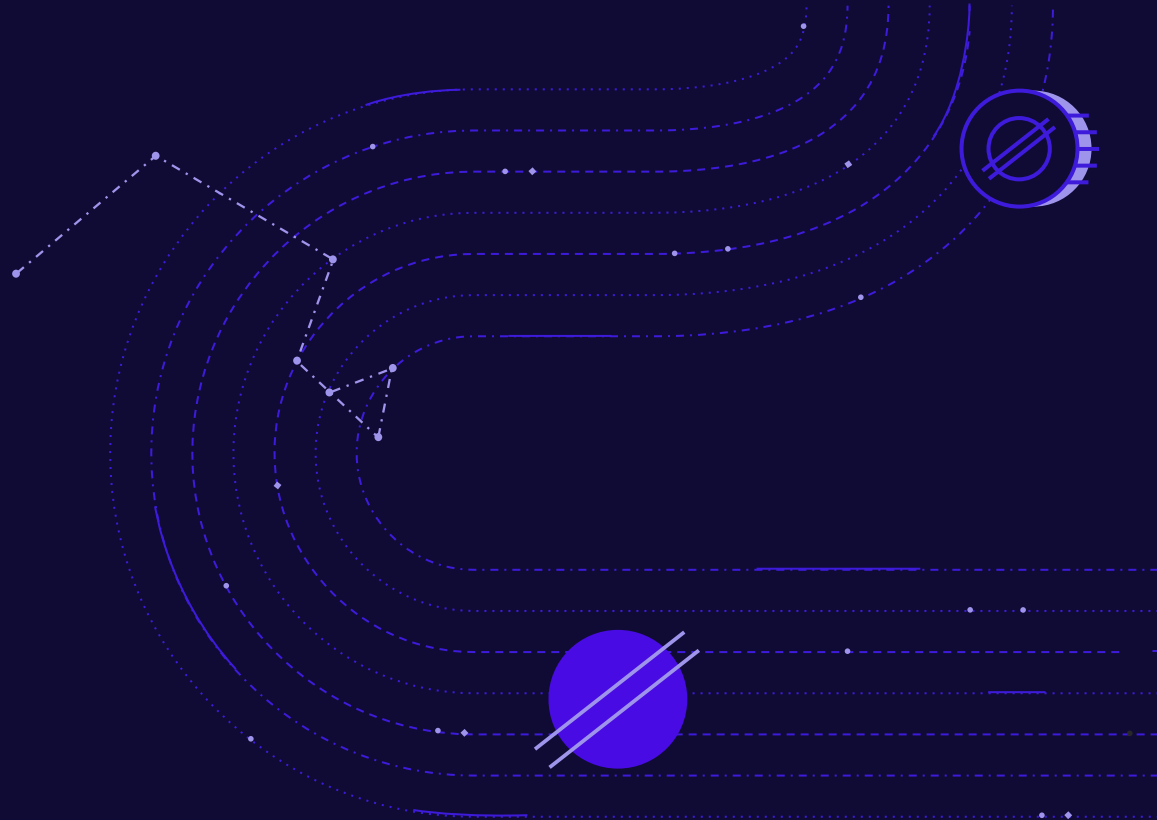




# Q1 2023

## Stellar Development Foundation Quarter in Review

April 2023



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# 01 Executive Summary

# Executive Summary

Relevant Asset Transaction Volume

**+\$419M**

Launch of  
**Coinme Integration**

# Soroban

Preview Releases 7 & 8

**World Economic Forum  
ETHDenver  
Paris Blockchain Week**

**118** submissions  
Stellar Community Fund  
Round 12 & 13

# Executive Summary

2023 has kicked off, and the Stellar Development Foundation made significant strides on its [roadmap](#):

01

**Make  
innovation  
easy and  
scalable**

02

**Win over  
builders**

03

**Focus on  
utility to  
build trust**

Read the following pages to see what SDF has accomplished this past quarter against these building blocks.



# Executive Summary

## MAKE INNOVATION EASY AND SCALABLE

The engineering work for SDF this quarter focused a lot on **Soroban**, the forthcoming smart contracts platform that's designed with purpose and built to perform.

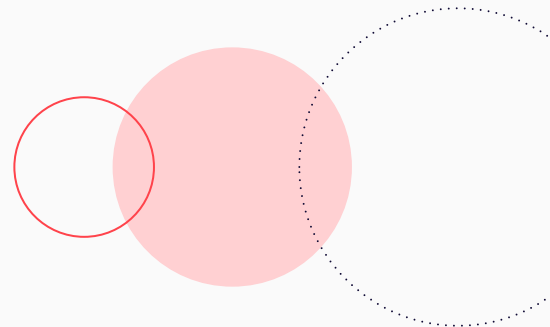
Soroban development continues to be a top priority, and each quarter brings SDF closer to mainnet launch. SDF encouraged the ecosystem to experiment and give feedback on preview releases in order to shape key design choices as the team close in on production-ready code.

State expiration has also been discussed in open protocol meetings, and its implementation is in progress.

Some of the noteworthy achievements in Q1 include **2 key [preview releases](#)**.

Preview release 7 introduced “**Soroban Auth**”, a novel approach for creating smart wallets through account abstraction.

Preview release 8 (which was heavily informed by the ecosystem's feedback), completed a type overhaul in preparation for launch. It also introduced **diagnostic events**, which allow for advanced tracing and debugging tools to be built easily.



# Executive Summary

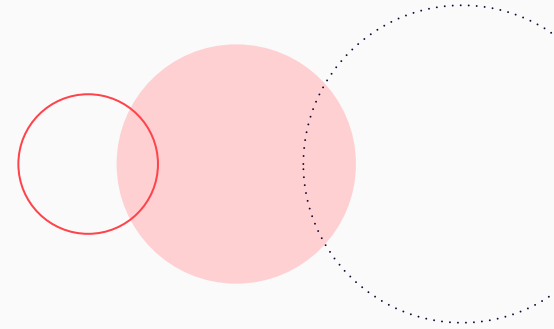
## MAKE INNOVATION EASY AND SCALABLE

Technical improvements to Stellar Core in Q1 have laid the groundwork for improving scaling and decentralization. Two initiatives include **Bucketlist DB**, a new storage mechanism that will use one data structure (instead of the primary and secondary structures that the network has today), and **Pull Mode**, the new initiative to increase the network's transactions per second.

The upcoming Soroban launch also presents an opportunity to attract new infrastructure providers to the ecosystem, and to engage with existing providers to extend their services to allow for more network access options.

