



Whitepaper



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All proceeds of the Zugacoin sales shall be used to expand Zugacoin's businesses and operations.

No person is bound to enter into any contract or binding legal commitment to the contribution to the Zugacoin sales event and no cryptocurrency or another form of payment is to be accepted based on this Whitepaper.

Eligibility to participate in Zugacoin's future sales event may vary depending upon your country of citizenship or residence. Final decisions have not yet been made in that regard but will be announced well in advance of the date on which our coin will first be made available for private and/or public contributions.

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## Abstract

Zugacoin will change Africa for good, through the use of blockchain technology based eco-system of tools and services designed for entrepreneurs in the rising economies of Africa and beyond. Zugacoin aims to unlock the potential of the world's largest growing workforce by creating, learning, earning, spending, and saving opportunities across Africa and other lean economies.

As you are aware the crypto world has taken the planet by storm over the last few years and is developing into one of the world's major players within finance, business and investment.

Through our solutions, we want to rebuild Africa by democratizing the crypto space to ensure that everybody has equal access to the next generation of technology that is set to revolutionize the world. We plan to do this through the offering of loans and empowering businesses.



# Table of Contents

|                                |    |
|--------------------------------|----|
| Introduction                   | 5  |
| Project Overview               | 9  |
| Market Analysis                | 11 |
| Coin Distribution & Parameters | 16 |
| Future of Zugacoin             | 17 |
| Zugacoin Uses Cases            | 18 |
| Marketing                      | 19 |
| Roadmap                        | 20 |
| References                     | 21 |



# Introduction

## What is Cryptocurrency?

Cryptocurrency is a form of payment that can be exchanged online for goods and services. Many companies have issued their own currencies, often called tokens, and these can be traded specifically for the good or service that the company provides. Think of them as you would arcade tokens or casino chips. You'll need to exchange real currency for the cryptocurrency to access the good or service.

Cryptocurrencies work using a technology called blockchain. Blockchain is a decentralized technology spread across many computers that manages and records transactions. Part of the appeal of this technology is its security

## How many are out there, and what are they worth?

More than 2,200 different cryptocurrencies are traded publicly, according to CoinMarketCap.com, a market research website. And cryptocurrencies continue to proliferate, raising money through initial coin offerings, or ICOs. The total value of all cryptocurrencies on June 6, 2019 was about \$246 billion, according to CoinMarketCap, and the total value of all bitcoins, the most popular digital currency, was pegged at about \$136 billion.



### Why are they so popular?

Cryptocurrencies appeal to their supporters for a variety of reasons. Here are some of the most popular:

- Supporters see cryptocurrencies such as bitcoin as the currency of the future and are racing to buy them now, presumably before they become more valuable
- Some supporters like the fact that cryptocurrency removes central banks from managing the money supply, since over time these banks tend to reduce the value of money via inflation
- Other supporters like the technology behind cryptocurrencies, the blockchain, because it's a decentralized processing and recording system and can be more secure than traditional payment systems
- Some speculators like cryptocurrencies because they are going up in value and have no interest in the currencies' long-term acceptance as a way to move money

### Are they a good investment?

Cryptocurrencies may go up in value, but many investors see them as mere speculations, not real investments. The reason? Just like real currencies, cryptocurrencies generate no cash flow, so for you to profit someone has to pay more for the currency than you did.



That's what's called "the greater fool" theory of investment. Contrast that to a well-managed business, which increases its value over time by growing the profitability and cash flow of the operation.

## **History**

There have been many attempts at creating a digital currency during the 90s tech boom, with systems like Flooz, Beenz and DigiCash emerging on the market but inevitably failing. There were many different reasons for their failures, such as fraud, financial problems and even frictions between companies' employees and their bosses.

Notably, all of those systems utilized a Trusted Third Party approach, meaning that the companies behind them verified and facilitated the transactions. Due to the failures of these companies, the creation of a digital cash system was seen as a lost cause for a long while.

Then, in early 2009, an anonymous programmer or a group of programmers under an alias Satoshi Nakamoto introduced Bitcoin. Satoshi described it as a 'peer-to-peer electronic cash system.' It is completely decentralized, meaning there are no servers involved and no central controlling authority. The concept closely resembles peer-to-peer networks for file sharing.



