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Want To Make Money In Africa? Start by Solving Any of These 8 Serious Problems.

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When you look at Africa, what do you see?

When most people look at Africa, there are two very strong but opposite images that emerge:

Some see a continent that is full of problems – unemployment, disease, hunger and insecurity – a place where everything is wrong and nothing works.

Some others see a land of vast opportunities and untapped potential.

Optimists like to describe Africa as the “world’s last frontier” of [lucrative business opportunities](#).

While the ignorant and fearful see a dark and unpromising continent, smart entrepreneurs see the amazing business opportunities that lie beneath all of Africa’s problems.

Looking for serious problems and thinking of interesting and innovative ways to solve them is one of the most effective methods of finding high-potential business ideas.

Problems are blessings in disguise and every successful entrepreneur knows this secret.

The most lucrative opportunities in Africa are not in its crude oil, precious stones or timber. No. Africa's biggest jackpot lies in finding solutions to many of its serious and pressing problems.

Anyone who can solve the problems you're about to read stands the chance of making money in Africa.

This article looks at eight serious problems in Africa that hold lucrative business opportunities and will make money for entrepreneurs who can unlock them.

1) Hunger

Hunger is one of Africa's biggest and most serious problems.

Images of hungry and starving African children often make the headlines in mainstream media and have come to represent the face of our continent.

Despite having more than 60 percent of the world's uncultivated arable land, a conducive climate for agriculture, and an overwhelmingly young population (more than 60% of the African population is under 25 years old), millions of people on our continent still go hungry.

Presently, Africa does not produce enough food to feed itself and has remained a net importer of food.

With one of the world's fastest growing populations, many African countries spend billions of dollars every year importing basic food products to meet local demand and consumption.





Our continent's population (currently at just over one billion) is projected to rise to 2.3 billion over the next 30 years. With all these mouths to feed, agribusiness is more than likely to become a booming industry in Africa's future.

There are several reasons for the serious hunger problem on our continent.

Apart from hunger which is induced by conflicts and natural disasters (like drought and floods), Africa's failing agriculture industry is arguably the root cause of hunger on the continent.

Agriculture, which used to be a booming and attractive industry, has been abandoned for white-collar jobs in the cities.

At the current migration rate, more Africans will live in cities than in rural areas by 2050. With decreasing interest from ordinary people and low investments from both the

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makes it unable to produce the amount of food needed to feed a large and fast growing population.

There are several lucrative opportunities for entrepreneurs who start businesses, no matter how small, that help to solve the hunger problem in Africa.

The high demand for food staples is leading to interesting opportunities in [vegetable farming](#), [cassava farming](#), livestock farming ([fish](#), [chicken](#), [pigs](#), [ostrich](#), [snails](#)).

There is also a huge potential for businesses like [animal feed production](#) that support the livestock industry.

The opportunity in Africa's hunger problem is simple:

Food is a basic need and a matter of survival. It's boom time for food businesses. You can hardly ever go wrong with food in Africa!

2) Unemployment

With one of the world's youngest populations, Africa's large and growing pool of unemployed labour is one of its biggest problems.

Young people, many of who are physically and mentally capable, cannot find the jobs they need to earn a decent income for their upkeep and basic survival.

Depending on whose figures you're looking at, the unemployment rate on our continent is huge (up to 50 percent).

Since jobs must exist before people can be employed, does it mean that there are no jobs in Africa?

Of course not!

In fact, Africa's economy has been growing steadily for over a decade and [six of the ten fastest growing economies in the world](#) are in Africa.

A growing economy is often a clear sign that more jobs are being created. However, the main problem with the job market in Africa is that it is largely disorganized. It is quite difficult for businesses and employers to find potential employees with the right skills, education and experience for the positions they want to fill.

To a considerable part, Africa's unemployment problem has to do with information

sharing rather than total unavailability of jobs.

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unemployment problems. In Nigeria, [Jobberman.com](#), which was started by three university undergrads in 2009, has become Nigeria's Number 1 job search and recruitment portal.

In a country where more than 40 million able-bodied people are unemployed, Jobberman is helping millions of people get a job by connecting vacancies with the right candidates; saving recruitment costs for businesses.

Seeing the huge potentials in this business model, Tiger Global, a New-York based fund with investments in Facebook and LinkedIn became an investor in Jobberman.com in 2011... *a little less than three years after it started!*

The service now has a subsidiary in Ghana and plans to roll out across Africa in the near future.

Apart from providing critical information services that help employers and potential employees to find each other, there is also another angle to the unemployment problem in Africa – unemployability.

Many of the people looking for jobs on our continent do not have the required education, training, skills and experience that make them desirable for employment. Businesses and entrepreneurs who can offer solutions to this problem in the form of skill acquisition programs, education and training are very likely to enjoy huge benefits.

