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LAWYERS HUB Tech for Justice

Newsletter

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Data protection Training.

The Lawyers Hub, a legal innovation hub in Kenya, recently held a data protection training workshop which was a great success. The workshop focused on the importance of data protection and privacy, and was attended by legal professionals and individuals from different industries.

The workshop provided an opportunity for participants to learn about the legal frameworks for data protection, data privacy, and cybersecurity in Kenya. Participants were also taught how to implement data protection policies, conduct data audits, and handle data breaches.

The facilitators of the workshop were experts in the field of data protection, and they shared practical insights on how to protect personal and sensitive data. The training was interactive, and participants were able to ask questions and engage in discussions throughout the workshop.

The Lawyers Hub has been at the forefront of legal innovation in Kenya, and this data protection training is just one example of the organization's commitment to providing relevant and timely legal education to its members and the public.

For those who missed the workshop, the Lawyers Hub will be holding another data protection training in the near future. The training will cover similar topics and will be facilitated by experienced data protection experts.

If you are interested in data protection and privacy, this is an opportunity that you do not want to miss. The training will provide you with the necessary skills and knowledge to implement data protection policies, conduct data audits, and handle data breaches.

To register for the upcoming data protection training, please visit the Lawyers Hub website and sign up. Don't wait, secure your spot today!

Upcoming events

The French for Lawyers is still ongoing.

The Lawyers Hub Kenya is currently hosting a unique and exciting event for legal professionals in Kenya - the French for Lawyers program. This program is designed to equip lawyers with the necessary language skills to effectively communicate and interact with French-speaking clients and colleagues.

The program is still ongoing and offers participants a chance to learn the French language in a fun and interactive way. The classes are led by experienced French teachers who understand the unique needs of lawyers and legal professionals. They use practical examples and scenarios to teach legal terms and concepts in French. It provides an opportunity for legal professionals to expand their horizons and enhance their career prospects by learning a new language.

The Lawyers Hub Kenya is known for providing high-quality training programs for legal professionals in Kenya, and the French for Lawyers program is no exception. Participants can expect to gain valuable skills that will help them become better lawyers and build stronger relationships with their French-speaking clients and colleagues.

If you are a legal professional looking to improve your language skills and expand your career prospects, then the French for Lawyers program is the perfect opportunity for you. The program is ongoing, and interested individuals can still register and join the classes. Don't miss out on this chance to enhance your legal skills and broaden your horizons.

The fall of Silicon Valley Bank.

Silicon Valley Bank, established in 1983, was the US's 16th largest commercial bank and provided banking services to around half of all US venture-backed tech and life science companies. The bank's assets tripled to $220 billion and deposits ballooned to $198 billion as thousands of tech startups parked their cash at the lender, benefiting hugely from the tech sector's explosive growth in recent years. However, the bank collapsed following a classic run on the bank, which was triggered when the lender announced it had sold securities at a loss and would sell $2.25 billion in new shares to plug the hole in its finances. While the move by regulators to guarantee all SVB customers' deposits is aimed at preventing further bank runs and helping tech companies to continue paying staff and funding their operations, investors in the company's stock and bonds will not be protected. Although there are already some signs of stress at other banks, most analysts point out that US and European banks have much stronger financial buffers now than during the global financial crisis, and it is unlikely that the collapse of SVB will create material problems for any of the large diversified banks in the US or Europe from a credit point of view.

The collapse of Silicon Valley Bank (SVB) highlights the risks that banks face when investing heavily in a single sector, such as the tech industry. African banks can avoid a similar fate by diversifying their investment portfolios across different sectors and industries. The collapse was triggered by a sudden run on the bank after it announced losses and the need to raise more capital. African banks can avoid such a scenario by ensuring they have sufficient capital buffers to weather any unexpected losses or shocks to the system. Moreover, the collapse of SVB also shows the importance of maintaining a healthy balance sheet and avoiding excessive risk-taking. African banks should prioritize risk management and maintain strong financial discipline to prevent potential collapses.

It is worth noting that while SVB's collapse has caused concern among investors, most analysts believe that it is unlikely to create material problems for large diversified banks in the US or Europe. African banks should strive to emulate such diversified banking models to minimize their exposure to sector-specific risks.

