



Nigeria

Priority Areas



Country Profile

2023

**Blockchain and Digital
Transformation in Africa.**

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Note: The information presented here highlights crucial focus areas for the country, especially in the context of the emerging industries of Fintech, DeFi (Decentralized Finance), NFTs (Non-Fungible Tokens), and cryptocurrencies. The information presented sheds light on several developments and pioneering enterprises that are fueling the country's digital progress in the blockchain domain. However, it is important to note that this is not an exhaustive list; rather, it provides a glimpse into the country's direction and ability to achieve key milestones in the blockchain sector.

Fintech

Digital Payments and Mobile Banking

Kudi: Nigerian blockchain-powered mobile payment platform Kudi enables users send and receive money, pay bills, and make transactions. Blockchain technology ensures transparent and safe transactions for banked and unbanked users.

PiggyVest: It is a famous Nigerian savings and investing website that uses blockchain technology for transparency and security. The platform enables users save, invest, and earn interest.

Carbon: Nigerian mobile banking and digital lending platform Carbon (previously Paylater) uses blockchain technology for secure and efficient transactions. It allows mobile customers get rapid loans, pay bills, and manage funds.

Patricia: Nigerian blockchain-based e-commerce platform Patricia offers digital payment options for online purchasing. The platform uses blockchain technology to protect and verify cryptocurrency and regular payments.

Bundle: Bundle is a Nigerian cryptocurrency exchange and digital wallet that enables users buy, sell, and store Bitcoin and Ethereum. Nigerians manage their digital assets with the platform's user-friendly interface and mobile banking integration.

Fintech-Enabled Lending and Credit Scoring

FairMoney: Nigerian mobile banking platform FairMoney offers digital loans to people. FairMoney's mobile app lends instantly based on borrowers' financial behavior and transactions. The site promotes financial knowledge and ethical borrowing.

Renmoney: Nigerian fintech business Renmoney offers personal loans and credit scoring. Renmoney lends to individuals using traditional credit evaluation and alternative data analysis. Their platform speeds up loans.

Lidya: Nigeria's Lidya is a digital lending platform for SMEs. Lidya evaluates SMEs' creditworthiness and provides personalized loans to help them expand using data analytics and machine learning algorithms. The platform streamlines loan applications for Nigerian SMEs.

CreditRegistry: Nigeria's CreditRegistry offers credit score and risk management. They examine credit data from financial institutions and other sources to provide credit scores and reports for individuals and organizations. They help lenders

assess applicants' creditworthiness.

Digital Identity and KYC (Know Your Customer) Solutions.

VerifyMe Nigeria: It is Nigeria's premier digital identity verification platform. It provides document, facial, and biometric identification verification services. The technology enables firms verify consumer IDs and meet KYC regulations.

ChamsAccess: It provides digital identity management solutions. Their services include identity verification, biometric authentication, and secure access control. ChamsAccess enables enterprises verify and authenticate identities for financial services.

Flutterwave Barter KYC: Flutterwave, a renowned Nigerian fintech business, offers Barter KYC. It helps businesses digitally authenticate consumer IDs. Barter KYC verifies client data using biometrics and identity papers.

OneFi's Carbon KYC: Carbon, originally Paylater, is OneFi's digital identification and KYC service. It provides KYC verification without physical document submissions. Carbon KYC simplifies KYC compliance and onboarding.

NIBSS BVN: The Nigerian Interbank Settlement System (NIBSS) manages Nigeria's Bank Verification Number (BVN) system. BVNs link bank accounts and verify IDs. It is necessary for the Nigerian banking KYC requirements.

Blockchain and Cryptocurrency Solutions

BuyCoins: Nigeria's BuyCoins exchange and wallet platform. Users can purchase, sell, and store Bitcoin, Ethereum, and Litecoin. Nigerians easily enter the cryptocurrency market using the platform's user-friendly interface and peer-to-peer transactions.

Quidax: Another Nigerian cryptocurrency exchange solution that makes buying, selling, and trading easy. It offers quick buy/sell, wallet integration, and low trading costs for several cryptocurrencies. Quidax simplifies Nigerian cryptocurrency trading.

