

**The
FutureList**

ChapChap Africa

Innovation Memo

WWW.THEFUTURELIST.COM

Innovation In Words



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A note from the Founder of ChapChap Africa, Emmanuel Emodek:

Our vision is to bring small businesses across Africa into the digital age and enable financial inclusion of them and their customers.

ChapChap Africa

Executive Summary



Fintech



Digital Financial
Services



chapchap.co



Undisclosed

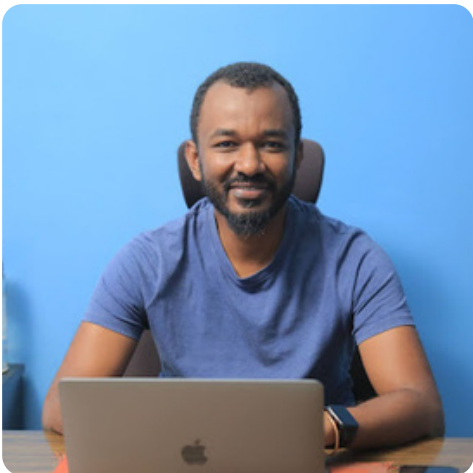


2016

ChapChap Africa is a Uganda-based fintech company that provides digital financial tools to empower African businesses, especially micro, small, and medium-sized enterprises (MSMEs). Through its mobile app and USSD platform, ChapChap offers services like mobile money transactions, bill payments, and digital record-keeping via an ERP solution. By enabling MSMEs to access new revenue streams and transition from cash to digital transactions, ChapChap supports financial inclusion and operational efficiency across its user base.

ChapChap operates in a challenging landscape, facing hurdles in expanding its market reach, encouraging adoption among MSMEs, and navigating regional regulatory requirements. The company also contends with cybersecurity risks, essential for protecting sensitive transaction data and maintaining user trust. To address these, ChapChap relies on local partnerships, conducts thorough market research, and implements robust security protocols.

Looking forward, ChapChap is positioned to broaden its impact by expanding into additional African markets. By forming strategic partnerships with financial institutions and development organizations, ChapChap aims to strengthen its service offerings and enhance financial accessibility for marginalized groups. The company's scalable model, emphasis on user-friendly digital tools, and commitment to societal impact underscore its potential to contribute to financial inclusion and economic empowerment across Africa.



Emmanuel Emodek

Founder and Director

Emmanuel Emodek is an entrepreneur with a diverse background in retail, customer service, and product development. His journey from a cartoonist to co-founding ChapChap Africa reflects his commitment to social impact and financial inclusion. Leveraging his hands-on experience, he focuses on empowering MSMEs with digital financial tools, advancing financial inclusion across Uganda and beyond.

Innovation Spotlight

Tech/Product Innovation Deep-dive:

Core Functionality/Features:

ChapChap's platform provides a straightforward interface with customizable features, allowing agents to tailor their experience. The platform integrates with various tools and services, focusing on key performance metrics like uptime, efficiency, and responsiveness, supported by cybersecurity measures. ChapChap's core functions include transactions (withdrawals, deposits, and bill payments) across multiple networks. Additionally, ChapChap Africa offers over 50 services to support MSMEs in Uganda, enabling them to earn commissions. The app assists MSMEs in transitioning to digital record-keeping, contributing to operational efficiency.

Design and User Experience:

ChapChap Africa offers an intuitive interface with customizable color schemes, allowing agents to choose their preferred visual style for a positive user experience. The application is designed with accessibility in mind, enabling users with limited English proficiency to navigate its features through icon-based interfaces.

Performance Metrics:

ChapChap Africa places significant emphasis on key performance metrics such as uptime, efficiency, and responsiveness. Uptime is a critical factor affecting both ChapChap and its agents' revenues. High uptime positively influences financial outcomes, while low uptime has the opposite effect. Monitoring is conducted through an in-house dashboard, tracking service availability for agents and promptly reporting any downtime incidents.

Integration/Compatibility:

ChapChap Africa integrates with various tools and systems, including payment gateways, APIs, and third-party services, to enhance its functionality and deliver a smooth user experience. Compatibility is a key focus in ChapChap's development process, emphasizing security measures such as HTTPS, OAuth authentication, and certificate encryption implementation. These considerations ensure a secure and reliable integration environment for users.

Safety, Compliance, and Sustainability:

ChapChap Africa adheres to regulatory standards, holding certifications from PDPO and NITA. In terms of cybersecurity, ChapChap has a security policy that addresses various risks, implementing preventive measures, and ensuring active monitoring for protection. Aligned with its mission to foster a cashless economy, ChapChap Africa promotes environmental sustainability by encouraging digital transactions over traditional cash usage.

Innovation in Business Model:

ChapChap Africa negotiates customized deals with partners, providing the company with a competitive edge. Their revenue model ensures their agents receive 70% of total commissions, while the company retains 30%. The ChapChap App has a minimal onboarding fee of USD 12, and unlike other companies requiring dedicated devices like POS, their platform eliminates the need for customers to make additional purchases during onboarding, streamlining the process and reducing costs for agents.

