

# CYBER

## Digest

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## EU Proposes law to regulate use of AI

The European Union (EU) has proposed a new bill that would regulate the use of Artificial Intelligence (AI) for high-risk applications. The bill would create new standards to keep a tab on specific uses of AI for instance: remote biometric identification systems like the facial recognition technology and other algorithms used by any company that impact a person's safety.<sup>1</sup>

Violations of the provisions of the bill may lead to a fine of up to 6% of a company's annual world-wide revenue. This move is another step taken by the EU in order to exercise control over the big tech companies on matters related to individual privacy. The companies would be required to provide a detailed documentation on how their AI systems work so that they are in compliance with the new rules.

According to the EU's executive arm, AI (some specific uses) and Facial recognition technology involve various human and societal risks and therefore a specific legal framework on this matter is of urgent importance. However, exemptions could be made for activities like countering terrorism or locating abducted children.

The move is aimed at turning Europe into the global hub for trustworthy Artificial Intelligence (AI), according to an EU press release. It would guarantee the safety and fundamental rights of people and businesses and at the same time strengthen AI, investment and innovation across the EU.<sup>2</sup>

## CERT-In warns WhatsApp users in India

The Indian Computer Emergency Response Team (CERT-In) in a 'high severity' rating advisory has warned WhatsApp users in India of multiple vulnerabilities that have been detected in the instant messaging app. According to CERT-In, these

vulnerabilities could lead to breach of sensitive user data and personal information.

The vulnerabilities were detected in certain versions of WhatsApp and WhatsApp Business for both Android and iOS platforms. According to the advisory, the vulnerabilities exist in WhatsApp due to a cache configuration issue and missing audio decoding pipeline<sup>3</sup> and could easily be exploited by any remote cyber attacker to access sensitive information on a target.

However, WhatsApp has stated that it regularly works with security researchers to improve its privacy features to protect end to end encryption of people's messages. The two bugs that existed were apparently on outdated software.

CERT-In has advised WhatsApp users in India to update their WhatsApp on Android and iOS to the latest versions as a precautionary measure to counter any cyber threat. A similar warning was also issued to WhatsApp users in India last year on two major vulnerabilities called improper access control and user-after-free vulnerability.<sup>4</sup>

## Apple's AppTrackingTransparency requirement

In a move to strengthen privacy of users, Apple has come up with its AppTrackingTransparency requirement, which will be available in its next software update for iPhone users.<sup>5</sup> This privacy feature will require all apps to request permission to track a user's activities across other companies' apps.

The new privacy protocols will make it much harder for apps to gather user data for personalizing digital ads. According to some companies' analyses, this feature could also lead to users opting out of various apps (more than 80% of users may decide to opt out).<sup>6</sup> These searches often help advertisers track their online sale or

measure a campaign performance which now could result in a drop in ad prices.

Even as this move seems to be beneficial for consumers, it may increase the dominance of the big tech giants. It is so because the smaller companies have mainly relied on external ad-targeting to find their best customers till now. The big tech giants have their own tracking systems. Researchers have stated that this change can impact the app economy and might also alter the dynamics of power among the major platforms, advertisers and app developers.

Apple believes that this is the right time to move forward on the data privacy issue that has raised a lot of concerns from regulators and lawmakers across various countries.

### Cryptos sink over Biden tax plans

Bitcoin and other cryptocurrencies posted sharp losses on April 23 on concerns of curbs in investments in digital assets in the United States. The Biden administration plans to nearly double taxes (up to 39.6%) on capital gains for people earning more than \$1 million in a number of proposed changes to the U.S. tax code.<sup>7</sup>

Bitcoin, the most popular cryptocurrency, slumped to \$47,555, falling below the \$50,000 mark for the first time since early March. Other cryptos, Ether and XRP fell 3.5% and 6.7%, respectively. The tax plans prompted investors to book profits in stocks and other risk assets.<sup>8</sup>

Price fluctuations in bitcoin on cryptocurrency exchanges are driven by various factors like inflation, security breaches, tax regime, uncertainty of future value of Bitcoin, etc. Bitcoin's value has been historically quite volatile. From October of 2017 to January of 2018 the volatility of the price of bitcoin was nearly 8%. Bitcoin is considered an asset for tax purposes in the United States but strong regulation could cause the adoption rate of the currency to slow down.

### Facebook data leak: CERT-In issues advisory

In a massive data leak, data of over 450 million Facebook users which includes over 6.1 million Indian users was leaked online. As per global reports, the leaked data included personal information such as name, email address, profile ID and phone number of the users.<sup>9</sup> The Indian Computer Emergency Response Team (CERT-In) after leak has issued an advisory to Facebook users in the country regarding how to help them strengthen their Facebook accounts.

According to Facebook, this data was scraped prior to September 2019 using the company's 'Contact Importer' feature and the scraped information does not include financial information or passwords. However according to a report, the personal data of over 533 million Facebook users all over the world were dumped online for free in a hacking forum on April 4.<sup>10</sup> The data also included user phone numbers (that were not made public on their Facebook profiles) which were scraped by cybercriminals.

