



*iHub Research

ICT Hubs Model:

Understanding the Factors that make up the Activspaces Model in Buea, Cameroon

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Abstract

iHub Research is conducting on-going research to understand the unique factors that make up ICT Hub models across Africa. The objective of the study is to understand the models of the Hubs/Labs, its entrepreneurs and the sustainable impact of these Hubs/Labs in spurring innovations that improve livelihoods. Little inquiry has been done to understand the various ICT Hub models developing all over Africa, and how such factors influence the entrepreneurs in the spaces. iHub Research aims to fill this dearth of information. This paper profiles Activspaces in Cameroon, Beau. We give an overview literature of ICT growth in Cameroon before describing the principles and factors that constitute the Hive Colab model. These factors are based on their genesis, open innovation, partnerships and engagements with the members among others. Key findings include factors that make them different from other Hubs e.g. the open membership system, they have 2 branches of operation as well. Also they run programs that entail 3 levels: preincubation, incubation and post incubation. Despite the high level of corruption in Cameroon, and not having the government as a key stakeholder in their collaboration circle, Activspaces is able to achieve its goals by meeting the demands of their community of members. This is achieved through their active events, programs and additional funding from partnerships formed. They have also faced challenges such as poor internet connection, attracting more members and managing the growing number but they are working towards solving these challenges through clear strategies. Lastly, we provide a list of startups that have emerged from the collaborative Activspaces model and a description of their innovations.

Key words: ICT Hub, operating model, entrepreneurs, Innovation Hub, Cameroon





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Introduction

Most people have vivid dreams of what technology can do for Africa. Ideas about which tools are important to kick start development or to open the door to opportunity have changed over time, but Information Technology (IT) has been an important element in the ambition for the future of African countries (Future of Technology in Africa, Jasper Grosskurth, 2010). It is widely recognized that Information and Telecommunication Technology (ICT) can play an important role in both social and economic development. This is attributed to its rapidly changing nature and its ability to integrate world economies. The changing nature of ICT keeps an innovative pressure on both intra-ICT industries and on the rest of economy, and can facilitates rapid increase in total overall productivity. By increasing globalization of economies, technology raises the international competitive pressures and then necessitates continuous improvements in the competitiveness of countries.

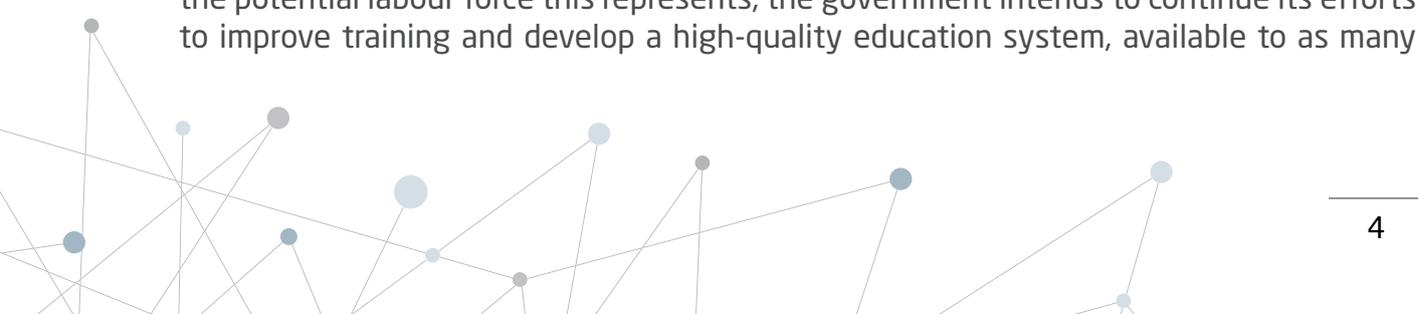
As a trend that is replicated world wide; but specifically in Cameroon, technology appears to be the biblical scripture that is unshackling the country from the bondage of illiteracy and social inequalities. The country hopes that ICT could be the game-changer that will mend the somewhat tarnished global appearance of this West African state.

Economic outlook

The investment portfolio of Cameroon is made attractive by the country's oil and agricultural sectors. ICT is poised to change the fabric of the growth engine of the country in the next 20 years and contribute close to 15% the country's GDP (Cameroon Telecom preview, 2010).

Cameroon covers an area of 475,440 km² in the Gulf of Guinea. The country has a GDP per capita income of US\$ 25.538 billion (2011 estimate). Economic growth is projected to reach 4.4% in 2012, sustained by a recovery in the oil sector. Growth of 4.6% is forecast for 2013, which despite confirming that growth remains vigorous, is lower than the level needed to achieve the Millennium Development Goals (MDGs). (EI source book, Cameroon 2010)

In 2012, the Cameroonian population was estimated at nearly 20,129,878 (Jul 2012) inhabitants, with 49.3% men and 50.7% women. The density is about 40 inhabitants per km². The population growth rate is close to 2.8%, which explains the population's age structure (63% under 25, of whom 47% are between five and 24 years old). Conscious of the potential labour force this represents, the government intends to continue its efforts to improve training and develop a high-quality education system, available to as many



people as possible and geared towards the jobs market (Index Mundi, 2012).

Population growth in recent years, coupled with the effect of village impoverishment, has led to substantial migration towards the cities, to the point where in 2011, it was estimated that 51.6% of the population was living in urban areas. The crisis led to severe economic imbalances between urban and rural areas, which seriously affected the national economy.

ICT sector is lagging behind

Cameroon's economic growth has lagged behind other countries in the neighboring regions. This is largely evident by the stunted growth and development of its telecommunications sector. The ICT sector's lackluster performance is the result of a weak regulatory environment, confusing structural arrangements and conflicting leadership. Corruption is still considered endemic; a cancer that runs deep into the heart of ICT sector. However, the last four years have shown that political will and decisive action could turn things around. Cameroonian decision makers are expressing the will to tackle the issue more decisively than before, to reach a level where the ICT environment could be considered safe and conducive to investment. It is worth noting that currently the telecommunication industry contributes almost 7% towards the GDP of the country (African Economic Outlook, 2012).

