



INSURANCE



KENYA RE
STRENGTH & WISDOM BEYOND BORDERS

RENEWS

THE OFFICIAL MAGAZINE OF KENYA REINSURANCE CORPORATION LIMITED.

ISSUE 2 • 2020

Main Story: COVID-19 TO DISRUPT REINSURANCE

PAGE 9

TELEMATICS AND
ITS IMPLICATION
ON PRIVACY

PAGE 11

COPING WITH
CHANGES BROUGHT
BY THE PANDEMIC

PAGE 24

REMOTE WORKING
DURING COVID-19
AND THE AFTERMATH
EFFECTS



WE'RE LISTENING, WE'RE HERE AND WE CARE.

Kenya RE is committed to delivering the highest levels of service quality to its customers. We intend to provide services through best practice and in line with our customers' needs, as we continually seek improvements.

WHAT IS A COMPLAINT?

- A complaint is defined as "any expression of dissatisfaction by a customer or potential customer about service delivery by the company or its agents, and/or about company or industry policy."
- At Kenya RE, we see complaints as a valuable way of meeting and responding to your expectations. We realize that in breaking down the barriers to meet your needs we value listening to feedback and complaints from you.

HOW WILL WE HANDLE YOUR COMPLAINT?

We will:

- Acknowledge your complaint, in writing or via email, within 24 hours of us receiving it.
- Enquire into your complaint and consult any relevant persons who should help resolve it fairly and within a reasonable time frame.
- Treat you and your information with confidence and respect, in line with our guidelines.
- Keep you and any other persons involved informed about the progress of the complaint, how we will try to resolve it and, as is appropriate, what we will do to prevent it from happening again.
- Take action to resolve the complaint as best as possible to your satisfaction and, where possible, recommend any changes needed to ensure the cause is fixed.
- Let you know in writing the outcome of your complaint and, as is relevant, the reasons behind this outcome.

WHAT SHOULD YOU TELL US?

- Your name, address and the best way to contact you.
- The details that will help us understand the reason/s for your complaint.
- Copies of any documents relevant to your complaint.
- If you have already discussed your complaint with us, the details of those persons in Kenya RE.
- What you feel would constitute a satisfactory resolution of your complaint. For example, are you seeking information which you feel is being withheld, are you seeking an apology etc.

YOU NEED TO KNOW THAT

- You may make a complaint verbally and/or in writing e.g email, and/or calling.
- We may ask for your help in the course of handling your complaint.

You can make a complaint to Kenya Reinsurance Corporation by contacting or writing to:
Assistant Communications Officer | Kenya Reinsurance Corporation
 P.O Box 30271-00100 | Nairobi, Kenya
 Call: (+254) 0703 083 212
 Email: ComplaintsCommittee@kenyare.co.ke | ongicha@kenyare.co.ke



Word from the Managing Director

Mr. Jadhiah Mwarania, OGW
Managing Director

Welcome to the 2nd edition of the Re News. As we send this out to you, there is a common problem affecting everyone in various ways. The COVID-19 pandemic has been challenging to tackle, and with the rising numbers of newly infected cases, we can only hope and pray that this pandemic will disappear as quickly as it came.

We have adhered to the government's directive of maintaining social distance. 50% of our workforce is working remotely, while the rest are in the office through a two-week shift mechanism. This has ensured that work is uninterrupted, and the employees remain safe. We have also taken all necessary precautions within all our buildings and properties, such as installing sanitizers and implementing the 1.5m social distancing rule.

The effects of the pandemic are being felt in all spheres of the world's economies. The insurance industry is bound to be affected by claims that are indirectly related to COVID-19. Therefore, we should expect a reduction in gross written premiums, which will affect the bottom line.

In efforts to help the Government of Kenya fight this pandemic, the Corporation donated Ksh. 40 million on Saturday, 13th of June 2020 towards the COVID-19 Emergency Fund. We believe this will be a shot in the arm for the government, through the secretariat, to assist in efforts of fighting the pandemic. Through these hard times, I urge you all to keep safe and follow the government's directives to help us curb this pandemic.

However, as we move into the year 2020, we are uncertain of the growth the industry is set to achieve. The deadly COVID-19 pandemic has shaken up the industry we operate in as well as the global economy. We can only stay positive, employ digital solutions and continue to anchor our business on our five strategic pillars, namely financial performance, business development, business process improvement, enhanced risk management and people and culture.

Looking at the industry over the past five years, the capital base has grown at an average annual pace of 4%. Year-to-date 2020 much of this expansion will have unwound due to the steep sell-off in equity and corporate bond markets. During March and April 2020, there were significant swings in the investment markets, resulting in an impact on the global reinsurance capital base, ranging from -5% to -20%.

We have commissioned a research firm to carry out a cross border customer satisfaction and brand equity survey. This will enable us to improve how service is delivered among all of the Corporation's stakeholders. The survey is being conducted both online and through telephone/video conferencing platforms. We urge you, our valued stakeholder, whenever contacted by the researchers, to participate and give your honest feedback to enable us to serve you better.



Word from The Editor

Sylvia Karimi
Ag. Manager, Corporate Affairs

Hello! Welcome to the 2nd Edition of Re News for the year 2020. I hope that all our readers, shareholders, stakeholders, and the general public are keeping safe and taking the necessary precautions to stay safe and keep COVID-19 away.

The pandemic took the whole world by shock, with confirmed cases recently crossing the 7 million mark globally, and increasingly daily rising confirmed cases here at home. To curb the spread of the virus, the government employed a series of measures to flatten the curve. It also called upon both government agencies and the private sector corporates to join in the fight against the pandemic. It is in this spirit that we heeded the call to stand and support the government. We donated Ksh. 40 million to the Emergency Response Fund to aid in the fight against the novel virus and enhance the government's capacity in dealing with the rising cases.

We have lined up a series of articles related to the COVID-19 pandemic. Disruption of the reinsurance industry by the disease, penned by our MD, touches on the effects of the coronavirus in the industry and what changes it has brought. Learn how to cope with

the changes brought by the disease, as explained by one of our authors, as you learn about what the new normal feels like. Working remotely has had its effects on most businesses' output, as one budding author writes. Amidst all of this, the Corporation's staff were sensitized on how to help flatten the curve by the Kenya Red Cross Society. The magazine is rich with information on the coronavirus and its effects on the various spheres of our lives.

In our main insurance article, we have touched on the true essence of underwriting as a profession. The author has expounded the principles, tasks and challenges and what it takes to be a good underwriter. I believe this will be a good read for our insurance practitioners as the article reminds us of our moral calling in the profession.

Our comedy corner will surely leave your ribs cracking as we finish up with a simple step-by-step instruction on how to make some tasty boneless buffalo wings.

As you read through, remember to keep both you and your loved ones safe.

CIC GROUP APPOINTS NEW GROUP CEO



The Board of CIC Insurance Group PLC and its subsidiaries has announced the appointment of Mr. Patrick Nyaga as the Group Chief Executive Officer effective 22nd of June 2020.

Mr. Nyaga has wide experience having worked for over 28 years in Kenya and the region with various organizations; ABSA (formerly Barclays Bank Kenya Ltd), KPMG and very recently as the Group Finance and Strategy Director, Co-operative Bank Group. The CIC Board notes that he has key strengths that adequately position him to drive the CIC Group business at this critical period which include great links and experience with the co-operative movement who are CIC's core and primary market segment as well as core shareholder base.

The Insurance Regulatory Authority has approved his appointment as the Group Chief Executive Officer.

APPOINTMENT OF DEPUTY CHAIRMAN BRITAM HOLDINGS PLC



Britam holdings has announced the appointment of Mr. Mohammed Said Karama as the Deputy Chairman of the Board with effect from 12th May 2020. His appointment is in accordance to articles 116 of the Company's Articles of Association.

Mr. Karama has diligently served the board since he joined as an independent non-executive director in 2017 and sat as a member of the Investments and Strategy Committee and Audit Committee.

He is a Certified Public Accountant with a wealth of global knowledge spanning over 20 years in consulting skills and project management amongst others in the public and private sectors. He has

been a Partner at Price Waterhouse Coopers and is currently a Director at Britam Life Assurance Company (Kenya) Limited, a subsidiary of Britam Holding Plc.

HERITAGE INSURANCE OFFERS PRIVATE MOTOR DISCOUNT

In light of the COVID-19 pandemic and the mitigation measures put in place to curb the spread of the virus, Heritage Insurance Company came up with the goodies below for its customers:

Premium Relief

They have come up with a 15% discount on the monthly premiums for May and June 2020 on your motor vehicle insured on comprehensive basis. If you have already renewed your policy prior to May 2020, the discount will be applied against your renewal premium for the next insurance year.

Covert to Auto Correct Motor Policy and reduce your annual cost by 7.5%

This insurance solution was launched in 2019 and seeks to provide customized rates based on individual driving behavior & potentially reduces the cost of insurance for good drivers. A special offer for May, June & July 2020 is being given if you convert your current policy to Auto Correct where you will save a 7.5% on your annual insurance costs. If you have already renewed your policy prior to May 2020 and would like to switch, the 7.5% discount will be applied against your renewal premium for the next insurance year.

