

Digital challenges in the hyperinflationary
economical context of Venezuela.

Guillermo Goncalvez
@ggespiga



SOUTH AMERICA

Banker with a specialization in financial engineering, more than 5 years of experience in the financial consultancy and venture capital area. Strong focus on emerging technologies and entrepreneurship, has worked in different financial technology companies and start-ups in Venezuela, Spain, Poland and Switzerland, executing different kinds of labors mainly as an investor, product owner and other leadership positions in financial software development projects. Passionate about bitcoin and blockchain technologies and its potential to disrupt several industries and impact millions of lives, specially supporting financial inclusion in emerging economies.









Source: Statista (OPEC) 2018





Alejandro Machado

@alegw

Siguiendo



Unscientific ranking of coins being used in Venezuela today:

1 VES is still king

2 USD (cash, Zelle) is growing. COP cash also near the border & as far as Mérida

3 BTC far behind 1&2 for everyday use but impressive fx volume

4 ETH, Dash – liquidity is serviceable for low amounts



Myths of money

The money comes
from bartering



Way to track debts

Backing the money



Has no intrinsic value

Fact Sponsored by
governments

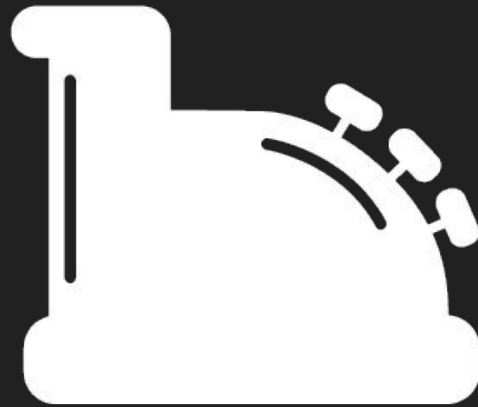


Money is a social
need

Money Functions



Store of value



Payment mechanism



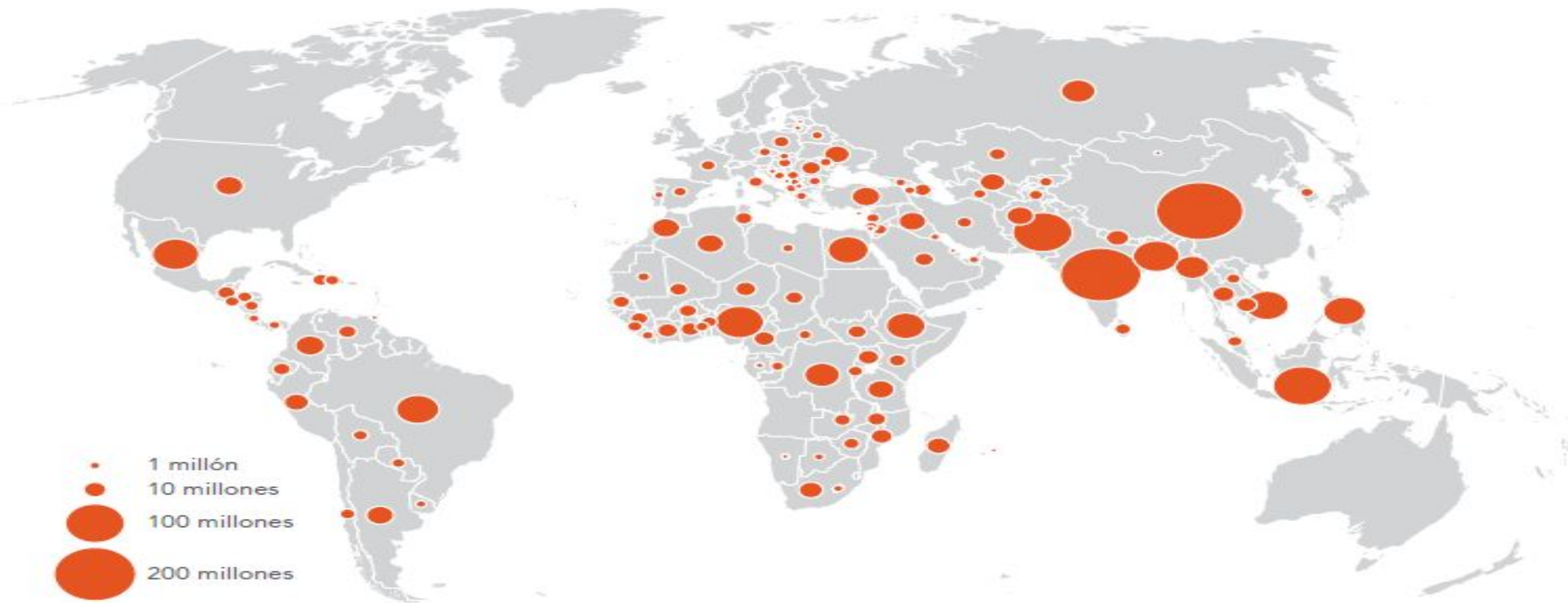
Unit of account

Social Impact of Bitcoin



En el mundo, 1700 millones de adultos no tienen cuenta

Adultos sin cuenta, 2017



Fuente: Base de datos Global Findex.