There are very few technological inventions that have penetrated locally, and in Africa as a whole, as much as mobile phone subscription. If any, the list would include the radio, the combustion engine, the pocket calculator, and unfortunately, the AK47 automatic rifle. (Future of Technology in Africa, Jasper Grosskurth, 2010)

Telecommunications industry

In early 2012, Cameroon was profiled as being one of a handful of countries in Africa left with only two competing mobile networks, MTN and Orange. Collectively, the two service providers boast of having more than 9 million subscribers to mobile phone penetration and national coverage estimated at 50.1% and coverage of almost 65% of the inhabited territory. Indeed, the costs of communication still remain high, with an average of 300 FCFA francs (\$0.57 USD) per minute of communication for both private operators. This price can be considered as prohibitive for thousands of subscribers, in a country where the minimum wage amounts 28,500 FCFA (\$54.16 USD).

The combined turnover of the two mobile operators is estimated at close to 1,926 billion FCFA (\$3.6 billion USD). About 1,300 direct jobs and nearly 300,000 indirect jobs have been created. A further 250,000 job opportunities are expected to be created in the next five-to-ten years. Internet users (per 100 people) in Cameroon was last reported at 4 out of 100 users in 2010, according to a World Bank report released in 2011. Using the latest estimates of the population shows that there are only approximately 784,000 permanent online users as of 2010. The mobile cellular subscription in the country stands

at 9,010,785 as of 2012. Moreover, the telephone lines in Cameroon were last reported to stand at 496,482 in 2012, representing an increase of 25% as compared to previous web statistics.

Very soon, the arrival of two new operators is expected in Cameroon. The new operators will considerably widen the size of the telecom market. It goes without saying that the arrival of these operators will bring an appropriate answer to the situation of the current duopoly. According to some analysts, the arrival will not only foster a harmonious development of the telephone but also inject some element of competitiveness as is the case in the Kenyan telecommunication industry (Safaricom, Airtel, YU mobile, Orange).

The relatively low ICT penetration in Cameroon can be explained by many factors of which prices play an important role. According to the World Bank (2008), the price basket for access to Internet in 2011 was US\$17.6 per month, while the average for Sub-Saharan African countries was US\$15.9 per month. The average for all lower-middle income countries was much lower at just US\$10 per month (Telecommunications Sector Performance Review, 2011). Despite the obstacles, there has been steady progress in Cameroon's telecommunications market; the convergence between fixed and mobile, voice and data services has begun. While the fixed-line incumbent is re-entering the mobile sector, the existing mobile operators are establishing themselves as leading Internet Service Providers by introducing wireless broadband and mobile data services and acquiring existing ISPs.

The mobile operators are among the bidders in the privatization of the fixed-line sector. The existing ISPs are combining their forces by merging and preparing to offer VoIP services through newly established wireless broadband networks (Telecommunications Sector Performance Review, 2011). A 3,200 km-long fiber optic cable was launched on 2010 at Kye-Ossi, a southern town of Cameroon, marking the beginning of an ambitious project, which will transform Cameroon into a telecommunication hub in Central Africa. With a preferential loan of 52 million U. S. dollars given by the Chinese government, which accounts for 85 percent of the total investment required, the project is expected to be completed in 18 months by a Chinese company, Huawei. The Cameroonian government will provide 15 percent of the investment (African Economic Outlook, 2012).

At the end of the project, big Cameroonian cities like Bertoua in the east, Garoua, Maroua and Kousseri in the north, Bamenda in the North West, Buea and Limbe in the southwest will all be connected to the fiber optic cable, extending the existing fiber optic cable from 1,941 km to more than 5,000 km. This ambitious project in fiber optic cable aims to build a modern telecommunication network going through 30 Cameroonian towns. "Thanks to this project, more than 70 per cent of the Cameroonian population will benefit from this new information highway," Chinese Ambassador to Cameroon Huang Changqing said at the launch of the project (balancing act-telcom internet and broadcast for Africa, Issue no 486 8th January 2010). At the moment, less than 27 percent of Cameroon's administrators are connected to the Internet and less than 1 percent of the population uses Internet, according to official reported sources.

Cameroon Government involvement in ICT

The government has set up a number of institutions to implement and regulate its ICT policy. The first of these institutions is the Ministry of Posts and Telecommunications which elaborates, implements and evaluates government policy concerning postal and telecom activities. A myriad of other institutions have been set up to accomplish specific missions, among which are the Telecommunications Regulator Board and the National Agency for ICT. The government has also set up a number of ICT training institutions including multimedia resource centres in some public secondary schools, and introduced ICT as a subject in all nursery, primary, secondary and high schools. It is worth noticing that the government has gone as far as ensuring that students are tested on at the Ordinary and Advanced Level General Exams; a National Polytechnic, three Technology Institutes attached to state universities; an Advanced School of Posts and Telecommunication; and computer science departments in state universities.

Equality exists in numerous private initiatives in ICT training especially in private post-secondary institutions. There are genuine fears concerning the overlap in the duties of the myriad of ICT institutions in Cameroon and their cost implications. For example, there are two ICT strategies, the first by the Ministry of Telecommunications, and the other by the agency now charged with promoting ICT.

The regulatory environment has however failed to catch up with the rapid developments in ICT. The last texts, largely devoted to the telecommunications, were signed more than 8 years ago. There is no legal framework regulating the Internet and information technology. For example, nothing is mentioned about cyber criminality; protection of ICT-related property rights, e-commerce and the legality of online transactions.