Other Points to note:

- All other policy terms and conditions still apply.
- Only one of the two discounts will apply per vehicle.
- The discount applies only to vehicles on comprehensive basis only.
- The discount shall be applied to premiums as calculated based on the applicable rates.
- The discount shall not be transferred to other policies.
- The discount shall not be convertible to cash.

CONTRIBUTORS

EDITOR IN CHIEF
Sylvia Karimi

EDITORIAL TEAM
Sally Waigumo
Andrew Ongicha
George Njuguna
Edwin Muthabuku

CONTRIBUTING WRITERS

Jadhah Mwarania
Sylvia Karimi
Andrew Ongicha
Edwin Muthabuku
Hassan Omuroka
Davis Onsakia

Lilian Kanari
Agnes Musyoka
Luke Kiunga
Jane Nyambeki
Yvonne Mwanacha
ADA Mainstreaming Committee

SENSITIZATION ON COVID-19 IN SPIRITED BID TO #FLATTENTHECURVE



By Edwin Muthabuku

The novel coronavirus disease (COVID-19) has dramatically impacted lives, livelihoods, communities and businesses worldwide. The rapid spread of the disease, which has been declared a pandemic by the World Health Organization (WHO), has caught the global economy and most businesses off-guard. We now find ourselves in a period of unprecedented uncertainty and volatility the long-term consequences of which are very hard to accurately assess, as we are not yet aware of its duration and possible outcome.

Various public awareness and information strategies have been recommended to curb the contracting and spreading of this disease and/or ultimately eliminate it altogether. The sensitization of employees in organizations has been identified as one of the key remedies. This ensures that employees are well-informed about the disease and further take the necessary precautions to protect themselves at work, their loved ones at home and any other person. Kenya Re is among the few corporate entities at the forefront keenly observing helpful guidance and protocols from health agencies as well as the Government of Kenya.

The Corporation's management piloted this by initially nominating two teams of staff from various departments, including those in the subsidiaries, to be sensitized through a Training of Trainers (ToT) program on COVID-19. The first group of staff was trained on Friday, 24th April 2020, at the Reinsurance Plaza, Nairobi - 17th Floor Banqueting Hall from 11.00 a.m. to 1.00 p.m. The other team was scheduled to be trained on Thursday, 30th April 2020 at the same time and place. Needful to note is that the necessary arrangements were made to ensure full compliance with social distancing rules, use of face masks and frequent sanitization in the first training.

The training's main objective was to have the trained staff cascade the lessons to colleagues in their various divisions and departments, who will further

extend the same to their society at large. However, after a review was conducted by the Human Resources (HR) department following numerous staff feedback, it was decided that the training be opened to all staff given the prominence and importance of the matter.

As a result, the second training slated for Thursday, 30th April 2020 was conducted through Microsoft Teams following a meeting invite circulated to all staff to diarize and attend accordingly. The training was conducted by Kenya Red Cross (KRC) public health experts, Mr. Kevin Ngereso and Mr. Mike Bosire and gracefully facilitated by the Human Resources (HR) team.

It is worth noting that information on coronavirus has been shared extensively through various platforms, especially on social media. However, some of the information shared is not factual. This training, however, presented factual and up-to-date information. It was a remarkable learning opportunity for all, since it presented deep holistic insights on coronavirus such as its history, routes of transmission, case definition/determination, close contacts, testing, treatment, approved prevention and control measures, when and how to seek care, recommended handwashing procedures, proper usage of face masks and many other topics. The training was also vital in debunking some of the myths and misconceptions associated with the disease.

It was surely a success and an addition to everyone's knowledge bank, given that the trainers were well-informed and from a credible and well-known organization, the Kenya Red Cross (KRC).

The training could not have been done at any other better time than this! The timeliness was excellent.

Always remember, prevention is better than cure so.... Please stay safe, team!

LET US ALL WORK TOWARDS - #FLATTENINGTHECURVE!



Mrs. Emily Mukiri - HR Assistant Manager, makes the opening remarks at the commencement of the COVID-19 sensitization on Friday, 24th April 2020.



Kenya Red Cross (KRC) public health expert, Mr. Kevin Ngereso, sensitizes a section of Kenya Re staff about COVID-19 on Friday, 24th April 2020.

COVID-19 TO DISRUPT REINSURANCE

By **Jadiah Mwarania, OGW**
KENYA RE MANAGING DIRECTOR



The COVID-19 pandemic has literally taken the world by storm and disrupted government and business operations and functions across the globe. It has caused a significant dip in supply chains, paralyzed critical services, including travel and led to a complete shutdown of learning institutions. Economies and global markets have entered into a period of extreme volatility and production across all sectors has fallen significantly except for medical products such as ventilators, test kits and face masks.

In Kenya, the insurance industry is amongst the sectors reeling from virus-induced shocks. Businesses will continue to feel the pinch as a direct result of COVID-19. As a matter of policy, a majority of insurers and reinsurers do not cover pandemic risks but expect to see an upsurge in claims indirectly related to the pandemic. A reduction in gross written premiums is expected to be experienced across the industry. This will lead the overall bottom lines to shrink for the year 2020. Employees working from home are bound to affect the overall productivity of businesses. How long the pandemic will last and the full range of its impact is difficult to predict. What is certain is that the downward trend will continue long after it is contained.

The last known pandemic to have affected the world to this magnitude occurred in 1918. However, in this modern-day, more measures are being put in place to ensure people's safety in a bid to reduce the number of infections and the spread of the disease. 50% of the Kenya Re workforce is working from home at any one time and we have incorporated a shift mechanism that allows those within the office

to maintain social distance. The organization has fully complied with government directives and implemented protection measures from sanitizers across our buildings to informative blasts that keep employees well informed on matters safety.

According to an inaugural COVID-19 CFO Pulse Survey, finance leaders in the United States and Mexico outlined the top 3 concerns in regards to COVID-19 as financial impacts and effects on results of operations liquidity and capital resources. They expressed concern over a global recession and the effects reduced productivity will bring to different sectors. These will test the strength of business continuity plans that most companies already have that, however, may not adequately address the fast-moving and unknown variables of an outbreak like COVID-19. Typical contingency plans promote operational effectiveness following events like natural disasters, cyber incidents and power outages, among other crises. They don't generally take into account the widespread quarantines, extended school closures and added travel restrictions that may occur in the case of a health emergency.

Insurance & reinsurance companies play a pivotal role during times of economic stress by helping companies and households manage risks and cushion against losses. Yet, as one of the biggest groups of investors, insurers and reinsurers are vulnerable to volatility in financial markets. In a time of global uncertainty, it's easy to lose sight of the big picture. Kenya Re is committed to playing a role in finding solutions to this pandemic in the markets it is in.

Strength does not come from physical capacity. It comes from an indomitable will.

— Mahatma Gandhi.

TELEMATICS AND ITS IMPLICATION ON PRIVACY

By **Davis M. Onsakia**



A couple of months ago, at last, I overcame my reservations and installed the Heritage-marketed Auto-Correct gadget in my car and the app on my phone.

First things first; telematics is 'the area of technology that deals with sending digital information (using GPS and onboard diagnostics) over long distances using wireless forms of communication', according to the Cambridge Dictionary.

The Auto-Correct device works using telematics technology. This device tracks your car – the movement from your house, records your itinerary to your destination and notes stops along the way. It also records any misdemeanour you may make – hard braking, hard cornering, hard acceleration etc. and this information will be used against you at some point. Forgive my pessimism.

Heritage, at least, promises that they will extend a discount on your motor insurance premium payable during renewal time – this assumes that you have been a good driver on the road. (For you to qualify for the discount, your driving score should be above 85% - they indicate so through a presentation which they share with prospective clients). Your driving score is calculated by taking into consideration a myriad of inputs like your driving style, distance covered, times of driving etc. into their calculating algorithm.

Whenever I look at the dashboard on the app and see the details captured there – which is being collected by the gadget installed in my car, relayed to the Heritage servers for data crunching and then re-relayed back to the app for me to view – I shudder to imagine what would happen if this information landed in the wrong hands. The person will know where I stay, where my children's school, my favourite shopping malls and my church – with the passage of time – and this can determine whether I'm a religious person or not. Somebody can make some good guesses which might not be far from being true about myself and/or my family. All this is possible due to the data being captured by the gadget. My 'pattern of life' would be so accurately mapped, probably on Google Maps or OpenStreetMap. Somebody can walk through the gate and say, "I've arrived to see so and so!"

When you veer 'off course' to some watering hole and other joints, this too will be recorded. I'm not sure whether it doesn't record conversations going on in that car and I don't expect Heritage to agree to 'such allegations', even if it's true. Sometimes, manufacturers assure consumers that their device doesn't record conversations until a study is carried out much later and it is confirmed that the allegations were true. And that the recordings were not only relayed to some local entity, but also to the country of origin – my guess, in this case, China. If this happens, then somebody can study the mood patterns of the driver and probably the passenger(s) depending on the conversation or music blaring from the radio system. Or those guys who travel muted (says a lot about your personality) processing deals at the back of their minds – talking to themselves and the spirits! This too can be recorded, for future reference. What about a camera? Not sure about this. Where it was installed, even if it had one, it might not be advantageous.