One of the most important problems that any payment network has to solve is double-spending. It is a fraudulent technique of spending the same amount twice. The traditional solution was a trusted third party - a central server - that kept records of the balances and transactions. However, this method always entailed an authority basically in control of your funds and with all your personal details on hand.

In a decentralized network like Bitcoin, every single participant needs to do this job. This is done via the Blockchain - a public ledger of all transaction that ever happened within the network, available to everyone. Therefore, everyone in the network can see every account's balance.

Every transaction is a file that consists of the sender's and recipient's public keys (wallet addresses) and the amount of coins transferred. The transaction also needs to be signed off by the sender with their private key. All of this is just basic cryptography. Eventually, the transaction is broadcasted in the network, but it needs to be confirmed first.



## Project Overview

Zugacoin is a unique brainchild that aims to rebuild Africa's dying economy by becoming Africa's first coin for equity and investment funding for African's government instead of China. Starting a business in Africa can often be a gargantuan task, especially since the prospects of obtaining a loan are few and far between, we will give out loans to aid businesses and encourage investors.

The Zugacoin ecosystem provides the tools, resources, and ease-of-use necessary for running a successful business. The Zugacoin project will represent a unique access point for rising entrepreneurs in Africa, we will share transaction fees with vendors and merchant, while also integrating our coin to ATM and POS machines across the continent.

Zugacoin sees technology as an enabler and as a generator of new opportunities. We are forward-thinking, set to benchmark trends in technology to shape our future that will be coupled with our practical delivery on a highly automated platform that will make us unique.

Our leading-edge technology will keep us well-positioned in third world countries to sustain our offering of exceptional economical transformation. As a project built with principle, we believe our success will hinge on satisfying our customers and helping them unlock the real value of their businesses.



The platform allows entrepreneurs and small business owners access to numerous loans that will accelerate their business goals. We have a unique business model, we utilize the blockchain technology in the financial sector of Africa.

Our strategy is innovative and ground-breaking, benefiting all who engage with the Zugacoin initiative.

### **Target user**

Our target users is the African market. Nobody is left out of our unique project. We are targeting the poor, underemployed and unemployed Africa in the streets that currently exceeds over 400 million people between the age of 15 to 35. We are looking at assisting the African governments in developing our economy using Zugacoin as our major currency and power to success.

We also plan on taking the development of Africa upon ourselves instead of giving China and other countries the opportunity to own every asset in Africa, enrich themselves and enslave us. We have created a DeFi App to assist in the funding of various government projects in Africa through private & public partnership.

### **Opportunity**

Currently, Africa has the highest usage rate of Mobile Money services in the world. Statistics shows that;

1. In 2017, the demand of Crypto in Africa increased the demand and adoption of Crypto currency by 40%.
2. There are more than 20 million users using online payment system at present in Nigeria alone.
3. Mobile subscribers increased by 44% which is about 444 million users and is expected to increase by 634 by 2020.



## Market Analysis

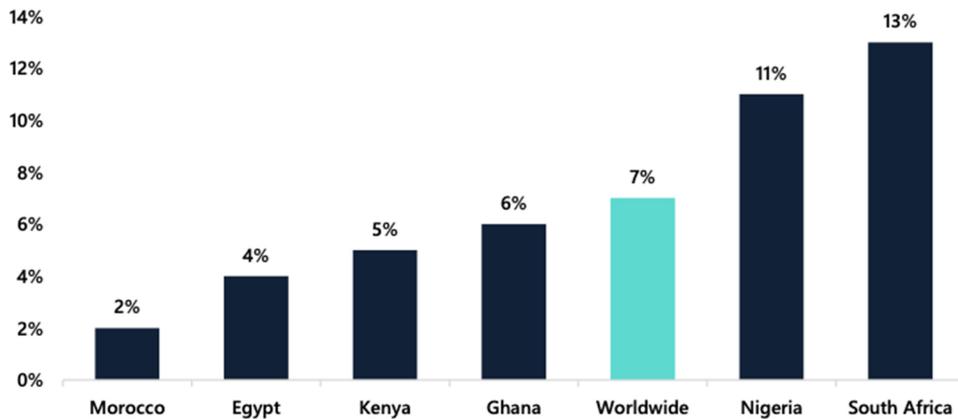
Despite being an incredibly diverse continent, African nations often share key similarities, ranging from socio-economic issues to a significant lack of infrastructure. The use of cryptocurrencies around the world has, to date, largely centered on investment, speculation, and trading. This is not true of Africa, where applications for crypto and the scope of challenges it could help overcome vary far more.

