



# Blockchain Technology in Microloans Distribution to Empower Youth Livelihoods in Lagos Informal Market Communities: An African Perspective

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## Abstract

Blockchain technology has gained traction as a tool for enhancing financial inclusion and trust in microfinance systems. In Lagos informal market communities, where access to traditional banking services is limited, blockchain can offer secure and transparent mechanisms for distributing microloans. Empowering youth through such initiatives could have significant socio-economic impacts. A mixed-method approach was employed, including a quantitative survey among 300 participants (youth aged 18-25) from these communities, supplemented by qualitative interviews with community leaders and local financial institutions. The survey revealed that while 75% of respondents expressed willingness to use blockchain for microloans, concerns about technological complexity (46%) and lack of awareness were primary barriers. Community support was identified as a key facilitator. Blockchain technology holds promise for enhancing financial inclusion in Lagos informal market communities but requires targeted education and community engagement to overcome initial skepticism. Developed educational programmes targeting youth on blockchain technology, supported by local authorities and NGOs, are recommended to address technological complexity and awareness gaps. Community involvement is also crucial for acceptance and sustainability of such initiatives.

**Keywords:** *African geography, blockchain technology, microfinance systems, youth empowerment, trust mechanisms, financial inclusion, socio-economic development*

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