The selling point of the whole thing was that my next of kin will be notified (automatically via SMS) in case of an impact of a specific magnitude and the insurance company – remember they expect a claim of any recordable impact. Good because my family will know of my state and this communication will include the location of the impact. It'll be good for the insurance company too since they will not be expecting surprises of claims of accidents that did not happen. This might end up improving their claim management process considerably and dealing with 'ambulance chasers'.

I foresee a future where this might become the industry norm for motor vehicle insurance covers. Quite good for the insurance companies and the industry as a whole.

However, the question is: with this data of mine – and my relatives' – in Heritage's hands (and its agents), how protected am I? I feel incredibly naked before them. What is the guarantee that that data cannot be (ab)used in way(s) which can affect my privacy, safety and security? That an abusive partner cannot buttress their claim against me by providing data collected by the gadget that I was where I was not

supposed or expected to be, at a specific hour? Under what circumstances can Heritage share my data, with or without my consent? A subpoena (court order) is all they need? Still not good enough. Can they sell that data to data brokers? Remember, data broking is big business.

This is an area which I'm very keen on and I believe, all privacy activists are too. One of the forms which I signed and attached to the main form had the following clause, on data confidentiality: 'Data Confidentiality: Heritage Insurance adheres to local and international data protection laws. The data collected will be held in utmost confidentiality and will only be used for insurance purposes.' Mark the words 'insurance purposes.' This is very important and somehow assuaged my fear of abuse of my data. However, there is a big difference between what's promised and what's delivered. In addition, companies get hacked and, in the process, your data lands in wrong hands. Who takes responsibility? How am I protected in such an eventuality? This will come to pass, more so once some hacker feels that that data is a good enough gold mine for their nefarious activities. It should be appreciated that anything connected to the Internet (think of the Internet of Things -IoT), is vulnerable and can be hacked – it is only a matter of time; if there is a good motivation to.

What about the transmission of data between my car and Heritage servers (whether located in the country or outside the country)? What technical protocol do they use? Is that connection encrypted, via a secured channel? Or is the transmission in plain text? With man-in-the-middle attacks, it is possible that the data can be intercepted and/or re-directed to another server, without necessarily stopping the flow of data to the intended destination. What mechanisms have Heritage put in place to avert such a situation? Another query: the gadget being a hardware device, how frequently do they update or upgrade the device's firmware, to plug the holes and bottlenecks (technically referred to as vulnerabilities) which keep being discovered and can be exploited? Some of these queries were answered awhile back by the insurance company representatives who assured my colleagues and I that all was well. But remember, 'all is well' as per their understanding, but when things spiral of their control, like a hacking incident, you are left very exposed.

From a country perspective, the recently enacted Data Protection Act, 2019 might come to the rescue of such burning questions. The President assented the Act on 8th November 2019 and it came into effect on 25th November 2019. The Act is available online at http://kenyalaw.org/kl/fileadmin/pdfdownloads/Acts/2019/TheDataProtectionAct__No24of2019.pdf. This Act does give legal teeth to the Office of the Data Commissioner to ensure all citizen's legally protected. Take some time and read it.

Basically, this Act gives effect to the requirements

of citizen privacy as enshrined in the Constitution's Article 31 (c) and (d), which states 'Every person has the right to privacy, which includes the right not to have:

- (a) their person, home or property searched;
- (b) their possessions seized;
- (c) information relating to their family or private affairs unnecessarily required or revealed; or
- (d) the privacy of their communications infringed.'...

Another thing I would like to point out is that I will not want innovations to wait for laws, but whatever innovations that come up need to have the customers' interests at heart. This was aptly captured by the M-Pesa innovation. And, to give room for continual improvements.

Despite the above, I still feel that Heritage Insurance needs to do more regarding the protection of data it collects.

Why this location data is essential is due to the following scenario. Most details about who you are, what you do, what you like are available and strewn across your social media accounts. From Facebook, I can decipher your likes, most likely your marital status, your family (in pictures) etc. Across Twitter, going through your tweets, I can have an idea of your thoughts; your retweets give me an idea of what you value, your value system. Going to the Microsoft owned LinkedIn, I can read your professional life. Where you work, for how long you've been employed, side hustles etc. With that profile, I can roughly estimate your net worth. Visualize all the above mapped on my screen. I have my subject well detailed. What I'm missing about you? Your precise locations, unless you broadcast on Facebook your itinerary, where you can easily lie. Location data from social media platforms is typically not very reliable.

To bridge the detailed and accurate location-data gap comes my telematic device. With that, I've got a complete picture of my subject. Can sell these data to data brokers, advertisers, supermarkets, etc. and use it for other purposes. Very accurate. What I can do with it is left to my imagination.

This is the precise reason why Heritage and other insurance companies, who will undoubtedly join the bandwagon, should take extreme precaution in how they will handle these data – from the collection, storage, crunching and even deletion – when I inform them so or when I decide to change providers. This is something the Insurance Regulatory Authority (IRA) – with other stakeholders in the insurance and reinsurance industry – needs to look into and guide its implementation accordingly.

I need to be sure that I'm safe and my privacy is protected while using this device or any telematic device for that matter.

COPING WITH CHANGES BROUGHT BY THE PANDEMIC



By Jane Nyambeki

Coronavirus was declared a pandemic by the World Health Organization (WHO) on the 11th March 2020 owing to its frequent increase in spreading and the number of affected people in different parts of the world. Globally, the number of affected persons, those living in fear, some with no food or no money and those fighting for their lives in the hospitals continues to grow with vaccine trials still months away from being actualized.

Like other parts of the globe, the Kenyan Government has taken measures towards curbing the spread of the virus. Institutions of learning, churches, hotels and cinema halls have been closed. Weddings have been banned while funerals can only be conducted with a limited number of people. Similarly, measures such as curfews, social distancing rules, frequent hand washing as well as the use of hand sanitizers and masks have been enforced in the country.

Some of these measures have brought about a change of routine and uncertainties in our livelihoods. Psychological effects resulting from these changes include elevated levels of stress and anxiety, depression, loneliness, abuse of alcohol and substances, domestic violence, self-harm and even suicide.

However, for life to go on, healthy coping mechanisms are necessary. This will require effort and a flexible mindset if one is to build resilience to adapt to the new normal.

So, what can one do to cope better and build resilience?

1. Acknowledge the reality of COVID-19 within the country. The positive cases are increasing as more people get tested. This means that there are many adjustments to be made in our lives. That new laws around implementation of curfews, transport systems, social gatherings and the containment within specified localities must be adhered to as they are essential.
2. Acknowledge changes at both the individual

and family level. Most family members are presently spending more time together which has both its negative and positive effects on the individual as well as the family dynamics. Other families are separated due to the cessation of movement, causing anxiety among family members.

3. Acknowledge your emotions such as fear, anxiety, helplessness, despair and the stress resulting from some unpredictable and uncertain impacts of the pandemic.
4. Seek psychological support where functioning is impaired. This will help you cope with the new normal.

In addressing the challenges posed by the pandemic, individuals and institutions have to adjust to the new reality. Kenya Re recognizes the challenges brought by the pandemic and has taken appropriate measures to ensure work continues seamlessly.

This pandemic brings with it many mental health challenges and seeking psychological help during these times is a sign of strength and not weakness.

It will benefit us as a community if we embrace and adapt to the external changes at the country level, as well as at the company level such as online meetings, conference etc. These changes ensure continuity and hence give us hope as we serve the public and the community at large. They also provide a framework around which we can structure our lives and create some routine. Look at them as a soft landing or a cushion against the disruptions caused by the pandemic.

Let us have hope that this pandemic will come to an end and a cure will be found.

But those who hope in the Lord shall renew their strength. They will soar on wings like eagles; they will run and not grow weary; they will walk and not be faint" Isaiah 40:31

UNDERWRITING BEYOND THE WRITTEN WORD- STRONG MESSAGE TO UNDERWRITERS.

By Hassan Omuroka
Senior underwriter- Local Business Department.



Fellow underwriters, our profession came to a sombre scrutiny by the recent **AM Best credit rating**. A section of it stated;

“The negative outlook on the Long-Term ICR reflects Kenya Re’s poor technical performance in recent years, demonstrated by non-life underwriting results that are materially weaker than its historical average and regional peers in 2018 and 2019.”

We are the fuel that steers/is supposed to guide our Corporation to nothing but profitability. Whatever we do in our daily noble duties should be intended to better our underwriting results.

Kindly allow me to talk about the underwriting profession and remind you, as I remind myself, of the essence of doing what we are supposed to do - profess our skills to others and in the context of our setting; aim to protect the financial standing of our Corporation.

We shouldn’t allow our Corporation to be a laughingstock by merely accepting any and every risk that comes our way, regardless of the applicable terms. It is challenging since we also hold the budget, which in most cases, I believe makes us flout the principles of our underwriting faculty. We are sandwiched between a budget to meet and proper underwriting of risks in the true sense of the words, prudent underwriting.

Nonetheless, before deciding to support risk, always ask yourselves, “Does the perfume of the premium overcome the stench of the risk?”

