LAWYERS Newsletter

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Sakaja and Mozilla Corporation



Nairobi Governor Johnson Sakaja has signed a memorandum of understanding with Mozilla Corporation, Moringa School, Adanian Lab, and Baraza Media Lab. The partnership aims to boost the Innovation and Digital Economy sector in Nairobi and support local entrepreneurs and startups by providing free digital training skills. The program also offers enrollment for Moringa graduates in the County's

Entrepreneurship and Mentoring programs and marketing tech talent to Nairobi's business community. The deal will begin in June 2023 and will focus on digitizing all county services, including payment. The governor hopes to equip the young generation with the skills they need to succeed in the digital age and position Nairobi as a full-fledged digital hub that can provide tech talent for global needs.

Upcoming event: PROTECTION ## 9TH - 12TH MAY 2023 O IN-PERSON - Mombasa, Kenya 2 CPD POINTS RESERVE A SPOT



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Kenya to host first global consumer rights summit in Africa

In December of this year, Nairobi, Kenya will host the Consumers International Global Congress, the first such event to be held in Africa. The event is organized by the Londonbased charity Consumers International, which brings together governments, international agencies, businesses, and civil society to tackle pressing issues impacting consumers worldwide. The agenda of the forum, which takes place from December 6 to 8, is to develop practical solutions to consumer protection issues, particularly in the face of rising consumer prices, climate change hazards, and consumer vulnerability amidst rapid digitization. The event is seen as an opportunity for global leaders to address some of the most significant challenges facing people and the planet. Previous editions of the congress have been held in Portugal, Australia, Hong Kong, and Brazil. The Competition Authority of Kenya (CAK) successfully bid to host the forum, and its acting director-general, Dr. Adan Wario, said Kenya's selection symbolizes the milestones achieved in promoting consumers' welfare in recent years.



Increase in work permits issuance to foreigners



According to data from the Economic Survey Report 2023, the number of work permits issued to foreigners in Kenya increased by 8.6% last year to 7,963 permits, up from 7,332 in 2021, after the relaxation of COVID-19 restrictions helped the job market recover. In 2020, the number of permits issued had dropped to 5,851, limited by COVID-19 prevention measures that curbed international travel and immigration. The increase in work permits also follows an expansion

in jobs created in both the formal and informal sectors as the Kenyan economy continues to adapt to the fallout of the pandemic. The rise in work permit approvals came as the economy added 109,300 formal sector jobs, surpassing the 2.93 million jobs the economy sustained in 2019 before the pandemic. However, work permit renewals dropped from 11,973 in 2021 to 11,667 in 2022, and the registration of foreign nationals also dropped by 6.6% to 23,180 from 24,713 in 2021.

Kenya's economy slows faster than estimates

According to data from the Kenya National Bureau of Statistics (KNBS), Kenya's economy slowed more than previously estimated in 2022, with economic growth decelerating to 4.8% in the year ended December, down from a revised 7.6% in 2021. This was the slowest growth, excluding the pandemic year, since 2017 when the economy expanded by 3.8%. The softening in the economy was faster than previous estimates, with the Central Bank of Kenya (CBK) estimating 5.6% growth, and a consensus from 15 world-leading banks, consultancies and think tanks putting last year's growth at about 5.2%. The drought, high inflation, and a weakening shilling against major international currencies affected the country's agriculture, the mainstay economic activity, with agricultural output sliding for the second year in a row. Other key sectors that posted a slower growth include construction, transportation and storage, accommodation and food service, and electricity supply, while financial and insurance services and ICT recorded faster year-on-year expansions.



Kenyan economy to overtake Angola as Ethiopia widens lead

According to the latest World Economic Outlook by the International Monetary Fund (IMF), the Kenyan economy is projected to overtake Angola's economy in 2023, as Angola's GDP is expected to shrink due to its reliance on oil production. Kenya's GDP is expected to grow by 5.3%, positioning it at the fourth spot in sub-Saharan Africa's largest economies, behind Ethiopia, South Africa, and Nigeria. However, the IMF revised its earlier forecast on Ethiopia's GDP in 2023 from Sh16.9 trillion (\$126 billion) to Sh20.9 trillion (\$156.1 billion), making it the thirdlargest economy in sub-Saharan Africa

and stretching its lead over Kenya. The fight for economic dominance between Kenya and Ethiopia has been a contest to attract investments, particularly in the agriculture and manufacturing sectors, with both countries keen to shore up their value-addition by rebooting their textile and apparel sectors. Ethiopia is expected to keep stretching its lead up to the end of 2028, according to the IMF projections. However, the IMF expects Angola to regain its position as the region's third-largest economy next year before Nairobi overtakes it again in 2027.





