

PODCAST



The Africa Law Tech Podcast explores the latest in legal technology and innovation in the African Continent. Follow and Listen to the Podcast on Spotify, Apple Podcasts, and all other leading podcast platforms.

OPINION

Data Protection Regulation and the Role of Lawyers

ARTIFICIAL INTELLIGENCE

Political Disinformation For Hire In Kenya

This research provides a window into the booming and shadowy industry of Twitter influencers for political hire in Kenya.



Newsletter

ISSUE 5 | SEPTEMBER 8 | 2021

www.lawyershub.org @lawyershubkenya

STARTUPS



Ethiopia's National Bank drafts directive on Know Your Customer (KYC) and Customer Due Diligence (CDD) processes

■ Ethiopia's National Bank shared a directive to banks and microfinance institutions on KYC and CDD processes. The Directive requires these financial institutions to put

in place comprehensive and up to date KYC/ anti money laundry policies and procedures. The move is set to curb fraud in the finance sector.

TANZANIA

Tanzania's MFS Africa granted Payment Service Provider Licence by the regulator

■ MFS Africa; a Tanzanian startup that enables low-cost, secure digital payments across networks and countries, has been granted a Payment Service Provider licence by the Bank of Tanzania (BoT). The licence allows MFS Africa to provide domestic payment services, including disbursements, collections, and aggregation.



KENYA

Kenya's Ministry of Trade launches web portal to attract investment in Special Economic Zones

■ Kenyans Ministry of Industrialization, Trade and Enterprise Development has partnered with Special Economic Zones Authority to launch a web portal that will help local investors invest in Kenya. The portal features opportunities, incentives, and investor road maps.

AFRICA

15 African startups form part of this years Y Combinator Accelerator cohort

Two more African startups have joined YCs S21 accelerator cohort bringing the total number to 15. The countries represented include Nigeria, Egypt, Kenya, Ghana, South Africa and Zambia. Participants range from fintech startups to healthtech and e-commerce market-places.



ISSUE 5 | SEPTEMBER 8 | 2021

www.lawyershub.org @lawyershubkenya

DATA PROTECTION

NITDA Fines Sokoloo N10 Million for Privacy Invasion

■ The National Information Technology Agency has fined Sokoloo, an online lending platform, the sum of N10 Million for privacy invasion. NITDA imposed the fine on the platform on the grounds of unauthorised disclosures, failure to protect customer's personal data, defamation of character and the failure to carry out due diligence as enshrined in the Nigeria Data Protection Regulations of 2019.



WhatsApp Fined Ksh. 29 Billion for Data Breach

■ The Data Protection Commission (DPC) in Ireland has found that WhatsApp has not met the required obligation of informing its users of how their data was being processed. The Commission's investigations concluded WhatsApp had failed to be as transparent as per the General Data Protection Regulation (GDPR) and imposed a fine of approximately Ksh. 29 Billion on the platform. In addition to the administrative fine, the DPC has also imposed a reprimand along with an order for WhatsApp to bring its processing into compliance.

Welsh Government has Breached Data Laws 300 Times since 2019

■ The Welsh Government has been found to have broken data protection laws more than 300 times since 2019. The breaches involved documents which included criminal allegations and personal sensitive data, while some breaches were made from a secure government site, according to a Freedom of Information (FOI) request. The government stated that all breaches were reported, recorded and acted upon no matter how small, with very few meeting the criteria for reporting to the Information Commissioner's Office (ICO) despite the level of personal data processing undertaken by the government. The ICO stated that people have the right to expect that organisations will handle their personal information securely, and when that does not happen, they ought to first approach the organisation and if not satisfied, they can approach the ICO.

NUMBER OF TIMES THE WELSH GOVERNMENT HAS BROKEN DATA PROTECTION LAWS



CRYPTO & DIGITAL CURRENCIES

Muda expands its offerings to 10 new African Countries

■ East Africa based crypto firm MUDA has expanded its offerings to include 10 new African countries. The Uganda based firm will do this by introducing a new product called 'The Deal Room' tailored for large P2P companies and businesses to take part in cross border trade.

