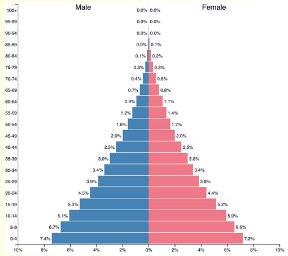
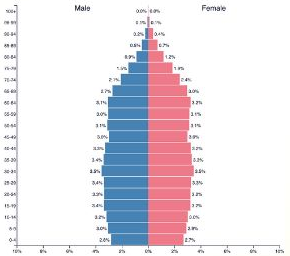
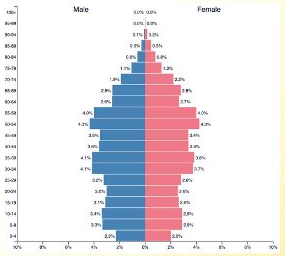
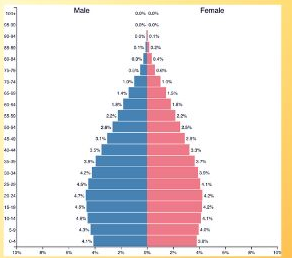
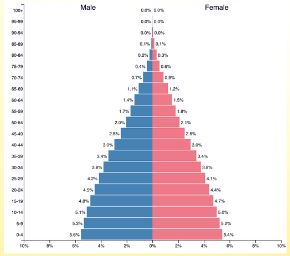
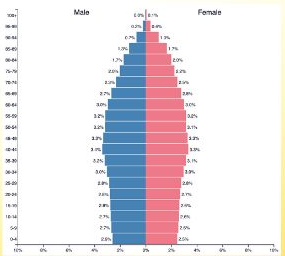
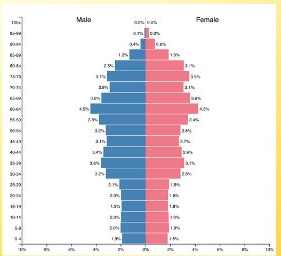
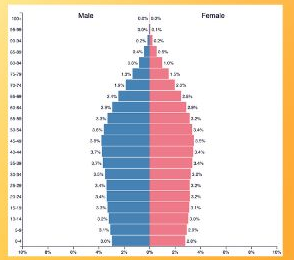
The next 10 years of Web3 in Africa

Yoseph Ayele
@yosephayele

Web3 needs Africa
to reach its full potential

Africa's population is exploding

	AFRICA	USA	CHINA	INDIA
2023				
2050				

Mobile phones

954M Africans have phones as of 2023

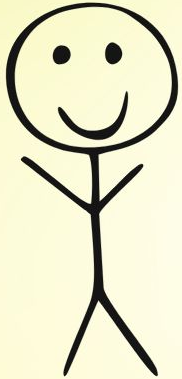
Mobile money

62B transactions worth $919B in 2023

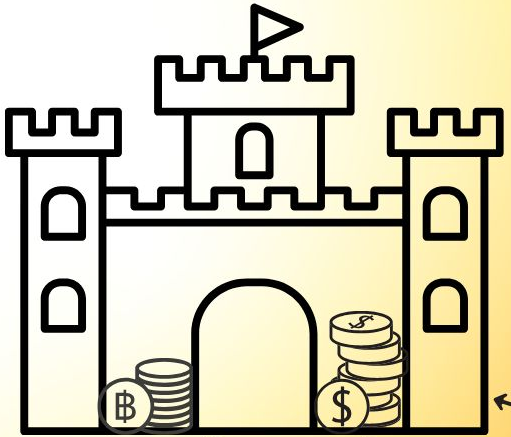
Crypto

$125B crypto transactions in Africa

CEX



Fiat <-> Crypto
Payments
Save
Store
Invest



P2P
LP

P2P
LP

P2P
LP

WHERE ARE WE TODAY?