This makes it a fertile breeding ground for crypto. As the report notes that “Africa is one of, if not the most promising region for the adoption of cryptocurrencies. This is due to its unique combination of economic and demographic trends. While the overall adoption is relatively low, the potential is enormous, the growth is rapid, and the development is likely to become defining for the cryptocurrency industry going forward.”

However, there’s currently a polarity to crypto adoption in Africa. On the one hand, researchers have identified high ownership rates in certain countries. Google Trend data indicates Uganda, Nigeria, South Africa, Kenya, and Ghana all rank in the top 10 on the topic of cryptocurrency, which demonstrates the growing interest therein. South Africa ranked third-highest worldwide at 13% with Nigeria ranking 5th (11%) in a survey about crypto ownership. In terms of crypto infrastructure, though, it’s lagging.



**Figure 1: Africa Overview - Ownership of Cryptocurrency (Selected Countries)**  
(Percentage of Internet Users Aged 16 to 64)



Source: *Digital 2020 Global Digital Overview*

### **Catalysts for adoption**

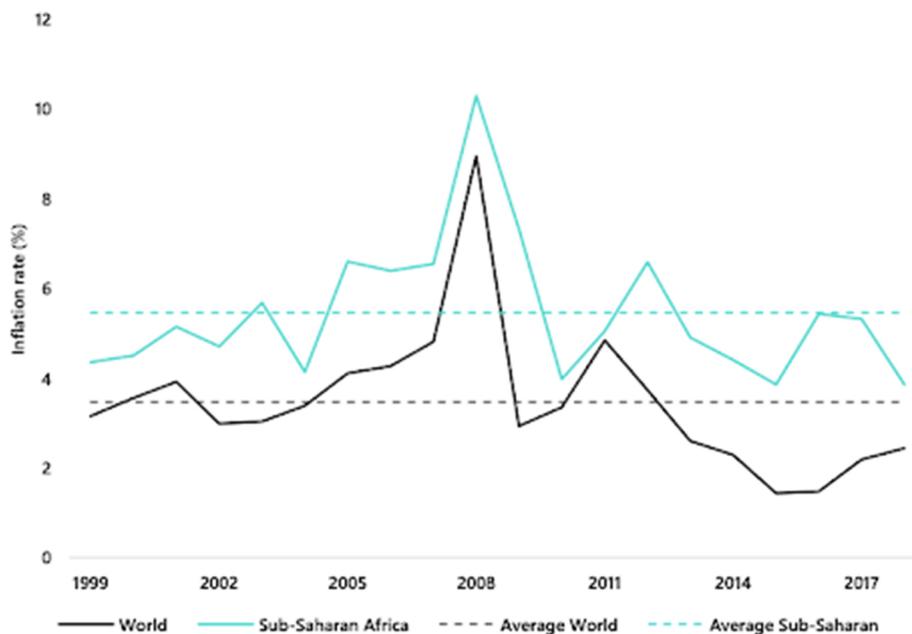
Africa's underdeveloped crypto infrastructure aside, several major catalysts could be conducive to widespread adoption over the next decade. Many of these are unique to the African continent, showcasing a remarkable opportunity for projects that can leverage the potential.



### Economic landscape: high inflation and financial instability

The majority of African nations suffer from high inflation rates – historically much higher than the global average. This drastically undermines purchasing power and the potential for wealth-gain. Bitcoin's inherently disinflationary monetary model and decentralized governance, therefore, pose an attractive alternative.

Figure 5: Inflation Rate for Sub-Saharan Africa vs Global Average 1999-2018



Source: The World Bank



In the same vein, many African countries suffer from depreciating and often volatile national currencies. For example, the South African Rand (ZAR) has lost over 50% of its value against the US Dollar, while also being one of the most volatile FX currencies.

