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Cryptocurrency Adoption in Africa 2019-2024

WHAT'S THE RECEPTION LIKE?

2024

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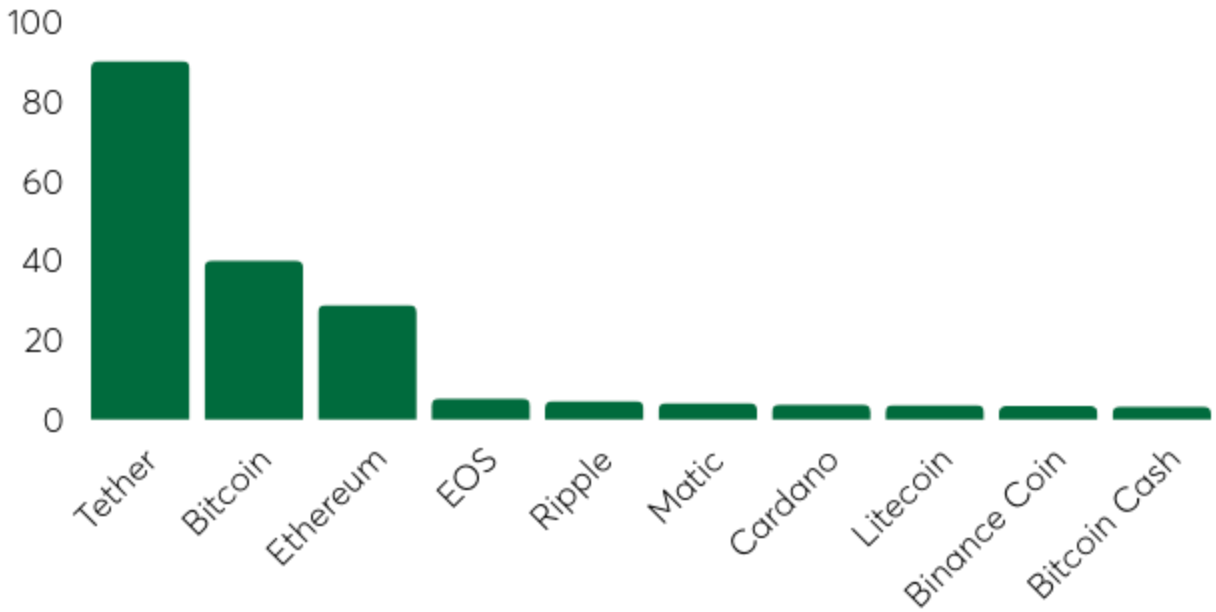
The unbanked status of Africa's population has spurred a continual search for alternative financial service providers.

1.5 billion People live in Africa making it the second-most-populous continent globally and taking 18.3% of the total world population!

However, 50% of the population remains unbanked due to historical challenges, which have posed longstanding obstacles to her infrastructural development, contributing to limited accessibility to financial services.

Cryptocurrency is the new age financial innovation designed not only to become a cash alternative but also to support the existing systems



Overview of Crypto Activity in Africa Between 2019-2024

Africa has emerged as the leader in peer-to-peer (P2P) payment platforms, surpassing other regions in transaction volume. This can be attributed to the stringent regulatory measures and restrictions in place.

$105B

worth of crypto assets was traded by Africans between July 2020 and June 2021, accounting for a 1,200% growth in crypto value.

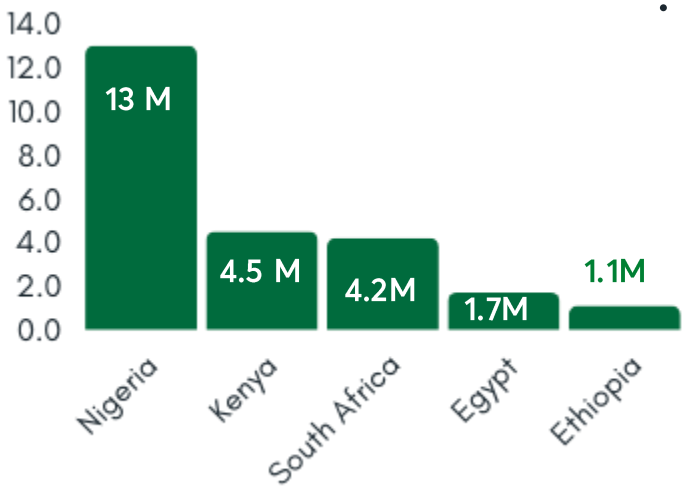
In 2024, H2O Securities Launched the world's first crypto water token and raised $150 million to address water scarcity and infrastructure funding gaps.

