the country's startup ecosystem.

- Reach out to and work with global startup frameworks: Connect with organisations such as Startup Genome that have a global framework for analysing and comparing startups worldwide, collect data and facts that can be used to provide input for the global frameworks, and work with them.
- Create a public grant funding allocation framework for startups: Develop a specific framework for how a government institution, especially MInT, can give grant money to startups. including mechanisms and vehicles that can be used to do it and blended financing that would allow the government to invest jointly with the private sector.
- Have a set definition and develop standards for labelling startups: It is important to have a clear definition of what constitutes a startup in Ethiopia.
- Financial institutions should work towards offering alternative forms of collateral that are more inclusive and accessible to startups, such as intellectual property or personal guarantees. In this effort, development organisations and the government help de-risk startups with schemes like guarantees.

- To track progress towards the goal of reaching the fourth stage of the startup ecosystem life cycle, MInT should develop a set of success indicators that measure the impact of its initiatives. These could include metrics such as the number of startups with 100 million USD+ exits, the amount of national resource attraction, and the level of international collaboration and partnerships. By monitoring these indicators, the ministry can make data-driven decisions and adjust its initiatives accordingly.
- Foster connectedness among ecosystem actors: This could be achieved through events, workshops, and networking opportunities that facilitate knowledge sharing, collaboration, and partnerships.
- Conduct further studies to explore how international startup frameworks can be contextualized to Ethiopia's reality: Given the unique challenges faced by startups in Ethiopia, it is important to adapt international startup frameworks to the country's specific context.

For more information, please access the full report here: www.jica.go.jp/longform

13. Remarks from MInT and JICA

FDRE Ministry of Innovation and Technology

The Ministry of Innovation and Technology of Ethiopia (MInT) is the responsible government organization for creating a conducive startup ecosystem. Innovation is not the result derived by just one institutional player, such as universities or industries, but rather the result of the interaction between all actors in the ecosystem. Startup ecosystems play a key role in empowering startups to develop new ideas and bring innovation to the market.

The startup ecosystem in Ethiopia is in its early stages but has great potential. Hence, being in its early stages, the ecosystem has various challenges. One of the challenges is the lack of conducive policies, regulatory frameworks, funding, and adequate ecosystem builders like incubators and accelerators. The Ethiopian government is quickly formulating and implementing policies to help innovative entrepreneurs by easing regulations and tax laws for startups. The other challenge startups face is the inadequate education and useful skills needed to build a startup company. It is necessary to incorporate entrepreneurship education and versatile skills into the education strategy of higher education to improve this. Over the past three years, several policy and regulatory reforms and awareness initiatives have been undertaken to scale up the startup ecosystem. The efforts have resulted in promising positive changes and the creation of successful startups.

This startup ecosystem report gives a close look at the current state of the startup ecosystem of Addis Ababa city of Ethiopia. It may facilitate further development of a startup policy framework geared towards building a robust, innovative, and strong startup ecosystem led by the ministry and with the leading role of the private sector and investors. I would like to thank all those who supported and contributed to this valuable Addis Ababa city's startup ecosystem.

Japanese International Cooperation Agency

Thank you for taking the time to read this brochure. JICA's Next Innovation with Japan (NINJA) project supports Startups in many regions, including Africa, Asia, Europe, and Latin America. Ethiopia is one of the focus countries where we are working intensively, and since supporting youth entrepreneurs with Solve IT in 2019, we have been working with Ministry of Innovation and Technology(MInT) to provide policy support, capacity building, acceleration programs, delegations to overseas exhibitions (such as GITEX GLOBAL, GITEX Africa, AfricArina), online pitch events to connect with overseas investors and companies, dissemination of information about startups in Ethiopia, and startup ecosystem research.

Africa faces various social challenges and lacks a variety of services. Against this backdrop, entrepreneurs are promoting solutions to these issues by launching innovative businesses based on a thorough understanding of local needs, recombining existing technologies, and creating new services using mobile phones. Through various forms of support, we hope to help the entrepreneurs grow and provide an opportunity for Japanese companies to expand in Africa. JICA, the central agency for Japan's Official Development Assistance (ODA), we view entrepreneurs as important partners in development, and under the NINJA (Next Innovation with Japan) project, we will support their growth and promote cooperation with Japanese companies. Let's take a new step forward together.