Recently, the expansion of the Stellar Community Fund attracted several new providers, who are currently working to build services and deploy them closer to mainnet launch.

Separately, SDF also secured the cooperation of a few specific infrastructure partners in Q1, who are planning to provide hosted Soroban-RPC services.



# Executive Summary

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## MAKE INNOVATION EASY AND SCALABLE

The **Freighter** team was hard at work this quarter. As a reminder, Freighter is a non-custodial wallet extension that enables a user to sign Stellar transactions via their browser. The team began supporting Soroban, tested the SEP-24 integration with MoneyGram Access, and added additional metric tracking capabilities.

SDK progress this quarter included a beta version of the TypeScript Wallet SDK, adding SEP-24 and payment support for the Android Wallet SDK, and improvements to the Kotlin Wallet SDK based on ecosystem feedback.



# Executive Summary

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## WIN OVER BUILDERS

In Q1, SDF launched programs, released content, and increased resources to attract developers to Soroban and support them as they explore and experiment.

Last year, SDF established the **Soroban Adoption Fund** – a dedicated \$100 million dollar envelope within the organization’s mandate to support developer adoption of Soroban. The overall goal is to create a clear path for the curious to become tinkerers, for tinkerers to become builders, and for builders to launch and scale useful products and services.

As part of the Soroban Adoption Fund, the [Soroban Adoption Fund Programs](#) officially launched and received significant promotion. Highlights include:

- Over 6,000 [Soroban Quest](#) NFT badges were claimed
- [Fast, Cheap, and Out of Control](#) (Series 6) officially launched, with 165 participants completing the game and awarded \$100K in USDC
- [Sorobanathon: Equinox](#) awarded 77 submissions
- The [Stellar Community Fund](#) received 118 submissions across 2 rounds and awarded over \$1.2M in Q1.

# Executive Summary

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## WIN OVER BUILDERS

As part of its mission to promote access to financial products and services, **SDF seeks to have the world's most used assets represented on the network.**

On top of talking directly with key issuers of these assets like Circle, GMO and others, SDF is also working on ways to attract fintechs, banks and other licensed entities to explore issuing assets on Stellar on their own (or with little assistance).

This quarter, SDF launched the [Stellar Asset Sandbox](#), a suite of tools to help asset issuers get familiar with Stellar and easily make the assessment on how Stellar can support their projects.

The sandbox, designed in partnership with Cheesecake Labs, makes it easy to explore issuing an asset on Stellar. In a simple-to-use interface, people can issue, mint and burn new assets on the Stellar testnet, no code required.

SDF also released a [step-by-step guidebook](#) about [Asset Issuance on Stellar](#).

# Executive Summary

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## WIN OVER BUILDERS

To increase Stellar's reach to the cash economy in the US, SDF partnered with [Coinme](#) this quarter to offer USDC on Stellar through the Coinme wallet and Coinme's global cash on/off ramp ecosystem.

As of March, through thousands of locations on Coinme's network nationwide (including ATMs and Coinstar kiosks) users can buy and sell USDC on Stellar using cash and debit cards.

Sending and receiving USDC via the Coinme wallet is virtually free for peer-to-peer transactions, and provides an option for near-instant payments to family and friends.

This launch offers millions of Americans who are unbanked or underbanked a new pathway into digital finance.

Speaking of wallets, Q1 also saw the launch of ecosystem wallets looking to leverage Stellar ramps to expand, or reach users without bank accounts. The Beans and Decaf wallets both went live with [MoneyGram Access](#).

# Executive Summary

## FOCUS ON UTILITY TO BUILD TRUST

The **Marketing and Communications teams** hit the ground running on the public profile strategic initiative.

The year started off incredibly strong with SDF's visibility at some key industry events.

- A team including Denelle Dixon (CEO), policy, and product leaders from SDF started in Davos for the **World Economic Forum**.
- Justin Rice (VP of Ecosystem) and representatives from SDF's crypto strategy, policy, and investments teams were present at **European Blockchain Convention**.
- SDF participated at **ETHDenver** in panels and ran Soroban workshops, also swinging through Axelar's **Interop Summit**.
- Then it was off to **Paris Blockchain Week Summit** where SDF had a big activation, as well as the **DC Blockchain Summit, Fintech Meetup** in Vegas, and back to SF for **Canvas 2023**.

# Executive Summary

## FOCUS ON UTILITY TO BUILD TRUST

The **Policy team** has made significant progress in ensuring SDF is seen as a reliable, trusted source on policy issues and Stellar as reliable blockchain technology.

- SDF COO Jason Chilpala was selected [to become a member of the Commodity Futures Trading Commission's Global Markets Advisory Committee](#), bringing a unique perspective as the only member representing a Layer 1 protocol in the group.
- The policy team continues to spread the word about real-world use cases, completing briefings and presentations with the CFTC and others, participating in education days on Capitol Hill, and meeting with stakeholders both domestically and internationally.
- The team's policy priorities for the year ahead are now available on the [SDF blog](#).

# Executive Summary

## FOCUS ON UTILITY TO BUILD TRUST

This is everything SDF does to ensure the quality of Stellar flagship products:

- The **Vibrant** team placed an emphasis on building out growth products in Argentina and the US, launching and ramping up the Referrals and Quests programs in Argentina. The team is also doing discovery work on merchant payments and debit cards, and working on new integrations to come soon.
- The team completed the MVP of the **Anchor Platform** for SEP-24, aka Hosted Deposits and Withdrawals, as well as the development of the Anchor Platform v2.
- SDF also spent time architecting the core **Stellar Disbursement Platform** for scale and in anticipation of new deployments.