Have you ever thought of the consequences of the two opposing Swahili proverbs; **Haraka haraka haina baraka** (Direct translation: *Hurry hurry has no blessing*) and **chelewa chelewa utamkuta mwana si wako?** (Direct translation: *Wait too long and you’ll find the child isn’t yours*). Ukiharakisha ni makosa na pia ukichelewa ni makosa (Direct translation: *It’s a mistake to rush and delay*) so you have to balance. This is where we lie. We have to balance between proper underwriting and meeting our budgets.

To manage this situation, most companies prefer that the marketers hold the budget. I believe this works well. Maybe companies not practicing it can try it. We can as well.

A marketer holds a budget for certain accounts. He is assigned underwriters to work with. There is also a claims person assigned to those accounts as well as a Credit Controller and Finance Officer.

The marketer has the responsibility to seek profitable

business to meet his targets. It is the responsibility of the underwriter to scrutinize this business and determine whether it meets the bare minimum of a good business. Here, it becomes impossible for the underwriter to compromise his judiciousness and call a spade a spade and not a big spoon. If he or she accepts the business(es), it will be the turn of the credit controller to follow-up on premium on any business assigned to that marketer. The claims officer assigned to this account is there to ensure claims emanating from these clients are handled swiftly and forwarded to the finance officer for settlement. In this system, no one would want to be blamed for letting down the team members.

In our current operations, since we handle most of this function above, we have to excise a balancing act of ensuring we meet the budget by underwriting good and profitable business. So, whatever we do, let us not undermine our profession. Let us have a wholesome perspective of risk; from a marketing point of assessment as well as the technical point of view. The two views have to reach to a consensus ad idem for us to make sound decisions on risks acceptability.

So, let’s look at the origin of the term ‘underwriting’; It goes back to the 14th century when the word underwrite simply meant “to write under or at the end of something.” For instance, a signature might be underwritten the terms of an agreement.

Through this act, early insurance underwriters got their name —that is, they wrote their names under insurance policies to become answerable for a loss or damage. The practice of insurance underwriting goes back to the 17th century.

At first, underwriters undertook only marine insurance. They would write their names under the proposals for insurance brought to them by ship owners, importers, exporters and the like, indicating the percentage of risk they would assume.

Today, underwriters will insure against practically anything;

- Even against the risk of an audience member dying of laughter or
- Even a non-flammable metal inserted in water, insured for fire and special perils.

It is essential for each one of us to understand the underwriting process to help avoid needless frustration. This process is an essential part of any insurance

application.

In its most basic sense, **underwriting refers to the process of determining the issuing of an insurance policy.**

In that process, an underwriter evaluates the risk of the applicant.

During this evaluation, the underwriter decides whether or not to insure and if the decision is to insure how much coverage will be offered, as well as how much premium the insured should pay for the particular amount of coverage. I believe you know this already.

When underwriting an applicant, an insurance underwriter will **attempt to protect the insurance company’s book of business from risks that could cause a loss.**

With that in mind, it is feasible that an applicant who presents too high of a risk to the insurer may be denied coverage altogether. A premium charged may be extremely high for an accepted application and high-risk management measures imposed.

Who then is an underwriter?

An underwriter is a professional who can understand the risks to which the underwritten object or subject matter is exposed. This ability is gained not only through theoretical study but also through the result of years of experience dealing with similar risks and paying claims on those risks. The majority of the underwriter’s duties are learnt on the job training.

Therefore, underwriters usually begin their career as trainees or assistant underwriters.

In the insurance field, there are many lines of insurance that an underwriter can work in. Most underwriters will specialize in one of the following fields: life, health, mortgage and property or casualty. Continuing education is necessary for advancement and independent-study programs for underwriters are available.

As underwriters, we have some main tasks and challenges.

The main job of the underwriter is to protect the insurance company from acquiring non-profitable business.

But this cannot mean that every risk should be declined and the decision has to be balanced with the necessity of accepting well-understood risks to grow the business.

This balancing act requires a lot of creativity from the underwriter. Underwriting is considered to be an art and not a science.

Experienced underwriters develop a sense for each application that allows them to determine when the risk should be accepted or declined.

It is the job of the underwriter to protect the company and, at the same time to give the insured an equitable policy which will protect his/her interests.

In some lines of business, underwriters also provide the best advice concerning risk protection and are closely involved when designing insurance programs for individuals and companies looking for protection.

Insurance companies have identified several factors that

can increase or decrease the likelihood of a policy claim.

There are two important considerations, the **physical risk** and the **moral risk**.

The physical risk is related to the physical characteristics of the insured object that may increase the possibility of a claim.

For instance, in motor insurance, the age of the car is an important variable to determine the possibility of theft.

Similarly, in property insurance, the type of construction will determine the possible damage under an earthquake or fire outbreak.

In Life insurance, an individual with a history of cancer possesses a physical risk that increases the individual’s probability of dying sooner than an individual of the same age and sex who does not present the same medical history.

On the other hand, **moral risk is related to the applicant’s reputation, financial position or criminal record.**

As underwriters, we are responsible for following a very thorough thought process when evaluating insurance applications, so as to identify moral and the physical risks.

Most types of insurance are voluntary, which means that individuals decide if they buy insurance or not. Individuals will only look for insurance if they perceive that there is a possibility to suffer loss. This desire to acquire insurance is stronger as the perception of a possible loss grows.

This explains the observed tendency to receive insurance applications of risks that have a higher tendency to suffer a loss than the average of similar risks. This fact is called anti-selection.

A client whose employees are engaged on machinery for cutting or pressing metal has a portfolio of business; Fire, Burglary, MB,MBLOP,WIBA,GPA etc. and offers you GPA and WIBA on a stand alone whose loss ratio for the last seven years has been over 90%.

As experienced underwriters, we must have developed a sense to assess the anti-selection effect when assessing the risks that come with such a client.

Another important aspect that underwriters have to deal with while assessing an application is the asymmetric knowledge of the risk.

Individuals will always know more than anyone else about the perils to which their own goods, businesses or health are exposed to.

Lord Justice Scrutton’s famous 1928 quote:

That, in entering the insurance contract, “the underwriter knows nothing and the man who comes to him to ask him to insure knows everything”. This has often been used to allow insurance companies significant leeway in drafting their contracts.

The Duty of Disclosure

It is a fundamental principle of insurance law that the each party’s utmost good faith must be observed. Lord Mansfield stated this rule clearly in 1766 when he said, **“Insurance is a contract upon speculation.”** The special facts, upon which the contingent change is to be

computed, lie more commonly in the knowledge of insured only: the underwriter trusts to his representation and proceeds upon confidence that he does not keep back any circumstance in his knowledge, to mislead the underwriter into a belief that the circumstance does not exist and to induce him to estimate the risk as if it did not exist. The keeping back of such a circumstance is a fraud and, therefore, the policy is void.

This insider knowledge could be misused in the form of misrepresentation or non-disclosure of important facts about the object to be insured, thus not allowing the underwriter to accurately assess the full extent of the risk.

Experienced underwriters will always look for hints that will point out to non full disclosure of the risk.

As an example, an individual answers 'no' to the consumption of alcohol question in a life insurance application, but confirms that he was cited for driving while impaired.

Insurance relies on good faith. It is economically not viable to verify every aspect of the insurance application. While most individuals act on good faith, there are always those that will try to take advantage of this situation.

Misrepresentation, non-disclosure, claims simulation or self-inflicted losses count to the list of fraudulent acts that insurance is confronted with on a regular basis.

Underwriters acting like detectives are looking for clues that will indicate possible fraud to protect the insurance companies and the honest policyholders from those that misuse insurance.

Underwriters analyze information on insurance applications to determine whether a risk is acceptable and will probably not result in an early claim to the insurance company.

To properly assess the risk, insurance companies have developed underwriting guidelines to which all underwriters must abide.

Underwriters are not alone in the risk assessment process.

All insurance companies need to have onboard staff professionals in different relevant fields. Engineers and architects in the commercial insurance business or medical doctors in case of personal lines insurance to assist in the interpretation of the information obtained through the application, third party reports, physical on-site inspection.

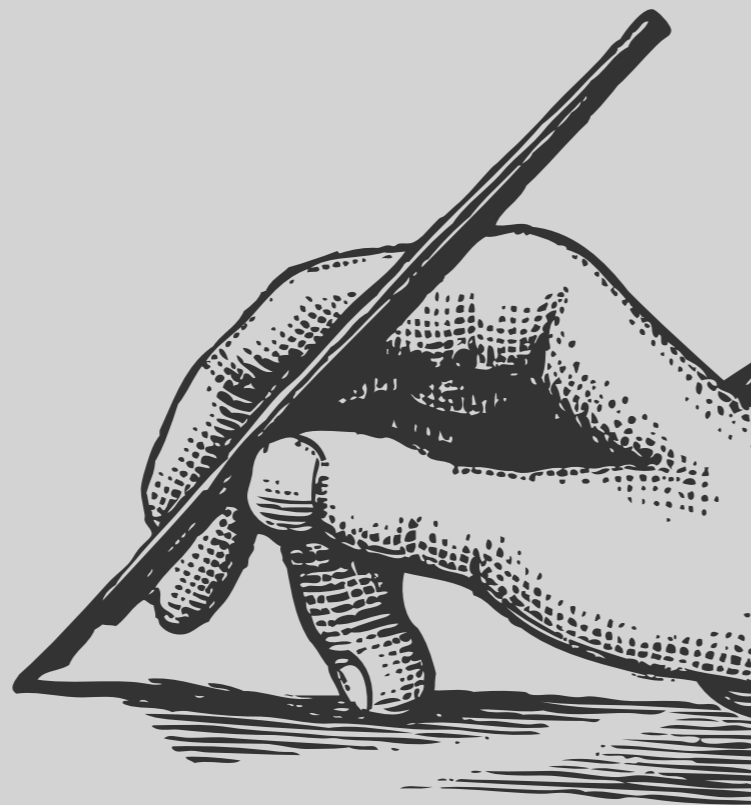
Let us now look at some principles for the underwriting profession.