### **Political instability and capital control**

Most African nations suffer from vast political instability which exacerbates inflation and currency volatility. Data from the World Bank gives just nine of the 53 African nations with a positive score on the political instability index. Furthermore, 2019 registered the highest amount of civil conflicts since 1946. This type of vulnerability has an adverse knock-on effect on issues like forced migration, GDP collapse, and wealth confiscation.

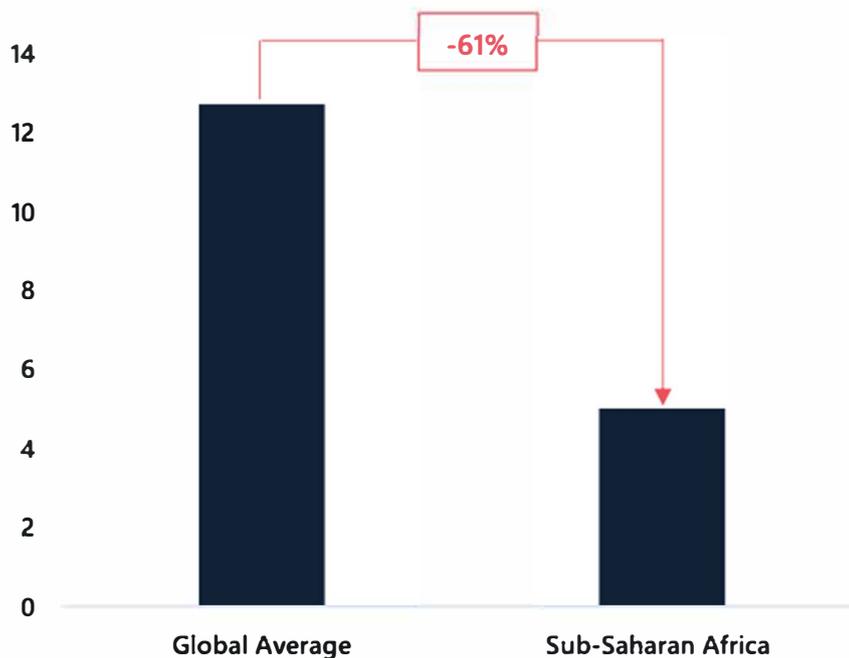
Bitcoin and other cryptocurrencies are unique in that they combine the wealth preservation properties of hard assets, like gold and land, with the portability of digital currency, combined with an unparalleled degree of censorship resistance. These properties, in combination, make cryptocurrencies the ideal antidote to political chaos.



## Financial infrastructure

The majority of Africa is underserved by traditional financial services. The number of commercial banks per 100,000 adults is 61% lower across Sub-Saharan Africa than the global average. As of 2018, 66% of those living in Sub-Saharan Africa had no access to a traditional bank account.

**Figure 11: Commercial bank branches (per 100,000 adults)**

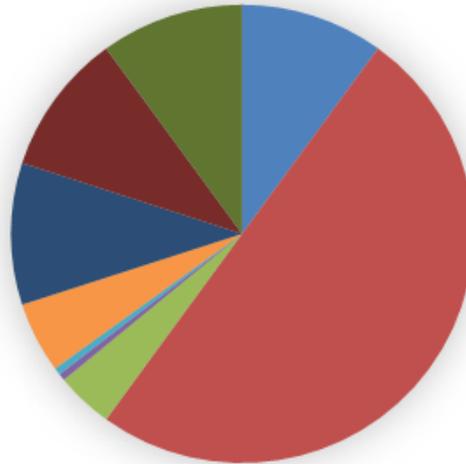


Source: The World Bank

Inadequate banking services and limited access inhibit entrepreneurship, business growth, lending, and saving. These all work to drastically undermine economic development. Cryptocurrencies and decentralized finance (DeFi) are poised to take on the challenge of providing individuals with a safe place to store and interact with their money.