## STELLAR IN THE NEWS

# General SDF News Coverage Updates

WIRED

MARCH 15, 2022


## In Ukraine, Crypto Finds a Purpose




- [War-torn Ukraine is Turning to Crypto](#) | Blockworks
- [The Niche Application of Stablecoins Is Not a Bad Thing](#) | CoinDesk
- [Ukraine Bank Finds Stellar Blockchain Brings 'Key Advantages'](#) | Blockworks
- [Ukraine Deputy Prime Minister: I'll Take Salary in CBDC](#) | Coindesk
- [Stellar joins CFTC's Global Markets Advisory Committee as one of four crypto orgs](#) | CoinTelegraph
- [Crypto Payments Specialist Stellar Bridges Fiat and Stablecoins to Polkadot](#) | Coindesk
- [Arf Solving Liquidity Constraints in Cross-Border Payments with Support from SDF](#) | PRNews
- [UNHCR wins award for innovative use of blockchain solutions to provide cash to forcibly displaced in Ukraine](#) | UNHCR
- [How Stellar Is Helping Bankless To Make Money Transactions](#) | Altcoin Buzz

## GENERAL EVENT UPDATES

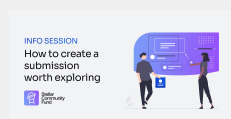
# Virtual and Live



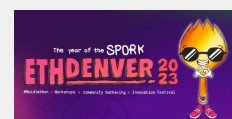
[World Economic Forum](#) →



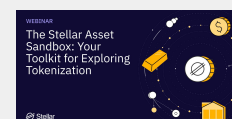
[European Blockchain Convention](#) →




[How to Create an SCF Submission Worth Exploring](#) →




[ETHDenver 2023](#) →



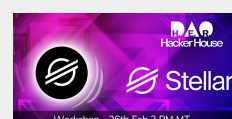
[The Stellar Asset Sandbox: Your Toolkit for Exploring Tokenization](#) →



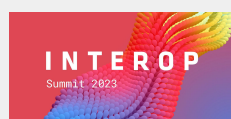
[SCF Startup Bootcamp Info Sessions \(1, 2, 3, 4\)](#) →




[What's New with the Stellar Community Fund?](#) →



[Stellar Development Foundation @ H.E.R. DAO HACKER HOUSE](#) →




[Interop Summit \(David Mazieres' Keynote\) \(AMA w/ Tomer Weller\)](#) →



[Stellar Development Foundation Q4 2022 in Review](#) →



[Paris Blockchain Week Summit](#) →



[DC Blockchain Week Summit](#) →



# 02

# Network Stats

To measure and assess growth of the network over time, SDF has established a select group of metrics to track throughout 2023 and compare year-over-year to their 2022 equivalents: total accounts, total payments, average daily decentralized exchange (DEX) volume, and total operations processed.

These metrics serve as indicators of general usage of the network.

# Total Accounts



# +15.8%

Total accounts grew by **15.76% YoY**, tracking towards the next million.

6,344,718

Q1 2022

7,344,684

Q1 2023

# Total Payments



# -62.59%

The number of total payments decreased by 62.59% YoY, with 56.9 million payments made in Q1 2023 compared to 152 million in Q1 2022.

However, despite the number of payments decreasing, the on-network transaction volume of relevant assets grew by 10.5% YoY (seen on slide 22 & 23).

## 152,004,295

Q1 2022

## 56,859,923

Q1 2023

# Average Daily DEX Volume (XLM)

# -78.3%

Average daily volume on Stellar's decentralized exchange (DEX) hovered above **14 million XLM** per day.

66,050,955

Q1 2022

24,050,977

Q1 2023

14,345,776

Q1 2023

# Total Operations



# +21.7%

Total operations processed on the network continues to be one of the largest growth areas, surpassing 1 billion in Q1 2023 (+21.7% YoY).

890,409,401

Q1 2022

1,083,995,221

Q1 2023

# Relevant Assets

The following metrics look at relevant assets, which serve as indicators of how the network is being used. Usage of relevant assets answers the question of how well Stellar is moving towards connecting global financial systems. SDF defines a relevant asset as an asset tethered to a real financial instrument.

When SDF measured the number of relevant assets in Q1 of 2022, the total number of these assets stood at 88, with transaction volume for the quarter amounting to \$380 million. As of Q1 2023, the total number of relevant assets has decreased YoY to **79** due to strengthening the reporting criteria determining what counts as a relevant asset. In addition, despite the number of payments decreasing, the on-network transaction volume of relevant assets grew by **10.5% YoY**.

# Relevant Assets

RELEVANT ASSET TRANSACTION VOLUME

**+10.5%**

Q1 2022

**\$379,660,743**

Q1 2023

**\$419,396,995**

GROWTH OF  
RELEVANT ASSETS YOY

**-0.1x**

GROWTH OF RELEVANT  
ASSET TRANSACTION  
VOLUME YOY

**1.1x**

RELEVANT ASSETS

**88 → 79**

# Decentralization Update

Given the important role decentralization plays in the health and success of the network, SDF will continue to include the total number of nodes and validator nodes, as well as the average ledger close times completed by the network, in its quarterly reports through 2023.

The decentralization of the network is consistent with last fiscal year — accounting for the same number of Tier 1 validator nodes, although the number of total nodes have decreased. Average ledger close time clocked under 6 seconds.

## AVERAGE LEDGER CLOSE TIME

# 5.749s



119

Total  
nodes

23

Tier 1  
Validator  
nodes



# Automated Market Maker (AMM) Update

In 2021, AMM functionality was built into Stellar Protocol 18 in order to improve liquidity on the network, and SDF's 2022 quarterly reports reported on AMM metrics. However, over the course of the year, it became clear that the built-in AMM functionality wasn't flexible enough to suit the needs of the ecosystem.

Solving issues such as liquidity at scale requires a wide variety of approaches and extensive surface area for developer innovation, which is what spurred the decision to add smart contracts to Stellar by building Soroban.

