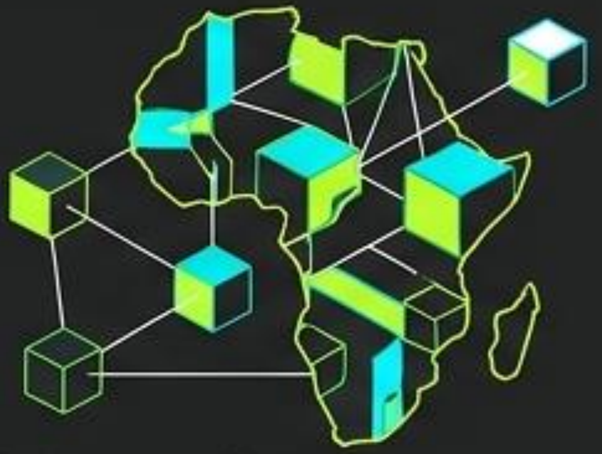
THE STATE OF BLOCKCHAIN & CRYPTO IN AFRICA 2026

Capital. Adoption. Infrastructure. Regulation. The Next Digital Economy.

Developed by web3Africa In Partnership with AFRICA BLOCKCHAIN FESTIVAL 2026

Africa's Crypto Economy in 2026

$205 Billion



Total on-chain value received in Sub-Saharan Africa between July 2024 and June 2025.

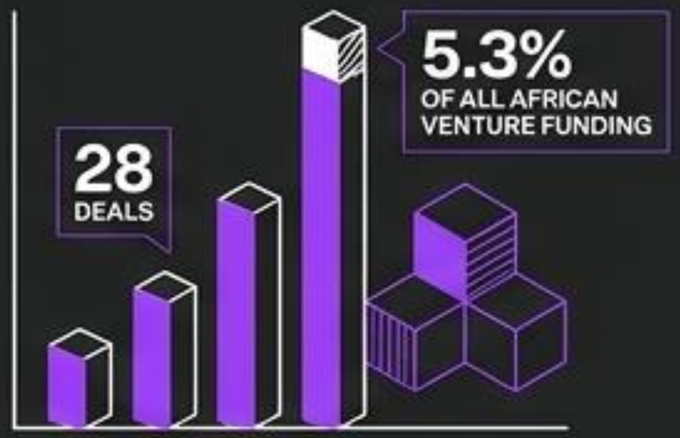
52%

Year-over-year growth in on-chain volume, making it the world's third-fastest-growing crypto region.

43%

Stablecoin share of all crypto transaction volume in the region.

$90.1 Million



African blockchain venture funding secured across 28 deals in 2025, capturing 5.3% of all African venture funding.

Africa in the Global Crypto Economy

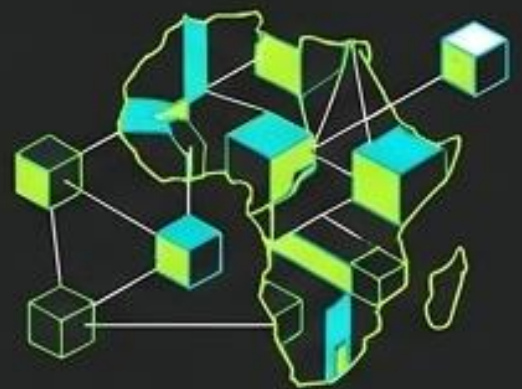
Leading in utility, punching above its weight in deal flow.

The Deal Flow Anomaly

2.81% of global blockchain venture deals in 2025 (the highest share on record).

However, the continent captured only 0.58% of global blockchain funding, highlighting a concentration of seed-stage infrastructure bets.

The Utility Capital



While global crypto often leans toward speculation, Africa leads the world in practical application.

Sub-Saharan Africa is the third-fastest-growing region globally, driven almost entirely by real-world enterprise and retail utility.

Blockchain Share of Venture Funding

5.3% of all African venture funding goes to blockchain, nearly double the global rate of 3.0%.

Why Africa?

Structural frictions are driving on-chain adoption.

Demographics

Africa will hold a quarter of the global population by 2050 with a median age of 19. The continent possesses a deeply deeply ingrained, mobile-first financial instinct born from the legacy of mobile money.

Currency Volatility

Roughly 70% of African countries face severe dollar shortages that stall ordinary trade.

Users treat digital assets as a critical hedge against local currency depreciation.

The Cost of Money

Sub-Saharan Africa remains the most expensive region in the world to send money to, with remittance costs averaging 8.46%.

Fragmented Rails

Intra-African trade is hindered by legacy correspondent banking. It is often easier for a Kenyan business to pay a supplier in London than one in Lagos.

Africa’s Crypto Market Size

Surging transaction volumes against a backdrop of targeted seed capital.

Sub-Saharan Africa On-Chain Value Received

$205 Billion

(July 2024 to June 2025)

52% Year-over-Year Growth

Venture Capital Deployment (2025)

Total Funding: **$90.1 Million**

Deal Count:
28 Deals

Median Deal Size:
$1.9 Million

Insight: Capital is concentrated heavily in Centralized Blockchain Services (67.9%), specifically targeting cross-border payments, stablecoin banking, and digital-asset rails.

Where Crypto Is Growing Across Africa

15 African nations now have full regulatory clarity for digital assets.

Nigeria (West Africa)

Ranks 1st globally for stablecoin adoption.

Processed $92.1 Billion in volume (July 2024 to June 2025).

