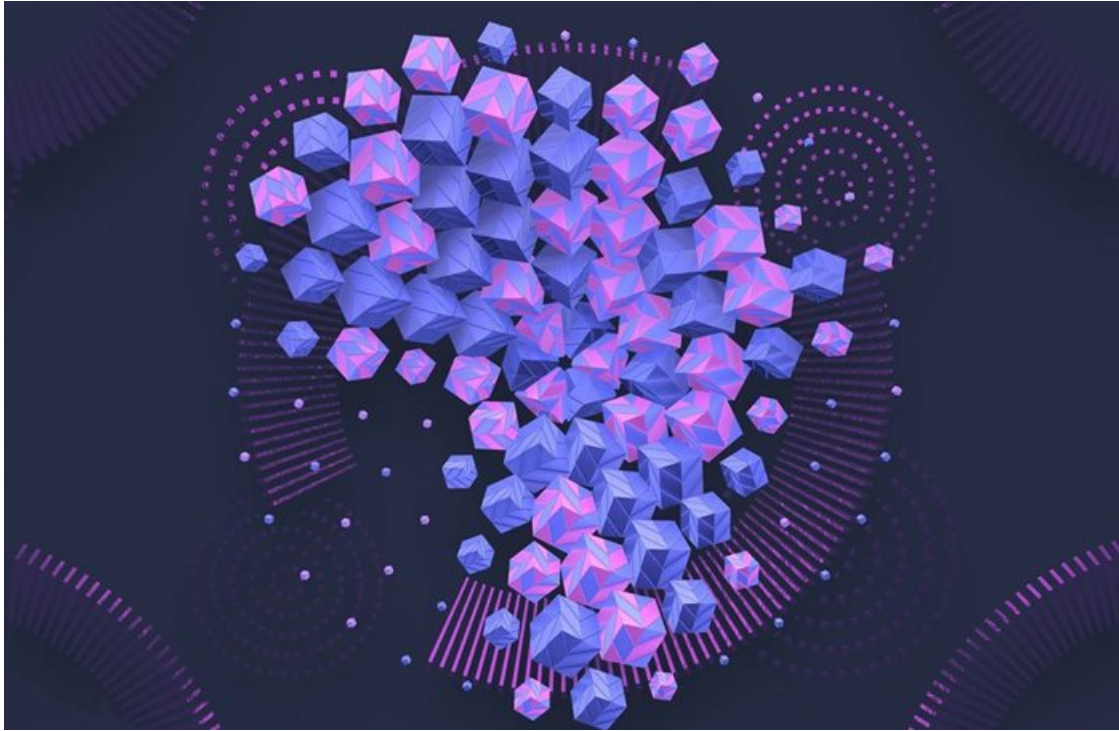


CV VC launches seed fund for African blockchain startups

Crypto Valley Venture Capital (CV VC) has announced the launch of its African Blockchain Early-Stage Fund and published the inaugural [African Blockchain Report](#) which provides a compelling structural overview of the emerging blockchain sector and rousing insights regarding its funding.



Source: Supplied.

It highlights that blockchain funding far outpaced all other sectors, 11 times. The findings demonstrate how nations and stakeholder capitalists are beginning to step in and embrace Africa's self-determining participation in the fourth industrial revolution.

While it is a fact that African nations are among the fastest crypto adopters globally, the CV VC report moves past crypto. It looks at the underlying revolutionary blockchain movement, set to enable Africa to transact and interact for the wellbeing of its people and economies.

The report's headline findings:

- Companies raised \$91m in Q1 of 2022, a staggering 1,668% YoY increase from Q1 of the previous year;
- When comparing Q1 2021 vs Q1 2022, venture funding for African blockchain startups far outpaces the growth seen in general African venture funding - 1,668% vs 149% - showing 11 times the level of growth on a YoY basis;
- Africa is the fastest adopting crypto continent globally, yet it has only a 0.5% share of total global blockchain venture funding, which stands at \$25.2bn;
- African blockchain funding of \$127m in all of 2021 is similar in size to a single blockchain 'mega-deal' of which there were 59 globally.
- The regulatory quagmire is clearing as six nations have regulated, and others are making headway; and

- Blockchain in Africa is unique as it is driving from the bottom up, where essential industries are propelling forward with blockchain tech, agriculture, mining, remittances, inclusion, identity, and property, to name a few.

CV VC, as an initiator of Crypto Valley - the world's most mature blockchain hub, with an enviable regulatory landscape and 14 blockchain unicorns - intends to lend its renowned expertise to enable Africa, the world's second-largest continent in both size and population to achieve its true potential.