HARA Sachiko

Startup Ecosystem Advisor (JICA)

14. Startups in Addis Ababa

14.1 Startups selected by MINT and JICA

AFRA IMPORT & EXPORT PLC

Product name   Khaled Saleh Hussein

Founded in 2021   **Employees** 132+

Website buy2goapp.com   **Sub-Industry** B2B E-Commerce

BUY2GO is B2B e-commerce platform connects the mom-and-pop shops directly to manufactures and suppliers, We exist in the market to serve traditional merchant and modern trading market to get Best price, Product variety and Delivery on time, by automating a complete logistics model start with supply, procure, transport, store, and deliver FMCG products.

Founder
Khaled Saleh Hussein

Anabi Agritech Solutions PLC

Product name   Anabi

Founded in -   **Employees** -

Website anabi.co   **Sub-Industry** Agri-tech

Produces and markets AI-based smart apiary management bee products that contribute to honey productivity. Aiming to promote solutions to the lack of pollination and forage, which is a challenge for honey production worldwide.

Founder
Mr Abiye Tadeos

Askema Engineering

Product name   Friction - Lining Materials

Founded in 2021   **Employees** 6+

Website askemaengineering.com   **Sub-Industry** Manufacturing /Automotive

Askema Engineering is a manufacturing business produces high – quality friction lining material for all types all vehicles made from Slough try. Our brake pads, Brake shoes & Clutches are applicable for Fuel & Electric Cars, Trucks, Machineries and Wind Turbine.

Founder
Behailu Seboka Kebede

Blue Health Ethiopia

Product name   Derash

Founded in 2021   **Employees** 10+

Website bluehealthethiopia.com   **Sub-Industry** Digitization in ICT

Medical emergencies are unpredictable, so Blue Health Ethiopia has created a new, innovative emergency service that can be dispatched to any location in Ethiopia to deliver emergency care at a moment's notice.

Founder
Elias Tadesse (MD)

Bitech Software Development

Product name   Legeberew

Founded in 2019   **Employees** <5

Website -   **Sub-Industry** Agri-Tech

Legeberew is an Ai based Precision agriculture platform that uses cutting-edge technology to provide farmers with updates on the health of their crops and give advice on where, when, and what crops to plant.

Founder
Henok Kiflom Teklu

Commerce 360

Product name Taywan

Founded in 2020   **Employees** 20+

Website taywan.store   **Sub-Industry** Retail Tech

Taywan is a B2B E-commerce and financing embedded platform that empowers informal trade and restocking for merchants, retailers, and kiosk across Ethiopia.

Founder

Amein Eskinder

Dimir Technologies

Product name Desktop Manufacturing Services

Founded in 2020   **Employees** 6-10

Website Dimirtechnologies,com   **Sub-Industry** Manufacturing (Productivity by using robotics, textiles technology, processing)

Dimir Technologies is working to bring the 3D printing and rapid prototyping industry to Ethiopia. Dimir offers a wide array of services including consultations, training, product design and development.

Founder

Yafet Girum Tesfaye

Eshi Express

Product name Eshi Express

Founded in 2017   **Employees** 10+

Website eshiexpress.com   **Sub-Industry** Mobility

Eshi Express is a flexible logistics business that utilizes jobless youth human resources and public transportation. The company has realized flexible delivery times (same-day and next-day delivery) and hassle-free logistics services (consolidation and optimization), which were previously unavailable in Ethiopia, and has encouraged the growth of small and medium-sized enterprises. They have already employed about 200 young people as carriers in Ethiopia, where unemployment is high, and has created many employment opportunities.

Founder

Mr. Tigabu Haile

eTechsc Technology Company

Product name ITO service

Founded in 2020   **Employees** 60+, 65% Engineers

Website etechsc.com   **Sub-Industry** End to End Technology Service

Being An End-To-End IT Company, ETech S.C Has Started Engaging In The Global IT Market Through Its Information Technology Outsourcing/Business Process Outsourcing (ITO/BPO) Service. To Contribute Towards Making Ethiopia a Competitive and Attractive Destination Of Global ITO Market, ETech Established An End-To-End Ecosystem Of National And International IT Experts And Business Professionals With A Flexible And Entertaining Talent Acquisition And Engagement Strategy.

Founder

Shimelis Gebremedhn Kassa

Ethio-SciTech Engineering Group PLC

Product name Education Tech apparatus

Founded in 2019   **Employees** <5

Website ethioscitecheng.com   **Sub-Industry** Ed-Tech

Ethio-SciTech Engineering Group is a private limited company producing teaching aid equipment to help address problems with the nation's current educational system.

Founder

Geremachew Wagaye Yirgete

Fibermart Trading Company

Product name Fibermart

Founded in 2018   **Employees** 10+

Website Fiberkiosk.com   **Sub-Industry** Manufacture (Energy)

Fibermart Trading designs and deploy energy kiosks that are powered by solar. They can be used to provide financial access and connectivity for frontier markets. The kiosks have a refrigerator, charging hub and WiFi.