The Cameroonian government can borrow a sentiment from Pohjola (2011) who states that ICTs play a dual role in any modern economy: an output from ICT-producing industries and an input to ICT-using industries. As output, ICT production is characterized by fast improvement in the quality of ICT equipment and software and the resulting significant decline in their prices. This fast improvement in quality, combined with the quality adjusted prices will lead to an increase of their utilization at both individual and firms levels. The direct impact concerns increase in GDP.

The political commitment of the government to promote ICT has been demonstrated in several ways, including in a speech by the President of the Republic to youths: "One of the ways of moving into the knowledge economy under construction is to master information and communication technology"(ICT and economic development in Cameroon, GDN, 2011). The government's ICT goal is to build a system of production and diffusion of knowledge capable of providing each sector of the economy, at any time and everywhere, the information necessary to transform opportunities in its environment into viable goods and services (Cameroon, 2011). A Special Telecommunications Fund has been set up to boost ICT funding. There is therefore no doubt that the government believes in the virtues of ICT and has opted for its vulgarization in the country.

In summary, much of the ICT infrastructures are still only consolidated in the urban regions of Cameroon, such as Yaounde. Much of the new and emerging technological advancements are a preserve of universities and mid-level colleges, such as Université de Yaoundé . More so, the young talents developing innovations in these universities and colleges often do not have a platform on which to continue to develop their innovations after graduation. They cannot get the continued guidance to achieve growth and gain presence in the market once they exit the university setting. A certain number of programmes have been set up to promote the socio-economic integration of young people such as incubation spaces, but the government needs to play a role to ensure that these programmes are carried out coherently in relation to the national employment policy.





Research Methodology

Two methods were used to understand how the ActivSpaces model works: a virtual interview with ActivSpaces Manager, Albert Banda, and a thorough literature review on Cameroon's ICT market and ActivSpaces. Available secondary information on the ActivSpaces website was also reviewed. The data collection took a period of 2 weeks, followed by one week of analysis, design, and reporting.

1. Genesis of ActivSpaces

ActivSpaces was founded in 2010 in an effort to embrace the technological crusade that was congregating across Cameroon. It is strategically located in Buea, seeking to tap into the large university community there. The reason for its establishment was to catch up with the world and usher Cameroon to the ICT concepts of the 21st century. ActivSpaces was set up to tap and develop the entrepreneurial culture in Cameroon. The idea was to set up a space for tech-entrepreneurs to come together, bounce ideas off each other. "At the earliest stage, developers worked within the confines of their own bedrooms. Those who were better off rented office spaces and these proved to be a costly affair since the cost for hiring an establishment ranged from \$50 to \$100", says Al Banda, ActivSpaces community manager.

ActivSpaces has become a solution to this problem, noted above by the community manager. The space offers incubation opportunities for 2 to 3 months and an extension of 6 months to any promising entrepreneur. The hub charges equity of 5-10% to successful startups. ActivSpaces is part of the Afrilab network and benefits from collaborative endeavors with the network and its associates. To further strengthen the already existing alliance with Afrilab, the community manager plans to start a collaborative blog that will virtually connect with other hubs and their activities so as to leverage ActivSpaces entrepreneurs and enhance as a force to reckon knowledge transfer within the African ICT market.

2. ActivSpaces as a conduit to stimulating youth employment

Private initiatives, such as ActivSpaces, are seen as a step in the right direction of tackling Cameroon's unemployment by enabling techies and anyone interested in Information Technology to come together and share ideas that lead to new development and contribute to enhancing a sustainable growth in the ICT sector. What started as a simple concept has morphed into an iconic symbol that can best be described as the "birth house"

between the ambitious nature of the Cameroon techies and the zeal to perpetuate technological advancement in the country. The Hub was set up because there was a niche for local developers to satisfy local needs/export, as the application software market was still largely unexplored.

ACTIVspaces, which stands for African Center for Technology, Innovation & Ventures spaces is an open collaboration physical space, innovation hub, and technology incubator aimed at providing coaching services and development resources for start-ups and young techies in Cameroon. There was need to have this open space, due to the fact that the youth in Cameroon constitute about 10 million of the total population, summing up to around 13 million people that are employable. Less than one million are actually employed now, leaving close to 12 million jobless Cameroonians. Interesting to note is the fact that youths below the age of 30 years constitute a greater percentage of the jobless; majority are University degree and diploma holders of higher education, according to the World Bank.

ActivSpaces incubates projects and helps push to push them into the marketplace through intensive workshops and valuable programs that build networks and collaborations. ActivSpaces operate in two locations: one in the educational zone of Buea, and the other in the commercial capital of Douala, with a total of 24 seats for venture teams. The hub has a dual focus on social and commercial initiatives emphasizing, at its core, innovation in any sector. It is, simultaneously, a place to work, a place to meet, a place to call one's own and interact with interesting and inspiring people.

It is, above all, a vibrant community of entrepreneurs, innovators, coaches, and fellows who benefit by learning from one another. The future and development of Africa and one of its most promising emerging markets depends on a generation of forward-thinking entrepreneurs. ActivSpaces contributes to this reality by supporting the entrepreneurs that will help shape it.

The challenge of understanding, reflecting on and embedding the technological changes and their consequences in African societies remains unsolved. However, expert knowledge systems need to be adopted to inform a new generation of Africans about technology, fostering new ideas that can be shared, shapes and incubated by active hubs such as ActivSpaces that bring innovations to the market, thus transforming the African continent from a consumer Technology to a source of ideas, concepts and products.

