# Economic Cost of Cybercrime in Nigeria

'Gbenga Sesan ~ @gbengasesan ~ Paradigm Initiative Nigeria



News Activity Startups People

January 11, 2013 · by Kamau Mbote

## 🕄 🕇 🗗 🔽 🕨 🔊

## Cybercrimes targeting banks declined in 2012, but on rise in Africa



in Share





Q +1 < 0



Cyber frauds targeting banks decreased in 2012, with the year scoring 2.11 successful attacks per 1000 attacks targeting commercial banking customers compared to 3.42 per 1000 attacks in the previous year, according to the Financial Services Information Sharing and Analysis Center (FS-ISAC).

#### Featured news

ADVERTISEMENT





FOLLOW AFRICAN TECH SCENE								
Email or phone nr								
News Tech events Jobs								
Notify me!								

#### 8<sup>th</sup> Annual www.broadbandsummit.co.za BR@ADB@ND 18 - 20 March 2013, The Forum, Bryanston, Johannesburg

The meeting place for Africa's broadband industry



HOME	PERSONAL FINANCE	NEWS	MARKETS	ANALYSIS	EXECUTIVE	TECH	ENTREPRENEUR	AVIATION	LAW	MOTORING	CITYFILE	
------	------------------	------	---------	----------	-----------	------	--------------	----------	-----	----------	----------	--

YOU ARE HERE: TECH > COMPUTING > NIGERIA NOW ATTRACTIVE TO CYBER CRIMINALS – ERNST & YOUNG



#### Nigeria now attractive to cyber criminals – Ernst & Young

TUESDAY, 27 SEPTEMBER 2011 00:00 BEN UZOR JR

#### ...Businesses lose \$200m yearly to hackers

The increasing spate of cyber attacks globally might be causing some Nigerian firms a loss of over \$200 million yearly, according to Ernst & Young's investigations. Specifically, the firms include those from the information and communications technology, banking, manufacturing, oil and gas, among others. This was disclosed recently by Ernst & Young's senior managers, advisory services from Israel, Tal Mozes and Amir Rasilevski, at a day workshop in Lagos on hacking and antihacking system.



#### QUICK LINKS

Quick Link To BusinessDay Sections... + Go

#### **MOST REVIEWS**

- Bharti Airtel raises stake in Nigeria unit by 13.36 percent
- Stock market rallies on blue-chip gains
- CEOs express optimism on improved power supply in 2013
- Magical Messi inspires Barca to 4-0 win over Milan
- Nokia appoints Nick Imudia MD for West, Central Africa







News Activity

People

March 13, 2013 · by Elly Okutovi

#### Featured news



Naspers investment to be used on logistics, platform and infrastructure -Konga.com CEO

	Charre	
н.	Share	



in Share

**Startups** 



Nigeria not in a position to

fight cybercrime, says NCC

**f** Like < 0

**Q** +1 < 0



Image: wikispaces.psu.edu

**The Nigerian Communications Commission** (NCC) has admitted the country is not in a position to fight cybercrime, as the necessary laws on prosecuting them are yet to be passed by the Federal Government.

Sylvanus Ehikioya, the Director, New Media and Information Security at the NCC, said all efforts by the NCC to fight cybercrime are in vain, as there is no specific law that stipulates the prosecution of those involved in cybercrime.

Ehikioya said that unless the passage of the Harmonised 2011 Cyber Security Bill to check on cybercrime is hastened, then NCC remains powerless.

#### FOLLOW AFRICAN TECH SCENE

Email or phone nr News Tech events Jobs Notify me!

#### ADVERTISEMENT





## **MISSPIN** • Advocacy campaign – *Maga No Need Pay*

### Video • Advocacy visits and engagement

### **Survey** O Documentary: Economic Cost of Cybercrime

## **Invite** o Survey: Economic Cost of Cybercrime

#### • Invitation: Don't write it off, get rid of it...

## **MISSPIN** o In partnership with Microsoft (TwC)

Video • Experts: Finance, policy, etc

Survey o Audio-Visual representation

**Invite** o For lawmaker/policymaker engagement

Excerpts online. Documentary (March 2013)