Founder

Dek Ali Tunyar

Fidel Educational Consult

Product name Fidel Tutorial

Founded in 2021   **Employees** 10+

Website fideltutorial.com   **Sub-Industry** Educational Technology

Fidel Educational Consult is an innovative and affordable educational platform that provides online courses built for everyone.

Founder
Selamawit Alemu

Gari Technologies

Product name Gari Delivery

Founded in 2021   **Employees** 6-10

Website -   **Sub-Industry** Digitization in ICT

Gari is a digital system that links customers and drivers on cargo transportation services. Gari aims to systemize the country's logistics demand by providing a convenient, fast and secure means of moving goods.

Founder
Sisay Mandefro

Gooday-Online

Product name GoodayOn

Founded in 2020   **Employees** 21

Website gooday.io   **Sub-Industry** Gig Economy/Jobtech

GoodayOn is a leading digital gig marketplace that provides high-precision gig matching for domestic help and home repair services in Ethiopia through a mobile app and a call center.

Founder
Alem Abraha and Tigist Afework Adera

Great Kavod Trading Pvt.Ltd.Co.

Product name Medhanite

Founded in 2020   **Employees** 6-10

Website medhanite.com   **Sub-Industry** Digitization in ICT

Medhanite is a digital healthcare service that includes a call center, website and mobile app. Medhanite's main focus is to provide their users quick access to nearby pharmacies, as well as specialized healthcare facilities like hospitals and clinics.

Founder
Samuel Mekonnen

Gebeta Software PLC

Product name Gebeta Maps/ Gebeta Kitchens

Founded in 2019   **Employees** <5

Website gebeta.app   **Sub-Industry** Digitization in ICT/ logistics-tech

Gebeta Software is a software company working on providing solutions and platforms to facilitate logistics, routing and similar services at an affordable rate.

Founder
Bemhreth Gezahegn

Green Agro Solution PLC

Product name Lersha

Founded in 2013   **Employees** 25+ Employees

Website lersha.com   **Sub-Industry** Agri-tech

Lersha is a one-stop digital service to small holder famrers that enables them access farm inputs, hire mechanization services and request dynamic agro-climate advisory using technology. The application also promotes agricultural finance and insurance involving direct linkage of farmers.

Founder
Mr Abrhame Endrias

Guzo Technologies PLC

Product name Guzomap XR Studio

Founded in 2019   **Employees** 6-10

Website guzo.tech   **Sub-Industry** E-Tourism/VR-Tourism

Guzo Technologies Plc (Guzotech) is an Internet of Things and XR (Extended Reality) products prototyping startup headquartered in Addis Ababa. Guzotech builds interactive and immersive experiences for enterprises and government institutions.

Founder

Daniel Getachew

Infinity Technology PLC

Product name Hulugram

Founded in 2020   **Employees** –

Website Hulugram   **Sub-Industry** ICT

Hulugram is a chat-based social engagement platform similar to LINE that connects 30 million Internet users in Ethiopia. A single app for communication, ride calling, shopping, bill payment, digital wallet, and third-party mini-application platform usage.

Founder

Mr Leoul Mekonnen Tsehay

Hearty Engineering PLC

Product name Yarsuma

Founded in 2022   **Employees** <5

Website heartyengineering.com   **Sub-Industry** Agri-Tech

YARSUMA is a technology device designed for health monitoring and early disease detection in livestock using IoT and intelligent systems. The device measures necessary health parameters like temperature or heartbeat, and analyzes these parameters using artificial intelligence technology that is deployed on mobile applications.

Founder

Hunduma Atomsa

JEMLA, Inc.

Product name JEMLA

Founded in 2020   **Employees** 10+

Website jemlaonline.com   **Sub-Industry** E-Commerce

JEMLA is an B2B e-commerce platform that connects informal retailers with access to a wide range of consumer goods at competitive prices. for thier shops

Founder

Estephanos Zewdie

Kehonna Technologies

Product name GebeyaX

Founded in 2021   **Employees** 10+

Website gebeyax.com   **Sub-Industry** Digitization in ICT

GebeyaX enables you to buy, sell, and rent all construction supplies and spare parts on a state of the art e-commerce platform. GebeyaX provides a secure, convenient and fluid e-commerce platform that exhibits construction materials, spare parts and machineries directly to customers.

Founder

Ephrem Degaga

Kese Event Management

Product name Kese Events

Founded in 2019   **Employees** 6-10

Website keseevents.com   **Sub-Industry** Digitization in ICT

Kese Events is an event management, live streaming and ticketing company. Through their app and web-based services, the company is on a mission to monetize digital africa.