Nigeria's Central Bank Reveals CBDC Guidelines

■ The Central Bank of Nigeria has issued guidelines on its proposed Central Bank Digital Currency; the e-Naira. The digital currency will have a legal tender and have a non-interest-bearing asset status. The Bank will also impose a limit on customer transactions and value-based transactions.



Nigerian Security and Exchange Commission (SEC) creates a specialised division to study cryptocurrency

■ The Nigerian Securities and Exchange Commission (SEC) has set up a division tasked with studying crypto currency. This will allow the Commission to create enabling policies for the sector. Additionally, the SEC stated that the regulation of cryptocurrency falls within its mandate and not that of the Central Bank because crypto trading is a security transaction.

El Salvador police arrest Bitcoin expert

■ An IT specialist and founder of Hackerspace San Salvador, Mario Gómez, was briefly detained this past week. Gomez has been a vocal critic of the upcoming bitcoin law in El Salvador. The law is expected to come into force on the 7th of September 2021.



FUNDING

agricorp

Nigerian tech-enabled spices exporter Agricorp raises \$17.5m Series A funding round

■ Nigerian agritech startup, Agricorp raised \$17.5m in a series A funding round. The startup utilises technology to improve distribution of spices on the continent and will use the funds to increase production capacity.

DIGITAL ID

Nigeria invests USD 61 Million to improve its ID infrastructure

■ Last week the minister of Communications and Digital Economy in Nigeria announced that the Federal executive Council of Nigeria has approved funding of USD 61 Million to the Nigeria Identity Management Commission to upgrade the country's identity infrastructure. This follows progress by the entity to register at least 62 Million people.



Cameroon intends to issue biometric residence permits

■ Last week the Secretary General to the president in Cameroon announced the country's intention to issue biometric residence permits to aliens resident in Cameroon. This follows what the government considers a successful project to issue biometric passports in partnership with Augentic. The spokesman also announced government plans to digitize civil registration systems and issue biometric National ID cards.

INTELLECTUAL PROPERTY

KAMP, PRISK and MCSK head to Court over KECOBO's Decision



■ The decision of the Kenya Copyright Board (KECOBO) to revoke the licenses of three Collective Management Organisations, namely Kenya Association of Music Producers (KAMP), Performers Rights Society of Kenya (PRISK) and Music Copyright Society of Kenya (MCSK) has been stayed by the High Court of Kenya

pending the hearing and determination of the case. KECOBO had revoked the CMOs licenses thereby banning them from collecting or distributing royalties on behalf of the Kenyan artistes registered with them. The CMOs stated they would continue to execute their mandate as provided by the Copyright Act 2001.

Pan- African Intellectual Property Project Launched

■ The Africa Intellectual Property Rights and Innovation Project (AfriPI) was officially launched during an event of the Africa Regional Intellectual Property Organisation Diplomatic Conference, held in Kampala, Uganda. AfriPI is a five-year EU-funded international cooperation project that aims

to create, protect, and promote intellectual property rights in Africa. The project will involve collaboration with African governments, regional intellectual property organisations, civil society, academia and the private sector, and it carries out cooperation activities in the field of intellectual property.

US Judge Rejects Bid for Patent by Artificial Intelligence 'inventor'

■ A US judge has ruled that artificial intelligence cannot get a patent for its creations, stating that such a privilege is reserved for people. 'A computer using artificial intelligence cannot be listed as an inventor on patents

because only a human being can be an inventor under US law,' stated the Judge. This marks the first American decision that's part of a global debate over how to handle computer-created innovation.



INSIDE THE SHADOWY WORLD OF DISINFORMATION FOR HIRE IN KENYA

Political Disinformation For Hire In Kenya

■ Last week Mozilla fellows Brian Obilo and Odanga Madung released a report that shows 11 instances of how journalists, judges and civil society actors in Kenya are being targeted by disinformation campaigns. The research found that Twitter's trending algorithm is amplifying disinformation and placing ads amidst this disinformation. On release of the report, Twitter conducted internal investigations and has taken down 100 accounts for violating the platform's policy.



This research provides a window into the booming and shadowy industry of Twitter influencers for political hire in Kenya.