It is the responsibility of each underwriter to:

1. Act promptly, while exercising sound, objective and consistent judgment, in making underwriting decisions.
2. Follow established risk classification principles that differentiate fairly based on sound actuarial principles and/or reasonable anticipated mortality or morbidity experience.
3. Treat all underwriting information with the utmost confidentiality and use it only for the express purpose of evaluating and classifying the risk.

4. Comply with the letter and spirit of all insurance legislation and regulations, particularly as they apply to risk classification, privacy and disclosure.
5. Avoid underwriting action which is in conflict with the obligation to act independently and without bias.
6. Act responsibly as an employee with scrupulous attention to the mutual trust required in an employer-employee relationship.
7. Provide information and support to sales personnel to help them to fulfill their field underwriting responsibilities in selecting risks and submitting underwriting information.
8. Strive to attain Fellowship in their Underwriting, maintain a high level of professional competency through continued education and help promote the further education of all underwriters.
9. Maintain the dignity and sound reputation of the Underwriting Profession.
10. Increase the public's understanding of the underwriting by providing information about risk classification.

Fellow underwriters allow me to conclude by urging you to underwrite beyond the written word. View risks from both the marketing and technical underwriting angles. Hold a meeting within yourself to decide on the risk at hand by employing the various ways of handling the risks, not forgetting we are in the business of making a reasonable underwriting profit for the Corporation.



FACTORS THAT INFLUENCE INFORMATION SYSTEM (IS) EFFECTIVENESS



By Luke Kiunga

Independent Variables

Dependent Variable





Kenya Re Managing Director, Mr. Jadhiah Mwarania, gives his remarks during a COVID-19 donation ceremony held at the Kenyatta International Convention Centre (KICC) on 13th June 2020. Kenya Re donated a sum of Ksh.40 million that will be directed towards the purchase of Personal Protective Equipment (PPEs).



Kenya Re Chairman, Mr. Chiboli Shakaba, makes his remarks during a COVID-19 donation ceremony at the Kenyatta International Convention Centre (KICC) on 13th June 2020. Looking on is the Kenya COVID-19 Emergency Response Fund Board Chairperson, Mrs. Jane Karuku. Kenya Re donated a sum of Ksh.40 million which will be directed towards purchase of Personal Protective Equipment (PPEs).



Mr. Levy is presented with a farewell gift by his colleagues at the Kenya Re Côte D'Ivoire Subsidiary.



LUNCHEON FOR MR. ARTHUR LEVRY



Kenya Reinsurance Corporation MD Mr Jadhiah Mwarania dispatches the Corporation's 2019 full year financial results to shareholders from his office at Reinsurance Plaza on the March 27, 2020, this was the first time the Corporation released financial results purely online without holding an Investor Breakfast Briefing.



KENYA RE BOOSTS COVID-19 FIGHT WITH KSH.40M DONATION

By Edwin Muthabuku



Kenya Re Managing Director - Mr. Jadhiah Mwarania and Chairman - Mr. Chiboli Shakaba, present the Corporation's donation of Ksh.40million to the Kenya COVID-19 Emergency Response Fund Board Chairperson, Mrs. Jane Karuku and the Fund's Board Member, Mr. Jeremy Awori. The money shall be channeled towards the purchase of Personal Protective Equipment (PPEs).

Companies all over the world have mobilized to help their communities in the wake of COVID-19. Some companies have made financial donations toward health facilities or to local governments, some have purchased products and machinery to fight the virus, while others have converted their production chain

to produce tools that are useful for doctors and nurses, such as gowns, masks, and hand sanitizers. Kenya Reinsurance Corporation Limited (Kenya Re) is not an exception.

Kenya Re is cognizant that it is not an island. On the contrary, it is part of the broader economy and the

community where it operates and receives stimuli and influences. This is a two-way street. Just as the community impacts the Corporation, the Corporation can also influence the economy and society where it operates. Considering this, the Corporation has embraced the concept of shared value, which underpins the competitiveness of the Corporation and the welfare of the community in which it operates, being mutually dependent.

Kenya Re is among the companies that have risen to the occasion to support the Government of Kenya's (GoK) efforts in its spirited fight against COVID-19. The Corporation donated Ksh. 40 million to the Kenya COVID-19 Emergency Response Fund on 13th June 2020 at the Kenyatta International Convention Centre (KICC). The donation was channeled towards the purchase of Personal Protective Equipment (PPEs). It was presented by the Kenya Reinsurance Corporation Limited Chairman, Mr. Chiboli Shakaba, and the Managing Director, Mr. Jadhiah Mwarania.

"The Fund has so far received Ksh. 3.4 billion from corporate entities and various individuals of goodwill. Today, we are happy to be receiving a donation from Kenya Re to augment the Government of Kenya's efforts in the fight against this pandemic," said Mrs. Jane Karuku, the Kenya COVID-19 Emergency Response Fund Board Chairperson, when receiving the Kenya Re donation.

"We want to reassure the general public that all operations of the Fund are being closely monitored by reputable audit firms and by the Office of the Auditor General (OAG). As Board members, we are supporting and providing leadership to the Fund on pro-bono terms. There are no administrative expenses whatsoever attached to the Fund," remarked Mr. Jeremy Awori, a Board Member of the Kenya COVID-19 Emergency Response Fund.

The donation comes when the world faces a shortage of PPEs as earlier predicted by the World Health Organization (WHO). The shortage leaves doctors, nurses, and other frontline workers dangerously ill-equipped to care for COVID-19 patients due to limited access to supplies such as gloves, medical masks, respirators, goggles, face shields, gowns, and aprons. "We have heard and read of stories in the news about shortages of PPE kits across the world. This poses a serious threat because without them testing and treating patients with the disease will be made very difficult. It is for this reason that we have channeled our donation to aid the Government in its fight against the pandemic," said Kenya Re Chairman, Mr. Chiboli Shakaba.

Speaking during the donation, Kenya Re's MD Mr. Jadhiah Mwarania, voiced the importance of the donation. "As Kenya's biggest reinsurer, we are committed to helping our majority shareholder – the Government of Kenya, in fighting this pandemic that has affected us all in one way or another. Our donation is a boost to the government's efforts geared at containing the spread of the deadly coronavirus disease. I would like to thank all entities

and individuals of goodwill who have contributed towards this cause. We shall overcome this pandemic together."

The donation was channeled through the Kenya COVID-19 Emergency Response Fund that was established to mobilize resources for emergency response towards containing the spread and impact of COVID-19. The donation also comes two months after the Corporation announced a 35% growth in profit for the year 2019 of Kshs. 4.17 billion profit before tax.

Kenya Re joins the list of companies that have donated generous amounts towards the fight against the COVID-19 pandemic. Mr. Mwarania also noted the huge and negative impact COVID-19 has imposed on the economy, on livelihoods and commerce and industry; Kenya Re included. Further, he noted the scaling down of various operations within the Corporation in a bid to generate the donation, which will be a catalyst in supporting the fight against COVID-19.

Kenya Reinsurance Corporation Limited is at the frontline to #KomeshaCorona and #FlattenTheCurve, so should you!



POETRY

By Mathias Besong©

My struggle with COVID-19 ©

I sat on the hood of the car
Watching the mirage on the tar
Thinking of patients lost so far
Who seem to be waiting not afar.

Nothing came to mind but fear
For those that I love who are near
Who know nothing of the virus's snare
Set so vast with none to spare.

Then I thought of a local curse
Strong enough to kill its source
Yea, even to slow the demon's course
But then the gods don't even know its source.

So, we chose the path of quarantine
Some of us behind the pines
Ever so close to the porcupine
Just to have some peace of mind.

But then the cries of those in pain
Wallowing in the virus gains

Their noise enough to stop a train
And now I wish I was not trained.

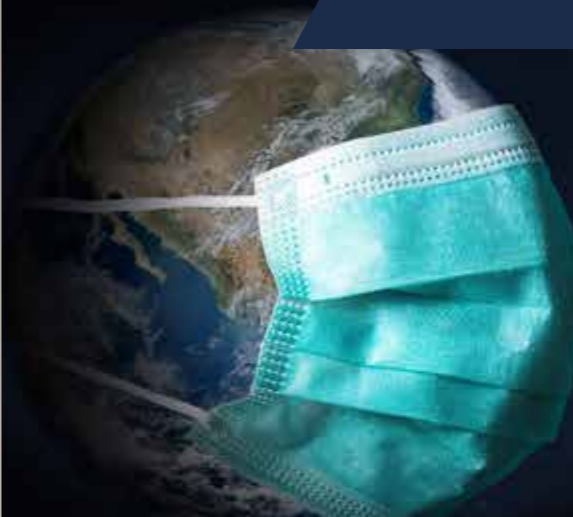
My calling I still chose to obey
Even in the long and darkest day
For COVID-19 can't make me display
The distrust in God I threw away.

