ETF Working together Learning for life
European Training Foundation

DARYA

Funded by the European Union

NEW FORMS OF WORK AND PLATFORM WORK IN CENTRAL ASIA

Regional report

Funded by the European Union

Disclaimer

This publication was funded by the European Union. Its contents are the sole responsibility of the European Training Foundation and do not necessarily reflect the views of the European Union.

Preface

This report on 'New Forms of Work and Platform Work in Central Asia' has been conducted as part of the EU-funded project DARYA (Dialogue and Action for resourceful youth in Central Asia) across Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. The primary aim of the study is to shed light on and contribute to the monitoring and analysing of new developments in the labour market in Central Asia, particularly those that significantly affect younger workers and their transition into the world of work.

The analysis, conducted by PPMI on behalf the European Training Foundation (ETF) between March and September 2023, comprised desk research, interviews and focus groups, along with the automated collection of data from selected online platforms. The analysis underlined the importance of these emerging forms of work in Central Asia – a trend further accelerated by the COVID-19 pandemic. These new work models offer opportunities for various groups of workers – in particular, young workers – to enter the workforce and enhance their skills. Such forms of work have become an important source of income for many, and may be viewed as alternatives to migration. However, issues regarding access, regulations and workers' rights remain critical elements with which countries are currently grappling.

The ETF would like to thank PPMI research managers Vaida Gineikytė-Kanclerė and Luka Klimavičiūte, along with researchers Ekaterina Bobrovnikova, Slobodan Golušin, Zbigniew Włosek, Anna Włosek, Michał Kowal, Bayan Sapargaliyeva, Vitaliy Kopnov, Subhonidin Ashurov, Asiya Tureniyazova as well as all the institutions and stakeholders from the region of Central Asia who contributed to the study. The report was reviewed by Iwona Ganko, the ETF Senior Human Capital Development Expert. Eva Jansova (ETF) coordinated the study and supervised the preparation of this report.

CONTENTS

ABBREVIATIONS AND ACRONYMS

AI	Artificial intelligence
AU	Australia
CA	Central Asia
CASA	Central Asia and South Asia
COVID-19	Coronavirus Disease 2019
CV	Curriculum vitae
EN	English
ETF	European Training Foundation
EU	European Union
EUR	Euro (currency)
GDP	Gross domestic product
IT	Information technology
ICT	Information and communication technology
IOM	International Organization for Migration
KG	Kyrgyzstan
KIESE	Key Indicators on Education, Skills and Employment
KGS	Kyrgyzstani som (currency)
KZ	Kazakhstan
KZT	Kazakhstani tenge (currency)

MOOC	Massive open online course
NEET	Not in employment, education or training
NRI	Network Readiness Index
OLI	Online Labour Index
PPMI	Public Policy and Management Institute
RU	Russia, Russian
SQL	Structured query language
SWOT	Strengths, weaknesses, opportunities and threats
TJ	Tajikistan
VET	Vocational education and training
UA	Ukraine
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
US	United States
USD	US Dollar (currency)
UZ	Uzbekistan

Executive summary

This report presents the main findings of the study on non-standard and new forms of employment in Central Asia (CA). This study focused on online freelancing and platform work in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. Its findings are based on evidence collected through desk research, interviews with stakeholders at country and platform level, focus group discussions with online freelancers, and the automated collection of data from three online labour platforms (Freelancer.com, Guru.com and Weblancer.com).

Setting the scene

The economies of the four Central Asian countries studied are undergoing a transformation marked by a rise in the service sector, a corresponding decline in agriculture, and stable industrial output. The four CA countries differ in their degrees of economic development. While Kazakhstan can be considered an upper middle-income country, other countries are lagging behind in terms of GDP per capita. The COVID-19 pandemic disrupted CA markets, leading to varying degrees of decline in economic growth and in inflation curve patterns. While inflation rates in Kazakhstan, Kyrgyzstan, and Uzbekistan have risen over recent years, Tajikistan has maintained a consistent decline in inflation over time. With regard to changes in GDP, Kazakhstan and Kyrgyzstan experienced a considerable contraction in GDP growth during the pandemic, which recovered to previous levels in 2021. In Tajikistan and Uzbekistan, GDP growth remained positive throughout the pandemic.

Labour markets across CA face several significant challenges. Despite experiencing sustained economic growth, the region's economies have struggled to diversify and generate a sufficient number of quality jobs for existing job seekers. Consequently, labour market participation remains low, particularly among women and youth, with widespread emigration leading to "brain drain" and a heavy reliance on remittances within local economies.

Low internet connection speeds are common across the entire region, and represent one of the main hurdles to further development of the **digital economy**. Notable disparities exist across the region in terms of internet access, the development of digital public services and the levels of digital skills possessed by the populace. While Kazakhstan is the most favourably positioned of the four, Tajikistan faces the greatest challenges in all of these aspects. Ultimately, these discrepancies translate into unequal opportunities to leverage the advantages of the digital economy.

Online and on-location platform work

Platform work is a global phenomenon that has been gaining traction in CA over the past decade. Two broad types of platform work have been examined in this study:

- **Online platform work,** which refers to the remote delivery of services (e.g. via freelance marketplaces), also known as cloud work, crowd work, online freelancing, remote platform work or global-reach platform work.
- **On-location platform work,** which refers to the physical delivery of services, with digital matching and administration between customers and the providers of services (e.g. transportation, cleaning or delivery services), also known as app work, location-based digital labour or mobile labour markets.

Prevalence of platform work

Online labour platforms have been present in the region since the mid-2000s, with international Russian-language (e.g. Weblancer, Freelance.ru) and English-language platforms (e.g. Upwork, Freelancer, Guru) being the most prevalent.

Most of the region's online platform workers are based in Kazakhstan, followed by Uzbekistan and Kyrgyzstan, while Tajikistan has the lowest number of online freelancers. The prevalence of online platform work on a per-capita basis is highest in Kazakhstan and Kyrgyzstan, followed by Uzbekistan and Tajikistan. Creative and multimedia, and software and technology, are the most frequent occupations among online freelancers in the region. Online platform workers are mostly young and male.

On-location labour platforms began appearing in the 2010s, with local ride-hailing and delivery companies being the first market entrants, later joined by international companies. Currently, at least 29 on-location platforms are active in CA. The most visible categories of on-location platform work are ride-hailing (e.g. Yandex Go, InDrive) and delivery (e.g. Glovo, Chocofood), with domestic, ancillary and care services platforms (e.g. Naimi.kz) being the least well developed and visible category in the region. In a similar manner to online platforms, young men also tend to be the most highly represented group on ride-hailing and delivery on-location platforms. Women are more widely represented on domestic and care services platforms, but there are no reliable estimates to assess the degree of the gender divide.

Both online and on-location platform work have gained traction in CA in recent years. There are tens of thousands of registered worker accounts in CA,[1] although the number of active workers is lower.[2] While it is difficult to ascertain the exact numbers of on-location workers in the region, it can be estimated that there may be around 10,000 couriers on delivery platforms in Kazakhstan and Uzbekistan,[3] and at least 170,000 ride-hailing drivers in Kazakhstan, Kyrgyzstan and Uzbekistan, according to available approximations.[4]

Attractiveness of platform work

The reasons that draw people to work on **online labour platforms** in CA are **mostly pull factors**, such as flexibility, higher income, and the opportunity to become a more experienced professional. When it comes to **on-location platform work**, both **push factors** such as the lack of local job opportunities and **pull factors** such as low barriers to entry, flexibility, and the opportunity to gain additional income are at play. The lack of job security, social protections and opportunities for skills development and career growth are the main **disincentivising factors for both types of platforms**.

Working conditions

Platform work enables workers in Central Asia to earn **incomes** that are comparable to or above the average wage in the country. Notably, on **online platforms**, the average hourly rates requested by freelancers are between 3 and 11 times higher than average hourly wages in the local labour market.[5] Furthermore, women tend to demand higher hourly rates than men in all countries in CA except for

[1] There are 27,649 on Freelancer, Guru.com, PeoplePerHour, Weblancer, Fl.ru and Freelancehunt. However, data concerning other large platforms such as Upwork are not available. The actual numbers of workers could differ because the same person could have an account on multiple platforms, or some accounts could be used by more than one freelancer.
[2] Based on data collected from the Freelancer, Guru and Weblancer platforms, out of 12,144 identified profiles, only 815 were 'active', meaning that they had completed at least one task on the platform.
[3] https://www.the-village-kz.com/village/business/businessmen/26949-glovo-pomozhet-kazahstanskomu-msb-s-vyhodom-v-onlayn; https://iac.enbek.kz/ru/node/1457 ; https://www.spot.uz/ru/2020/03/19/delivery/
[4] https://www.inform.kz/ru/proveryat-voditeley-taksi-v-populyarnom-prilozhenii-budut-cherez-biometriyu_a3968151; https://eurasia.expert/v-kazakhstane-planiruyut-izmenit-registratsiyu-voditeley-yandeks-taksi/; https://5qbe.kz/ru/interview/kajrzhan-kozhaly-sejchas-samoe-vremya-vyhodit-na-it-rynok-tashkenta ; https://fpk.kg/novosti/platformennaja-zanjatost-i-ee-vlijanie-na-rabotnikov-pozicija-federacii-profsojuzov-kyrgyzstana/; https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/
[5] Data collected from Freelancer, Guru and Weblancer platforms, and from national statistical offices.

Tajikistan. However, such comparisons should be treated with caution, as the hourly rates requested by freelancers do not take into account factors such as the irregularity of income and unpaid time spent securing paid work, and that the actual hourly rate accrued might differ from the rate requested. Work via **on-location platforms**, even in low-skilled occupations, can sometimes provide **higher income** than some traditional high-skilled jobs. However, as on-location platform workers do not have a guaranteed minimum wage, their income depends on their working hours, incentivising them to **work as much as possible**.[6]

Platform workers in CA do not usually have employment contracts and **operate under civil law** either as self-employed, independent contractors, or individual entrepreneurs. Under such arrangements, workers are responsible for their own taxes and contributions and are often paid in cash, which leads to their unwillingness to interact with government agencies.[7] **Common problems** linked with such a status are a lack of employment security and of social protections, including health insurance, accident insurance, and pension contributions.

Some platforms have taken steps to provide basic social protections to their workers, but these initiatives remain scarce. Over the last five years, Yandex Go and Glovo have introduced free accident insurance for their drivers and couriers in Kazakhstan and Kyrgyzstan. Furthermore, in 2022 Glovo launched a global initiative, "The Pledge", which signals Glovo's commitment to providing social benefits to its couriers, including parental benefits, sickness benefits, and payments to couriers' relatives in the event of injury to workers.[8]

Skills development

Most **online platform workers** in the region are highly educated; however, education is not a determining factor for success in platform work. According to previous research[9], as well as focus groups conducted during this study, expertise in a particular professional domain and several key competencies, such as independent learning, knowledge of digital technologies, and social skills are crucial to succeeding on digital labour platforms. Some local training initiatives support freelancers in Central Asia in acquiring these skills, including "Freelance School" by Astana Hub International Technopark of IT Startups in Kazakhstan, and a free offline course on digital freelancing by Ilmhona Skills Accelerator in Tajikistan, among others.

Opportunities for skills development and career advancement in **on-location platform work** are somewhat limited, due to the generally low level of skills required to perform on-location platform work. At the same time, on-location workers possess varying levels of education and are often overqualified for their job,[10] which can lead to de-skilling in the long run. Some on-location platforms have begun investing in **small-scale training initiatives** to allow platform workers to develop skills applicable outside of the platforms. Examples include the "Start" programme for couriers by Glovo and Impact Hub Almaty; free courses in digital professions for Yandex Go drivers in Kazakhstan; and free-of-charge training in programming and English language for Express24 couriers in Uzbekistan.

Challenges and opportunities

The platform economy has substantial strengths, providing workers with opportunities to secure employment, elevate their income levels, increase flexibility, and in some cases to develop skills.

[6] https://iac.enbek.kz/ru/node/1457 ; https://cabar.asia/en/in-the-shadow-of-the-platform-economy-in-kazakhstan-how-can-growing-labor-troubles-be-resolved ; https://emgek.kg/tpost/0o515v3o61-47-voditelei-v-srednem-rabotayut-bolee-8

[7] https://iac.enbek.kz/ru/node/1457

[8] https://www.thecourierspledge.com/

[9] Cedefop (2021). Skill development in the platform economy: Comparing microwork and online freelancing. Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available here.

[10] As demonstrated by a survey of ride-hailing and delivery platform workers in Kazakhstan, an overwhelming majority (around 75 %) of the workers surveyed possessed either secondary vocational or tertiary education. See here.

However, these advantages coexist with poor social protections and labour rights, irregular income patterns, limited skills development and tax evasion.

Table 1. Online and platform work in the CA region: SWOT analysis

Strengths	Weaknesses
New employment opportunities Labour market integration of youth and women Low barriers to entry into on-location platform work Higher income prospects in both online and on-location platform work On-the-job skills development opportunities in online labour platforms Flexible working arrangements	Undeclared work and tax evasion Lack of social protection and labour rights for workers Irregular incomes, particularly on online labour markets Lack of or insufficient access to skills development and certification opportunities. Problem of de-skilling in on-location platform work
Opportunities	**Threats**
Increasing the quality of jobs in the region Proliferation of graduate-level jobs through online freelancing and platform work Labour market integration of vulnerable groups, including persons with disabilities, (return) migrants Development of skills that are in demand in local and global labour markets Substitute for migration and brain drain Potential to attract highly skilled migrants	High level of global competition on online labour markets and unequal access to work Gaps in digital infrastructure and access to it Insufficient digital, occupational, business and language skills Lack of acknowledgement of the new forms of employment in regulation and policy

Policy pointers

To promote the positive impact of online and on-location platform work on workers, businesses and states within Central Asia, it is imperative to formulate policy interventions in the areas of the labour market and employment, skills development, and digitalisation.

Labour market and employment

1. Defining the employment status of online and on-location platform workers and recognising these at policy level. Clarifying the employment status and tax obligations of platform workers is a foundational step towards safeguarding labour rights and ensuring legal compliance with such rights and obligations. In this regard, some initiatives have already been undertaken in the region. In Kazakhstan, legislative changes have mainly been aimed at regulating on-location platform work. The most notable amendments concern the definition of the main concepts related to platform work, introducing provisions that regulate the conclusion of employment contracts with workers on certain types of on-location platforms;[11] and the development of a specialised tax regime, whereby income tax, mandatory pension contributions, health insurance and social contributions should be deducted

[11] These new provisions are mainly tailored for on-location ride-hailing and delivery platforms. The Labour Code makes a distinction between such platforms and 'crowdworking' platforms (e.g. Naimi.kz, Megamaster.kz, Upwork). In the case of the former, the Labour Code specifies the conditions for concluding employment contracts, e.g. that the contract should be concluded for at least one year. However, the option to work through civil contracts remains available. For crowdworking platforms, the worker-platform relationship is not classified as employment, and falls under civil law regulation.

by the platform in favour of workers. In Uzbekistan, online freelancing and a number of occupations common on on-location platforms (e.g. ride-hailing drivers, couriers, cleaners, etc.) have been defined as occupations eligible for special self-employment status. Due to the simplified registration procedure and favourable tax regime applied, this policy has the potential to bring platform workers out of the shadow economy.[12] Overall, while employment contracts may be an option for some forms of on-location work, enabling self-employment and streamlining the legal obligations of the self-employed appear the most promising avenues for the regulation of platform work at present. Crucially, when regulating the platform economy, it is important that policymakers strike a balance between labour market flexibility and the creation of jobs on the one hand, and protecting the quality of jobs and workers' rights on the other.[13]

2. Securing social protection of the workers. Due to the complexity of regulating the platform economy, transformative shifts in relation to workers' status could be highly protracted, and short-term initiatives aimed at the social protection of workers may therefore be needed. Short-term initiatives could focus on the expansion of health and social benefits targeted at those in atypical work arrangements. For instance, platforms could be incentivised to undertake voluntary initiatives to provide social benefits to workers, such as "The Pledge" by Glovo.[14] While governments cannot impose such initiatives in the short run, platforms could be encouraged through dialogue, financial incentives or clarifications that they will not be treated legally as employers purely because they provide such benefits.
3. Fostering tax compliance and the transparency of financial transactions in the platform economy. Pervasive informality not only negatively impacts workers, but also strains state budgets. Therefore, shorter-term remedies aimed at fostering tax compliance and transparency are essential. Such measures could be achieved through heightened scrutiny of on-location platforms' legal compliance and increased transparency with regard to cross-border financial transactions.
4. Monitoring trends in the platform economy. Evidence-based decision making requires up-to-date data, and one of the main issues faced by governments in the regulation of the platform economy is a lack of information about platform work. In order to regulate the platform economy, Central Asian countries should open a discussion as to how to monitor developments in platform work and how to combine different data collection strategies, including traditional surveys or AI tools.
5. Education about the administrative procedures essential for self-employment. Platform workers should have ready access to guidance on taxation protocols, business registration, implications for social welfare, and the various governmental processes necessary not only to comply with legal requirements, but also safeguard their rights. This could be provided through courses or comprehensive guidelines, educating workers on the requirements for the different categories of employment available in their respective countries. A model example of this practice is www.myfreelance.uz, a government-supported project that provides support to online freelancers navigating complex administrative procedures.
6. Facilitating the participation of youth and women in the platform economy. Labour platforms could potentially compensate for the lack of quality jobs for Central Asian youth and women. This is especially true in the case of less developed economies in the region and the highly skilled work available on online labour platforms. Prior education and previous work experience are advantageous on online labour platforms.[15]. On-location platforms offer more jobs with lower barriers

[12] According to data from the official website of the State Tax Committee of the Republic of Uzbekistan, the number of self-employed persons was 1,866,139 people as of September 2022. O'zbekiston Respublikasi Davlat soliq qo'mitasi, https://soliq.uz
[13] Datta, N., Rong, C., Singh, S., Stinshoff, C., Iacob, N., Nigatu, N.S., & Klimavičiūte, L. (2023). *Working without borders: The promise and peril of online gig work,* World Bank, Washington, DC. Available here.
[14] https://www.thecourierspledge.com/
[15] https://www.oii.ox.ac.uk/news-events/news/how-workers-learn-skills-in-the-online-platform-economy-and-how-platforms-policies-and-learning-providers-can-support-them/

to entry and relatively high earnings compared with jobs in the traditional economy, albeit that these opportunities often lack stability or avenues for skill enhancement and career progression. Thus, policymakers should support the securing of employment and high earnings, as well as skills development and recognition.

Key competencies, skills and human capital development

1. Upgrading the essential digital skills of students and the general workforce. Although digital skills are comparatively low in the region, many important upskilling initiatives exist, paying special attention to the development of basic digital skills.[16] The population of the Central Asian countries would benefit from the continuation and expansion of existing programmes aimed at basic and advanced digital skills development. Established frameworks for digital competence such as the DigComp[17] could be used for this.
2. Providing access to micro-training modules in domain-specific skills. While formal education provides basic knowledge with regard to occupations such as software development and writing, most of the jobs available on platforms require the constant updating of specific knowledge due to rapid technological developments. To keep up with evolving skill needs, online platform workers in CA could benefit from short and regularly updated upskilling programmes, including massive open online courses (MOOCs) and online courses developed in collaboration with local vocational education and training (VET) programmes. These programmes should follow up-to-date trends in the market, primarily the supply of and demand for skills on online labour platforms and in industry locally.[18]
3. Encouraging independent learning from early education onwards. Independent learning encompasses a wide range of skills such as the ability to research and analyse evolving skills requirements, to actively ask for feedback, and to assess and adapt one's learning strategies. These skills should be developed early on in the education process.[19] Because the educational systems in most CA countries are quite rigid, policy interventions should focus on already developing autonomous learning competencies at the level of primary education. This could be achieved by facilitating individuals in setting their own individual learning objectives, along with the autonomous use of specific learning tools and individual experimentation.[20]
4. Building stronger English language competencies. While most of the CA population is proficient in Russian, only a minority is proficient in English.[21] This presents a problem for the proliferation of online platform work on international platforms. Accordingly, policy initiatives should seek to increase the coverage and quality of English language courses within educational curricula. Policies should also target the broader adult population, particularly in rural areas, where proficiency is lower.[22]
5. Providing opportunities for the development of entrepreneurial skills. Online platform workers function as independent contractors, responsible for sourcing their own work, shaping their own career trajectories and navigating legal responsibilities, which makes entrepreneurial skills crucial.[23] However, these skills do not appear to be the focus of educational systems in the region. Thus, policy interventions should focus on youth entrepreneurship programmes that facilitate decision making,

[16] Outlined in the section 'Digital skills and online platform work skills'.
[17] https://digital-skills-jobs.europa.eu/en/actions/european-initiatives/digital-competence-framework-digcomp
[18] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available here
[19] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available here.
[20] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available here.
[21] https://www.ef.com/wwen/epi/
[22] https://www.ef.com/wwen/epi/regions/asia/kazakhstan/
[23] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available here.

adaptability and innovation skills. Activities such as simulating the establishment of mini-enterprises in these programmes could significantly improve individuals' capabilities to work self-employed.[24]

6. Enabling better skill recognition on digital platforms. Previous research[25] and focus groups conducted for this study show that proving one's competence and reliability to potential employers is one of the main challenges in highly competitive online labour markets, especially for newly registered freelancers. To address this issue, policymakers could initiate public portfolio-based systems. Such systems would enable workers to exhibit and promote substantiated evidence of their qualifications, skills and platform-related experience across diverse platforms on their personal profiles. However, the challenge still exists of incentivising platforms to use these external portfolio systems, and the outcomes of previous initiatives of this type remain inconclusive.[26]

Digitalisation

1. Improving ICT infrastructure and its inclusivity. To foster both on-location and online platform work, better ICT infrastructure is needed. This includes widespread access to high-speed internet connectivity and the availability of the necessary hardware. The whole region struggles with very low internet speeds; hence, greater investment in faster internet is necessary. Furthermore, a substantial portion of the population faces challenges stemming from the scarcity of essential hardware, particularly computers, necessary to participate in online freelancing and platform work. Establishing technology centres or publicly supported co-working spaces could be shorter-term solutions to ensure both access to the internet among the populace and the provision of the requisite equipment.
2. Streamlining e-government services for the self-employed. Self-employed workers often have to deal with complex administrative procedures in relation to taxation and social contributions, and monitoring such activities can be also challenging for governments. Thus, both platform workers and governments would benefit greatly from digitalised government services. Although most CA countries have made advancements towards e-governance, there is significant scope for progress. Further expansion of e-services for taxation and social benefits would simplify administrative processes for workers, and potentially discourage the informality that is prevalent within the sector.
3. Facilitating digital transformation in the private sector. A broader digital transformation in the private sector could enhance the skills development and employability of online and platform workers. Although Kazakhstan and Uzbekistan have made some advances in the use of digital technologies in the private sector, all of the CA economies are still lagging behind developed countries in this regard. To catch up, the CA economies should support digitalisation efforts in the private sector and the growth of the ICT sector, alongside exploring prospects for public-private partnerships.

[24] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available here.
[25] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available here.
[26] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available here.

Introduction

Central Asia has experienced a significant growth in non-standard and new forms of employment over recent years, in terms of variety and scale. Many of these new forms of employment are very different from what is understood as “traditional work” – in terms of working conditions, the content of the work, as well as its regulatory and legal implications.