Status quo: we communicate value over walls

Our informal economy

40%-60%	Africa’s GDP are informal enterprises
85%	Of our total employment in Africa is in the informal economy
34.3%	Kenya’s GDP is in the informal economy
87.5%	Of Nigeria’s total money circulation is outside banks

Africa’s USD problems:

USD demand pressure

$1 Trillion import (2022)

Debt & debt interest payments

Medium of exchange within Africa (15% of GDP)

Currency devaluation hedge

USD supply pressure

$661B export (2022)

~$100B Remittance

BRICS / local settlements

International aid / loans (short-term)

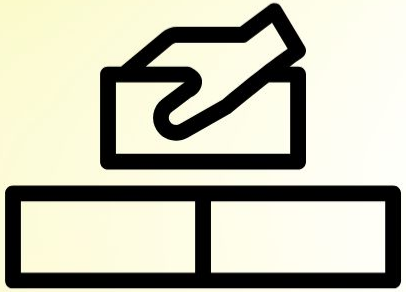
USD problem consequences:

- USD rationing by central banks
- Bank rates vs black market rates
- USD becomes the ultimate commodity
- Rules to limit USD possession / use
- More debt --> rinse repeat

USD stablecoins offer the first
large-scale USD liquidity coordination mechanism
inside the **informal economy**

Crypto use in Africa is utility driven

- Crypto tx volume grew in bear market
- $125B recorded onchain crypto transactions last year: *tip of the iceberg*
- Nigeria #2 on crypto adoption index
- Nigeria, Ethiopia, Kenya are in top 5 for “cryptocurrency” Google search
- 10%-20% of pop owns crypto



magma

‘super DApps’

Payments (B2B, B2C, B2B2C)

P2P on/off ramps

Wallets

Onchain & offchain liquidity aggregation

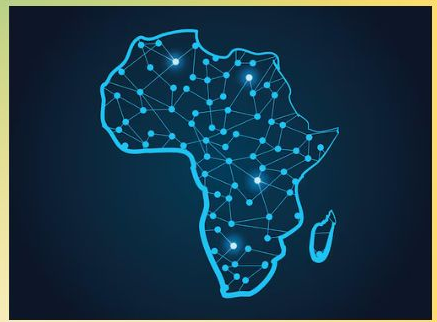
Wallet infrastructure

NEXT 10 YEARS?

WHOLE ECONOMIES POWERED BY DECENTRALIZED SYSTEMS

A world where
hyper-globalization &
hyper-localization
co-exist!

Local currency stablecoins



- Onchain FOREX
- Cheaper local payments (vs banks & MoMo)
- Programmable money

Regional FOREX scenario:

TODAY

KES

USD

TZS

WITH LOCAL STABLECOINS

abcKES (in USD terms)

abcTZS (in USD terms)

Regional FOREX scenario:

abcKES - abcTZS pair:

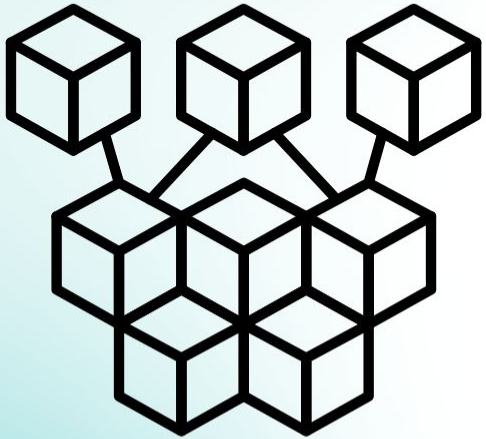
Trade balancing:

TZS -> USD -> KES

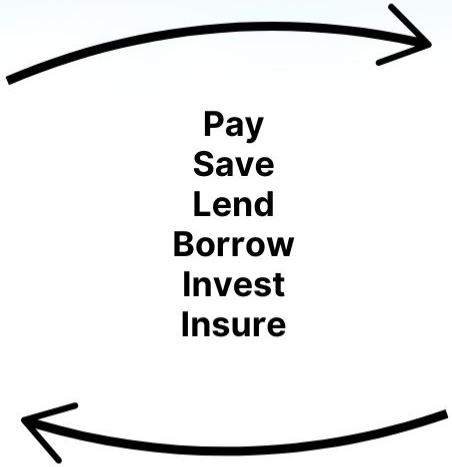
Government bond backed stablecoins

- Local government bonds & treasuries RWA
- Fully collateralized CDPs (or better alternatives)
- Scaled distribution using existing & new rails
- **In the future:** Diversified assets backing local stablecoins, e.g. productive and protected land, local metals & commodities, etc.

simple finance as a stack



- Connected web of tools that exceed the functions of a bank
- Interoperable monies with network effects
- Cash apps with simple UX, powered by crypto
- Hyper-localized services that use existing trust infrastructures (cooperatives, commitment pooling)



Pay
Save
Lend
Borrow
Invest
Insure

Other areas of innovation

- Credentials: Identity, reputation, proof of trust
- Credit scoring
- Assets onchain: real estate, commodities, energy, receivables, and more

DEVCON AFRICA 2026?