

CRYPTOCURRENCY AND E-NAIRA IN NIGERIA: THEORETICAL AND CONCEPTUAL ANALYSIS

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Abstract

The paper theoretically and conceptually examines the variance between cryptocurrency and e-naira as they affect the economic development. The Central Bank of Nigeria (CBN) on the 1st of October, 2021 launched the pilot scheme of its digital currency known as e-naira. The question is whether there is a distinction between cryptocurrency and e-naira in Nigeria. Cryptocurrency and e-naira now tend to be the new payments and transaction systems operating specifically in Nigeria today but not without great concern for the development of the system. The wallet of e-naira is expected to function exactly in the form of a bank account accommodating the digital currency and being created by licensed financial institutions in Nigeria with the authority of the Central Bank of Nigeria (CBN) which will be responsible for the ID verification as well as payment processing. There has been a lot of concern shoveling around the cryptocurrency leading to its ban and unban. The paper thereby tries to identify the underlying distinctions and similarities showering both cryptocurrencies and e-naira in Nigeria. The objectives are to examine the regulatory frameworks governing e-naira and cryptocurrency in Nigeria, analyse the technological infrastructure supporting e-naira and cryptocurrency adoption and to investigate user acceptance and perceptions of e-naira and cryptocurrency. Finally, it will provide viable suggestions and recommendations that will go a long way in addressing the problems of both currencies in the long run.

Keynotes: Cryptocurrency, e-naira, Central Bank of Nigeria (CBN), block-chain, Nigeria.