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Newsletter

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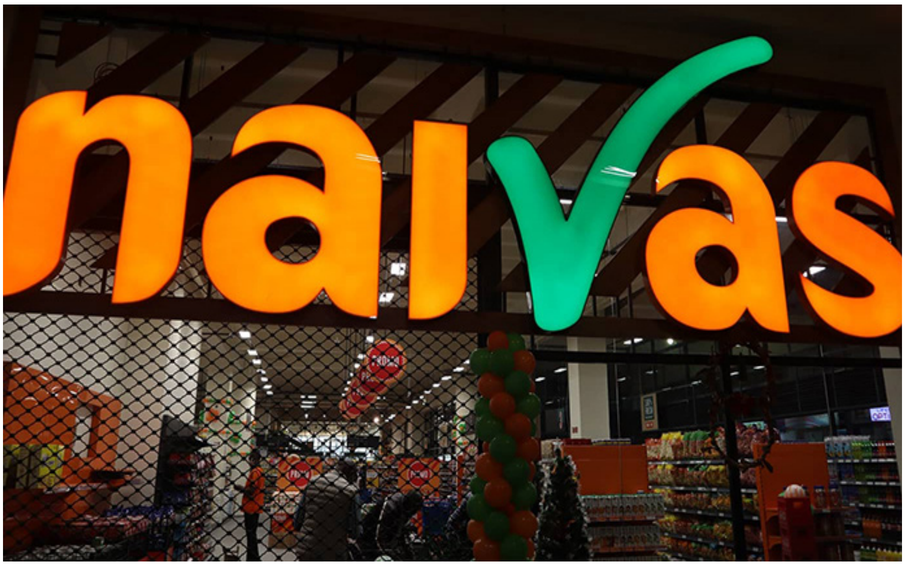
Naivas Data Breach.



Naivas, Kenya's largest supermarket chain, announced on Sunday that it had been the victim of a ransomware attack carried out by an online criminal organization. The company's Chief Commercial Officer, Willy Kimani, revealed that the attack may have compromised some of their data. Although the company has contained the attack and engaged cybersecurity experts to ensure system integrity, the criminal group responsible for the attack has claimed to have stolen some of the company's data and threatened to publish it in due course.

Naivas has reassured customers that they do not hold any credit or debit card information on their systems, and such payment information is securely handled and protected through Secure Sockets Layer (SSL) encryption. The company has advised customers to be vigilant and pay attention to any phishing attempts by phone, SMS, or email and ensure sufficient security of their passwords.

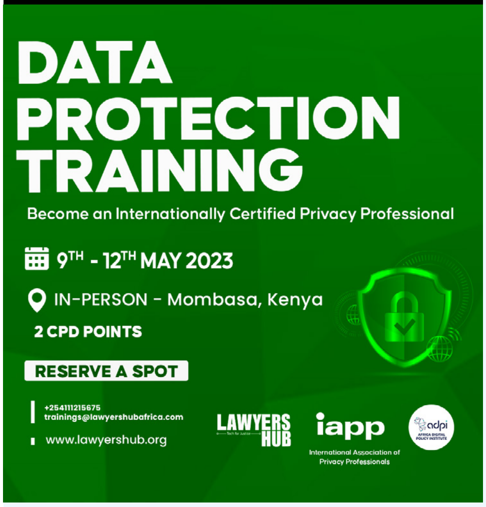
The company has taken immediate steps to prevent external access to its systems and has informed the Office of the Data Protection Commissioner Kenya of the incident. Naivas is currently cooperating with relevant law enforcement agencies as they investigate the attack and other ransomware attacks in Kenya.