3. About the space

The African Center for Technology, Innovation & Ventures, ActivSpaces (or simply ACTIV) triples as an open collaboration lab, innovation hub and business incubator for African tech entrepreneurs. It's a space where technological ideas impacting the future of Africa are nurtured. Based in Buea and Douala, the hub provides techies and entrepreneurs with a much-needed opportunity to get their ideas off the ground. Combining Internet access, a sound infrastructure and important contacts to tech companies and investors, ActivSpaces fulfills a genuine need in Cameroon.

The co-founders' goal for the space is to offer pre-incubation, incubation and post incubation services to the community in the hub. The pre-incubation program is specifically designed for individuals without any tangible project, but with viable ideas. ActivSpaces assists in breathing life into these ideas and transforming them into economically viable projects. The second project program is the incubation initiative. At this level, all viable projects are identified and matched with the right tool and training. Projects at this level are dimmed to need constant monitoring and support. The final program and product level is described as the post incubation state. Products at this stage already have some sort of economic viability and can function independently. Minimal evaluation and analysis is paid to such projects since they are ready for market release. On the plus side, developers of products that have matured to this stage normally pay a subsidized fee to access the space. As a reward mechanism, such developers are exposed to a large pool of networks and investors.

4. Space design

ActivSpaces boasts of having two spaces to house tech entrepreneurs. The first space based in Buea, has a round table where members sit around the table to shares or work on their ideas. The package entails free Wi-Fi of 8 MBPS speed. Access to resources such as testing and presentation are also provided. The second space based in Douala, is called the main room and covers an area of 20 square feet. All the spaces have an informal design. The form of open-plan office design makes it easier for members to communicate more freely and in a relaxed manner. Being in an open set-up also makes it easier to gauge much more accurately when it is a good time to speak to your colleague and allow a problem to be solved much more quickly if someone with a solution happens to hear a conversation discussing it.

5. Structure

At the present moment, ActivSpaces has one full-time employee by the name of Al Banda who holds the title of community manager. The manager oversees everything that happens in the space, from running the daily operations, communication with the social media sites to supervising the members. Al Banda works with a limited budget and relies on volunteers from the community to assist in ensuring smooth running of the Hub. The volunteers also come from the free programs and events that ActivSpaces hold periodically and may form part of the virtual members.

6. Advisory board

An advisory board of 5 members ensures that the innovation space is running well and has sufficient resources. These directors help the non-profit business accomplish its stated mission. The board members do not have specific roles but leverage their knowledge, resources and network towards fulfilling ActivSpaces' mission. The members include:

- Rebecca Enonchong (Adviser);
- Bill Zimmerman (co-founder);
- Fua Tse (co-founder);
- Valery Colong (co-founder);
- Ben White (Adviser).

The hub does not have any supporters, but collaborates effectively with:

- Local universities such as Université de Buéa (University of Buea);
- Harambe Cameroon (an organization promoting social entrepreneurship);
- International networks such as (BarCamp, HumanIPO and VC4Africa);
- Alumni local entrepreneurs who have been successful;
- AppTech, in Douala Cameroon.

7. Guiding principles

ActivSpaces' goal is to help foster creativity and innovation. The core values include collaboration, openness, and community development through co-working, volunteerism, and knowledge sharing. As a norm, Activspaces encourages the sharing of ideas among its members and networking amongst peers and business associates is highly encouraged. Through ActivSpaces, community of techies and entrepreneurs are able to get the pulse on the technological happenings in the country, emerging markets and access to a large pool of experts. These pools of experts include captains in technology and commerce industry and Scholars in institutions of higher learning.

8. Membership tier system

Unlike other Technology hubs such as Hive colab and iHub, ActivSpaces does not subscribe its members to any tier system. Membership is available at no cost and is available to college students, graduates, women, aspiring techies, technology professionals and community leaders, meaning it's open. The only requirement for access to the Hub is that applicants have an active project in the works. New members are selected by pitching their ideas to the group. The community then decides to grant access based on the strength and potential of an individual's idea. Thereafter, members must be able to demonstrate progress on their work. The goal here is to keep the drive and participation at high levels.

ActivSpaces provide an environment where creative minds are stimulated and developed. The hub offers a venue where alike African students and professionals can learn to leverage the power of technology and its applications in society at large. As a member of

ActivSpaces, you will be part of a community of forward-looking innovators that are producing innovations that impact and change livelihoods. The space provides the following resources to its members needed to discover and validate their ideas in 3-6 months:

1. Laboratory environment to develop and test new technologies, especially those developed for the African market;
2. Space and a forum for Africans and non-Africans to showcase new technologies;
3. Access to free Internet;
4. Training and seminars on new technologies; and
5. Incubator for innovative technology entrepreneurs.

Once the 3 months probation and observation period is over, a project's progress is evaluated to determine if any progress and milestone have been achieved. If no visible progress is noted, a developer has the option of reapplying with yet another project and an extension period might be considered. Furthermore, if a project appears to have potential, an extension period of 6 months is awarded. The space currently incubates 5 start-ups working on projects but harbors a fluctuating number of freelancers, virtual members and students. There are usually between 6 - 8 individuals present at the space. Currently, the ActivSpaces members do not pay any fees but plans are underway to charge entrepreneurs for any extra services rendered.

By joining ActivSpaces, applicants become part of a community of well-respected and experienced technology experts in Africa, for example, a community of Web designers, mobile application Developers, Venture Capitalists in Tech, Technology Bloggers, Tech Start Ups, social entrepreneurs, Journalists, and Investors). ActivSpaces is designed to make the local community believe in its potential.

9. Open innovation

In the context of ActivSpaces, Open Innovation is the use of purposive inflows and outflows of knowledge to accelerate internal innovation, and expand the markets for external use of innovation, respectively. At its root, open innovation is based on a landscape of abundant knowledge and crowdsourcing to the members of the space. ActivSpaces is building this abundant knowledge by opening up the hub to all and any entity that is geared towards innovation and entrepreneurial advancement.