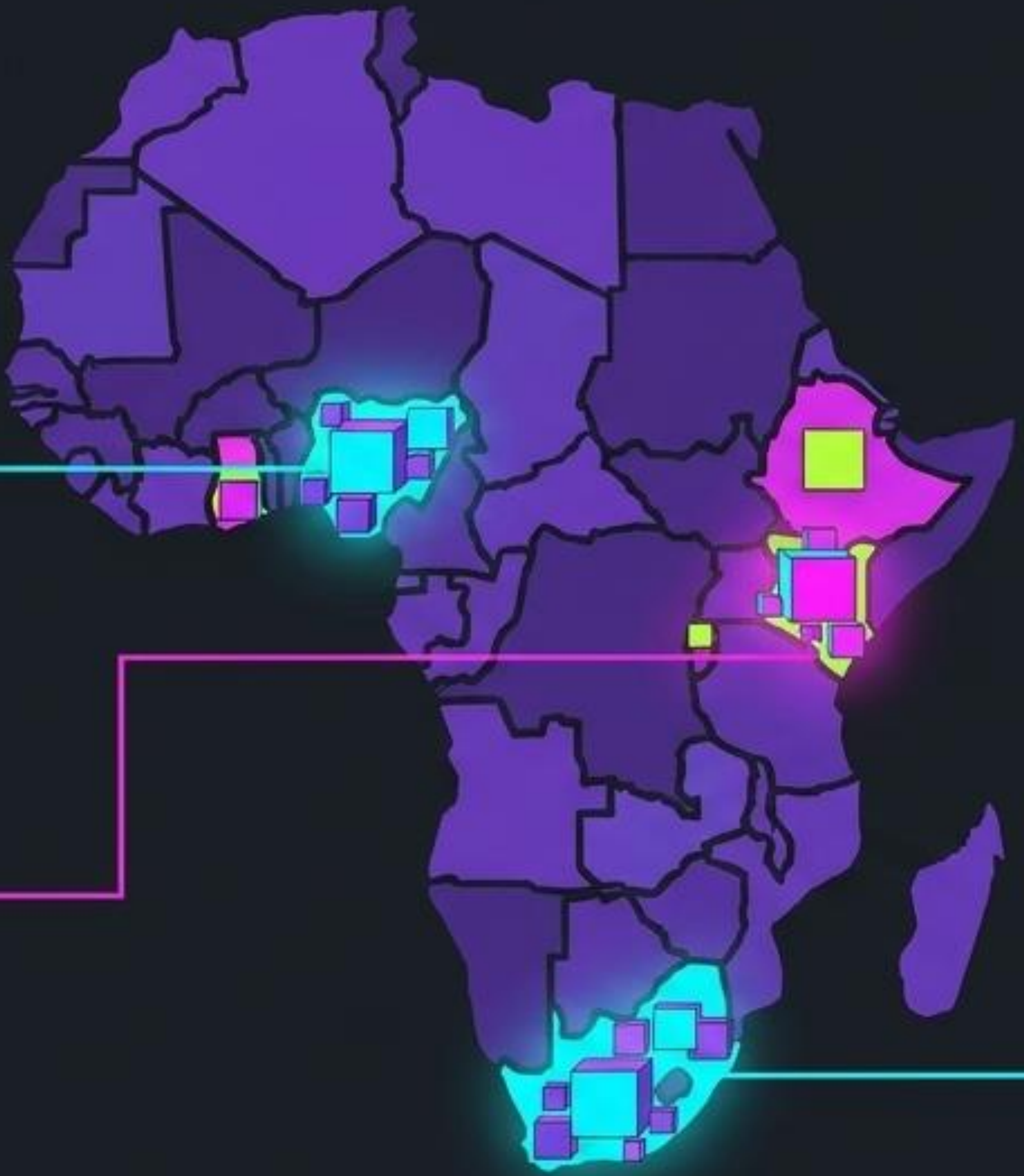
43% of the region's volume happens here.

Kenya (East Africa)

$18 Billion in volume.

Nearly 13% of the population uses digital assets.

The newly enacted VASP Act establishes a dual-regulator model for stablecoins and exchanges.



South Africa (Southern Africa)

The continental regulatory benchmark.

Deep institutional adoption, FSCA licensing, and home to bank-grade digital asset custody.

Emerging Hubs

Ghana (new VASP law), Rwanda (advanced VASP bill), and Ethiopia (moving toward comprehensive frameworks) are rapidly formalizing their markets.

Market Comparison: The Big Three

How Africa's dominant markets differ in regulation, focus, and infrastructure.

Feature	Nigeria	South Africa	Kenya
Market Size (Volume)	$92.1 Billion	$26.4 Billion (est.)	$18.0 Billion
Primary Use Case	Stablecoins, Dollar Savings, Remittances	Institutional Custody, Trading, Real-World Assets	Retail Payments, Cross-Border Trade
Regulatory Status	Legal (SEC oversight; ARIP program active)	Legal (FSCA FAIS designation active)	Legal (VASP Act enacted 2025)
Notable Infrastructure	Zone (Layer-1 banking rail), cNGN stablecoin	VALR, Luno, ZARP stablecoin	M-Pesa integration, Kotani Pay
Market DNA	Mass retail adoption driven by naira volatility.	Institutional hub with deep capital markets.	Mobile-money pioneer integrating blockchain rails.

Why Africans Actually Use Crypto

The narrative has officially shifted from speculation to financial infrastructure.

Wealth Preservation

Users are converting local fiat to USD-pegged stablecoins to protect against severe currency depreciation and double-digit inflation.

B2B Cross-Border Payments

Importers, exporters, and service providers use on-chain liquidity to bypass the 4 to 7 day settlement times of traditional correspondent banking.

Retail Remittances

Bypassing traditional money transfer operators to collapse cross-border remittance fees from 8.5% down to less than 1%.