A $20 million shopping mall in Nairobi is being tokenised by Real Estate developer Africa Digital Assets in Kenya, enabling fractional ownership and democratizing access to real estate investment.

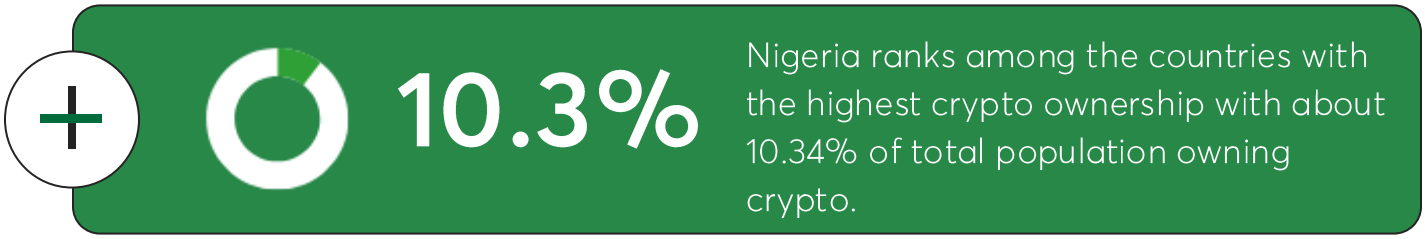
In April 2022, a Nigerian coffin dance meme and the artwork of an elderly man were each sold for over $1 million

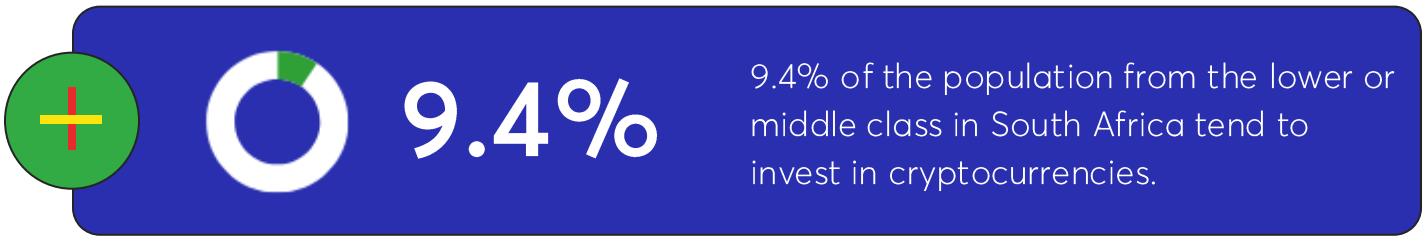
In H1 2024, the representation of Africa's crypto startups increased to 5.2%.

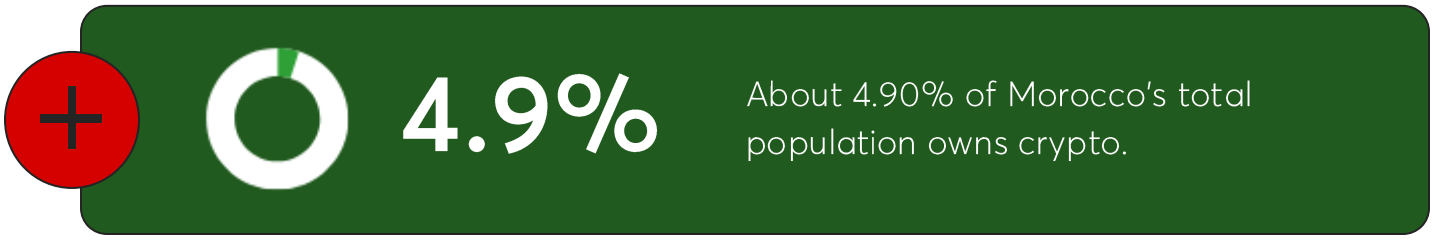
Top 5 African countries with the most cryptocurrency holders

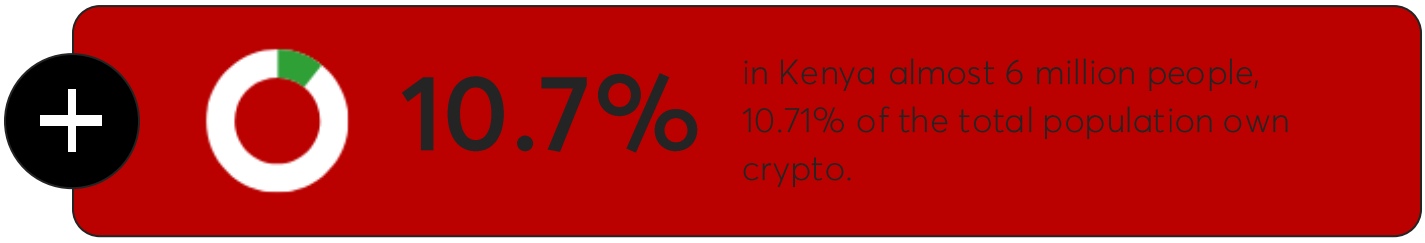


the number of users in the Cryptocurrencies market is expected to reach 53.89m users by 2025, highlighting the quick acceptance of digital assets across the continent.