Scalability of the Innovation:

ChapChap Africa is strategically positioned to adapt to increased demand and future advancements through a two-fold approach. Firstly, its technology platform—featuring a user-friendly interface, customizable options, and integration capabilities—provides a strong foundation for scaling operations. This adaptability supports ChapChap's planned expansion into additional African markets, including Rwanda, Kenya, Nigeria, and Zambia. Secondly, the scalable revenue model, which prioritizes agent commissions and low onboarding fees, can be replicated in new regions. The platform's success in Uganda, with over 43,000 agents and significant revenue contributions to MSMEs, offers a blueprint for future scalability to meet financial inclusion needs across diverse markets.

Market Impact & Future Outlook

To date, ChapChap's network includes more than 43,000 agents across Uganda. In 2023, the company generated over USD 2 million in revenue for MSME agents through commission payments and facilitated payments exceeding USD 150 million, benefiting over 1.7 million end customers.

ChapChap's future outlook is promising, with plans for growth and expansion across Africa's dynamic fintech landscape. Building on its foundation in Uganda, the company aims to scale operations to support more businesses and individuals, fostering financial inclusion on a larger scale. Strategic partnerships with financial institutions, technology companies, and international development organizations will play a crucial role in ChapChap's expansion, providing resources and expertise to maximize impact. ChapChap remains committed to ongoing technological innovation, enhancing its platform to address the evolving needs of its users. With a focus on driving positive societal change and empowering marginalized communities, ChapChap Africa is well-positioned to lead toward a more inclusive and prosperous future across Africa.

Societal & Environmental Impact

ChapChap Africa's initiatives hold broader societal and environmental significance by promoting financial inclusion, gender equality, and youth empowerment. The platform's focus on supporting a cashless economy also contributes to environmental sustainability. By supporting over 43,000 agents and enabling significant annual transactions, ChapChap enhances economic opportunities and promotes a shift to digital transactions, reducing reliance on traditional paper-based methods.

Potential Funding & Partnership

Opportunities

Given ChapChap's innovative and impactful operations, the company may explore various potential funding and partnership opportunities:

- **Venture Capital and Private Equity:** ChapChap Africa could attract investment from venture capital firms or private equity investors looking to support fintech companies with a focus on financial inclusion and societal impact. This funding could aid in further technological advancements, market expansion, and scaling operations.
- **Strategic Partnerships with Financial Institutions:** Collaborating with established financial institutions could allow ChapChap to leverage existing infrastructure, customer bases, and expertise, creating partnerships that enhance both accessibility and financial service offerings.
- **Impact Investment Firms:** ChapChap's social and environmental contributions may appeal to impact investment firms seeking financial returns alongside positive societal outcomes, supporting businesses aligned with their mission.

By strategically pursuing these funding and partnership opportunities, ChapChap Africa can secure the resources needed for expansion, technological improvements, and the continued pursuit of its mission to foster financial inclusion and societal well-being.

Potential Roadblocks & Risks

Navigating the path to success, ChapChap Africa faces potential challenges that require consideration and mitigation strategies:

- Risks associated with entering new markets, including cultural, economic, and regulatory differences.
 - **Mitigation:** Conduct thorough market research, establish local partnerships for insights, and adopt a phased entry approach to adapt strategies based on local nuances.
- Increasing cybersecurity risks and potential data breaches.
 - **Mitigation:** Implement robust cybersecurity measures, conduct regular security audits, invest in employee training on cybersecurity best practices, and stay updated on the latest security technologies.
- Intense competition from existing and new players in the market.
 - **Mitigation:** Continuously innovate products and services, differentiate through unique features, and build strong relationships with partners to enhance the value proposition.

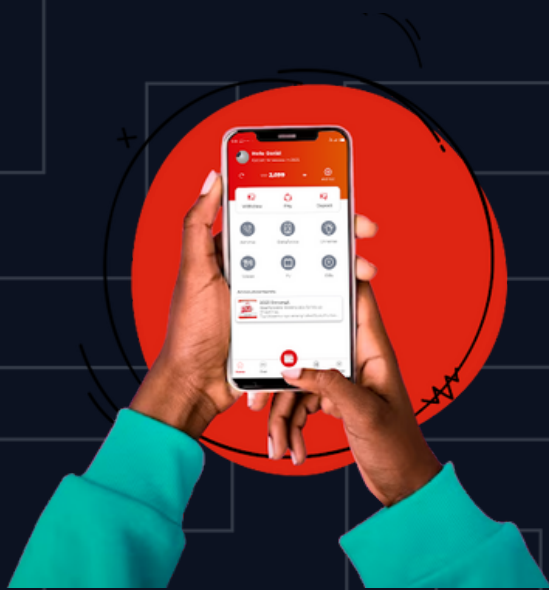
Conclusion

ChapChap Africa is on a mission to empower MSMEs in Africa by providing them with access to financial services and tools to manage their businesses effectively. Through its user-friendly app, ChapChap Africa facilitates digital transactions, promotes financial inclusion, and contributes to the shift towards a cashless economy.