Yellow Card: Nigerian cryptocurrency exchange Yellow Card makes it easy to purchase and sell cryptocurrencies using local payment methods including bank transfers and mobile money. The platform allows Nigerians to easily use Bitcoin and other cryptocurrencies.

Bundle Africa: This Nigerian blockchain-based social payments platform enables users purchase, sell, and store cryptocurrencies. It supports Bitcoin, Ethereum, and Binance Coin. Bundle Africa helps people send and receive money with friends and relatives.

Agritech and Financial Services for The Agricultural Sector

Cowrywise: Cowrywise is a Nigerian financial platform that uses blockchain technology for investments. It offers cryptocurrency trading alternatives. Cowrywise simplifies investing processes and makes them more accessible to Nigerians, including cryptocurrency investors.

Farmcrowdy: Nigerian Agritech platform Farmcrowdy connects investors with small-scale farmers. Sponsorship and training for farmers are available on the platform. Blockchain technology improves transparency and traceability in farming, helping investors track their investments and farmers get fair pay.

AFEX Commodities Exchange Limited: AFEX uses blockchain technology to trade agricultural commodities fairly. Digitized contracts allow farmers to sell directly to purchasers, eliminating middlemen and ensuring efficient transactions. Blockchain improves agriculture value chain trust and accountability.

Agrikore: A blockchain-powered platform that facilitates agricultural commerce and transactions. It creates a digital agricultural marketplace for farmers, suppliers, buyers, and finance institutions. Smart contracts streamline operations, safeguard transactions, and build confidence.

Thrive Agric: This Agritech platform allows people to invest in agriculture and help small farmers. The website enables investors to fund farming projects and earn profits. Blockchain technology provides transparency and accountability, enabling investors to monitor their investments and farmers' projects.

Releaf: Nigerian agritech firm Releaf improves oil palm value chain efficiency. Blockchain technology improves oil palm traceability and quality control. Releaf digitizes the supply chain to promote transparency, fair remuneration for farmers, and sustainable sourcing for buyers.

NFTs

Art and Collectibles	<p>Quidax Art: Nigerian NFT marketplace for digital art. Artists can tokenize their works as NFTs and sell them straight to collectors. Quidax Art allows artists to share their work with a developing digital art community.</p> <p>Afen Blockchain: Nigeria's blockchain-based Afen Blockchain allows NFT creation and trading. It tokenizes artworks and sells NFTs like music, art, and virtual goods. Afen Blockchain uses NFT technology to benefit African creators.</p> <p>Waxx: Waxx is a decentralized NFT marketplace that connects artists and collectors. Waxx showcases and sells NFT artworks by Nigerian artists worldwide. Blockchain technology ensures secure, transparent transactions on the platform.</p>
Music and Audio	<p>Audius: This decentralized music streaming and NFT platform allows musicians to distribute and monetise their music. Artists can mint their tracks as NFTs and sell them to fans on the network. Audius helps musicians keep control of their work in a fair and transparent environment.</p> <p>The Algorand Music Project: This blockchain-based project supports Nigerian and African musicians. Tokenizing music on the Algorand blockchain gives musicians new revenue streams. The project helps artists create NFT audio assets and interact with fans and make money.</p>
Gaming and Sports	<p>According to a research, play-to-earn (P2E) gaming adoption in Nigeria will increase to 33% by 2022¹. According to the Finder's NFT Gaming Adoption Report, 16.05% of Nigerian internet users use P2E gaming sites, ranking 9th internationally. South Africa trailed Nigeria at 10.20%. 2,084 Nigerians were among 43,312 responders in 26 nations. It also predicted that 17% more Nigerian internet users will play-to-earn games before the year closes. Guilds allow low-income players to join P2E gaming systems, which has driven adoption.</p>

¹ Richard Laycock, "NFT Gaming Statistics," finder.com, May 25, 2022, <https://www.finder.com/nft-games-statistics>.

Fashion and Luxury Goods

F7 Apparel, a Nigerian luxury business, offers metaverse fashion services and products. Customers can access their virtual store, chat with the customer experience team, and buy from anywhere in the world. F7 Apparel uses the metaverse to combine digital and physical fashion and reduce waste. They pioneered Nigeria's digital fashion business and offer everlasting luxury experiences while safeguarding the environment.