This study report presents the findings of the study on online freelancing and platform work in Central Asia (CA), conducted between March and September 2023. This research focused on the emergence of these forms of employment, on worker profiles and working conditions, as well as on the implications for employment and skills development policies in four CA countries: Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

To address these research questions, the study team employed a detailed conceptual framework on freelancing and platform work (presented in **Annex 1.** Conceptualisation of platform work), and a mixed-methods approach, integrating data from interviews, desk research, automatically collected data (big data analytics) and focus group discussions. A detailed description of the methodology is presented in **Annex 2.** Methodology.

The team began by reviewing evidence on the main economic indicators, broader labour market trends, youth and education, as well as digitalisation in the region. These data were collected through country-level research, also published in separate reports. The country-specific findings then fed into a comparative analysis, presented in the **Setting the scene** chapter of this report.

The researchers then reviewed developments in platform and online work in the CA region. The chapters **Online work on and off digital platforms** and **On-location platform work** combine the country-specific and horizontal findings to present the most recent information available on platform work in the region, providing an overview of data on the prevalence of these types of work, worker profiles, and their working conditions.

Lastly, the study identified current regulations, policies and strategic approaches in relation to the new forms of employment, and formulated the main suggested policy pointers. These results are presented in chapters **Current regulation, policies and strategic approaches** and **Key findings and policy pointers**.

Setting the scene

Main economic indicators

The Central Asian countries of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan are characterised by a multi-faceted economic landscape. Each of these countries is undergoing a transformation in its economic structure, marked by a rise in the service sector, a corresponding decline in agriculture, and stable industrial output. However, the four CA countries differ with regard to their degrees of economic development, with Kazakhstan being the most developed and Tajikistan the least economically developed country. The COVID-19 pandemic also introduced a disruptive element, leading to different degrees of decline in economic growth, as well as different inflation curve patterns.

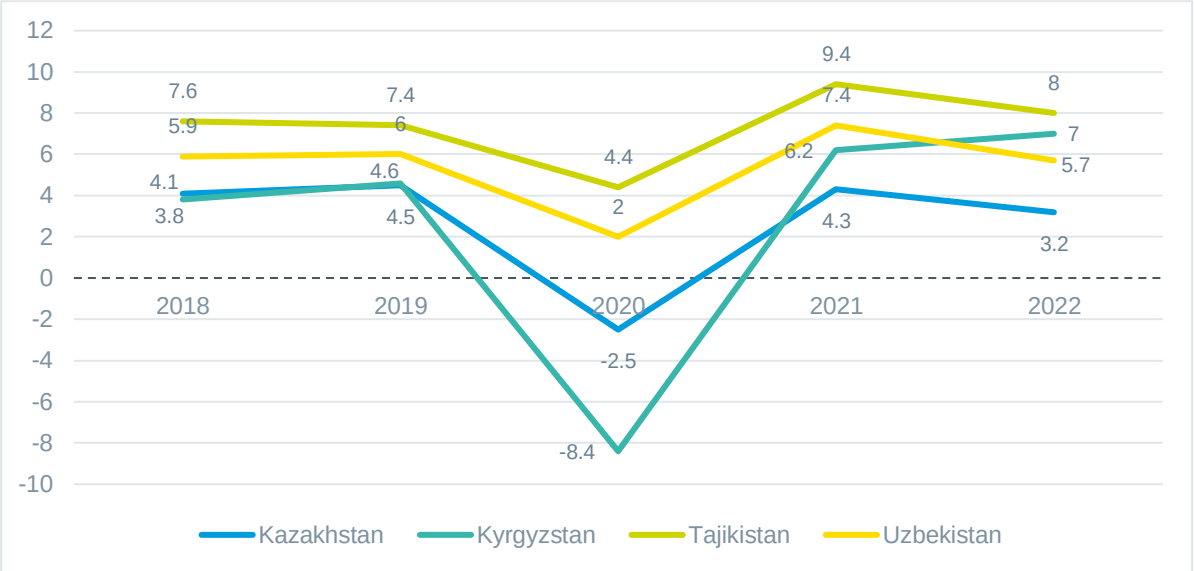
Central Asian economies show an ascending share of services, a diminishing share of agriculture, and strong industrial output. Services have come to dominate the composition of GDP in all countries in the CA region apart from Tajikistan, with a notable upswing being experienced over the past decade. As a percentage of GDP, services ranges from 33 % in Tajikistan to 52 % in Kazakhstan.[27] Meanwhile, across the region, industrial output as a share of GDP is substantial, ranging from 24 % in Kyrgyzstan to 35 % in Tajikistan, as well as in Kazakhstan, the primary hydrocarbon exporter in the region.[28] Simultaneously, the agricultural sector's contribution to GDP has experienced a gradual reduction. Kazakhstan and Kyrgyzstan report low figures, with agriculture representing 5 % and 12 % shares of total GDP, respectively. However, this trend is not as pronounced in Tajikistan and Uzbekistan, where agriculture remains a significant contributor to GDP, estimated at around 22 % and 23 %, respectively.[29][30]

The economies of CA countries exhibit noteworthy disparities. According to the World Bank's income level classification,[31] Kyrgyzstan, Tajikistan, and Uzbekistan are categorised as Lower Middle-Income countries, while Kazakhstan stands apart as an Upper Middle-Income country. Although Kazakhstan's GDP per capita of USD 11,244 falls short of the global average of USD 12,702, it notably exceeds that of the second-ranked Uzbekistan by nearly fivefold. Uzbekistan's GDP per capita stands at USD 2,255, while those of Kyrgyzstan and Tajikistan are USD 1,607 and USD 1,054, respectively.[32] Remarkably, Tajikistan's GDP per capita figure is more than 11 times lower than the global average.

CA countries have exhibited similar trajectories with regard to patterns of change in GDP. Prior to the pandemic, annual GDP growth in the region ranged from 4 % to 8 %. However, there was a sudden and considerable contraction when the pandemic hit, followed by a resurgence to former levels in 2021. The most substantial decline occurred in Kyrgyzstan, whose GDP contracted by over 8 % in 2020. Meanwhile, Kazakhstan's GDP experienced a 2 % reduction. In contrast, both Tajikistan and Uzbekistan maintained positive growth throughout this period. Overall, Tajikistan, the least developed economy, boasts the fastest growth in GDP, while Kazakhstan, the most developed, reports a comparatively slower growth rate (see Figure 1 below).

[27] https://data.worldbank.org/indicator/NV.SRV.TOTL.ZS?locations=KZ-KG-UZ-TJ;
[28] https://data.worldbank.org/indicator/NV.IND.TOTL.ZS?locations=KZ-KG-UZ-TJ;.
[29] https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=KZ-KG-UZ-TJ
[30] World Bank data are from 2022, with the exception of all data relating to Tajikistan, as well as the share of services for Uzbekistan, which are from 2021.
[31] https://blogs.worldbank.org/opendata/new-world-bank-country-classifications-income-level-2022-2023
[32] https://data.worldbank.org/indicator/NY.GDP.PCAP.CD

Figure 1. Annual growth in GDP across Central Asia (%), 2018-2022

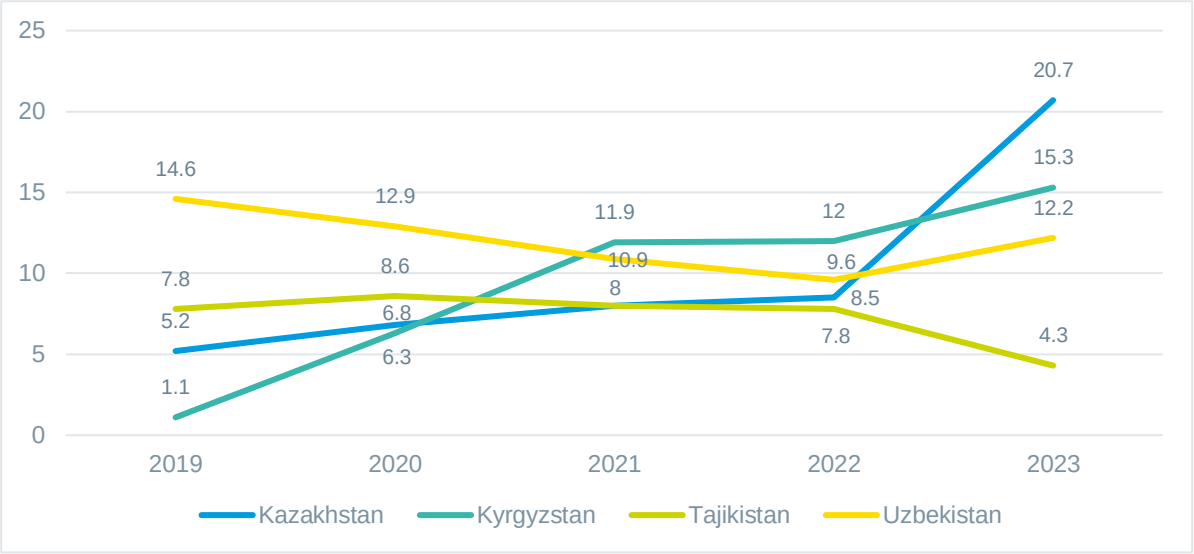


Source: World Bank.[33]

Inflation trends across the CA countries have unfolded along divergent trajectories. Most notably, Kyrgyzstan and Kazakhstan have seen a significant hike in inflation, growing by around 15 percentage points from 2019 to 2023. Kyrgyzstan's inflation rate surged from 1 % in 2019 to a peak of 15 % in January 2023. Similarly, inflation in Kazakhstan grew from around 5 % in 2019 to a remarkable 21 % in January 2023. In Uzbekistan, inflation fell gradually from 15 % in 2019, but increased again in 2023 to reach around 12 %. Tajikistan is the only country in which inflation has consistently decreased over time, dipping below 5 % in 2023 (see Figure 2 below).

[33] https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2022&start=2012

Figure 2. Annual inflation rate across Central Asia (%)



Source: 2019-2021 data from Statista.[34] 2022-2023 data from national statistics offices.[35]

Labour markets

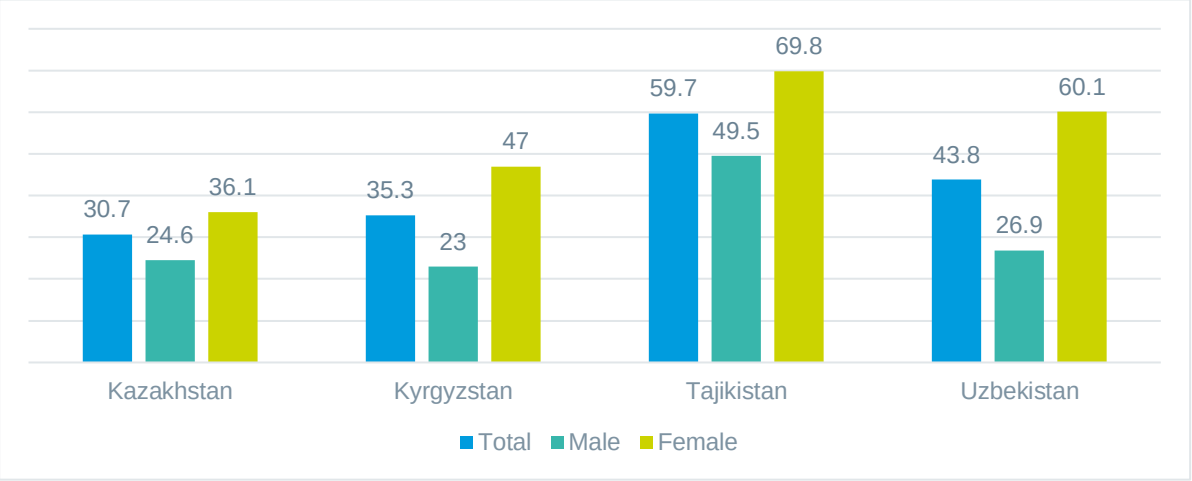
Labour markets across Central Asia face several significant challenges. Despite experiencing sustained economic growth, the region's economies have struggled to diversify and generate an adequate number of quality jobs. Consequently, labour market participation remains low, particularly among women and youth. Although official unemployment rates appear low, the job opportunities available are predominantly of low quality and often informal in nature. Gender disparities in job quality are pronounced, with women occupying a disproportionate share of lower-paid and more precarious positions. This grim employment landscape has spurred widespread labour emigration, leading to a heavy reliance on remittances, particularly in Kyrgyzstan and Tajikistan. It should be noted that the extent of these challenges varies between countries, with Kazakhstan boasting the most favourable labour market conditions and Tajikistan grappling with the least favourable circumstances.

Across the region, rates of labour inactivity vary between countries. According to KIESE data[36], Tajikistan stands out with an alarmingly high inactivity rate, encompassing approximately 60 % of the working-age population. In contrast, Kazakhstan and Kyrgyzstan report significantly lower rates, at 30 % and 35 %, respectively. Notably, consistent trends in the data reveal a **gender divide in inactivity rates across countries**. For instance, in Kyrgyzstan, the inactivity rate is 23 % among men and 47 % among women, while in Uzbekistan, the rate of inactivity among men is 26.9 %, compared with 60.1 % among women (see **Figure 3** below). The factors contributing to the low labour market participation of women

[34] https://www.statista.com/statistics/626184/inflation-rates-in-north-asia-by-country/
[35] https://stat.gov.kz/en/industries/economy/prices/publications/38575/; https://nbt.tj/files/Tavarum_01_2023.ru.pdf; https://www.bing.com/search?pglt=2081&q=kyrgyzstan+inflation+2023&cvid=93b21550c38146b696091176b405c635&aqs=edge..69i57j0l2j69i64j69i11004.5225j0j1&FORM=ANAB01&PC=U531; https://cbu.uz/en/monetary-policy/annual-inflation/indicators/
[36] KIESE (Key Indicators on Education, Skills and Employment) is an ETF database of statistical indicators.

include limited opportunities, significant female migration, and prevailing cultural values that incentivise domestic work and home-based roles.[37]

Figure 3. Labour market inactivity across Central Asia (%)



Source: ETF KIESE database.

Note: the data for different countries are not available for the same year. Data for Kazakhstan and Tajikistan are from 2021; data for Kyrgyzstan and Uzbekistan are from 2020.

Unemployment rates remain low across the region, while employment figures exhibit considerable disparities. Unemployment rates range from 4.6 % in Kyrgyzstan in 2020, to 7.8 % in Tajikistan in 2021 – both significantly below the global average. However, employment rates show marked variations in 2021, with Tajikistan reporting an employment rate of a mere 37 % rate compared with Kazakhstan-s 66 % – almost twice as high.[38] A significant gender gap in employment exists in all CA countries, with employment rates among women being significantly lower than those among men. However, notable variations in women's employment rates also exist between countries. While over 60 % of women were employed in Kazakhstan in 2021, this was true for only around 28 % of women in Tajikistan (see Figure 4 and Figure 5 below). Beyond such cross-country variations in employment, there are significant within-country differences. This is particularly pronounced in rural areas, where unemployment rates are higher due to limited employment opportunities.

Despite relatively high rates of employment, **gender disparities significantly shape the quality of employment in Central Asia**. Women often gravitate towards low-productivity sectors such as textiles and agri-food, where pay and working conditions, including the extent of informality, are significantly worse than in other sectors. This trend not only contributes to a pronounced pay gap but also results in diminished access to healthcare and social protection. Furthermore, the already-challenging working conditions in these sectors were further exacerbated by the COVID-19 pandemic. In addition, underemployment remains a pervasive issue, particularly affecting women from rural areas.[39]

[37] Mogilevski, R. (2020), 'Labour market and technological development in Central Asia.' *University of Central Asia – Institute of Public policy and Administration Working Paper No. 58.* Available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3796925

[38] KIESE data.

[39] Mogilevski, R. (2020), 'Labour market and technological development in Central Asia.' *University of Central Asia – Institute of Public policy and Administration Working Paper No. 58.* Available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3796925

Figure 4. Employment rates across Central Asia (%)

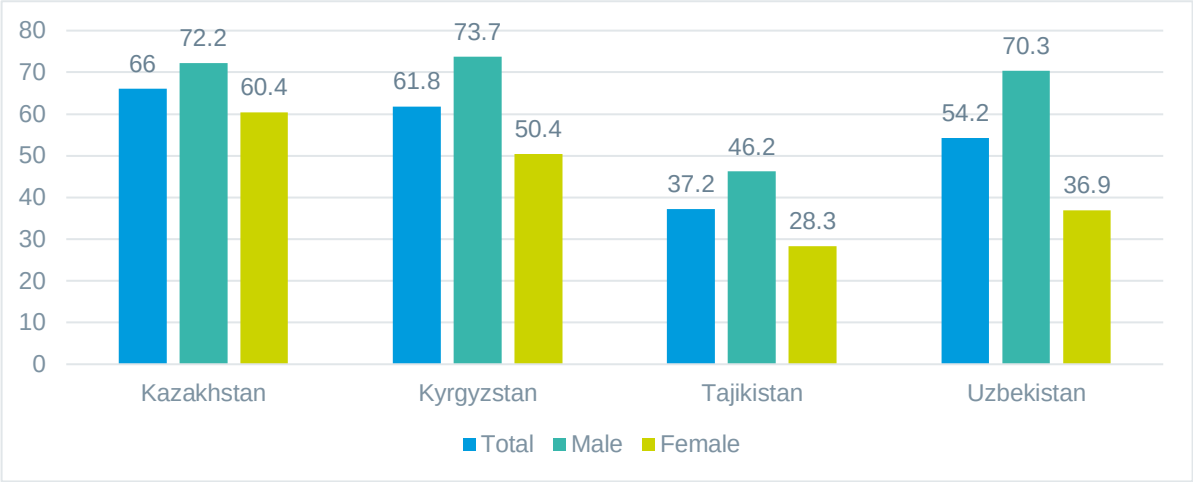
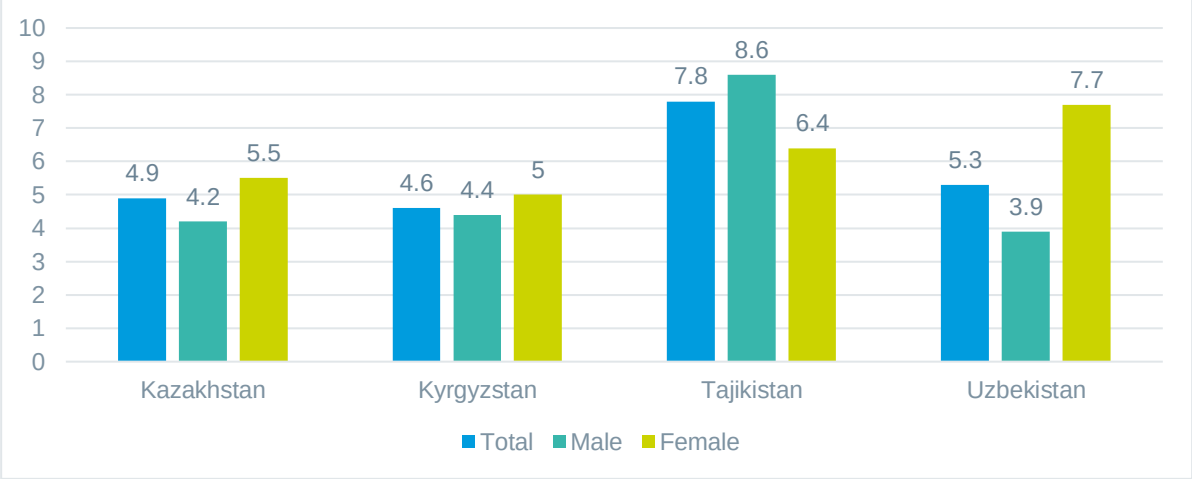


Figure 5. Unemployment rates across Central Asia (%)



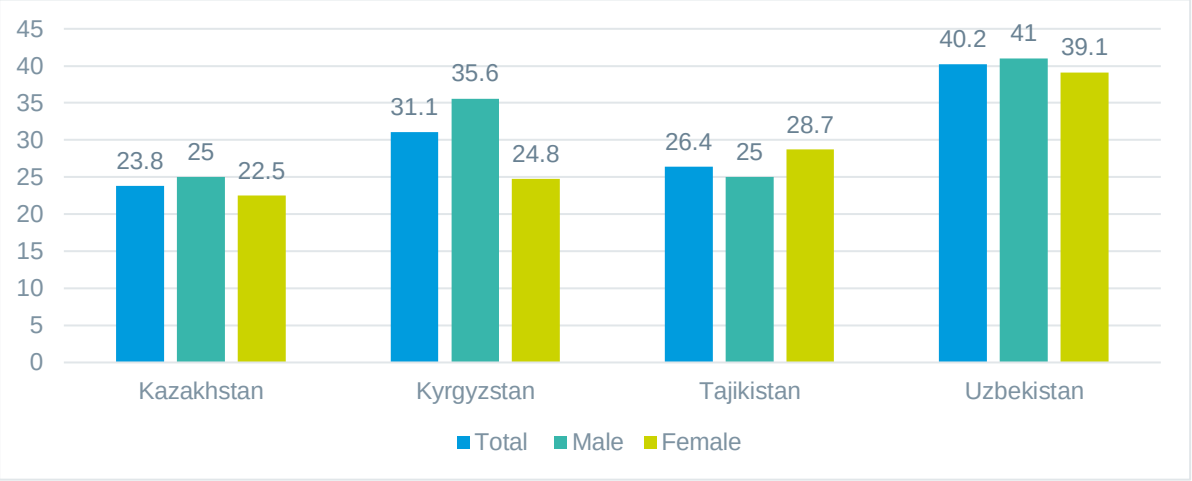
Source: ETF KIESE database.

Note: data for different countries are not available for the same year. Data for Kazakhstan and Tajikistan are from 2021; data for Kyrgyzstan and Uzbekistan are from 2020.

Self-employment is a prevalent phenomenon in the CA region, albeit with distinct variations between countries. Kazakhstan reports the lowest rate of self-employment, standing at around 24 % of those in employment; meanwhile, Uzbekistan leads with the highest rate, at around 40 % of the employed. Remarkably, gender differences in the share of self-employed individuals are not significant across the region. The prevalence of self-employment primarily arises from the scarcity of alternative job prospects, making it more prominent in countries with limited access to traditional employment

opportunities.[40] The majority of those who are self-employed engage in the agriculture and retail sectors.[41]

Figure 6. Shares of self-employment across Central Asia (%)



Source: ETF KIESE database.

Note: data for Kazakhstan, Tajikistan and Uzbekistan are from 2021; data for Kyrgyzstan are from 2020.

