

## CONCEPT NOTE

### POLICY CONSULTATION ROUNDTABLE ON REGULATING KENYA'S GIG ECONOMY

#### THEME: Balancing Innovation, Regulation and Industry Growth: Economic and Technological Imperatives for a Sustainable and Inclusive Gig Economy in Kenya

**Date:** 12th May 2025

**Venue:** Hotel Golden Tulip - Westlands, Nairobi

**Duration:** 8:00 AM – 1:00 PM EAT

**Format:** Keynote Presentation, Panel discussions, MoU Signing Ceremony & Interactive Session

#### Background

One of the key transformations driven by the Digital Economy is the rise of digital labour platforms, which have penetrated a range of economic sectors such as domestic work, health care services, beauty services, personal services, taxi and delivery services, tutoring, online freelance and microtasking work.<sup>1</sup> Online platform work creates new opportunities for workers, the self-employed, customers and businesses. The demand for greater flexibility and a better work-life balance constitutes some of the drivers for the growth of platform work.<sup>2</sup> Central to the growth of the Gig Economy are online platforms, which serve as the intermediaries between Gig workers and their customers.<sup>3</sup> These online platforms (e.g., Uber, Airbnb, and Fiverr) use algorithmic management, which involves the use of sophisticated artificial intelligence and machine learning algorithms to execute workforce activities that were previously overseen or coordinated by human managers.<sup>4</sup>

In Kenya, Gig work has emerged as a pivotal source of digital employment, offering opportunities for skilled workers to engage in global online freelancing and Gig-based tasks. Platforms such as Upwork, Fiverr, and Toptal have opened doors for Kenyan professionals to work with global clients, offering services ranging from graphic design and writing to virtual assistance and software development. This shift has allowed many to bypass the challenges of formal employment, such as limited job opportunities and low wages.<sup>5</sup> Kenya is also experiencing significant growth in outsourcing and online work initiatives, with programs like Ajira Digital, a Government of Kenya (GoK) initiative driven by the Ministry of Information, Communication & Digital Economy that is driving job creation and economic

---

<sup>1</sup> ILO (2024). Digital labour platforms in Kenya: Exploring women's opportunities and challenges across various sectors, Geneva: International Labour Office, 2024. p. 14. Available online at

[https://www.ilo.org/sites/default/files/2024-08/ILOP-Digital-Labour-Kenya-v6\\_0.pdf](https://www.ilo.org/sites/default/files/2024-08/ILOP-Digital-Labour-Kenya-v6_0.pdf)

<sup>2</sup> European Commission. 2017. Second phase consultation of Social Partners under Article 154 TFEU on a possible revision of the Written Statement Directive (Directive 91/533/EEC) in the framework of the European Pillar of Social Rights {C(2017) 6121 final} (Brussels, European Commission)., pp. 64-65.

<sup>3</sup> Duggan, J., Carbery, R., McDonnell, A., & Sherman, U. (2023). Algorithmic HRM control in the gig economy: The app-worker perspective. *Human Resource Management*, 62, 883–899. <https://doi.org/10.1002/hrm.22168>

<sup>4</sup> Imran Kadolkar, Sven Kepes & Mahesh Subramony. (2024). Algorithmic management in the gig economy: A systematic review and research integration. *Journal of Organizational Behavior*, 1–24. <https://doi.org/10.1002/job.2831>

<sup>5</sup> Moureen Koech (December 5, 2024). The Rise of Gig Economy and Freelancing in Kenya. Available online at [Available online at https://saccotrend.co.ke/the-rise-of-gig-economy-and-freelancing-in-kenya/](https://saccotrend.co.ke/the-rise-of-gig-economy-and-freelancing-in-kenya/)



opportunities, particularly for young people and the business process outsourcing (BPO) sector, where Kenyans work mostly in voice-based services and transaction back-office services.<sup>6</sup>