- ODANGA MADUNG, MOZILLA FELLOW

PHOTO: MOZILLA FOUNDATION



Keeping up with digital rights: Internet shutdown in Kashmir

■ Last Thursday 02 September 2021, Netblocks reported internet disruptions in Kashmir following the death of hardline separatist leader Syed Ali Shah Geelani. The shutdown is one of the stringent security measures put in place in the region to maintain peace in the region.

Google limits access to Afghan government email accounts

■ Digital security concerns are growing in Afghanistan as the Taliban takes control of the country, already there are cases of exploiting biometric information from digital IDs or payroll information to target those who worked for previous regimes and foreign entities. Last week Google announced that it will be restricting access to email accounts associated with the Afghan government as a precaution on the security in the region.

Facebook apologises after AI labels video featuring black men as primates

■ Last week, Facebook apologised stating that it was an 'unacceptable error' after its AI labeled a video featuring black men as primates. This was alarming as the video did not contain any content on primates. This highlights the challenges tech companies face with race. However, Facebook representatives stated they have over the past been improving their AI and will continue to do this.

Data Protection Regulation and the Role of Lawyers



Kenya enacted the Data Protection Act (DPA) in November 2019 to further guarantee the right to privacy provided for under article 31 of the Constitution. However, according to a survey conducted by Amnesty International Kenya, approximately 70% of Kenyans are unaware of the Data Protection Act more than 18 months after it was passed. While this is not surprising it is concerning as data protection compliance cuts across all sectors of the economy from healthcare to tourism or financial services.

In October 2020, the Hamburg Commissioner for Data Protection and freedom of information issued a 35.3 Million Euro fine to H&M for failure to comply with the principle of data minimization and unlawfully collecting too much personal information from their employees that infringed on their civil rights. The Company would collect information on employee religious belief, family issues, health data and create profiles that could be used to make decisions on their employment. Likewise in February 2020, the Italian Data Protection Authority issued a 27.8 Million Euro fine to TIM, a telecommunication company, for misuse of personal data in aggressive marketing campaigns and targeting about 200000 users who had not opted into their service. In one occasion, a user received upto 155 calls.

The DPA in Kenya is designed to guard against such misuse of personal data and establishes the Office of the Data Protection Commissioner who is responsible for the implementation of the Act. The Commissioner was appointed one year later

in November 2020. Since taking office, she has developed draft regulations necessary for the implementation of the Act namely the : Registration of Data Controllers and Data Processors, General Regulations and the Compliance and Enforcement regulations.

Once passed the regulations would have huge impact on business processes for the following reasons:

Mandatory Registration

The Act requires every person processing personal data to register as data controller or processor unless exempted by the Commissioner. The Draft Registration regulations exclude a controller or processor whose annual revenue or turnover is below KSH 5000,000 and has less than ten employees. Despite this, where a controller or processor processed data for any of the activities listed in the third schedule they must register. These mandatory activities include: operating a credit bureau, gaming and betting operations, canvassing political support among the electorate, provision of education, managing of property including selling land etc.

Rights of the data subject

The act provides for rights to the data subject such as data portability, right to object to or restrict processing, right to access data held by controller and processor, right to rectification of data and the right to object to a decision made solely from automated means. The draft regulations set the timelines for which a processor or controller will comply with the exercise of these rights. Controllers and processors will also be required

to provide users with a privacy policy that explains the type of data they process and the purpose.

Due Diligence

In October 2020, the Information Commissioner's office (ICO) in the UK issued a fine of 18.4 million Euros to Marriott International for failing to keep customer data secure. The breach that comprised data of about 339 million guests was traced back to a 2014 cyber attack on Starwood Hotels and Resort that at the time of breach had been acquired by Marriott.

The ICO investigations revealed that Marriott failed to conduct adequate data protection due diligence and put appropriate technical and organisational skills to protect personal data being processed on its system. Likewise, in future data protection due diligence will be an important process in Mergers and Acquisitions and acquiring entities would need to have more robust accountability mechanisms as they integrate their data processing activities.

Data Localization

There are increased conversations around data localization and data sovereignty in Africa. Recently, the African Union Commission held a public meeting to discuss the draft AU Data Policy framework that similarly highlights the need for data localization.