Informal employment is a defining feature of Central Asian labour markets, impacting a considerable portion of workers, particularly women. However, **significant variations exist between countries in terms of the prevalence of informal employment.** While only approximately 14 % of the workers in Kazakhstan worked informally in 2021,[42] this figure stood at 66.5 % in Kyrgyzstan (2021),[43] 50 % in Tajikistan (2016)[44], and 41 % in Uzbekistan (2022).[45] Notably, sectors such as agriculture, trade and services, particularly in rural areas, account for the highest shares of informal employment across the region. This prevalence of informal employment is rooted in a combination of factors, including a fragile business environment, limited opportunities in the formal sector, deficient labour market information systems, ineffective public administration, and low levels of institutional trust. Consequently, informal employment serves as a means of securing work within job-scarce settings and of escaping poverty.[46]

Importantly, informal employment has served as a social buffer during crises, increasing the resilience of the region's precarious workers. However, the **impact of the COVID-19 pandemic on informal employment was especially harsh**. Furthermore, government support programmes predominantly

[40] OECD (2021). *Informality and COVID-19 in Eurasia: The Sudden Loss of a Social Buffer.* Available at https://www.oecd.org/eurasia/informality-in-eurasia.htm

[41] Mogilevski, R. (2020), 'Labour market and technological development in Central Asia.' *University of Central Asia – Institute of Public policy and Administration Working Paper No. 58*. Available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3796925

[42] Workforce Development Centre, Министерство труда и социальной защиты населения Республики Казахстан (2021). Рынок труда Казахстана: развитие в условиях новой реальности. P. 55.

[43] Национальный статистический комитет Кыргызской Республики (2022). Занятость и безработица. Итоги интегрированного выборочного обследования бюджетов домашних хозяйств и рабочей силы. Available at https://www.stat.kg/ru/publications/zanyatost-i-bezrabotica-itogi-integrirovannogo-vyborochnogo-obsledovaniya-byudzhetov-domashnih-hozyajstv-i-rabochej-sily-v-2013g/

[44] Mogilevski, R. (2020), 'Labour market and technological development in Central Asia.' *University of Central Asia – Institute of Public policy and Administration Working Paper No. 58.* Available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3796925

[45] https://cabar.asia/ru/chto-ne-tak-s-politikoj-uzbekistana-v-sfere-neformalnosti-na-rynke-truda#_ftn4

[46] OECD (2021). *Informality and COVID-19 in Eurasia: The Sudden Loss of a Social Buffer.* Available at: https://www.oecd.org/eurasia/informality-in-eurasia.htm

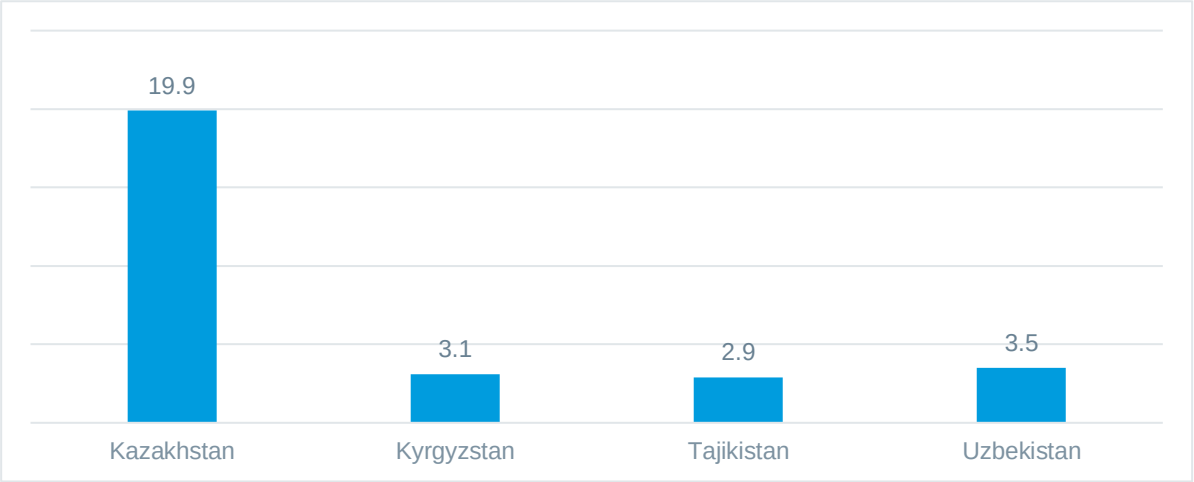
targeted the formal sector, inadvertently leaving the informal sector with little or no aid. This dissonance exposed the vulnerabilities of informal employment, necessitating a reconsideration of policy frameworks to ensure inclusive protection during times of crisis.[47]

All Central Asian countries have experienced significant levels of emigration, predominantly towards the Russian Federation. By 2020, nearly 5 million Central Asian migrants had settled in Russia, with approximately 2.5 million hailing from Kazakhstan, 1.1 million from Uzbekistan, and over half a million each from both Kyrgyzstan and Tajikistan. Germany and Ukraine have also attracted approximately 1 million and 200,000 migrants from Kazakhstan, respectively. [48] This migration trend primarily stems from the pursuit of better employment prospects in the face of limited opportunities at home. While migration from Central Asia remains largely male-dominated, an increasing number of women are also choosing to migrate. Given the substantial emigration from the region, its economies are heavily reliant on remittances. In 2020, remittances accounted for nearly 30 % of GDP in Kyrgyzstan and Tajikistan, and 12 % in Uzbekistan.[49] However, lockdowns induced by COVID-19, as well as international economic sanctions on Russian Federation, have slowed emigration, migrant income and the subsequent inflow of remittances, delivering a severe blow to these remittance-dependent economies. It is estimated that remittances fell significantly in all Central Asian countries in 2022, ranging from a 17 % reduction in Kazakhstan to a staggering 33 % reduction in Kyrgyzstan.[50]

The distribution of immigration is uneven across countries. Kazakhstan, with an immigrant share of almost 20 % of its total population, is the largest immigrant-receiving country in the region (see Figure 7 below). These migrants primarily originate from the Russian Federation, which accounts for around 2.5 million. In addition, there are approximately 300,000 immigrants each from Ukraine and Uzbekistan. Another notable migrant-receiving nation is Uzbekistan, which hosts an estimated 900,000 Russian immigrants. The emergence of Kazakhstan as a migration destination can be explained by its burgeoning economy and proximity to the Russian Federation.[51] The influx of Russian citizens increased significantly in 2022.[52]

[47] OECD (2021). *Informality and COVID-19 in Eurasia: The Sudden Loss of a Social Buffer.* Available at: https://www.oecd.org/eurasia/informality-in-eurasia.htm
[48] International Organization for Migration (IOM) (2022). *World Migration Report 2022*, Geneva. Available at https://worldmigrationreport.iom.int/wmr-2022-interactive/
[49] International Organization for Migration (IOM) (2022). *World Migration Report 2022*, Geneva. Available at https://worldmigrationreport.iom.int/wmr-2022-interactive/
[50] https://www.oecd.org/eurasia/informality-in-eurasia.htm
https://rovienna.iom.int/news/sanctions-russia-already-hitting-remittance-dependent-countries-central-asia
[51] International Organization for Migration (IOM) (2022). *World Migration Report 2022*, Geneva. Available at https://worldmigrationreport.iom.int/wmr-2022-interactive/
[52] Asian Development Bank (2022). *The Economic Impact of the Russian Invasion of Ukraine on the Caucasus and Central Asia: Short-Term Benefits and Long-Term Challenges*. Available at https://www.adb.org/sites/default/files/publication/863591/ado-april-2023-special-topic.pdf

Figure 7. Immigrants as a percentage of total country population in 2020 (%)



Source: IOM World Migration Report 2022.[53]

Youth and education

All of the Central Asian countries have remarkably young populations. The region's labour markets face the challenge of absorbing a considerable influx of new entrants with insufficient skill levels. Consequently, youth in Central Asia constitutes a substantial segment of the unemployed populace and displays a heightened tendency to seek work opportunities abroad.[54] Disparities also emerge among Central Asian countries with regard to their capacity to provide educational and occupational avenues for their young populations. Youth in Kazakhstan have the highest chances of securing employment and gaining access to quality education, compared with youth in Tajikistan, whose access to employment and quality education is more limited, as explained in this sub-section of the report.

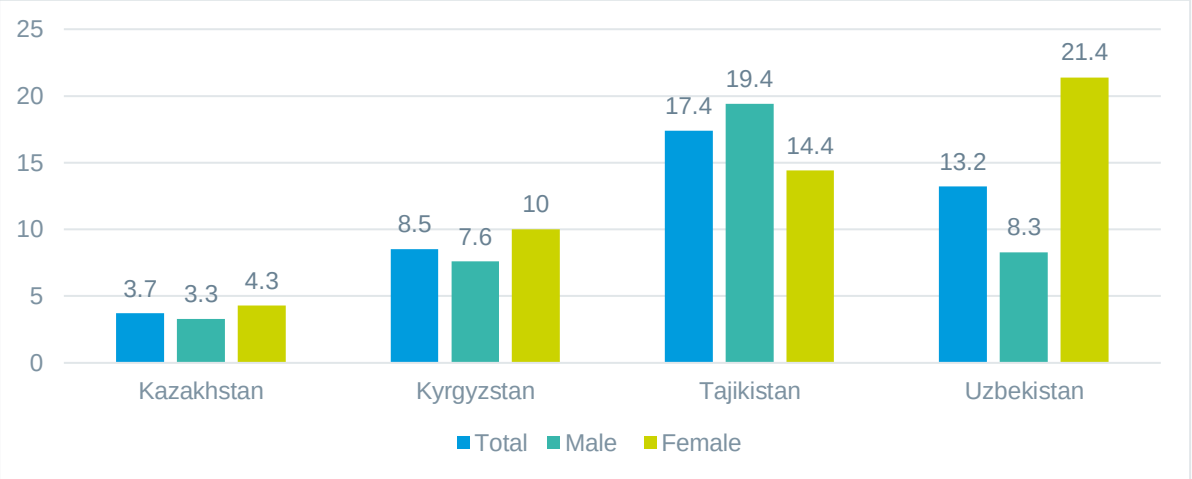
Across the CA region, young people represent a significantly high proportion of the total population. In all countries, the share of individuals under 14 years old is substantial, ranging from 30 % in Kazakhstan to 36 % in Tajikistan.[55] This stands in stark contrast to the global average of 25 %, and is more than two times higher than the share of 15 % in the European Union.[56] Despite the significant potential presented by this youthful demographic in terms of human capital, most of the countries in the region face challenges in delivering quality employment prospects to their young populations.

Youth unemployment rates demonstrate notable disparities between CA countries. While Tajikistan and Uzbekistan have relatively high youth unemployment rates, at 17 % and 13 % respectively, the figures for Kyrgyzstan and Kazakhstan are lower. Kazakhstan in particular stands out, recording the lowest youth unemployment rate in the region, at only 4 %. Kazakhstan is also the only country in the region in which the youth unemployment rate is lower than that of unemployment in the general population (see Figure 4 above and Figure 8 below). Furthermore, unemployment rates among women are lower in Kazakhstan and Kyrgyzstan, while in Tajikistan and especially Uzbekistan, these

[53] International Organization for Migration (IOM) (2022). *World Migration Report 2022*, Geneva. Available at https://worldmigrationreport.iom.int/wmr-2022-interactive/
[54] Mogilevski, R. (2020), 'Labour market and technological development in Central Asia.' *University of Central Asia – Institute of Public policy and Administration Working Paper No. 58*. Available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3796925
[55] https://data.worldbank.org/indicator/SP.POP.0014.TO.ZS?locations=KZ-KG-TJ-UZ
[56] https://data.worldbank.org/indicator/SP.POP.0014.TO.ZS?locations=EU

rates are significantly higher. This pattern mirrors the trend observed in the general populations of these two countries. **Youth employment rates,** on the other hand, range from around 20 % in Tajikistan and around 30 % in Uzbekistan, to around 40 % and 45 % in Kyrgyzstan and Kazakhstan, respectively. Lastly, **youth inactivity rates are in general high, but vary significantly between countries**. While inactivity rates are around 55 % in Kazakhstan and Kyrgyzstan, they reach 65 % in Uzbekistan and a remarkable 75 % in Tajikistan.[57]

Figure 8. Youth unemployment rate across the CA region (%)



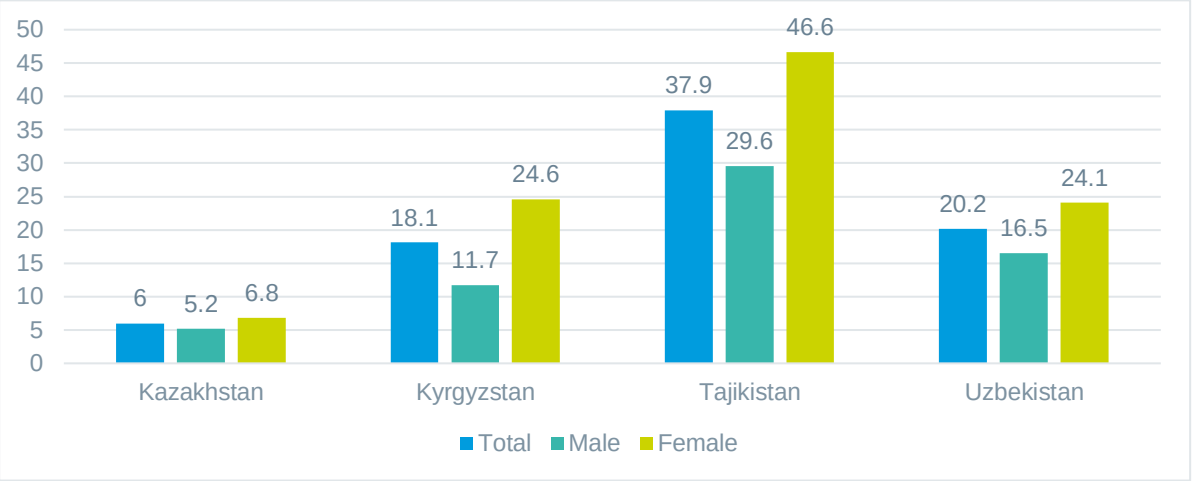
Source: ETF KIESE database.

Note: statistics refer to individuals between the ages of 15 and 24. Data for Kazakhstan and Tajikistan are from 2021; data for Kyrgyzstan and Uzbekistan are from 2020.

The share of NEET youth (not in education, employment or training) varies significantly across the region. While the share of NEETs is especially low in Kazakhstan, standing at 6 %, it is extremely high in Tajikistan, at 38 %. Furthermore, significantly more women than men are not in education, employment or training, signalling a significant gender gap in youth opportunities (see Figure 9).

[57] KIESE database. The statistics refer to individuals between the ages of 15 and 24. Data for Kazakhstan and Tajikistan are from 2021; data for Kyrgyzstan and Uzbekistan are from 2020.

Figure 9. Shares of youth not in education, employment or training (NEETs, 15-24 years of age) across Central Asia (%)



Source: ETF KIESE database.

Notes: data for Kyrgyzstan, Tajikistan and Uzbekistan are from 2020; data for Kazakhstan are from 2017.

Levels of education in the Central Asia region are generally high. Kazakhstan has the highest average years of schooling at 12.2, while Tajikistan has the lowest, with 11.3.[58] These levels stand out considerably in comparison to other countries at similar levels of economic development, and most likely represent an institutional legacy of the Soviet Union. In general, these countries display a low proportion of workers with educational attainment below lower-secondary level. However, the prevalence of those with university degrees remains modest across most countries apart from Kazakhstan.[59]

Despite relatively high levels of educational attainment, there is a notable gap in the acquisition of skills specifically needed within the private sector. Research underlines that companies across the region frequently report inadequate human capital development and significant skills mismatches. According to a World Bank survey, nearly one-fifth of companies in Central Asia identified a workforce that lacks appropriate education as the primary constraint for business growth. Worryingly, less than half of workers in Central Asia have access to formal training opportunities through lifelong learning initiatives. Moreover, companies seldom collaborate with vocational education and training (VET) institutions to arrange training sessions for their workers.[60]

Internet and digitalisation

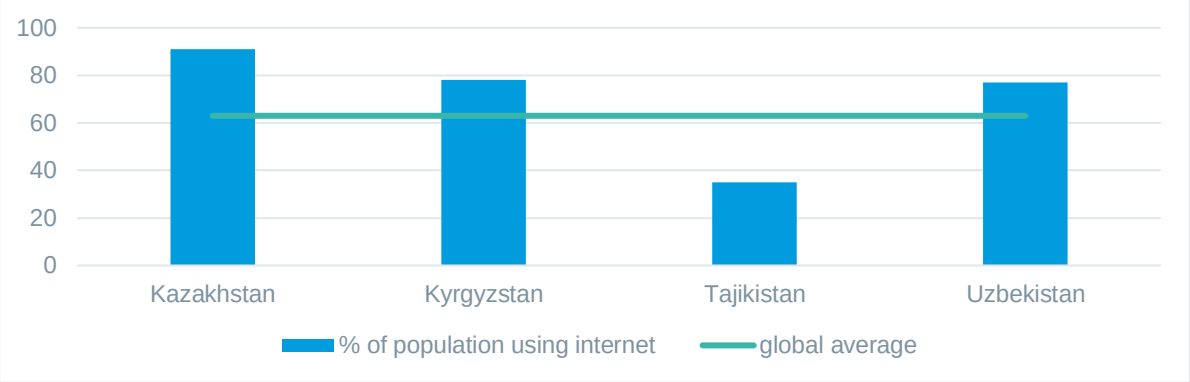
Understanding the rise of novel work forms necessitates an examination of the factors facilitating the growth of the digital economy. Key enablers encompass internet usage, internet speed, the adept utilisation of digital technologies, and proficiency in digital skills. However, notable disparities exist across the region in terms of internet access, the development of digital public services and the levels of digital skills possessed by the populace. Low internet speeds are common across the entire region,

[58] ETF KIESE database
[59] Mogilevski, R. (2020). 'Labour market and technological development in Central Asia.' *University of Central Asia – Institute of Public policy and Administration Working Paper No. 58*. Available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3796925
[60] OECD (2018). *Business environment in Central Asia: Skills*, OECD Publishing, Paris. Available at https://www.oecd-ilibrary.org/development/enhancing-competitiveness-in-central-asia/business-environment-in-central-asia-skills_9789264288133-7-en

and represent one of the main hurdles towards further digital economy development. Ultimately, these discrepancies translate into unequal opportunities to leverage the advantages of the digital economy, with Kazakhstan positioned most favourably and Tajikistan encountering the greatest challenges.

Internet usage is generally high in the region, with some disparities being evident. With the exception of Tajikistan, where internet use lags behind, all other countries surpass the global average of 63 % of the population using the internet (as shown in Figure 10 below). Leading in this regard is Kazakhstan, where 91 % of the population uses the internet. In stark contrast, internet use in Tajikistan remains at around 35 %, marking a significant digital divide within the region. Notably, internet use is primarily based on mobile internet access; in 2020, the availability of fixed broadband internet remained dismally low. Kazakhstan had the highest rate of broadband subscriptions per 100 individuals, at approximately 13, while Tajikistan trailed significantly, with a mere one.[61] The limited proliferation of broadband internet can be attributed to its unaffordably high price, but also to poor infrastructure.[62]

Figure 10. Share of the population using the internet in 2021 (%)



Source: World Bank.[63]

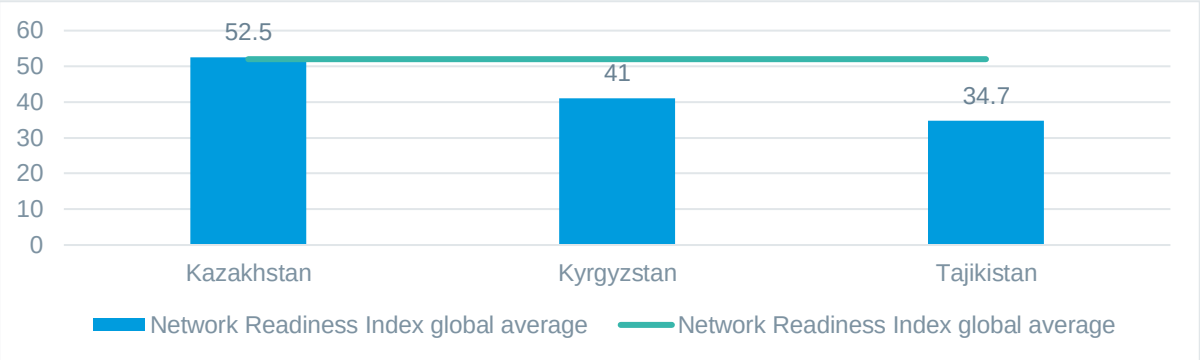
Note: Data from 2021. Data for Tajikistan were not available, and were taken from Datareportal instead.[64]

Despite high average internet use in the region, overall internet speed remains fairly low in all CA countries. Most of the countries in the region rank low on global internet speed rankings.[65] The country ranked highest globally is Kyrgyzstan, in 86th place out of 182 countries, while Tajikistan is the lowest ranked, taking 130th place globally. Thus, low internet speed represents a significant factor potentially impeding the development of the digital economy in the region.

Capacities to leverage ICT for social and economic development are generally low, and unevenly distributed across the region. According to the general NRI indicators for 2022[66], most of the region performs below the global average, except for Kazakhstan (see Figure 11 below). This indicates that the region still has to catch up in securing the necessary capacities to maximise the benefits of the digital economy.

[61] https://blogs.worldbank.org/europeandcentralasia/how-central-asia-can-ensure-it-doesnt-miss-out-digital-future
[62] https://blogs.worldbank.org/europeandcentralasia/how-central-asia-can-ensure-it-doesnt-miss-out-digital-future
[63] https://data.worldbank.org/indicator/IT.NET.USER.ZS
[64] https://datareportal.com/reports/digital-2021-tajikistan
[65] https://www.speedtest.net/global-index
[66] The Network Readiness Index (NRI) is an assessment tool used to measure and evaluate the general preparedness and capacity of countries to leverage information and communication technologies (ICTs) for economic and social development. The NRI is composed of a set of indicators that capture various aspects of ICT infrastructure, digital skills, the regulatory environment and the use of ICTs by individuals, businesses and government.

Figure 11. Network Readiness Index scores for Central Asia in 2022



Source: Network Readiness Index.[67]

Notable differences can be seen in the availability and quality of e-government services across the countries of Central Asia. According to the UN's E-Government Development Index, Kazakhstan emerges as the sole country with highly digitalised public administration and widespread online public services, comparable to those of most developed economies. Uzbekistan and Kyrgyzstan demonstrate intermediate levels of public administration digitalisation, while Tajikistan lags behind, ranking among the least digitalised administrations globally.[68]

There is a lack of effective digital skills development systems essential for harnessing benefits of the digital economy in the CA region.[69] In terms of the level of digital skills among its population, Kazakhstan ranks 43rd globally; Uzbekistan is 76th, while the standings of the other two countries are probably even lower.[70] Notably, a survey focusing on digital skills within Central Asia's creative industries revealed a disparity in regional education systems. Most of the crucial digital skills are not being integrated into university or college curricula. Surprisingly, over 80 % of respondents to the survey stated that they had never engaged in a university or college course dedicated to specific digital skills. Instead, the majority attained these competencies through informal avenues such as workshops, training sessions or short courses outside of conventional classroom settings.[71]

Digital payment systems are lagging behind in Central Asia. Only around 40 % of adults in the region have used digital payments, with the remaining 60 % still using only cash transactions – figures that lag significantly behind Europe. This discrepancy is most pronounced in Uzbekistan, where up to 80 % of wages are received in cash. In addition, a low level of bank account ownership prevails across the region. And with the exception of Kazakhstan, countries in the region also have low levels of fintech development.[72] PayPal, the most widely used online payment system globally, is accessible in all of the countries except Uzbekistan.[73]

[67] https://networkreadinessindex.org/countries/#map-wrapper
[68] https://publicadministration.un.org/egovkb/Data-Center
[69] Mogilevski, R. (2020), 'Labour market and technological development in Central Asia.' *University of Central Asia – Institute of Public policy and Administration Working Paper No. 58*. Available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3796925
[70] https://blogs.worldbank.org/europeandcentralasia/how-central-asia-can-ensure-it-doesnt-miss-out-digital-future
[71] https://www.unesco.org/en/articles/digital-skills-central-asias-creative-industries-survey-core-insights
[72] https://elibrary.worldbank.org/doi/abs/10.1596/33591
[73] https://www.paypal.com/en/webapps/mpp/country-worldwide

Online work on and off digital platforms

Prevalence of online work

Online labour platforms have been present in the region since the mid-2000s. Russian language platforms such as Freelance.ru, Weblancer and Kwork.ru were among the first platforms used by Central Asian freelancers. In parallel, English-language platforms such as oDesk (now Upwork) and Freelancer have also been available in the region since around that time. Thus, by the 2010s, online platform freelancing was already well established in the region.