Google has Suspended Hundreds of Unlicensed Loan Apps In Kenya

Google, which is owned by Alphabet, has suspended hundreds of loan apps in Kenya that offer unsecured personal or business loans. The apps were removed because they failed to comply with Google's new policy requiring digital lenders to submit proof of license. It is estimated that around 500 apps have been removed, including popular ones like MoKash and Okash, reducing the number of active apps on the Play Store from over 600 to under 200. Google's new policy was published in January after Kenya's central bank issued regulations for Digital Credit Providers (DCPs) last year. According to reports, only 22 digital creditors had obtained licenses from the Central Bank of Kenya by January.

Digital loan apps have faced criticism for their high-interest rates and predatory practices, which led to Kenya's central bank issuing a warning to mobile loan providers in 2019. Google has removed the loan apps from the Play Store for violating its policies on loan repayment terms and debt collection practices, which it found to be exploitative and misleading. The move is likely to have a significant impact on the Kenyan mobile loan industry, as loan providers will find it difficult to reach new borrowers and those who have already downloaded the apps will not receive updates or security patches. However, more needs to be done to protect vulnerable borrowers from exploitative practices, and the Kenyan government and regulators need to work together to ensure that loan providers are held accountable for their actions.

Social media opens up entirely new risks in the world of finance.

Shares in banks worldwide have fallen sharply in recent days due to fears that Silicon Valley Bank's collapse could trigger a wider banking crisis. Bank regulators and executives are acting quickly, with US authorities guaranteeing all deposits in Silicon Valley Bank and smaller bank Signature just 48 hours after it collapsed. Similarly, just hours after Credit Suisse's share price fell dramatically, the Swiss central bank provided a $54bn loan.

Social media played a central role in the panic, as anxious Twitter posts and WhatsApp exchanges can amplify the psychological behavior behind a bank run. Depositors' mass fear of losing their savings can go viral more quickly than bank officers and regulators can respond. Rumors around a bank's solvency can build up for months or years before it leads to a run, or it can happen in a matter of hours. The collapse of SVB was the second-largest bank failure in the history of the United States, and SVB's collapse played out in just two days.

Customers withdrew $40bn in just a few hours, which was one-fifth of SVB's deposits, following a decision to raise funds through a share sale, and Founders Fund's advice to companies in its portfolio to move their money out of SVB. Venture capitalist Mark Tluszcz tweeted that, "If you are not advising your companies to get the cash out, then you are not doing your job as a board member or as a shareholder," while Bill Ackman tweeted that if federal regulators did not quickly step in and guarantee all deposits, runs on other banks would start on Monday.

Social media amplified the alarm raised by high-profile entrepreneurs that resonated with the bank's customers, who were mainly tech-savvy entrepreneurs keenly tuned in to online chatter. Congressman Patrick McHenry referred to the turmoil as, "the first Twitter fuelled bank run."

This highlights how social media can impact financial markets and create new risks for investors. Specifically, Elon Musk's tweets about Dogecoin and Bitcoin caused significant fluctuations in their prices,

leading to gains for some investors and losses for others.

Social media has opened up new risks in the world of finance in several ways. First, it allows for the rapid spread of information, both accurate and inaccurate, which can impact stock prices and other financial instruments. This can create a volatile and unpredictable market environment, which can be challenging for investors to navigate.

Second, social media has made it easier for individuals to manipulate financial markets. For example, a celebrity or influencer with a large following can use their platform to promote a particular stock or cryptocurrency, which can drive up its price. This can be problematic if the individual has a financial stake in the asset they are promoting or is otherwise acting in bad faith.

Third, social media has made it easier for fraudsters to target potential victims. Scammers can use social media platforms to promote fraudulent investment opportunities, phishing schemes, and other scams. They can also use social engineering techniques to gain access to individuals' personal and financial information.

Social media has opened up entirely new risks in the world of finance, and investors need to be cautious when making financial decisions based on information they find online. It's essential to do your own research, consult with a financial advisor, and stay vigilant for potential scams and fraudulent activity.

> social media has made it easier for individuals to manipulate financial markets.

Ghana's e-levy unfair to the poor and Revenue target miss: a lesson in mobile money tax design.