CERT-In in its advisory, has recommended that the users review and change their privacy settings.<sup>11</sup> Apart from this, as a part of cyber hygiene CERT-In has also advised Facebook users in India to review their privacy settings on Facebook periodically because there is introduction of new features from time to time which may result in sharing one's personal data unknowingly.

### BigBasket Data Breach

The data that was breached earlier in November 2020 from the online grocery delivery platform BigBasket has been allegedly leaked on the Dark Web this April, months after BigBasket confirmed the breach.<sup>12</sup> The data contained details of over 20 million customers such as their email addresses, names, date of birth,

hashed passwords and phone numbers. The size of the database leaked was around 3.25 GB.

A hacker group infamously known as ShinyHunters has put the data on the Dark Web for download on 25 April. Some passwords in plain text were also put for sale on the dark Web. Some other hackers claim to have decrypted some of the hashed passwords that were leaked. Cybersecurity researchers have said that the leaked data could lead to serious cybersecurity threats like hacking of personal Web accounts of

<sup>1</sup> Artificial Intelligence, Facial Recognition Face Curbs in New EU Proposal at  
<https://www.wsj.com/articles/artificial-intelligence-facial-recognition-face-curbs-in-new-eu-proposal-11619000520?mod=djemalertNEWS>

<sup>2</sup> Europe fit for the Digital Age at  
[https://ec.europa.eu/commission/presscorner/detail/en/ip\\_21\\_1682](https://ec.europa.eu/commission/presscorner/detail/en/ip_21_1682)

<sup>3</sup> WhatsApp Vulnerability Could Lead to User Account Hacks, Warns CERT-In at  
<https://gadgets.ndtv.com/apps/news/whatsapp-user-data-breach-leak-security-flaw-vulnerability-cert-in-advisory-2416759#:~:text=The%20Indian%20cybersecurity%20agency%20CERT,the%20flaw%20detected%20in%20WhatsApp.&text=Country's%20cyber%20security%20agency%20CERT,to%20breach%20of%20sensitive%20information>.

<sup>4</sup> CERT-In: Multiple vulnerabilities reported in WhatsApp at  
<https://indianexpress.com/article/business/economy/cert-in-multiple-vulnerabilities-reported-in-whatsapp-remote-attacker-can-access-info-727833/>

<sup>5</sup> Apple's privacy ad armageddon helps familiar tech giants at  
<https://news24-7live.com/apples-privacy-ad-armageddon-helps-familiar-tech-giants/>

<sup>6</sup> Apple's Privacy Ad Armageddon Helps Familiar Tech Giants at  
<https://www.bloomberg.com/opinion/articles/2021-04-23/apple-s-new-iphone-privacy-feature-may-help-facebook-google?srnd=opinion>

<sup>7</sup> Bitcoin tumbles below \$50,000, other cryptos sink over Biden tax plans at  
<https://www.marketscreener.com/quote/stock/COI-NBASE-GLOBAL-INC-121300010/news/Bitcoin-tumbles-below-50-000-other-cryptos-sink-over-Biden-tax-plans-33043529/>

users using the decrypted passwords and ransomware attacks as well.<sup>13</sup>

Bigbasket has confirmed that it is indeed the data from the November 2020 leak and not anything recent. It is so because it had eliminated all hashed passwords after the November 2020 breach and moved to an OTP-based mechanism. For now, Bigbasket is evaluating the extent and the impact of the breach in consultation with cybersecurity experts.

[tumbles-below-50-000-other-cryptos-sink-over-Biden-tax-plans-33043529/](https://timesofindia.indiatimes.com/business/international-business/bitcoin-tumbles-below-50000-other-cryptos-sink-over-biden-tax-plans/articleshow/82221351.cms)

<sup>8</sup> Bitcoin tumbles below \$50,000, other cryptos sink over Biden tax plans at  
<https://timesofindia.indiatimes.com/business/international-business/bitcoin-tumbles-below-50000-other-cryptos-sink-over-biden-tax-plans/articleshow/82221351.cms>

<sup>9</sup> Facebook in the crosshairs yet again – this time, India's cybersecurity agency issues an advisory to Indian users

<https://www.businessinsider.in/tech/news/facebook-in-the-crosshairs-yet-again-this-time-indias-cybersecurity-agency-issues-an-advisory-to-indian-users/articleshow/82177573.cms>

<sup>10</sup> 533 million Facebook users' phone numbers and personal data have been leaked online at  
<https://www.businessinsider.in/tech/news/533-million-facebook-users-phone-numbers-and-personal-data-have-been-leaked-online/articleshow/81889315.cms>

<sup>11</sup> <https://www.cert-in.org.in/>

<sup>12</sup> BigBasket Data Breach: Home Addresses, Numbers of Over 2 Crore Indians Made Public at  
<https://www.news18.com/news/tech/bigbasket-data-breach-home-addresses-numbers-of-over-2-crore-indians-made-public-3679523.html>

<sup>13</sup> BigBasket Data Allegedly Leaked on Dark Web, Database Claimed to Include Details of Over 20 Million Users  
<https://gadgets.ndtv.com/internet/news/bigbasket-data-leak-hack-user-details-passwords-dark-web-shinyhunters-242227#:~:text=BigBasket%20database%20of%20over%2020,passwords%20of%20the%20affected%20customers.>