Founder

Kahsu Abera

KMS ETH Health (TENAWO)

Product name TENAWO

Founded in 2022 **Employees** 10+

Website tenawo.com **Sub-Industry** Digitization in ICT

TENAWO is a multi-user and comprehensive digital health e-commerce and health consultancy which is has working features of a web application, mobile application, SMS and emailing, call center and Telegram bot to close the communication gap between healthcare providers, healthcare facilities, vendors and clients.

Founder
Dr. Sisay Abebe

Keteme Information Technology PLC

Product name PickDelivery

Founded in 2021 **Employees** <5

Website keteme.com **Sub-Industry** Digitization in ICT

PickDelivery is the first online food delivery service in Adama, Oromia, They provide on-demand food delivery service using bikes.

Founder
Eyob Abebe

Leading Edge Trading PLC

Product name Zafree Papers

Founded in 2017 **Employees** 8

Website zafreepaper.com **Sub-Industry** Ecological product

Zafree Papers develops clean-tech paper solutions by using agricultural waste to produce 100% wood-free pulp, paper, and paper products (100% tree-free, unbleached paper pulp). The goal of the project is to provide a solution to deforestation and to change the domestic paper industry in Ethiopia, which is low quality and high price due to lack of foreign currency, funds, and raw materials.

Founder
Bethelhem Dejene

LSSYA

Product name LSSYA

Founded in 2019 **Employees** 10+

Website lssya.app **Sub-Industry** Digitization in ICT

LSSYA is a company that provides online counselling in Ethiopia. Our company looks to decrease the stigma around mental health by increasing the accessibility of online therapy to the community.

Founder
Lidia Solomon

MoveEt Delivery and Logistics

Product name MoveEt Delivery and Logistics

Founded in 2020 **Employees** 6-10

Website move.et **Sub-Industry** Digitization in ICT

MoveEt is a tech-based delivery and logistics company with the aim of revolutionizing the delivery business in Africa to the next level by digitizing the sector and making it more secure and transparent billing for the users.

Founder
Kaleb Girma

Mogzit In-home Care

Product name Mogzit In-home Care

Founded in 2021 **Employees** <5

Website mogzit.com **Sub-Industry** Digitization in ICT

Mogzit In-home Care aims to be a link between professional caregivers and care seekers through an "on-demand" platform. The platform has a clear and rigorous vetting process, live tracking, live chatting and review and recommendation features which makes the booking process easy.

Founder
Samrawit Tarekegn

Omishtu-Joy Agtech Engineering

Product name Omishtu-Joy

Founded in 2021   **Employees** 15
Website omishtu-joy.com   **Sub-Industry** Agri-tech

Omitshu-Joy Agtech Enginnering was established by engineering and agricultural professionals to provide digital services to Ethiopian farmers. They provide consulting services to farmers on soil and crop matching, leveraging the soil testing equipment that can find the right crop and fertilizer by testing the soil.

Founder
Tigabu Abriham Sumamo

Precision Agriculture

Product name Smart soil fertility measuring device

Founded in 2021   **Employees** -
Website -   **Sub-Industry** Agri-Tech

Precision Agriculture is developing a smart and sitespecific agricultural device that can be handled by individual farmers and used to measure the fertility of farm soil for the optimization of fertilizer use and crop production.

Founder
Abreham Asegid Dife

Sabawi Technology

Product name Dart jobs

Founded in 2015   **Employees** <5
Website Sabawi.tech   **Sub-Industry** Digitization in ICT

Sabawi Technology is trying to fix the skills gap between what the marketplace demands and what job seekers can offer. The company offers interns a remote internship program, as well as a networking atmosphere for anyone interested in the world of freelancing.

Founder
Betelhem mesfin

Rahove Trading Plc.

Product name Alegn Pay

Founded in 2022   **Employees** 6-10
Website -   **Sub-Industry** Fintech

AlegnPay is an innovative loan business that empowers customers to buy the items they need now with the convenience of spreading out their payments over time, making budgeting much simpler. The company's "Buy Now, Pay Later" (BNPL) options provide short-term credit, giving customers full control of when and how they make their payments.

Founder
Dawit Getachew

Sabi LLC

Product name Sabi

Founded in 2022   **Employees** <5
Website sabi.works   **Sub-Industry** Digitization in ICT

Sabi provides affordable and vetted technology talent sourced from Africa to startups all around the world.