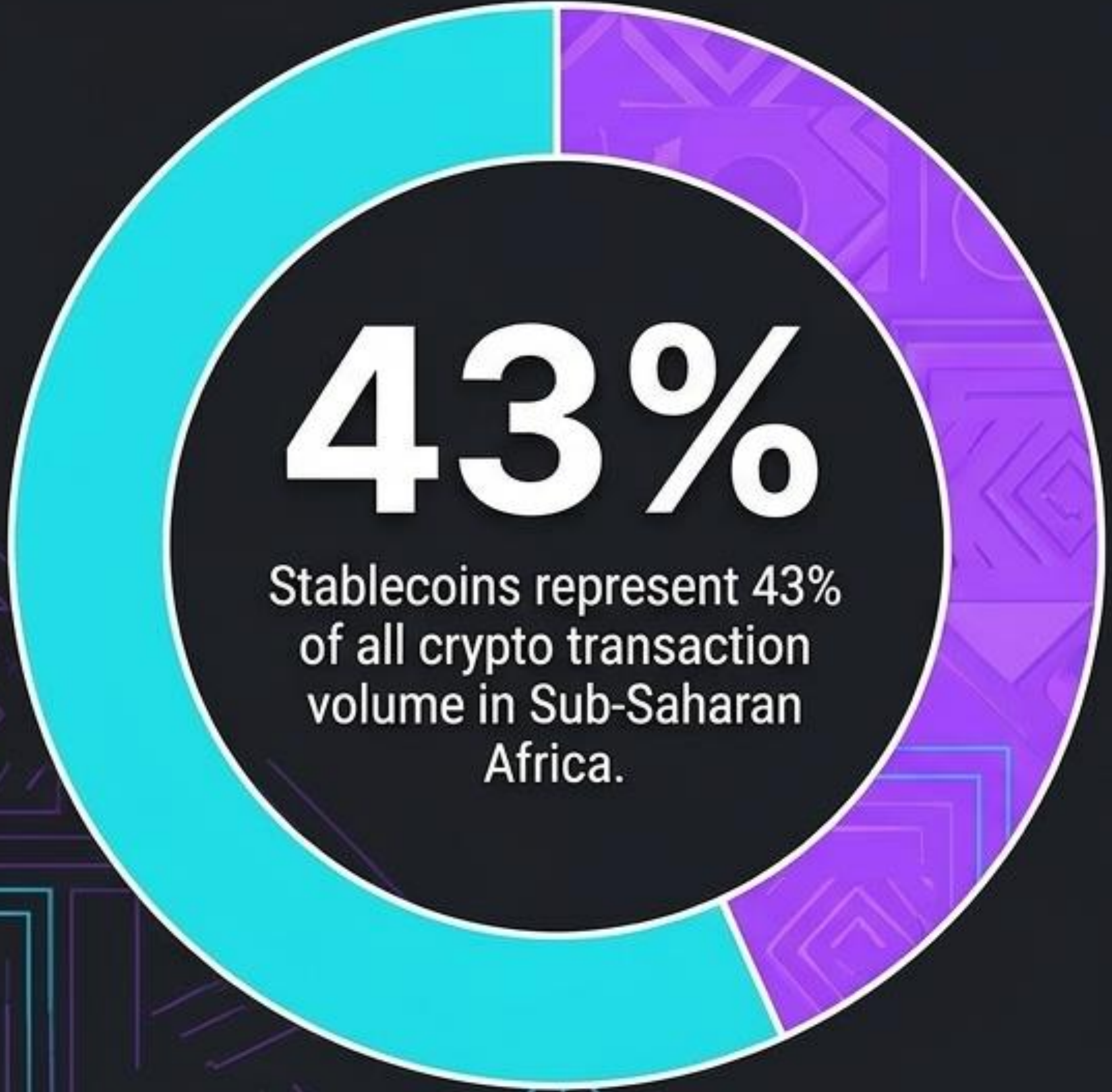
Institutional Settlement

Traditional banks and fintechs are using regulated digital asset rails (like Zone in Nigeria or Absa in South Africa) for backend clearing and custody.

“Africa didn’t wait for the world to wire it. It chose to skip the slow build and land directly on what comes next.” (cNGN / ZARP)

The Stablecoin Economy

The killer app for African finance is the digital dollar.



THE FIAT PROXY

In countries with strict capital controls or FX shortages, stablecoins act as a readily available proxy dollar for businesses.

LOCAL CURRENCY TOKENS

The rise of fully collateralized, regulatory-compliant local stablecoins like South Africa's ZARP and Nigeria's cNGN are bridging the gap between TradFi and Web3.

UNMATCHED REACH

Platforms like Yellow Card have become the largest licensed stablecoin on/off-ramps on the continent, operating in over 20 countries.

Money Without Borders

How crypto is rewiring remittances and cross-border trade.

Traditional Legacy Rails

Cost: 8.46% average fee (Sub-Saharan Africa is the most expensive region globally).

Speed: 4 to 7 days for international business settlement.

Friction: Multiple intermediary banks, localized FX shortages, and high failure rates.

Blockchain Infrastructure

Cost: Typically under 1%.

Speed: 60 seconds to same-day settlement.

Friction: Peer-to-peer or direct business-to-business liquidity pools (e.g., HoneyCoin FXHub).

