

Abstract

# Digital Economy in Africa in the Context of Cybersecurity, Cryptocurrency Usage, and E-Naira <sup>†</sup>

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## 1. Objectives

In light of the emergence of novel technological advancements, evolving consumer patterns, and increased internet accessibility, the digital economy in Africa has experienced substantial growth (Rahul, 2021 [1], Internet World Statistics, 2020 [2]). The increasing significance of cybersecurity is underscored by the evolving digital landscape, and this situation is further compounded by the rising prominence of cryptocurrencies (Adedipe, 2022 [3]). Significantly, the implementation of E-Naira in Nigeria in 2021 is noteworthy. This specific digital currency is intended to supplement the traditional currency of the country, known as the Naira (Central Bank of Nigeria, 2021 [4]). It represents a prime example of the merging of conventional financial systems with digital innovation. Against the aforementioned context, this research aims to explore the complex interplay between Africa's rapidly growing digital economy; the emerging patterns in cryptocurrencies, particularly the adoption of E-Naira; and the broader implications of cybersecurity within this dynamic digital environment.

## 2. Methodology

The present study utilizes a quantitative research methodology. By conducting thorough research using a variety of reliable sources such as financial archives, published papers, academic publications, and cybersecurity bulletins, we primarily source data from credible African governmental and financial entities. The primary focus of our research is to analyze and identify patterns and emerging trends within Africa's digital economy, specifically focusing on the trajectory of cryptocurrencies such as E-Naira, and the corresponding cybersecurity implications.

## 3. Results

The expected findings will likely indicate a significant increase in digital financial activity and a significant uptake of E-Naira, particularly among millennials. However, as digital endeavors grow, cybersecurity breaches, which are frequently documented in national reports, are expected to rise concurrently, indicating potential systemic weaknesses.

## 4. Implications

This study emphasizes a dual narrative: while Africa's digital economy is set for expansion, it may be jeopardized by cybersecurity dangers if mitigation measures remain ineffective. This study is the first to combine quantitative document analysis with an examination of the expanding African digital world, particularly the hitherto-unexplored sector of E-Naira's significance within the larger cryptocurrency milieu.



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## 5. Originality Value

This study adds to the academic discourse on Africa's digital growth by providing a nuanced, document-based view, as well as a data-driven foundation for policy recommendations and future scholarly endeavors. Africa's digital promise, as demonstrated by efforts such as E-Naira, may be eclipsed by looming cybersecurity dangers unless proactive measures are taken.

## 6. Contribution

It is critical for institutions to invest in comprehensive cybersecurity infrastructure. Furthermore, consistent documentation of digital transactions and cybersecurity incidents can help bolster informed policies.

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