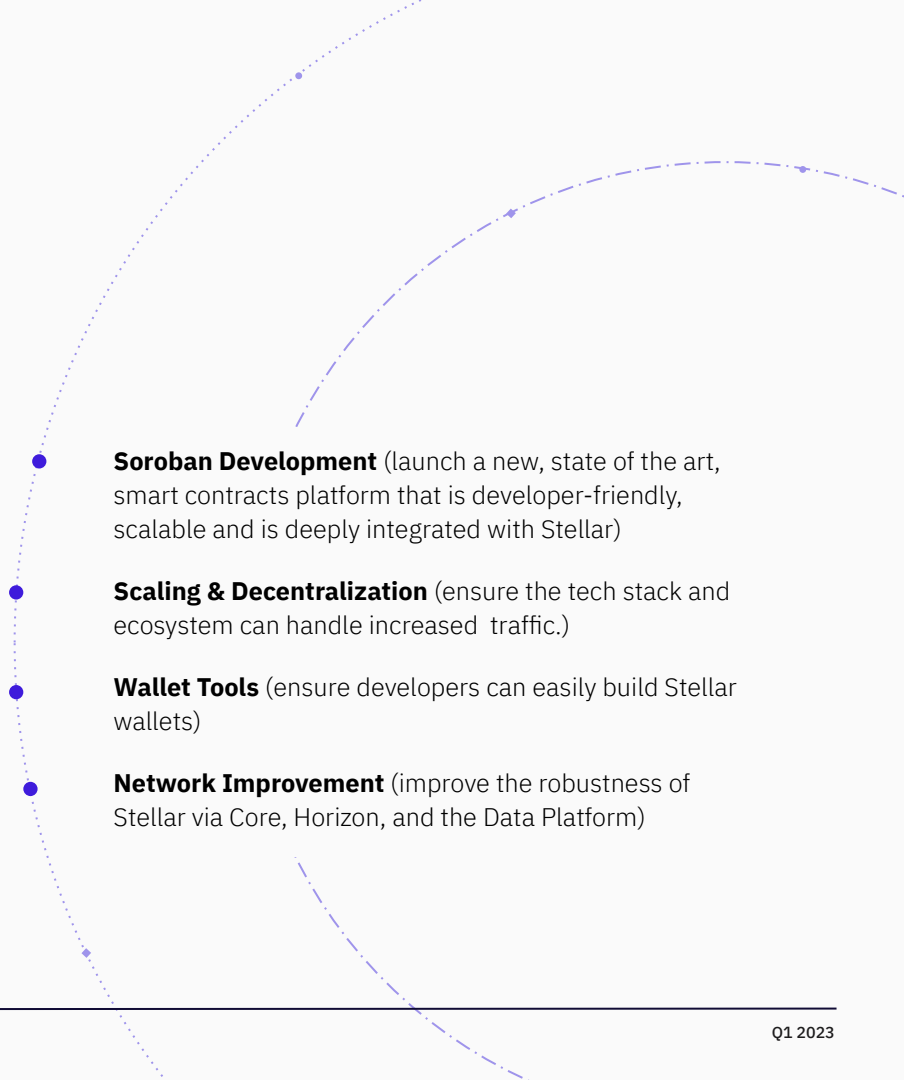
Based on ecosystem feedback, and on the positive response from developers so far, SDF believes Soroban will allow the ecosystem to create innovative financial solutions, including AMMs that increase liquidity. When Soroban launches in late 2023, SDF will begin sharing related metrics in this quarterly report. For now, SDF will forgo sharing metrics related to the built-in liquidity pools.

# 03 Make Innovation Easy and Scalable

# Make Innovation Easy and Scalable

Whether it's scaling on Stellar's traditional offering or leveraging a new smart contract standard in DeFi, SDF needs to make it easy to build on the network.

To make innovation easy and scalable, SDF's work will focus on the following strategic initiatives:



**Soroban Development** (launch a new, state of the art, smart contracts platform that is developer-friendly, scalable and is deeply integrated with Stellar)

**Scaling & Decentralization** (ensure the tech stack and ecosystem can handle increased traffic.)

**Wallet Tools** (ensure developers can easily build Stellar wallets)

**Network Improvement** (improve the robustness of Stellar via Core, Horizon, and the Data Platform)



Bringing smart contracts  
to Stellar

## PREVIEW RELEASE 7

- ✓ Introduced “**Soroban Auth**,” a novel approach for creating smart wallets through account abstraction

## PREVIEW RELEASE 8

- ✓ Completed a **type overhaul** in preparation for launch. heavily influenced by ecosystem feedback
- ✓ **Diagnostic Events** were introduced. These allow for advanced tracing and debugging tools to be built easily
- ✓ CLI developer experience significantly improved

## STATE EXPIRATION

- ✓ Has been discussed in protocol meetings and implementation of its building blocks is in progress

## SOROBAN-RELATED CONTENT

- ✓ Workshops in ethDenver and Interop (Tyler)
- ✓ Workshop in PBWS (Paul, Tyler, Morgan)
- ✓ “Lies, Damned Lies and Smart Contracts” (Tomer)

# Scaling & Decentralization

## Stellar Core

### STELLAR CORE

Technical improvements to Stellar Core laid groundwork for improving scaling and decentralization:

- [Bucketlist DB](#) (Stellar Core v19.???)
- [Pull mode](#) (Stellar Core v19.???)

In addition, the imminent launch for Soroban presents an opportunity to attract new infrastructure providers to the ecosystem, and to engage with existing infrastructure providers to extend their services to allow for more network access options, which helps improve decentralization.

The supersizing of SCF attracted several new providers, who are currently working to build services and deploy them closer to Mainnet launch.

Outside of SCF, SDF secured the cooperation of a few specific infrastructure partners, who are planning to provide hosted Soroban-RPC services, available by both testnet and mainnet launch.

# Wallet Tools

## Freighter & SDKs

### FREIGHTER

- ✓ Freighter has begun testing the TS Wallet SDK
- ✓ Freighter began supporting Soroban and can now show token balances, transaction history, and send token payments
- ✓ Freighter began testing SEP-24 integration with MGI
- ✓ Freighter added additional metric tracking using Google Analytics

### SDKS

- ✓ Android Wallet SDK added SEP-24 and Payment support
- ✓ The team created a beta version of the TS Wallet SDK
- ✓ Improved Kotlin Wallet SDK (fixing bugs, improving API structure) and added documentation based on ecosystem feedback

### MISC.

- ✓ The team began work on Stellar Design System v2 and are using it to build Stellar Disbursement Platform

# Network Improvements

## Horizon & Hubble

### DATA PLATFORM (HUBBLE)

- ✓ Hubble built out asset monitoring and data auditing tools to improve the analytics experience on the platform. The team added the ability to explore historical effects, giving developers the power to conduct exploratory data analysis for effects of their choosing
- ✓ Improved performance of large queries on the enriched history operations table, reducing processing costs for asset analysis by up to 97%. Q2 will focus on adding Soroban and futurenet support to the ETL tools and public dataset

### HORIZON

- ✓ Horizon work this quarter mostly focused around supporting Soroban smart contracts. Horizon asset support now covers standard Soroban assets, piercing the veil between classic and smart assets. Developers can see payments and effects arising from smart contract balance transfers
- ✓ Added support for Stellar Core's new BucketListDB and improved muxed account support

# 04 Win Over Builders



# Win over Builders

More utility will attract established, trusted institutional players to Stellar. To do that, SDF is highlighting the broken steps in the current system and showing how participants can leverage Stellar to help fix them. This work will focus on attracting more top-tier assets to the network, expanding access to the network with global on and off ramps, and proving out use cases.