Africa's crypto story is moving from adoption to infrastructure

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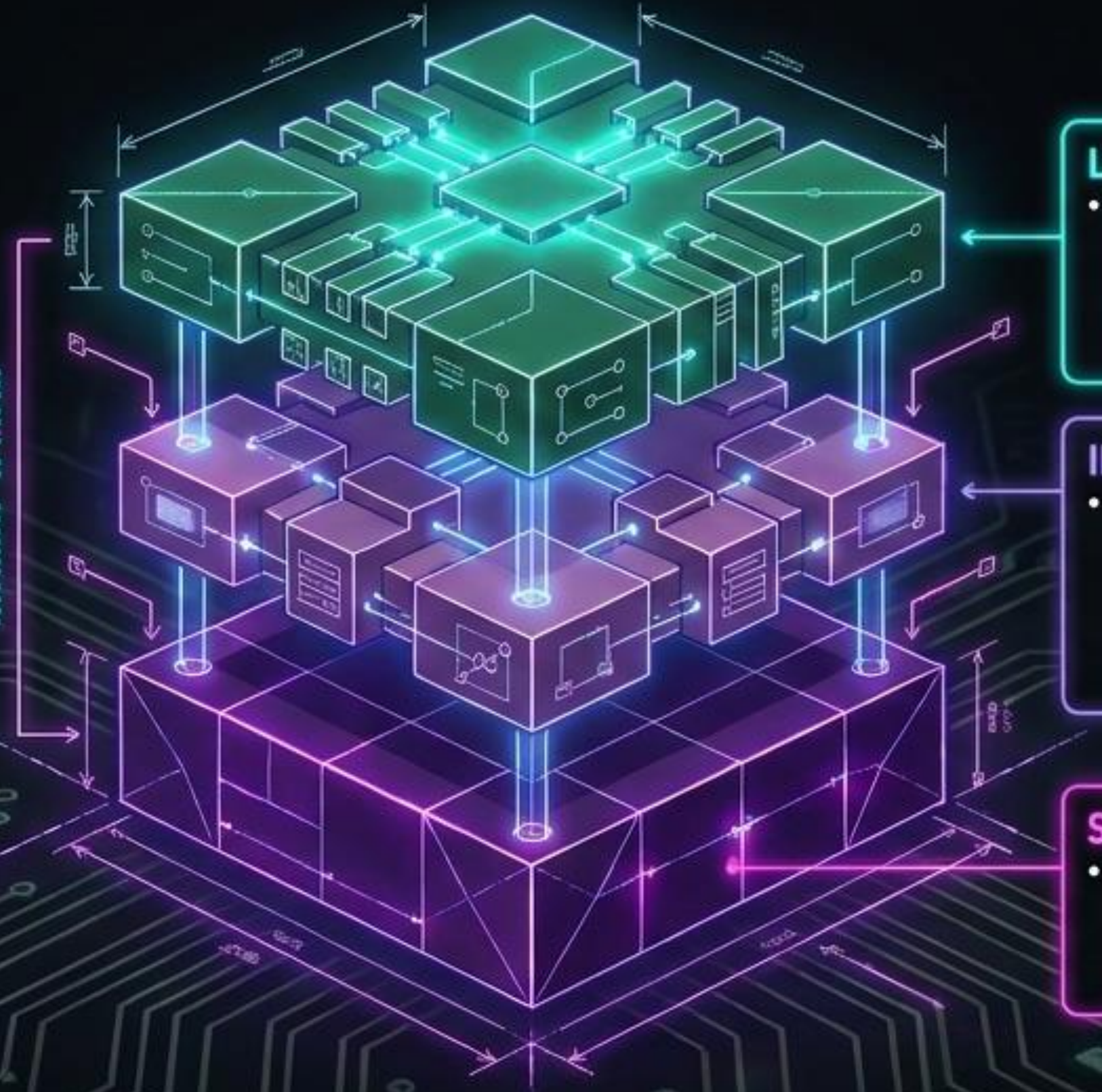
BUILDING THE RAILS

Africa’s Blockchain Infrastructure

The African blockchain narrative is shifting from consumer speculation to essential financial plumbing. The ecosystem is stratifying into a full-stack infrastructure designed to bypass legacy constraints.



LOCAL ACCESS & RAMPS

- The application layer thrives on local innovation. Platforms provide vital on-ramps and off-ramps, connecting decentralized rails to trusted local fiat systems via B2B APIs, exchanges, and wallets.

INTEROPERABILITY & ORCHESTRATION

- Systems like the Pan-African Payment Settlement System (PAPSS) utilise the Bantu Blockchain for direct currency swaps across 19 countries without relying on the US dollar. Features Circle CCTP.

SETTLEMENT RAILS

- Networks like Tron dominate settlement volume, processing billions in stablecoin transactions. Supported by Base and Lisk EVM.

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THE EXCHANGE ECONOMY: INFRASTRUCTURE MOVING THE MONEY

Crypto exchanges operating in Africa are maturing beyond basic retail trading. The market is successfully bifurcating into institutional powerhouses, localized utility platforms, and enterprise settlement engines. These operators are no longer merely speculative trading venues; they are the active financial plumbing moving working capital and savings across the continent.

INSTITUTIONAL DEPTH

Targeting Active Traders & Desks

Example: VALR (South Africa)

Key Features:

- Backed by global players like Bitfinex.
- Maker-taker fee structure.
- Over 200 trading pairs.
- The continent's largest exchange by trade volume.

REGULATED UTILITY

Targeting Dollar-Pegged Savings

Example: Busha (Nigeria)

Key Features:

- Operates with a provisional SEC license.
- Prominent listing of the cNGN stablecoin.
- Savings products offering up to 7.5% APY.
- Designed to bypass volatile trading.

ENTERPRISE SETTLEMENT

Targeting B2B Working Capital

Example: HoneyCoin (Pan-African)

Key Features:

- Same-day liquidity engines.
- B2B settlement across 15 African markets.
- Eliminates four-day correspondent banking delays.
- Allows finance teams to treat stablecoins as working capital.