In May 2022, the Ghanaian government introduced a new tax on mobile money transactions called the e-levy, which was met with widespread disapproval. The levy was originally set at a rate of 1.5% for all electronic and mobile money transactions over 100 cedis per day, with the aim of generating more revenue from Ghana's informal sector.

However, a survey of 2,700 self-employed informal sector operators conducted before the implementation of the e-levy showed that the tax would have a highly regressive effect on the lowest earners. In addition, most informal workers disapproved of the tax.

In response to public pressure, the government reduced the e-levy rate to 1% in January 2023, but the exemption threshold for low value transactions may be removed. This threshold is an important tool for protecting the lowest earning operators, as it shields them from paying too much tax.

The recent study found that the lowest earning quintile would pay about 3% of their monthly earnings towards the e-levy at the new lower rate, compared to 4% before the rate reduction. However, if the exemption threshold is removed, the lowest earning quintile would pay, on average, 7% of their monthly earnings towards the e-levy, which would more than double their liability.

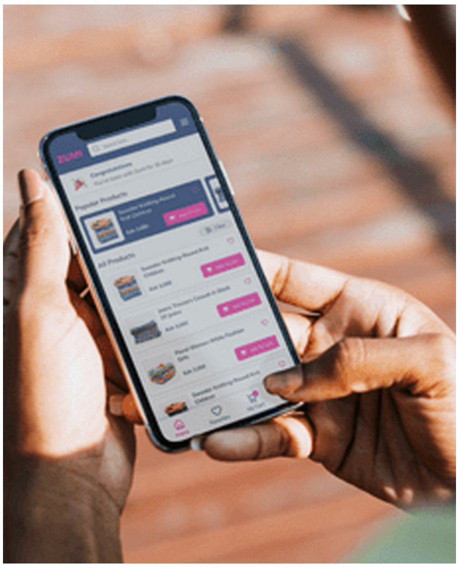
The authors of the study argue that the protective threshold is an important instrument for protecting the lowest earning operators, but inflation has eroded its real value by more than 50%. They also reflect on the effectiveness of the tax from a revenue perspective, as it has raised only 11% of its revenue target of US $1 billion in the first eight months of its implementation.

The study suggests that efforts to protect the poorest mobile money users in the informal sector should be a priority in the design of such taxes. Focusing on higher income earners, including high net worth individuals and extractive industries, may be a more effective way to meet revenue needs. The experience of the e-levy offers important lessons to other countries considering similar taxes.

Seventh Kenya tech start-up goes under on lack of funding

Zumi, a Kenyan e-commerce platform that specializes in non-food commodities, has shut down due to funding difficulties, adding to the growing list of tech firms that have collapsed in recent months. William McCarren, the CEO of Zumi, made the announcement on LinkedIn, stating that the move will result in at least 150 employees being laid off. Since its inception in 2016, Zumi has raised more than $920,000 (Sh120 million) in funding, with McCarren saying that the firm achieved over $20 million (Sh2.6 billion) in sales and had 5,000 customers within the period.

Despite these promising figures, Zumi was unable to achieve sustainability in time to survive due to the difficult macro environment for fundraising. The firm started as a women-focused digital magazine but later pivoted to e-commerce after struggling with low digital advertisement revenue. Zumi's exit is part of a continuing trend where promising tech startups have been closing down, with most of them citing difficult market conditions and funding hitches. This is now the seventh Kenyan-based tech start-up to close shop in the last year, resulting in hundreds of job losses. The funding drought for startups in developing economies has revealed a lacklustre tendency by venture capitalists, especially from the developed world, to push forth investments due to fears of recession and interest hikes.



Lowering the Cost of Sending Money Crucial in Boosting Diaspora Remittances

Despite household inflationary pressures, the World Bank and industry stakeholders believe that reducing the cost of sending money is a crucial driver in boosting diaspora remittances this year. According to the international lender, remittances are expected to decrease by 1% this year due to deteriorating conditions in the countries where migrants are going. For instance, sending $200 to Sub-Saharan Africa costs 7.8% of the total amount, down from 8.7% the previous year.

