



Connect Africa hosts webinar that shows true potential of Crypto, Blockchain, NFTs and the Metaverse to transform African markets



Caption: Clockwise from top left: The webinar panel comprising Jessica T Naga of Digital Associates Ltd; Rivaj Parbhu of Control Risks Africa; Dr Roland Amoussou-Guenou of Vovan & Associés; and Dr Faiz Shah of the Yunus Thailand Foundation

Singapore, 08 April 2022: Connect Africa, the premier business platform for Africa based in Singapore, hosted an emerging technologies webinar in collaboration with the Pan-African news forum, Platform Africa, on Monday, 04 April 2022.

The insightful event explored how African markets are poised for the opportunities and challenges posed by emerging technologies such as crypto, blockchain, NFTs and the Metaverse, and was skilfully moderated by Dr Faiz Shah, the founding president of Thailand’s premier social business hub, the Yunus Thailand Foundation. Dr Shah spoke to a panel of expert speakers such as Dr Roland Amoussou-Guenou, Partner at Vovan & Associés and President of the AsiaAfrica Foundation, based in Thailand; Jessica Naga, co-founder and Managing Director of the pan-African law firm, Digital Associates Ltd,





which has its headquarters in Mauritius; and Rivaj Parbhu, Head of Engagement, Control Risks Africa, with its main office in Kenya.

Dr Faiz Shah started the panel discussion by introducing the speakers and requesting their expert insights on three key questions that leveraged their regulatory and risk-centric backgrounds to shed light on how African users can adopt crypto without taking on undue risks – and thus take the continent to the next level in terms of safe and sustainable use of digital assets. The key takeaways from the panel discussion are as follows:

What makes Africa one of the leading adopters of crypto worldwide?

Dr Roland set the context to this question by noting that, *“Africa is leading the world in adoption of cryptocurrencies. To illustrate, the global adoption rate has grown 800% between 2020 and 2021 while the adoption rate in Africa has grown 1200% in the same period.”*

He went on to note that the three key trends informing increased adoption of cryptocurrencies in Africa are, first, that it allows value to be stored in a safer, digital form; second, it gives hope to the African youth in particular who feel that centralisation has failed them; and third, the social value of transactions is much higher than in traditional forms, with cheaper remittances and faster peer-to-peer transactions being powered by such digital assets.

In response to the same question, Jessica noted that the recent Ronin hack put cyber security risks at the forefront of cryptocurrency discussions. She indicated that relevant regulatory frameworks in place could help protect end consumers. She said, *“Be it the AML/CFT focused disclosure requested by the Financial Conduct Authority in the UK for ‘crypto businesses’, the executive order signed by President Joe Biden in the US on the 8th March 2022 that asked federal agencies to establish a roadmap for regulating cryptocurrencies and identity risks and potential for innovation, or the establishment of a completely new regulatory authority, the Virtual Asset Regulatory Authority, by Dubai just last month, or, the regionally pioneering move by Mauritius in promulgating the Virtual Asset and Initial*





Token Offering Services (VAITOS) Act at the start of this year – these are all steps in the direction of more regulation of the sector.”

Finally, Rivaj soberingly mentioned that, while it is laudable that Africa is using crypto in the way that it is meant to be used, for transactions in the retail space and not just as a store of value by High-Net Worth Individuals (HNWIs), the risk inherent in the arena in terms of DeFi theft losses alone is staggering – a whopping \$3.4 bn yearly rate in just the first quarter of 2022 compared to \$2.3 bn throughout 2021! He said, *“When we talk of retail adoption, we are passing on risk to the most vulnerable segments of the population, such as those from low-income communities in Africa.”*

How is Africa poised to leapfrog using emerging technologies such as crypto, blockchain, NFTs and the Metaverse, despite their attendant, pressing risks?

To this, Rivaj replied that when one is living in Africa, currency volatility is par for the course, hence the risk of volatility in the value of cryptocurrencies, oft-repeated in the developed world, does not have the same connotation in the continent. Hence, the question for Africa is not about its readiness to embrace emerging technologies, but *“the secret sauce is more about using it and using it safely.”*

For his part, Dr Roland lauded the continent’s resourcefulness and mentioned that, despite major economies such as Nigeria banning cryptocurrencies, *“\$100 bn worth of remittances are already taking place via cryptocurrencies in Africa.”* He harked back to Jessica’s reference of the regionally pioneering legislation that Mauritius has enacted for virtual assets and also mentioned that Thailand has taken a leading stance in South East Asia by executing an emergency decree on digital asset business operations. He stressed that advanced economies such as US are only just thinking in the right direction, while smaller and more nimble jurisdictions such as Mauritius and Thailand are already getting there.