Numerous global platforms are actively used by CA freelancers. The **English-language platforms** Upwork, Freelancer, Guru, PeoplePerHour, and Fiverr are prevalent in the region. Notably, the region has an equally significant presence of **Russian-language platforms**. CA freelancers actively use platforms such as Freelance.ru, Kwork.ru, Fl.ru, Weblancer and Freelancehunt.[74] Although there are also local online labour platforms operating in individual countries, such as Allfreelance.kz, Uwork.kz, Freelancer.kg, Giglancer.uz and Dowork.uz, according to World Bank research, these have significantly less traffic than other platforms.[75]

The table below presents the numbers of registered workers per country on the online labour platforms identified as being the most popular in Central Asia as of April 2023. Although workers from the region use English-language platforms, it appears that Russian-speaking platforms such as Weblancer, Fl.ru and Freelancehunt may be more commonly used.

[74] This Ukrainian platform recently switched to the English language.
[75] https://openknowledge.worldbank.org/entities/publication/ebc4a7e2-85c6-467b-8713-e2d77e954c6c

Table 2. Online labour platforms popular in CA countries

Platform name	Country of origin	Main language	KZ	KG	TJ	UZ	Region
			Approximate numbers of registered worker accounts				
Freelancer	AU	EN	1,551	563	195	2,850	5,159
Guru.com	US	EN	654	206	57	800	1,717
PeoplePerHour	UK	EN	143	72	13	141	369
Weblancer	RU	RU	4,090	650	110	1,670	6,520
Fl.ru	RU	RU	>4,400	940	320	2,500	>8,160
Freelancehunt	UA	RU[76]	4,103	450	/	1,171	5,724
			Numbers of reviews				
Upwork*	US	EN	2,767	1,252	329	2,779	7,127
Weblancer	RU	RU	2,605	521	74	1,350	4,550
Freelancer	AU	EN	1,940	210	379	760	3,289

Source: platform websites, reviewed by PPMI in April 2023. Based on the findings of desk research, CA platform workers are active on a considerably larger number of platforms; however, these other platforms do not provide aggregate numbers of workers. Noticeable examples are Kwork and Freelancer RU, but also the Israeli English-language platform Fiverr.

*Upwork does not provide information on the numbers of registered workers, but shows data on the total numbers of reviews that people from a specific country have received. Instead of the number of workers, this table shows the number of tasks or projects completed by workers from that country.

In previous research on the Western Balkans and Eastern Partnership countries[77], Upwork was by far the most widely used platform. Although numbers of online platform workers are not available on the Upwork website, we were able to compare the numbers of client reviews for Upwork, Freelancer and Weblancer. **Upwork was still the platform with the greatest number of reviews for Central Asian freelancers**, standing at 7,127, followed by Weblancer with 4,650 and Freelancer with 3,289.

[76] Recently switched to the English language.
[77] European Training Foundation (2022). *Embracing the digital age. The future of work in the Western Balkans*. Available at: https://www.etf.europa.eu/sites/default/files/2023-04/Embracing%20digital%20age_Western%20Balkans.pdf; and European Training Foundation (2021). *The future of work – New forms of employment in the Eastern Partnership countries: Platform work.* Available at: https://www.etf.europa.eu/sites/default/files/2021-07/future_of_work_platform_work_in_eap_countries.pdf

Box 1. Data on online platform work

To provide an overview of the prevalence of remote platform work in Central Asia and compare the economies of the region, two complementary data sources have been used – both of which employ automatically collected data from digital platforms:

- **Data automatically collected for this specific study, as described in the Analysis of platform websites section in Annex 2.** This source provided insights on the numbers of registered and active workers, worker occupations, gender and pay for each of the Central Asia countries. The data collection took place during April 2023, and consisted of the web scraping of data from the online digital labour platforms. These data were collected from the profiles of registered platform workers on **Freelancer.com, Guru.com and Weblancer**, some of the most popular online labour platforms in the region. The methodological details are presented in **Annex 2. Methodology.**
- **The Online Labour Index (OLI), developed by the Oxford Internet Institute**.[78] Data from this source provided longitudinal insights into how the numbers of active workers from the four Central Asian economies have changed between June 2017 and July 2023. The OLI measures the supply and demand of online freelance labour across countries and occupations by tracking the number of projects and tasks across platforms in real time.[79] The OLI includes worker data on five major English online labour platforms: Upwork, Fiverr, Freelancer.com, People Per Hour and MTurk, as well as three major Russian language platforms: Freelance.ru, Freelancehunt.ru and Weblancer.ru. Each platform is sampled every day to identify each worker's home country, occupation category, and when they last completed a project. These samples are then weighted by the number of registered workers on each platform, to calculate the total number of currently active workers on all platforms. The datasets are shared publicly. A 'currently active' worker is anyone who has completed a project during the last 28 days.[80]

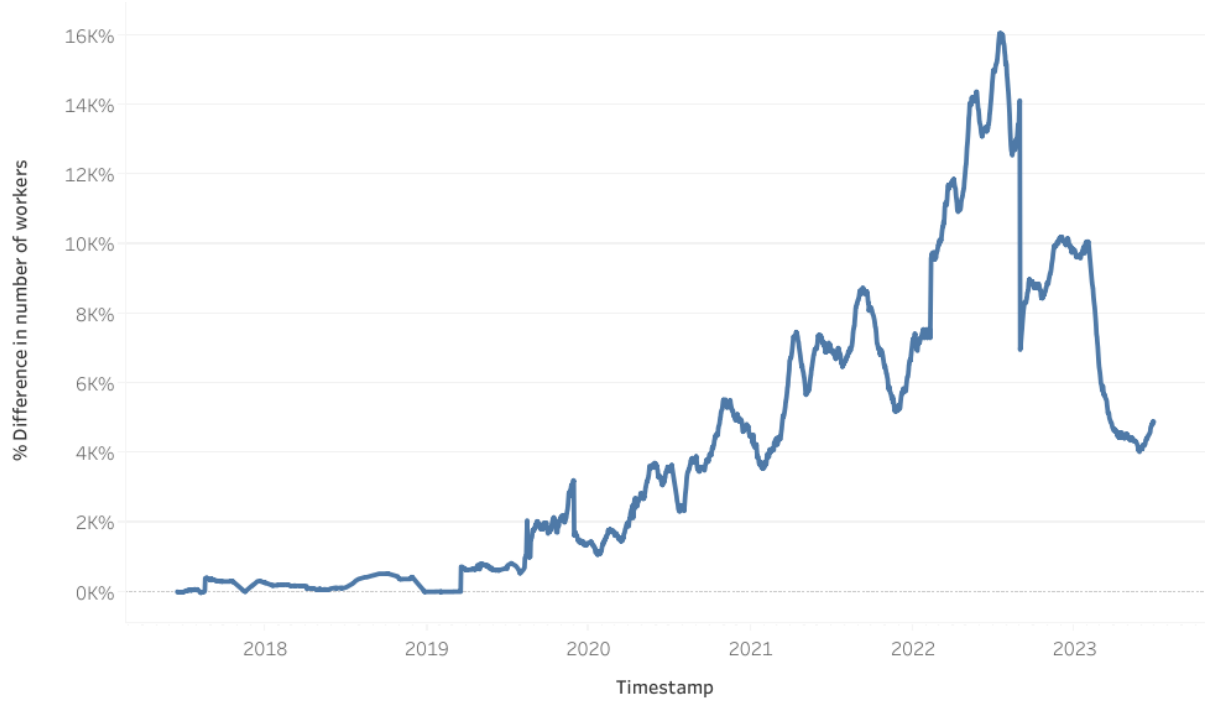
Due to their different selections of digital labour platforms and different methodologies, the figures from these two sources are not directly comparable. However, they complement each other to provide insights into changes in remote platform work in the region over time, as well as shares of active and inactive people attempting to work through platforms, and the demographic profiles of platform workers.

According to the Online Labour Index (OLI) data,[81] **there has been a significant growth in the activity of remote platform workers from Central Asian countries between June 2017 and July 2023**. Over this period, the daily volume of active workers on English language platforms in the region increased by approximately 4,900 %. This growth has been punctuated by occasional surges and drops in activity, indicating variations in demand for online platform work.

The most notable increase in active platform workers occurred in 2022. During the summer of 2022, the number of active platform workers doubled in comparison to the same period in 2021, and increased more than fourfold compared to the same period in 2020. However, this surge was followed by a sharp decline during the second half of the year. In contrast to the activity curve of workers globally, Central Asia experienced a delayed take-off, but had a significantly higher surge in worker activity in 2022. It is unclear why this surge occurred. One potential explanation could be the significant influx of many Russian freelancers.

[78] http://onlinelabourobservatory.org/
[79] At the time the data were analysed, the sample of platforms used on iLabour was limited to the largest English language platforms, as indicated by the unique monthly visitor estimate provided by Alexa. When the index was first developed in 2016, these were Freelancer.com, Guru.com, MTurk.com, PeoplePerHour.com and Upwork.com. This sample accounts for at least 60 % of all traffic to English-language online labour platforms. These platforms also represent a range of different market mechanisms and styles of contracting, from online piecework to hourly freelancing. The core unit of analysis in the Online Labour Index (OLI) is a vacancy (i.e. a work assignment published).
[80] https://ilabour.oii.ox.ac.uk/measuring-the-supply-of-digital-labour-how-the-oli-worker-supplement-is-constructed/ ; https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3849445
[81] http://onlinelabourobservatory.org/

Figure 12. Percentage change in numbers of active workers on English-language platforms in Central Asia over time



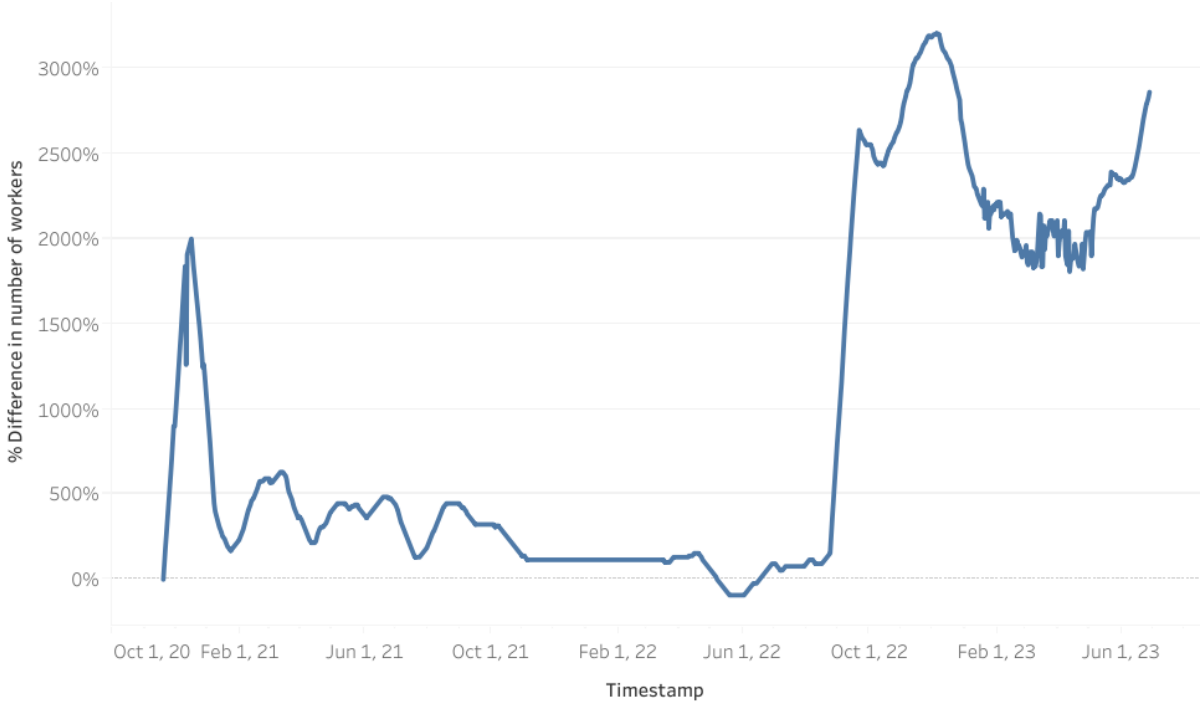
Source: Online Labour Index.[82]

Note: the graph presents the percentage change between the number of active workers from Central Asia on a specific day compared with the number of active workers at the start of data collection in June 2017, which is used as a reference date. This graph was based on OLI data, which calculated a weighted estimate of currently active workers by periodically sampling workers on four of the largest English-speaking online platforms once every 24 hours.

In addition, **OLI data from Russian-language online labour platforms reveals a similar trend of growth in worker activity during 2022**, but without a significant drop in 2023 (see Figure 13 below). From October 2020 to July 2023, worker activity on these platforms increased by approximately 2,900 %.

[82] http://onlinelabourobservatory.org/

Figure 13. Percentage change in numbers of active workers on Russian-language platforms in Central Asia over time



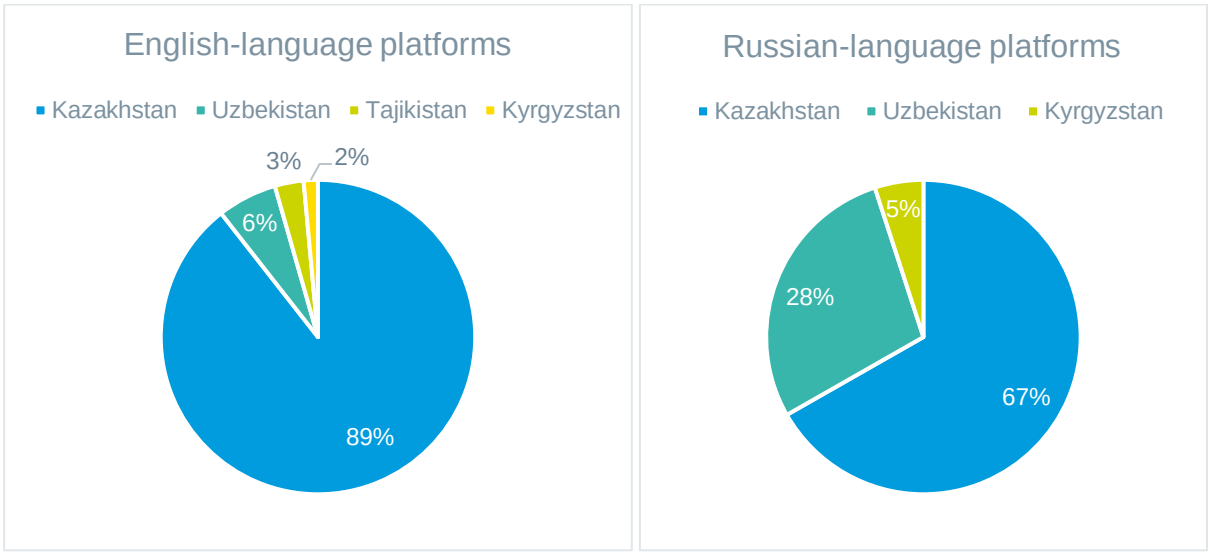
Source: Online Labour Index.[83]
Note: the graph presents the percentage change between the number of active workers from Central Asia on a specific day compared with the number of active workers at the start of data collection in October 2020, which is used as a reference date. This graph was based on OLI data, which calculated a weighted estimate of currently active workers by periodically sampling workers on three Russian-language online platforms once every 24 hours.

Most platform work activity within the region can be attributed to online platform workers in Kazakhstan (see Figure 14 below). Although a notable level of worker activity was also observed in

[83] http://onlinelabourobservatory.org/

Uzbekistan, Kyrgyzstan and Tajikistan, these countries exhibited lower volumes of worker activity on both the English- and Russian-language platforms analysed by OLI.

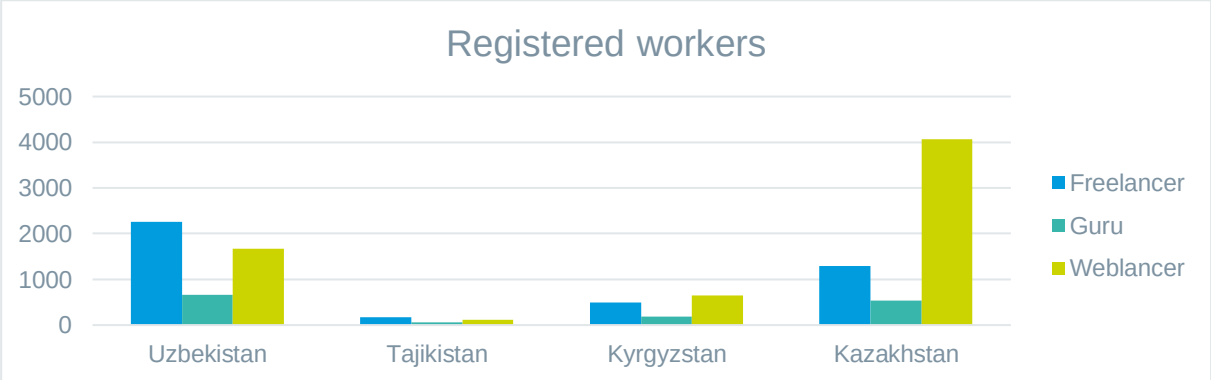
Figure 14. Distribution of worker activity on English- and Russian-language platforms



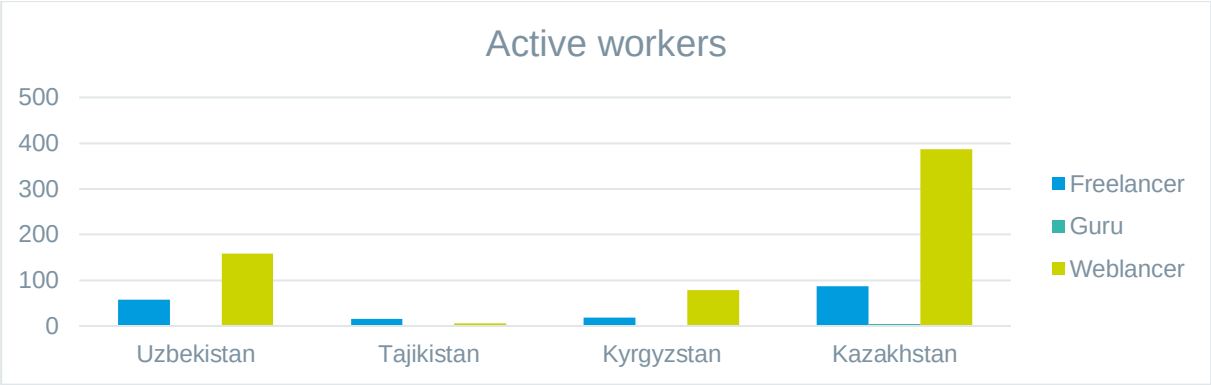
Source: Online Labour Index.[84]
Note: the charts represent the proportions of total active workers per day on the selected platforms, added up to arrive at a total for the time period measured. The charts do not indicate the absolute number of workers, as the same workers may be counted again for each separate day. For English-language platforms, the figure covers the period from 2017 to 2023; for Russian-language platforms, from 2020 to 2023.

The analysis of data automatically collected from Freelancer, Guru and Weblancer for this study further supports the finding that there is an **overrepresentation of both registered and active[85] platform workers from Kazakhstan**. After Kazakhstan, Uzbekistan had the second-largest online worker population, with Kyrgyzstan ranked third. In contrast, Tajikistan exhibited the lowest numbers of both registered and active platform workers among the countries studied.

Figure 15. Numbers of registered and active worker accounts per country (April 2023)



[84] http://onlinelabourobservatory.org/
[85] Active platform workers are those who have completed at least one task on the platforms analysed.



Source: PPMI, based on data from Freelancer, Guru and Weblancer collected in April 2023.

Note: actual number of workers could differ, because the same person could have an account on multiple platforms, or some accounts could be used by more than one freelancer.

Absolute numbers alone may not provide an accurate representation of the relative prevalence of platform work. Given the population sizes of the CA countries, with Uzbekistan having nearly 35 million people and Kyrgyzstan approximately 6.7 million (see Table 3 below), it is clear that a direct comparison of absolute numbers is insufficient. To obtain a more accurate comparison, it is **beneficial to calculate the proportion of platform workers in relation to the total population of each country.**

Table 3. Population sizes of Central Asia countries

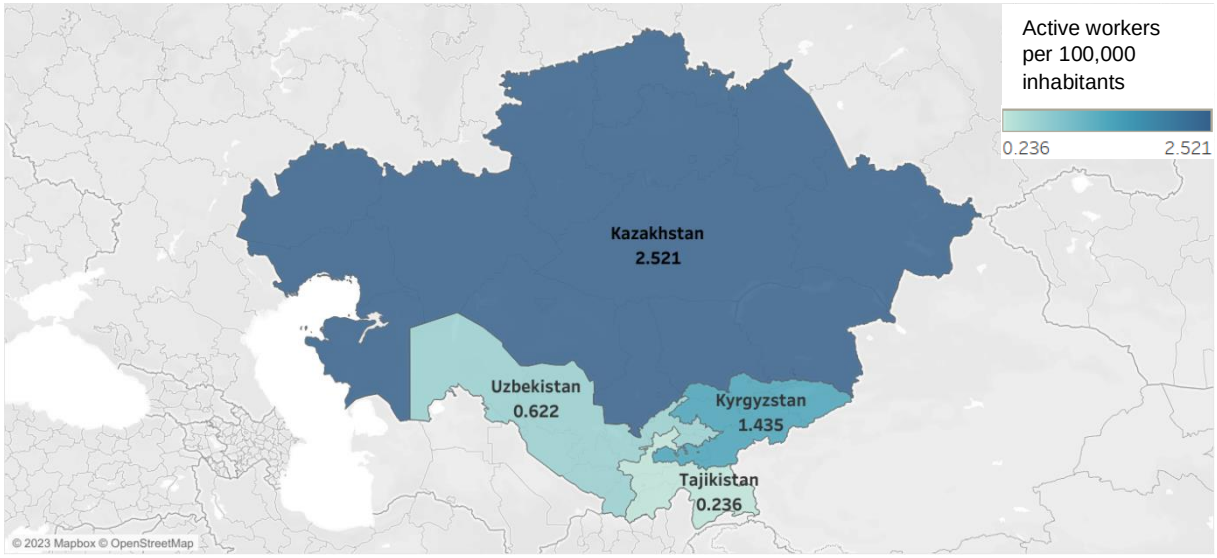
Country	Population size 2021 (in thousands)
Kazakhstan	19,001
Kyrgyzstan	6,692
Tajikistan	9,750
Uzbekistan	34,915

Source: World Bank, 2021[86]

Examining the number of **active worker profiles per capita** provides a clearer understanding of the prevalence of platform work in individual CA countries. As the map below reveals, Kazakhstan maintains its position as leader in terms of the number of active online platform workers per capita. Notably, second place is now held by Kyrgyzstan – the region's least populous country. However, Tajikistan remains consistent in exhibiting the lowest figures in the region, both in absolute terms and when comparing per capita figures, indicating a lower prevalence of platform work in the country.

