

Mobile motivation is sweeping Africa



By [Amr Shady](#)

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As the world celebrates Worker's Day to commemorate trade unions and labour movements, the mobile industry in Africa is expanding to fulfil the continent's growing needs for mobile solutions and create more opportunities for its workforce. This mobile revolution continues to spur innovations and fuel economies, uplifting employment and exposing developing countries to a new realm of economic opportunities.

Job prospects are increasing in a trend driven by mobile technologies along with the industry's expansion. Around 12.8 million people were directly employed by the mobile industry worldwide in 2014, according to 'The Mobile Economy: 2015' report which expects this number to jump to 15.3 million by 2020.

The boom in the mobile industry is expected to significantly contribute to global GDP, public funding and jobs, according to the report, forecasting mobile phone subscribers to surge by 1 billion over the next five years, going up from 3.6 to 4.6 billion by 2020.

"Mobile technology is predicted to generate a total economic value of nearly USD 4 trillion [by 2020], increasing the sector's global GDP contribution to 4.2%," says the report, describing the mobile industry as a "cornerstone of the global economy."

Mobile cheapest essential

The mobile revolution is at the heart of Africa's economic boom. Cellphones have become a necessity for Africans from all walks of life.

Mobile services are more affordable and available than any of the basic services in Africa. More than half the population of Nigeria, for example, is deprived of electricity services and around 38 million do not have access to clean water. Yet, the potential for full access to mobile is there.

Africa's mobile subscriber growth remains the fastest in the world, approaching 1 billion mobile subscriptions by 2015, according to the latest figures from Informa Telecoms and Media. The mobile market has the largest impact on African life and business. Frost & Sullivan reports that mobile penetration is at 94.6%, far above that of fixed telecommunications on the continent.

As more countries open up their telecom space, ease regulations and encourage investments, mobile services and handsets will become more affordable. A World Bank report expects the majority of African populations living in rural areas, particularly in Sub-Saharan Africa, to reap the fruits of economic development by 2033.

Sub-Saharan African fastest growing region

GSMA reports that the Sub-Saharan African region, for example, is the fastest growing in terms of annual unique mobile subscriptions, which have increased by 18% over the past five years.

The industry, as GSMA puts it "has already had a transformative effect on the social and economic development of Sub-Saharan Africa," contributing with more than 6% to the region's GDP, generating over 3 million jobs and US \$21 billion in tax revenue. This figure is relatively high, compared to other regions of the world, as the industry contributes to 1.4% of the GDP in the Asia-Pacific and 4% in Latin America.

Mobile technology is clearly transforming the commercial landscape, extending access to ICT, financial and health and social services like never before. Management consulting firm McKinsey predicts that e-commerce - much of it fuelled by mobile technologies - will become a US \$75 billion industry by 2025.

The telecom industry is expected to grow at unprecedented rates in Africa. Market saturation is unlikely in the near future with more investments flooding into the continent to fulfil its growing appetite to communicate via mobile.

Africa is growing and by 2035, much of the continent will have evolved into a middle-income market. It is time to catalyse these real growth opportunities to make the economic boom sustainable.

ABOUT AMR SHADY

Amr Shady is the founder and executive chairman of TA telecom, an award-winning company that builds mobile content platforms and analytic tools. The company is now recognised as one of the fastest-growing companies in Europe, Middle East and Africa (EMEA). Amr is an active member of the esteemed global Endeavor network where he also serves on the Egypt board. He earned his Bachelor of Science degree in Electrical Engineering from Canada's Dalhousie University.

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