Nota: No se muestra datos referentes a economías en las que la proporción de adultos sin cuenta es el 5 % o menos.

Source: World Bank 2018

FEB
2013

Penetración de los Servicios Móviles



SOURCE: ERICSSON MOBILITY REPORT, INTERIM UPDATE (FEB 2013)



10 years of M-Pesa

	Live in 10 countries		287,400 agents
	29.5 million active customers		6 billion transactions in 2016
	614 million transactions a month		529 transactions per second

Figures correct as of 31 Dec 2016





Send & Receive Bitcoin, Bitcoin Private, Litecoin, Horizen, Dash and Komodo using your mobile number over sms or your twitter account via direct messages.



QUESTION 3

3 I USE SEND COMMAND AND CONFIRM THE 2FA PASSWORD BUT NO TX WAS OUT:

Check if you send the 2fa password correctly

Transactions not confirmed on 2 minutes timeframe will be declared as invalid , user must use SEND command again and confirm the new transaction.

Spam policy block your number temporarily due to massive server interactions **(wait 10 min)**

COINTIGO
+13602245786

SEND 0.5 ZEN
+123456789000

Confirm that you want to send

0.5 ZEN
6.61 USD

to:

+123456789000

send h0ifpf to confirm

h0ifpf



You sent:

0.05 ZEN
6.61 USD

vcod: 0QWER12tY

txid: 123qwe45678yuio900123fg

Penetración de Internet en Latinoamérica

Número de usuarios y penetración de Internet en Latinoamérica en 2018*



			Usuarios (en mill.)
Ecuador		81,0%	13,5
Argentina		78,6%	34,8
Chile		77,0%	14,1
Brasil		65,9%	139,1
México		65,3%	85,0
Venezuela		60,0%	19,1
Colombia		58,1%	28,5
Perú		56,0%	18,0
Cuba		38,8%	4,4
Guatemala		34,5%	5,8



@Statista_ES

* Datos de diciembre de 2017. Se tuvieron en cuenta los países más poblados
Fuente: Internet World Stats