[86] https://data.worldbank.org/indicator/SP.POP.TOTL

Figure 16. Geographical distribution of active workers per 100,000 people



Source: PPMI, based on data from Freelancer, Guru and Weblancer collected in April 2023.

The numbers of platform workers per capita in the region are significantly lower than those for the Western Balkans[87] and Eastern Partnership,[88] identified in previous studies. While in the Western Balkans and Eastern Partnership countries there were, respectively, around 23 and 14 active online platform workers per 100,000 people, the figure for Central Asia is just 1.16.[89] Although only three platforms were sampled for this analysis, this figure is indicative of the relatively low penetration of platform work in the region.

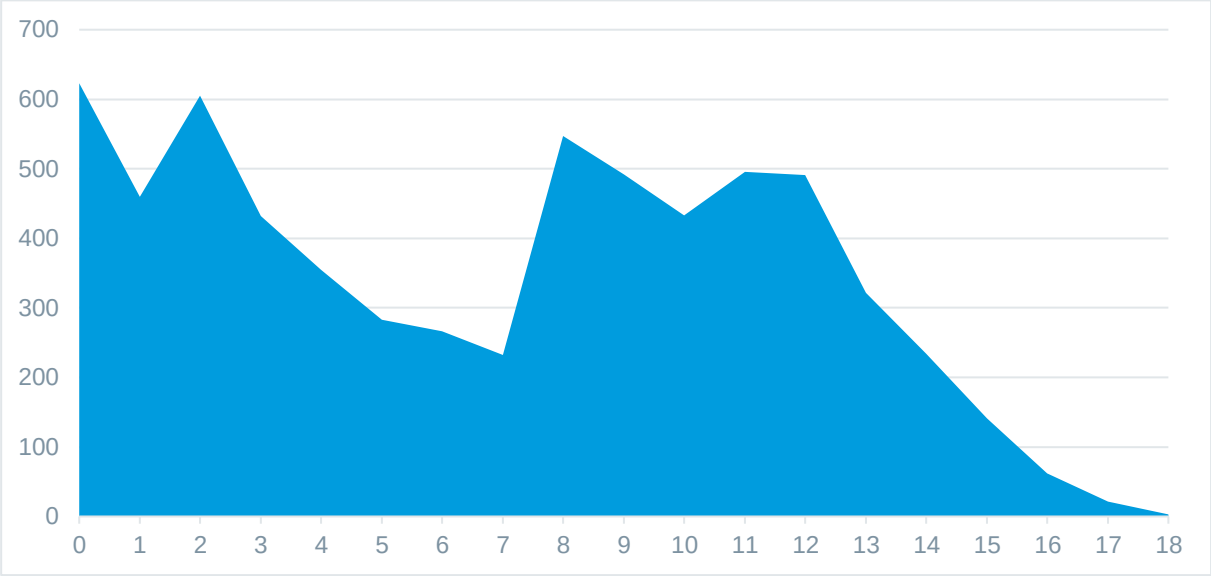
Data collected from the Weblancer platform indicates that **online platform work has been present in the region for an extended period of time** (see Figure 17 below). The first online platform workers from the region registered on the platform in 2005. Since then, there was a steady influx of workforce. More than half of the workers currently registered have been present on the platform for seven or more years. Conversely, there has also been an increase in the number of new members registering during the past two years, indicating the continuing relevance of the platform.

[87] European Training Foundation (2022), *Embracing the digital age. The future of work in the Western Balkans*. Available at: https://www.etf.europa.eu/sites/default/files/2023-04/Embracing%20digital%20age_Western%20Balkans.pdf

[88] European Training Foundation. (2021), *The future of work – New forms of employment in the Eastern Partnership countries: Platform work.* Available at https://www.etf.europa.eu/sites/default/files/2021-07/future_of_work_platform_work_in_eap_countries.pdf

[89] It is important to note that one of the platforms analysed in the Western Balkans research is different, and that these measurements occurred at different points in time. Even so, the number of registered workers grew over time globally, indicating that this discrepancy might be even starker.

Figure 17. Distribution of the lengths of time CA freelancers have been registered on the platform Weblancer



Source: PPMI, based on data from Weblancer collected in April 2023.

Attractiveness of online work

Several important factors contribute to the popularity of online platform work in Central Asia. As demonstrated by the focus group discussions carried out for this study, the **reasons that draw people to work on online labour platforms in Central Asia are mostly pull factors,** such as flexibility, higher income and the opportunity to become a more experienced professional.

Flexibility is the most frequently cited reason why workers choose to freelance on digital platforms, according to freelancers participating in the focus groups conducted for this research. This involves both temporal flexibility such as the ability to determine one's own working hours, as well as the flexibility to work from any location. More specifically, the possibility to work from home can lead to better work-life balance, allowing individuals to avoid some drawbacks of traditional employment such as the daily commute and the need to follow a dress code. Flexibility can be particularly relevant for those with caring responsibilities, especially women. Spending more time with family and children is among the main reasons why some choose freelancing over traditional employment.

Furthermore, **working on online platforms offers an opportunity to gain higher income than in the local labour market, but also to gain access to stable currency**. The present research indicates that hourly rates on platforms are between 292 % and 1,142 % higher than the average hourly wages on the local labour market (see section **Working conditions**). Focus groups confirm this is one of the main reasons for engaging in online platform work. Moreover, working for international clients and getting paid in EUR and USD is particularly valued by those who live in economies with volatile local currencies. Currency stability was mentioned by some focus group participants as a factor that causes them to choose online freelancing for foreign clients rather than working locally.

Online platform work is also boosted by new trends in school-to-work transition, such as an influx of fresh graduates to platforms and the increasing use of platforms as alternative to regular employment. According to interviews in Kyrgyzstan and anecdotal evidence from the focus groups, an increasing

number of school graduates do not continue studying after finishing secondary education, and instead complete short courses and immediately start working on digital labour platforms in the hope of building competencies through 'learning by doing'. In this way, online platform work has benefits for the future working life of those engaged in it. For those who would prefer to have stable traditional employment in the future, freelancing is perceived as a way to gain more experience, which can then be used to find permanent traditional employment.[90] This is especially relevant for young people at the start of their careers, as well as for those who have changed their career tracks. Freelancing via online platforms can also function as a safety net in case of job loss, enabling an individual to continue their freelance career without the need to start building up a profile and reputation from scratch.[91]

Set against the pull factors that attract workers to platform work, **there are also several barriers that negatively affect the popularity of online platform work.**

Compared with on-location platform work, **online platforms have higher barriers to entry**. Jobs on online labour platforms mostly require high-level qualifications and a range of technical and soft skills. Due to the unwillingness of clients to work with new freelancers without reviews, and given high level of competition on online labour platforms, it can take several months to secure one's first job. Thus, finding a first client was identified as the main challenge of online platform work by many focus group participants.

Fraudulent job ads are another challenge faced by online platform workers, especially during the early stages of their careers. Some focus group participants said they had encountered clients who refused to pay for completed work. However, with experience, freelancers learn how to spot and avoid such job ads.

Furthermore, for some**, freelancing is perceived as more tiring and stressful than traditional employment**. Financial instability, the need to constantly look for new clients and manage several projects in parallel with a lot of personal responsibility were among the downsides cited. Thus, gaining permanent employment was seen by focus group participants as a way of escaping precarity.

Lastly, the **development of artificial intelligence (AI) has had mixed effects on the availability and attractiveness of online platform work**. On the one hand, the use of AI technology can significantly facilitate freelancers' work by allowing certain tasks to be done much more quickly and efficiently, allowing workers to increase their income. On the other hand, AI reduces demand for certain occupations, such as translation. Some focus group participants who work as translators indicated that the number of translation jobs had fallen significantly with the development of AI and recession in Western countries, as the clients have preferred to rely on machine translation tools. At the same time, some participants had seen a rise in demand for translation services in less widely spoken languages, such as Uzbek.

Worker occupations and profiles

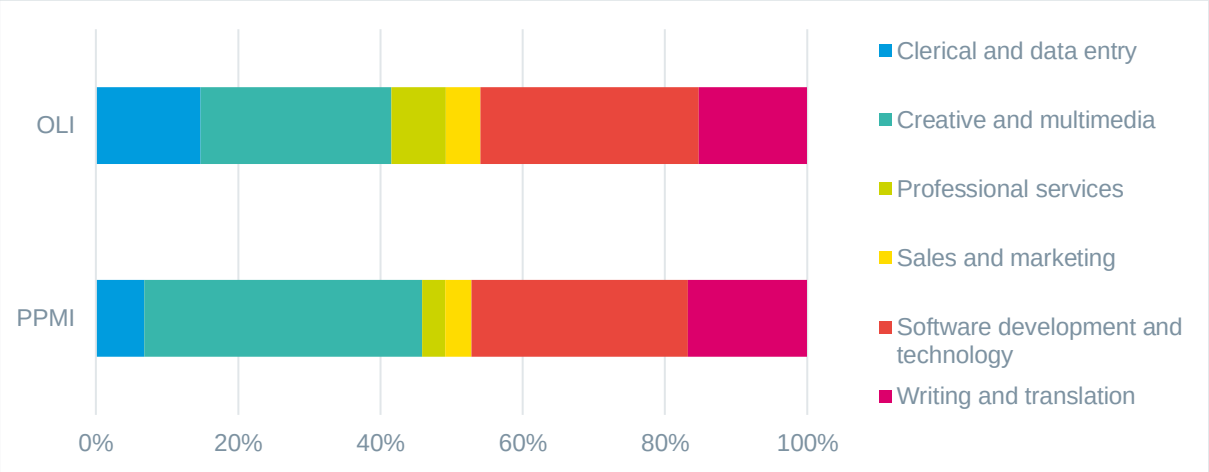
Automatic data collection has provided information on the CA **platform worker profiles** in terms of their occupations, gender and pay rates.

To begin with, **the two sources on remote platform work (see Box 1 below) analysed in this report indicate similar distributions of occupations among CA online platform workers** (see Figure 18 below). In both sources, creative and multimedia, and software and technology are the most frequent occupations, while sales and marketing and professional services are the least frequent. However,

[90] As evidenced by focus group discussions.
[91] As evidenced by focus group discussions.

creative and multimedia is more heavily represented in the PPMI study sample, while clerical services constitutes a larger share in the OLI sample. These differences may result from the varying selection of platforms (see above) and methodologies used for data collection (e.g. OLI uses weighted sample data to provide estimates, while the data for this study was collected on the basis of the whole target population of workers). Nevertheless, the two data sources mostly overlap and lead to the similar conclusions.

Figure 18. Occupations of workers from Central Asia



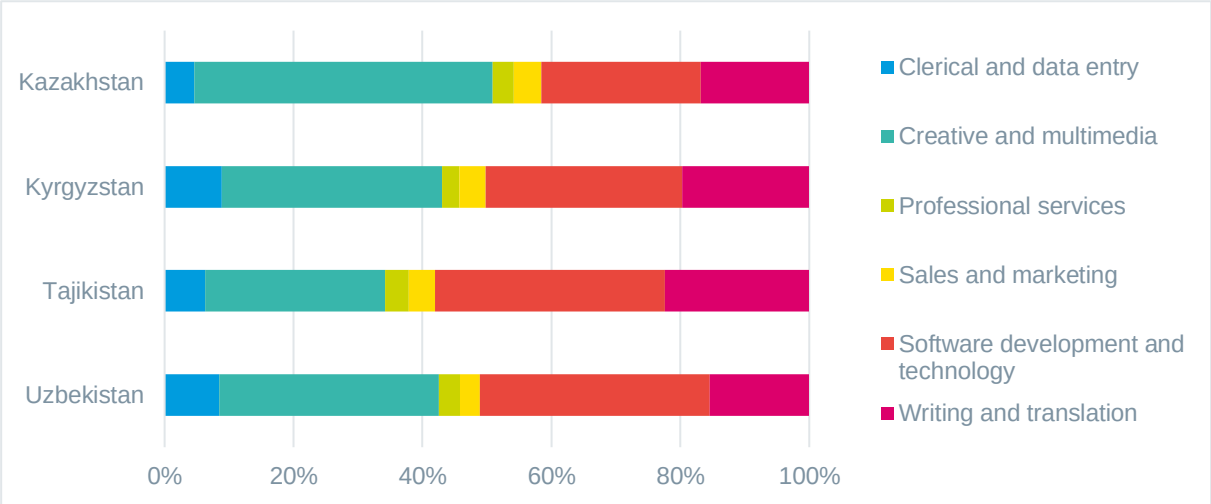
Source: PPMI, based on data from Freelancer, Guru and Weblancer, collected in April 2023; OLI collected in July 2023.

Note: PPMI data is based on absolute numbers of workers on selected platforms, while OLI data is based only on cumulative numbers of workers active on particular days.

The distribution of occupations in individual countries is mostly similar. The main exception is software development and technology, which is the most frequent occupation in Uzbekistan and Tajikistan but is less frequent in Kazakhstan and Kyrgyzstan. Conversely, creative and multimedia is represented more heavily in Kazakhstan than in other countries (see Figure 19 below).[92]

[92] Occupation could not be determined for around 30 % of profiles.

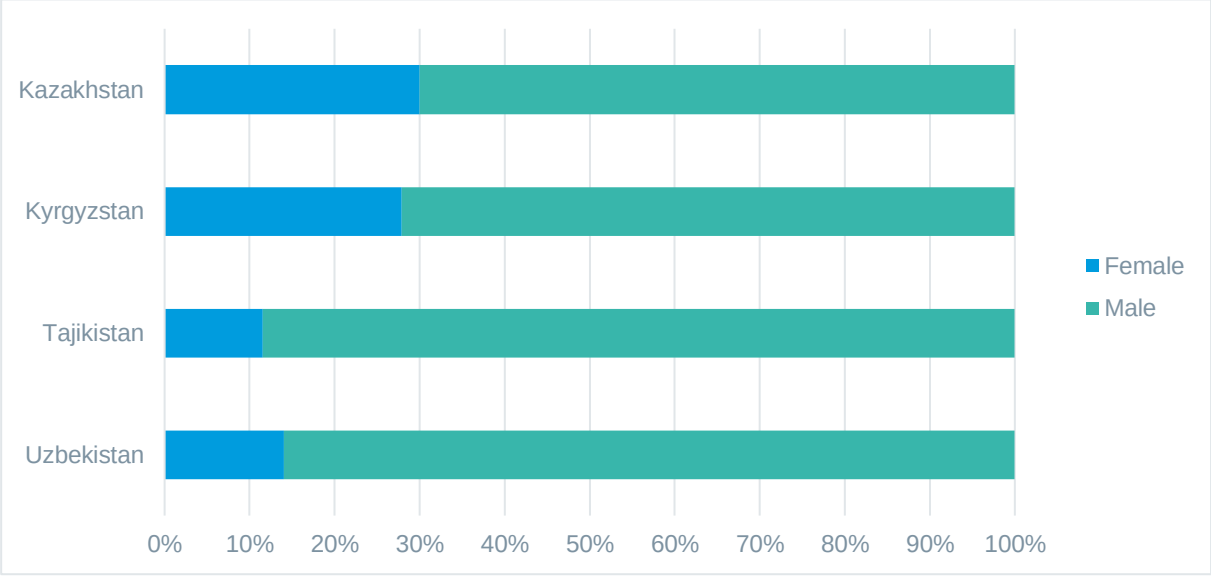
Figure 19. Occupation of workers by country (April 2023)



Source: PPMI, based on data from Freelancer, Guru and Weblancer, collected in April 2023.
Note: the 30 % of profiles for which occupation could not be determined were removed from this analysis. These were mostly profiles form Weblancer, on which is not mandatory for a worker to show their main skills on their profile.

Moreover, **a significant gender divide is evident in the distribution of platform workers across Central Asia**. The data gathered for this study reveal the notable overrepresentation of men on platforms in all four economies. The proportion of male freelancers varies from 70 % in Kazakhstan to 88 % in Tajikistan (see Figure 20 below), with a simple average of approximately 76 % for the entire region.[93]

Figure 20. Gender of workers by country (April 2023)

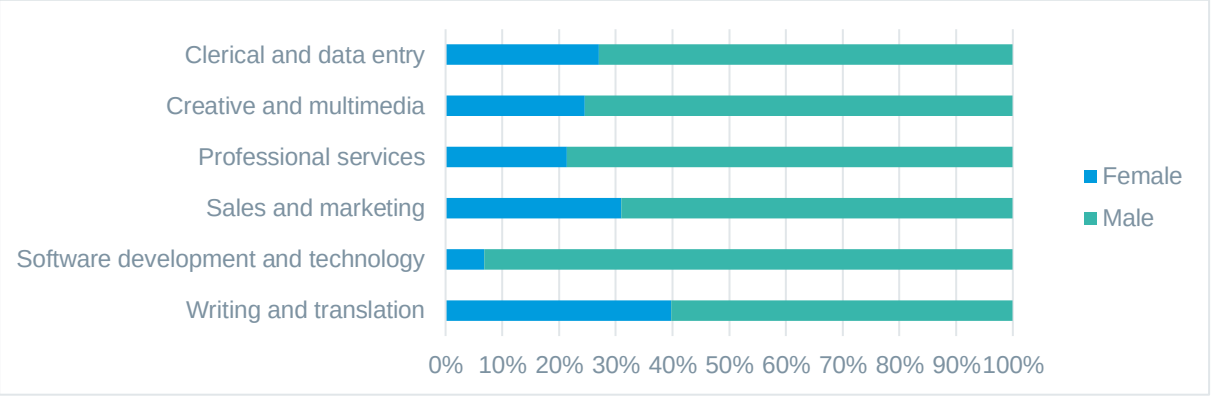


Source: PPMI, based on data from Freelancer, Guru and Weblancer, collected in April 2023.
Note: the 12 % of profiles for which gender could not be determined were removed from this analysis.

[93] It was not possible to identify gender for 12 % of all profiles. This limitation arose from a substantial number of profiles using nicknames and company designations (For more information, please refer to Annex 2).

As in the EU, Eastern Partnership and Western Balkan countries, **the occupational choices of platform workers vary by gender**. In line with the previous research, the area of work with the largest share of women is writing and translation, with women comprising 40 % of all workers; meanwhile, software development and technology work is strongly dominated by men, with only around 7 % of workers in this occupation being women (see Figure 21 below). This distribution to a certain extent reflects the trends in traditional labour markets.[94]

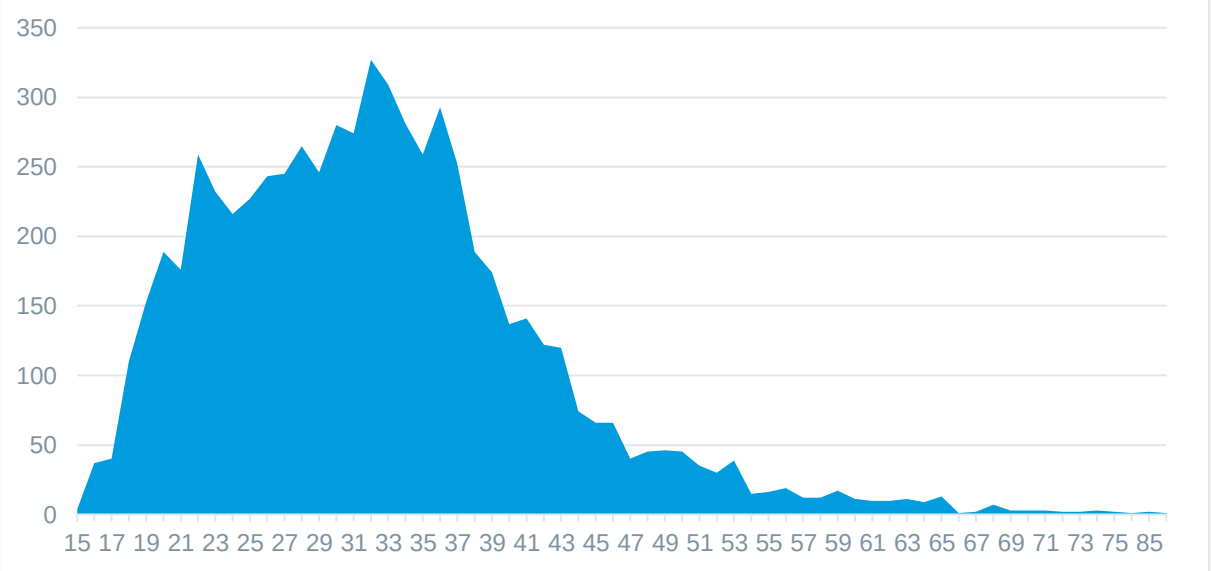
Figure 21. Gender of workers, by occupation (April 2023)



Source: PPMI, based on data from Freelancer, Guru and Weblancer, collected in April 2023.
Note: the 12 % of profiles for which gender could not be determined were removed from this analysis.

Online platform workers in Central Asia are predominantly young. The majority of workers on the Weblancer platform are between 20 and 40 years of age, as can be seen from Figure 22 below. However, workers older and younger than this age group are also present on the platform.

Figure 22. Age distribution of workers on Weblancer (April 2023)



Source: PPMI, based on data from Freelancer, Guru and Weblancer, collected in April 2023.

[94] Datta, N., Rong, C., Singh, S., Stinshoff, C., Iacob, N., Nigatu, N.S., & Klimavičiūte, L. (2023), *Working without borders: The promise and peril of online gig work,* World Bank, Washington, DC. Available at https://openknowledge.worldbank.org/entities/publication/ebc4a7e2-85c6-467b-8713-e2d77e954c6c

Working conditions

Online platform workers in Central Asia predominantly work as self-employed, with a high degree of informality. Desk research conducted for this study shows that there are few regulations addressing the employment status of online workers in the region. Workers who formally register their activity operate under civil law. Due to a high degree of informality, many of these workers lack access to any social protections and other employment benefits in cases where they do not receive these from their primary jobs. This contributes to a high degree of precarity among online workers in the region.

Online labour platforms enable CA workers to earn incomes significantly higher than those available in the local labour markets. This is particularly true for less well developed economies in the region, where local wages are especially low. However, income from platforms is most often irregular, and there are significant income gaps between occupations and genders.

The average hourly rate requested on the three online labour platforms selected was USD 14.68. Slight variations can be seen across countries, ranging from approximately USD 13.3 in Uzbekistan to around USD 16.5 in Kazakhstan.

When comparing average hourly rates on digital platforms with local average hourly wages (as shown in Table 4 below), two primary insights emerge. First, **the average hourly rates on digital platforms notably exceed those found in the local labour markets**, with the difference amounting to an astonishing 1,142 % in Tajikistan. Second, **platform work presents significantly more lucrative earning prospects for workers in less developed economies** compared with their counterparts in more developed countries. For instance, the disparity between local and platform rates is the most substantial in Tajikistan, and least significant in Kazakhstan. These findings align with conclusions from prior research.[95] However, it is important to exercise caution when making such comparisons, **as the hourly rates requested by freelancers do not take into account factors such as the irregularity of income and unpaid time dedicated to securing paid tasks**. Furthermore, these figures represent the **requested rates on workers' profiles, not the actual earnings they accrue**.

