

The AFOMA Protocol: An impact-to-earn protocol enabling the creative economy

Visualize a protocol that enables frictionless experience for artists and artisans, especially from marginalized regions. An entirely new experience where exceptional creators gain fair access to a global market. A protocol that will drive a purpose-driven ecosystem and catalyze the adoption of Web3 for traditional creators across the globe.

Done with your imagination?

Well, we've created it and it's called; **The AFOMA Protocol.**

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Abstract

The informal economy has come to be defined and described in different ways. For consideration in this Whitepaper, and [according to WIEGO](#), it is the diversified set of economic activities, enterprises, jobs, and workers that are not regulated or protected by the state. As the formal economy remains unsustainable due to a number of factors, the informal economy accounts for the main source of employment and the backbone of economic activity across sub-Saharan Africa. In fact, [according to the World Bank](#), it is an important contributor to poverty alleviation. However, the sector is significantly plagued with barriers that prevent scale and prosperity.

We introduce the AFOMA protocol, an impact-to-earn protocol designed to enable a social impact ecosystem that will allow for the elimination of barriers within the creative sector and as a result, help in bridging the gap in diversity, equity and inclusion resulting in prosperity within the informal economy.

Introduction

AFOMA (meaning “Goodwill” in the Igbo language) was created out of the need to impact humanity by enabling individuals to lift themselves out of poverty. The protocol was inspired through the humanitarian works conducted by its sister organization, [AZONETA](#), a registered charity in Canada with its purpose focused on poverty alleviation, zero hunger, quality education, good health and well-being across sub-Saharan Africa. Through the work AZONETA conducts it became apparent that there needs to be a more permanent and sustainable solution than simply treating the symptom of a more deeply rooted issue.

[According to the International Labour Office \(ILO\)](#), a high percentage of youth and women make up the informal economy.

As previously mentioned above, with the high population growth rate of certain developing regions such as Africa, the pivotal role of the informal sector is expected to remain critical for the foreseeable future. For this reason, the creative (handicraft) economy (a niche within the informal sector dominated by youth and women) is well positioned to attain the benefits of the AFOMA protocol. The AFOMA protocol will enable a social impact ecosystem designed to offer an end-to-end solution that will enhance the creative (handicraft) economy (a niche within the informal sector) and eventually lead the future and the mass adoption of Web3 within this economy.

The applications existing within the ecosystem, leveraging the protocol will be a multi-vendor handicraft marketplace for marginalized artists and artisans (a marketplace without borders), a non-fungible token (NFT) marketplace that will tokenize assets listed on our Web2 marketplace and drive the adoption of Web3 for artists and artisans into the metaverse.

The Problem

Regions operating in emerging economies, like Africa, unfortunately can no longer depend on their formal institutions due to socio-economic factors and the rapid population growth. Looking at Africa as a use case, we see over 70% of its population predominantly youth-based.

The informal (creative) economy is where these youth seek out opportunities to either provide additional or supplemental income or for employment. [According to the United Nations Development Programme \(UNDP\)](#), nearly 83% of employment in Africa and 85% in Sub-Saharan Africa is informal, absorbing many of the continent's young employment seekers. At the heart of the creative economy are cultural and creative industries (CCIs), which operate at the crossroad of arts, culture, commerce and technology. They are also the [biggest job providers for workers aged 18-25](#), making it the industry of tomorrow.

Unfortunately, this sector has been stagnated by the lack of financial capital, innovative technology and broken or legacy financial payment systems resulting in their inability to scale and access the global market. In other instances, even within developed countries, barriers are also introduced by business models that expand the gap when it comes to diversity, equity and inclusion.

The Solution

The global handicraft market (second largest employer after agriculture in some developing countries such as India), dominated by women and youth, reached US\$ 680 Billion in 2021, [according to Business Wire](#). The market is expected to reach US\$ 1.2 Trillion by 2027, exhibiting a CAGR of 10.41% between 2022-2027.

A market this size unfortunately lacks penetration or benefits B2C business models across developing regions, even though these regions account for [65 percent of handicraft exports around the world](#). As previously mentioned, some of these can be attributed to business models, lack of capital and emerging technologies.

Cryptocurrency has the potential to benefit and shape the informal sector if leveraged responsibly and applied to address real world issues to achieve a common good. Our approach to the adoption of cryptocurrency brings us to the AFOMA protocol token (OMA), a utility token designed to empower people to help themselves while helping the world.