Memes and Social Media

PawPaw: Popular Nigerian actor Osita IHEME, known as PawPaw, is minting his humorous memes into Non-Fungible Tokens. These NFTs depict the rarity and uniqueness of his internet-famous face expressions. Osita IHEME hopes to earn from NFTs in Nigeria and Africa. Young Nigerians can overcome hurdles by selling and exchanging NFTs globally on the blockchain. Osita IHEME enjoys seeing his work make people happy and express themselves internationally.

Hashgreed: It created the first African NFT marketplace, making NFTs accessible to Africans. Hashgreed offers blockchain-powered file certification, a multipurpose NFT/web3 marketplace, real estate and technological startup ownership, and low-interest DeFi-powered financing. Hashgreed's blockchain technology aims to address poverty, intimidation, inadequate payment of creators, trademark theft, and a desire for a secure and supportive marketplace in Nigeria. Hashgreed's naira-backed token allows Nigerians buy NFTs without Bitcoin or Ethereum. The platform promotes NFT adoption and African crypto empowerment through education and partnerships.

DeFi

Regulatory Clarity and Compliance

The Nigerian Digital Asset Rules apply to platforms that trade, exchange, and transfer virtual assets, as well as Distributed Ledger Technology (DLT) and virtual digital asset service providers². These guidelines encompass virtual asset issuers and sponsors, including multinational entities and operators targeting Nigerian investors. The regulations describe virtual assets as digital representations of value that can be traded and used for payment or investment. According to the guidelines, virtual assets service providers exchange virtual assets for fiat currencies, transfer virtual assets, and provide financial services relating to virtual asset sales. Digital assets—tokens reflecting debt or equity claims on the issuer—are likewise covered by the rules. Securities-related digital asset offerings may need SEC registration. Some transactions are exempt from registration.

Besides, the Nigerian Securities and Exchange Commission (SEC) is establishing new digital asset platform legislation, but it would take at least 10 months to decide whether to register a digital asset-related company³. The SEC will enable regulated digital exchanges to list tokens backed by stock, debt, or property, but not Bitcoin or Ethereum. The SEC will register fintech firms as digital sub-brokers, crowdfunding intermediaries, fund managers, and tokenized coin issuers, but crypto exchanges will not be registered until the central bank establishes crypto market laws. Notably, the Central Bank of Nigeria (CBN) has vigorously marketed its digital currency, the eNaira, despite banning local banks from serving cryptocurrency platforms.

Financial Inclusion and Digital Banking Services

BlockchainNigeria (BNUGDAO.eth) is Nigeria's leading blockchain and crypto-assets tech community, comprising of thought leaders in the sector. They promote blockchain and Web3 throughout Nigeria and Africa. Their goals include building an inclusive financial environment, fostering policy and regulation advancement, providing crypto learning and investment opportunities, and encouraging inter-community connections. Decentralized operations allow stakeholders to propose and participate in events, education initiatives, and community building. Its Decentralized Intelligence Summit will focus on AI and blockchain technology. The symposium explores how decentralized intelligence will solve data privacy, safety, and scalability issues.

² Chukwudi Ofili, et al., "The Law Reviews - the Virtual Currency Regulation Review," [thelawreviews.co.uk](https://thelawreviews.co.uk/title/the-virtual-currency-regulation-review/nigeria), 2022, <https://thelawreviews.co.uk/title/the-virtual-currency-regulation-review/nigeria>.

³ Hellen Partz, "Tokens but Not Crypto: Nigeria SEC Prepares New Digital Asset Rules," [Cointelegraph](https://cointelegraph.com/news/tokens-but-not-crypto-nigeria-sec-prepares-new-digital-asset-rules), May 1, 2023, <https://cointelegraph.com/news/tokens-but-not-crypto-nigeria-sec-prepares-new-digital-asset-rules>.

Blockchain Nigeria User Group (BNUG): BNUG is a dynamic Nigerian blockchain and crypto community. They support blockchain and cryptocurrency adoption in the country. The association hosts events, seminars, and educational initiatives to raise awareness and encourage industry collaboration.

Nigerian Blockchain Industry Coordinating Committee (BICCoN): BICCoN unites blockchain industry stakeholders. It coordinates activities, promotes best practices, and advocates for blockchain-friendly policies and regulations in Nigeria.