[95] Datta, N., Rong, C., Singh, S., Stinshoff, C., Iacob, N., Nigatu, N.S., & Klimavičiūte, L. (2023). *Working without borders: The promise and peril of online gig work,* World Bank, Washington, DC. Available at https://openknowledge.worldbank.org/entities/publication/ebc4a7e2-85c6-467b-8713-e2d77e954c6c ; https://journals.sagepub.com/doi/pdf/10.1177/0149206318786781

Table 4. Comparison of average hourly rates nationally and on online digital platforms

Country	Average monthly salary (USD)	Estimated average hourly rate (USD)	Average hourly rate requested by remote platform workers (USD)	Difference between average hourly rate on platforms and on domestic labour market
Kazakhstan	669[96]	4.2	16.47	+292 %
Kyrgyzstan	216[97]	1.6	14.53	+808 %
Tajikistan	196[98]	1.2	14.9	+1,142 %
Uzbekistan	233[99]	1.5	13.35	+790 %

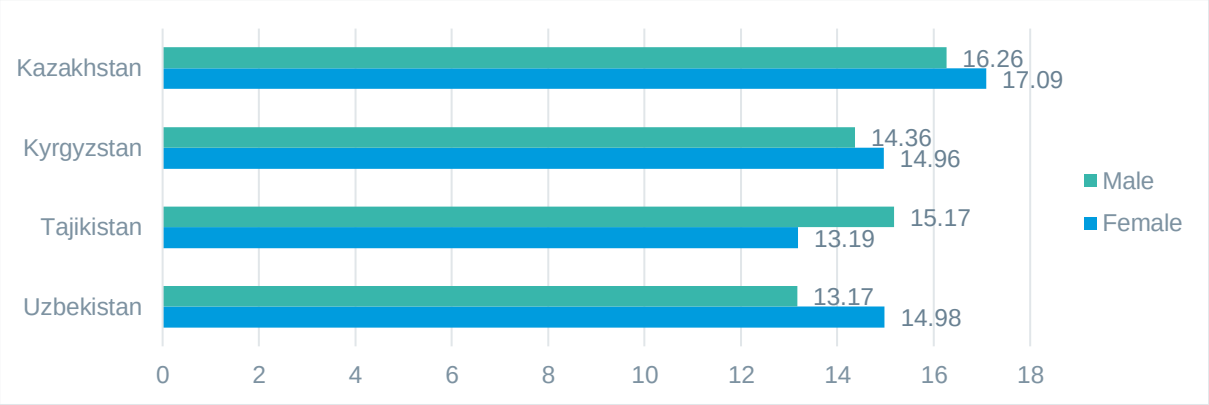
Source: national statistics offices of the respective countries and data automatically collected from platforms for this study. The methodology used for salary calculations may differ between countries.

Note: the estimation of hourly rate assumes 40 working hours per week, four weeks per month. Average working weeks are around 38 hours in Kazakhstan and Kyrgyzstan, while no data on this could be found for Tajikistan and Uzbekistan. These wages might not indicate real incomes, due to the pervasiveness of the informal economy in the region and dual incomes.

Although digital labour platforms represent a better opportunity for workers from less developed countries, this is not reflected in a higher number of workers coming from these countries. In this analysis, Kazakhstan, the most developed economy in the region, also has the highest number of online platform workers per capita. This means that economic incentives alone are not sufficient for the development of the platform economy, but that sufficient infrastructure and skills are also necessary in order to participate in global online labour markets.

Furthermore, contrary to previous research in the Eastern Partnership and Western Balkans, **women tend to demand higher hourly rates than men in Central Asia**. This is the case for all countries in the region except for Tajikistan, where men request higher hourly wages (see Figure 23 below).

Figure 23. Average hourly rates by country and gender, in USD (April 2023)

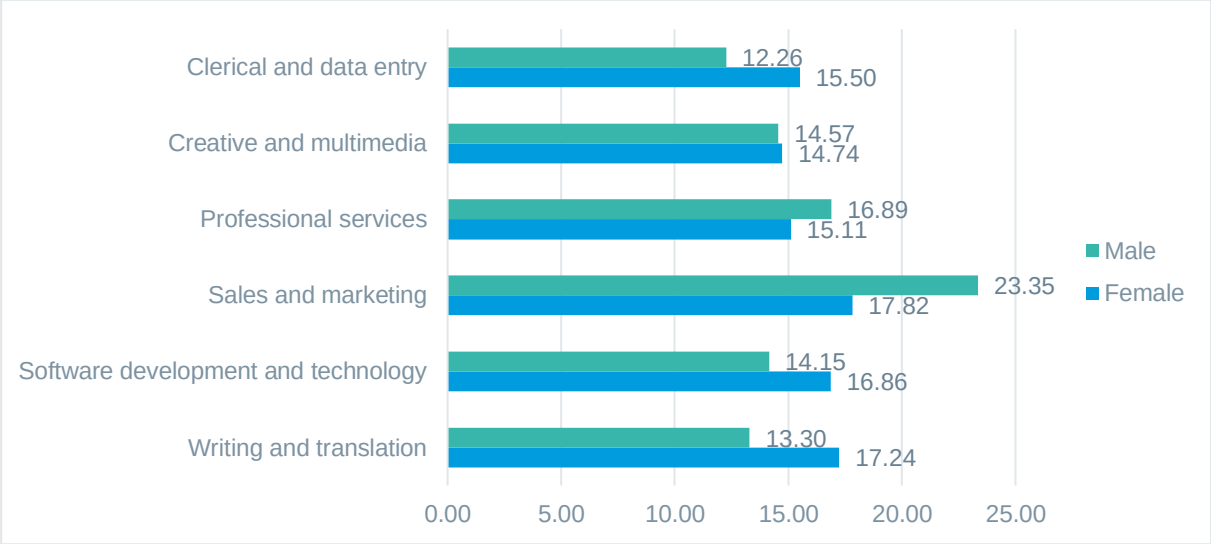


Source: PPMI, based on data from Freelancer, Guru and Weblancer, collected in April 2023.

[96] https://stat.gov.kz/en/industries/labor-and-income/stat-wags/publications/56840/
[97] http://www.stat.kg/en/opendata/category/112/
[98] https://www.ceicdata.com/en/tajikistan/average-monthly-salary/average-monthly-
[99] https://stat.uz/en/official-statistics/labor-market

The lack of a male-leaning gender pay gap on online labour platforms in Central Asia can be better understood by analysing incomes in different occupations. Women request higher rates than men in all professions apart from "sales and marketing" and "professional services". Unlike in previous research,[100] software and technology, which is usually dominated by men, is among the lower-paid occupations in Central Asia. However, women unexpectedly also demand higher hourly rates than men in this occupation. Still, it is unclear what has led to these exceptional regional trends.

Figure 24. Average hourly rates in USD, by occupation (April 2023)



Source: PPMI, based on data from Freelancer, Guru and Weblancer, collected in April 2023.

Skill development

Most of the online platform workers in the region are highly educated. While education plays a significant role in building the basic skills needed for platform work, it is not a determining factor. To succeed on digital labour platforms, essential skills such as knowledge of a professional domain and several key competencies[101], such as independent learning, digital technologies, and social skills, are crucial. Most of these skills are developed through independent work and learning. While work on digital platforms provides some skills development opportunities, these are limited in scope. Conversely, there are many local training initiatives that support freelancers in the CA region in acquiring the skills necessary for online platform work. Lastly, while it is possible for skills and experience from labour platforms to be transferred to the regular labour market, the effectiveness of this is still inconclusive.

[100] Datta, N., Rong, C., Singh, S., Stinshoff, C., Iacob, N., Nigatu, N.S., & Klimavičiūte, L. (2023). *Working without borders: The promise and peril of online gig work,* World Bank, Washington, DC. Available at https://openknowledge.worldbank.org/entities/publication/ebc4a7e2-85c6-467b-8713-e2d77e954c6c

[101] Key competencies are a set of essential skills, knowledge, and attitudes deemed necessary for personal development, active citizenship, social inclusion, and employability in a knowledge-based society. They encompass areas such as communication in the mother tongue and foreign languages, mathematical competence, digital competence, learning to learn, social and civic competence, sense of initiative and entrepreneurship, and cultural awareness and expression. These competencies are intended to be cultivated through lifelong learning, ensuring individuals can adapt to evolving economic and social landscapes. https://education.ec.europa.eu/focus-topics/improving-quality/key-competences

Skill profiles

No reliable data are available on education levels and profiles for online platform workers in Central Asia. The reason for this is that platforms generally do not provide structured data on freelancer education, and no comprehensive surveys have been carried out on the demographic profiles of freelancers in the region. The findings from the focus groups conducted for this study indicate that online platform workers in the region could in general be highly educated, which is in line with previous research.[102]

Still, **having a high level of formal education does not appear to be crucial for success in platform work, although it is still important.** Different tasks require different levels of education.[103] For example, more complex tasks relating to software development or professional services require a much higher level of education than data entry tasks. The majority of online freelancers who participated in the focus groups had tertiary education. While they did not perceive formal education as being necessary for a freelancing career, some stated that they had gained basic skills that they use on the platforms at school or university. In particular, this concerns digital skills (e.g. using Excel), foreign languages, as well as some topical knowledge. Previous research indicates that many online platform workers are overqualified for the tasks they undertake on the platforms,[104] which may also be the case in Central Asia.

Skill requirements

To be competitive on online labour platforms, workers are required to have a range of hard and soft skills.[105] In the focus groups conducted for this study, technical and non-technical skills were seen as being equally important by the participants in the focus groups. Technical skills include digital skills and domain knowledge, which varies greatly from one professional area to another. The most significant non-technical skills, on the other hand, are common across occupations. Among these are the ability to learn independently, English language abilities and time management, as well as communication and negotiation skills. Most of these skills are acquired during the educational process, although continuous learning on platforms is crucial for their further development.[106]

Having at least basic digital skills is a prerequisite for working via online platforms. However, depending on the occupation, the level of digital skills required varies.[107] While software developers need advanced, specialised digital skills, specialists in object classification mostly require a basic level of digital skills. At the same time, given technological developments and the growing competition on labour platforms, the range of digital skills needed by freelancers is expanding. Focus group participants from various professional fields indicated that they needed constantly update their knowledge of the software they use in their work. For instance, aside from using Microsoft Word and Excel, translators are required to learn how to use the specialised online software used by clients to manage the translation

[102] International Labour Organisation (ILO) (2021). *The role of digital labour platforms in transforming the world of work.* Available at: https://www.ilo.org/global/research/global-reports/weso/2021/WCMS_771749/lang--en/index.htm
[103] https://www.oii.ox.ac.uk/news-events/news/how-workers-learn-skills-in-the-online-platform-economy-and-how-platforms-policies-and-learning-providers-can-support-them/
[104] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/5581
[105] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/5581
[106] https://www.oii.ox.ac.uk/news-events/news/how-workers-learn-skills-in-the-online-platform-economy-and-how-platforms-policies-and-learning-providers-can-support-them/
[107] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/5581

process. Online platform workers in various occupations also noted the need to keep up with the development of automation tools in order to make their work more efficient.

Next, **good communication and self-presentation skills are crucial to securing jobs on online labour platforms.** According to focus group participants, the ability to communicate clearly is indispensable to making a good impression on the client and effectively performing the tasks based on the clients' needs. Focus group participants also underlined the significance of self-presentation skills, which include the ability to advertise on digital labour platforms and to stand out in the competitive environment in order to receive projects. This is in line with findings from previous research.[108]

Furthermore, **language skills are essential for work on international online labour markets**. As the Russian language is widely spoken in the region, most online platform workers in the CA region do not face significant language barriers on Russian language platforms. However, a lack of knowledge of the English language can represent a significant barrier to competing in international markets. Focus groups involving Upwork freelancers conducted for this study indicate that a good command of English is indispensable to their work. It is not only necessary for effective communication with clients and job-related tasks, but also for skills development. As freelancers shared during the focus groups, significantly more training materials are published in English than in Russian or local languages.

Lastly, in focus groups, freelancers emphasised good **time management** skills, **accuracy** and **detail orientation** as being necessary for a freelancing career, which is in line with previous research.[109]

While initially acquired education and skills are necessary for a person to engage in platform work, platform reputation plays a much more significant role in determining their success. This reputation is built up through ratings and feedback received from previous clients, along with a history of completed tasks. Previous studies[110] and focus groups have also confirmed the significance of platform reputation in securing higher income on platforms. Importantly, this system presents challenges for new entrants, whose profiles may be deprioritised by algorithms due to their lower ratings. Thus, in addition to skills, previous reputation is required in order to secure jobs on a platform.

Opportunities for skills development

When it comes to skill development, freelancers primarily rely on non-formal and on-the-job learning. The fluidity of career paths and constant developments in technology make non-formal education better suited to addressing the changing skills needs of the freelance market.[111] This is well illustrated by the educational and career backgrounds of many participants in the focus groups, whose formal education was only loosely related to the work they conduct on platforms. Notably, many focus group participants reported that they were attending online courses to acquire competences in new occupational categories. This indicates how crucial the ability to learn new skills and keep up to date on the newest developments in relevant professional fields is to being successful on online labour platforms. In one Cedefop study, the majority of online platform workers surveyed highlighted continuous

[108] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/5581

[109] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/5581

[110] https://www.cedefop.europa.eu/en/publications/5581 ; https://www.researchgate.net/publication/330104022_Scholarly_reputation_building_in_the_digital_age_An_activity-specific_approach_Review_article

[111] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/5581

skills development as a key feature of their work.[112] Some freelancers in the focus groups also said that they developed their skills by taking on demanding projects that sometimes exceed their skillset, and then learning these skills independently.

Our research shows that **freelancers in Central Asia use a variety of online sources to acquire new skills**. These sources include YouTube and ChatGPT, as well as online courses on educational platforms such as Coursera, Udacity, Sololearn, EPAM, Stepik and Google. For some freelancers, online courses on educational platforms are a preferred way to study, as they provide a more structured approach compared with other online sources (such as YouTube videos). These online courses also enable them to showcase the certificates obtained upon completion on their online platform profiles to demonstrate their qualifications to potential clients.

Clients and platforms typically do not provide formal training opportunities to freelancers. Clients often do not provide training opportunities to freelancers, since these are usually seen as short-term independent contractors who do not require skills development.[113] Platforms, meanwhile, merely play a mediating role in matching supply and demand for work, and do not usually provide training as employers.[114] Moreover, as a representative of Upwork explained in an interview conducted for this study, there is a need to maintain a clear distinction from an employment relationship, whereby platforms that provided training might exercise control over freelancers' work and therefore bear certain legal liabilities. Thus, Upwork only provides courses on how to use the platform.[115] Focus group participants indicated that these courses are not particularly useful in terms of skills development, as this is not the intended purpose of such courses.

Nevertheless, **some platforms still enable significant skills development opportunities**. For example, PeoplePerHour has an "academy" in which workers can take courses, acquire skills and earn certificates, which can then be displayed on their profiles. This training can be particularly helpful for new entrants to the platform, as it allows them to assess and improve their skills, thereby increasing their chances of finding work.[116] Some platforms, such as Upwork, are aiming to collaborate with third parties to provide training and certifications to workers.

What is characteristic of the CA region is that there are many local initiatives that provide training for online platform work. This training is provided by IT parks and digital hubs, as well as non-formal education and training institutions. Some of these projects are supported by government bodies, indicating the potential governments see in online platform work for the labour market in Central Asia. Examples of such training are presented in the box below.

[112] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/5581
[113] International Labour Organization (ILO) (2021). *The role of digital labour platforms in transforming the world of work.* Available at https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_771749.pdf
[114] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/5581
[115] https://community.upwork.com/t5/Courses/tkb-p/Courses
[116] https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_771749.pdf

Box 2. Training for freelancers developed or provided locally in Central Asia

- In Kazakhstan, Astana Hub International Technopark of IT Startups regularly provides a paid four-week "Freelance School" course for online freelancers, specifically focusing on the Upwork platform. During the course, participants learn how to create a selling profile and understand clients' priorities, as well as practical matters regarding payments, commission fees and taxes.[117] The course is offered for a fee of around EUR 40 (KZT 19,990), with a discounted price of ~ EUR 6 (KZT 2,990) available for students.[118]
- In Kyrgyzstan, the International School of Professions offers a paid training course on freelancing.[119] The course costs around EUR 70 (KGS 6,700). Learners can choose from either an offline or online format.
- In Uzbekistan, the community of freelancers based in IT Park Tashkent offers a free online video course about online freelancing platforms, as well as courses on programming, design and video editing.[120]
- In Tajikistan, a free offline course on digital freelancing is offered at Ilmhona Skills Accelerator. This was developed within a project by UNICEF and the Ministry of Labour, Migration and Employment of the Republic of Tajikistan. The course lasts two months, with classes three days a week. It covers general topics such as 'what is freelancing?', 'what occupations are in demand?', and what to expect from work, as well as more practical information about opening an account on most popular platforms, invoicing and withdrawing money, and creating a professional CV and cover letter.[121]

Aside from the skills development required for platform work, **platform workers can also transfer the skills and experience gained from digital platforms to the regular labour market**. Previous studies have shown that a large number of online platform workers globally aim to secure stable employment.[122] Focus groups with online platform workers from Central Asia also confirm this trend, with many of them considering freelancing as a temporary solution and hoping to find a permanent, regular job when they have obtained enough experience. To showcase their competence and skills to potential future employers, freelancers can share with them their platform project portfolios, along with publicly available client feedback. A project portfolio consists of a collection of tasks completed on the platform, such as a catalogue of web page designs for workers in the Creative and multimedia sector. Focus group participants indicated that they provide links to projects completed on online labour platforms in order to secure job interviews. However, it remains unclear how effective platform experience and reputation are in securing jobs in Central Asia.

[117] https://astanahub.com/en/article/astana-hub-besplatno-obuchit-osnovam-raboty-na-frilans-birzhakh?locale=ru
[118] https://education.astanahub.com/freelanceschoolkz
[119] https://spbsot.kg/business_school/freelancing-for-beginners
[120] https://myfreelance.uz/ru/video-kursy/
[121] https://ilmhona.org/course-remote-earning
[122] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/5581

On-location platform work

On-location labour platforms have been present in Central Asia for some time, but have gained greater popularity since the outbreak of the COVID-19 pandemic. Ride-hailing and food delivery platforms are the most visible in the region. Despite the increasing prevalence of this type of work, research into on-location platform work in the region remains limited, and there is a lack of a comprehensive understanding regarding the number of workers, their profiles and working conditions. The main incentives to engage in on-location platform work are low barriers to entry, flexibility, and a lack of jobs in the traditional economy. However, there is a lot of room for improvement in the situation of on-location platform workers. Unclear employment status, a lack of labour and social protections and the risk of de-skilling are among the main challenges such workers face.

Prevalence of on-location platform work

Various on-location labour platforms operate in Central Asia, both local and multinational. Desk research and national fieldwork identified at least 30 on-location platforms active in the region (see Table 5 and Table 6 below). These platforms represent three broad types of work:

- **Ride-hailing** – drivers providing taxi services.
- **Delivery** – couriers providing food delivery as well as grocery, medicine, or postal delivery services.
- **Domestic, ancillary and care services** – both non-qualified or qualified workers providing a wide range of home or other ancillary services (e.g. plumbing, cleaning, personal training, photography, event planning, tutoring) and care services (e.g. babysitting or nursing for the elderly).

On-location platforms began to emerge in Central Asia over the last decade. Among the early entrants to the on-location platform market were the local platforms Chocofood (2013),[123] MyTaxi (2015),[124] Express24 and Namba One (2017),[125] as well as the Russian Yandex Go (2016-2018).

Table 5. Multinational on-location platforms in Central Asia

	Ride-hailing	Ride-hailing and delivery	Delivery
Platform	**InDrive**	**Yandex Go**	**Glovo**
Kazakhstan	x	x	x
Kyrgyzstan	x	x	x
Tajikistan		x	
Uzbekistan	x	x	

Source: compiled by PPMI and national experts via desk research from February to August 2023.

[123] https://kapital.kz/business/97095/kak-ramil-mukhoryapov-razvivayet-e-commerce.html
[124] https://www.gazeta.uz/ru/2018/02/12/mytaxi/
[125] https://weproject.media/articles/detail/kak-razvivat-servis-dostavki-edy-v-tashkente-opyt-express24; https://the-steppe.com/business/nambasoft-kak-kyrgyzskaya-komanda-razrabotchikov-pokoryaet-it-rynok

Table 6. Country-specific on-location platforms in Central Asia

	Ride-hailing	Delivery	Domestic, care and ancillary services
Kazakhstan	Uber KZ	Wolt Chocofood	Naimi.kz Chysta.kz Megamaster.kz Quick Work
Kyrgyzstan	BiTaxi (former Namba) 2GIS NAVI Taxi Jorgo Taxi	Namba One	Lalafo Diesel Forum Bazar.kg Doska.kg
Tajikistan	Tuda	Shef.tj Zood Food Dostavka.tj Beeyor.tj	
Uzbekistan	MyTaxi.uz	Express24 Bringo Tezkor Dostavka.uz	Mohirlar

Source: compiled by PPMI and national experts via desk research from February to August 2023.

On-location platform work is unevenly developed across the countries of Central Asia. While the platform economy has emerged in all four countries that are the focus of this study, it is most developed in Kazakhstan and is still gaining traction in Tajikistan, with Kyrgyzstan and Uzbekistan standing in-between.

Within each country, on-location platform work is predominantly concentrated in urban areas with higher population density and greater demand for such services.[126] The spread of platform work is also significantly lower in rural areas, due to poor internet access.

The ride-hailing market is largely dominated by the Russian company Yandex Go (formerly Yandex.Taxi), which operates in all four Central Asian countries studied. In Kazakhstan, its total share of the ride-hailing market is between 50 % to 80 %;[127] in Kyrgyzstan, it stands at around 70 %.[128] Yandex Go has progressively increased its presence in the region, starting with Kazakhstan in 2016, Kyrgyzstan in 2017, and Uzbekistan in 2018. In 2023, the company finally entered the market in Tajikistan, but faced immediate resistance from the government. A few days after the launch of the platform's operations in

[126] Solidarity Center (2022). *Roadmap to justice: How Kazakhstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights/

[126] Solidarity Center (2022). *Roadmap to justice: How Kazakhstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights/ https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights/; national fieldwork.

[127] Solidarity Center (2022). *Roadmap to justice: How Kazakhstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights/

[128] Solidarity Center (2022). *Roadmap to justice: How Kazakhstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights/

the country, the Ministry of Internal Affairs of Tajikistan declared the company's activities illegal, due to the absence of official registration in Tajikistan.[129]

Among other multinational companies, InDrive is active in most countries of the region. Companies that only operate in one country include Uber KZ in Kazakhstan, BiTaxi in Kyrgyzstan, Tuda in Tajikistan, and MyTaxi.uz in Uzbekistan (see the tables above). All of these platforms operate on a commission-based business model, but their organisational models differ. Some use an automatic distribution of orders and price setting (e.g. Yandex Go), while others – in particular, InDrive – operate under a principle whereby the customer sets a price, and drivers accept or reject an order (more details on this are provided in the section on Working conditions).