3) Diseases

While Africa is home to about 15 percent of the world's population, Africa alone accounts for nearly 24 percent of all diseases that occur in the world.


Apart from poor access to essential medicines and vaccines, low quality healthcare, malnutrition, and poverty, our continent's tropical (warm) climate favours the breeding of disease vectors (especially mosquitoes which cause malaria).

In addition to these factors, the rise of chronic diseases like heart attacks, cancer, respiratory diseases and diabetes is causing more deaths in Africa every year.

According to a recent [WHO Report](#), infectious diseases are the leading causes of sickness and death in developing regions like Africa.

Of these infectious diseases, malaria, HIV/AIDS, pneumonia, tuberculosis, diarrhoeal diseases, and measles make up more than 90 percent of over 10 million disease-related deaths that occur in Africa every year. Most of these diseases can be treated with the

right drugs.

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drugs, medicines and other pharmaceutical products.



The size of Africa's pharmaceutical market is expected to reach nearly [\\$45 billion](#) by the year 2020 and entrepreneurs like Uganda's [Emmanuel Katongole](#) are already taking advantage of this huge opportunity.

Malaria, for example is estimated to cost countries such as Nigeria and the Democratic Republic of Congo up to 1.3% of their GDP, according to [the Malaria Consortium](#). That's why [Faso Soap](#), the brainchild of two ingenious African entrepreneurs has got me very excited!

Comprised of shea butter, lemongrass, African marigold and other natural resources that are plentiful across Africa, this soap is designed to leave an insect-repelling odour on the user's skin after bathing. It could be used to prevent against a wide range of mosquito-transmitted conditions -- perhaps eventually even Zika.

And this is why I believe over the next few decades, both giant drug manufacturing companies (inside and outside Africa) and healthcare-focused entrepreneurs will reap huge benefits while they help to fight and reduce Africa's disease burden.

4) Education

The standard of education in many parts of our continent has deteriorated terribly. Poor access to quality education at all levels – from basic primary education to university – is another serious and nagging problem across Africa.

The poor quality of government education and low investment in the education sector has put it in a state of crisis in many African countries.

Because many Africans understand that education is one of the few bridges out of poverty, millions of poor families on the continent are desperate to find good schools for their children. However, the existing schools and training facilities are unaffordable for many people and are not even enough to cater to the needs of Africa's large and rapidly growing population.

To solve the problem of inadequate opportunities for affordable quality education (especially for children from poor homes), some entrepreneurs on our continent have come up with interesting solutions.

[Omega Schools](#), based in Ghana, is a chain of low-cost private schools that offers basic primary education to children in poor families for an incredibly low and affordable fee (less than \$1 a day per student).

[Bridge International Schools](#) in Kenya uses a similar low-cost model to provide affordable education to thousands of children in East Africa for less than \$5 per month

educate poor people at a profit.





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5) Electricity

Some people say that if you look at the African continent from outer space at night, it looks empty and pitch black.

Maybe this is why the rest of the world refers to Africa as the '*dark continent*'.

The poor supply of electricity to support everyday needs like lighting up bulbs, pumping water and charging mobile phone batteries is a big and very serious problem in many parts of Africa.

In many countries on the continent, less than 20 percent of the population have access to electricity; the situation is much worse in rural areas where fewer than 5 percent are connected to the electric power grid.

Electricity is such a serious problem for Africa that the growth and prosperity of its economy and the convenience of our daily lives depends on it.

Did you know that all the 40+ countries of Sub-saharan Africa (except South Africa), with a combined population of more than 750 million people, generate roughly the same amount of electricity as Spain (a single country of less than 50 million people)?

According to the [WorldBank](#), Africa arguably has the worst electric power infrastructure in the world with the lowest scores in power generation, consumption and security of supply!

Entrepreneurs like Tanzania's [Patrick Ngowi](#) are seizing the lucrative opportunities in Africa's electricity problems. By focusing on [solar energy](#), which is freely and abundantly available in Africa, Patrick has brought electricity to thousands of homes in his country.

To date, his company (Helvetic Solar Contractors), has installed more than 6,000 small rooftop solar systems in his country and four other East African countries – Kenya, Uganda, Rwanda and Burundi.

And there are more ambitious entrepreneurs like him who are using the power of the sun to light up Africa. And here's a list of the [Top 10 Solar Businesses that are lighting up Africa!](#)

6) Waste

Africa is losing its natural beauty and environment to different forms of degradation especially solid waste pollution.





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As Africa becomes more urbanised and the spending power of the average African rises, more goods will be consumed leading to even more waste. The volume of waste generated on our continent is expected to double in the coming years as the size and population of its cities explode.

