

## **Perception of Stakeholders' on Establishing Guiding Principles for Ethical Cryptocurrency in Sri Lanka**

**Amarathunga, G.D.N.<sup>1</sup> and Perera, P.R.M.R.<sup>2</sup>**

*<sup>1</sup>dinithiamarathunga98@gmail.com; <sup>2</sup>malinthar@kln.ac.lk*

### **Abstract**

Cryptocurrencies, also known as virtual currencies, are a form of digital exchange. This research article investigates the perceptions of stakeholders regarding ethical cryptocurrency practices in Sri Lanka, focusing on the lack of legal safeguards and guidelines in the rapidly evolving regulatory landscape. The research problem for this study is what is the Perception of Stakeholders' on Establishing Guiding Principles for Ethical Cryptocurrency in Sri Lanka. This study aims to bridge this gap by investigating stakeholder perceptions on the subject. The study uses a qualitative research methodology to explore the importance of cryptocurrency trading, evaluate associated risks and challenges, and propose effective risk mitigation measures based on international research. This provides valuable insights into the decentralized nature of cryptocurrencies and their potential benefits, such as enhanced financial inclusivity and reduced transaction costs. However, it also highlights the challenges that arise, including the volatility of cryptocurrency prices and uncertainties regarding regulatory frameworks. Through interviews and qualitative data collection, the study gains an in-depth understanding of the importance of cryptocurrency adoption, the risks and challenges involved, and the necessary guiding principles to establish a robust framework for ethical cryptocurrency practices. The thematic analysis of the data collected through stakeholder interviews forms the foundation for the study's results and discussions. These findings address several key themes, including cryptocurrency adoption, global perspectives on regulation, associated risks and challenges, effective risk mitigation strategies, and key guiding principles for ethical cryptocurrency practices such as transparency, privacy, security, regulation, education, innovation, and social justice. This research provides valuable insights for stakeholders and contributes to the development of a more responsible and sustainable cryptocurrency ecosystem in Sri Lanka. Cryptocurrency stakeholders can use the recommended guiding principles as a basis for formulating their ethical policies and practices within the cryptocurrency industry. This enhances theoretical knowledge by exploring the perceptions of stakeholders about ethical cryptocurrency practices. Moreover, the study provides practical guidance for the cryptocurrency industry in the country, promoting ethical considerations and proposing tailored guiding principles. Researchers can build upon the findings to expand their knowledge and understanding of the dynamics of cryptocurrency trading within the Sri Lankan context.

**Keywords:** Cryptocurrency Adoption, Global Perspectives, Risks and Challenges, Mitigation Strategies, Guiding Principles