statista

Source: Statista 2018

Unique subscriber dynamics in Latin America and the Caribbean



Source: GSMA 2018

Percentage of projects based on payments and remittances in Latam

Source: IADB 2018

37,2%

Pasarelas y agregadores de pago

36,8%

Pagos móviles y billeteras electrónicas

9,1%

Soluciones de pago móvil en puntos de venta

7,0%

Soluciones de criptomoneda

5,3%

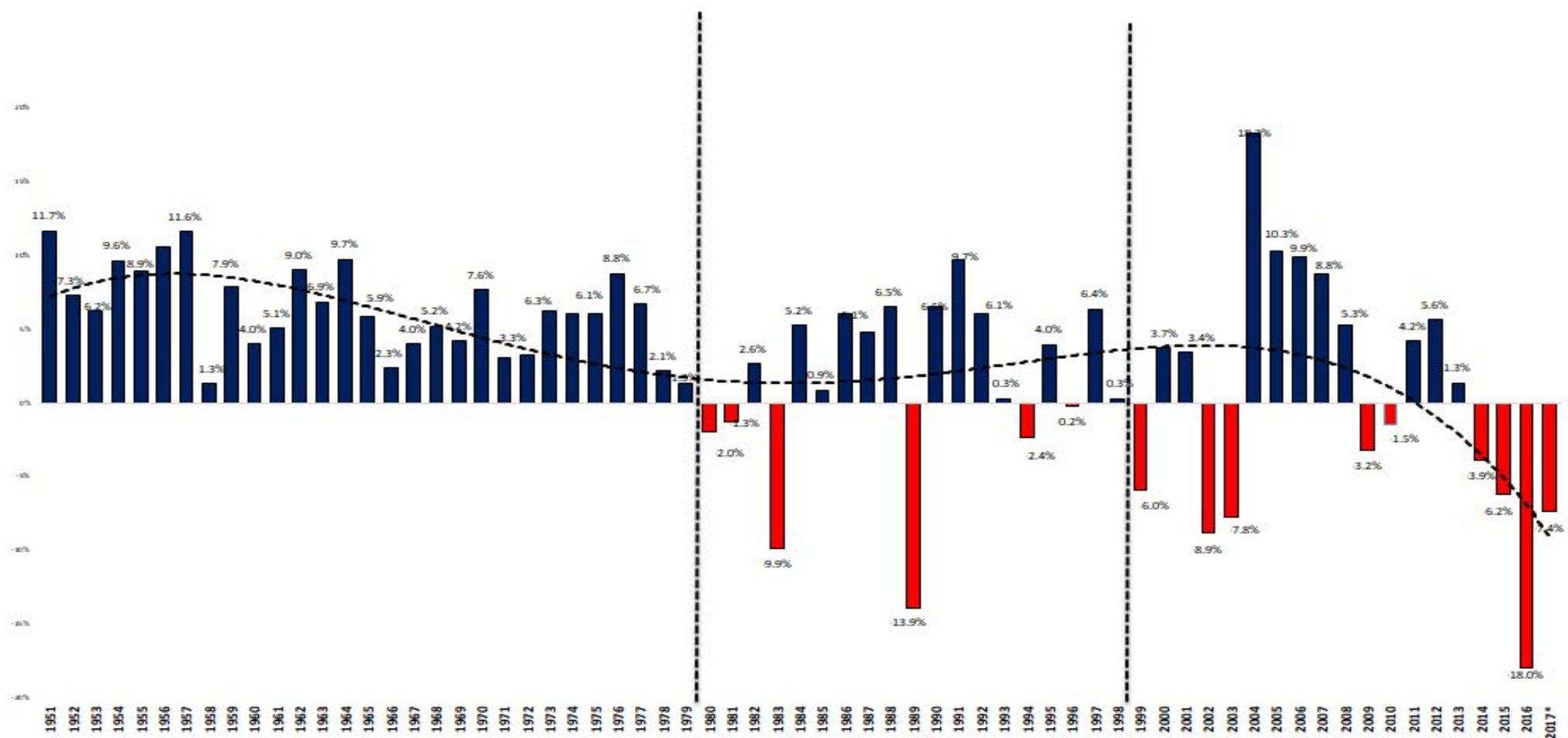
Otros

4,6%

Transferencias internacionales y remesas



Fuente: Encuesta BID y Finnovista (2018).