To this, Jessica added that, FinTech is naturally cross-border and once relevant regulation is indeed in place in multiple jurisdictions, if there is no attempt to successfully align, the risk is that businesses will engage in ‘jurisdiction shopping’. Jessica stressed that it was an exciting time to be practising





FinTech legal and regulatory compliance in Mauritius, which is setting itself up as the financial services hub for Africa and beyond, noting that the VAITOS Act put in place here is in compliance of the FATF Recommendation 15, which says that all jurisdictions must regulate virtual asset service providers.

Are African economies ready for the dichotomy that crypto regulation poses by placing a layer of centralisation on tech that has emerged from distrust of traditional finance?

Here, Jessica concluded on the note that adoption already exists, hence regulation or industry accepted norms, to support adoption, are the desired next step for Africa to lead the technology space that will create more sustainable FinTech businesses.

For his part, Rivaj ended the discussion with a caveat that digital literacy is a crucial aspect of safe crypto usage, and that *“there is a real chunk of education that needs to be delivered to the people.”* He emphasised that the fundamental principles of due diligence, investment evaluation and selection must be applied to the digital asset arena with even greater focus and vigilance to make it a safe space for retail investors.

Finally, Dr Roland emphasised that what is most crucial in the crypto space is to ensure trust and to have a regulatory framework in place that perpetuates such trust. *“Blockchain has trust embedded in its very fabric,”* he highlighted, ending the moderated section of the panel discussion on a most thought-provoking note that harked back to the very nature of such emerging technologies and the rationale behind their adoption by African consumers – the holy trio of anonymity, decentralisation and the ability to move large transactional amounts seamlessly and cost-effectively.

The final leg of the webinar consisted of the audience Q&A where Dr Roland responded to a few questions posed over the chat function. To a participant’s query on which African countries would possibly lead the continent in cryptocurrency adoption in the future, Dr Roland noted that the pioneering nations would be South Africa, Kenya, Nigeria and Morocco. In particular, he emphasised that Mauritius would certainly play a key role as the African hub by attracting investments in digital assets investments, foreign crypto exchanges and crypto consulting services. Finally, to an audience query as to the potential of emerging technology to drive financial inclusion in Africa, Dr Roland replied





that his organisation, the AsiAfrica Foundation, was working on just such an initiative. The AsiAfrica coin project has already been minted on the Cardano blockchain while the white paper and website are on the verge of completion. More information on this “goodness token” for fundraising and social value creation would be shared with the public shortly, he concluded.

To hear the experts for yourself, click [here](#).

About Connect Africa:

Connect Africa is a not for profit, Africa-focused business networking community, whose aim is to connect and leverage African skills and knowledge in Southeast Asia and Africa, to raise the profile of Africa as a Continent of investment opportunities. By connecting such skills and knowledge, the aim of Connect Africa is to develop into a “deal” platform linking human and monetary capital looking to capitalise on trade and investment opportunities in Africa.

Further information on Connect Africa, including how to become a member, is available on our website: www.connectafrica.com.sg. Follow us on LinkedIn at: <https://www.linkedin.com/company/connect-africa-south-east-asia/>

About Platform Africa:

Set up by representatives of the business, legal and media communities in Mauritius in 2016, Platform Africa focuses on providing first hand news and views from those who are already doing business in Africa in the areas of finance and the economy, sustainability, leadership, innovation, health, lifestyle, culture and entertainment. Towards this end, Platform Africa acts as a media partner for high level events regarding Mauritius and Africa and targets an audience of business leaders, investors, entrepreneurs, government representatives and international institutions across the continent.

Further information on Platform Africa is available on our website: www.platformafrica.com. Follow us on LinkedIn at: <https://www.linkedin.com/company/platform-africa/>





For more information on Connect Africa, please contact:

Name: Brendon Jones

Email ID: admin@connectafrica.com.sg

Mobile: (65) 8 428 6614