Moreover, ActivSpaces understanding of open innovation is by encouraging member participation in solving in-house problems in relation to projects. The community manager who channels contractual projects to the members through crowd sourcing gears this. ACTIV network working in different team members from the space then work with clients from different organization. These members have diverse skills that complement each other .

The role of the community manager is to push these projects from prospective clients while at the same time providing guidance to the entrepreneurs to work in a systematic approach through effective project management tools. In the spirit of open innovation, the hub is open to anybody or business entity that is inclined towards innovation and entrepreneurial spirit.

10. Events and Hub's activities

It is not everyday that you get to be a part of history, but each event ActivSpaces holds is indeed history in the making. Activities and events held in the Hub range from Skype calls with international tech experts such as 1% Club, to chats with local business people and investors have been part of the space. Events with local and multinational organizations are usually used as a learning platform to understand the happenings in the global marketplace. This form of interaction is of utmost importance to startups to be diverse and open-minded. Through this, budding entrepreneurs are able to streamline their projects to conform to the standards of the market. The hub also organizes business skill workshops to better equip members with relevant business skills. A skilled workforce is often the key to the hubs' growth and stability, and it could be a determining factor in the success of ActivSpaces.

ActivSpaces organizes hackathons and other tech-based competitions to help enrich its members and startups. Startup competitions have been giving forward-thinking entrepreneurs the opportunity to claim seed capital for developing the most innovative and status quo-breaking ideas. This year, ActivSpaces was proud to be involved in Cameroon's first open challenge for technology-based startups organized by Sanaga Ventures and VC4Africa. The two organizations and ActivSpaces invariably had the same objectives in mind: to foster tech entrepreneurship and innovation across Africa; but specifically in Cameroon.

Other events include consortium initiatives by MIT (Massachusetts Institute of Technology) and other international organizations that hold 48 hours endurance challenges and activities. The hub recently welcomed Niels Jansen a fellow and Marketing & Communications Manager of the 1% club from the Netherland. Niels was in the Hub to launch the Digital Storytelling initiative. Digital storytelling is a modern and technology-based form of the ancient art of recounting a tale. Digital stories are powerful because they weave together prose, imagery, audio and video; they can be easily updated in real time and they are propelled by ever burgeoning social networks. Additionally, the Hub hosts the following outstanding events:

- **Activ Insights**

Activ Insights is a series of fireside chats piloted with international investors and technology pundits for the benefit of the entire Cameroonian tech community. ActivSpaces projects a live Skype/Google Hangout chat an individual/organization and get to learn what their interest for the African marketplace are for. They can ask the community ques-

tions and vice-versa. The programs aim is to help startups learn how to position their ventures vis-à-vis investors and also to help organizations get an understanding of the African startup scene.

- **#subCMR (startup booster Cameroon)**

Startup booster Cameroon is a monthly, 48-hour workathon/hackathon where ActivSpaces rallies active players in the local startup scene to contribute their knowledge, skills and resources to develop a seed-stage solution for one startup in the community. It is open to the entire startup community. Startup teams apply for the program, which is held once a month with a description of an area where they need support from the community. ActivSpaces rallies volunteers and spends a weekend building (usually coding/hacking) a solution for that startup.

- **Scratch Club**

Scratch is a visual-programming language developed at MIT that prepares youngsters for the world of coding and interactive design. ActivSpaces started this club after they received a fellow who hosted a Scratch workshop with the space during the summer of 2011. The club gathered weekly but eventually reduced it to a quarterly workshop due to time constraints.

- **Skills Development Workshops**

ActivSpaces hosts a variety of entrepreneurship skills development activities on topics like the Business Model Canvas, Digital Storytelling, business plan writing and consulting. International fellows and volunteers facilitate many of these kinds of workshops and activities. The hub provides a space and rally's the community to get involved and such skills development initiatives highly benefit the incubated entrepreneurs.

- **Activ Pitch**

This is a new program that is poised to start in October (at the Douala space) that will give the startup community an opportunity to pitch their projects to local businessmen and organizations. It will be a monthly B2B (Business to Business) connection event. As these events may tend to get a little costly, ActivSpaces is also seeking small financial sponsorship packages to cover things like publicity supplies and refreshments for guests.

All events are used indirectly as a marketing platform for ActivSpaces. This lets the world have glimpses of what the hub is doing and interested organization may decide to offer grants to further enhance and grow the Hub.

To further live up to its name, ActivSpaces enlists the following programs to further perpetuate its course:



11. Fellows Programs

The ActivSpaces Fellows Program is an opportunity for talented, enthusiastic international entrepreneurs to come to Cameroon and work beside equally talented and highly motivated local developers and tech entrepreneurs. The goal is to facilitate a mutual transfer of skills, knowledge and expertise. The fellows program encourages men and women of all cultures, nationalities and creeds to apply. Fellows spend their time in Cameroon working on projects with ActivSpaces' members, leading workshops, coordinating projects, advising entrepreneurs and more. Through the co-working desk exchange initiative, which ActivSpaces is hoping to soon partner with Live Build and UAC (United Africa for Children), the program is boosting the swapping of ideas across the continent. The Fellows program has presented amazing opportunities that include:

1. New Markets

The co-working desk exchange provides an opening to explore project ideas in new markets. By proving new dynamics that may very well spell success for a venture in one area where it perhaps wouldn't be so fruitful in another.

2. Product/Service Expansion

If your venture starts gaining traction in one African state, the co-working desk exchange program could be a gateway towards expanding the market for your products and services in others. Across the continent members share development challenges and help figuring out solutions to them. Why see your counterparts re-invent the wheel? For startup teams working on similar projects in different hubs, the co-working desk exchange is the perfect prospect for international collaboration and solid brand growth.