Safaricom, KCB Roll Out 'Fuliza Ya Biashara' Overdraft Facility for Businesses

Safaricom and KCB Bank Kenya have launched 'Fuliza ya Biashara,' an overdraft facility that will allow business owners to access credit to complete payments even with insufficient funds in their account. The credit facility will apply when making transactions from a Lipa Na M-PESA Business Till to other Till Numbers and PayBill Numbers, when sending money to an individual, and when withdrawing to the nominated number or at an agent. The service will advance an overdraft of up to KES 400,000 with a 24-hour

interest-free period. Business owners can access a minimum overdraft of KES 1,000 and can draw multiple overdrafts of up to KES 400,000 based on their assigned limit. The overdraft is automatically repaid from incoming till payments, with amounts outstanding beyond 24 hours charged at a 2% daily access fee for up to 29 days. The Fuliza ya Biashara limit is reset every time a repayment is made, enabling business owners to immediately access new overdrafts.

Washington passes law requiring consent before companies collect health data

Washington State has passed a new law, called My Health, My Data, which requires companies to obtain explicit consent from users before collecting, sharing, or selling their health data. The law comes into effect in March 2024 and also gives users the right to withdraw consent and have their data deleted. The aim of the law is to protect users' health data from companies not covered by the HIPAA Privacy Rule, which only applies to certain medical providers. The new law will force medical apps and sites to

ask for permission to collect health data and disclose what kind of data they plan to collect and whether they plan to sell it. The bill will also block medical providers from collecting location information about patients through geofencing. The law follows recent crackdowns by the Federal Trade Commission on apps and websites sharing sensitive health information without consent. Similar bills are being worked on at a national level to increase privacy protections.

ChildFund, African Union in Deal to Enhance Digital Safety for Children

ChildFund International and the African Union Commission (AUC) have signed a MoU to mobilize public and private sectors to create a safe online environment for children. The two organizations will work together to advocate for the establishment of legal frameworks and legislative instruments for the protection of children's rights online. They will also mobilize public and private partners to support the cause of ending online exploitation and abuse of children. ChildFund will work to ensure that the voices of children, civil society organizations, and communities are included in efforts to end online sexual exploitation and abuse of children.



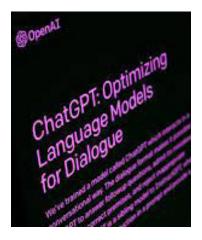
US increases visa fees by up to 53%

The United States Department of State has announced an increase in visa fees for some categories of non-immigrant visas by between seven percent and 53 percent. Business and tourist visas, student visas, and exchange visitor visas will increase from \$160 to \$185, while visas for temporary workers will cost \$205, up from \$190. The fee for treaty trader, investor, and applicants in a specialty occupation will increase from \$205 to \$315. The fee changes will take effect on May 30 and are due to the rising cost of processing the travel document. The new fees will not affect travelers who have already submitted their applications under the old rates.





ChatGPT Confirms Data Breach, Raising Security Concerns



OpenAI, the developers of the ChatGPT chatbot, have confirmed a data breach that occurred due to a vulnerability in the system's open-source library. The breach took the service offline until the issue was resolved. ChatGPT became the fastest-growing consumer app in history with over 100 million monthly users just a few months after its release in late 2022. The breach allowed users to see the chat history of other active users, including payment information for a few hours. OpenAI quickly patched the bug, but this minor cyber incident could be a harbinger of risks

that could affect chatbots and users in the future. AI technology stores vast amounts of data that can be used by third parties and has already caused businesses and countries to tighten restrictions on AI use due to privacy concerns. Threat actors are expected to use chatbots like ChatGPT to create sophisticated phishing emails, and AI is being used to create disinformation and conspiracy campaigns. Each evolution of chatbots creates new cyber threats, making the technology a prime target for attack vectors.