The AFOMA ecosystem, enabled by its native token (OMA) will offer the following solutions:

- A new business model for the creative economy that will drive decentralization which will result in bridging the gap when it comes to diversity, equity and inclusion.
- A bridge towards the adoption of Web3 at its core which will leverage blockchains, cryptocurrencies, and NFTs to give power back to artists and artisans in the form of ownership.

- A purpose-driven ecosystem that rewards its community as they contribute towards its sustainability and vision.

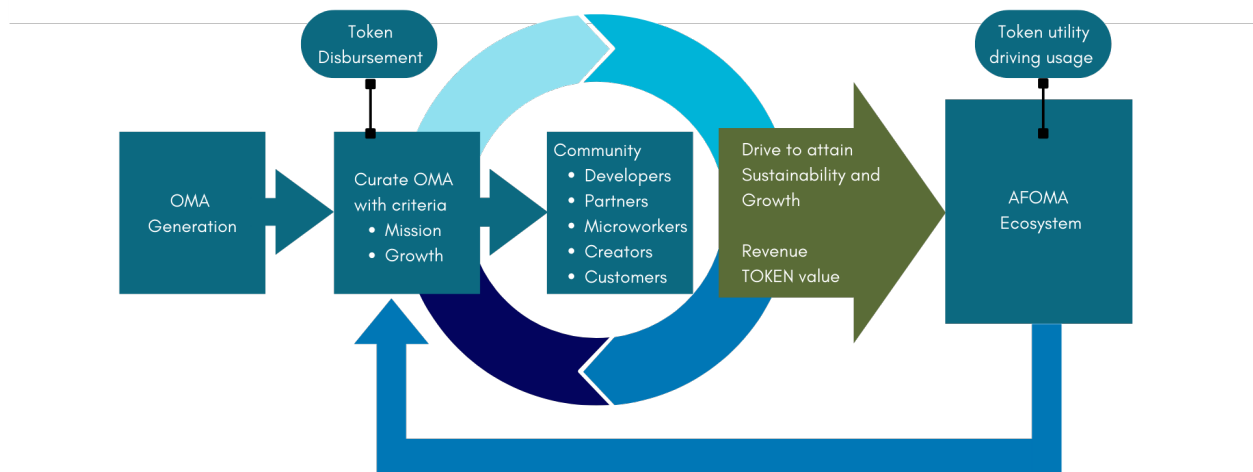
Application of the AFOMA Protocol - An enabler within the ecosystem

An important point to note is the purpose behind the AFOMA protocol which is to act as an enabler for social good, but most importantly, to maximize the potential of existing Web2 business models operating within the creative space and catalyze the evolution of these traditional models into Web3.

To achieve this, the AFOMA ecosystem will be designed and built in multiple segments rather than adopting a monolithic architecture. The goal of each segment within this architecture is to offer shared value of which the AFOMA protocol plays a critical role as an “enabler”. Overall, this design’s goal is to adopt a mission-first business structure, where the ecosystem benefits artists, artisans and the entire community equitably as they contribute. In this model, the financial return becomes a by-product. A form of regenerative finance, that sees money as a means, not as an end, and where circulation replaces accumulation.

This ecosystem architecture feeds into the evolution of the creative economy to Web3. This evolution will be attributed to the AFOMA protocol.

A Sustainable Ecosystem



The Ecosystem

The purpose behind the AFOMA protocol is to drive a purpose-driven ecosystem that will include three (3) purpose-driven platforms that have been designed and will be built to adopt a mission-first approach. This ecosystem will leverage a business model that will change the narrative on crypto ideology from being extractive to being regenerative.

Catalyzing the adoption of Web3 for traditional artists and artisans is one of the purposes behind this ecosystem and the AFOMA protocol plays a critical role in achieving this. As a result, it is inherent to introduce a Web2 marketplace, SELLITIC to the ecosystem.

SELLITIC, a decentralized artisanal marketplace that looks to enhance the creative economy. Our marketplace will promote diversity, equity and inclusion by lowering (even potentially eliminating) the entry and operational obstacles for artists and artisans across developing countries and the rest of the globe.

To bridge traditional artists and artisans to adopt Web3, it makes sense to explore a native non-fungible token (NFT) marketplace within the ecosystem. ORUVAN, the native NFT marketplace within the ecosystem, will be that bridge. Creators that exist within the SELLITIC marketplace will be able to tap into the benefits and opportunities created by NFTs. Such benefits include proof of ownership for their products, diversity and inclusion within the metaverse. This is where AFOMALAND, our metaverse world, has a vital role to play.