Remittances to Sub-Saharan Africa, the region most affected by the global crisis, increased by an estimated 5.2% last year to $53 billion, up from 16.4% the previous year, primarily due to strong flows to Nigeria and Kenya. Nevertheless, costs must be brought down to increase the number of remittances. Remittances from the diaspora did not help the nation's dwindling foreign exchange reserves, which have fallen to a 10-year low.

According to the Central Bank of Kenya, Kenyans living and working abroad sent home $309.2 million in February, 3% lower than the previous month. However, cumulative inflows for the 12 months ending in February 2023 were $4.03 billion. The US remains the largest source of remittances into Kenya, accounting for 59% of inflows.

During the epidemic, international transfer costs were reduced by global payment companies like WorldRemit, making it more affordable to send money to 450 of its busier corridors in Africa. According to the business, the cheaper pricing allowed clients to transfer more to friends and family in Kenya and other African regions using the mobile app or website.

Remittances are mostly used in Kenya for domestic, medical, and educational expenses. "Migrants' resilience and commitment to their loved ones back home has proven to be vital, especially in a period where household expenses are increasing around the world," says WorldRemit. Therefore, lowering the cost of sending money could not only boost diaspora remittances but also help individuals and families in developing countries access essential services and improve their quality of life.

Paul Wababu: Meru University Student Behind Kenya's First Legal Services App That Understands Sheng, Swahili

Kenyan student and full-stack engineer, Paul Wababu, has created Sheria Mkononi, the first AI lawyer in Kenya, designed to provide advanced legal services to Kenyans who cannot afford legal services and do not understand English. The AI technology can process vast amounts of legal data in real-time, providing accurate legal advice within seconds and handling complex legal cases with ease. Sheria Mkononi is designed to understand multiple languages, including Swahili, making it accessible to clients from different regions of Kenya and beyond.

The app uses the OpenAI model GPT-turbo to process legal data in real-time and provide legal advice. The AI lawyer can provide legal services in areas such as criminal law, family law, contract law, and property law. Wababu was inspired to create Sheria Mkononi by limitations preventing Kenyans from accessing affordable legal services.

The developer said that beneficiaries of the AI are individuals who cannot afford legal services and do not understand English, as well as prosecutors who may need assistance in forming a case against someone. Sheria Mkononi uses a combination of advanced algorithms and human expertise to handle complex legal cases that require human judgment and discretion.

Wababu has taken several steps to ensure that the AI lawyer complies with legal and ethical standards, including implementing advanced security measures to protect user data and complying with all applicable data privacy laws and regulations. Wababu believes that AI lawyers can help increase access to legal services, reduce the cost of legal services, and improve the efficiency of legal processes.

Nigeria's Central Bank Expected to Tighten Monetary Policy Further to Tackle Inflation

According to a recent report by Fitch Solutions, Nigeria's Central Bank is expected to tighten its monetary policy further to combat rising inflation. The report predicts that the Central Bank will increase its policy rate to 19.00% by the end of 2023, after already hiking it by 50 basis points (bps) to 18.00% in March. While the tightening of monetary policy could help to curb inflation, it may have negative consequences for small businesses and citizens. Borrowing money will become more expensive, as interest rates on loans will likely increase. This could make it more difficult for small businesses to access the capital they need to grow and expand their operations. Additionally, with less money circulating in the economy, consumer spending and demand for small businesses may decrease.

Furthermore, the uncertain economic environment in Nigeria may make it difficult for small businesses and SMEs to navigate the changes that come with the tightening of monetary policy. The demonetisation of high-value naira notes could result in acute cash shortages, which may disrupt commercial operations. Given the struggling oil sector and strong price pressures, GDP growth is expected to ease from 3.1% in 2022 to just 2.3% in 2023. This environment could make it more difficult for small businesses and SMEs to thrive.

On the other hand, the tightening of monetary policy could help to stabilise the economy in the long run, making it easier for small businesses and SMEs to plan for the future. However, weakening economic fundamentals and pressure on Nigeria's fiscal account may discourage the Central Bank from raising interest rates beyond 19.00%, adding to the uncertainty.

The tightening of monetary policy in Nigeria will likely have a mixed impact on small businesses and SMEs. While it may make borrowing more expensive and reduce demand, it could also help to curb inflation and stabilise the economy in the long run. However, the uncertain economic environment may make it difficult for small businesses and SMEs to navigate the changes that come with the tightening of monetary policy.