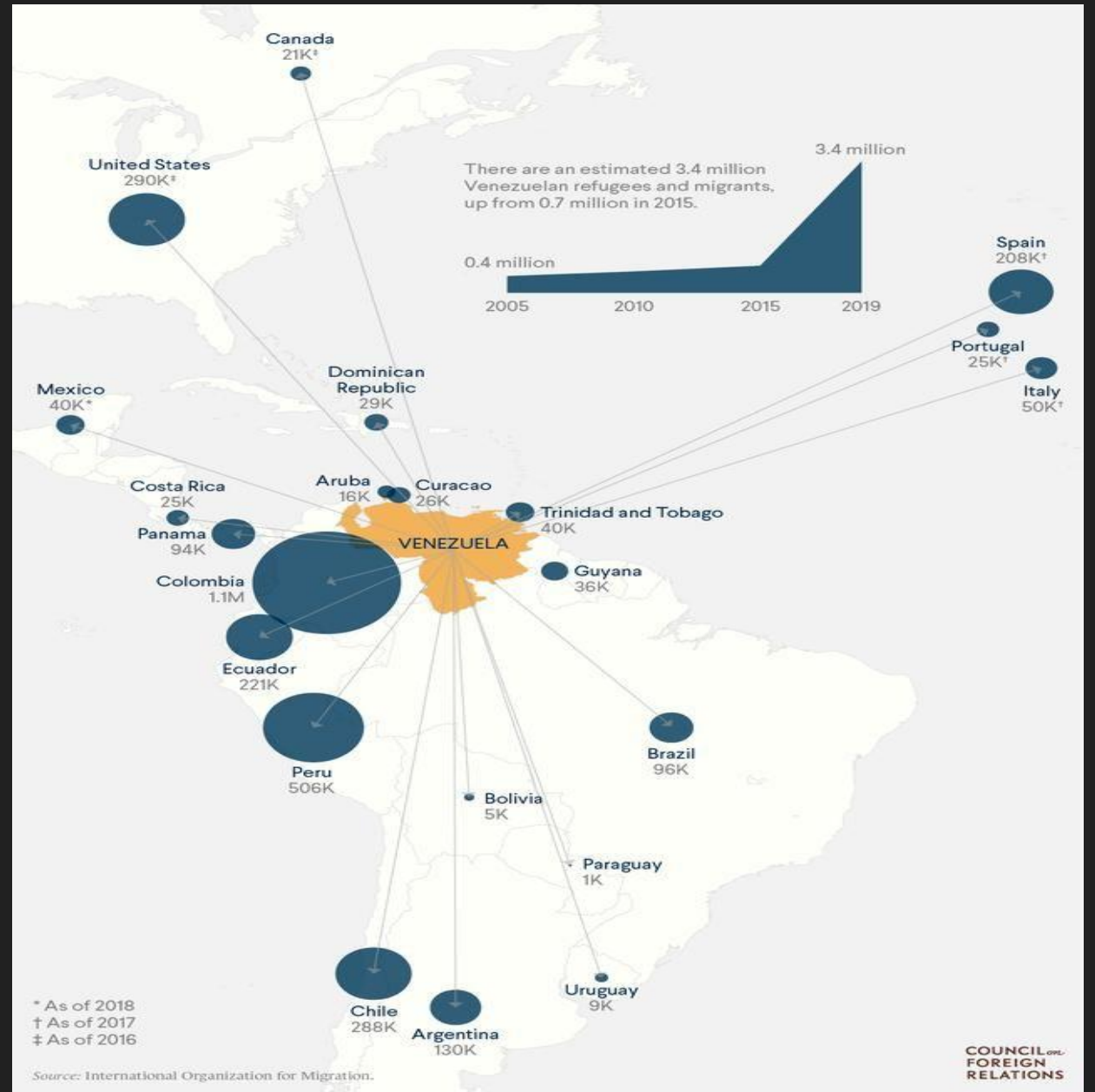


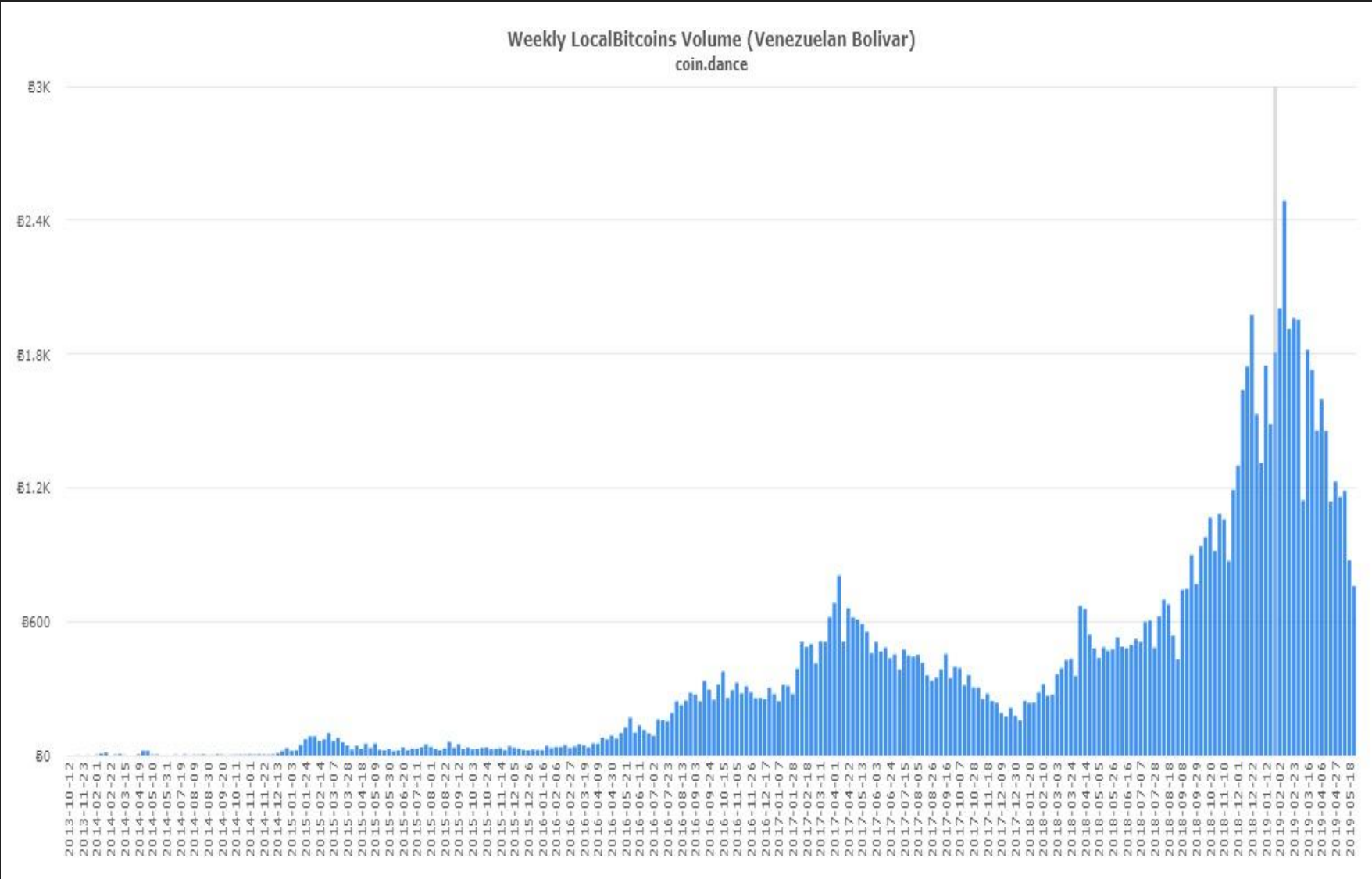
Fuente: FMI y BCV

Source: IMF and BCV 2017

Geographical distribution of Venezuelan migration

Source: Council on foreign relations (2018)





Source: Coindance (2019)

Social reaction to the crisis in Venezuela

- High volume of remittances
- The bolivar continues to predominate as a default transactional instrument
- The dollar loses purchase value
- Bartering is escalating as a trading platform



The first bitcoin exchange in Venezuela

Buy | Sell

BsF 303,001

BsF 53,999,999

SIGN UP

SIGN IN



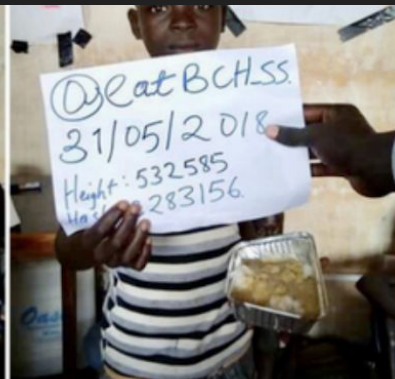
Easy and Fast



100% Transparency



Member of PLINKTRADE



eatBCH

A Peer-to-Peer Electronic Cash-to-Food System

Challenges for the crypto ecosystem in Venezuela

- Access to cryptocurrencies in a more user-friendly and frictionless way.
- Adapt our business models and our technologies to our customers and not the other way around.
- Education as a way to reduce the learning curve and overcome the technological retracement.
- Create networks that enable trust systems for people to compete in open markets.
- A much more flexible and less corrupt legal framework.



- We need to promote investments in our local start-ups in order to get mass adoption.
- Use technology as a tool for censorship government resistant platforms.
- A cultural shift towards a more open economy and free competition mindset.
- Create communication tools for connecting both for profit and non-profit initiatives.
- Use the technologies and tools available to solve day-to-day problems for venezuelans.