With AFOMALAND, users from across the globe can feel represented within the metaverse. Creators familiar with Web3 and originating from countries rich in culture, can gain financial freedom by selling their products (especially in fashion) within AFOMALAND in the form of non-fungible tokens (NFTs). AFOMALAND will also offer fair access to an immersive experience where the performing arts (existing in certain cultural heritage domains), education and other real world use cases can thrive.

It is important to recognize the impact of COVID-19 and climate change on cultural tourism and world heritage sites respectively. According to the [International Council of Museums \(ICOM\)](#), nearly 13% of museums may never reopen. In addition, [the United Nations Educational, Scientific and Cultural Organization \(UNESCO\)](#), points out that climate change has become one of the most significant threats to World Heritage properties, potentially impacting their [Outstanding Universal Value](#), including their integrity and authenticity, and their potential for economic and social development at the local level. AFOMALAND is positioned to face these challenges through partnerships with organizations aligned with similar goals in creating similar but virtual experiences within the metaverse.

The AFOMA protocol will be instrumental in driving these lines of business, through incentives to the community that the ecosystem has “pulled in”. [Pull strategies](#) drive demand which will be essential for long-term sustainability within the ecosystem and the AFOMA (OMA) token.

The Utility of the AFOMA protocol

[Economics is divided into two categories](#): microeconomics and macroeconomics.

Microeconomics is the study of individuals and business decisions, while macroeconomics looks at the decisions of countries and governments.

Though these two branches of economics appear different, they are actually interdependent and complement one another. Many overlapping issues exist between the two fields.

To understand and demonstrate the economics of the AFOMA protocol, we will need to explore its utility within the ecosystem.

- **Loyalty and partner rewards** - The AFOMA protocol will be used to monetize the loyalty rewards program within our Web2 artisanal marketplace. This can also be extended to other marketplaces and corporate social responsibility initiatives run by partners, with the former being external to the AFOMA ecosystem. The AFOMA protocol, will achieve the below:
 - a loyalty and partner rewards program with liquidity, which will create a demand for the token based on the offering of a secondary market beyond the ecosystem. Liquidity offered through the protocol token rewards (OMA) are more attractive than traditional loyalty points confined within a closed ecosystem.
 - allow for a sharing economy (equity) for users that have earned tokens through marketplace engagements and other social initiatives driven by our partners (for profits and not-profits aligned with our vision).
- Example of incentives earned through marketplace engagements can include but not be limited to the following:
 - To incentivize customers for the purchase of any handmade products within the marketplace.
 - To incentivize customers and (or) sellers for a successful referral that results in a sale or onboarding of an artisan respectively.
 - To incentivize sellers for positive feedback offered by customers that purchase their product.

The purpose behind the incentive generated by the protocol on the Web2 marketplace and other marketplaces external to the ecosystem is to drive the following:

- Customer Acquisition

- Maximize Customer Lifetime Value
- Increase Customer Retention
- Example of incentives earned through social initiatives driven by partners can include but not be limited to the following:
 - Education programs such as STEAM, Blockchain and other related courses.
 - Social impact driven programs

However, most importantly, the AFOMA Protocol token reward (OMA reward) is about building a community where every contribution or engagement within the marketplace ecosystem is incentivized using the OMA token.

It is important to note that the SELLITIC Marketplace's dependence on the loyalty program, there is a requirement for a buy-back of the AFOMA token for the program which contributes to the demand of the token.

- **NFT Marketplace and Metaverse** - The AFOMA token will drive the economy on the ecosystem's NFT marketplace and metaverse. In addition, the protocol will offer access to key features and benefits exclusive to token holders. This in fact, applies to other applications that exist within the ecosystem.
- **Microworkers** - The potential to reach artists and artisans in marginalized and poor communities exists. However, this demographic will experience challenges possessing or understanding applications that exist within the ecosystem. This is one of the reasons the AFOMA protocol incentivises programs that drive education especially around STEM and blockchain technology. However, this is not enough to attain inclusion and equity. To achieve this, creating a program to support such creators and the ecosystem is necessary. This led to what we call a "microworker program". The support to creators and ecosystem will include but not limited to the following:
 - Seeking and onboarding creators and their products on the SELLITIC marketplace
 - Offering quality assurance (validation) for products sold and being delivered to our logistics partners
 - Offering last mile services for creators that live in rural communities
 - Offering affiliate marketing for creators

The AFOMA protocol will be used to incentivize these microworkers. The protocol is well suited for this purpose for the below reasons:

- Payment fragmentations
- Low transaction costs
- Efficient and quicker settlements
- **Staking and Liquidity Pool Rewards** - Available to the AFOMA community of token-holders who choose to hold and provide liquidity support for the AFOMA (OMA) token, with the potential to earn additional OMA rewards for the token-holders.
- **Governance** - By offering creators and the rest of the AFOMA community (token holders) a place and voice within the ecosystem, the AFOMA protocol token (OMA), will enable an ownership economy that will drive decentralization and governance allowing holders the right to vote on issues that govern the development and operations of the AFOMA protocol.

