Capturing the AI Dividend: What It Takes for Telco Operators to Turn Digital Transformation into Social and Economic Impact

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THE REALITY

The dividend is real. It is also concentrated.

WHAT AI IS WORTH TO AN OPERATOR

3 – 5%
Revenue uplift from AI in core operations, through better acquisition and lower churn.

15 – 20%
Reduction in infrastructure cost through AI-driven network optimisation.

5 – 15 pts
EBITDA gain for operators running an AI-first core, with early returns in 12 to 18 months.

WHERE THE CAPACITY TO CAPTURE IT SITS

32
countries in the world host AI compute data centres, and half of them are in five countries.

Under 1%
of global data centre capacity is in Africa

About 80%
of African data is hosted outside the continent, mostly routed through European hubs.



THE TAKEAWAY

The returns are real, but they are biased towards where capacity is already concentrated. That makes the AI dividend a distribution question before it is a technology question.

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BCG, Turning AI Disruption into Telcos' Growth Engine, March 2026, and related BCG telecoms and AI publications, 2025–26 (revenue uplift, infrastructure cost and EBITDA ranges); University of Oxford, study of global AI compute distribution, 2025 (host countries); Africa Data Centres Association, Data Centres in Africa 2026, February 2026, citing IFC and GSMA (African capacity and offshore hosting).

TWO PATHS

Two different AI investments, often confused

1 Internal AI

IMPROVE HOW OPERATORS WORK

WHAT IT IS

Network optimisation, churn prediction, service automation, fraud detection.

WHO FEELS IT

Shareholders and the cost line. Real value, but privately captured.

WHEN IT PAYS BACK

Early wins as soon as 12 to 18 months. Inside one budget cycle, so it clears the internal business case.

2 External AI

CREATE VALUE BEYOND THE OPERATOR

WHAT IT IS

Financial inclusion, local-language access, agriculture, health, public service delivery.

WHO FEELS IT

Citizens and national productivity. This is the dividend in the title of this session.

WHEN IT PAYS BACK

Years. Usually past the tenure of the executive who approved it, so it rarely clears the same test.



THE TAKEAWAY

Both are real and both are worth doing. Around 80 percent of AI deployments in telecoms sit in the first column. Operators sit between the two, which makes them the distribution channel through which AI either reaches people or does not.

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Sources: GSMA, The Mobile Economy 2026 (distribution of AI deployments); BCG, Turning AI Disruption into Telcos' Growth Engine, March 2026 (payback horizons).

External AI is not theoretical



KENYA
Safaricom, M-PESA

Mobile money access alone moved **194,000 households**, two percent of Kenyan households, out of extreme poverty, and shifted around 185,000 women from subsistence farming into business.

Safaricom now runs AI on top of that rail for **fraud detection** and for **credit scoring** built on transaction footprints.

Social and economic impact in a single product.



PAN-AFRICA
Airtel, Axian, Ethio, MTN, Orange, Vodacom

Six operator groups are building AI models in African languages, against a continent with **more than 2,000** of them.

Around **80 percent** of transactions in Africa still run over USSD, so language and interface are the binding access constraint, not coverage.

Operators own the route through it.



UNITED ARAB EMIRATES
e&

Over **1,100 AI use cases** across telecom, digital services and enterprise, with a governance framework built alongside rather than after.

A sovereign AI platform aimed at the national digital economy rather than at the operator's own cost base.

The operator as **delivery partner** for a state **digital agenda**.



INDIA
Reliance Jio

Free **access to frontier AI** for a subscriber base of more than 500 million, starting with younger users and extending from there.

The reach is Jio's. The models are Google's.

The operator as **distribution channel.**

THE TAKEAWAY

In every one of these the operator moved first. In every one of them, the rules decided whether it was possible.

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Sources: Suri and Jack, Science, December 2016 (Kenyan mobile money poverty and gender impacts); Safaricom FY26 results, May 2026 (M-PESA scale, AI in fraud detection and credit scoring); GSMA, The Mobile Economy Africa 2026, June 2026 (African-language models); GSMA, Mobile for Development (USSD reliance in sub-Saharan Africa); e& annual results 2025 (sovereign AI platform).

What it takes

01 Scale, capital and architecture set the ceiling

Addressable scale, capital patience, and freedom from legacy architecture. Jio had all three. Most operators have none.

Africa needs an estimated USD 20 to 25 billion in data centre investment this decade against roughly 360 MW installed today.

Readiness is not inherited. Each of these three has a **policy lever.**

02 Sovereignty has more than one model

Qatar has **taken a trust-applied approach.** The UAE has taken **global integration** with governance built in.

Europe's answer in 2026 is regional pooling: Deutsche Telekom, Orange, Telefónica, TIM and Vodafone federating a pan-European edge continuum.

Pooling is how a **market too small for domestic scale** manufactures it.

03 Regulation decides what gets built

Korean network separation rules created the sovereign AI market that KT then built for.

Kenyan rules allowed lending against transaction data, which is what turned AI credit scoring into a product rather than a pilot.

Rules do not only constrain. They determine which use cases are buildable at all.



THE TAKEAWAY

Same technology, very different outcomes. The variable is not market maturity. It is the conditions around the investment decision, and most of those conditions are shaped by decisions taken in rooms like this one.

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Sources: Africa Data Centre Alliance, February 2026, citing IFC and GSMA, with McKinsey investment estimate (readiness funding gap); Telefónica and Deutsche Telekom announcements, MWC 2026 (European federated edge with Orange, TIM and Vodafone); RCR Wireless, August 2026 (Korean network separation rules and KT's sovereign AI appliance); Safaricom FY26 results, May 2026 (AI credit scoring under Kenyan rules).

Two questions for the room

01 From a market perspective, who bears the main cost of AI readiness?

02 How is AI advancing digital transformation in sectors beyond telecommunications, such as agriculture, health and education?



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