As these platforms gain prominence in Kenya, they are viewed as having substantial potential for creating employment opportunities, especially for the youth, and for improving the participation of women in the labour force and reducing inequalities. This has led to investments from both the public and private sectors, as well as from venture capitalists, to spur technological “leapfrogging” and catch-up in the development process.<sup>7</sup> Notably, Kenya ranks as the second-largest supplier of online labour platforms in Africa, behind Egypt.<sup>8</sup>

Despite these promising developments, concerns remain regarding the negative aspects of digital labour platforms.<sup>9</sup> From an economic perspective, many Gig workers in Kenya experience challenges such as unstable income, high costs of doing business as Gig workers often have to buy their own equipment, lack of job security since their platform accounts can be suspended or deactivated without notice, and poor access to social services such as health care benefits and pensions.<sup>10</sup> Furthermore, Gig workers experience a high degree of competition, resulting in low wages, limited communication channels with clients, which acts as a barrier to effective service provision and pressure to maintain high ratings to access work on platforms. They also face restricted payment options and limitations on self-promotion. Moreover, the low level of unionisation among platform workers means they lack formal representation, relying instead on informal support mechanisms like social media groups.<sup>11</sup>

Technological conditions also pose challenges. Algorithmic management systems used by many platforms can lack transparency and accountability, affecting workers’ autonomy and fairness in task allocation and remuneration, which can exacerbate job insecurity.<sup>12</sup> Gig platforms collect data from platform users and clients and use this data to match the service or product providers with the customers. Given the vast amount of personal data that platforms collect on both their Gig workers and customers, it is important that this data is protected and the privacy and security of users are maintained.<sup>13</sup> Furthermore, digital exclusion remains a barrier for marginalised groups who lack access to reliable internet or digital literacy.

---

<sup>6</sup> Africa Centre for Technology Studies (ACTS) (2022). ICT talent cultivation for Kenya’s digital economy. White Paper . Available online at <https://acts-net.org/wp-content/uploads/ICT-Talent-Cultivation-for-Kenya-Digital-Economy.pdf>

<sup>7</sup> ILO (2024). Digital labour platforms in Kenya: Exploring women’s opportunities and challenges across various sectors, Geneva: International Labour Office, 2024. p. xiv.

<sup>8</sup> Stephany et al. (2021) according to the Online Labour Index 2020

<sup>9</sup> Valerio De Stefano, Ilda Durri, Charalampos Stylogiannis & Mathias Wouters (n.d.). Platform work and the employment relationship. Available online at <https://webapps.ilo.org/static/english/intserv/working-papers/wp027/index.html>

<sup>10</sup> Tom Kwanya & Kutoma J. Wakunuma (April 2023). Regulation of digital platforms for a socially-just gig economy in Kenya. HIIG Impact Publication Series. DOI: <https://doi.org/10.5281/zenodo.7588795>. p.3. Available online at <https://www.hiig.de/wp-content/uploads/2023/05/Executive-Summary---Regulation-of-Digital-Platforms-for-a-Socially-Just-Gig-Economy-in-Kenya.pdf>

<sup>11</sup> ILO (2024). Digital labour platforms in Kenya: Exploring women’s opportunities and challenges across various sectors, Geneva: International Labour Office, 2024. p. xx.

<sup>12</sup> ILO (2024). Digital labour platforms in Kenya: Exploring women’s opportunities and challenges across various sectors, Geneva: International Labour Office, 2024. p. xx.

<sup>13</sup> Kwanya & Wakunuma (April 2023). Regulation of digital platforms for a socially-just gig economy in Kenya, p. 27.

Additionally, the enthusiasm surrounding the Gig economy has been tempered by the failure or closure of various Gig and online work platforms in Kenya. Despite the sector's promise, many platforms have struggled to sustain operations due to a combination of regulatory, financial, and operational hurdles. For instance, platforms in ride-hailing, delivery, and online freelancing have faced intense competition, high operational costs, and the absence of clear regulatory frameworks. These factors have contributed to the exit of several platforms from the market, leaving workers suddenly unemployed and without recourse.