Hackers Promise AI, Install Malware Instead

Meta has issued a warning that hackers are using generative AI technology, such as ChatGPT, to trick people into installing malicious software on their devices. The company has found malicious software posing as ChatGPT or similar AI tools, including internet browser extensions containing malicious software. These extensions promise generative AI capabilities but instead infect devices with malware. While Meta has blocked more than a thousand web addresses that are touted as promising ChatGPTlike tools but are actually traps set by hackers, it is bracing for the inevitability that generative AI will be used as a weapon. Meta teams are also working on ways to use generative AI to defend against hackers and deceitful online influence campaigns.



FTC plans to bar Meta from monetizing teens' data after privacy lapses

The Federal Trade Commission (FTC) plans to prevent Meta, the parent company of Facebook, from monetizing the data of children and teenagers under 18. The move comes after allegations that Meta misled parents about its Messenger Kids app's ability to control their children's communications. The FTC is seeking to update a 2020 privacy settlement with Meta, which it says the company has already violated. The proposed new rules would only allow Meta to collect and use data about users under 18 for services or security purposes, preventing its commercial use.

The company would also be barred from launching new products or services until it complies with its privacy program.





Bolt Drivers in South Africa to Experience Selfie Verification Procedure.

Bolt, a ride-hailing company, is introducing a new selfie verification feature in South Africa to curb driver impersonation and improve passenger safety. The feature requires drivers to take a selfie, which will be matched with the government database to ensure their authenticity before going online. Drivers will also be required to occasionally share a live selfie to confirm their identity. Additionally, riders requesting trips in high-incidence hotspots must take a selfie to improve trust between drivers and riders. The move is part of Bolt's commitment to ensuring passenger safety and consolidating safety measures. Bolt has also reported that it has exceeded one billion rides in Africa in seven years and plans to invest €500 million into its operations in the continent over the next two years.



Pan-African Youth Ambassadors For Internet Governance Opens First Fully Funded **Fellowship Program**

The Pan-African Youth Ambassador for Internet Governance (PAYAIG) initiative has launched a fully-funded fellowship program for African youth aged 18-30. The goal is to empower 1000 young Africans to actively and meaningfully engage in internet governance and cultivate Africa's internet governance ecosystem before Kyoto #IGF2023. The program will be conducted in five languages: Arabic, English, French, Portuguese, and Swahili. The online program covers

internet governance's complex field and features African case studies, offering a unique perspective on regional issues. The selection criteria include being between 18 and 30 years old, an African citizen residing in Africa, having a strong interest in internet governance, being able to communicate effectively in one of the five languages, being able to commit to all four phases of the program, and having access to a reliable internet connection. The deadline for applications is May 19th, 2023.

New licensees push Nigeria's active internet service providers to 258

The number of internet service providers (ISPs) in Nigeria has risen from 239 at the end of 2022 to 258 in April 2023, according to the Nigerian Communications Commission (NCC). The NCC reported that 19 new companies were licensed between January and April 2023 to address gaps in internet access. The new ISPs are located primarily in Abuja, Lagos, and Port Harcourt. The rising number of ISPs is expected to increase the country's

broadband penetration target by 70% by 2025. However, most service providers remain concentrated in urban areas, deepening the digital divide between urban and rural Nigeria. The ISPs have complained of stiff competition from mobile network operators offering lower prices. Meanwhile, the NCC has acknowledged challenges faced by ISPs and is putting policies and regulations in place to promote fair competition practices.

New tax is set to make phone calls and data more expensive for Nigerians



The Federal Government of Nigeria has announced the reintroduction of a 5% excise duty on telecom services as part of the fiscal measures to be implemented this year. The tax will be applicable on mobile and fixed telephone services, as well as postpaid and prepaid internet services. The telecom providers have asserted that their customers will have to bear the cost of the

new taxes. This policy has left consumers concerned as it is coming at a time when the country's inflation rate has risen to 22.04%, the third consecutive increase in 2023. The announcement of the tax has surprised many as the Federal Government had suspended the proposed excise duty on telecommunication services in September last year and eventually exempted the sector from the duty in March.