The number of workers on ride-hailing platforms is difficult to estimate, as no national statistics are collected and the platforms do not disclose such data. Available assessments claim that in Kazakhstan there were around 150,000 active drivers on the Yandex Go platform and several hundred workers for InDrive in 2022.[130] In Kyrgyzstan, it is estimated that there were around 10,000 platform taxi drivers in Bishkek in 2021,[131] between 5,000 and 7,000 of whom worked for Yandex, based on different estimations.[132] In Uzbekistan, MyTaxi, the main competitor to Yandex Go in the country, was estimated to have 10,000 drivers in 2022.[133] Thus, it appears that there are tens, if not hundreds of thousands of platform drivers in the region – although it is difficult to estimate their activity levels (e.g. whether they engage in such work regularly, and whether it is their primary or secondary job).

In terms of delivery platforms, Yandex Go and Glovo are the main multinational players in the region. While Yandex Go operates in all the Central Asian countries that are the focus of this study, Glovo is active only in Kazakhstan and Kyrgyzstan. In addition, there are several delivery platforms that operate at country-level in each of these Central Asian economies (see Table 5 and Table 6 above).

Information is scarce regarding the number of workers on delivery platforms in Central Asia. According to the estimates available for Kazakhstan, in 2022 the local delivery platform Chocofood had around 4,000 couriers and Glovo – around 5,000.[134] In Uzbekistan, it was reported that in 2020 the local platform Bringo had around 80 couriers, and Express24, around 400.[135]

The COVID-19 pandemic amplified the demand for (food) delivery platforms. In Kazakhstan, Yandex Go registered a rise in demand for food delivery services during the pandemic, but did not disclose the exact figures. Local platform Chocofood reported that in March 2020, its number of orders increased by between 23.5 % and 56 %, depending on the city. This led to an increased demand for workers on the part of both Chocofood and Yandex Go.[136] In Uzbekistan, demand for delivery platform services rose by 500 % according to a representative of Express24.[137] In Tajikistan, increased demand

[129] https://www.asiaplustj.info/ru/news/tajikistan/society/20230218/militsiya-v-dushanbe-zaderzhala-taksistov-yandeks-go-chto-ne-tak-s-rabotoi-servisa-v-tadzhikistane
[130] https://www.inform.kz/ru/proveryat-voditeley-taksi-v-populyarnom-prilozhenii-budut-cherez-biometriyu_a3968151; https://eurasia.expert/v-kazakhstane-planiruyut-izmenit-registratsiyu-voditeley-yandeks-taksi/?utm_source=google.com&utm_medium=organic&utm_campaign=google.com&utm_referrer=google.com
[131] https://fpk.kg/novosti/platformennaja-zanjatost-i-ee-vlijanie-na-rabotnikov-pozicija-federacii-profsojuzov-kyrgyzstana/
[131] https://fpk.kg/novosti/platformennaja-zanjatost-i-ee-vlijanie-na-rabotnikov-pozicija-federacii-profsojuzov-kyrgyzstana/
[132] https://fpk.kg/novosti/platformennaja-zanjatost-i-ee-vlijanie-na-rabotnikov-pozicija-federacii-profsojuzov-kyrgyzstana/; https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/
[133] https://5qbe.kz/ru/interview/kajrzhan-kozhaly-sejchas-samoe-vremya-vyhodit-na-it-rynok-tashkenta
[134] https://www.the-village-kz.com/village/business/businessmen/26949-glovo-pomozhet-kazahstanskomu-msb-s-vyhodom-v-onlayn; https://iac.enbek.kz/ru/node/1457
[135] https://www.spot.uz/ru/2020/03/19/delivery/
[136] https://forbes.kz/finances/markets/jizn_onlayn_kak_koronavirus_vliyaet_na_servisyi_po_dostavke_edyi_i_produktov/
[137] https://www.spot.uz/ru/2020/03/19/delivery/

during the COVID-19 pandemic provided the impetus for the creation of a new delivery platform, Dostavka.tj.[138]

Information regarding the prevalence of domestic, ancillary and care services and other tasks in Central Asia is extremely limited. National fieldwork carried out for this study demonstrates that there are not many local digital labour platforms of this type in the region, and some of the existing platforms serve as mere "announcement boards". Data available for Kazakhstan indicates that the local labour platform Naimi.kz has around 800,000 registered and around 35,000 active monthly service providers, primarily in domestic services such as cleaning, repairs, plumbing and carpentry, but also design, accounting and photography. In 2021, the platform had 134,000 active workers, the overwhelming majority (around 95 %) of whom were based in Kazakhstan's two largest cities of, Almaty and Astana.[139] Furthermore, according to interviews conducted for this study, a considerable share of on-location work such as repairs, makeup or care work is advertised and searched for via social media, particularly through Telegram. Due to the lack of platform mediation, these activities do not fall under the definition of on-location platform work on which this study focuses.

Attractiveness of on-location platform work

Several factors contribute to the attractiveness of on-location platform work to workers in Central Asian countries. Among these are **push factors such as a lack of local job opportunities and pull factors such as low barriers to entry, flexibility, and the opportunity to gain additional income. Lack of job security, social protections, skills development and career growth opportunities are the main disincentivising factors.**

To begin with, **the economic situation in the region is characterised by a lack of local job opportunities**. This makes on-location labour platforms a viable alternative.[140] Furthermore, on-site platform work can offer significantly higher income than local average wages, even for high-skilled jobs in the traditional sector, which makes it even more attractive. To illustrate this, a report published in 2022 estimated that in Kazakhstan, the most developed economy in the region, the average monthly wage for the head of an organisation was on the same level as the average income of drivers, including those working through ride-hailing apps (around USD 1,150), while other high-skilled professionals such as doctors and economists made considerably less (around USD 620 and USD 500, respectively).[141]

On-location platform work generally presents few barriers to entry, as a large share of on-location occupations do not have any specific educational or skills requirements. This applies in particular to work on ride-hailing and delivery platforms, where the required skillset is limited to basic digital literacy, driving, communication and time management skills. Having access to a vehicle and a driving licence are among the few barriers to entry for ride-hailing drivers and couriers. It is important to note that certain domestic services may require skilled technicians or medical professionals with secondary vocational or higher education and extensive experience; however, this type of platform work model is not as widespread in the region.

The flexibility offered by on-location platform work has further contributed to its popularity, as the workers can use it as a part-time/irregular income opportunity alongside their primary job or other

[138] https://tj.sputniknews.ru/20210330/biznes-dushanbe-koronavirus-1033070991.html
[139] https://www.youtube.com/watch?v=OZXWYXK5DCQ; https://kasipodaq.kz/wp-content/uploads/%D0%9E%D1%82%D1%87%D0%B5%D1%82-%D0%BF%D0%BE-%D0%BF%D0%BB%D0%B0%D1%82%D1%84%D0%BE%D1%80%D0%BC%D0%B5%D0%BD%D0%BD%D0%BE%D0%B9-%D0%B7%D0%B0%D0%BD%D1%8F%D1%82%D0%BE%D1%81%D1%82%D0%B8-%D0%BE%D0%BA%D1%82%D1%8F%D0%B1%D1%80%D1%8C-2022.pdf
[140] https://iac.enbek.kz/ru/node/1457
[141] https://iac.enbek.kz/ru/node/1457; KZT converted to USD using a conversion rate of KZT 1 = USD 0.0022.

commitments. As shown by the survey of 200 Yandex Go drivers in Kyrgyzstan in 2022, one of the main benefits of working through the platform was the opportunity to gain additional income.[142] At the same time, the flexibility of working hours can allow workers to generate higher income than in an employment arrangement with fixed working hours.

In relation to ride-hailing specifically, **personal safety was brought up by the drivers surveyed as one of the benefits** of working through ride-hailing platforms, who responded that access to information about clients in the Yandex Go app helps to ensure the personal safety of the driver in comparison to traditional taxi services.[143]

There are also **several barriers that disincentivise workers from working on on-location labour platforms**. The main factors that might contribute to an unwillingness to work on on-location platforms include the **lack of clear employment status and associated protections** (described in the section on Working conditions) and, potentially, **the lack of career advancement and skills development opportunities**. However, the scarcity of job opportunities in the traditional economy and the benefits that working on digital platforms can offer appear to outweigh the drawbacks for those who choose to work through on-location platforms. At the same time, proactive platform workers and regulators are continuously taking action to improve working conditions through protests and new legislative initiatives, covered in the forthcoming sections of this report.

Worker occupations and profiles

The most visible and widespread forms of on-location platform work in Central Asia are ride-hailing and delivery. Another, less visible category of workers consists of those who perform household tasks such as cleaning homes, assembling furniture or running errands (e.g. dog walking, picking up dry-cleaning, etc.), care services, and other tasks and activities.

The desk research and literature review conducted for this study revealed a scarcity of sources describing the typical worker profiles of on-location platform workers in Central Asia. Nevertheless, information that is present for Kazakhstan can shed some light on the age and education of platform workers in certain occupations. As a representative of Glovo in Kazakhstan shared, **the average age of their couriers is 18-25 years**.[144] Other sources indicate a higher average age, although still concentrated within younger age groups. According to a survey conducted among 110 drivers and couriers working via platforms in Astana and Almaty in 2022, the average **age of a delivery courier was 27; that of a driver, 35 years**. **On-location platform workers have diverse educational profiles**. One survey of on-location platform workers has indicated that 42 % of workers had secondary vocational education, one in three had tertiary education, and around 30 % had secondary or unfinished tertiary education.[145]

The **gender distribution** of on-location platform workers varies depending on the type of work. **Workers on ride-hailing and delivery platforms in Central Asia are predominantly male**, which follows a general trend evident in other regions, including the Western Balkans and Eastern Partnership

[142] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/
[143] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/
[144] https://kapital.kz/business/101265/karim-boguspayev-poryadka-60-kur-yerov-u-nas-rabotayut-kak-ip.html
[145] https://cabar.asia/en/in-the-shadow-of-the-platform-economy-in-kazakhstan-how-can-growing-labor-troubles-be-resolved

countries.[146] Women are more widely represented on on-location platforms for domestic and care services, but there are no reliable quantitative estimates to assess the degree of the gender divide.

Working conditions

Main problematics of working conditions on on-location platforms

Platform workers in Central Asia usually do not have employment contracts, and operate under civil law, either as self-employed, independent contractors, or individual entrepreneurs with contracts for the provision of services.[147] Under such arrangements, workers are responsible for their taxes and contributions and are often paid in cash, which leads to their unwillingness to interact with government agencies.[148] **Common problems linked with such a status for platform workers** are a lack of social protection – including health insurance, accident insurance, and pension contributions – as well as a lack of security of employment. More about specific country regulations of employment status of platform workers can be found in section **Labour and employment regulations**.

Ride-hailing platforms in Central Asia operate through local partner organisations, often taxi fleets, who manage contractual agreements, payments, and, to some extent, the quality of drivers'. This shifts the responsibility for these aspects away from the platforms, who in turn claim to act solely as intermediaries and providers of information services. Drivers in Central Asia usually sign civil law contracts with these partner companies, which then manage their payments, request health certificates and conduct alcohol and drug testing of drivers.[149] In Kyrgyzstan, around 140 such partner companies operate.[150] Such an arrangement in itself presents challenges for some workers in the event that they face an issue which they would like to address to the platform. As one of the Yandex Go drivers interviewed in Kyrgyzstan noted, the absence of direct channels of communication with the platform is a major drawback, as Yandex has no official representative office in the country.[151] No comparable information is available for Kazakhstan, Uzbekistan and Tajikistan.

Some categories of workers are affected to a larger extent by the lack of certain social protections. For instance, because the work of drivers and couriers relates to the risk of road accidents, free accident insurance is crucial for maintaining social security for workers in these occupations. In a survey of 110 platform workers on ride-hailing and delivery platforms in two major cities in Kazakhstan, only 23 % of workers said they felt completely socially protected, while 40 % found it difficult to answer.[152] Yandex Go drivers in Kyrgyzstan interviewed during the Solidarity Center study in 2022[153]

[146] https://iac.enbek.kz/ru/node/1457 ; https://www.etf.europa.eu/en/publications-and-resources/publications/future-work-new-forms-employment-eastern-partnership ; https://www.etf.europa.eu/sites/default/files/2022-07/Embracing%20the%20digital%20age.pdf

[147] https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights/; https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/; https://iac.enbek.kz/ru/node/1457; national fieldwork for Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

[148] https://iac.enbek.kz/ru/node/1457

[149] https://iac.enbek.kz/ru/node/1457

[150] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/

[151] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/

[152] https://cabar.asia/en/in-the-shadow-of-the-platform-economy-in-kazakhstan-how-can-growing-labor-troubles-be-resolved

[153] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/

cited challenges such as the lack of social security contributions, the lack of insurance, and no official employment contract.

Solutions to improve working conditions suggested by the Yandex Go drivers interviewed in Kyrgyzstan included signing employment contracts, providing car and driver insurance, reducing the number of deductions from drivers made by the platform, and involving both drivers and companies in the formal approval of regulations guiding drivers' work. Other suggestions included introducing pension contributions and a fixed minimum wage.[154] Most of these issues remain unresolved, but some of the suggestions have been already implemented.

In August 2021, **Yandex Go introduced free accident insurance for couriers working through the platform in Kazakhstan.**[155] In 2023, free accident insurance was introduced for drivers (and passengers) using the Yandex Go app in Kyrgyzstan,[156] while in Kazakhstan, such insurance has been available since 2018.[157]

The Spanish delivery platform Glovo provides accident insurance to its couriers as well. Moreover, after a new law on delivery platform workers was adopted in Spain in 2022, **Glovo launched a global initiative, "The Pledge", which commits the company to providing social benefits to platform workers, including maternity/paternity benefits, as well as sickness benefits** and payments to couriers' relatives. At the time of writing, this programme was fully functional in Kazakhstan and Kyrgyzstan.[158] More precise information on the social benefits for couriers is available for Kazakhstan. The sickness benefit amounts to USD 11 per day, up to a maximum duration of 30 days. This compensation is only offered to couriers who have delivered at least 30 orders within the preceding eight weeks. The parental benefits come as a one-time payment of around USD 300. This benefit can be received by couriers who have worked at least 30 hours a month over the last six months. Lastly, in the event of a serious accident involving a courier, his or her family are entitled to an emergency one-off payment, as long as the courier has worked at least 10 hours a month over the last six months.[159]

When it comes to gender equality, the situation is mixed. Evidence from ride-hailing platforms indicates that while remuneration is equal for men and women, lack of protection against **harassment** stands in the way of increasing the participation of women in ride-hailing activities, as indicated by interviewees in the study by the Solidarity Center.[160]

The **absence of fixed working hours** incentivises platform workers to work as much as possible.[161] A study conducted in Kyrgyzstan shows that 47 % of taxi drivers working through Yandex Go in Kyrgyzstan work more than 8 hours a day.[162] In some cases, working times can reach 70-100 hours a week, as shared by some of the couriers and drivers surveyed who worked through digital labour platforms in

[154] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/

[155] https://emgek.kg/tpost/28md6u7ff1-teper-u-kurerov-servisa-yandekseda-v-kaz

[156] https://24.kg/biznes_info/263080_yandeksGo_zapustil_vkyirgyizstane_strahovanie_vovremya_poezdok/

[157] https://tengrinews.kz/conference/myi-hotim-polzovateli-voditeli-chuvstvovali-zaschischennyimi-273/

[158] https://www.thecourierspledge.com/; https://kasipodaq.kz/wp-content/uploads/%D0%9E%D1%82%D1%87%D0%B5%D1%82-%D0%BF%D0%BE-%D0%BF%D0%BB%D0%B0%D1%82%D1%84%D0%BE%D1%80%D0%BC%D0%B5%D0%BD%D0%BD%D0%BE%D0%B9-%D0%B7%D0%B0%D0%BD%D1%8F%D1%82%D0%BE%D1%81%D1%82%D0%B8-%D0%BE%D0%BA%D1%82%D1%8F%D0%B1%D1%80%D1%8C-2022.pdf

[159] https://informburo.kz/novosti/oplacivaemyi-bolnicnyi-i-140-tysyac-tenge-pri-rozdenii-detei-predostavyat-kazaxstanskim-kureram-glovo

[160] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/

[161] https://iac.enbek.kz/ru/node/1457

[162] https://emgek.kg/tpost/0o515v3o61-47-voditelei-v-srednem-rabotayut-bolee-8

Kazakhstan.[163] At the same time, some platforms set upper limits on working hours. As an illustration, Yandex Go set a maximum limit of 14 hours a day for drivers who work through the platform, to avoid road accidents.[164]

Income of on-location platform workers

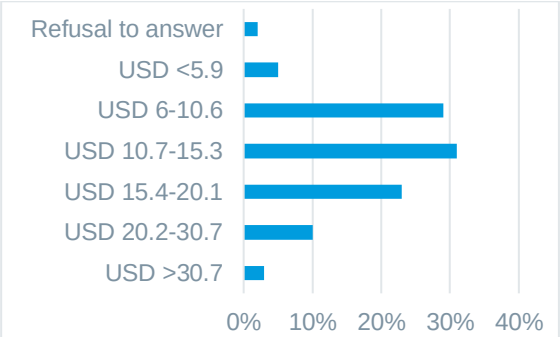
On-location platform workers do not have a guaranteed minimum wage, and their income depends on their working hours. At the same time, work on on-location platforms, even in low-skilled occupations, can **sometimes provide higher income than some traditional high-skills jobs**, as mentioned previously.[165]

The two most popular **ride-hailing** platforms in Central Asia, Yandex Go and InDrive, have **different organisational models, which affect how drivers' pay is determined**. While on Yandex Go the platform itself sets the price for each ride using an algorithm, on InDrive the price is set by customers and is then accepted or rejected by drivers.[166] For each completed ride, drivers on ride-hailing apps usually pay a commission fee to the platform, as well as to the local partner-company through which they are registered. In the case of Yandex Go, the platform's commission fee is 12 % in Kyrgyzstan and 17 % in Kazakhstan, while the local partner companies' fees are 3 % and 4 %, respectively.[167] Yandex Go has increased its commission rate over time; when the company first entered the market in Kyrgyzstan, its rate stood at 2 %.[168] For InDrive, the second most popular ride-hailing platform in the region, the commission fee is 9.5 %.[169]

Incomes for ride-haling vary greatly between countries and drivers. Based on the results of a survey of Yandex Go drivers conducted by the Solidarity Center in Kyrgyzstan in 2022, the overwhelming majority of respondents earned up to USD 20.1 per shift, while 13 % earned more than USD 20.2 (see Figure 25). A similar survey showed that in Kazakhstan, drivers tended to earn more: 68 % of respondents make more than USD 20.1 per shift (see Figure 26).

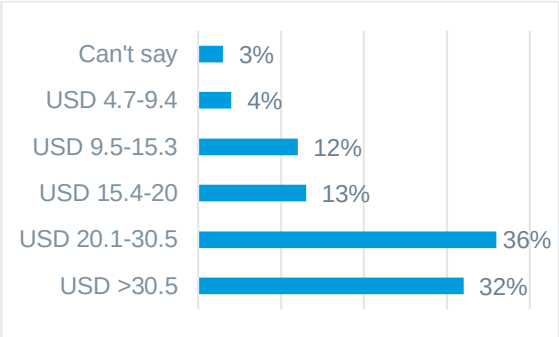
[163] https://cabar.asia/en/in-the-shadow-of-the-platform-economy-in-kazakhstan-how-can-growing-labor-troubles-be-resolved
[164] https://emgek.kg/tpost/0o515v3o61-47-voditelei-v-srednem-rabotayut-bolee-8
[165] https://iac.enbek.kz/ru/node/1457
[166] https://kasipodaq.kz/wp-content/uploads/%D0%9E%D1%82%D1%87%D0%B5%D1%82-%D0%BF%D0%BE-%D0%BF%D0%BB%D0%B0%D1%82%D1%84%D0%BE%D1%80%D0%BC%D0%B5%D0%BD%D0%BD%D0%BE%D0%B9-%D0%B7%D0%B0%D0%BD%D1%8F%D1%82%D0%BE%D1%81%D1%82%D0%B8-%D0%BE%D0%BA%D1%82%D1%8F%D0%B1%D1%80%D1%8C-2022.pdf
[167] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://iac.enbek.kz/ru/node/1457; https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/
[168] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/
[169] https://iac.enbek.kz/ru/node/1457

Figure 25. Average daily income earned by Yandex Go drivers in Kyrgyzstan



Source: based on figures from the Solidarity Center (2022). Roadmap to Justice: How Kyrgyzstan's Platform Economy Workers Can Stand for Their Rights. Available here.

Figure 26. Average daily income earned by Yandex Go drivers in Kazakhstan



Source: based on figures from the Solidarity Center (2022). Roadmap to Justice: How Kazakhstan's Platform Economy Workers Can Stand for Their Rights. Available here.

Compared with the average wage in Kyrgyzstan, the earnings of the majority of the drivers surveyed (around 66 %) are either comparable to or above the average daily rate in the country, which amounts to USD 10.8.[170] In Kazakhstan, while drivers generally earn more than in Kyrgyzstan, the earnings of the majority of them are not above the country's average daily rate of USD 33.75, with only 32 % of the drivers surveyed reporting a daily income higher than USD 30.5. However, these figures should be compared with caution, as it is not possible to accurately estimate the number of working hours and days for on-location platform workers. For some, it is only an additional source of income, while others work on platforms full-time. According to available estimates, almost half of Yandex Go drivers in Kyrgyzstan work more than eight hours a day.[171] In Kazakhstan, in a survey of 100 drivers and couriers in two major cities, only 28 % of respondents said that platform work accounted for more than half of their total income.[172]

The pay of delivery platform workers is defined by several elements, such as the basic rate, deliveries during peak times, distance and waiting fees.[173] **It may also be based on the mode of work chosen by the courier**. Some platforms allow workers to choose from two options in setting a working schedule for each week: either planned slots with fixed working times and a fixed daily pay rate; or free slots, where a carrier can log in and start working at any time during the week, and the pay is determined by the fee for each order.[174] **Pay also depends on bonuses and penalties.** Some platforms give bonuses for carriers who reach a set goal for the number of orders delivered in a day or a week. For example, Glovo couriers in Kyrgyzstan can make up to USD 11 a day from such bonuses.[175] Couriers on delivery apps also face penalties,[176] such as deductions from their pay for being late.