Building on the need for a sustainable Gig Economy, a strategic partnership between the GIZ's Digital Transformation Center (DTC) Kenya and the Kenya School of Government (KSG) will be formalized through a Memorandum of Understanding (MoU) signing ceremony during this roundtable. This partnership aims to strengthen capacity building for public sector officials in digital transformation, creating an enabling environment for the gig economy.

Addressing these economic and technological challenges relating to digitally delivered services is therefore vital for fostering a more inclusive, secure, and sustainable Gig Economy in Kenya. Achieving this requires multi-stakeholder engagement to explore sustainable policy solutions and interventions that balance innovation, workers' rights, and industry growth.<sup>14</sup> To support these efforts, the policy consultation roundtable to be convened by the Gig Economy Initiative under the DTC Kenya (GIZ) and KICTANet during the **2025 Africa Tech Policy Summit** aims to bring together key stakeholders to identify areas where further action on online platform work is necessary and outline the potential forms such action might take. By engaging stakeholders and conducting a thorough analysis, the roundtable will provide valuable insights to inform policy decisions and ensure that Kenya's platform economy benefits workers, businesses and society.

## 1. Main Objective

- a) To facilitate dialogue among key stakeholders regarding the current economic and technological conditions prevailing in Kenya's online Gig work platforms and to formalise a strategic partnership through the MoU signing between DTC Kenya (GIZ) and the Kenya School of Government,

## 2. Specific Objectives

- a) **Facilitate Stakeholder Dialogue:** Bring together key stakeholders, including policymakers, labour organisations, platform operators, and workers, to discuss and consolidate stakeholder perspectives on priority areas for policy intervention.
- b) **Formalise Strategic Partnership:** Conduct the MoU signing ceremony between DTC Kenya (GIZ) and the Kenya School of Government to establish a framework for capacity building public sector officials

---

<sup>14</sup> Niall O'Higgins & Luis Pinedo Caro (December 2021). Crowdwork for Young People: Risks and Opportunities. IZA Institute of Labor Economics. IZA DP No. 14933. Available online at <https://docs.iza.org/dp14933.pdf>

- c) **Examine Economic Conditions Gig Platforms:** Assess the current economic and technological conditions prevailing in Kenya's Gig Economy, highlighting challenges and opportunities.
- d) **Analyze Policy and Regulatory Gaps:** Identify gaps in existing labor laws and policies concerning Kenya's Gig Economy.
- e) **Develop Policy Recommendations:** To generate detailed and actionable policy recommendations that will inform the development of a white paper on improving employment conditions and enhancing worker protections in Kenya's online platform economy.

### 3. Expected Outcomes

- a) **Enhanced Stakeholder Understanding and Collaboration:** Robust dialogue on balancing innovation, regulation and industry growth in Kenya's gig economy, leading to increased awareness amongst key stakeholders, including policymakers, platform operators, workers, and advocacy groups.
- b) **Formalized Partnership:** Successful signing of the MoU between DTC Kenya (GIZ) and the Kenya School of Government, establishing a framework for for capacity building public sector officials
- c) **Comprehensive Assessment of Economic and Technological Conditions:** A detailed report documenting the current state of current economic and technological conditions in Kenya's Gig Economy, highlighting key challenges such as job insecurity, unfair wages, and lack of benefits, data and algorithmic management as well as opportunities for improvement.
- d) **Identification of Policy and Regulatory Gaps:** A clear analysis of gaps in existing labor laws and policies, particularly those affecting online outsourcing, microwork, and freelancing, providing a foundation for targeted reforms to protect and empower digital platform workers.
- e) **Policy Recommendations:** A set of concrete, evidence-based recommendations to inform the development of a white paper on improving employment conditions, enhancing worker protections, and fostering a fair, inclusive and sustainable gig economy in Kenya.