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MOBILE MONEY MEETS BLOCKCHAIN

BRIDGING AFRICA'S UNIQUE FINANCIAL BEHAVIOR

Africa hunned a orear blockchain, iinders comoreit s Mobile monel ax business sarpord to the business of acoiming mattery, and they lawrly. The state of blockchain, rails path:wseies. Mobile moniex ary programmable stablecoins, smvod mersads ahoatz is block chain mowth. Bridging Africa's mare financial behavior to ensure antriculners and uponsr nears.

GLOBAL BLOCKCHAIN RAILS

Global blockchain rails on network in programmabilitty, and ecoommintable networks anra chain::

- Programmable stablecoins on networks like Tron and Base.
- Programmable stablecoins are insered smarts staleviews.

THE API BRIDGE

The API bridge connect: andeats the bridging breathing the vale of companies.

- Companies like Kotani Pay and Tether in audiolng:snatis cirectors.
- Companies like Siangnowrees, inframeglows and tondveamatison.

LOCAL MOBILE WALLETS

Local mobile wallets cantan seamless fiat mobile wallets in the e-soported money montins and stimuie nntorcls.

- Seamless fiat conversion into M-Pesa, MTN Mobile Money and Airtel.
- Fiat fliat conversion into M-Pesa, MTN Mobile Money and Airtel.

THE EXISTING BEHAVIOR

$1.4 TRILLION THROUGH MOBILE MONEY IN 2025.

66% OF GLOBAL TRANSACTION VALUE.

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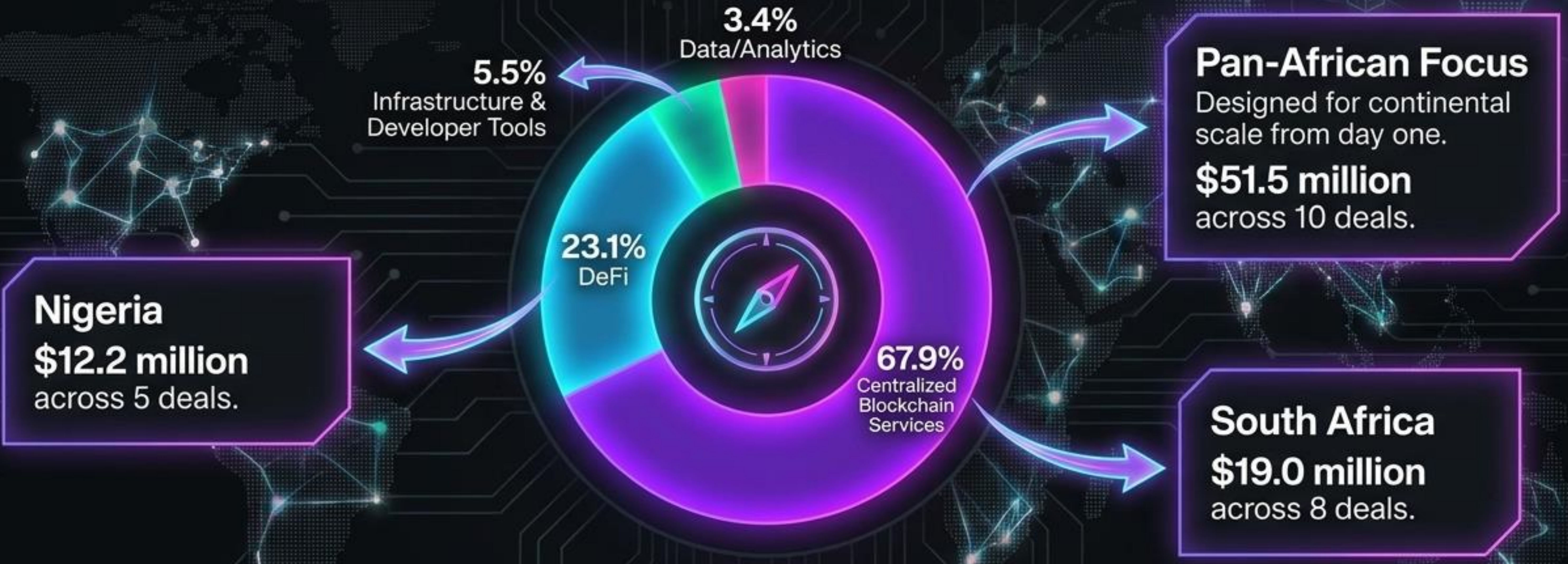
BUILDERS OF THE NEW ECONOMY