Founder
Beka Belachew

Storm Online Technologies/Shemach

Product name Shemach

Founded in 2022   **Employees** 10+
Website shemach.co   **Sub-Industry** Digitization in ICT

Shemach is a one-stop digital marketplace that connects retailers and FMCG manufacturers. Retailers order products via their platform from the comfort of their shop and receive same-day free delivery. FMCG manufacturers are then able to obtain real-time market insight and processed data on their retail customers

Founder
Dawit Nigusu

Tenkara Technologies PLC

Product name Lenat

Founded in 2022 **Employees** 6-10
Website - **Sub-Industry** Digitization in ICT

Lenat is an app that provides information on pregnancy, birth, and early childhood development for parents and expecting parents. It gives professional advice to those who have questions and want to get consulting.

Founder
Amanuel Alemeshet

Taskmoby

Product name Taskmoby

Founded in 2019 **Employees** 10+
Website taskmoby.com **Sub-Industry** Digitization in ICT

Taskmoby is a digital marketplace that connects customers with home service providers, such as plumbers, cleaners, electricians, disinfection, painters, etc.

Founder
Ezana Raswork

Think Hub ET Software Development PLC

Product name EXAM TIME

Founded in 2022 **Employees** 10+
Website think-hubet.com **Sub-Industry** Digitization in ICT

Think Hub is creating an e-learning education center, a mobile application with study materials, study video content, and an exam bank service for Ethiopian students. This platform allows students to study, watch educational videos and practice exam questions.

Founder
Abel Ababu

WeCare Digital Health

Product name WeCare Digital Health

Founded in 2021 **Employees** 6-10
Website wecare.et **Sub-Industry** Digitization in ICT

WeCare Digital Health is a SaaS company with an innovative virtual health consultation service. Their mobile applications, along with their call center, aims to help clients book and consult a healthcare professional of their choice from the comfort of their homes.

Founder
Dr Michael Endale

Umoja Technologies

Product name Mnaleaddis

Founded in 2021 **Employees** <5
Website mnaleaddis.com **Sub-Industry** Digitization in ICT

MnAle Addis is a digital event booking, social media and customer data analytics platform created by Umoja Technologies to help create a memorable experience for event attendees.

Founder
Sifan Tilahun

Dunyatech Technology PLC

Product name Yenestock

Founded in 2020 **Employees** 6-10
Website dunyatech.com **Sub-Industry** Digitization in ICT

Yenestock is a simplistic smartphone application by Dunyatech made for store owners to manage and control inventory and sales transactions. Their major customers are MSMEs

Founder
Salim Mohammed Bidari

Yaltopia Software Technology

Product name Yaltopia Education

Founded in 2022   **Employees** <5
Website tech.yaltopia.com   **Sub-Industry** Ed-Tech

Yaltopia Education is a digital platform where people can access educational content or obtain training on any subject matter from anywhere. Their platform allows teachers and institutions to create content that can either be monetized or provided for free.

Founder
Mikias Tenalem Ayenew

ZayTech IT Solutions Share company

Product name ZayRide

Founded in 2016   **Employees** 42
Website zayride.com   **Sub-Industry** Transportation

ZayRide is the first taxi hailing company, with a qucik and convinent mobile app and a 24/7 call center.ZayRide is currently serving 4 cities in Ethiopia and it will soon launch its service in two more cities. With ZayRide, technology meets with transportation

Founder
Habtamu Tadesse

Zmall Delivery

Product name Zmall

Founded in 2021   **Employees** 110
Website zmalldelivery.com   **Sub-Industry** E-Commerce, Automation & Logistics

Zmall is a leading delivery service provider in Addis Ababa, specializing in swift and reliable delivery of food, groceries, beverages, flowers, and medicine. With a dedicated fleet of 50 owned bikes, our professional delivery team ensures a seamless and convenient experience for customers, enhancing their satisfaction and streamlining logistics. Committed to quality and efficiency, Zmall is poised to become the go-to choice for delivery solutions in the region.

