

CYBER1: Investment in cyber security must increase in Africa

Africa has pinned its hopes for development of the fourth industrial revolution, 4IR, where internet of things is a crucial part. However, it is estimated that over 90% of African businesses are operating without the necessary cyber security measures in place. To mitigate cyber risks, more investment is required in cyber security as well as regulatory frameworks.

Cyber Security Africa Distribution, CSAD, 50% owned by NASDAQ-listed CYBER1, is working together with partners across the continent. The company has extensive local market knowledge, with staff in South Africa, Egypt, Ghana, Kenya, Mauritius, Morocco, and Nigeria.

Africa consists of many different markets, with different local needs. It may depend on legislation, maturity of the market, available skills, and the technological landscape. In Morocco, it is common with on-premises solutions instead of cloud solutions. However, in Kenya there is a much higher acceptance for cloud solutions and a more open attitude to innovative solutions. Another example is Algeria, where you need to be locally due to strict laws of cyber security.

Lack of cyber security

Africa has the world's fastest-growing rate of internet penetration. In 2022 it is expected that there will be over 1 billion mobile internet connections. An increasing number of digital entrepreneurs are entering the markets as more and more services are offered on digital platforms. Banks, investing platforms, and even working environments are all accessed via the internet, but much of the infrastructure is weak in many African countries and data transmission remains expensive. In addition, Interpol found last year, that over 90% of African businesses were operating without the necessary cybersecurity measures in place. Lack of cyber security is making Africa a target for cyber criminals, which have already stepped up their activities in Africa. The Interpol report has identified some of the most prominent cyber threats across Africa as being online scams, digital extortion, business email compromise, ransomware, and botnets.

Africa in general, often falls prey to fraud schemes, social engineering, tax scams, ransomware attacks, and even crypto jacking. In 2022, social media is expected to become a hotspot for attackers targeting enterprise professionals.

"Mitigating these cyber risks demands a focus on technology, processes, and people. Without the relevant security measures, cybercriminals have free rein to exploit weaknesses and even come up with new ways to attack, resulting in massive financial losses and stolen critical data", says Martin Britz, Managing Director CSAD.

Increased investment is required

For a digital environment to thrive, users need to feel safe to work and operate within it. With proper security measures in place, more businesses and individuals can feel comfortable to make use of e-commerce, more companies can store their data in the cloud, and more employees can safely login to work remotely. All of this will contribute to a growing and thriving digital

environment. In addition, cybersecurity education should be increased overall to ensure that businesses and individuals know what is at risk and how to mitigate the risks. In the face of a huge cyber security skills gap, young talents should be encouraged and assisted to enter careers in cybersecurity.

Legal and regulatory framework is needed

The first and most significant step that needs to be taken is action from the governments on the continent. To fight online dangers, African countries must not only implement cybersecurity measures, but also put relevant laws and frameworks in place to deter cyber-crime and enforce digital rights.

"Not only is there a huge skills gap in this technology sub-discipline, but there is also a lack of or ambiguous cyber security legal and regulatory frameworks from the governments," Martin Britz concludes.

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About CYBER1

CYBER1 is engaged in providing cyber resilience solutions and conducts its operations through presences in Sweden, South Africa, United Arab Emirates, Kenya and the UK. Listed on Nasdaq First North Growth Market (Nasdaq: [CYB1.ST](#)), the Group delivers services and technology licenses to enhance clients' protections against unwanted intrusions, to provide and enhance cyber resilience and to prevent various forms of information theft. CYBER1 had revenues of €37.22m in 2021.

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