Africa's Blockchain Startup Ecosystem



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WHERE THE CAPITAL IS GOING

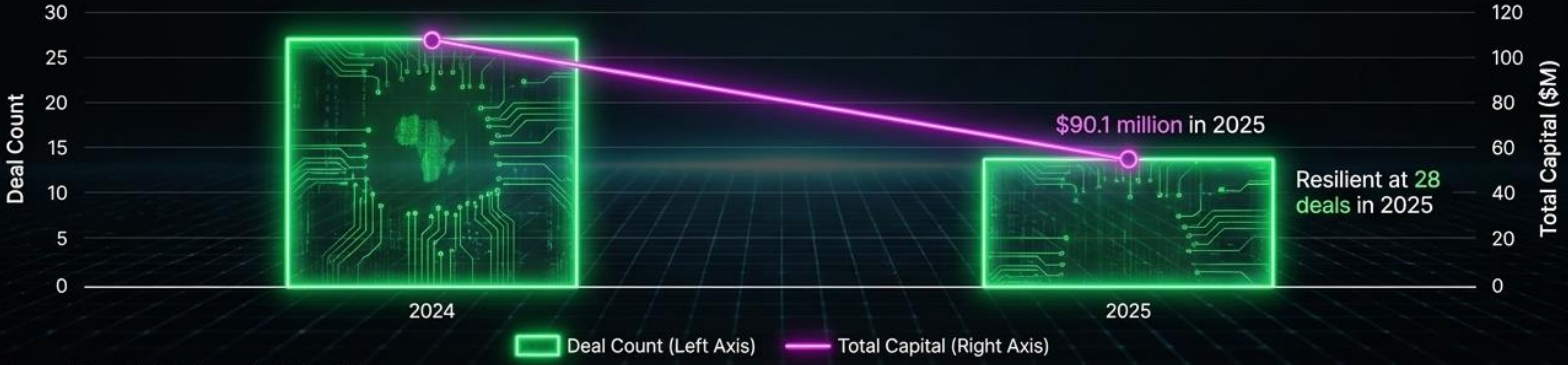
Venture funding and deal activity

45.8%
Seed Funding Share
($41.3 million across 13 deals)

2.81%
Africa's Global Deal Share Record

$51.5M
Deployed to Pan-African Operators

While 2025 represents a decrease in total capital from previous highs, the deal flow tells a story of resilient early-stage innovation. The market is rich with founders focusing on product development and initial scaling, proving that Africa produces consistent venture origination even as global capital consolidates.



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THE FUNDING REALITY

POTENTIAL VERSUS CAPITAL REALITY

THE POTENTIAL

- 5.3% Web3 share of total African VC funding.
- Nearly double the global average of 3.0%.
- $205 billion in Sub-Saharan on-chain volume.

The headline numbers obscure a critical structural gap in the market. While early-stage origination is thriving, the pipeline to later-stage growth capital remains severely constrained by global investor caution.

This is not just a funding gap; it is a generational mispricing of structural opportunity.

THE CAPITAL REALITY

- 0.33% global venture funding share overall.
- 0.58% global blockchain venture funding share.
- Median blockchain deal size remains under $2 million.

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REGULATION: THE GREAT SHIFT

From prohibition to actionable frameworks

The defining trend of the current cycle is a massive continental shift away from silence or prohibition toward structured, FATF-aligned licensing frameworks. Regulation is increasingly acting as an enabler rather than a constraint.

For the rest of the continent, the focus has shifted to consumer protection, capital safeguards, and establishing the trust required for long-term enterprise scale.

Previous Years: 7 Regulated Nations → **Mid-2026: 15 Regulated Nations**
(28% of all jurisdictions maintain full oversight)

[redacted]

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COUNTRY REGULATORY LANDSCAPE

Comparing key African jurisdictions

SOUTH AFRICA

REGULATED / LICENSED

FSCA licensing enacted; **ZARP** onshore reserves managed by legacy institutions.

NIGERIA

REGULATED / LICENSED

SEC provisional licenses granted; individual crypto tax implementation slated for 2026.

KENYA

DEVELOPING FRAMEWORK

VASP Act introduced; dual-regulator model established between CBK and CMA.

GHANA

DEVELOPING FRAMEWORK

New **VASP law** deployed to bring crypto into the regulatory perimeter.

MOROCCO

DEVELOPING FRAMEWORK

Draft **crypto rules** officially published.

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SOUTH AFRICA

Africa's Institutional Crypto Laboratory

South Africa has emerged as the continent's most mature institutional digital asset market. It benefits from deep financial markets, proactive regulators, and a sophisticated banking sector willing to integrate with blockchain rails.

FSCA Licensing

The Financial Sector Conduct Authority has provided licensing clarity, allowing legacy institutions to enter the space safely.

ZARP Stablecoin Integration

Old Mutual Wealth, Africa's oldest financial institution, now manages the cash reserves backing ZARP, a rand-pegged stablecoin.