Founder
Dr Temesgen Gebrehiwot

14.2 List of Startups in Addis Ababa

Table 9 List of Startups Mapped

No.	Startup	Industry
1	Apposit/Paga Ethiopia	Fin-Tech
2	Smile Pay	Fin-Tech
3	Kacha Digital Financial Service	Fin-Tech
4	Chapa Financial Technologies	Fin-Tech
5	Zari Pay	Fin-Tech
6	Mekfeya Financial Technology	Fin-Tech
7	YaYa Wallet	Fin-Tech
8	Arifpay	Fin-Tech
9	Dube Ale	Fin-Tech
10	SantimPay	Fin-Tech
11	CashGo	Fin-Tech
12	MamaPays	Fin-Tech
13	Flocash	Fin-Tech
14	YenePay	Fin-Tech
15	Jami	Fin-Tech
16	SunPay Solutions	Fin-Tech
17	YagOut	Fin-Tech
18	Moneta Technologies	Fin-Tech
19	BT Net Technology (Degafi)	Fin-Tech
20	Equb Financial Technologies (Equb)	Fin-Tech
21	Digital Equb	Fin-Tech
22	Zoma	Fin-Tech
23	Digital Equb Financial Technologies (Digital Equb)	Fin-Tech
24	Belcash Techology Solutions (Hello cash and others)	Fin-Tech
25	Ebirr	Fin-Tech
26	Kelal Tech PLC. (Semuny)	Fin-Tech
27	Atlas Computer Technology (UniCash)	Fin-Tech
28	WeBirr	Fin-Tech
29	Kifiya Financial Technologies	Fin-Tech
30	Anabi Agri-Tech Solutions (Anabi)	Agri-Tech
31	Filenber Technology (HelloErf)	Agri-Tech
32	Hearty Enginnering (Yarsuma)	Agri-Tech
33	Omishtu-Joy AgTech Engineering (Omishtu-Joy)	Agri-Tech
34	Mogle Golden Mushroom	Agri-Tech
35	Thur Biotech	Agri-Tech
36	Fruityes	Agri-Tech
37	BFarmTech	Agri-Tech
38	iGebrea AgriTech	Agri-Tech
39	Debo Enginnering	Agri-Tech
40	Green Agro Solution (Le-ersha)	Agri-Tech
41	Le-Geberew	Agri-Tech
42	Armada	Agri-Tech

No.	Startup	Industry
43	Coffee Reserruct	Agri-Tech
44	BeNU Foods Ethiopia	Agri-Tech
45	GroHydro Ethiopia	Agri-Tech
46	Awud Technology	Agri-Tech
47	Benamim Foods	Agri-Tech
48	Forested Foods	Agri-Tech
49	Green Henon Agricultural Technology Services	Agri-Tech
50	Melkam Technology	Agri-Tech
51	The Day Agro Industry (TheDay Jam)	Agri-Tech
52	Bright Starch Manufacturing	Agri-Tech
53	AfroFarm Fund	Agri-Tech
54	Falcon ET	Agri-Tech
55	Inside Business Ethiopia	E-Commerce
56	Fetan	E-Commerce
57	Exporters Ethiopia	E-Commerce
58	Khonna Technologies (GebeyaX)	E-Commerce
59	Melegna	E-Commerce
60	Habesha Handicrafts	E-Commerce
61	Falcon	E-Commerce
62	Ashewa Technologies	E-Commerce
63	Addis Ber	E-Commerce
64	Asbeza	E-Commerce
65	Megebya	E-Commerce
66	Peeps Technologies (Korojo)	E-Commerce
67	Wanza	E-Commerce
68	Yeras Gebeya	E-Commerce
69	Amrach	E-Commerce
70	Qinash	E-Commerce
71	Shemach Online Shopping	E-Commerce
72	EthioSuq	E-Commerce
73	Adret	E-Commerce
74	Birrama	E-Commerce
75	Shiro Meda	E-Commerce
76	Kamrach.com	E-Commerce
77	Addis Mercato	E-Commerce
78	HellooMarket Ethiopia	E-Commerce
79	Techtown ET	E-Commerce
80	Sheger Market	E-Commerce
81	Sheba Shopping	E-Commerce
82	Delala	E-Commerce
83	Addis Souq	E-Commerce
84	ACE Computer Technologies (Store 251)	E-Commerce
85	Shega	E-Commerce
86	Verenda	E-Commerce
87	Jimla Gebeya	E-Commerce
88	Suk Market	E-Commerce