All of the utilities mentioned above all serve the microeconomics behind the AFOMA protocol as it relates to enabling creatives and enhancing a more inclusive business model. However, it is important to note the overall contribution to its macroeconomics as it, in the long term, will play a key role in the regional, state and country's economy.

Progressive Decentralized Business Model

Decentralization is a business model which involves transferring decision-making power and functions from a single central authority to operating units at different levels within an organization. Factors such as globalization and the volatile macro-economic situation have driven more small and big businesses to adopt that flexible and agile type of governance.

To attain the mission behind AFOMA, it makes sense to take a progressive approach to build a decentralized environment due to the lack of education and digital penetration in some of these marginalized regions the AFOMA ecosystem is looking to serve.

So, the AFOMA ecosystem will adopt a hybrid business model that will rely on both centralized and decentralized components. However, the desire will be to leverage the AFOMA protocol token to transition the ecosystem and its components to a decentralized model with user governance in the future.

Technical Specification

The AFOMA Protocol (OMA) token will be a BEP-20 token. A token standard on Binance Smart Chain (BSC) that extends ERC-20, the most common Ethereum token standard. The BEP-20 standard also enables EVM compatibility, which resolves all problems regarding usability.

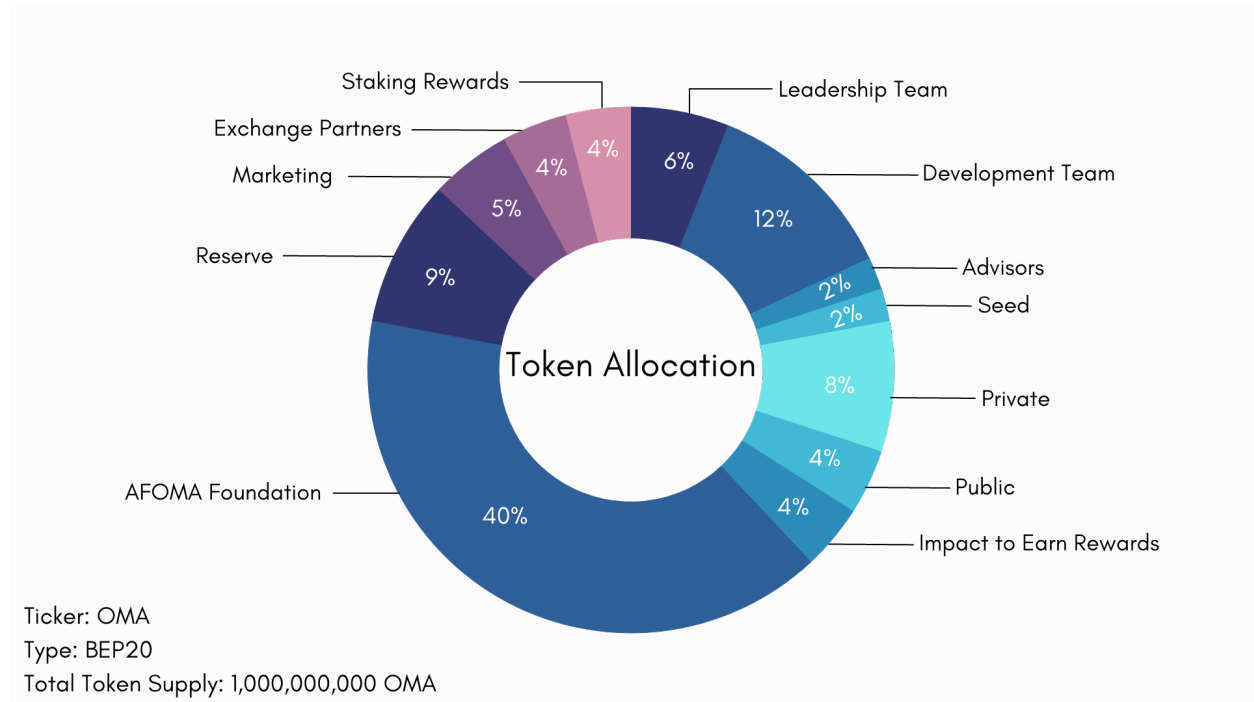
Binance Smart Chain is a chain with a fast-growing user base, increasing transaction volume, and rising [TVL \(total value locked\)](#). Furthermore, developers are also building more dApps on BSC. These are one of the factors behind choosing the token standard for the AFOMA protocol. Another factor behind this choice, is the considerable low gas fee and the popularity of Binance across developing regions like Africa.