The DPA states the Cabinet Secretary shall designate processing activities to be effected only through a server or data centre located in Kenya. The Draft regulations list some of these activities including: managing personal data to facilitate access to primary and secondary education, the registration of births and deaths or enrollment into the national register, electronic payments licensed under the National Payments Act etc.

While they are public functions, they obviously affect the operations of private entities that offer these services. Similarly, discussion on localization must interrogate our local capacity to ensure processing and securing of the data. There is a need to create a favourable environment to encourage the development of local data centres and improving cloud infrastructure.

Formal accountability mechanisms

Accountability consists of responsibility and demonstration. Responsibility is the duty of a data controller or processor to take technical and organisational measures to comply with the Data protection Law while demonstration involves providing evidence of actual compliance with the accountability principle. Implementing these measures could have several advantages like building trust and confidence with users and potential customers, encouraging investment and reducing compliance and enforcement costs.



“

Accountability consists of responsibility and demonstration. Responsibility is the duty of a data controller or processor to take technical and organisational measures to comply with the Data protection Law while demonstration involves providing evidence of actual compliance with the accountability principle.

What Next?

The total impacts of the data protection law can not be fully discussed in this article, aspects such as data protection audits, impact assessments, processing sensitive data, data protection and employment are yet to be discussed. From our previous experience, we have noticed the enormous knowledge asymmetry on data protection law among lawyers in Kenya. To mitigate this, the Lawyers Hub offers monthly training on data protection to lawyers that is a great avenue to learn more on the subject.

The Insurance Revolution in Kenya

Insurance in Kenya precedes the formal structures introduced in colonial times.

The concept of insurance goes as far back as the pre colonial era where members of the society would pull resources to a social insurance fund with premiums being material or in kind payments. Drawings would often be made out of the fund to support members of the community who were facing challenging times.

The formalisation of insurance came with the adoption of European inspired social organisation structures. There arose a need to put in place policies to mitigate risk as sectors such as agriculture began to thrive.

The UK Companies Act of 1960 regulated the industry up until 1984 when the sector specific legislation was enacted.

The Insurance Act Cap 487 established the office of the regulator and set out registration requirements and processes for stakeholders including agents, brokers and insurance companies. The legislation has since been amended to accommodate changes in uptake of insurance products and technological advances.

The Insurance (Amendment) Act, No. 11 of 2019 introduced the term 'micro insurance business', defining it as, insurance that is accessed by or accessible to the low income population, including the underserved markets provided by a variety of different entities.

In the same year, the Authority issued the "Regulatory Sandbox " Guidance Note 2019 that established Bima Box, an InsureTech Sandbox for live testing of products, services and solutions. The sandbox targets financial Institutions, technology firms, and professional services firms partnering with or providing support to insurtech businesses.

The Rise of InsurTech

InsurTech has been on the rise in Kenya. This can be attributed to factors including, the increased reliance on the gig economy, the thriving SME ecosystem, and the mobile economy's growth. More notably, the slow uptake of technology by traditional insurance institutions has cleared the runway for these new models to jet into unserved territory.

According to the Ministry of Health, as of 2019, 4 out of 5 Kenyans did not have access to medical insurance. Companies such as Turaco have stepped in to solve this problem. Turaco, which recently celebrated a milestone of 16,000 insured Kenyans in partnership with MKOPA, provides simple, affordable health and lifestyle insurance to low income earners. Lami, which closed a \$1.8m seed funding round this year, partners with traditional insurers to allow easy integration of insurance

into existing enterprises. These are just a few of the notable products in the space.

The Insurance Regulatory Authority concluded its first Bima Lab InsureTech Accelerator Cohort in March, launching the second cohort in August. Upon successful completion, startups AiCare, Sprout Insure and Chamasure received \$1.1m in recognition of their ability to impact insurance access.

The IRAs commitment to the everchanging insurance space in Kenya is admirable. On the regulatory front, the Authority recently closed a call for proposals for reforms to the Insurance Act and its accompanying Regulations. This call was inspired by the need to align legislation with the rapid technology changes in insurance.

The future of insurtech in Kenya seems promising, with enabling laws drafted in consultation with key stakeholders, the sector could see a big boom in the years to come.



“

The Insurance Act Cap 487 established the office of the regulator and set out registration requirements and processes for stakeholders including agents, brokers and insurance companies. The legislation has since been amended to accommodate changes in uptake of insurance products and technological advances.