3. Networking

Growing your network is a key component of operating a successful venture. The co-working desk exchange offers a chance to meet new inspirational people and make friends who will keep entrepreneurs abreast of opportunities and threats alike in the business world.

Engagement with members

ActivSpaces engages its members by involving them in a series of activities that stimulate their creativity and knowledge. This is achieved through:

- "Techie Thursday"

Techie Thursday concept is the brainchild of Sebastian Prengel, an über-geek member of ActivSpaces. The idea was to initiate 'newbies' (recently admitted members) at the lab

by engaging them in a little hacking ritual. The members try to hack into each other's networks under Sebastian's guidance. The core aim of the exercise is to instill knowledge that may help with implementation of projects.

- **Variety of events**

A battery of events that are tech and non-tech are also in place to liven the atmosphere of the hub. Besides the others mentioned above, in February of 2012, ActivSpaces organized a race for hope marathon. This race attracted intrepid travelers and curious on-lookers in equal measure. The 24-mile sprint up a live volcanic mountain and down again was designed to be a life lesson to members of the hub. Conquering the mountain means braving cruel conditions: 50-degree temperature fluctuations, altitude sickness and a harsh path of volcanic stones. 50% of the participants gave up, defeated by the gods of the mountain. To the entrepreneurs, the Race of Hope is analogous to their daily lives. The race statistics was a mirror reflection of the situation in Space; 90% of startups fail within their first year and the ones that survive can't claim to have done so without taking a good beating by sticking to their vision.

- **Linkage with right resource**

Activspace has realized that the value of the hub is not just about providing the physical space, but also about giving entrepreneurs the necessary business skills, linking them with the right mentors, and try to have weekly reviews of every member's projects to help direct them on the right path of growth. On any given Sunday, entrepreneurs converge and try to discover something new besides working on their individual projects. The meet-up doubles up as bonding time where lifelong friendships and alliance are built.

12. Partnerships

ActivSpaces is cementing long-term relationships with major enterprises in the region and globally by forming strategic partnerships.

Partnership with Bar Camp

The first of the many series of partnerships is BarCamps between Cameroon and Ethiopia. BarCamp is an international network of user-generated conferences (or "unconferences") typically geared around technology, media, startups, open data, society and so on. They are open, participatory workshop events, the content of which is provided by participants. In keeping with tradition, there is no set speaker list before the day of the event and everyone is invited to deliver a presentation.

The aim of these two watershed African tech entities is an opportunity to connect innovators and entrepreneurs on opposite sides of the continent. To this end, both hubs have agreed to link up via live video in a show of solidarity and mutual support. The hope is that these two BarCamps will be a practical example of how techies are able to collabo-

rate and share ideas both within their respective communities and across borders.

Partnership with AppsTech

AppsTech is a technological company based in Douala that provides enterprise application solutions such as software selection and strategy, integration, implementation, support and application management services using the superior technology of Oracle products. AppsTech and Activspaces have grown together with the community over the last two years learning from each other. Appstech assists the hub in hosting events (events partnerships). The organization also provides financial support in various activities. This support helps accelerate Activspaces mission in catalyzing technology innovations within the space by providing infrastructure and skill-sets to fuel innovations to the next level.

Partnership with Harambe

Harambe Cameroon, the first social entrepreneurship program in Cameroon that engages the youth to think innovatively, locally and connect globally. Through its Business competition process, young social Entrepreneurs propose business ideas to solve local problems. Startup seed capitals for best projects and to 100 problem-solvers are empowered with business and entrepreneurial skills to create jobs.

Partnership with 88mph Garage Nairobi

Activspaces has been looking for ways of sowing the seeds of collaboration across the continent by inviting other innovation spaces such as incubators in order to see more successful projects blossom. In the first quarter of this year, Activspaces formed a partnership with 88mph Garage Nairobi by initiating the co-working desk exchange. The co-working desk exchange initiative is a program to boost the swapping of ideas across the continent by providing an opening platform to exploring project ideas in new markets. Furthermore, the co-working desk exchange offers a chance to meet new inspirational people and make friends who will stir up more connections and scaling opportunities for members' products. The initiative is also encouraging other tech hubs to join and participate.

Partnership with Google

ActivSpaces is also looking to partner with global organizations such as Google and other Hubs around Africa to help them create collective value to the entrepreneurs through cohesion and collaboration of resources and ideas.



13. Sustainability model

ActivSpaces is currently one of the few Hubs that started with no funding and currently are surviving with minimal funding opportunities. This is likely because there are currently few members in the space and one employee running the space and thus running costs are still relatively low. In the near future, Activspaces sustainability model might be forced to change due to the growing community base of members, increase in size of space, and higher bandwidth needs, among other factors. Activspaces currently generates revenue by:

Allocating 10% of all invoiced commercial project work done

The hub achieves this by allocating 10% of all invoiced commercial project work done by members at the space to directly support the community of members. This provides the space with capital to cover running costs (office rent, utilities, internet, etc.) while also upgrading the technical capacities and business skills of the members. It's a unique, sustainable model that has proven itself well. ActivSpaces is entrepreneurial at its core, so it's equally important that they "practice what we preach" by channeling these consultancy projects to the members.

Funding from Indigo Trust

ActivSpaces has recognized that Cameroon's tech community is galvanizing at a rapid pace and the hub is entering a growth phase. Buea has shown itself to be a hotbed of tech entrepreneurship due to the rise in universities around the area. In addition, exiting new partnerships await them in neighboring Douala, the commercial capital of the country. For these reasons, the ActivSpaces team is convinced that they can achieve more—and this is where Indigo Trust is an ideal partner for the Hub.

ActivSpaces currently gets most of its funding from Indigo Trust foundation. The foundation found ActivSpaces to be a good potential fit for the Trust's commitment to supporting interventions such as tech hubs, which encourage local innovation. The Hub received a £10,000 grant that was used to hire a full-time Community Manager. This role had been filled by the part-time contributions of the co-founders from the start, with varying degrees of success.