I am an epidemiologist
My shoes have holes for a reason
I will never rest
I am a warrior
And COVID-19 I must fight.



THE NEW NORMAL UNDER COVID-19

By Lilian Kanari



COVID-19 has created an unprecedented crisis with records of deprivation in the economy. This pandemic has affected our livelihoods. To quote Mutahi Kagwe, Kenya's Cabinet Secretary for Health, "If we continue to behave normally, this disease will treat us abnormally". Those few, yet profound, words have stuck in everyone's mind.

The government enforced some directives, which were initially met by resistance but quickly adapted by society. Wearing face masks has become a new norm, failure to which warrants a fine of Ksh.20,000 or six months imprisonment or both. This is a blessing in disguise to all those in the tailoring industry, who seized a lucrative business opportunity to sew face masks in a bid for all to act in accordance with the government's directive. In addition to this, washing hands with soap and running water or use of hand sanitizers has become mandatory for all and sundry. The government has put in place all measures to ensure its citizens become regularly educated on how to wash hands and the adverse effects of improper hygiene. To anyone, these lessons seem quite basic, but unfortunately, common sense is not common to all, hence the frequent reminders on hygiene through all forms of media.

Increased cases of new infections and deaths resulted in imposed curfew between 7pm to 5am and cessation of movement in and out of some areas in Kenya. Schools and some offices closed down, with the former forced to conduct learning online. This is an initiative that only favors the few who can afford internet in their homes and locks out the majority of students from the have-not communities. Employers were compelled to organize their staff on a rotational basis, which is an initiative that has resulted in

low productivity for most employees who find their homes not so conducive to execute their daily duties. On the other hand, most employers have begun appreciating that having some staff working from home saves on utility costs hence helping companies save a lot. However, the harsh reality is that most employers laid off their employees as a result of massive losses, rendering thousands jobless.

The hospitality industry, one of the hardest-hit sectors, has suffered severe losses. To try and salvage the situation, the government allowed restaurants to resume operations, subject to compliance with the new regulations. These regulations included the observation of social distancing rules, provision of hot, running water, soap and sanitizers at every entrance, application of new health licenses, among others. This news was quite a relief for restaurant owners to ensure business continuity. This, however, proved to be quite costly.

The transport industry was also not left behind in regard to the new regulations. Public service vehicles have now adjusted to carry half their capacities while significantly increasing their bus fares. People no longer shake hands and are required to maintain the 1.5-meters social distance rule to contain the pandemic from spreading further. When we analyze all these drastic changes we have experienced, we appreciate the government's efforts in doing all that pertains to solving this crisis, rather than lament of the mental depression the pandemic has inflicted in our lives. We can only hope that one day our normal lives will resume, but until then, let us appreciate that life is dynamic and try and embrace the new normal.

Stay safe!

HOW DIGITAL MARKETING CAN KEEP SMALL BUSINESSES AFLOAT DURING COVID-19



By Sylvia Karimi

7.5 million small businesses could shut down permanently as a result of the COVID-19 crisis. Digital marketing could be the avenue to save most of these businesses. Sure, the government has made efforts to reduce taxes for businesses across the country. However, more small businesses should think smarter and discover how the digital space could benefit them during these trying times. Below are five ways digital marketing could take small businesses to the next level during the COVID-19 pandemic:

1. People spend more time online - The pandemic has caused governments to set curfews and social distancing rules. With that, people are spending more time browsing the web. Small businesses have to rethink their selling strategies to reach their local audiences online.
2. Digital marketing is cost-effective - Small businesses aren't only operating on a small budget in many cases, but they also might be barely getting by during the pandemic. Digital marketing is the most cost-effective way to reach potential clients and promote their offerings, making it a feasible option for smaller operations.
3. Search engine optimization boosts online visibility - During the crisis, many people are shopping online. From clothes to food and

electronics, users browse for different products on search engines. Optimizing their websites on search engines makes small businesses' offerings visible to these potential customers.

4. Personalized emails keep clients engaged - For small businesses to survive, they need to keep their clients engaged. There is no better way to do this than leverage on email marketing and sending personalized messages. Informing clients about the current status of the business and providing useful tips helps to build trust and loyalty.
5. Social proof increases credibility - When people pick products or services during a crisis, they look for evidence of who they can trust. Having a website that features case studies and reviews improves the brand's reputation and builds trust.

As businesses try to remain digitally savvy, business owners should also remember to be flexible. As a small business owner, it's essential to adapt to any changes in the working environment so you can keep going when things are tough. This might mean letting people work from home and making sure you have the technology to do so or altering the products you offer. We don't know how long this pandemic may last; however, we must ensure that our businesses remain afloat and functional.

COMEDY CORNER



What's in the bucket?

A man walks into an insurance office and asks for a job.

"We don't need any one," they replied.

"You can't afford not to hire me. I can sell anyone anything anytime."

"We have two prospects that no one has been able to sell. If you can sell just one, you have a job."

He was gone for about two hours and returned and handed them two checks, one for an \$80,000 policy and another for a \$50,000 policy.

"How in the world did you do that," they asked.

"I told you I'm the world's best salesman, I can sell anyone anywhere anytime."

"Did you get a urine sample?" they asked him.

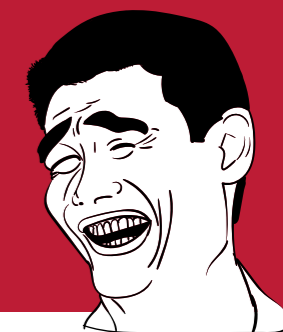
"What's that?" he asked.

"Well, if you sell a policy over \$40,000 the company requires a urine sample. Take these two bottles and go back and get urine samples."

He was gone for about eight hours and then he walks in with two five gallon buckets, one in each hand. He sets the buckets down and reaches in his shirt pocket and produces two bottles of urine and sets them on the desk and says, "Here's Mr. Brown's and this one is Mr. Smith's."

"That's good," they said, "but what's in those two buckets?"

"Well, I passed by the school house and they were having a state teachers convention and I sold them a group policy!"



REMOTE WORKING DURING COVID-19 AND THE AFTERMATH EFFECTS



By Davis M. Onsakia

Approximately 50% of Kenyan working population is working from home, since the outbreak of the Coronavirus pandemic in early March 2020. On a global scale, this number is even higher. This number might be higher locally than this – considering the government's continuing message of 'stay at home' – which employers interpret as 'work from home'. Correctly so, considering that as you plan to pay your bills, the employer also has to meet his end of the bargain. This can only happen if you put in your bit, as well.

However, staying at home cum working away from the office has brought with it its challenges. How many people, including the readers of this piece, indeed put in the same energy and time which they normally do while in their normal office locations? To say the truth, they are the minority. This is due to our culture. You indicated in your CV that you 'work well under minimum supervision' but clearly you can only move if somebody is breathing down your neck or the building is on fire. Imagine if such a citizen left to his/her own whims. And the distractions at the home front; someone with young children can relate to this.

The question most people forget to ask themselves is, "How long can your employer sustain such a laid-back approach? Doing the bare minimum while expecting full pay." In my first assignment with a Chinese company, I was reminded, as part of my induction, that I needed to make more money than what I was being paid if I expected to sustain my monthly paycheque. Basically, overpay yourself – the difference, of course, goes to the employer! And this fact has indeed not changed. This means that if you generate nothing, you will be paid nothing – in the fullness of time! This might be, in 'proceeding on unpaid leave'. This fact needs to sink in well. Unfortunately, this is already happening. Quite sad.

I digress. The essence of writing this article was to deal with the advances in technology - that has enabled us to access our offices remotely, continue working, hold meetings and collaborate with our

colleagues.

Imagine if we had a pandemic like this, a couple of years ago. How could you get a stable Internet connection to sustain you through a two-hour-long meeting? It was unthinkable. However, thanks to the improved Internet infrastructure coverage, this is now possible. This means that most people can comfortably work from their homes without stepping out of their bedrooms. This is the reason why Internet connectivity coverage should be increased, if possible, to cover 100% of Kenya's territory. The Universal Service Fund (USF) can come handy in enabling this. It is the reason why it was established in the first place. As articulated by the Communication Authority of Kenya (which administers the fund): 'The purpose of the Fund is to support widespread access to ICT services, promote capacity building and innovation in ICT services in the country'. Link <https://ca.go.ke/industry/universal-access/purpose-of-the-fund/>.

There is the question of the cost of Internet connectivity, where it is available. But these being challenging and unprecedented times, the employer and employee need to reach some agreement on facilitation. Internet bundles and Wi-Fi connectivity are not the cheapest or priority expenditure for a family right now. We are in a unique state where nobody has a clue on how soon this will end so that we go back to our 'normal' lives. The 'normal' might be the 'abnormal new' habits which are being developed now.