Transactions costs related to the OMA token within BSC will be covered by (BNB), the native token fuelling the Binance dual chain architecture.

The OMA token post-TGE will support decentralized (non-custodial) crypto wallets that support the BEP-20 standard.

As part of the AFOMA Protocol's roadmap, we will be exploring interoperability across multiple chains which will be popular with our community

Tokenomics



The AFOMA (OMA) Token will adopt a deflationary token model with a limited token supply of one billion (1,000,000,000) OMA tokens.

One of the key components of the initial OMA token distribution is to allocate 40% of the total supply into the AFOMA Foundation wallet. This will primarily be used to drive incentives/rewards and grants to the community and partners (supporting the AFOMA vision) respectively as they contribute towards the growth and sustainability of the ecosystem. In the end, the goal is to allow the OMA token to fall into the hands of users (a community) who are truly contributing towards the AFOMA vision, growth and sustainability. The unlocking of the tokens allocated to the Foundation wallet will be done over a number of years with no more 20% of the tokens distributed in a calendar year. The utilization of the tokens will be governed by the community through project proposals and voting.

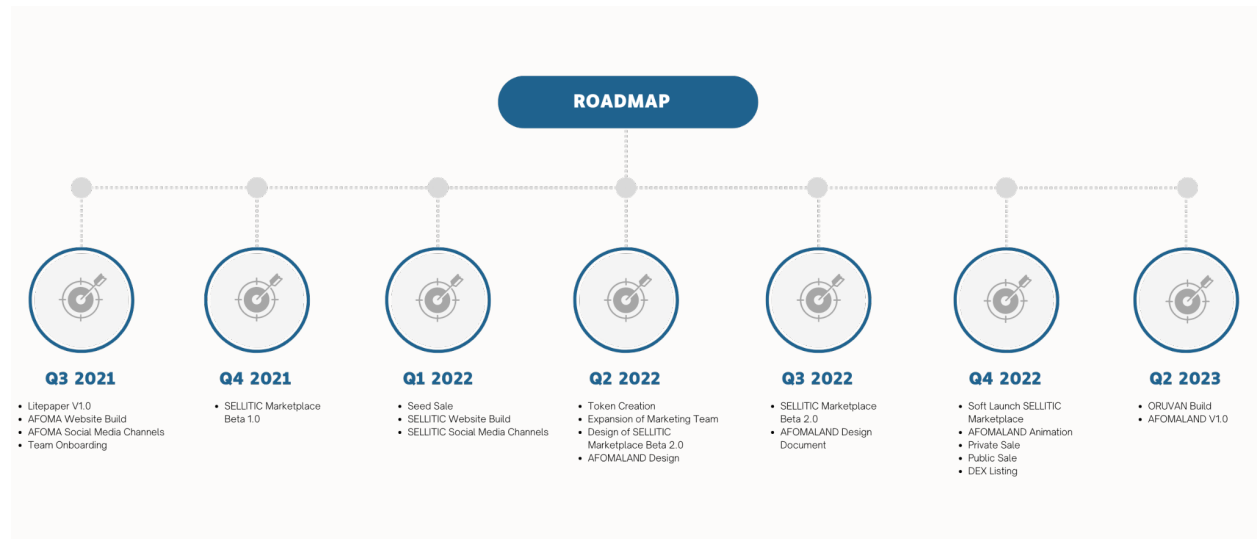
This token allocation will be held on a multi-sig wallet to enhance security and transparency.

The Founders and Core Development team allocation will be used to incentive the extensive project team working on the core components of the ecosystem. The vesting for this allocation

will be done over a 12 to 36 months monthly vesting, based on the role, responsibility and token allocated to the member of the team. The maximum (36 months) monthly vesting schedule will be applied to the Founding team.

For all token distribution (Founders, Core Development, Advisors and Investors), a monthly vesting token release will be adopted, regardless of the length of the vesting schedule.

Roadmap



Conclusion

We have introduced a protocol that will drive a social impact ecosystem designed to enable the creative and informal economy, called the AFOMA protocol. The AFOMA protocol will drive diversity, equity and inclusion by offering a purpose-driven incentive (impact-to-earn) for members of the community who contribute towards empowering and lifting others towards prosperity.

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