**We research how people use
money in closed economies and
collapsing monetary systems.**



Our Motivation

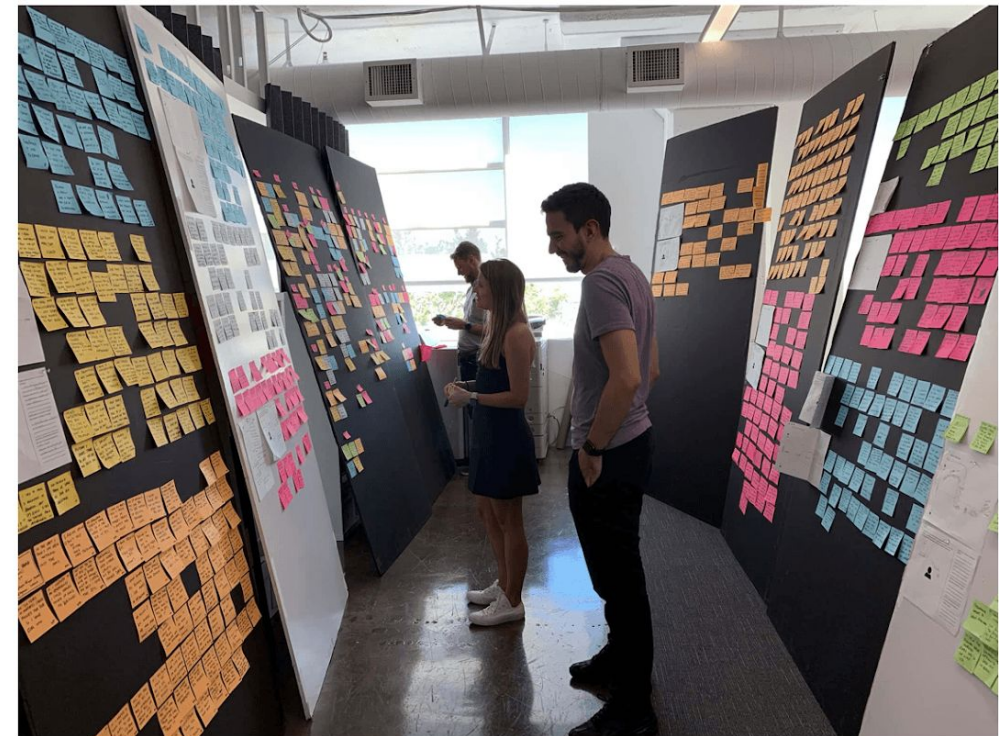
We believe that access to a free and open financial system is a human right.

Our initial focus is on Venezuela, where people are enduring the inability to exchange or transfer money abroad, violent crackdowns on merchants who set their own prices, and hyperinflation.

Our Approach

We go to the field to learn, using a design-led process to capture the human experiences often lost in macro data. We gather qualitative knowledge through methods like ethnographic interviews and longitudinal studies.

We share our insights with the public and work with our partners to derive inspiration for products and services.



1 —

~~**Narrative: People are worried about having enough money.**~~

Alternative: People are worried about procuring medicine, food, and basic goods.

2 —

~~**Narrative: People need any alternative to the bolivar.**~~

Alternative: People still need the bolivar to survive.

3 —

~~**Narrative: People are starving.**~~

Alternative: People are starving, but restaurants are full.

~~Narrative: The police are enforcing Venezuelan law.~~

Alternative: The police are often breaking the law themselves.

~~**Narrative: Once people find a hack, they can use that repeatedly.**~~

Alternative: People have to repeatedly find new hacks because the problems keep changing.

~~**Narrative: People need products and services that enable them not to have to trust each other.**~~

Alternative: People need products and services that enable them to trust each other.