To win over builders, SDF's work will focus on the following strategic initiatives:



**Tier 1 Assets** (foster growth for the most used assets in the world to be represented on Stellar)

**Access** (foster development for easy-to-use, accessible, cost-competitive on/off ramps globally and apps who use them)

**Soroban Adoption** (contribute to a thriving DeFi ecosystem with real, sustainable use cases leveraging smart contracts)

**Investments** (grow companies in the Stellar ecosystem to further SDF's mission of creating equitable access to the world's financial system)

## TIER 1 ASSETS: ASSET ISSUANCE RESOURCES

# Stellar: An Open-source Network Built for Asset Issuance

---

Stellar is a place for issuance of all financial assets including stablecoins, CBDCs, commodities, securities, and others.

To make issuing assets on Stellar as easy as possible, SDF worked on a suite of tools and documentation to help companies get familiar with Stellar and easily assess how Stellar can support their projects.

### **These key resources are:**

**Stellar for Asset Issuance LP**: a go-to website that explains the benefits of issuing digital assets on Stellar and where to go from there if you want to engage.

**Stellar Asset Sandbox**: Designed in partnership with Cheesecake Labs, this tool makes it easy to explore issuing an asset on Stellar. In a simple-to-use interface, you can issue, mint and burn new assets on the Stellar testnet, no code required.

**Asset Issuance on Stellar Guidebook**: Take a deeper dive on Stellar features and design including a step-by-step guide to issuing assets on the Stellar network.

## TIER 1 ASSETS: STABLECOINS

# GMO Trust's GYEN and ZUSD Stablecoins Come Out Top on Stellar

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In November 2022, **GMO Trust** brought the world's first regulated yen-backed stablecoin (**GYEN**), and the U.S. dollar-backed stablecoin (**ZUSD**) to Stellar.

Since issuing their flagship stablecoins, GYEN and ZUSD have emerged as two of the top 5 assets traded on the Stellar DEX ([1](#), [2](#)) and Mercado Bitcoin [order book](#).



## ACCESS: ON/OFF RAMPS

# New On/Off Ramps on the Stellar Network

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SDF continued to expand the Stellar network's connectivity to traditional financial systems by establishing partnerships with **6** new on/off-ramps that connect to over **20** different local payment methods globally.

For example, **Coinme went live with USDC support**, now making their network of 40,000 ATMs interoperable with Stellar-powered wallets.

NEW ON/OFF RAMPS THIS QUARTER

6

DIFFERENT LOCAL PAYMENT METHODS

20

## ACCESS: PARTNER SPOTLIGHT

# USDC on Stellar Everywhere with CoinMe

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In an effort to increase Stellar's reach to the cash economy in the US, SDF partnered with Coinme **to offer to their clients easy access to USDC on Stellar** and consequently to the Stellar ecosystem of wallets and assets.

As of March 2023, clients and POSs (among ATMs and Coinstar kiosks) on Coinme's network have easy and cheap access to buy and sell USDC on Stellar using cash and debit cards, as well as deposits and withdrawals through the Stellar network.

This will allow Coinme users to transact with USDC in a more efficient way in comparison with the previous implementation (on Ethereum as well), through exploring other wallets and applications on Stellar using USDC as a bridge asset.

Offering easy access to USDC and enabling real-time payments in USD in the US remains a priority for SDF.

## ACCESS: WALLETS

# Expanding the Geographic Reach of Stellar-Powered Wallets

Q1 also saw the launch of ecosystem wallets looking to leverage Stellar ramps to expand into new regions and strengthen their rails in existing geographies.

Ecosystem wallets **Beans** and **Decaf** went live with MoneyGram Access, an integration that provides cash-to-crypto on-and-off ramps at any participating MoneyGram location.



## ACCESS: APPLICATIONS

# Furthering the Utility of the Stellar Network

- **Pendulum** unveiled blockchain bridge “**Spacewalk**” which connects Stellar and Polkadot, making interoperability a reality, showing a viable path to building trust-minimized asset-transfer bridges that connect blockchain ecosystems.
- The **Arf Credit Line**, built on the Stellar network and powered by Circle's USDC, provides access to unsecured and short-term (1 to 5 days) working capital for qualified licensed financial institutions worldwide. With Arf Credit Line, financial institutions can make same-day settlements with their partners in desired countries without requiring pre-funding or any additional collateral.

 **Spacewalk**

by Pendulum

 **arf**

## SOROBAN ADOPTION

# Unveiling New Soroban Adoption Programs

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In Q1, SDF launched [programs](#), released content, and bolstered resources to attract developers to Soroban, and to support them as they explore, experiment, and get to work.

As part of the established **Soroban Adoption Fund**, a dedicated \$100 million dollar envelope within SDF's mandate to support developer adoption of Soroban, developers can learn, experiment, and potentially receive awards – and SDF has created the following incentive programs to distribute that money.

**The overall goal: to create a clear path for the curious to become tinkerers, for tinkerers to become builders, and for builders to launch and scale useful products and services.**



## SOROBAN ADOPTION: INCENTIVE PROGRAMS

## Stellar Quest Series 5 &amp; 6

- [Soroban Quest](#) (Series 5) is back online for developers interested in learning, competing, and joining a tight-knit community. This series provides a fun, interactive starting point for a newcomer's Soroban journey.
- For more advanced developers, SDF also launched [Fast, Cheap, and Out of Control](#) (Series 6).
  - ◆ A riff on the classic arcade game Asteroids, FCA00C challenges coders not only to write smart contracts to solve a problem quickly, but also offers awards for optimizing those contracts to be as efficient as possible.

NFT BADGES CLAIMED IN SERIES 5

6,000+

TOTAL PARTICIPANTS AWARDED \$ IN FCA00C

165

AMOUNT DISTRIBUTED IN FCA00C

~\$100K USDC

## SOROBAN ADOPTION: INCENTIVE PROGRAMS

# Sorobanathon: Equinox

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- SDF launched Sorobanthon: Equinox, a follow-up to last quarter's Sorobanathon: First Light. This program is designed for developers interested in digging into Soroban, tinkering with the platform, and creating content to capture their experience.
- Like its predecessor, Sorobanathon: Equinox offered small awards to devs for content such as tutorials, sample code, videos, and Github issues.
- This time, participants were encouraged to post to dev.to and other public channels, as well as share their journey on the Stellar Developer Discord.