Twitter Launches Safety Mode To Automatically Block Abusive Accounts

In an effort to reduce disruptive interactions on its platform, Twitter is introducing Safety Mode, a new feature that will allow users to temporarily autoblock accounts sending harmful or abusive tweets. Safety Mode is a feature that temporarily blocks accounts for seven days for using potentially harmful language — such as insults or hateful remarks — or sending repetitive and uninvited replies or mentions. When the feature is turned on in your Settings, Twitter systems will assess the likelihood of a negative engagement by considering both the Tweet’s content and the relationship between the Tweet author and replier. Authors of Tweets found by Twitter to be harmful or uninvited will be autoblocked, meaning they’ll temporarily be unable to follow your account, see your Tweets, or send you Direct Messages.

“ Safety Mode is a feature that temporarily blocks accounts for seven days for using potentially harmful language — such as insults or hateful remarks — or sending repetitive and uninvited replies or mentions.

Kenyan YouTube content creators to get Sh1m monthly

Kenyan YouTube content creators will receive up to Sh1.1 million pay every month for short 15-second videos uploaded. Youtube has said a new Sh10.98 billion (\$100 million) Youtube fund will be distributed between 2021 and 2022, as a reward for creating exciting and engaging content on the global platform. The fund will be distributed to thousands of eligible creators each month as a bonus payment, based on their content’s performance in the previous month. This will be the first time creators and artists are paid on the platform after the new short-form videos were introduced in the county in July.

- Source: Business Daily

You can now migrate your WhatsApp chats from an iPhone to a new Samsung phone

WhatsApp has added the ability for users to migrate their chat history when switching from iOS to Samsung Android devices. Previously, if users selected WhatsApp’s cloud backup feature, then iOS chat histories were stored in iCloud, while Android’s histories backed up to Google Drive, making it almost impossible to transfer chats between phones that weren’t running the same operating system. WhatsApp says this feature will become available for more Android devices "soon".

EVENTS

Africa Tech Summit - Nairobi

DATE: SEPTEMBER 14TH & 15TH

Africa Tech Summit Nairobi connects tech leaders from the African ecosystem and international players under one roof. Network with key stakeholders including tech corporates, mobile operators, fintechs, DeFi & crypto ventures, investors, leading start-ups, regulators and industry stakeholders driving business and investment forward. Following successful Summits in Rwanda, the fourth edition convenes in Nairobi, Kenya.

Africa Resilience Forum – Fourth Edition

DATE: SEPTEMBER 28TH TO 30TH

This is the African Development Bank’s flagship event bringing together stakeholders to pool resources and discuss these critical issues. The flagship event aims to strengthen partnerships and explore policy ideas for sustainable development, especially in the context of the pandemic.

Africa Tech Festival

DATE: NOVEMBER 8TH TO 12TH

This is a virtual event bringing together thousands of senior change makers from over 120 countries to learn, network and help build a better, more inclusive digital world.

The Africa CEO Forum - Digital Edition

DATE: SEPTEMBER 28TH TO 30TH

THE AFRICA CEO FORUM is the largest gathering of the African private sector, providing a platform where the continent’s most influential decision-makers can make their voices heard on the new world before us. It’s also a prime opportunity to discuss how African businesses can best adapt to and stay competitive in an ever-evolving environment.

Join our membership and be a part of a great community that includes legal and tech professionals, students, startups, organizations and government representatives. Over the past year, members have benefited through Networking Opportunities, Collaboration Opportunities, Invitations to speak at events, Mentorship, Access to the Lawyer’s Hub Innovation Space and to cutting-edge technology tools. This year, we have revamped our offers to make it even better and more accessible to many across Kenya & beyond our borders. These benefits include;