No.	Startup	Industry
89	Berbera Market	E-Commerce
90	Tie Technologies (AfroTie)	E-Commerce
91	Jiji	E-Commerce
92	Ahadu Solutions (Shiqela)	E-Commerce
93	Mekina	E-Commerce
94	Liyu Gebeya	E-Commerce
95	Kidame Mart	E-Commerce
96	Gebeya Dash	E-Commerce
97	Yetale	E-Commerce
98	i-DIGITAL MEDICINE	Health-Tech
99	Lalibela Global Networks (Abay-CHR)	Health-Tech
100	Etege	Health-Tech
101	Saba Health	Health-Tech
102	Medhanite Ethiopia	Health-Tech
103	Debol Enginnering (Medstore.et)	Health-Tech
104	Mella Medical Consultancy (Mella)	Health-Tech
105	m-Pharma	Health-Tech
106	m-Tena	Health-Tech
107	Telemed Medical Services (Hello Doctor)	Health-Tech
108	eHealth IT Services (Orbit Health Solutions)	Health-Tech
109	WeCare Ethiopia (WeCare)	Health-Tech
110	Hepius Medical Innovation (Hepius)	Health-Tech
111	VirtuDoc	Health-Tech
112	Yene Health	Health-Tech
113	LSSYA	Health-Tech
114	Tenkara Technologies (Lenat)	Health-Tech
115	Anna Digital Health Solutions	Health-Tech
116	Bluehealth Ethiopia	Health-Tech
117	Tesy Digital Health care	Health-Tech
118	Tenawo Digital Health	Health-Tech
119	Rohobot Home Based Health Care Service	Health-Tech
120	Simbona Africa HealthCare	Health-Tech
121	Opian	Health-Tech
122	BlueMed Consultancy Services (Pharmanet Ethiopia)	Health-Tech
123	ADT Ethiopia	Health-Tech
124	EthioPharma Link B2B2C	Health-Tech
125	ClinicFlo	Health-Tech
126	Lifeline	Health-Tech
127	SemiLink	Health-Tech
128	Z-Mall Delivery	Delivery
129	Deliver Addis	Delivery
130	BeU Delivery	Delivery
131	Tikus Delivery	Delivery
132	Horizon Express Services (Balderasu)	Delivery
133	Dasher Delivery Services (Ahadu Express)	Delivery
134	Eat ICT Solutions (Eat Addis)	Delivery

No.	Startup	Industry
135	Buy2Go	Delivery
136	MoveEt Delivery and Logistics	Delivery
137	Eshi Express	Delivery
138	Adeready (Ezezu Commerce)	Delivery
139	Yetem Delivery	Delivery
140	Green Addis PLC (Metahu Addis)	Delivery
141	Platform Technologies (Cache)	Delivery
142	WeDeliver	Delivery
143	Delivery Hawassa	Delivery
144	Che Freight	Delivery
145	DEJ Delivery	Delivery
146	Agelgil	Delivery
147	Ahununu Express	Delivery
148	Dejen Technologies (Zelela)	Delivery
149	Across Express	Delivery
150	Woye Transport	Delivery
151	SpareX Ethiopia	Delivery
152	Hybrid Designs (Ride)	Transportation
153	Feres Technologies (Feres)	Transportation
154	ZayTech IT Solutions (ZayRide)	Transportation
155	Wez	Transportation
156	iDriveEthiopia	Transportation
157	Lift Ethiopia	Transportation
158	RICA Technologies (RICA Trip)	Transportation
159	Michu Ride	Transportation
160	ChinetAle Technology Solutions	Transportation
161	Taxiye	Transportation
162	Wagon Trans Technology Solutions	Transportation
163	Hanguggwa Trading (Wekil)	Transportation
164	GET ICT Solutions (Woye)	Transportation
165	Waliif Transport Share Company (Wallif Taxi)	Transportation
166	Addis Motor Taxi	Transportation
167	AfroTicket	Transportation
168	Serdo Travel (Guzo)	Transportation
169	Halal Meter Taxi	Transportation
170	EthioOne LLC (GuzoBus)	Transportation
171	LiyuBus	Transportation
172	Garri Logistics	Transportation
173	YeneGuzo	Transportation
174	Gooday Online LLC (Gooday-On)	Job-tech
175	Sira	Job-tech
176	Mogzit In-Home Care	Job-tech
177	Africa 118 Inc. (Task Moby)	Job-tech
178	Shega Muya	Job-tech
179	Addis Solutions (Addis Jobs)	Job-tech
180	EthioLancer	Job-tech