Ghana to boost trade relations with Kenya by taking advantage of AfCFTA.

Ghana is set to establish an Export Trade House (ETH) in Kenya as part of its strategy to promote trade relations with the East African nation. The Trade House will serve as a wholesale outlet for all products made in Ghana in the Eastern bloc of the continent. Ghana will also organize a three-day business expedition to highlight the goods it plans to import into Kenya before the trade fair.

Despite historically low trade barriers between East and West African nations due to regulatory restrictions, many African nations are now trading more independently thanks to the African Continental Free Trade Area (AfCFTA), the largest free trade area in the world. Kenya and Ghana were the first two nations to sign their AfCFTA ratification agreements on the same day.

According to the United Nations COMTRADE database of international trade, Kenya exported US$10.3 million (Sh1.4 billion) to Ghana in 2021, while Ghana's top exports to Kenya were cocoa powder, rubber, and other live plants, cuttings, and slips, as well as mushroom spawn.

The Ghana Export Trade House will be completed in May 2023, and all Ghanaian goods entering Kenya will go through the Trade House, located in Sameer Business

Park. Ghana's Ministry of Trade & Industry, The Association of Ghana Industries (AGI), The National AfCFTA Coordination Office (NCO), and The Ghana Export Promotion Authority are working together to organize the exhibition.

The establishment of the Ghana Export Trade House in Kenya is a strategic move towards promoting trade relations between the two countries. The Trade House will provide a one-stop wholesale outlet for Ghanaian products in the Eastern bloc of the continent and increase the availability of Ghanaian products in the Kenyan market, promoting "Made in Ghana" items to the Eastern and Southern parts of Africa. This initiative is a positive step towards increasing intra-African trade, which is crucial for the continent's economic growth and development.

Kenya ranked the top country in Africa for expatriates tosettle and start their lives.

Kenya has been ranked as the top country in Africa for expatriates to settle and start their lives, according to the Expat Essentials Index by InterNations. The East African nation was ranked ninth globally, placing it ahead of South Africa (28th) and Egypt (37th). The index ranks countries based on housing, language, digital life, and local administration. Kenya's high ranking is attributed to its ease of finding housing, cost of homes, and the widespread use of English, which is one of the country's two official languages. This gives the country an edge as an attractive destination for companies seeking to enter the African market.

The rising development of residential units targeting high-net-worth individuals in Kenya is due to the country's position as a hub for the East Africa region, investment ground for multinationals, and the government's infrastructure development. Expats are drawn to high-end neighborhoods such as Kilimani, Ridgeways, Westlands, and Lavington, which are popular with the middle and upper-income class segments. Professionals working for international organizations such as the United Nations also have a preference for high-end areas such as Muthaiga, Runda, Riverside, Rosslyn, and Karen.

Despite the country's high ranking, local red tape remains a source of frustration for many expats, with 57 percent finding it difficult to deal with, nearly 20 percentage points more than the global average of 39 percent. The findings come after a recent wealth report by property firm Knight Frank that ranked Kenya as one of the top global real-estate investment hotspots after France, Spain, Italy, and the UK. Kenya was also ranked second by Africa's super-wealthy individuals seeking second homes. Foreigners are a significant group of buyers of prime properties in Kenya, helping to raise and sustain their prices.

Equity net profit rises 15pc to record Sh46bn

Equity Group, the largest bank in East and Central Africa, has reported a 15% increase in net profit for the year ending December 2022. The bank's net profit grew from KES 40.07 billion to KES 46.1 billion, due to a rise in interest and non-interest income from the expansion of its loan book from KES 587.78 billion to KES 706.59 billion. Equity's Kenyan unit contributed 73% of the group's net profits, while its subsidiaries in markets like DR Congo continued to grow.

This is the third consecutive year Equity has retained its spot as the most profitable lender in the market, beating KCB Group, whose net profit for the same period was KES 40.8 billion. Equity's CEO, James Mwangi, stated that the bank's story is one of consistency and a human story built to solve problems in society. Equity has declared a dividend of KES 4 per share, a 33% rise from the KES 3 paid last year. The dividend payout will amount to KES 15.1 billion, representing 33% of the bank's net earnings, in line with its dividend policy of distributing between 30% and 50% of net profit to shareholders.