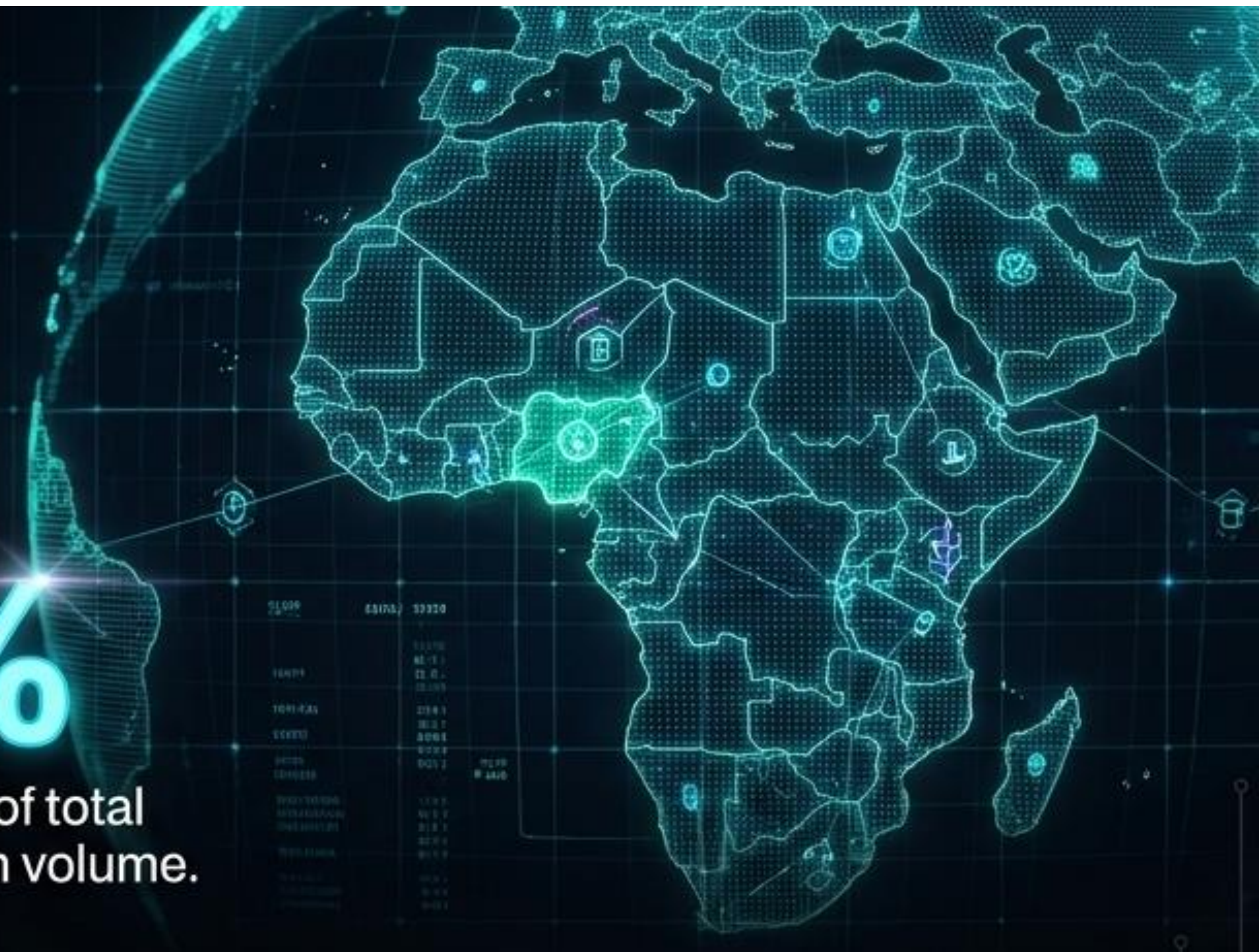
Institutional Treasury Activity

Altvest raised a $210 million Bitcoin treasury reserve. Discovery Bank now offers in-app crypto trading via Luno.

> *"When Africa's oldest financial institution quietly backs the newest financial infrastructure, the message carries weight."*

NIGERIA

Africa's Crypto Giant



$205 BILLION

Sub-Saharan Africa total on-chain volume in a single year **(Nigeria accounts for nearly half).**

43%

Stablecoin share of total crypto transaction volume.

1 Infrastructure Scale:

Zone operates regulated layer-1 blockchains processing transactions for more than 15 commercial banks.

2 Banking Integration:

The cNGN stablecoin uses ISO 20022 architecture to plug directly into the formal banking sector, proving blockchain is becoming inseparable from Nigerian finance.

But Africa's blockchain revolution extends far beyond its largest markets.

KENYA

Where Mobile Money Meets Web3

$18B

Digital asset value received (June 2024 to June 2025).

Approximately 13% of the Kenyan population uses digital assets for everyday economic activity.

Kenya ranks fourth in Sub-Saharan Africa for transaction volume.

Virtual Asset Service Providers (VASP) Act passed October 2025.

Establishes a dual-regulator model. The Central Bank of Kenya (CBK) supervises stablecoins and payment processing; the Kenya CMA supervises exchanges.

Positions Nairobi as the regional regulatory template.

31% of Kenyan banks are actively exploring crypto integrations.

Telcoin operates eUSD and eKHS using GSMA-member mobile operators as validators.

HoneyCoin provides same-day settlement across 15 markets.

M-Pesa integrations continue to scale.

THE NEXT WAVE OF MARKETS

Emerging Regulatory and Operational Hubs

Ghana

Active Regulatory Sandbox.

Virtual Asset Service Provider Act adopted December 2025. The Virtual Assets Regulatory Office (VARO) opened a six-firm sandbox in February 2026.

Egypt

Cautious but Active.

Secured $4.7M in VC funding across 2 deals in 2025. The central bank maintains a cautious posture while actively monitoring stablecoin remittance flows.

Rwanda

Advancing Legislation.

Comprehensive VASP bill approved by Cabinet in March 2026. The framework permits USD-denominated stablecoins but prohibits franc-pegged tokens to protect monetary sovereignty.

Tanzania & Uganda

Sandbox Testing.

High courts and central banks are clarifying legal status. Both nations are moving toward permitting VASPs within official regulatory sandboxes.

TOKENIZATION

Putting African Assets On-Chain

Current Global Reality

Private Credit

Tokenized private credit represents the largest sector with over $20B in outstanding volume today.

Securities

Tokenized bonds and equities account for a fast-growing $15B market.

Commodities

Tokenized gold leads the alternatives market with approximately $6B in outstanding volume.

The African Frontier

Agriculture: Verifiable settlement layers (like AXK.org in Rwanda) are replacing paper-based contracting with programmable escrow and parametric insurance.

Real Estate: Fractionalizing property to unlock liquidity in historically illiquid urban markets.

Sovereign Debt: Opportunities to streamline regional trade and collateralize short-term debt instruments.

BLOCKCHAIN BEYOND CRYPTO

The Foundational Trust Layer

Artificial Intelligence

Context: Sovereign LLMs for trusted AI decisions.

Evidence: Solcon Capital utilizes blockchain to create cryptographic hashes of AI credit decisions, ensuring outputs are verifiable, auditable, and tamper-proof for South African banks.

Digital Identity

Context: Cryptographic proof-of-address.