### SUBMISSIONS AWARDED

# 77

### SUBMISSION EXAMPLES INCLUDE:

**CROSS-CONTRACT CALLS, USING  
ACCOUNT AUTHORIZATION,  
TUTORIALS COVERING HOW TO  
SET UP AN ENVIRONMENT &  
BUILDING A TOKEN-BASED DAO**

## SOROBAN ADOPTION: INCENTIVE PROGRAMS

# Stellar Community Fund

- An open-application awards program, **the Stellar Community Fund (SCF)** draws on community input to support developers and startups building on Stellar and Soroban.
- To help bootstrap the ecosystem of tools, protocols, dApps, and resources necessary for Soroban to thrive, SCF has evolved to distribute more awards, more frequently.
  - ◆ Awards range from **\$10k-150k** worth of XLM\* depending on the size and scope of the project.
  - ◆ Cycles run every 4 weeks, quickening turnaround time on submission, review, and awards, and several chances to participate over the next few months.
  - ◆ See all updates in the SCF Handbook.
- Submission and review phases for **SCF#12** and **SCF#13** are complete.

TOTAL SUBMISSIONS

118

SUBMISSIONS RECEIVING 10% AWARD

29

SUBMISSIONS RECEIVING FULL AWARD

12

TOTAL AWARDED (WORTH OF XLM) IN Q1'23

\$1.2M

## SOROBAN ADOPTION: CONTENT

# New Soroban Docs, Blogs, & Events

- The Soroban docs are updated constantly to keep up with Soroban preview releases. In the past month alone, 19 authors have pushed 68 commits, changed 70 files, and made 656 additions to the docs.
- A series of articles on the [Stellar Developers Blog](#) details the Soroban Adoption programs, explaining Soroban design and how it works with Stellar, and telling the stories of Soroban developers.
- Finally, SDF engineer Paul Bellamy and community member Morgan Wilde conducted a Soroban workshop at Paris Blockchain Week.

# OF AUTHORS

19

# OF FILES CHANGED

70

# OF COMMITS

68

# OF DOC ADDITIONS

656

## INVESTMENTS

# Accelerator Fund: Techstars Payments

In March 2022, SDF and MGI co-invested in an accelerator program called the "Techstars Payments Powered by Stellar and MoneyGram."

From January to March 2023, the first of three cohorts completed their acceleration program. SDF and MoneyGram mentors met with 12 companies for one-week growth sprints in Austin, TX and Mexico City, MX. The culmination of the program was a demo-day in Miami, Florida at the end of March where the companies pitched a dedicated gathering of early-stage investors.

### Read for more details below:

- [SDF & MoneyGram International Co-invest in Accelerator Program](#)
- [Techstars Payments Announces 2023 Class](#)
- [Techstars Mentors](#)

## INVESTMENTS

# Enterprise Fund: Resource Allocation

Since the Enterprise Fund was established in 2020, SDF has utilized approximately 450.3 million lumens to build a sizable portfolio with global coverage, spanning Africa, Latin America, Southeast Asia, the United States, Europe and others. SDF's investment team is committed to sourcing and supporting the industrious entrepreneurs and steadfast management teams who will leverage the Stellar network to increase access to the global financial system.

As a reminder, the Enterprise Fund investments are not SDF's investments nor part of SDF's balance sheet. All returns on investments are "returned" to the Enterprise Fund. SDF simply manages and deploys the Enterprise Fund.

Since its inception, all Enterprise Fund operating expenses have been covered by SDF's treasury, without reimbursement. The industry norm for investment funds of this type is to charge a management fee of 2% of assets under management (i.e., the amount raised by limited partners, whether or not it has been deployed yet).

Now that the Enterprise Fund is in its 4th year, SDF believes it is time to apply a management fee for disbursed funds. In this case, the Enterprise Fund will reimburse the SDF treasury on a quarterly basis with a management fee of 2% of deployed capital (versus assets under management). The first management fee reimbursement to SDF will take place retroactively on July 1, 2023.

# 05 Focus on Utility to Build Trust

# Focus on Utility to Build Trust

To build utility, SDF needs to prove it to those who have a say in the future of this technology, engaging with: 1) policymakers and stakeholders to make sure SDF and Stellar are seen as credible and reliable, and 2) businesses, developers, and other stakeholders by demonstrating how this technology has real-world value.

To build trust through utility, SDF's work will focus on the following strategic initiatives:



**Public Profile** (create brand awareness so more companies and developers are building on Stellar)

**Public Policy** (advocate SDF as a credible, reliable source on policy issues by the public and private sectors)

**Products** (ensure the quality of Stellar flagship products for new entrants and power users)



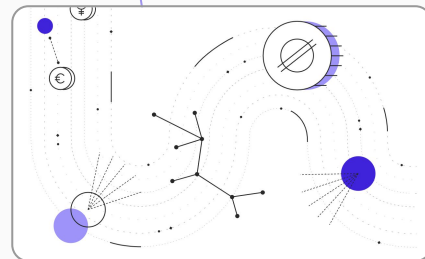
## PUBLIC PROFILE: GENERAL UPDATES

# Bringing awareness to real-world solutions built on blockchain

The SDF Marketing and Communications team targeted a wide range of audiences during Q1, including developers, fintechs, enterprises, and policymakers.

The SDF Marketing and Communications team started off 2023 supporting major product launches and event presence, including:

- Supporting the [Stellar Asset Sandbox](#) launch with the [Asset Issuance LP](#), digital media, and blog content.
- Activating at ethDenver and Paris Blockchain Week Summit, spreading the word on Soroban and Stellar Aid Assist
- Announced Meridian 2023's date & location



## PUBLIC PROFILE: EVENTS

WORLD  
ECONOMIC  
FORUM

January 16 - 20, 2023

- A number of speakers from SDF, including CEO Denelle Dixon, General Counsel Candace Kelly, and Sr. Product Manager Tori Samples, participated in a number of sessions focusing on real-world utility when it comes to blockchain.
- SDF collaborated with CoinDesk on a panel titled “Humanitarian Aid and Reconstruction Through Digital Currency,” where Denelle Dixon speaks about Stellar Aid Assist.
- SDF ran airport ads highlighting Stellar Aid Assist.



## PUBLIC PROFILE: EVENTS



### February 24 - March 5, 2023

- SDF had a strong presence at one of the largest developer events in the world, spreading awareness about Soroban and the Soroban Adoption Fund.
- SDF's DevRel, Partnerships, Marketing, and Investment teams spent 2+ weeks in Denver connecting with developers.
- Beyond the official conference, Tyler presented at InterOp Summit and H.E.R. DAO Hacker House.



## PUBLIC PROFILE: EVENTS



### March 20 - 21, 2023

- As a title sponsor of the premier blockchain event in Europe, SDF activated on multiple fronts including a keynote address by CEO Denelle Dixon and VP of Product Tomer Weller and panels with GMO and UNHCR.
- Paris Blockchain Week awarded UNHCR, the UN Refugee Agency, the "Best Impact Project Award" for a pilot project using Stellar Aid Assist to disburse cash to people displaced or impacted by the war in Ukraine.