Equity's net interest income grew by 25%, while non-interest income grew by 34%, driven by trade finance, payment channels, and foreign exchange trading income. The bank's operating costs rose from KES 61.5 billion to KES 86.09 billion due to increased provisioning for loan defaults and staff costs. Equity's increased payout to shareholders follows other listed banks, which have also increased their dividend payouts.

Kenya Airways (KQ) has recorded a full-year loss.

Kenya Airways (KQ) has recorded a full-year loss of Sh38.26 billion, its largest loss to date. The airline has been in the red for a decade, with accumulated losses totalling Sh172.68 billion. This has led to four different CEOs over the last ten years and a shift in strategy from expanding the fleet size to narrowing it down. The losses have been attributed to high debt and soaring fuel prices. However, CEO Allan Kilavuka is optimistic that the national carrier will hit break-even by the end of December 2023 and make a profit by the end of 2024.

The airline is drawing encouragement from an improvement in its underlying performance, with customer numbers rising from 68% to 3.7 million and a 66% increase in turnover. The airline still faces challenges such as piling debts, unpredictable fuel prices, and demanding pilots. The restructuring of the balance sheet is outstanding and requires support from the Kenya government, according to Mr Kilavuka. KQ is banking on more government support and hopes to continue its progress towards profitability.

We are excited to announce the upcoming Africa Law Tech Festival, which is set to take place in July 2023 in Nairobi, Kenya. Hosted by The Lawyers Hub, this year's event will explore the various legal and technological issues surrounding the digitalization of trade in Africa.

This year's festival promises to be a unique opportunity for legal practitioners, entrepreneurs, tech enthusiasts, policymakers, and academics to interact, network and learn from industry experts. Attendees will gain insights into various topics, including blockchain technology, digital identity, e-commerce, and cybersecurity.

The Lawyers Hub has organized a series of pre-events to the Africa Law Tech Festival, which will take place in South Africa, in April. These pre-events are aimed at promoting collaboration and networking among legal and tech stakeholders in Africa.

If you are interested in learning more about digital trade in Africa, this is an event you cannot afford to miss. At the Africa Law Tech Festival, you will get a chance to engage with experts, learn about the latest developments, and share your insights on the future of digital trade in Africa.

To register for the Africa Law Tech Festival and the pre-events, please visit our website and be sure to sign up soon to take advantage of this fantastic opportunity.

We look forward to seeing you at the Africa Law Tech Festival in July, 2023!

Power outages are killing South Africa's gig economy

Ride-hailing drivers in South Africa are struggling to make ends meet as the country experiences severe electricity shortages. Bongani Mlilo, who has been driving for Bolt in Johannesburg since 2020, used to earn between 6,000–7,000 rand ($325–$380) per week, but now makes only 500 rand ($27) a day due to load-shedding, which causes the driver app to become unresponsive and passengers to cancel rides. Mlilo is not alone; 15 drivers for various platforms, including Bolt, Uber, and Uber Eats, told Rest of World that they are now making less than half of what they used to earn in 2021. The power crisis has also affected the ability of drivers to repay the loans they took out to buy their vehicles.

The e-hailing Partners Council (EPCO) has asked Uber and Bolt to reduce their commissions to help drivers, but so far, their efforts have been unsuccessful. Eskom, the country's electricity utility company, has failed to keep up with rising demand, leading to the worst rolling blackouts in years, with some areas experiencing up to six hours of power outages per day. The power cuts also disrupt internet connectivity and can cause traffic congestion from non-functional traffic lights. Bolt told Rest of World that its operations have been affected similarly to other businesses during power outages.

Faster, cheaper: How ending the government monopoly improved Ethiopia's internet

Ethiopia, Africa's second-most populous country, recently opened up its telecommunications industry to private companies, breaking the monopoly held by state-owned Ethio Telecom. In October 2022, Safaricom, a Kenyan telecoms giant, launched services in Ethiopia as part of a consortium including Vodafone, Vodacom, Sumitomo Corporation, and British International Investment. The consortium paid an $850 million license fee to operate in Ethiopia and plans to invest another $8 billion over the next decade, making this the largest foreign direct investment in the country.

