

Capture Notes & Discussions

This page is to capture discussions on topics that are in design, or not ready for input to the GF.

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Use Cases - Tokens & Value Exchange

Introduction

This discussion relates to policy and rules as they apply to the Token. Currently in Yoma, the exchanged currency is [ZLTO](#). *"Zlto is a rewards system used to facilitate community impact. Impact is verified by peers in the Zlto network and verifications are then securely stored using blockchain technology. The impact can subsequently be purchased by investors, who directly fund the inventory of rewards available to users. The Zlto backend infrastructure draws from several leading blockchain technologies. The primary aim is to create a highly reliable and scalable system for evaluating work and storing verified work assets. The systems essential principles are immutability, low latency, and a high secure transaction rate"* (Source: [Zlto: Increase and Track Positive Behavior using Secure Blockchain Technology, Michael Gu et al, International Journal for Information Security Research \(IJISR\), Volume 9, Issue 2, June 2019](#)). Zlto is a closed loop token owned and managed by Yoma partner [RLABS](#)

In the future it is envisaged that there will be a Universal Yoma Token which will be the default medium of exchange within Yoma, it will then be possible for many other types of token to be used as appropriate to local Yoma ecosystems. The Yoma Token has yet to be designed and therefore the scope of GFV1 is to define policy as it relates to Zlto.

Roles related to the Token

Roles Specified in Credential [Use Case Document](#)

- **Johannes** (convener) - Yoma. Responsible for promoting experiential learning and employment opportunities for youth across the world. The goal is to reach 1.5m youth by the end of 2021.
- **Desme** - (Yoma platform manager) - Provide yoma back-end support. Partner onboarding and verification, youth support etc.
- **Cartedo** (issuer and verifier) - Provide yoma youth with experiential learning opportunities
- **Atingi** (issuer and verifier) - Provide yoma youth with access to a learning management system with a collection of learning and education opportunities.
- **Jobberman** (verifier) - Youth can apply for employment opportunities at Jobberman by supplying their digital alternative CVs to employment providers
- **Ntombi** (holder) - Youth from around the world looking for learning and earning opportunities.

Supplementary Roles related to Token in addition to the [roles specified in ToIP Governance Stack](#)

- Token Issuer
- Token Holder
- Token Recipient
- Token Exchanges
- Treasury
- Financial Regulator

Core Use Case

EPIC 1: Youth are rewarded for completing challenges and can exchange tokens for products of value

On completion of challenges, young people are rewarded with Zlto, a digital token that can be redeemed for digital services (e.g. airtime or premium courses) or physical goods (e.g. bus tickets, basic commodities). In South Africa, more than 3,000 outlets already accept Zlto. Zlto is a closed loop currency

User Stories

- Opportunity Partner buys [Zlto](#) based on conversation between Learning Challenge Setter and RLABS
- Learning Opportunity Partner assigns Zlto value to Challenge in Yoma marketplace
- Ntombi completes Learning task and receives tokens to RLABS Zlto wallet
- Service Provider prices offer in Zlto exchange
- Ntombi exchanges Zlto for offer
- Service Provider gets Zlto

Scope for V1 Universal Token

There is a Universal Yoma Token which would be the default currency for rewards which could be exchanged for Zlto's

About Yoma Token:

- Yoma may perform a treasury function
- **Incentives**
 - To use tokens, ie prevent them using Challenges to hoard tokens, too much stored value, might reduce in value (have breakage) in order to incentivise circulation of value. There could be a ceiling on the # of tokens - different levels, gamification potential. (There are some examples of "demurrage" in tokens to reduce value as they are held)
 - Stimulate youth to go from learning to earning to mentoring.
 - **Behaviour Change** reference <https://arxiv.org/abs/2104.01852>
 - Participation in the Yoma governance
 - Not a security token but a utility token
- Roots of value for Yoma
 - subsidised donations (pump priming) goes to Treasury
 - Entrepreneurs / businesses = for recruitment, for completion of learning challenges, impact challenges.

Rationale: Zlto not controlled by the youth, serve the youth, and be able to do multiple things

- *Ntombi swaps Yoma Token for Zlto or Digital Cash*
- Ntombi manages the tokens in his digital asset wallet
- Ntombi gifts his tokens to another Youth participant
- Ntombi sends tokens to a family member who is outside Yoma ecosystem

(Black Tax: one family member is educated, in the future they have to pay salary back to other family members <90% of salary back to other family members / community)

- *How can Ntombi utilise tokens to influence governance e.g. voting?*

Future

- Ntombi can earn tokens from completing Impact Challenges as well as Learning Challenges. Complex, e.g. Impact Challenge - educate young women
- Dynamic marketplace with fluctuating prices
- There are multiple tokens which are interchangeable / fungible via a Universal (Yoma) token
- e.g. cross-border payments, cross-border transfers.
- Native token excluded because of lack of Layer 1 Indy Ledger w/token
- Could be on another network, value in associating token value w/tokens
- Open loop - You can off-ramp tokens to fiat
- Different types of tokens e.g. for value exchange vs for governance - consider DAO concept with youth ownership & decentralized governance

Additional Epics

- *Social Enterprise sets Impact Challenge selects token of choice*
- *Social Enterprise sets Impact Challenge token rate*
- Governance Authority enables new token
- Ntombi swaps Yoma Token for Zlto
- Ntombi swaps tokens for fiat
- Ntombi manages his token wallet
- Ntombi gifts his tokens