The funding was also used to facilitate a dedicated resource to push the Hub's vision forward to be an incredible boost for its members. The remaining funds will be used to facilitate outreach with the community and further engage possible partners, new members and help connect existing incubated entrepreneurs with mentors and investors. In addition, upgrade the technical infrastructure (both hardware and software) and give the space a minor facelift with some much-needed branding. Indigo trust plans to award the hub an additional £20,000 this year to cater for unfinished projects and activities they plan to do for their action this year.

Potential funding from Google

The Community manager is in talks with Google Africa to also be included in the funding list. Partnership with Google will also be useful in providing resources and networks globally.

Supplier of WakaWaka lamps

ActivSpaces hopes to be self-sustainable in the next coming years. This will be achieved by carrying out different business activities such as selling the WakaWaka Light initiative (solar LED lamp on a mission to bring sustainable lighting to underprivileged communities worldwide). WakaWaka, an initiative of the Netherland company Off-grid solutions, is a state-of-the-art solar lamp built with portability, durability and energy efficiency in mind. It gives back 16 hours of bright light on less than a day of sunlight. Its waterproof shell and versatile design suit the African context and it is an asset in any rural or urban home. The hub hopes to be the lead supplier of these lamps and subsequently generate some sort of revenue.

Introducing membership tier system

In the near future, ActivSpaces hopes to develop a tier system where different clusters of members will have to pay for services rendered. The tier system has worked well in hubs such as iHub, Nairobi and Hive colab, Uganda. Hence ActivSpaces hopes it will also work for them. The main reason they plan to try out this change of membership model, from open to tier-base is due to the increasing number of members community base. Secondly, the demand for the space is high and meeting the needs of all members with the 'free membership' might not be sustainable. In order to test if it is appropriate for their space, ActivSpaces will likely do an initial trial pilot before deciding whether or not to scale the membership model up.

Offering courses and training skills

In the near future ActivSpaces will offer short and medium term courses such as Cisco and programming skills that will be introduced to the hub to generate additional income.



14. Challenges faced by the Hub

Stable Internet bandwidth

According to online statistics, Cameroon has an average bandwidth of 9 mbps. This relatively low speed paired with lack of ultramodern networking infrastructure is slowing down the operations of the hub. Slow Internet connectivity also means that Activspaces has limited interaction with other hubs and accessing the global market in general.

The current bandwidth in the space is not strong enough to support the activities of the space and this makes work at the space strenuous. The Internet speed is 256kb per second for download and 128kb per second for uploading. It's provided by Camtel. Members need better bandwidth to support online events. Currently they have to go to cyber cafes for online conferences/workshops, e.g. 1% event, and also to download documents, online tutorials and videos for learning purposes.

Managing all the members

With only 1 community manager to manage the space, managing isn't an easy task. From ensuring that members use the space for what it's intended, profiling members and their works and organizing events, the manager is constantly on the go. This makes it next to impossible to give due diligence to all members and unsupervised startups may fall in between the cracks. More local capacity is needed to ensure smooth running of the space. Activspaces is already solving this by bringing on board a business developer who will help the entrepreneurs align their ideas to business goals.

Limited space capacity

Activspaces has two spaces to accommodate all members. At times it becomes difficult to host a large gathering of people in one place during events. The spaces are small and can comfortably accommodate only 8 people at a time. The small spaces also hamper expansion plans of the hub, since it becomes next to impossible to acquire additional desktops computers and office furniture for the growing community of members.

Attract more members in the space

Activspaces is finding it difficult to attract more members to the hub. This may be due to the far distance the space is from universities, limited space capacity, and limited resources. Other reasons may be that since the Hub is first of its kind in Cameroon, many are still trying to understand the benefits and value of working from the space. The fact that only a few know about the space and its activities can also be a factor that may lead to not winning more traction from the targeted youths working on innovative ideas.



Capacity to assist in running the space

It is becoming quite taxing and demanding for one person to run the affairs of the space. The space heavily relies on help from the community of members to manage and cater for events. At time, the community of members may lack the capacity to assist in running the space. This may hamper the productivity of the hub hence making it lose its appeal to the masses and investors due to the slow growth that may arise.

Lack of seed capital

Great idea are incubated at the space, but most often than not, they stay longer than expected at the space and may end up dying a premature death. This is due to lack of seed funding that the space management team can offer to accelerate the ideas.

Lack of direct mentorship and counseling

There is little or no direct mentorship between experts and members at the space. This leaves the young aspiring entrepreneurs to learn and discover things for themselves the hard way that sometimes might end up being time costly.

Startups that have emerged out of the Activspaces

Currently, there have been 10 startups that are working in the space. The hub is currently housing the following startup ventures:

- Data zone;
- Makonjoh;
- King Maker;
- Pade.me;
- Agro-Hub;
- CamVista;
- Gosabi;
- BISOU;
- TopUpDesk;
- Zingersystems.



1. Makonjoh

Makonjoh is an Open Shop website. It aims to get all the shops in various towns and put them all in one website in a well-categorized and user-friendly manner. People who want to buy anything can easily visit the website review the products, the shopping policy of the shop that has the product and other customers reviews. Then make a rational and comparative decision before going out to the physical shops of their choices or maybe call the shop on phone and demand for home delivery.

2. King Maker

King Maker is an ad network tailored to the African online audience that uses innovative technology to serve relevant ads to an audience, which can be highly targeted. Mobile Internet is still too expensive for most of the population and few local websites have enough users to actually interest advertisers. Internet cafes are the number one Internet access points most regions because of their affordability and relative good Internet connection. The startup works hand in hand with cyber cafes to bring relevant local advertising to their clients, thus creating extra revenue channels for their business.

