*Best practices and recommendations for digital inclusion through resilient infrastructure*

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# Market Resilience in Emerging Digital Economies: Case Study of Kenya During COVID – 19 Pandemic

- Theme: Digital Connectivity and Resilience
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# Presentation Outline

- Research team
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# Research team

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# Introduction

- This research project was in response to ITU's Connect2Recover initiative towards building back better broadband connectivity after COVID-19 pandemic.
- The COVID-19 market shocks have been evident in all critical digital infrastructures
- Led to increased Internet traffic by up to 60% shortly after the outbreak (OECD, 2020).
- In view of the developing economies the digital divide can be a serious barrier to the mitigation potentials of digitization.
- Consequently, the population that is unserved or under-served by broadband would be disproportionately disadvantaged.
- Underlying issues include persistent skills gap in digital literacy, service affordability, universal access, consumer protection, and return on investment for service providers (ITU, 2021).
- Therefore research was to establish - What was the Country's (Kenya) situation of its Market resilience in communications?; How was this exacerbated by the Pandemic?; What responses were undertaken?; and How did they impact on the Market resilience for future pandemics?

# Research methodology

- The study focused on various aspects of emergency communications and performance statistics based on primary field data and reports from the Communications Authority (2018-2021).
- A mixed methods approach (qualitative and quantitative) with descriptive research design were used.
- Sampling frame of 104 multi-sectoral Covid-19 response institutions in Kenya was used.
- A census method was used to collect primary data from 83 accessible units
- Data collection instruments were structured questionnaires on Google Forms, and interviews via telephone calls
- Secondary data comprised of Country statistics from World Bank, CBK, KNBS, and CA
- Qualitative data collected was summarized into a 2-D matrix Text Map on SMR model
- Quantitative data was analyzed and presented in descriptive statistics in charts and distribution tables

# Research findings and outcomes

- Initial market resilience status for Kenya on SMR model was scaled at 2 which was equivalent to **Moderate** (on a scale of 1-5) The County government's resilience was the weakest link in Kenya's market resilience.
- Real GDP for Kenya was estimated to have contracted by **0.3 per cent** in 2020 compared to a revised growth of 5.0 per cent in 2019 (KNBS, 2021)
- **Increased** pressure on communications services was experienced – **mobile money traffic, mobile broadband connectivity, courier services**, BUT
- Marked **reduction** in **fixed data, local and international calls** was found.
- **Responses** to counter Covid-19 significantly improved Kenya's market resilience towards a scale **3 (Robust)** on LPIC model (estimated).
- Specific effective responses included: **medical protocols, travel restrictions, tax reliefs and other social-economic stimuluses; and innovations for business continuity**.
- Found that Broadband infrastructure was absolutely critical not only for the emergency response but resilience of the economy after the Covid-19 pandemic

# Recommendations

- Emerging economies should **intensify** their telecommunications and ICT infrastructures for future pandemics.
- **Emergency essential value-chains** and their contingencies should be defined by **law**, while those policies and regulations that worked best could be made **permanent**.
- The Communication Authority should also consider **allocating spectrum freed in technology reforms** to universal access community radio stations to provide **valuable communication during emergency**.
- **Innovations for emergencies** should be encouraged so as to create **local products and services** needed for emergencies.
- Some **technology driven adopted new normal** such as telecommuting, and cashless mobile payments should be made **permanent**.
- **Cyber security** should be enhanced for the digital new normal to **protect enhanced digital presence**.

# Conclusion

- The four research question were answered - What was the Country's (Kenya) situation of its **Market resilience in communications**?; How was this **exacerbated by the Pandemic**?; What **interventions** were undertaken?; and How did they **impact** on the Market resilience for future pandemics?
- Evidence showed that Kenya as an example of an emerging economy **market resilience** at the occurrence of Covid-19 was **below expectations** but it got **enhanced** after various **responses** undertaken.
- This could imply the country is tending towards a **robust market resilience** for future pandemics.
- Future research should focus on how to enhance country **reporting framework** for effective parameters on its Market Resilience
- The study limitation includes a challenge that **it did not use** the National Emergency Telecommunications Plans (NETPs) framework by ITU because Kenya has not yet implemented it.