1. CODING FOR LAWYERS

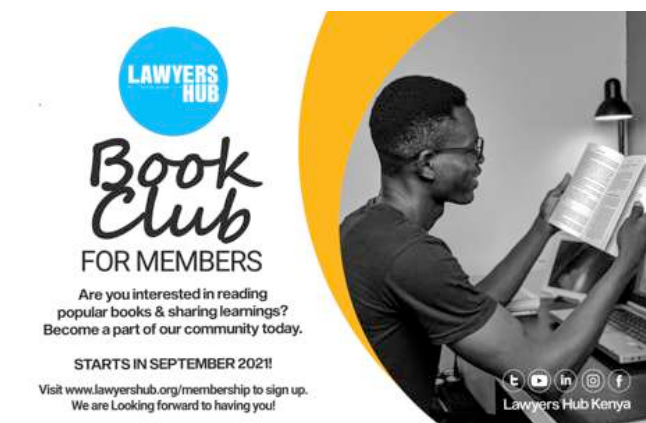
It is important for lawyers to learn the fundamentals of coding as the legal industry becomes more tech and data driven. The Lawyers Hub has taken the initiative to ensure that its members develop these skills by curating a coding course that is set to start on the 1st of October 2021.



2. BOOK CLUB

The aim of our book club is to bring together like minded individuals through shared learning in books, to understand diverse perspectives and increase our members' systematic reading habits, fostering growth by creating a safe environment to share or debate ideas.

Applications to join are open as we prepare for the official launch in September 2021.



3. DANCE CLASS

We care about our members' mental health and fitness as these are crucial to everyone’s wellbeing. The Lawyers Hub hosts two choreographed dance classes every week that will tick all your mental health boxes in Upper Hill at Ack Garden House. You also get to network with working groups.

Your 1st dance class is on the house. Join us!

4. DISCOUNTS ON LAWYERS HUB AMENITIES

Have you been looking for an office to work from? Tired of working from home and need a change in work environment? Having issues with power or the internet? The Lawyers Hub has amazing deals on its amenities for members such as 10% discounts on virtual office, private office, hot desks, meeting and conference rooms, and event space with great features suited to help you take your business to the next level.

We also have amazing deals on our media and events services for virtual, physical and hybrid events if you are looking to convene conferences, trainings, host webinars, launches, AGMs, you name it!



Book a tour with us today!
 Sign up today to get access to these amazing offers.
 Visit www.lawyershub.org/membership
 or call +254784840228 for inquiries.

EVENT SPACE



The Lawyers Hub event space is equipped to serve a variety of event types from AGMs, Conferences, Webinars, Launches, socially oriented events such as parties, Workshop and Trainings. We also offer video conferencing and live streaming services that will take your event to the next level. Book today, call +254784840228 to get a quote.

LAWYERS HUB CO-WORKING SPACE

Our serviced office space provides individuals and organizations in the Law & Tech space with everything you need to grow and innovate. Come and work with like-minded professionals in the industry, accelerate your business growth, and unlock your potential in our well-designed work environment. We offer hot desks, private offices and meeting rooms all at flexible rates.



CO-WORKING SPACE

For Individuals in the Law & Tech Ecosystem

MEETING ROOMS

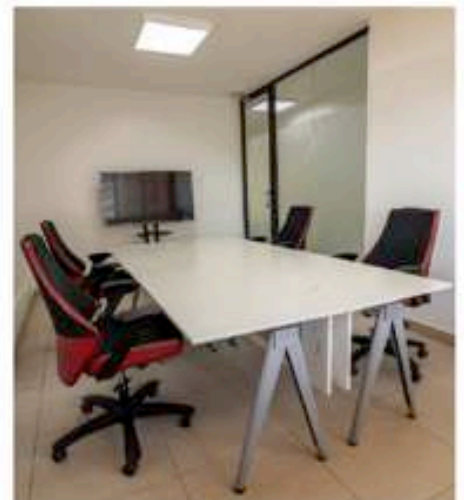
Suitable for Staff Meetings, Workshops and Teleconferencing.

PRIVATE OFFICE

Suitable for Private Meetings, Consultations, Virtual Hearings and Mediation.

HOT-DESKS

Suitable for people who are working remotely but need to step out of for a day or two to get things done.



✉ info@lawyershub.ke
🌐 www.lawyershub.org
📍 1st Ngong Avenue, Upper Hill, Nairobi

Complementary Services include: On-site Staff Support, 150 mbps WiFi throughout the building, Print, Copy, & Scan, Complementary Coffee, Tea, and Water



Lawyers Hub Kenya
(+254) 784 840 228