The biggest question around remote working has been issues to deal with security. How secure are my connections to the office or my colleagues? This is a concern shared both by the employee and the employer: the employee wants to be sure that nobody is listening in to the conversation. In contrast, the employer wants to be assured that the data from employees working away from the office is not inadvertently leaking. Do remember that the hacking of Internet connections is as old as the Internet itself. And hence these concerns are quite valid and need



to be addressed by the technical community. For comfort's sake, it should be noted and appreciated that the IT technical community is continually addressing such security issues daily.

During these times, we have had apps which were only known to the technical community coming up to the fore. Most people now know Zoom although they might not have heard 'Zoom bombing'. They have heard or even used Zoom to have meetings and connect to loved ones but do not know that while doing that, somebody might be eavesdropping on their conversation. That is basically 'Zoom bombing'. However, Zoom is working hard to fix the identified loopholes.

There is another app from Microsoft, Teams. Teams basically does the same thing as Zoom but is geared more to the corporate world. And by the way, Teams is an upgraded version of Skype for Business. However, Microsoft did announce free access and usage of Teams for six months, during this COVID-19 outbreak. You can try it out. You can visit the Microsoft site for more information.

Other apps which have been in the market for some time include Gotomeeting, Slack and Google Meet – picking up pretty fast. They are excellent tools for remote teams, but need some fiddling to get your way around.

One of the best things COVID-19 has done for the IT community is that it has accelerated the adoption of technology in business transactions and enabled the (forced) testing of company BCP (Business Continuity Plans). Basically, Business Continuity Planning involves 'creating a system of prevention and recovery from potential threats to a company' – the threat, in this case, is COVID-19, as defined by Investopedia.

Testing BCP plans was somehow a muted affair in the past – where a select team was constituted (from the business and IT) and they tested the BCP – most of the times at night or some odd weekends like Easter holiday – and then they filed a report that it was successful. With some few lines of 'areas

for improvement' and that was that. Right now, the top company honchos want a confirmation that the business is a 'going concern' if there was a total lockdown. Not through a report, but practically demonstrating the capacity to continue business operations if the office was physically locked down (as has happened to many companies). For the entities which had watertight BCPs (not perfect ones), this provided an ideal opportunity to demonstrate what has been sung in meetings to an inattentive audience before. I can say it is bad luck for the guys who were not prepared: for you cannot easily get a team to implement a BCP in these 'stay at home' times. You had it in place before, or you are left scratching your head. CIOs, take note.

Based on the above, I foresee a situation where some habits developed and experiences gained from this partial lockdown of the country, will be hardcoded into company policies. I see human capital management policies changing the most – to accommodate scenarios like remote working – which were not being entertained when things were 'normal'.

On the technology front, I see great recognition of capacity to work remotely (probably introduce a shift model – still remotely) and appreciation of virtual meetings. This will imply that company IT policies will need some panel beating too – this will happen mostly with the push from the top, rather than vice versa (which was the case before).

In fact, Optus (an Australian-based telecom giant) has already made working from home permanent for its call centre staff – after they 'tested it' during the lockdown period and found it working. This story is available at <https://updatenewz.com/optus-staff-to-work-from-home-permanently/>. In addition, Twitter (everyone knows Twitter, right?), have announced that their employees can work from home forever. Check the story at <https://www.nbcnews.com/tech/tech-news/twitter-employees-can-work-home-forever-ceo-says-n1205346>. Any takers in Kenya?

Stay safe. Stay healthy.

HOW TO MANAGE YOUR FINANCES DURING COVID-19

By Agnes Musyoka



Prioritize your needs - Cut back your household budget as much as you can to meet the most basic needs first—food and shelter. Homeowners who can't keep up mortgage payments should talk to their banks about deferring those instalments for up to six months, a measure recently encouraged by the government. It will cost the homeowner more in interest payments down the road but provides some interim protection for people who've already invested a lot of money in their homes. Transportation is the other basic need people may have if they need a vehicle to get to work, now or in the future. Continue making loan payments on that vehicle, but consider selling second or third family vehicles.

Consider debt repayment options - Depending on whether you still have an income, there are a couple of options for handling substantial debt. Those with a steady income source—even a reduced one—should still try to make minimum payments on their debts. It will take longer to repay a loan, but keeping up minimum payments helps protect their long-term credit rating. They should also ask lenders to consider a reduction in interest rates.

Leave retirement savings alone—with one exception; Avoid cashing out your registered retirement savings plan fund to pay back loans. The same applies to registered education savings plan funds set aside for children's education. Those funds are also protected from bankruptcy action and there's a penalty on drawing on them for non-educational purposes.

Build, protect your credit rating - Whether you're able to stay on track with loan repayments or looking to the future after bankruptcy, try to establish and preserve a good credit rating. A credit rating determines whether you get loans in the future and

the interest rates you will pay. If you've got a credit score below 650, it will be difficult to get any loan, or you'll have to pay high interest. As part of that, avoid cancelling credit cards as a hasty cost-cutting measure if you are keeping up with payments, to show you are not a high credit risk.

Think differently about spending - The economic upheaval of COVID-19 should have us thinking about spending money carefully. In the future, aim to be as liquid as possible. Cash is going to be king. Make sure to have enough on hand to pay the bills going forward, as opposed to tying it up in speculative markets, because it will be tough to borrow money from the banks for a couple of years. We have to define what is essential in many respects; what we need to live, versus a lot of the extras. Do you necessarily need that high-end automobile or two or three vehicles? People will also need to be more disciplined about saving money. While that can be tough when meeting obligations like food and shelter, try to eke out small savings where doable.

Be selective about taking on debt - Debt should be a tool. Good debt is an investment in your future, like a student loan or a mortgage or purchasing a vehicle you need for work. Avoid bad debt, usually driven by impulsive consumer buys, which can quickly add up when using store credit cards with high-interest rates. Also, beware of credit purchases made because of low weekly or monthly loan payments, which are spread over several years.

Original article appeared on www.folio.ca. Published on May 15, 2020.

Link: <https://www.folio.ca/how-to-manage-your-finances-in-the-time-of-covid-19/>

HOW TO KEEP CHILDREN BUSY AND CONNECTED DURING COVID-19

By Andrew Ongicha



In these uncertain times, parents have the added stress of keeping their children busy and connected with friends and family, all while social distancing and staying home to slow the spread of coronavirus. We did some crowdsourcing to get some great ideas for younger and older kids.

For younger children:

- Make a painter's tape maze on the carpet, for use with toy cars and trucks.
- Fill plastic bins with seasonal/themed sensory items to explore.
- Make homemade crafting dough or slime.
- Using a whiteboard or pad of paper, let your child teach you; this is a great way for them to practice their skills and retain knowledge.
- Plant seeds in cups and set in a sunny spot to get an early start on the summer vegetable garden.
- Practice writing skills by becoming pen pals with friends.

For older children

- Bake cookies and other treats.
- Assign older kids the task of cooking dinner one night each week.
- Take this opportunity to check in with older kids

on how they're doing in general, making sure to listen fully. Being stuck at home can be especially difficult for teenagers.

- Create a journal during this extended period at home for a keepsake that will prove to be very special later.
- Use YouTube to learn skills: origami, music lessons, dance tutorials and much more.