3. Pade.me

Pade.me is an event management app that allows one to manage events from other networks such as facebook, google search on a single interface. Creating an event on pade.me automatically uploads it to other networks one is connected to. The startup makes money through sponsored content, brand takeovers through personalization ads.

4. AgroHub

AGRO-HUB strives to break the cycle of poverty entrapping more than 70% of farmers living in the rural agricultural communities of Cameroon. The startup works to provide these farmers with the much needed connection and markets to sell their products, complementing the work of Cameroon government and the African Development Bank as a result. Agro-Hub strives to achieve this through the innovative use of the web and mobile technology to drive demand and distribution of the farmer's products.

5. DataZone

DataZone is a free virtual library of educational material (digital books, audio & video files, etc.) accessible to registered students. The startup objective is to facilitate the task of finding course material and creating a more vibrant learning experience for university students in Africa.

The benefit for the students is having an archive of educational material available to them right on campus that is free of charge. This saves them the effort and expenditure

in having to obtain this material from Internet cafes. Also, by providing this virtual library over a virtual on-campus network, students are able to provide much faster download speeds thus increasing productivity time for extra curriculum activities.

6. CamVista's

The problem facing the real estate industry in Cameroon is that of inept infrastructural projects combined with the lack of financial aid services. With an estimate population of 19.5 million, generating a growth rate of 2.6%, versus a slow property growth progression, the obvious outcome is a housing dilemma. CamVista's is solving this problem by establishing an online catalogue for the Cameroonian real estate market. It is infinitely easier to navigate the Internet than to navigate the Cameroonian landscape. CamVista is capitalizing on the efficiency of the Internet to advertise and market real estate prospects.

7. The Gosabi search directory

Gosabi is designed to help users find products, services and organizations in local markets. Gosabi is the ideal tool for discovering what different regions have to offer as it streamlines the marketplace to deliver premium and relevant content.

8. Bisou

Bisou is an illumination and sound device with an innovative approach to lighting up residential areas and delivering penetrative audio media. A Bisou unit consists of a security lamp (with motion sensor) attached to speakers and connected to an electricity pole or another supportive structure from where it can plug into an electricity grid. The lights only come on when motion is detected, audio or media accompanies it. This could be a short piece of music, news, public announcement, advertisement, etc. This project was developed due to a considerable amount of crime occurring in areas that were poorly lit. The town council apparently does not have the resources to light up the entire municipality (particularly the suburbs). Thus a self-sustainable development project (Bisou) is necessary to deal with the problem.

9. TopUpDesk

TopUpDesk is a remote airtime re-fill utility. Top up desk allows clients to refill their mobile airtime virtually.

10. Zinger Systems

Zinger is the only venture that has successfully matured out of the space. It has grown to a full-blown business and runs its own office. Zinger Systems offers service such as customization, web and mobile software development In addition it offers consultancy services to its clientele by developing innovative and functional products.



Conclusion

Incubation is a unique and a highly flexible combination of business development processes, infrastructure and people. It's designed to nurture and grow new and small businesses by supporting them through early stages of development and change. ActiveSpaces is working to achieve this by providing a "switch" to click in the mind of tech-entrepreneurs and innovators, who can then envision and make their ideas happen through their events and activities.

According to a World Bank report of 2012, Cameroon's unemployment rate stands at 30% (this does not take into account underemployment) The fact that unemployment rate is disproportionately higher among youths, and with 48% of the total population living below poverty line, there is need to create more job opportunities for the youths and nurture them to be future leaders. Activspaces is on the journey of changing Cameroon by creating an environment for nurturing these young minds. Activspaces is teaching youth how to start a business, which will then create more opportunities and capacity as the trend snowballs. This will result to improved economic development in the country in a huge way.

The youth constitute about 10 million of the total population, with the an employable population at around 13 million people total. But according to online statistics, less than one million Cameroonians are actually employed now, leaving close to 12 million jobless Cameroonians. Interesting to note is the fact that youths below the age of 30 years constitute a greater percentage of the jobless, despite the majority holding University degree and diplomas of higher education. With the rise of Hubs like Activspaces, there is potential to aim to capacitate a big percentage of this jobless community by supporting and attracting them to the space.

Additionally, with the hub's current collaborations and support from their partners such as Google, Indigo Trust, and Harambe, among others, it will be easier and faster for ActivSpaces to achieve their goals of spurring innovation in Cameron. Employment strategy needs to be based on partnerships between universities and companies to facilitate the arrival of young people in the jobs market. These incubation centres can act as avenues that support young entrepreneurs in creation and development of technology-oriented companies involved in developing, realizing and selling new products that end up being commercially viable and competitive.

There is a need to curb the challenges that the Hub is currently facing, such as slow Internet access and capacity, in order to continue making Activscpaces meaningful and



of value-add to the entrepreneurs' development. It is worth noting that the government offers no noticeable support to the space in any way. This is because cases of corruption in the executive arm of government are high and the hub wishes to remain neutral in all political matters. However, ActivSpaces is open to future indirect interactions with the government as an independent entity to play roles, such as providing resources and grants. These resources will then help in sustaining the space. As part of the reason why the space exists is to tackle some of the problems plaguing the country and government using the technology as a tool hence makes sense to partner in the long-run.

ActivSpaces has been at the forefront in introducing new business services to the Cameroonian economy that are clearly required for the ICT industry to compete successfully with other countries and attract investors. This has been actively achieved through their events, initiatives and innovations arising from the space that can be used to change livelihoods and create positive impact. Most important ensuring they remain sustainable for the benefit and ownership of their community of members who will also need to come up with sustainable models for their innovations.

In the next coming days, iHub Research will be publishing the Activspaces entrepreneurs report. This report will draw the findings of how the factors of the hub model mentioned above have impacted on the members of the space.





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