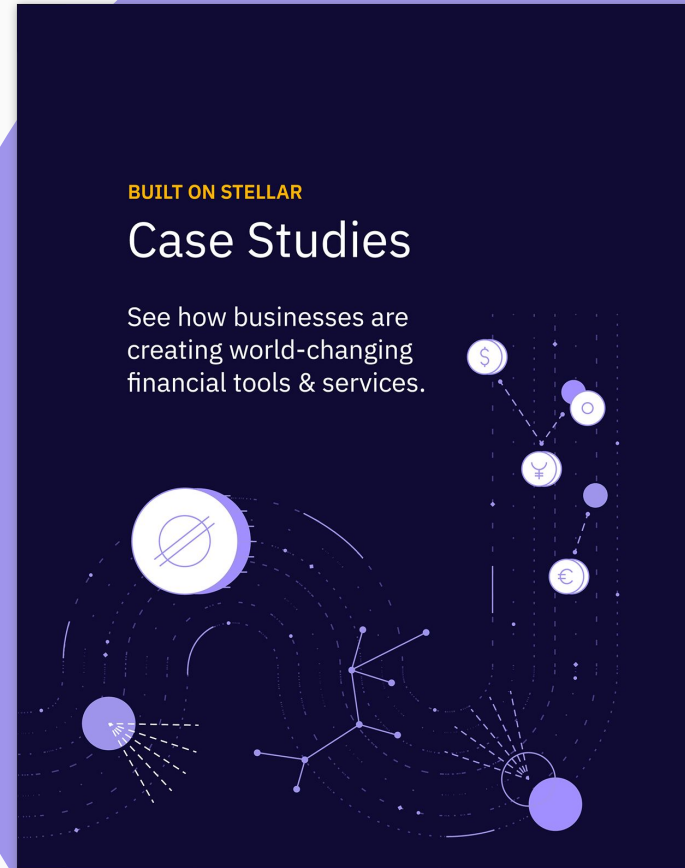
## PUBLIC PROFILE: CASE STUDY UPDATE

# Case Studies E-book: See how businesses are creating world-changing financial tools and services

SDF compiled all its case studies in a fully designed e-book. This asset will be updated on an ongoing basis.

**Download now:**

<https://resources.stellar.org/case-studies-ebook>



## PUBLIC PROFILE: CONTENT

# Founder Journeys

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SDF conducted interviews with ecosystem founders to gather insight on how they plan to solve the problems most pressing to them and their communities using the power of blockchain.

### Read now:

- [Tori Samples, CTO & Co-founder of Leaf Global](#)
- [Rubén Galindo Steckel, CEO & Co-founder of Airtm](#)
- [Thomaz Texeira, CEO & Co-founder of nTokens](#)



## PUBLIC PROFILE: MISC.

# Additional Highlights

- SDF's initiatives in Q1 helped provide a lift of 34% in users to the platform compared to last quarter. With 2.4M users coming to the site, SDF helped educate and build awareness for SDF's real-world applications. Organic search was also up by 16%, and organic social by 23%.
- SDF put out 6 press releases total, including: [Coinme Integrates USDC on Stellar, Enabling Borderless Digital Cash and P2P Payments](#), [TASCOMBANK Hryvnia-nominated Electronic Money Pilot Report Recommends Adoption of Blockchain to Transform the Payment Landscape of Ukraine](#), and [Cebuana Lhullier Integrates with Stellar for Fast Cross-Border Payments to the Philippines](#).
- SDF achieved key press hits, including coverage from [WIRED](#), [Cointelegraph](#), Blockworks ([1](#), [2](#)), and Coindesk ([1](#), [2](#)) covering a range of topics including stablecoins, CBDCs, bulk disbursement, and more .
- SDF published a record-breaking 27 blog posts this quarter and significantly increased its technical content offerings, including: [Building Soroban's Minimum Viable Ecosystem](#), [When Two Becomes One: An Intro to Our New Data Structure](#), [BucketListDB](#), and [How to Validate Blockchain Code with Stellar Supercluster](#).
- SDF announced that Moonpay's President [Asiff Hirji](#) had been appointed to its Board of Directors.

## PUBLIC POLICY

# Domestic Policy Highlights (1/2)

## ENGAGING WITH POLICYMAKERS

- Participated in discussions with academics, industry representatives, and former U.S. officials on the role of privacy and CBDCs.
- Continued to participate in the Wilson Center Digital Assets Forum, the CNAS Crypto and National Security Task Force, and other professional policy fora on the future of digital assets regulation.
- Conducted two briefings on Stellar Aid Assist.
- Conducted meetings with the White House, members of the Senate and House, international organizations, universities, non-profit organizations, and think tanks.

Both domestically and internationally, SDF continues to engage with key policymakers, non-governmental organizations, central banks, and leading interest groups to shape digital asset policy across the globe.

## SPEAKING ON POLICY MATTERS

- Submitted a [response](#) to the White House Office of Science and Technology's request for information on a research and development agenda for digital assets, focused on interoperability and programmability.
- Published an overview of SDF's policy priorities for 2023



## PUBLIC POLICY

# Domestic Policy Highlights (2/2)

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### CTFC COMMITTEE

- Selected by CFTC Commissioner Caroline Pham to become a member of the Global Markets Advisory Committee and attended their first meeting in Washington, DC in Feb 2023.
- Presented on Stellar Aid Assist to the CFTC's Market Risk Advisory Committee.

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### DIGITAL CHAMBER OF COMMERCE

- Participated on a panel at Digital Chamber of Commerce's DC Blockchain Summit.
- Participated in two Digital Chamber of Commerce Capitol Hill education days.

## PUBLIC POLICY

# International Policy Highlights

## ENGAGING WITH STAKEHOLDER GROUPS

- The policy team briefed at an industry roundtable with EU and US lawmakers.
- The policy team also conducted meetings with the UK and French government, EU-level bodies, international organizations, universities, and non-profits and think tanks.
- SDF joined an EU-wide industry working group on DeFi.
- The policy team worked with ecosystem partners to conduct data collection pilots on the total cost to consumers of using stablecoins for cross-border payments.

Globally, the policy team continues building SDF's reputation as an industry leader in advancing financial inclusion through real-world use cases, and advocating for sound regulation.

