



Company Statement

UX Information Technologies Lda

Mozambique

January 2015

Vision

Social development technologies for growing economies.

Mission

Create self-sustaining, for-profit technology businesses that address the pressing needs of consumers in developing nations, while accommodating local technical constraints.

Strategy

- Use Mozambique, our current base, as a pilot market for turnkey solutions that can be quickly deployed and scaled to similar markets.
- Design products/services using locally-relevant technologies like SMS and basic mobile features as a key entry point to our target markets.
- Sequentially tackle market verticals that offer both strong profit potential and the opportunity for significant and sustainable social development.
- Offer services for free to individuals and small businesses, while charging larger companies and institutions for features they need and can afford.*

** **Note:** UX calls this the "Robin Hood Business Model", an approach we have taken with our tech businesses in Mozambique which has simultaneously enabled mass adoption and profitability.*

Context

Mozambique represents a typical – if advantaged – African emerging market; its fast-growing economy is fueled by abundant natural resources and supported by a relatively stable government. Regardless of their ability and motivation to invest, large international oil & gas companies, aid agencies, NGOs and local companies face numerous difficulties operating in a country that was not traditionally industrialized. A poor service economy and a largely uneducated labor force present serious challenges for expansion, especially as protective measures from the government stipulate that up to 90% of the workforce in any company operating locally must be Mozambican.

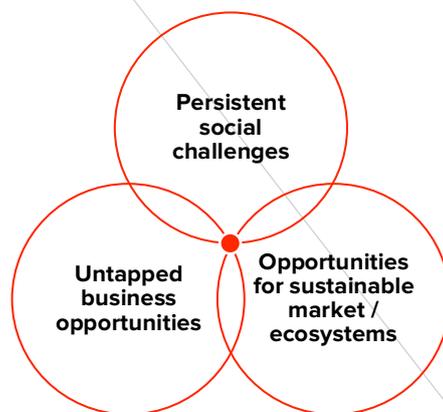
Securing the best workers, developing their skills and paying them on time while operating in very remote areas of the country, are only a few of the challenges companies and organizations face in this market.

On a positive note, the IT industry is relatively well-developed, with three mobile operators covering most of the country, massive adoption of mobile phones and an ever-increasing number of Internet subscribers. As of the end of

2014, mobile penetration is estimated at 56% and Internet subscription at 7.9%, in a population of 25.83 million.

Methodology

From our ongoing experience as technical consultants for development agencies (World Bank, Unicef) and global businesses (PwC, Microsoft) we devised a three-step approach to identify for-profit opportunities that live at the intersection of highest social gain, financial benefit and long-term sustainability.



Within this context, we are addressing the following verticals, in sequence:

Note: Verticals are sequenced with the recognition that in order to accommodate the limited purchasing power of average citizens in our target countries, building up individual wealth is fundamental to creating consumers of our future products.

Labor Vertical

Challenges:

Businesses (including multi-nationals) increasingly need effective solutions for local recruitment.

Workers have very limited access to better career opportunities and new challenges, and this is coupled with limited information about existing opportunities.

Opportunities:

Jobs are expensive to advertise on local newspapers, and these offer very limited circulation.

Mobile and web technology increases reach, adds valuable features and is cheaper and simpler to operate.

Solutions:

Web-based job board with opportunities for workers with internet access.

SMS-to-web database of registered skilled workers with mobile phones but no access to the internet.

UX already successfully targets this vertical with **emprego** (emprego.co.mz), Mozambique’s largest recruitment platform, currently used by up to 70% of Internet users in the country and more than 100 businesses.

Additionally, our SMS-to-web service **biscate** (biscate.co.mz), won the Ministry of Science and Technology IT Challenge, which included prize money, exposure and the attention of Africa’s largest mobile operator, Vodacom (which will serve as the Telco partner for this project). This service is expected to go live by Q2 of 2015.

Finance Vertical

Challenges:

Businesses in emerging economies struggle with outdated solutions for managing both payroll and invoices.

Consumers outside western economies have very limited access to loans and banking services.

Banks have no raw data to support business intelligence tools and inform credit scores.

Opportunities:

Offer mobile money solutions for payments in remote locations.

Update and bolster local traditional savings practices using mobile applications.

Provide banks with valuable credit information about their clients, including loan and spending practices of our mobile app users.

Solutions:

Mobile application for users to safely and easily conduct Savings Groups, with features such as savings history, collection and payment calculation, mobile money transfers and networking services.

UX has finalized all the research, specifications, and design of a mobile application to support mobile-based Savings Groups. Partnerships with local Banks and Mobile Operators are under way. Technical development is set to start Q4 of 2015.

Education Vertical

Challenges:

The majority of the Mozambican population has limited access to formal or technical education.

Universities cannot cope with demand and have very limited reach throughout the country.

Opportunities:

Use mobile and web technologies to provide or complement literacy where needed.

Offer remote technical courses in local languages and foster entrepreneurship.

Solutions:

Online e-learning portal with technical and practical courses that take into account the local basic literacy.

Note: Existing MOOCs assume a relatively high literacy rate and are effectively unattainable to locals.

UX partnered with Microsoft to implement a Youth Learning Platform in Mozambique and Angola. Microsoft will fund the first two years of operations and UX will retain complete ownership of the intellectual property and operations platform. This platform will be linked to emprego.co.mz, allowing users taking online courses to find relevant work opportunities. Additionally, people looking for work on our job board will find related courses to jobs they are applying for. Development of this platform is under way and a live version is planned for Q2 of 2015.