## Coin Distribution & Parameters



■ CEO ■ ANDF ■ Presales ■ ICO ■ IEO ■ Team ■ Airdrop ■ YDIF ■ Exchanges ■

|                   |                             |
|-------------------|-----------------------------|
| Coin Name         | Zugacoin                    |
| Coin Abbreviation | Szc                         |
| Emission Rate     | No new coin will be created |
| Maximum Supply    | 1,000,000 Szc               |
| Token Network     | ETHEREUM (ERC20 extended)   |
| Token Decimal     | 8                           |



## Future of Zugacoin

By looking at Zugacoin not as only an investment vehicle but as Africa's means of payment, it is clear that Africa is poised to embrace Zugacoin as a solution to many of the persistent issues the continent faces. Most, if not all, obstacles to mass adoption can and will be overcome following investment in infrastructure and the creation of tangible applications that address issues unique to the African continent.

While the technological and economic benefits are there, without direct action and a firm grasp on the potentials, regulators and citizens alike won't be equipped to adopt crypto in any meaningful way.

The future of Zugacoin:

- One single African digital money
- First African coin for equity and investment funding for African government instead of China
- Coin to give loan to best African Inventors
- Coin to give out loan to every startup lacking money
- Coin for daily savings
- Coin to rebuild Africa
- First Coin with a customer's ATM and POS Machine
- First coin that will share transaction fees with vendors and merchants
- Coin that will be African's princess



## Zugacoin Use Cases

Zugacoin use cases have been planned and process already in flow. Our dynamic Team of Programmers and ICT Personnel will create & own these various Dapps and Smart Contract Project and we plan to use our coin as a payment method for the various projects as listed below:

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- 1. Samzuga Smart Cities:** A smart city powered by solar energy that will house millions of members of the Samzuga Foundation Multiple Purpose Cooperative Society Ltd across the 36 States and Federal Capital Territory of Nigeria. Zugacoin will be the only means of transaction in this city that will contain 5 star hotels, recreation centers, theme parks, restaurants, schools, modern market, mall, stadium, airport, heliport, industrial area, commercial area, wild animal museum, aquatic museum, hospitals and most importantly, residential areas.
- 2. DApps:** An open source platform that will allow programmers across the globe to create innovative and creative smart contracts for Zugacoin, which will then create employment and revive the crippled economy of Africa. These Smart Contracts include; De-Fi apps, Smart Contracts etc.
- 3. POS and ATMs:** Building and mounting ATM's and POS Machines in strategic locations around the African Continent. Merchants and Vendors will be given access to do transactions using Zugacoin. These machines will use our payment gateway (payments.zugacoin.com).
- 4. Private and Government Establishment Payment System:** We are also installing our payment gateway (payments.zugacoin.com) into the payment platforms of Hospitals, Schools, Markets, Superstores and other government parastatal, which will in turn make Zugacoin an official payment currency across governments and individuals' establishments as the case maybe.

We will also integrate Zugacoin into our vast range of businesses, product and services which includes;

- Samzuga Solar System Services and Training
- Samzuga Shopping Mall
- Samzuga Multipurpose Cooperative
- Samzuga Cosmetology Products
- Samzuga Air and Travel Services
- Samzuga Equity and Investment
- Samzuganet
- Samzuga Daily Savings etc



# Marketing

## Partnerships:

Zugacoin will partner with one engineering conglomerate and hopes to build further relationships with other block-chain companies to help promote its coin continentally.

## Social Media Marketing:

Social media today is an efficient marketing strategy for every industry, Zugacoin has hired a marketing specialist with years of experience in social media marketing to help market our coin. We have also built partnerships with different telegram groups to help grow our community and promote the network.

## Airdrop and Bounty Campaigns:

Airdrop and bounty campaigns are one of the best marketing strategy for of every crypto project. Free tokens will be given out all through.

## Blockchain Events:

As a global coin, Zugacoin will host several blockchain summits in various parts of Africa. These events will bring various crypto influencers together and thereby promoting our coin



# RoadMap

## **Fourt Quarter 2020:**

- i. Airdrop
- ii. Presales
- iii. ICO/IEO

## **First Quarter 2021**

- i. Launching
- ii. Integration of Various DApps Smart Contracts
- iii. Customized Zugacoin POS/ ATMs

## **Second Quarter 2021**

- i. Main Net (Zugacoin Blockchain)

## **Fourth Quarter 2021**

- i. Releasing Final 500,000 Token



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