No.	Startup	Industry
181	Molto Terfo (MT Freelancer)	Job-tech
182	Hahu Jobs	Job-tech
183	Freelance Ethiopia (Afriwork)	Job-tech
184	Gigs Ethiopia	Job-tech
185	Sabawi Technologies (Sabawi)	Job-tech
186	MoyAts	Job-tech
187	Shashe	Job-tech
188	Fixer	Job-tech
189	GizeHub	Job-tech
190	Elebat Management and Technology Solution	Job-tech
191	Kech Road Side Emergency Services	Job-tech
192	Sabi Jobs	Job-tech
193	Fibermart Trading Company	Renewable Energy
194	Alif Energy	Renewable Energy
195	Zafree Papers	Renewable Energy
196	Abramba Technologies	Renewable Energy
197	Green Scene Energy	Renewable Energy
198	Green Sun	Renewable Energy
199	Deventus	Renewable Energy
200	All Rights Technologies (Teraki)	Media and Entertainment
201	Semu Audiobooks	Media and Entertainment
202	Zembil Tech (eTok)	Media and Entertainment
203	Radar Idol	Media and Entertainment
204	Awtar Technologies	Media and Entertainment
205	Sewasew Multmedia	Media and Entertainment
206	MayaFlicks	Media and Entertainment
207	Jotika LLC (Kesto)	Media and Entertainment
208	eStota	Media and Entertainment
209	Avetol	Media and Entertainment
210	Etemete	Media and Entertainment
211	Shibet Technologies (Tuba)	Media and Entertainment
212	Mereb Sport	Media and Entertainment
213	Guzo Technologies PLC	Media and Entertainment
214	LinkUp Technology and Digital Media (AfroMile)	Media and Entertainment
215	Gebeya Media	Media and Entertainment
216	Marathon System (Mehalaye)	Media and Entertainment
217	Lomii Dating	Media and Entertainment
218	Jebena	Media and Entertainment
219	Kulu Network (Elff Music)	Media and Entertainment
220	Ken-Techno (Feshta)	Media and Entertainment
221	Shega Media and Technology	Media and Entertainment
222	Qene Games	Media and Entertainment
223	Bana Music	Media and Entertainment
224	Addis Insight	Media and Entertainment
225	ThinkHub ET (Exam Time)	Ed-Tech
226	Accelerated	Ed-Tech

No.	Startup	Industry
227	Fidel Tutorial	Ed-Tech
228	Abol EdTech	Ed-Tech
229	TELSEM Robotics & AI	Ed-Tech
230	Gebeya Solutions	Ed-Tech
231	FarGo Education	Ed-Tech
232	Ethio-SciTech Engineering group	Ed-Tech
233	Muyalogy Digital Services	Ed-Tech
234	Underdog Software (Coffee Lessonz)	Ed-Tech
235	Kuraz Technologies (Kuraz Tech)	Ed-Tech
236	Fetena (fetena.net)	Ed-Tech
237	Haleta Tutors	Ed-Tech
238	nimar.online	Ed-Tech
239	Education Hub PLC (Temari Bet)	Ed-Tech
240	Timihirt Bete	Ed-Tech
241	Nebeb	Ed-Tech
242	TemariNet	Ed-Tech
243	BeBlocky	Ed-Tech
244	Hiinnovate	Ed-Tech
245	MYD IT Solutions (iTutor Ethiopia)	Ed-Tech
246	Teach Ethiopia	Ed-Tech
247	ThinkHub ET Innovations	Ed-Tech
248	Prime Maven Enginnering (Ahun)	Super App
249	360 Ground (Meda Chat)	Super App
250	Infinity Technologies (Hulugram)	Super App
251	AlemPay	Super App
252	Menab Design	Art
253	Limon Data and Analytics	Art
254	JOROPOD	Data and analytics
255	Tour App	Podcast and audiobook platform
256	TripWay Technologies	Travel
257	Triopia	Travel
258	Yefeker sheta	Tourism
259	Umoja Technologies (Mn Ale Addis)	Events
260	Weleta	Digital signature
261	Gennbi	Construction-Tech
262	Onrica Technologies	Telecom and Connectivity
263	Addisway Technology Solution	ICT
264	Viable Solutions (E-phone)	ICT
265	Dunya-Tech (Yene Stock)	ICT
266	Addis Software (Yegna Home)	ICT
267	50Lomi	ICT
268	Abay QR	ICT
269	Atlantic IT Solutions (Adrasha)	ICT
270	Raxio Group	ICT
271	RedFox Solutions Group (RedFox)	ICT
272	SileBet Marketing	ICT

No.	Startup	Industry
273	Yene Property	ICT
274	Y Technology (Ethio Locate)	ICT
275	Hahu Cloud	ICT
276	Room.et Hotel Booking & Vacation Rental	ICT
277	Viditure	ICT
278	Dodai Group	Other
279	Addis Geospatial	Other
280	3BL Technology (Flowius)	Other
281	Wolfaby	Other
282	AfroReach Technology	Other
283	Gebeta Software (Gebeta maps)	Other
284	eTech share company	Other

For more information, please download documents from the followings.
- **Details_ Ethiopia Startup Ecosystem Survey (English)**
- **JICA Project NINJA: Ethiopia Startup Ecosystem Report**

Japan International Coorperation Agency (JICA)

Address: Nibancho Center Building, 5-25 Nibancho, Chiyoda-ku, Tokyo, 102-8012
E-mail: jicard@jica.go.jp

Ministry of Innovation and Technology (MInT)

Address: Addis Ababa, Ethiopia
E-mail: mint@mint.com