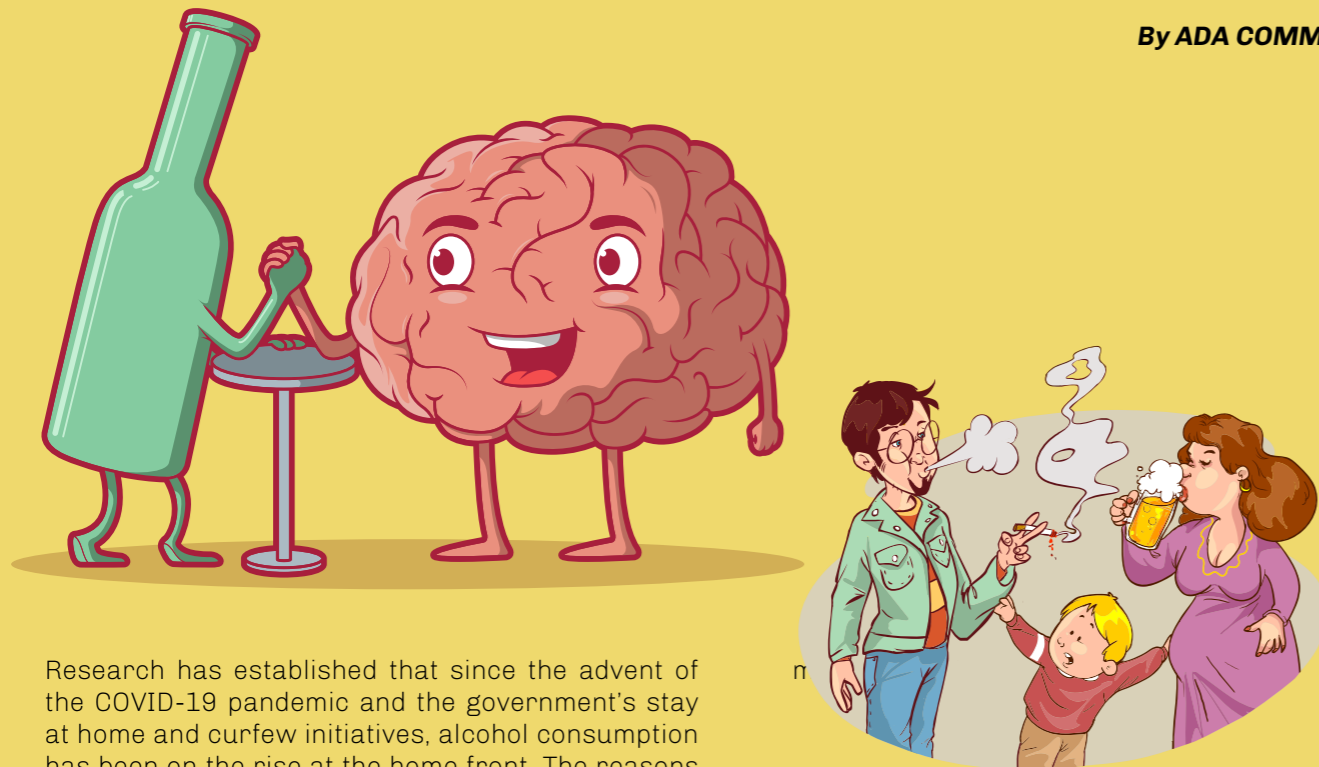
For all ages

- Build puzzles together.
- Color in coloring books or on downloaded coloring sheets.
- Use FaceTime and other apps to virtually connect with friends for socializing or studying.
- Build a fort and use it for play or as a reading nook.
- Play board games.

A quick search of the internet will reveal lots of virtual experiences that families can enjoy from the comfort of their homes. Zoo and aquarium webcams, museum tours, concerts and much more are at our fingertips now more than ever. Keeping everyone engaged can make this time at home much more enjoyable as we all do our part to help flatten the curve.

ALCOHOL, DRUGS & COVID-19

By ADA COMMITTEE



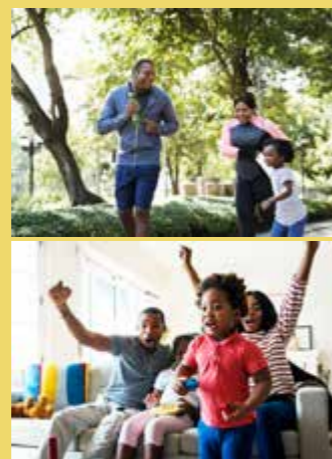
Research has established that since the advent of the COVID-19 pandemic and the government's stay at home and curfew initiatives, alcohol consumption has been on the rise at the home front. The reasons given include:

- Alcohol sanitizes coronavirus;
- Alcohol helps reduce stress levels brought about by lockdown and curfew; and
- Alcohol helps kill the resultant boredom.

These assertions bear no truth at all, and the facts are:

- Alcohol has both short-term and long-term effect on almost every single organ of your body.
- Alcohol use, especially heavy use, weakens the immune system and thus reduces the ability to cope with infectious diseases.
- Alcohol alters your thoughts, judgement, decision-making abilities and behaviour.
- Alcohol increases the risk, frequency and severity of perpetration of interpersonal violence such as intimate partner violence, sexual violence, and violence against children.
- Heavy use of alcohol increases the risk of acute respiratory distress syndrome (ARDS), one of the

Induction programme for the tots



AVOID ALCOHOL - STAY HEALTHY - FIGHT CORONA

NEW KENYA RE BOARD DIRECTOR



Mr. Chris Guyo Huka was appointed to the Corporation's Board on the 23rd April 2020 as the Alternate Director to the Cabinet Secretary, National Treasury & Planning of the Republic of Kenya, replacing Dr. Geoffrey Mwau who previously served in the same capacity.

He is a seasoned Human Resources professional with over 24 years' experience. Presently, he is a Senior Technical Advisor to the Cabinet Secretary, National Treasury and Planning of the Republic of Kenya. Before this, he was a Senior Technical Advisor to the Cabinet Secretary at the Ministry of Labour & Social Protection of the Republic of Kenya.

He has a wealth of experience in the corporate sector, having worked with DIB Bank Kenya Ltd, a subsidiary of Dubai Islamic Bank, UAE as the Human Resources and Administration Director. He also worked with Barclays Bank of Kenya Ltd as the Senior HR Business Partner for Risk, Compliance and Governance. He also held Employee Relations and Wellness Manager roles in the same organization. Before joining Barclays, he worked in three senior managerial positions as the Country HR Manager at Chevron Kenya Limited (Formerly Caltex – Kenya and Rwanda), Human Resources Officer at the Shell Managed Refinery and Senior Human Resources Officer at Post Bank.

Mr. Huka holds a Master of Business Administration in Human Resource Management from the University of Nairobi. He also holds a Bachelor of Education (Arts) degree from Moi University as well as a Higher National Diploma in Human Resource Management. He also earned a Practitioners Diploma in Executive Coaching from the Academy of Executive Coaching and an Advanced Certificate in Strategic Human Resource Management from Cornell University. He is currently pursuing a Doctorate in Business Administration at the Catholic University of Eastern Africa.

EXIT OF MR. ARTHUR LEVRY



The Kenya Reinsurance Corporation Limited wishes to announce the exit of Mr. Arthur Levry as the Regional Manager and Principal Officer of the Corporation's Cote d'Ivoire subsidiary.

Mr. Levry has worked with the Corporation for ten years and has positively contributed to the growth of the subsidiary in the West African region. The Corporation appreciates his great service and valued input during his tenure.

The Corporation will communicate in due course his replacement once the recruitment process is complete.

The Board, Management and staff of Kenya Re wish him great success in his future endeavors.

LUNCHEON FOR MR. ARTHUR LEVRY

Staff from the West African subsidiary held a celebratory luncheon for their long-serving Regional Manager and Principal Officer, Mr. Arthur Levry. The event was held at the Sole Plus Restaurant, Abidjan on 12th June 2020. During the event, the team presented Mr. Levry with gifts to show their appreciation for his leadership and contribution to the Corporation during his tenure.



Here are some photos taken during the luncheon:

LET'S COOK



By Yvonne Mwacha



Boneless Buffalo Wings

What a great way to have chicken. A nice change from your regular chicken wings. Serve with blue cheese dressing for dipping.

Ingredients

- 1 quart oil for deep frying
- 1 cup unbleached all-purpose flour
- 2 teaspoons salt
- ½ teaspoon ground black pepper
- ½ teaspoon cayenne pepper
- ¼ teaspoon garlic powder
- ½ teaspoon paprika
- 1 egg
- 1 cup milk
- 3 eaches skinless, boneless chicken breasts, cut into 1/2-inch strips
- ¼ cup hot pepper sauce
- 1 tablespoon butter

Directions

Step 1

Heat oil in a deep-fryer or large saucepan to 375 degrees F (190 degrees C).

Step 2

Combine flour, salt, black pepper, cayenne pepper, garlic powder and paprika in a large bowl. Whisk together the egg and milk in a small bowl. Dip each piece of chicken in the egg mixture and then roll in the flour blend. Repeat so that each piece of chicken is double coated. Refrigerate breaded chicken for 20 minutes.

Step 3

Fry chicken in the hot oil, in batches. Cook until the exterior is nicely browned and the juices run clear, 5 to 6 minutes a batch.

Step 4

Combine hot sauce and butter in a small bowl. Microwave sauce on High until melted, 20 to 30 seconds. Pour sauce over the cooked chicken; mix to coat.



WISDOM IS INNOVATING FOR THE FUTURE

Kenya Re provides reinsurance security and services for most classes of insurance business to more than 265 companies spread out in over 62 countries in Africa, the Middle East, and Asia.



Kenya Re is ISO 9001:2015 and ISO 27001:2013 certified
Rated B (Fair) by A M Best International Rating Agency and
AA+ by Global Credit Rating (GCR).



✉ kenyare@kenyare.co.ke 🌐 www.kenyare.co.ke 📺 Kenya Reinsurance 🐦 @kenya_re



Head Office
Kenya Reinsurance Corporation Ltd.
Reinsurance Plaza, Nairobi, Kenya,
Tel: +254 20 2202000, +254 703 083 000,
Email: kenyare@kenyare.co.ke, or
info@kenyare.co.ke

Cote d'Ivoire, Plateau- Abidjan
Bureau Regional Afrique
Ouest - Centre-Nord
Imm. Verdier, Porte A13
Abidjan-Plateau Cote d'Ivoire
01 Bp 7539 Abidjan 01
Tel: +225 20 32 92 02
Email: info@kenyare.co.ke

Kenya Reinsurance Corporation
Zambia Ltd.
D.G Office Park, No. 1 Chila Road,
Kabulonga, Lusaka.
P.O. Box 30578 10101
Lusaka, Zambia.
Tel:+260977197776
Email:stembo@kenyare.co.ke

Kenya Reinsurance Corporation (U)
SMC Limited
Redstone House, First Floor
Bandali Rise Bugolobi
P.O Box 34988
Kampala, Uganda
Tel : +256701585817
Email:Nsubuga@kenyare.co.ke