

## **Blended** webinar

## Community of Practice on Digital Skills and Jobs in Kenya

► Fourth Thematic Discussion: Digital Infrastructure, Inclusion & Access in the Era of Al

## **EXECUTIVE REPORT**

Date: 13 December 2023

Thematic Area: Digital infrastructure, inclusion, and access in the era of Artificial Intelligence

# **Objective**

The 4<sup>th</sup> Thematic Session of the Community of Practice (CoP) on Digital Skills and Jobs in Kenya discussed recent developments around Artificial Intelligence (AI) as a frontier technology with the potential to help close the digital divide leading to disparities in access to ICT services, digital learning opportunities, and digitally enabled jobs. Participants touched on the main infrastructural and access and utilization obstacles on the rolling out of AI-enabled technologies as part of Kenya's digital transformation and on the expansion of the digital economy as a source of new jobs and improved sources of livelihood.

The session also served to announce the launch of the new ILO PROSPECTS <u>podcast series</u>, with its <u>first episode</u>, which focuses on Kenya, entitled 'Bringing digital skills and jobs for youth in rural areas and refugees in Turkana, Kenya.'

# Key points discussed

### Digital infrastructure for digital Al-enabled solutions

- ▶ Artificial intelligence (AI) and other frontier digital technologies are emerging in Kenya, calling for the coordination of policies, regulations, investment plans, and skills development efforts of different actors, not only across the ICT sector, but also other sectors driving forward Kenya's digital transformation.
- ▶ Kenya stands to leverage AI as part of its structural transformation and digitalization plans, especially since AI is one of the emerging technologies already driving innovative business solutions and job creation in the wider global digital economy. A few developing countries, however, have the capacities needed to take advantage of these developments.
- ▶ AI has the potential to fast track enhanced, inclusive connectivity, as long as public-private partnerships work together to help bridge digital and urban-rural divides.
- ▶ Efforts at expanding ICT and digital infrastructure in Kenya is sometimes hindered by lack of protections of physical infrastructure against vandalism and misuse. The rise of AI calls for additional infrastructural developments, which may also face similar challenges in the absence of more robust policies and regulations that protect essential digital infrastructure.
- Leveraging AI-driven solutions for job creation and socioeconomic wellbeing need enhanced digital infrastructure, optimized existing ICT networks, and improved access to affordable and modern connected devices. In the absence of these mutually-dependent efforts, the adoption of AI may exacerbate existing inequalities, including digital divides.

► EXECUTIVE REPORT 2

## Inclusive access to Al-enabled technologies

▶ Ensuring inclusivity and equity in the digital economy is vital, especially as AI-enabled technologies can foster economic growth opportunities and improved wellbeing and quality of life outcomes. Questions remain about the readiness of the Kenyan workforce, under the current policy-regulatory-investment ecosystem, to adopt and reap the full benefits of AI-enabled technologies.

- ▶ The rise of AI has shed light on a digital divide across regions and population groups. The democratization of AI and its uses must be prioritized in order to ensure a growing digital is not only an engine of job creation, but also of decent work opportunities and sources of livelihood for all.
- ▶ AI-enabled skills training programmes should be designed from an inclusivity lens, especially looking at how these frontier technologies can help support women, people with disabilities, and refugees and marginalized host communities for a more just distribution of technological dividends.
- ▶ There are cybersecurity concerns around AI technologies, especially on how they may be misused or abused by hackers or scammers looking to defraud or harass employers and workers in the digital space.

## Challenges identified and recommendations

### Digital infrastructure for AI-enabled solutions

- **Challenge:** The backbone of the national digital infrastructure is capital intensive, which makes investing in this area high risk and represents significant up-front costs.
  - **Recommendation:** Continuing to build on the government's work with the private sector will help de-risk these high fixed-cost investments in critical infrastructure. This would allow for public-private partnerships to offer blended finance for key infrastructure projects and the digital innovation and AI initiatives that can stem from them.
- ▶ **Challenge:** Harnessing the potential of digital technologies and, specifically unlocking AI capabilities for economic growth and social inclusion, requires sustained, at-scale investments.
  - **Recommendation:** Blended finance and public-private partnerships are central to the sustainable financing of critical infrastructure projects, especially as the set-up fixed costs may be seen as high risk for any single investing actor.
- ▶ **Challenge:** AI is bound to influence different sectors in unique ways, with regulators in each sector not having a shared roadmap or set of guidelines on how to ensure compliance around data protection and other ethical concerns that would be overseen by ICT sector regulators.
  - **Recommendation:** The nascent stage of AI in Kenya offers an opportunity to design from the ground up an industry-wide collaboration framework, where ICT services are seen as crosscutting and therefore future ICT-related governance, regulatory and compliance instruments serve as a common reference point for the use of AI, as opposed to having each sector operate under ad hoc regulations with respect to AI.

### Inclusive access to Al-enabled technologies

▶ **Challenge:** The wider population may find it difficult to afford modern connected devices with which to perform they increasingly specialized tasks expected in the digital economy. Even some ICT authorities who do have access to connected devices for their own work and as part of capacity building efforts in support of key target populations, are still unable to use them due to a lack of sufficiently trained personnel.

► EXECUTIVE REPORT 3

**Recommendation:** De-risking investments for local manufacturing of connected devices and capacity digital skills capacity development rely on making finance more accessible to start-ups and small-scale innovators. Public-private partnerships can make blended finance available to investors who may otherwise find it too risky or not profitable enough to invest in essential hardware development and training programmes.

▶ **Challenge:** The adoption of AI in the digital economy can lead to new cybersecurity concerns, in turn disincentivizing the pursuit of digitally enabled livelihoods for new employers and workers who see an AI-powered digital economy as too risky.

**Recommendation:** It is important to assess how existing online security frameworks and policies are robust enough already to adapt to the additional security pitfalls that may come from an at-scale adoption of AI technologies as part of Kenya's digital transformation. Cybersecurity protections, in the face of AI technologies, must be part of the enabling business environment if the digital economy is to expand without accentuating existing risks and inequalities.

▶ **Challenge:** There is a gap between existing policy frameworks that directly respond to the digital gig economy and the challenges and opportunities for digital businesses that are looking to leverage emerging technologies, including AI.

**Recommendation:** A holistic approach is necessary whereby policies are informed by direct market insights, trends, and first-hand experiences from employers and workers in the digital economy. This must also work together with digital skills development programmes and national academic and vocational training curricula that respond directly to the rapidly evolving digital labour market trends and needs.

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