## ESTABLISHING POSITIONS ON POLICY TOPICS

- SDF participated in the BIS CPMI cross-border payments programme.
- SDF also participated in a financial services workshop held by University College of London and the PETRAS National Centre of Excellence for IoT Systems and Cybersecurity.
- The policy team engaged with WEF CISA on sustainability.

## PRODUCTS

## Vibrant



Vibrant

## WHAT'S NEW THIS QUARTER

- Placed an emphasis on building out growth products in Argentina and the US only.
- Team focus on Remittances and Foreign Wage Payment use cases
- Expansion of Vibrant Rewards
- Re-energize brand narratives and value propositions of Vibrant.

## WHAT WAS COMPLETED

- Launched and ramped up Referrals and Quests programs in Argentina
- Launched shareable Vibrant web profile
- Fully available in 16 countries now vs. 3 in Q4'22
- Integration with Payroll provider (to be launched shortly)
- Completed UNHCR and IRC pilot aid disbursement campaigns in Ukraine
- Completed user journey studies for remittances & foreign wage payment use cases.
- Discovery work on merchant payments & debit cards

## HIGHLIGHTS

- ✓ In terms of growth, Vibrant saw a **244%** increase quarter over quarter in transaction dollar volume, largely due to new country launches (i.e. Colombia).
- ✓ Vibrant also also a **13.5%** increase in transaction count quarter over quarter, due to increases in MGI transactions, Moonpay, and Send and Swap transactions while offset by decreases in Latamex (AR) transactions.
- ✓ Overall CAC in AR was reduced by 71% due to shifting from digital ad campaigns to referral incentives.

## PRODUCTS

# Anchor Platform

### WHAT'S NEW THIS QUARTER

- Key ecosystem companies started using the Anchor Platform and expanded their services using it
- The team focused on releasing support for SEP-24, which allows new anchors to integrate Stellar with their current systems and speed up the development and launch time

### WHAT WAS COMPLETED

- Completed the MVP of the Anchor Platform for SEP-24
- Completed the development of the Anchor Platform v2.0, including the making the configuration easier and updating the documentation

### HIGHLIGHTS

- ✓ The [Anchor Platform code base](#) is now available on Github.

## PRODUCTS

# Stellar Aid Assist & Stellar Disbursement Platform

## WHAT'S NEW THIS QUARTER

- Following the initial launch of two pilots with UNHCR and IRC at the end of last quarter, SDF took this quarter: 1) to reach out to dozens of additional NGOs to complete customer development interviews, and 2) to explore additional deployment options.

## WHAT WAS COMPLETED

- The team spent time architecting the core Stellar Disbursement Platform for scale, assuming there will be many concurrent deployments with many assets

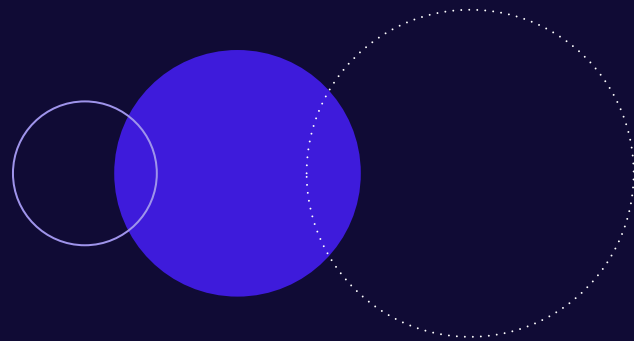
## HIGHLIGHTS

- ✓ Publicized additional planned disbursements in Ukraine and Latin America with UNHCR through an [interview in WIRED](#) with both Denelle and Carmen Hett, treasurer of the UNHCR.
- ✓ UNHCR also won [an award](#) at the Paris Blockchain Week for “Best Impact Project” recognizing its efforts leveraging Stellar Aid Assist.

# 06 Mandate & Distribution

## MANDATE &amp; DISTRIBUTION

# Overview



SDF is a non-profit organization whose mission is to create equitable access to the global financial system. SDF has no shareholders, no dividends, and no profit motive. The Foundation is funded by some of the lumens generated by the Stellar protocol at inception. Today, SDF holds roughly 30 billion lumens, and all of those lumens will eventually be used to enhance and promote Stellar.

Live accounting of the addresses with those lumens and funds are available on SDF's mandate page. SDF details exactly which ledger addresses hold those funds and exactly how those funds will contribute to Stellar's success. Anyone can observe progress towards SDF's stated goals, more or less in real time. The next two slides cover a summary of how lumens were allocated in Q1 of 2023.

## Mandate & Distribution

# Lumen Distribution

Table 1. Lumen Distribution January 2023 - March 2023<sup>1</sup>

This table summarizes SDF's use of lumens in the quarter.

MANDATE CATEGORY	WALLET	AMOUNT	USES
Direct Development	Various	<b>343,491,938</b>	SDF Operations, Employee Grants
Ecosystem Support	Currency Support	<b>5,997,772</b>	Cebuana, Multichain, Axelar, Xanpool, Settle, Mercado, Vottun
	Developer Support	<b>32,743,491</b>	SCF, NFT Round2, Vendor Payments, Banxa, StellarQuest, MyKobo, UC Regents, Upstart
User Acquisition	Enterprise Fund	<b>0</b>	
	Marketing Support	<b>1,395,308</b>	Novatti, Felix Tech, Bankaya
Use-Case Investment	In-App Distribution	<b>0</b>	
	New Products	<b>56,046,474</b>	MoneyGram International Inc.



## Mandate & Distribution

# Ending Balance in SDF's Wallets

Table 2. SDF Account Balances as of January 1, 2023

This table reflects the ending balances in SDF's wallets as of January 1, 2023.

6Direct Development	Direct Development	<b>2,575,001,656</b>
	Jan 1 2022 Escrow	<b>0</b>
	Jan 1 2022 Escrow	<b>0</b>
	Jan 1 2023 Escrow	<b>3,000,000,003</b>
	Direct Development Hot Wallets <sup>2</sup>	<b>392,091,534</b>
Ecosystem Support	Developer Support	<b>727,503,981</b>
	Developer Support Hot Wallets	<b>101,131,393</b>
	Currency Support	<b>896,673,615</b>
Use-Case Investment	New Products	<b>1,856,307,755</b>
	Enterprise Fund	<b>7,549,672,507</b>
User Acquisition	In-App Distribution	<b>3,906,599,179</b>
	In-App Distribution (Hot)	<b>44,003,149</b>
	Marketing Support	<b>1,981,532,778</b>



Stellar  
Development  
Foundation

Next report: Q2  
in July 2023

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