The company prioritizes marginalized communities, with a significant portion of its user base comprising women and youth entrepreneurs. This focus helps foster economic opportunities and supports a more equitable society. ChapChap's scalable model, commitment to compliance, and strategic expansion plans position it as a key player in Uganda and potentially across Africa.

Innovation In View

How **ChapChap Africa** brings innovation to life



Digital Financial Services: Agent App

- The **ChapChap Agent App** allows users to deposit, withdraw, pay bills and earn Commission on every transaction.
- ChapChap Africa offers an array of over **50 services** through the company's network of MSMEs countrywide.

Collectech

An advanced platform engineered to open up a vast network of MSMEs throughout the country, acting as a conduit to reach the user's target audience.



Contributors

The FutureList

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ChapChap

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The FutureList

Notes on our methodology

About The FutureList

The FutureList is dedicated to identifying and linking innovative technology companies with the investors, talent and strategic growth partners they need to rapidly scale their innovation. The FutureList leverages its network of local Innovation Scouts, a comprehensive online platform, and curated events to rapidly spot and match opportunities. The FutureList network has already profiled over 6,000 innovative companies, investors and partners globally.

We scout across a broad range of sectors in tech, aiming to identify the most innovative startups globally. This includes everything from AI to biotech, renewable energy, and more. The 10 categories we currently focus on are: Agriculture (farming, food, beverages, crops, forestry, aquaculture, livestock, irrigation, veterinary, etc.), Climate (electricity, energy, environment, renewables, recycling, circular economy, carbon credits, cleantech, etc.), Education (e-learning, school management, assessments, upskilling, tutors, languages, etc.), Enterprise (legal services, AI, cyber security, market research, recruitment, HR, customer success, consulting, SaaS tools, business analytics, etc.), Finance (banking, capital, trading, lending, personal finance, insurance, crypto, real estate, etc.), Health (medicine, biotech, medical equipment, pharmaceuticals, public health, digital health, hospitals, health records, wellness, fitness, beauty, etc.), Infrastructure (architecture, materials, computer networks, safety, law enforcement, construction, data centers, machinery, telecom, wireless internet, manufacturing, etc.), Media (marketing, influencers, animation, arts, gaming, fashion, content, platforms, music, publishing, translation, editing, etc.), Mobility (delivery, transportation, etc.), and Supply Chain (e-commerce, warehousing, logistics, retail, etc.)

About Our Innovation Scouts

Our Innovation Scouts are experienced professionals from diverse sectors with a keen eye for groundbreaking technologies and business models. They undergo rigorous training to ensure they provide maximum value to the startups they work with. They conduct their research on a volunteer basis. We have strict ethical guidelines in place. Any Scout with a potential conflict of interest is recused from the process to ensure fairness and objectivity.

About Our Innovation Memos

Innovation Memos provide a comprehensive profile of an innovator, whether its a startup, hub, investor or more established corporate, highlighting technological and business model innovations. The Memo is written in direct consultation with a verified representative from that entity, and also outlines suggestions around how to rapidly scale their innovation further through use of The FutureList's network. Once published, the Memo accessible to our network of investors, partners, and the general public for free on our platform. The Memo process is completely free for the companies featured as well. The entire process, from initial contact to publishing the Innovation Memo, typically takes about 4-6 weeks, but this can vary based on the startup's availability and responsiveness. Our goal is to promote and scale innovation globally. The FutureList platform and events are sponsored by partners.

Scaling Innovation

How **The FutureList** identifies and scales innovation globally



Ecosystem and sector mapping

Our Ecosystem team identifies the most innovative early-stage and growth-stage tech companies across key sectors in tech hubs around the globe.



Innovation memos and platform profiles

Our Research team interviews founders and tech executives to publish innovation memos and create a comprehensive company profile on our public online platform.



Introductions to strategic opportunities

Our Ecosystem team shares company profiles with relevant investors and strategic growth partners across our global ecosystem, and facilitate warm introductions where requested.



Private dinners and fireside chats

Our exclusive evening events bring together founders, tech executives and other special guests for networking and interactive discussions around technology and innovation.



Global summits & learning trips

Featured companies will be invited to larger annual events held at the regional and global stage that connect the most innovative companies with opportunities for further visibility.

Sponsor

The FutureList platform and events are sponsored by partners.



Sand Technologies, a global technology services company with presence across Silicon Valley, France, the UK, Romania, and several emerging markets, is at the forefront of supporting scale-ups worldwide in overcoming the challenges of rapid growth. We're currently aiding businesses in the United States, New Zealand, Denmark, the Netherlands, the UK, the UAE, South Africa, Kenya, and numerous other locations in developing scalable technology products, constructing world-class tech teams, enhancing revenue generation, and elevating customer satisfaction.

Learn more at www.sandtech.com

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