The entry of Safaricom has not only given consumers the option to choose between two competing players but also forced Ethio Telecom to improve its services and pricing. Entrepreneurs in Ethiopia have seen benefits from this shift, such as improved connectivity and lower prices. Safaricom has already gained 2.5 million subscribers in Ethiopia and covers 27 cities, while Ethio Telecom has been running its mobile money service, Telebirr, since 2021.

However, some business owners are still concerned about Safaricom's offerings, and the Ethiopian government has delayed approving Safaricom's launch of its mobile money transfer service M-Pesa due to a $150 million licensing fee. The government is reportedly looking to sell 45% of its stake in Ethio Telecom, which currently has around 70 million customers.

Despite the positive changes, some entrepreneurs remain concerned about Ethiopia's corrupt bureaucracy, and the government's history of shutting down the internet during times of political tension. Nevertheless, many are optimistic about the future of the country's telecoms sector, especially as the government plans to announce its selection of a third telecoms operator this year.

Meta, Sama and Mojerel faces lawsuit in Kenya as moderators claim illegal sacking, blacklisting.

Social media giant Meta and its Kenya-based content moderation partners, Sama and Majorel, are facing a new lawsuit in Kenya. The petition, filed by 43 content moderators, alleges that Sama unlawfully terminated them, claiming that no redundancy notices were issued and that their terminal dues were tied to signing non-disclosure documents. The moderators were also not issued with a 30-day termination notice as required by Kenyan law. The suit also contests alleged discrimination by Meta's new content moderation partner, Majorel, who the moderators claim has blacklisted all of Sama's previous employees.

According to court documents seen by TechCrunch, some of the 260 affected Sama content moderators were sourced from countries across Africa and will be required to leave Kenya if they can't secure employment after March 31st when their contracts with Sama end. Sama, however, says it has "followed Kenyan law in every aspect and often gone above and beyond what is required."

Sama, whose list of clientele includes OpenAI, dropped Meta's contract and content review services to concentrate on labeling work following the heat from a 2022 lawsuit in Kenya by its former content moderator, Daniel Motaung. Motaung had accused Sama and Meta of forced labor and human trafficking, unfair labor relations, union busting, and failure to provide "adequate" mental health and psychosocial support.

The current suit is the third that Meta is facing in Kenya after another case was filed in December by Ethiopians over claims that the social media giant had failed to employ enough safety measures on Facebook, which fueled conflicts that led to deaths. The lawsuit claims the social site amplified hateful content and failed to hire enough personnel with an understanding of local languages to moderate content. Foxglove, a tech justice nonprofit, is supporting the current case, with Director Cori Crider stating, "This is a union-busting operation masquerading as a mass redundancy. You can't just switch suppliers and tell recruiters not

China beats Tesla to Nigeria's lithium riches

The Nigerian state of Kaduna has chosen China's Ming Xin Mineral Separation Nig Ltd. (MXMS) to construct the country's first lithium processing plant with a view to producing batteries for electric vehicles (EVs). The plant is being constructed on 9.3 hectares of land and is expected to form the foundation for Nigeria's ambitions to produce EVs in Kaduna. The move comes more than five months after the Nigerian government rejected Tesla's proposal to purchase raw lithium from the country. The Nigerian government has relied heavily on funding from China for several key projects, including the Abuja Light Rail project, planned terminal expansions at four major airports, and the National Public Security Communications System project.

Kaduna is one of several Nigerian states with lithium deposits, with at least seven others confirmed to have the mineral in commercial quantities. China already controls 60% of the world's lithium processing and is exploring new frontiers to expand its dominance, with Nigeria being one of them. To reach net-zero emissions by 2050, about 2 billion EVs and hybrids need to be produced and used, while global lithium reserves can only make about 2.5 billion EVs. Therefore, lithium will continue to be a valued, in-demand mineral, given its alternative uses, including the manufacturing of batteries for laptops, phones, and digital cameras, as well as planes and trains.

Nigeria can take advantage of the lithium market by leveraging the domestic value-added process to the mineral. Manufacturing batteries for exports could be an excellent strategy, and not building sustainable infrastructure for lithium mining is not favorable, particularly with the national plans to diversify exports, said Oghosa Erhahon, a lawyer and energy transition analys