### 4. Participants

This consultation roundtable will involve 20-30 key stakeholders from the government, private sector, civil society, and academia:

- a) Government
- b) Platforms
- c) Trade and Workers Unions
- d) Sectoral Associations

- e) Development Partners
- f) Civil Societies
- g) Academia

## Draft Program

TIME	ACTIVITIES
8:00 – 8:30 am	<b>Arrival and Registration</b>
8:30 – 9:00 am	<b>Opening Session</b> Welcoming Remarks - Dr. Grace Githaiga, KICTANet Opening Remarks - Katharina Mengede, Head of Digital Economy, DTC-GIZ Keynote Address - Prof. Nura Mohamed, Director General, Kenya School of Government
9:00 – 9:15 am	<b>MoU Signing Ceremony:</b> <b>Signing of the MoU between GIZ and the Kenya School of Government</b>
9:15 – 9:30 am	<b>Scene Setting Presentation:</b> Balancing Innovation, Workers' rights, and Industry growth in the Gig Economy Dr. Jacob Omolo and Dr. Misiani Mwencha
9:30 – 10:45 am	<b>High-Level Roundtable Discussion and Dialogue</b> Advancing Digital Skills Development: Policies and Standards for Inclusive Growth  <b>Panellists:</b> Peter Quest, Head of Youth Programs – Kenya School of Government Teresios Bundi, Gig & Data Economy Advisor – GIZ  Gracemary Muchiri - Manager, Ajira KEPSA Seth Sunya, Konexio Africa  <b>Moderator:</b> Victor Kapiyo
10:45 – 11:00	<b>Interactive Session</b> <b>Slido Poll/Survey on Public Sector Digital Skills &amp; Gig Economy Insights</b>
11:00 – 11:30	<b>Tea Break</b>

<b>11:30 – 12:15</b>	<p><b>Panel Discussion 2</b></p> <p><b>Algorithmic and Data Management in Kenya’s Gig Economy</b></p> <p><b>Panelists:</b></p> <p>Lukas Sonnenberg, Global Gig Economy Advisor – GIZ, Global Gig Economy Initiative</p> <p>Representative, ODPCC</p> <p>Dr. George Musumba, DKUT</p> <p>Muthuri Kathure, Mozilla</p> <p><b>Moderator: Dr. Misiani Mwencha</b></p>
<b>12:15 – 12:30</b>	<p><b>Closing Session</b></p> <p>Closing Remarks - GIZ</p> <p>Vote of Thanks - KICTANet</p>
<b>12:30 – 1:30</b>	<b>Lunch Break</b>

### About GIZ Gig Economy Initiative and Digital Transformation Center (DTC) Kenya

On behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), the GIZ Gig Economy Initiative aims at fostering favourable framework conditions for fair work in the Gig Economy at the level of workers, platforms and critical stakeholders from politics, business and civil society. The project builds on the results of the collaboration with the Oxford Internet Institute in improving work on digital labour platforms and complements it at the level of the platform workers and policy and decision-makers. This holistic approach is envisaged in the three overall approaches of 1) enabling workers to know and understand their rights as well as to acquire in demand skills, 2) providing evidence-based research and insights so that platforms can take measures for fair work and 3) supporting the aspirations through the development of agile regulatory frameworks.

In Kenya, the Gig Economy Initiative is active through the GIZ Digital Transformation Centre (DTC) commissioned by the Federal Ministry for Economic Cooperation and Development (BMZ) and the European Union (EU). The DTC implements several projects in close cooperation with global projects to support Kenya's digital transition towards a sustainable digital economy and society. It supports the



implementation of various components of global projects, such as facilitating stakeholder dialogues and developing strategic policy recommendations for the Gig Economy in Kenya.

### **About KICTANet**

KICTANet is a multi-stakeholder platform that catalyzes policy reforms in the ICT sector. It is guided by four pillars: policy advocacy, stakeholder engagement, capacity building, and research. KICTANet's guiding philosophy encourages synergies for ICT policy-related activities and initiatives. The network provides mechanisms and a framework for continuing cooperation and collaboration in ICT matters among industry, the technical community, academia, media, development partners, and the Government.