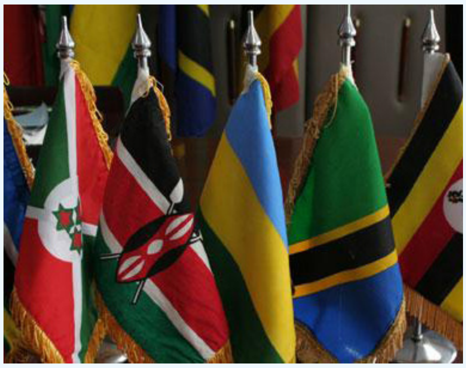
This ransomware attack has the potential to cause significant damage if the stolen data is published, it could lead to financial losses and other serious consequences for the company.

This incident highlights the growing threat of cybercrime in Kenya and the urgent need for companies to implement robust cybersecurity measures. As cybercriminals become more sophisticated, businesses must stay vigilant and take proactive steps to protect their systems and data.

Naivas' response to the ransomware attack has been swift and decisive, and the company is taking all necessary measures to ensure the security of its systems and data. However, the incident serves as a wake-up call for all businesses in Kenya and beyond to prioritize cybersecurity and take proactive steps to protect against cyber threats.

Upcoming events

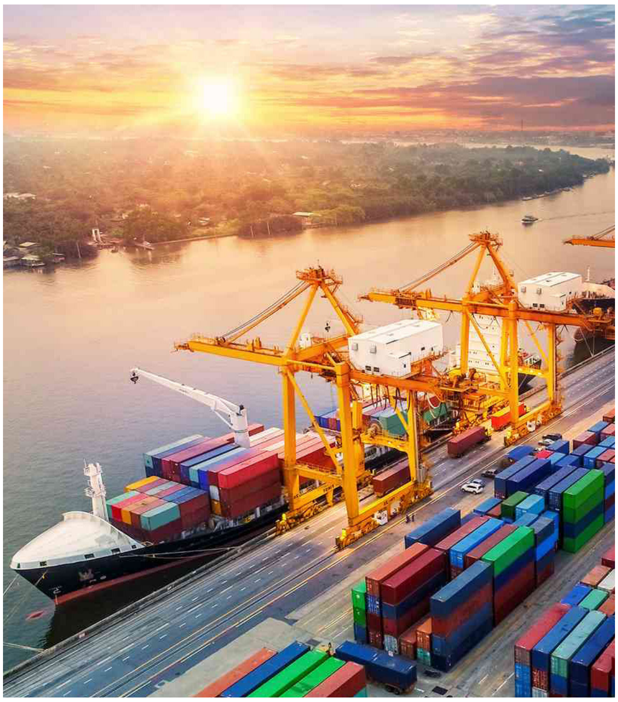




East African Community to Digitize Import Tariffs for Improved Trade Access and Efficiency...PG 2

Kenya to Tax Cryptocurrency Exchanges as Part of New Regulations... PG 3

East African Community to Digitize Import Tariffs for Improved Trade Access and Efficiency



The East African Community (EAC) has announced plans to digitize its import tariffs with the aim of improving private sector engagement and access to trade data. The digital platform, which is being developed in collaboration with Global Trade Solution, will enable seamless migration of EAC Common External Tariffs (CET) and make it possible to manage the duty remission program and publish other policies influencing CET execution. The move is part of a larger effort by the World Customs Organization to improve the effectiveness and accessibility of trade for local companies. The platform is expected to promote private sector participation, increase trade process efficiency, and provide real-time access to trade information for both imports and exports. By June 30, the platform is expected to be ready, and it will be electronically available on computers and mobile devices, providing searchable tariff codes or generic product descriptions. According to the EAC Secretariat, the platform will control preferential tariff treatment for products coming from EAC member nations. The project is a significant step forward in trade facilitation and will increase private sector engagement, according to the World Customs Organization's deputy secretary general.

How tech can cure Africa's ailing healthcare systems

Africa's healthcare systems have been facing significant challenges for a long time, including inadequate human resources, insufficient budgetary allocation to health, and inefficient management, according to a 2019 study published in the International Journal of General Medicine. Last-mile access, disruptions in medical equipment and drug supply chains, as well as information storage, sharing, and access are other challenges facing healthcare service provision on the continent, despite an increasing disease burden.