Blockchain Education Network Nigeria (BEN Nigeria): A student-led cryptocurrency education and awareness initiative. Workshops, events, and community-building initiatives aim to teach pupils blockchain technology.

Nigeria Blockchain Alliance (NBA): NBA advocates blockchain adoption in Nigeria. They drive blockchain innovation, acceptance, and research with businesses, government organizations, and industry professionals.

Fintech Association of Nigeria (FintechNGR): This significant Nigerian fintech association is not solely focused on blockchain. They encourage blockchain adoption in financial services. They enable fintech stakeholders to collaborate, share, and advocate.

Decentralized Lending and Borrowing Solutions

Xend Finance: This decentralized finance (DeFi) network allows users to save and borrow in their local currencies, including the Nigerian Naira. Users can earn interest by supplying liquidity to the platform or borrow funds using crypto assets as collateral.

MELD: It is a non-custodial liquidity protocol for lending and borrowing cryptocurrencies and fiat currency that empowers the world's majority and provides financial opportunities. MELD developed low-interest microloans with African Agri-FinTech startup Tingo. This alliance will give regional clients effective decentralized finance (DeFi) lending and borrowing solutions, giving them more financial power.

Tingo Mobile: It is a leading African Agri-Fintech startup that improves connectivity and access to technology and financial services. GSM-enabled smartphones provide a comprehensive platform service to revolutionize rural farming communities. Tingo helps subscribers and farmers in and outside the agriculture sector to successfully handle commercial activities including production and sales to both local and global market participants.

Bekonta: This Nigerian fintech firm is using blockchain and DeFi to help underserved people. Nigerians can buy Ethereum, BNB, USDT, Tron, and more on their automated platform to access DeFi protocols. They can stake, lend, and invest in DeFi initiatives to earn income. Bekonta provides

blockchain services to help Nigerians use DeFi protocols by connecting them to breakthrough technologies. Blockchain-based DeFi allows transactions such as borrowing, lending, trading, and more without intermediaries. Its DeFi system tokenizes real estate and voting rights, cut costs, speed up transactions, and increase savings yields. Bekonta feels that linking Nigerian young people to this new technology will open up endless opportunities.

Masa Finance: It is a Silicon Valley DeFi protocol that has teamed with African financial data startup Pngme to promote DeFi credit services in Nigeria and Kenya. The cooperation will provide DeFi lenders in the region access to more than 250 off-chain financial information sources, including credit bureau data, to automate lending decisions through smart contracts while protecting data. Pngme's credit and lending API collects and aggregates financial data on credit-invisible and thin-file users, helping digital banks and fintechs understand previously underserved customers. This collaboration introduces DeFi lending and off-chain credit rating to emerging markets. Masa plans to promote decentralized lending products like SME loans, mortgages, and micro-loans across Africa, where demand for DeFi and bitcoin services is rising. The alliance will use Kenya and Nigeria's expanding crypto acceptance to empower financially disenfranchised people.

Cross-Border Remittance and Payment Platforms

The **Kudi Exchange:** This blockchain-based remittance network allows Nigerians overseas send money home easily and cheaply. Kudi Exchange's blockchain-powered cross-border remittances improve financial inclusion by making them faster, safer, and cheaper.

Flutterwave: Nigeria's leader payment technology business offers a blockchain-based platform for cross-border payments. Flutterwave Barter uses blockchain technology to securely transfer money across borders.

BitPesa: This blockchain-based remittance platform lets Nigerians and other Africans send and receive money. Blockchain technology enables rapid, cheap, and transparent cross-border transactions.

SureRemit: A blockchain-powered platform for cross-border mobile money transfers and bill payments. It allows users send digital vouchers for specific items and services to Nigerian and other recipients, making it easy and affordable to help loved ones financially.

AZA: AZA is a blockchain-powered Nigerian cross-border payment and remittance platform. AZA Finance uses blockchain technology to make cross-border transactions secure and seamless, focusing on emerging market liquidity.

Bitsika: This blockchain-based payment tool allows rapid international money transfers. It supports numerous cryptocurrencies and fiat currencies, making payments easy and borderless for Nigerians and others.