EL DORADO

LOCAL CRYPTOCURRENCY EXCHANGE



About Us

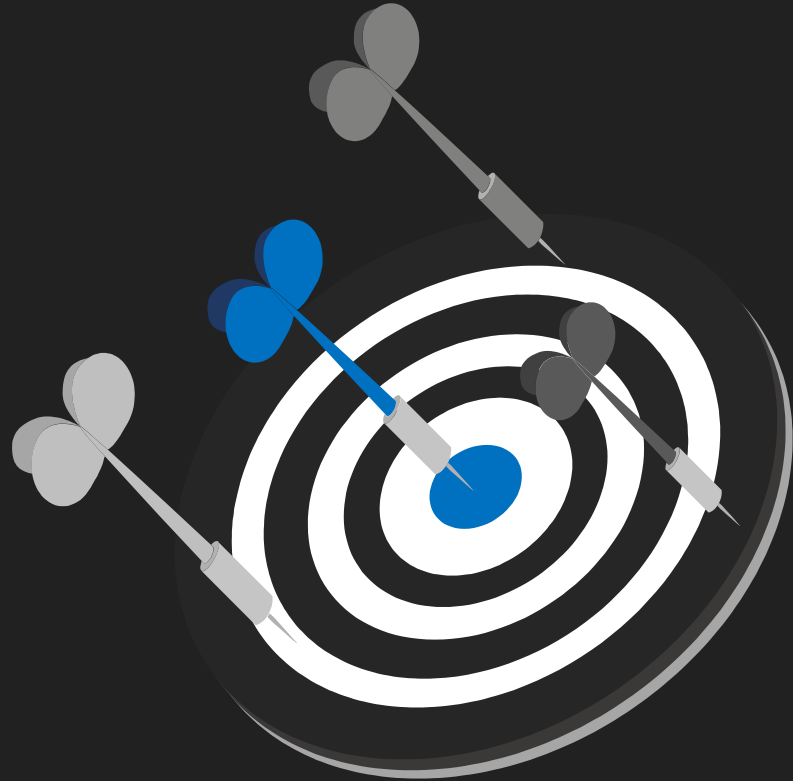
El Dorado Exchange



Our compromise with the community its to develop the necessary tools that allow our users pull out the best of digital currencies, we are looking forward that people can feel comfortable doing business, while providing the best services in a network of decentralized currencies. Our goal it's to help people acquire digital or sell currencies safely, in a easy to use platform and protect their investments and savings.

Our mission

El Dorado Exchange



For companies

Create and promote business connections through our products and quality services



For the future

Be the high standard reference in education and innovation with crypto currencies in LATAM and the world



For Now

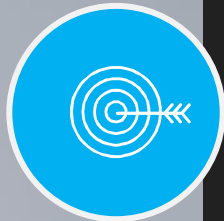
Create a friendly platform for buying and selling digital currencies while instructing about financial liberty



**Buying and selling
cryptocurrencies**



**Crypto
Classified.**



Academic Mentoring

Services

El Dorado Exchange

Looking forward our community we provide an easy to use website for information and active commerce with digital currencies.



What do we offer

A tool for customers who want to take control of their finances, using digital currencies, we are looking to change the traditional way of doing business and investing.

Our main target are developing countries and emerging economies that could take chance of blockchain technology for their growth.



How much money i have



Preferred Bank



Ratings



ACTIVE USERS



TRUSTED



We found **443 offers** that fits your preferences

Clear search



SELLER ⌵

RATINGS ⌵

COUNTRY ⌵

PAYMENT METHOD ⌵

PRICE OF BTC IN PLN ⌵

LIMITS

● BestBTC_seler 23

4.7

🇻🇪 Venezuela

National Bank in Venezuela

47,303 PLN

2- 43,200 PLN

Buy



● BestBTC_seler 23

4.7

🇻🇪 Venezuela

National Bank in Venezuela

47,303 PLN

2- 43,200 PLN

Buy





Hi Guillermo!

You last logged yesterday at 14:32 from this computer

YOU HAVE:

0.434BTC

around 2 332 USD

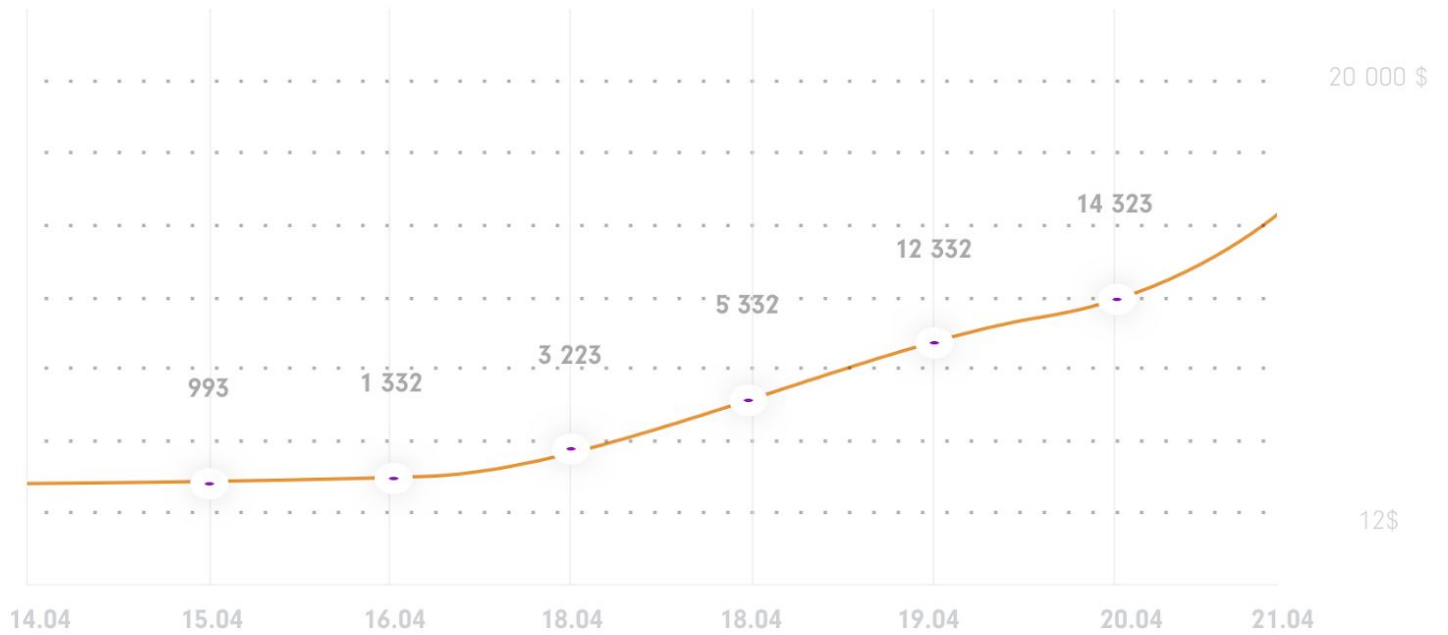
Add funds +

Make a withdraw +

PRICE OF A BITCOIN

0.434BTC

Day Week Month Year





Sell 2 BTC for 5,300,000,000 VEF

Exchange rate: 2,650,000,000 VEF/BTC

Created at 20 May 2018, 19:49

- ✓ Apply for an offer
- ✓ Send money
- 3 Money received
- 4 Rate
- 5 Transaction summary

Chat with factiven

hola 13-12-2018 2:07

te pago 2000000 bs por 0.01 btc 13-12-2018 2:07

Confirmed money send 13-12-2018 2:38

Para confirmar la transaccion enviame a mi cuenta mercantil aue te compartire a continuacion 5.300.000.000 VEF a cambio de 2 BTC 13:11

Cuenta Mercantil 01050151261151053295 23685447 Guillermo Goncalvez guillermogoncalvez@gmail.com 13:11

tan pronto confirme el recibimiento de los fondos procedere a liberarte los btc 13:11

Gracias por ofertar 13:12

Espero tu respuesta 13:12

Enviame una captura de pantalla con los datos de pago 13:12

Sigo esperando que me confirmes la transferencia 13:14

Por favor avisame 13:14

Ahora si he recibido los fondos, muchas gracias por tu colaboracion 13:15

Recuerda dejar un buen rating y un comentario positivo. vo deiare uno positivo para ti tambien. Gracias y que tengas un buen dia 13:15

Possible action

Confirm receiving money

type a message...

Send





Somos un equipo multidisciplinario que combina el conocimiento sobre Economía, Riesgo, Ciencias Actuariales, Finanzas, Matemáticas, Estadísticas, Probabilidades y las Ciencias de la Computación, con una Visión única sobre servicios para el sector financiero, aplicando Ciencia de los datos y Algoritmos inteligentes para el sector financiero. Somos científicos de datos financieros.





EL DORADO

LOCAL CRYPTOCURRENCY EXCHANGE





Society 3.0