Africa bears 25 percent of the world's disease burden, and the continent's population is predicted to reach 2.4 billion by 2050, putting an increasing strain on existing healthcare systems as the population grows.

However, technology has the potential to transform healthcare delivery by disrupting the industry. Already, real-world solutions are being implemented across Africa to improve the quality and accessibility of healthcare services by leveraging existing technology platforms.

The potential areas for impact by technology are limitless, including health informatics, remote patient monitoring, AI diagnostic tools, cloud storage, big data analysis, telemedicine, medical robots, and more. For example, Electronic Health Records (EHR) systems can improve the efficiency of accessing patient histories, previous complaints, treatment regimens, and even comments from previous doctors by connecting all of a hospital's computers to a centralized repository. EHR systems connected to the cloud can provide physicians with access to information regardless of location, and when combined with big data capabilities, the information can be used to forecast outbreaks and assist countries, continents, and even the entire world in planning effective responses.

New Comesa portal to ease trade

The Common Market for Eastern and Southern Africa (Comesa) is set to launch an Electronic Single Window by the end of the year. This move is aimed at centralizing all services that support inter-country trade and boost revenue collection. The one-stop platform will allow traders to provide information for various official agencies through a single point of entry to fulfil all import-export and transit-related regulatory requirements online, which will save time. This new system will facilitate faster processing of import and export procedures, coordination among customs and other agencies, and streamline workflows.

The efficiency brought about by the single window will help address cases of congestion at points of entry and exit, which have been blamed on physical interactions and excess paperwork. The system generates several benefits to cross-border and international trade. For instance, governments are set to enhance revenue collections arising from higher compliance and improved efficiency in operations.

Kenya is already implementing an electronic single window under the Kenya TradeNet System, which was established as a State Corporation in January 2010. The country enjoys a positive trade balance within Comesa, with its cumulative exports to the bloc standing at Sh918.2 billion in the period between 2017 and 2021, versus imports worth Sh600 billion in the period.

The single window system comes at a time when the continent is implementing the African Continental Free Trade Area, which seeks to remove tariff barriers and allow states to trade with each other regardless of geographical location.

Kenya to Tax Cryptocurrency Exchanges as Part of New Regulations

Kenya is set to introduce new regulations requiring digital currency exchanges to pay a 1.5% duty on commissions. The move is aimed at taxing the over four million people in the country who trade in digital currencies. The regulations, which were published by Treasury Cabinet Secretary Njuguna Ndung'u, state that taxable electronic, internet or digital marketplace supply will include the facilitation of online payment, exchange or transfer of digital assets. The new rules, which follow the implementation of the 1.5% digital service tax in January 2021, are expected to help curb tax avoidance by multinational companies. The cryptocurrency market in Kenya remains largely unregulated, and while the move is expected to establish the value of digital assets held by Kenyans, it is also set to limit exposure to the risks of financial instability.

Many Kenyans indebted to mobile app lenders

Millions of Kenyans are struggling with debt from mobile app lenders, as the country's fintech industry provides easy access to credit, but is largely unregulated. According to a government survey, over 80% of Kenya's adult population uses mobile money providers, with loans through digital lenders and loans disbursed growing substantially after the launch of M-Shwari in 2012. The new fintech market has led to concerns about debt collection methods and additional charges, as well as fears of a credit crisis. The Central Bank of Kenya has reported that around 14 million accounts had been listed for defaulting on digital lending apps, with people borrowing from one app to pay another in a vicious cycle. The lending apps use debt shaming to retrieve their loans and interests, calling the borrower's family and social circles to inform them about the debt. Calls for digital lending companies to be regulated have grown. The lack of fixed interest rates and Kenya's outdated 2019 data protection laws are leading to worries of an economic bubble and potential recession.