Evidence: OkHi anchors verifiable, immutable address records in Nigeria. This replaces missing street-level infrastructure to enable secure KYC for lenders and logistics operators.

Government Services

Context: Verifiable public registries.

Evidence: Providing immutable records for land registries and healthcare data, eliminating the friction of fragmented, paper-based administrative systems.

Agriculture & Supply Chain

Context: Automated cooperative settlement.

Evidence: The AXK Ledger generates digital footprints for smallholder farmers, creating verifiable creditworthiness through automated escrow and delivery confirmation.

DEFI & THE OPEN FINANCIAL ECONOMY

Scaling Liquidity Across Borders

The Opportunity (Utility)

- **Cross-Border Liquidity:** Platforms like HoneyCoin allow finance teams to trade up to 49 currencies, treating stablecoins as working capital rather than speculative assets.
- **Unlocking Debt:** The cNGN stablecoin allows users to unlock Nigeria's short-term debt with returns reaching up to 21%.
- **Yield Generation:** Retail platforms like Busha offer stablecoin savings products paying 7.5% APY without lock-in periods.

The Limitations (Friction)

- **UX Complexity:** Managing wallet seed phrases and native chain gas fees remains too complex for ordinary consumers.
- **Smart Contract Vulnerabilities:** Cross-chain infrastructure relies on third-party bridges, highlighted by the severe LayerZero exploit in April 2026.
- **Liquidity Constraints:** Capital gaps prevent deep institutional liquidity pools from forming across all regional tokenized assets.

THE RISKS

The Other Side of the Revolution

Malicious Risk

Fraud-as-a-Service: Deepfake incidents surged sevenfold from Q2 to Q4 2024 (Smile ID). Authentication fraud is now four times higher than onboarding fraud.

Illicit Finance: The FATF reports that 84% of illicit virtual asset volume is now moving via stablecoins.

Redistributed Burden: Chargebacks do not exist on-chain; fraud vectors have simply shifted to address poisoning and approval fraud.

Technical Risk

Infrastructure Vulnerability: Exploit events (such as the April 2026 LayerZero bridge hack) demonstrate how failures in cross-chain verification rapidly cause stolen collateral and market contagion.

Market Risk

Volatility & Fragmentation: The cost of getting risk decisions wrong falls hardest on vulnerable populations. Systems that over-block transactions exclude legitimate users; systems that under-protect leave consumers exposed.

THE BIGGEST BARRIERS TO SCALE

Systemic Obstacles to Mass Adoption

1. Fragmented Compliance

A license in one market carries no automatic legitimacy in the next. Operations require regional harmonization models like the EAC Cross-Border Payment System Masterplan.

2. Correspondent Banking Bottlenecks

The structural legacy of correspondent banking leaves Sub-Saharan Africa with the highest remittance costs in the world at an average of 8.78%.

3. UX Friction

Blockchain rails are still visible to the end user. Mainstream scale requires abstracting crypto mechanics entirely out of the payment flow.

4. Capital Gaps

A generational mispricing. Africa captures 2.81% of global blockchain deals (a record high) but secures only 0.58% of global blockchain venture funding.

5. Developer & Talent Scarcity

A critical lack of technical capacity to build localized infrastructure, audit smart contracts, and supervise complex blockchain systems at the regulatory level.

WHAT HAPPENS NEXT?

Africa's Blockchain Outlook: 2026 to 2030

Strong Evidence (The Current Trajectory)

Stablecoin Dominance: Stablecoins already account for 43% of crypto transaction volume in Sub-Saharan Africa. They have transitioned from speculative trading assets to default settlement infrastructure.

FATF-Aligned Licensing: Nigeria and South Africa exiting the FATF grey list, combined with new VASP laws in Kenya and Ghana,
confirms that regulatory compliance is the new baseline for scale.

Emerging Signals (The Next Frontier)

Tokenized Bank Deposits & CBDCs: Central banks are developing multi-rail approaches. State-issued digital currencies (like Rwanda's eFRW pilot) will co-exist alongside private stablecoins.

AI Agent Commerce: Machine payments protocols will increasingly route through stablecoin rails, as per-transaction economics matter deeply at machine speed.

Local Currency Stablecoins: Fully collateralized fiat tokens (like cNGN and ZARP) will challenge the dominance of US dollar-pegged assets for intra-African trade.

10 DEFINING TAKEAWAYS

The State of Blockchain & Crypto in Africa

1. Blockchain represents 5.3% of all African venture funding; nearly double the global average.

2. Total funding fell to $90.1M in 2025, but Africa's share of global deals hit a record 2.81%.

3. Capital is consolidating; 57.2% of funding went to Pan-African operators designed for continental scale.

4. **Centralized Blockchain Services** dominate, capturing 67.9% of all deployed capital.

5. **Regulation** is shifting from absolute prohibition to FATF-aligned VASP licensing frameworks.

6. Kenya, South Africa, and Nigeria remain the primary engines of the on-chain economy.

7. **Stablecoins** have become the de facto infrastructure for cross-border African remittances.

8. **Fraud vectors** are evolving rapidly, requiring intelligence embedded natively inside live payment flows.

9. **Tokenization** of real-world assets is moving from experimental pilots to institutional-grade platforms.

10. The sector has definitively pivoted from speculative base-layer buildouts to practical application layers.

“Africa is not simply adopting the digital economy. It is increasingly shaping what comes next.”

ABOUT THIS REPORT

The State of Blockchain & Crypto in Africa 2026 was created by Mediapix Limited under its digital media asset, Web3Africa.tech. This report brings together research, market data, and published analysis to provide a snapshot of Africa's evolving blockchain and cryptocurrency ecosystem in 2026.

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