Apart from the dirty and unsightly look that heaps of waste are giving to several cities across Africa, poor waste management is closely related to, and largely responsible for, the outbreak of diseases. In addition to its undesirable effects, the way we handle and treat our waste will play a very significant role in managing Africa's natural resources in the future.

Recycling waste (like kitchen waste, paper, plastic and metals) helps to reduce the pollution in our environment and provides jobs for thousands of people on our continent.

To tackle the menace of plastic waste in Nairobi (the Kenyan capital), [Lorna Rutto](#), a former banker decided to start a small plastic recycling business. Her business uses plastic waste collected from dumpsites and garbage cans across Nairobi to manufacture fencing posts.

These posts, which are used to fence houses and forest reserves, are becoming a preferred alternative to timber. So far, her innovative business has created over 7,000 fencing posts, 500 new jobs, generated more than \$150,000 in yearly revenues, saved over 250 acres of forests and removed more than 1,000 tonnes of plastic waste from the environment.

Another interesting business that is solving the problem of waste disposal in Africa is [DMT Mobile Toilets](#) in Lagos (Nigeria) – one of Africa's most populated cities.

In its bid to reduce the public disposal of human waste, this business provides affordable access to toilet facilities in public spaces (bus parks, events, etc) across Lagos. To date, this company has manufactured over 3,000 mobile private toilets. It produces over 200 units every month for sale and for hire across Nigeria and in the West Africa region.

7) Transportation

With millions of humans and goods that are moved around everyday across Africa, transportation has become central to the functioning of Africa's economy and crucial to basic survival on our continent.

With potholed roads, poor transport networks, absent rail lines and weak water

transportation, the options for moving people and goods around on the continent are quite limited.





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Although the roads are bad, people and goods still need to move around.

With a population that is growing faster than anywhere else on earth, transportation remains a problem of the present and future for Africa.

In spite of its challenges, smart entrepreneurs are rising to the occasion to solve everyday transport needs for millions of Africans. Motorcycles, taxis, buses, trucks and ferries are some of the ways of tackling the transportation problem.

8) Shelter

After food, shelter is arguably the next most important necessity in our lives.

Shelter in this regard refers to housing accommodation, office space and public buildings.

The growing migration of Africans from rural to urban areas is putting a lot of pressure on available and affordable housing in cities and towns across the continent.

Seeing the huge opportunities and potentials in our continent's housing problem, it's hardly any surprise that entrepreneurs like Nigeria's Aliko Dangote, who is currently Africa's richest man, has been making very significant investments in cement production, the most vital material in building construction.

Other building and construction materials like wood, glass, aggregates and steel have become hot-selling products. We took a close look at the lucrative potentials of this sector in our article: [‘Building and Construction materials – 9 Hot selling products that can make you money in Africa.’](#)

Individuals, businesses and governments are making huge investments in Africa's real estate and infrastructure market. Smart entrepreneurs are buying up undeveloped land around major cities in a bid to build their own houses and possibly earn rental income from tenants who need shelter too.

Other popular real estate investments are in office spaces and retail spaces; shops for traders.

What do you see when you look at Africa?

Do you still see problems or lucrative and untapped opportunities?

Africa is full and overflowing with amazing potentials for people like you to make money. The challenge is that most of these opportunities are buried inside tough and

challenging problems.

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It is the same with mining gold, diamonds or crude oil; there is usually a lot of hard and dirty work involved. Somebody has to dig or drill many metres into the belly of the earth to find these precious resources.

It's also the same thing with Africa's problems.

If you want to make money on our continent, you will need to roll up your sleeves and solve a serious problem. The tougher the problems you solve, the more money you are likely to make!

This article is intended to open your eyes to the possibilities around you.

Have you noticed a serious problem or suffering in your environment?

What have you been doing about it?

Nagging?

Complaining?

Blaming the government?

Well, now you know you should change the way you look at and react to problems. Problems are huge opportunities to make money. Find one and fix it!

Do you think there are some serious problems I left out?

Please share your thoughts in the comments section below.

You should also share this article with your friends on LinkedIn. I can assure that you'll affect somebody's life positively by sharing this article.

Let's go Africa!

ABOUT THE AUTHOR

John-Paul Iwuoha is an author, impact entrepreneur, business strategist, and founder of [Smallstarter Africa](#).

He works with entrepreneurs and investors to start up and grow businesses in Africa. He is also the co-author of [101 Ways To Make Money in Africa](#), the widely-acclaimed book which reveals several interesting business ideas, market

opportunities, and inspiring entrepreneur success stories across Africa.



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[John-Paul Iwuoha](#) Respectfully, I did not say that it should be done solely on humanitarian grounds. The motivation is more than just getting a return it is planting a seed that continues to give fruit. The Global Economy is a perfect example of dependence on each other. A strong economy is critical to fund any effort. There is great opportunity and great responsibility

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