# **Economic Cost of Cybercrime in Nigeria**



## ■ January 9 – March 9, 2013

Video 0 2,980 respondents across Nigeria + Online

Survey 0 2.36% Error Margin. 99% Confidence Level

#### • Follow the curve and/or the money

• Focus on Consumer Cybercrime Economics

# Q1: Have you ever been a victim of cybercrime?



■ Yes ■ No



# Q2: Were you a victim of cybercrime in 2012?







# Q3: How much money did you lose?



# Q4: How much time did you lose?



# Q5: Did you lose anything else?



Personal Data & Effects

🔳 Real Estate

Phone & Recharge Card

🔳 Goods

🔳 Business

🗖 Visa

- 🔳 Equipment
- Sch Opportunities
- Financial Access

Paste	⊘ Clear ▼	DI				Merge		.00 \$.0	Formatting	Comma [0] Inse	rt Delete Fo	rmat Themes Aa*	
H9   + 😒 🗢 (= fx = 50000+3000000+20000+8500+(350*158.45)+(400*206.43)+500000+1000000+48000+(48*158.45)+20000+14000+(8000*158.45)+600000+2000000+ 💌													
_1 A	В	С	D	E	F	G	H		J	K	L	M	=
1													_
2	E	ONOM	IC COS	Γ OF C	ONSUME	R CYBERC	RIME IN NIG	ERIA:		JLATION SPRE	ADSHE	ET (2012)	
3 4		Descalate	Matin Frank	No	Victim 2012?	No	Cash	Time	Time Cost	Others	Others' Cost	Total Cost	-11
5	Abeokuta	Respondents					Cost			59 Recharge Cards	1,866.37		
6		540 610	324					6,680	146,250.00			49,353,366.37	-11
7	Uyo Minna		380			33		1,300			468,000.00	20,514,250.00	-11
8	Abuja	604	171					1,586	178,425.00	33 Houses, 22 Recharge Cards	5,000,000.00	12,878,425.00	-11
9	Online	1,042	291					11,274	734,681.25		165,000,695.93	308,069,095.93	-11
10	Unine		51		· · · · · · · · · · · · · · · · · · ·					INII		9,662,416.35	-11
10		2,980	1217	1003	/09	1600	226,927,810.10	27,371	3,079,181.25		170,470,562.30	400,477,553.65	-11
11 12					Minimum Wage		18,000			LOSSES			-11
12					Days per month					Personal Data and Effects			
13					Wage per day		20			Real Estate (Rent, Land, House			
14					Hours per day		900			Phone and Recharge Card	2		
16					Wage per hour		c			Business			
17					Conservative real esta		112.9			Visa			_
18					ARPU (NCC, BMI USA		5,000,000			Equipment			_
19					Daily ARPU	y	949 31.6333333			School Opportunities			_
20					USD to NGN exchange	e rate	158.45			Finacial Access			-
21					Nigerian polulation (N		170,000,000			Tinacial Access			-
22					rugenan pororación (i	(i c)	1/0/000/000			Nigerian Budget (2012)		4,697,210,000,000.00	-
23					Cost Per Sample Size		134,388.44			Nigerian Budget (2012)		4,987,220,425,601.00	_
24					Internet Users		48,366,179			Nigerian GDP (2012) in USD		272,600,000,000.00	
25					Percentage affected		33.03			Nigerian GDP (2012) in NGN		43,193,470,000,000.00	
26					Economic Cost of Cyb	ercrime (Nigeria)	2,146,666,345,014.75			,,,		1.0	
27					Cost in USD		13,547,910,034.80			Economic Cost of Cybercrime 9	6 Budget 2012	45.70	
28					Economic Cost Per Cit	tizen (NGN)	12,627.45			Economic Cost of Cybercrime 9		43.04	
29					Economic Cost Per Cit		79.69			Economic Cost of Cybercrime 9		4.97	
30										,			
		Sheet1	+/										T
				-	-								1.01
Economic Cost of Cybercrime (Nigeria) 2.146.666.345.014.75													

Cost in USD Economic Cost Per Citizen (NGN) Economic Cost Per Citizen (USD)

Economic Cost of Cybercrime % Budget 2012 45.70 Economic Cost of Cybercrime % Budget 2013 43.04 Economic Cost of Cybercrime % GDP 4.97

13,547,910,034.80

12,627.45

79.69

### MISSPIN ○ Consumer: ₦2.147T. *Corporate*\*: \$200M

Video • Engage ongoing process

**Survey** o Provide subject-matter expertise

• Firm but <u>fair</u> legislation

• Redirected (wo)manpower!

'Gbenga Sesan

# **agbengasesan@pinigeria.org** www.pinigeria.org