As a blockchain investor and builder of international startup ecosystems, CV VC commits to investing in the broader applicability of blockchain to solving problems and creating new markets beyond crypto.

Partnering with the Swiss State Secretariat for Economic Affairs

CV VCs' public-private partnership with the Swiss State Secretariat for Economic Affairs (SECO), intends to see CV VC build the first-ever, blockchain-focused accelerator for Africa.

The goal of this accelerator is to invest in 100 startups from the African continent over the next four years. To date, CV VC has invested in 12 startups where blockchain-use cases go far beyond cryptocurrencies to drive Africa's future.

CV VC intends that it will act as a leading enabler, through the launch of its African Blockchain Early Stage Fund.



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Commenting, Véronique Haller, The chargée d'affaires, Embassy of Switzerland to South Africa, said: "Blockchain has the potential to be a catalyst for positive change and to shape the future of our continent. With data in and around blockchain in Africa still scarce, the first *Africa Blockchain Report* will be an important milestone. Let's bet that Africa will soon be home to its first blockchain unicorn!."

CV VC has a proficient team on the ground, including Gideon Greaves, who today said: "As a Swiss headquartered company, CV VC holds great value in precision and knowledge sharing as drivers of innovation. Our objective with the *African Blockchain Report* is to share a data-driven account of blockchain in Africa and begin an annual collation of benchmarkable venture data and solidly referenced African insights.

"We focused the report on a data set of 40 African blockchain companies. This way, we can be sure of the relevance of facts from which we can benchmark forward. We are also very proud to give an assessment of the regulatory landscape and a magnetic introduction to some of the greatest blockchain minds on the continent."

The inaugural *African Blockchain Report*, published by CV VC in collaboration with Standard Bank, highlights that obstacles to global transformations seem surmountable when seeing Africa's urgent actions to utilise blockchain becoming the norm. The report shows in detail how Africa has self-accelerated blockchain as a transformative force for society and the economy, and how pioneers continue to reinforce the need for more unified action on regulation and infrastructure.

Africa offers lucrative investment opportunities

The African continent is emerging as a vibrant technology investment location. Sharp minds are driving valuable developments, and investment capital is seeping in, albeit still smaller than the rest of the world.

Capital is being invested despite the waters of conventional deal-funnels being muddy - caused by a lack of available data for potential funders - especially international ones. The CV VC *African Blockchain Report* successfully depicts a unique holistic overview of blockchain in Africa, which will facilitate funders to make a better judgment of Africa's investment potential.

One of the more significant reasons for the rampant growth of the blockchain sector - is pure necessity. Many Africans cannot rely on vast, centralised, regulated infrastructural systems. They are often riddled with inefficiencies and red tape in the cases where they exist. As a result, innovation is blessed with a clean slate on which to paint, and progressive advances seem to follow.



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These advances sometimes improve existing systems, but, more often than not, they leapfrog the entire legacy system. Most notable in the report is the evidence of the brilliant mindset, energy, and tech capability of the many great founders who are leading the African blockchain revolution in a manner that is exemplary to the rest of the world.

"While actively participating in Africa, we are amazed and humbled by the determination of the brilliant founders who are changing the future not just for their industries and nation but for the world. In Africa, there is a mindset that complements Switzerland's determination and a will to create well-being for its citizens and the future of humanity.

"As the world enters the decade of the fourth industrial revolution, building on blockchain as a transformative tech, it is worth recanting the main theme from this year's WEF, 'Working Together and Restoring Trust'. This is what CV VC intends to do with other drivers in Africa," said Mathias Ruch, co-founder of CV VC.

The continent's tech economy is its stronghold

Concluding the launch of the *African Blockchain Report*, Ian Putter, head of the Blockchain CoE&CA Training Office at Standard Bank Group, the largest African bank by assets, said: "Africa matters. Africa is a reminder that life matters and that there is a great need for everyone to work together to enable humanity to be well in all ways. The immediacy of existential threats as experienced by Africans requires a different pace.

"Africa's difficulties are compounded by the pandemic that has disrupted revenues, foreign direct investment, development assistance, remittances, trade, and tourism, and not forgetting the effects of war.

"African economies are in danger of even further marginalisation due to macro trends towards economic deglobalisation. The silver lining has been the self-fast-tracking of Africa's digital and tech economy. This has already bolstered resilience as a road map to how and why the world needs to embrace blockchain as a transformative technology.

"Standard Bank has been a pioneer in leveraging blockchain to bring speed and transparency to our customer base across Africa. We are very excited to work with CV VC as a blockchain ambassador to enable the further emergence of blockchain as a resource on which Africa can build and outreach globally."

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