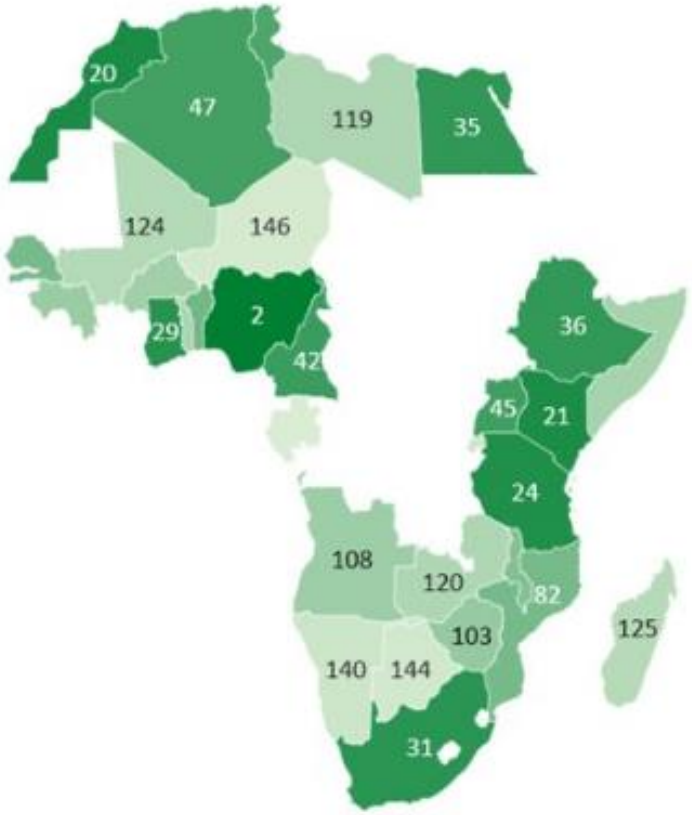




The NFT marketplace valued at $ 17 billion, which marked an all-time high in the total value of deals by 2022, has received a relatively warm embrace because it serves as a means to help many African creatives market their skills internationally.

Despite a global dip in grassroots crypto adoption, Africa's crypto economy stands robust, proving itself as a promising landscape for sustained cryptocurrency growth.

Nigeria is positioned as the second-highest in the global adoption index, following India. Morocco holds the 20th position, followed by Kenya 21st, Ghana 29th, and South Africa 31st. Notably, grassroots adoption in African countries has experienced a more robust recovery post-2020 compared to other nations.



Crypto Adoption

Persistent currency devaluation, rising inflation rates, and user-friendly features contribute to the swift adoption of cryptocurrencies in Africa.

Currency devaluation

In January 2023, out of 36 80.6% African currencies reviewed, 29 currencies depreciated against the USD on annual basis

Inflation

Inflation rate averaged 7.8% in 2023, and is expected to hit 7.4% in 2024

Ease and reduced cost of international transactions

Africa now experiences ease cost of transactions of foreign curencies

Young, tech-savvy population

60% of Africa's population, which totals 1.49 billion, is under the age of 35.

Cryptocurrency has become a versatile tool in Africa, offering solutions that tackle the challenges posed by traditional financial systems.

Despite regulatory bans and public warnings against cryptocurrency trading, around 1.8% of Egypt's population, or 1.7 million people, own cryptocurrency, earning the country the 14th position globally in the 2022 Chainalysis Cryptocurrency Adoption Index.

2021

Nigerians traded over $400 million worth of crypto in 2021, predominantly for remittances and to preserve savings against the devaluation of the Naira.

2024

The average revenue per user in the African cryptocurrency market is projected to be $10.6

2028

The number of cryptocurrency users in Africa is expected to reach **55.47 million** by 2028, with a user penetration rate of **3.95%**. Notably, four African countries—Kenya, Nigeria, South Africa, and Tanzania—rank in the top 20 for global crypto adoption.

The user penetration rate is projected to be 4.13% in 2024 and is expected to increase to 4.05% by 2025.

Projections suggest that by the year 2028, the total market volume is anticipated to reach a substantial figure of $653.1 million.

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