

Cryptoverse: a platform for all South Africans?

 By [Katja Hamilton](#)

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There remain barriers to entry into the crypto space for low-income earners in South Africa, and unless we address these challenges, a large sector of the population looks set to miss the boat on the savings and investment opportunities this platform holds.



Source: Supplied. Mandla Magagula.

This was the take-home message of Mandla Magagula, chief technology officer at Libex, who opened this year's CryptoFest 2022 speaker lineup.

The event was held at the Grand Africa Café & Beach at the V&A Waterfront this year.

His talk, 'Building NFT Solutions for the African Sun', challenged the notion that all South Africans have access to the multitude of financial opportunities inherently available within the cryptoverse.

"I am a technologist by trade, a teacher by necessity, but a problem-solver at heart," said Magagula.

Having said that, Magagula stressed that he hoped to "equip Africa's people with the computational software they need to succeed in the competitive world today".

Not surprisingly, the top bugbears for financial inclusion that were highlighted for this consumer segment are: Eskom's power cuts, poor network coverage in peri-urban and rural areas and high data costs.

It may be that 25.5 million South Africans have access to a smartphone, Magagula said, but this isn't necessarily translating into 25.5 million South Africans having access to the cryptoverse. This is purely because of lack of accessibility to the technology that fires this platform as well as a lack of affordability.



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"An entry-level smartphone costs approximately R5,000 in South Africa. That's somebody's salary for a month," said Magagula. Furthermore, when you factor in that a gig of mobile data costs, on average, R78 in South Africa compared to the equivalent of R3 in India, the inequity between the haves and the have-nots widens further still, he said.

"Also, low-end smartphones do not always have the capacity to seamlessly run crypto apps through power and data shortages. Plus many app programs use English as their main form of communication in a country where literacy remains a huge challenge."

Financial inclusion for low-income groups under these circumstances appears to be but a pipedream.

The solutions, said Magagula, are that we need to first and foremost put our community first. "We need to understand our customers and meet their needs first.

That said, running offline-first apps will transform the dynamic, as will having live-core features that can be interacted with. Server-side rendering (SSR) applications are the way of the future. Within this framework, you won't have servers crashing and people just giving up interacting with their apps.



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"Other solutions include reducing app bundle sizes as well as app sizes. Code splitting, too, will be key to creating financial inclusion in SA. Code splitting involves loading aspects of an app that customers interact with first as opposed to a mobile

phone having to load the whole internet first.

"And lastly and most importantly, we need to create interactive user experiences that support multiple languages, particularly for low-end mobile devices."

We shouldn't pay lip service to financial inclusion in South Africa, said Magagula.

"We need to ensure that all South Africans can perform financial transactions, make payments, and enable them to have access to savings, credit and insurance products," Magagula stressed. "More importantly, we need to ensure that industries and businesses have access to useful and affordable financial products and services that meet their needs. It's the only way we can hope to solve the many challenges facing Africa."

ABOUT KATJA HAMILTON

Katja is the Finance, Property and Healthcare Editor at Bizcommunity.

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