Cryptocurrency

Regulatory Clarity and Oversight

In 2023, the Securities and Exchange Commission (SEC) is poised to regulate bitcoin more broadly. Cryptocurrency adoption by consumers and institutions has put pressure on authorities to offer clarity and investor protection. The SEC has sued multiple cryptocurrency exchanges for securities law violations, demonstrating its participation in the crypto market. Besides, the SEC has requested public opinions on its digital currency policy and begun investigations into digital currency exchanges' fiduciary requirements. These changes could affect cryptocurrency marketing, trading, and investor holdings. The SEC wants to stabilize and legitimize the fast-growing crypto business.

Addressing Crypto-Related Fraud and Scams

Nigeria's Cryptography Development Initiative (CDIN) created the Nigeria Blockchain Alliance (NBA) to fight cryptocurrency-related crimes. The NBA unifies law enforcement, lawyers, forensic scientists, governmental organizations, and other partners to fight such crimes.⁴ The project supports the government's fight against electronic fraud and protects Nigeria's digital innovation brand. Nigerian fraudsters quickly embrace new technologies, so authorities and financial system operators must be informed and involved in blockchain development. With banks and law enforcement, the NBA has made headway against cryptocurrency scams. The alliance collects, verifies, and archives cryptocurrency fraudsters. The NBA provides transparency and collaboration in the uncontrolled cryptocurrency sector. It is a non-profit organization comprised of young people from various industries, including police, cybersecurity, legal, and finance. The partnership protects public safety, fights bitcoin and blockchain crime, and grows the sector. Working with government and business groups to prevent reputational damage and create a policy framework is the short-term goal. Long-term goals are to raise knowledge, deter criminality, protect the public, and open new employment and commercial possibilities in Nigeria's cryptocurrency and blockchain ecosystem.

⁴ Iyke Aru, "Nigerians Declare War on Cryptocurrency Scam," Cointelegraph, January 4, 2017, <https://cointelegraph.com/news/nigerians-declare-war-on-cryptocurrency-scam>.

Enhancing Financial Inclusion

Cryptography Development Initiative in Nigeria (CDIN):

CDIN promotes blockchain, cybersecurity, and cryptography in Nigeria. They promote financial inclusion through awareness, innovation, and education on cryptocurrencies and blockchain technology for financial services.

The Paxful Peer Program: It empowers Nigerians to become peer mentors and assist their communities use cryptocurrencies. The initiative trains and supports participants to promote the benefits and safe use of cryptocurrencies for financial inclusion.

Encouraging Innovation and Research

Convexity Blockchain center (CBHUB), Nigeria's first specialized blockchain center, has opened in Abuja, the country's capital city. In conjunction with the Blockchain Nigeria User Group (BNUG), the hub will foster blockchain-based innovation and solutions in Nigeria. CBHUB provides non-cryptocurrency blockchain solutions like humanitarian aid distribution and certificate counterfeiting. The event also marked the launch of Africa's first crypto forensics lab in conjunction with Chainalysis to investigate crypto-related crimes. CBHUB marks Nigeria's blockchain adoption path, but conflicting government policies and laws continue to confuse blockchain aficionados.

Promoting Public Education and Awareness

The Stakeholders in Blockchain Technology

Association of Nigeria (SiBAN): It educates and promotes Nigeria's blockchain and cryptocurrency community. They promote blockchain use, consumer protection, and regulator collaboration. SiBAN secures the blockchain space and empowers Nigerians to make the most of blockchain technology.

The Cryptopreacher Blockchain Academy in Lagos, Nigeria: It teaches about blockchain technology and cryptocurrencies. They feel now is the best time to invest in cryptocurrencies and intend to educate people about the crypto industry, especially during difficult market conditions.

Blockchain Vibes: It is Africa's leading blockchain tradeshow. Small, medium, and large businesses in Africa's digital, tech, and crypto ecosystem can learn and network at it. This expo empowers businesses with blockchain technology and its applications to boost regional growth and innovation. Blockchain Vibes will change African business through education and collaboration. Blockchain Vibes is hosting the East Africa Digital Innovation Summit in July 2023 to bridge Africa's digital development. Industry executives and innovators from Kenya, Rwanda, and Uganda will debate strategic issues and foster innovation at the conference. The purpose is to help industry players

traverse the ever-changing digital world by sharing expertise and information. The vision is to boost economic growth by combining current digital transformation solutions with future innovations.

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