The level of income on delivery platforms is comparable to that on ride-hailing apps. In Kazakhstan, Glovo couriers earn around USD 550-750 a month.[177] On the local platform Chocofood, average earnings amount to USD 670-900 a month for 10-hour daily shifts, or around USD 33-35 a

[170] Calculated from the monthly average wage, assuming 20 working days in a month.
[171] https://emgek.kg/tpost/0o515v3o61-47-voditelei-v-srednem-rabotayut-bolee-8
[172] https://cabar.asia/ru/v-teni-platformennoj-ekonomiki-v-kazahstane-kak-razreshit-rastushhie-trudovye-konflikty
[173] https://copenhageneconomics.com/wp-content/uploads/2021/12/copenhagen-economics-study-of-the-value-of-flexible-work-for-local-delivery-couriers.pdf; https://informburo.kz/novosti/glovo-ne-vypolnit-trebovanie-kurerov-ob-uvelichenii-oplaty
[174] https://www.the-village-kz.com/village/business/schet/17521-na-chto-zhivet-kurier
[175] https://kaktus.media/doc/454835_skolko_polychaet_kyrer.html; with an exchange rate of KGS 1 = USD 0.011.
[176] https://www.the-village-kz.com/village/business/schet/17521-na-chto-zhivet-kurier
[177] https://kapital.kz/business/101265/karim-boguspayev-poryadka-60-kur-yerov-u-nas-rabotayut-kak-ip.html; with an exchange rate of KZT 1 = USD 0.0022.

day.[178] This corresponds to the average daily wage in the country of USD 33.75. At the same time, when calculating couriers' total earnings, account should be taken of the expenses of around USD 225 a month that couriers pay in relation to renting bicycles/scooters/cars, fuel and vehicle repairs.[179] Glovo couriers in Kyrgyzstan make as much as USD 40 daily during winter,[180] or up to USD 800 per month (assuming 20 working days). This is well above the national average daily wage of USD 10.8.[181] However, as this estimate was provided for winter shifts, which are usually better paid due to weather conditions, income during other seasons can be assumed to be lower. According to 2019 estimates, Bringo couriers in Tajikistan, made around USD 20-40 daily, or USD 400-800 a month (assuming 20 working days).[182] No comparable information was accessible for Uzbekistan.

Information about the incomes of workers on platforms for domestic and care services is limited. Due to the variety of occupations and skills levels represented on such platforms, such incomes can vary greatly. Available assessments of the earnings of workers on the popular platform Naimi.kz in Kazakhstan estimate that the average monthly income of workers who use the platform for part-time work is around USD 225-450 (KZT 100,000-200,000); for mid-level specialists, around USD 670-1,120 (KZT 300,000-500,000); and for high-level specialists who use the platform as their primary source of income, around USD 1,120-1,570 (KZT 500,000-700,000).[183]

Protests and changes in working conditions

Unsatisfactory working conditions have sparked protests among on-location platform workers across Central Asia. In 2021, there were multiple protests by on-site platform workers in Kazakhstan. Wolt couriers organised several strikes in Almaty, which were among the largest non-unionised strike actions in the past decade. The main demands of the strikers were wage increases, the coverage of medical and accident insurance, and improvement of app functions.[184] Although most of the participants in the strikes were excluded from the platform after the strike,[185] the company was forced to make partial concessions due to pressure from authorities and the risk of reputational losses.[186] In the same year, several hundred Yandex Go workers in Almaty and Shymkent also participated in protest actions, and Chocofood couriers organised a protest in Almaty.[187]

On-location platform workers in the region have made several attempts to unionise. In the aftermath of protests, in May 2021 the workers of four platforms in Kazakhstan (Wolt, Glovo, Yandex Go and Chocofood) announced the establishment of the Association on Couriers of Kazakhstan, an organisation that would function essentially as a labour union.[188] In October 2022, the workers held a

[178] https://baigenews.kz/zarplata_kurera_-_million-_dostavshchiki_otvetili_na_post_elikbaeva_112874/; assuming 20 working days in a month.
[179] https://baigenews.kz/zarplata_kurera_-_million-_dostavshchiki_otvetili_na_post_elikbaeva_112874/; with an exchange rate of KZT 1 = USD 0.0022.
[180] https://kaktus.media/doc/454835_skolko_polychaet_kyrer.html; with an exchange rate of KGS 1 = USD 0.011.
[181] Calculated from the monthly average wage, assuming 20 working days in a month.
[182] https://www.spot.uz/ru/2019/10/15/bringo/
[183] https://kasipodaq.kz/wp-content/uploads/%D0%9E%D1%82%D1%87%D0%B5%D1%82-%D0%BF%D0%BE-%D0%BF%D0%BB%D0%B0%D1%82%D1%84%D0%BE%D1%80%D0%BC%D0%B5%D0%BD%D0%BD%D0%BE%D0%B9-%D0%B7%D0%B0%D0%BD%D1%8F%D1%82%D0%BE%D1%81%D1%82%D0%B8-%D0%BE%D0%BA%D1%82%D1%8F%D0%B1%D1%80%D1%8C-2022.pdf; with an exchange rate of KZT 1 = USD 0.0022.
[184] Solidarity Center (2022). *Roadmap to justice: How Kazakhstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights/; https://iac.enbek.kz/ru/node/1457
[185] https://www.opendemocracy.net/en/odr/kazakhstani-couriers-are-pushing-back-against-gig-economy/
[186] https://cabar.asia/en/in-the-shadow-of-the-platform-economy-in-kazakhstan-how-can-growing-labor-troubles-be-resolved; https://iac.enbek.kz/ru/node/1457
[187] https://cabar.asia/en/in-the-shadow-of-the-platform-economy-in-kazakhstan-how-can-growing-labor-troubles-be-resolved
[188] https://kasipodaq.kz/wp-content/uploads/%D0%9E%D0%A2%D0%A7%D0%95%D0%A2-%D0%BF%D0%BE-%D0%BF%D1%80%D0%BE%D0%B5%D0%BA%D1%82%D1%83-%D0%A4%D0%9F%D0%A0%D0%9A-%D0%B8-%D0%9C%D0%9E%D0%A2-

preliminary meeting to discuss the establishment of the union. Due to bureaucratic hurdles, the creation of the labour union has since been stalled.[189] Although there are growing requests among platform workers in Kazakhstan to form labour unions,[190] this is currently not legally possible, as unionisation is reserved only for those in an employment relationship.[191]

In contrast to Kazakhstan, the self-employed in Kyrgyzstan, including platform workers, can join trade unions.[192] In 2021, a trade union of taxi drivers, "Kabylan", was founded in Bishkek following multiple rallies and actions by Yandex Go workers. The union pushed for regulation of the company's activities in the country, as well as an increase in wages and labour rights, but also protested against the blocking from the app of around a thousand drivers whose cars did not meet company requirements.[193] The union had limited success in increasing membership and organising protests. In March 2021, it organised a protest for better working conditions, but its demands were not met and most of the participants were blocked from further use of the Yandex app.[194] Still, it appears that unionisation has helped workers to voice their concerns and gain publicity in the media. The union has also created a mutual aid fund to support members in need.[195]

Skills development

Opportunities for skills development and career advancement in on-location platform work are somewhat limited, due to the nature of the majority of the occupations concerned. Most often, the level of skills required to perform on-location platform work is low, specifically for couriers and drivers.

Although the data for Central Asia are limited, it can be expected that on-location platform workers have varying levels of education and are often overqualified for the job they do via the platform. As demonstrated by a survey of ride-hailing and delivery platform workers in Kazakhstan, an overwhelming majority (around 75 %) of the workers surveyed had either secondary vocational or tertiary education.[196] This points to a significant gap between the skills required to perform the job and the skills actually possessed by on-location platform workers. When such work is performed by overqualified workers, it can lead to de-skilling in the long run.

Nevertheless, a few small-scale initiatives for skills development have been launched by multinational platforms in the region. Notably, most initiatives concentrate on higher-level and transversal skills, rather than on skills that are directly applicable to workers' respective occupations. **Platforms have begun**

%D0%9E%D0%BF%D1%80%D0%B5%D0%B4%D0%B5%D0%BB%D0%B5%D0%BD%D0%B8%D0%B5-%D1%81%D1%82%D1%80%D0%B0%D1%82%D0%B5%D0%B3%D0%B8%D0%B8-%D0%B4%D0%B5%D0%B9%D1%81%D1%82%D0%B2%D0%B8%D0%B9-%D0%BF%D1%80%D0%BE%D1%84%D1%81%D0%BE%D1%8E%D0%B7%D0%BE%D0%B2-%D0%9A%D0%B0%D0%B7%D0%B0%D1%85%D1%81%D1%82%D0%B0%D0%BD%D0%B0-%D0%B2-%D0%BE%D1%82%D0%BD%D0%BE%D1%88%D0%B5%D0%BD%D0%B8%D0%B8-%D0%BD%D0%B5%D1%81%D1%82%D0%B0%D0%BD%D0%B4%D0%B0%D1%80%D1%82%D0%BD%D1%8B%D1%85-%D1%84%D0%BE%D1%80%D0%BC-%D0%B7%D0%B0%D0%BD%D1%8F%D1%82%D0%BE%D1%81%D1%82%D0%B8.pdf

[189] https://bureau.kz/novosti/profsoyuz-kurerov-sozdayotsya/ https://bureau.kz/novosti/profsoyuz-kurerov-sozdayotsya/

[190] https://www.opendemocracy.net/en/odr/kazakhstani-couriers-are-pushing-back-against-gig-economy/

[191] Solidarity Center (2022). *Roadmap to justice: How Kazakhstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights/; https://iac.enbek.kz/ru/node/1457

[192] https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights

[193] https://fpk.kg/novosti/platformennaja-zanjatost-i-ee-vlijanie-na-rabotnikov-pozicija-federacii-profsojuzov-kyrgyzstana/

[194] Solidarity Center (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/

[195] https://fpk.kg/novosti/platformennaja-zanjatost-i-ee-vlijanie-na-rabotnikov-pozicija-federacii-profsojuzov-kyrgyzstana/

[196] https://cabar.asia/en/in-the-shadow-of-the-platform-economy-in-kazakhstan-how-can-growing-labor-troubles-be-resolved

investing in training opportunities that will allow platform workers to develop skills in other areas and evolve professionally after they cease working on the platform.

- **Glovo regularly organises training sessions on road safety for its couriers**, developed in cooperation with local police departments In Kazakhstan and Kyrgyzstan.[197] For example, in 2022, Urban Forum Kazakhstan, the Red Crescent of Kazakhstan and Glovo conducted training on road safety and first aid for Glovo couriers in Shymkent, Astana and Almaty. This training consisted of three parts: a theoretical part on interaction with vehicles and traffic rules, first aid, and a practical part on vehicle technical inspection and compliance with traffic rules.[198]
- **Glovo's representative in Kazakhstan stated that the company's view is that working as a courier is temporary, and after two to three years of work on the platform, couriers are expected to develop professionally outside the platform**.[199] As the founder of Glovo shared, the platform offers its couriers access to dozens of educational platforms, where they can learn foreign languages and programming and gain business skills.[200] In 2022, Glovo launched an educational programme called "Start" for its couriers in Kazakhstan, together with Impact Hub Almaty. This programme focuses on entrepreneurship skills and aims to help couriers to launch their own businesses. At the start of the programme, 87 applications were received, 16 participants were selected and 15 successfully completed the training.[201]
- In 2023, **Yandex Go offered the opportunity to take a free course in digital professions for drivers who work though the Yandex Go platform** in Kazakhstan. The three courses offered in 2023 were 'Python programming basics'; 'Basic SQL for analytics and working with data'; and 'Creating websites on the Tilda platform'. To enrol in a course, a driver had to fill in a form and take a test. In total, 130 vacancies were available.
- **Local delivery platform Express24 in Uzbekistan organises free-of-charge training in programming and the English language**. By March 2023, 32 couriers had benefitted from training at centres such as CoddyCamp IT Center and Cambridge. The platform plans to conduct training for 70 employees each month, and to expand the number of partner centres and extend the programme to other regions.[202]

197 https://kaktus.media/doc/469605_sasha_misho:_v_kyrgyzstane_za_posledniy_god_servis_dostavki_glovo_vyros_v_tri_raza.html

198 https://www.instagram.com/p/Cl6Q7klNmoG/

199 https://kapital.kz/business/101265/karim-boguspayev-poryadka-60-kur-yerov-u-nas-rabotayut-kak-ip.html

200 https://kaktus.media/doc/469605_sasha_misho:_v_kyrgyzstane_za_posledniy_god_servis_dostavki_glovo_vyros_v_tri_raza.html

201 https://forbes.kz/ranking/object/1069

202 https://podrobno.uz/cat/obchestvo/v-uzbekistane-zapushchen-sotsialnyy-proekt-po-besplatnomu-obucheniyu-kurerov-angliyskomu-yazyku-i-pr/

Current regulation, policies and strategic approaches

Labour and employment regulations

Several regulations exist in Central Asia that directly address work on digital platforms. Countries in the region have demonstrated advanced initiatives aimed at systematising and regulating platform work. Aside from Kazakhstan, where multiple laws have been adopted (see Box 3 overleaf), some regulations relevant to platform work have been adopted in Uzbekistan, whereby online freelancing has been defined as part of self-employment and is subject to a specialised tax regime. Many common platform work occupations, both online and on-location, are on the list of self-employment occupations in Uzbekistan, which provides favourable conditions for legalising activities of such workers without putting an income tax and undue bureaucratic burden on them. In Tajikistan and Kyrgyzstan, there is a discussion around the regulation of platform work; however, as yet no details are available.

Platform workers in Central Asia usually do not have employment contracts. An exception to this are certain types of on-location platforms in Kazakhstan where, following recent developments, an employment relationship can be legalised in accordance with the Labour Code (more details on this below).

Platform workers have several other ways of formalising their working status. Working as an independent contractor is the most common arrangement for platform workers in Central Asia (see Table 7 below). Usually, this presupposes the signing of civil law contracts with clients, and service contracts more specifically.

Depending on the country, more specific statuses are available to platform workers who work as independent contractors and not as employees. Common options include registering as **self-employed** with a specialised tax regime (in Uzbekistan), working with **a patent for individual labour activity** (Kyrgyzstan), or as **individual entrepreneurs** (in Kazakhstan). Under such arrangements, workers are usually responsible for their own taxes and contributions, but do not enjoy the rights of workers with employment contracts such as paid holidays, sick days, parental benefits and the like. A portion of platform workers in the region work informally, particularly on online platforms, but no reliable information on the size of this informal segment is available.

Table 7. Labour market statuses of platform workers in Central Asia

	Kazakhstan	Kyrgyzstan	Tajikistan	Uzbekistan
Employees (with a standard employment contract)	On-location platform workers on some platforms	Rarely used	Rarely used	Rarely used
Independent contractors working as patent holders / individual entrepreneurs /self-employed (with or without service contracts)	Some on-location and online platform workers	Some on-location and online platform workers	Some on-locatio online platform workers	Some on-location and online platform workers

Source: PPMI, based on national fieldwork and desk research.

In Kazakhstan, individuals who receive income and are not in official employment are obliged to sign civil contracts with their clients. Then, if a client is a tax agent (i.e. a company or individual

entrepreneur), then the client must pay individual income tax[203] and mandatory pension contributions on behalf of the worker. If not, the obligation to pay tax and pension contributions rests with a worker.[204] **Some choose to register as individual entrepreneurs,** due to simplified tax regime. According to a representative of Glovo, around 60 % of couriers work as individual entrepreneurs, and 40 % have civil contracts.[205] Without employment contracts, on-location platform workers have significantly fewer rights since their activities are not subject to labour legislation.[206] **In 2021, however, the Supreme Court of the Republic of Kazakhstan recognised an employment relationship between the Glovo delivery company and one of its couriers for the first time.** This was an important step towards platform work regulation, as this ruling represented a precedent that must be followed by all other courts in the country in similar cases.[207] This change was later reflected in the new amendments that regulate on-location platform work, however the conclusion of employment contracts remained optional (see the box below).

Box 3. Recent developments in the regulation of platform work in Kazakhstan

Until recently, no regulations specifically addressing platform existed in the Central Asia region. Currently, however, several notable developments towards the regulation of platform work are taking place in Kazakhstan, mostly targeting on-location platforms.

In April 2023, the Ministry of Labour and Social Protection of the Republic of Kazakhstan adopted new regulations concerning work through online platforms. First, **the updated Social Code includes an article that defines concepts such as "platform", "platform work", "mobile application", "platform operator" and "platform contractor**". The Social Code also stipulates that if a legal entity engages contractors to provide services and perform work using internet platforms or mobile applications for platform employment, and concludes an employment contract with a worker, **labour relations with that worker should be formalised** in accordance with the Labour Code. However, it is not mandatory to conclude employment contracts with platform workers, and workers have a choice to operate as individual entrepreneurs with a civil law contract.[208]

To regulate those employment contracts concluded with platform workers, the Labour Code now includes a section governing work facilitated via mobile apps. **A crucial distinction is made between online platforms for tasks such as ride-hailing and delivery, and crowdworking platforms** (e.g. Naimi.kz, Megamaster.kz, Upwork). The former exert greater control over pay and conditions, often using algorithms for task distribution. Under such arrangements, an employment contract can be signed between a platform and a worker; however, a worker can continue operating as a self-employed if they (or the platform company) wish. For crowdworking platforms, control lies more with workers, who independently bear work-related responsibilities. Such platforms encompass both on-location platforms (e.g. domestic and ancillary services platforms such as Naimi.kz) and online platforms (such as Upwork). According to the new provisions, the worker-platform relationship on crowdworking platforms should not be classified as employment, and should be regulated under the civil law.[209]

In relation to taxation, from 2025, taxi drivers, couriers, tutors, freelancers and others who provide their services through online platforms and mobile apps will have to pay 4 % of their income in the form of a unified payment. This includes individual **income tax, mandatory pension contributions, health insurance, and social contributions.** These payments will be collected by the platforms.[210] Meanwhile, **the government has launched a pilot project to test a new tax regime** for on-location platform workers. **In the context of the pilot initiative, the responsibility for handling individual income tax, social dues, compulsory pension contributions and health insurance payments relating to the earnings of workers on ride-hailing apps is placed on the platform.** Yandex Go is one of the platforms with

[203] As per Articles 321 and 338 of the Tax Code of the Republic of Kazakhstan.
[204] https://forbes.kz/process/expertise/kakov_poryadok_nalogooblojeniya_frilanserov_v_kazahstane/; https://dogovor24.kz/questions/kakie-nalogi-obyazan-oplachivat-zakazchik-a-kakie-ispolnitelpo-dogovoru-gph-12705.html
[205] https://cabar.asia/en/in-the-shadow-of-the-platform-economy-in-kazakhstan-how-can-growing-labor-troubles-be-resolved
[206] https://iac.enbek.kz/ru/node/1457
[207] https://dspace.spbu.ru/bitstream/11701/39122/1/195-201.pdf
[208] https://www.cambridge.org/core/journals/international-labor-and-working-class-history/article/digital-platform-employment-in-kazakhstan-can-new-technologies-solve-old-problems-in-the-labor-market/E822F89BD59BACCFC8282C9C86C0AED4#en65
[209] https://www.zakon.kz/6391548-platformennaya-zanyatost-poyavilas-v-kazakhstane-chto-eto-znachit.html; https://iac.enbek.kz/ru/node/1457; Khasenov, M. (2023), 'Employment relationship and platform work: Global trends and case of Kazakhstan,' *Labor Law Yearbook*. Available at: https://dspace.spbu.ru/bitstream/11701/39122/1/195-201.pdf; https://iac.enbek.kz/ru/node/1457
[210] https://kz.kursiv.media/2023-10-27/lgtn-taxesforselfemployed/

which the Ministry of Labour and Social Protection and State Revenue Committee have signed a corresponding agreement. Drivers working through Yandex Go will be able to opt into the pilot initiative on a voluntary basis.[211]

To regulate **ride-hailing drivers**, draft amendments to decrees governing taxi carriers were introduced in 2023. **The proposed change defines "taxi carrier", explicitly mentioning platform-based work.** A taxi carrier is described as an individual, a legal entity, or an individual entrepreneur providing passenger and luggage transport via internet platforms and mobile apps. The draft mandates that taxi carriers notify local authorities before commencing operations, and must enter information into a register. This status involves driver medical exams and vehicle inspections, which are currently limited to official taxi fleets.[212]

It is foreseen that from 2025, drivers in Kazakhstan will be able to have a direct relationship with online ride-hailing platforms. As of now, it is only possible to work with them by registering as an individual entrepreneur or through a taxi fleet.[213]

In Kyrgyzstan, platform workers (especially those using on-location platforms) tend to work through patents, which are a form of registration for individual labour activity or entrepreneurship. Two types of patents exist: a patent for individual labour activity and a patent for individual entrepreneurship. **Working with a patent for individual labour activity is more widespread. However, there is a high degree of informality in the platform economy.** Available assessments indicate that among drivers on the Yandex Go platform, which dominates the market, fewer than half of all workers operate officially with a patent (42 %).[214] Recently, delivery platforms started requiring workers to register a patent before they can begin working. Glovo, for instance, has since 2023 obliged carriers to have a patent registration. Starting from April 2023, this must be renewed monthly, otherwise couriers do not receive their earnings from the platform for those days when they did not have a valid patent.[215] This patent has several drawbacks compared with other forms of work, such as self-employment. Patent holders have to pay for the renewal of the patent each month, which may make it unaffordable in cases where a worker has had low or no earnings in the preceding month.[216]

In Tajikistan, working as an independent contractor with service contracts is most common among on-location platform workers, especially for ride-hailing apps drivers, while among delivery couriers and online platform workers, informal labour relations prevail.[217] In 2022, two new chapters were introduced into the Labour Code[218] of the Republic of Tajikistan, regulating the labour relations of "domestic workers"[219] and "home workers".[220] However, these only apply to those with employment contracts, and are therefore inapplicable to a large share of platform workers. The category of domestic worker includes offline platform workers (on-location workers) in the case of the formation of an employment relationship through a digital platform. Similarly, home workers can include online platform

[211] https://kapital.kz/economic/115656/pilot-po-platformennoy-zanyatosti-s-yandeks-taksi-zapustyat-s-1-iyulya.html
[212] https://legalacts.egov.kz/npa/view?id=14585064 ; https://kazpravda.kz/n/v-svyazi-s-aktivnym-razvitiem-platformennoy-zanyatosti-v-kazahstane-namereny-zakonodatelno-uregulirovat-dannuyu-sferu-osobenno-uslugi-taksi-i-kurerskoy-dostavki/
[213] https://kz.kursiv.media/2023-06-15/print990-mrkv-taxi/

[214] https://www.akchabar.kg/ru/news/legalizaciya-taksi-ezhegodno-budet-popolnyat-byudzhet-stolicy-na-100-mln-somov/
[215] https://delivery.glovoapp.com/kg/faq-types-of-cooperation/
[216] https://economist.kg/biznes/2022/07/27/samozanyatost-v-sfere-taksi-chto-specialnyj-nalogovyj-rezhim-mog-by-dat-kyrgyzstanu/
[217] Based on national fieldwork.
[218] Labour Code of the Republic of Tajikistan, 23 July 2016, No. 1329, http://ncz.tj/content
[219] In accordance with these new norms of the Labour Code, "domestic workers are recognised as employees performing work (services) in the household for employers who are natural persons."
[220] Home workers are "persons who have concluded an employment contract with the employer on the performance of work at home or another place adapted for the performance of work, by personal labour using their own materials, equipment, tools and devices or provided by the employer or purchased at the expense of the employer", according to the new norms of the Labour Code.

workers in cases where labour relations are formed through digital platforms. However, the formation of such employment contracts is rare among platform workers.

Tajikistan's Ministry of Labour, Migration and Employment is developing a new version of the Law "On Employment" of the Republic of Tajikistan, which will provide for the formation of mechanisms for regulating digital platform employment;[221] however, no details on the upcoming changes were available at the time of writing.

In the Central Asia region, self-employment exists as a separate legal category only in Uzbekistan, having been introduced in 2019. Under this status, workers can access a simplified tax regime, pay pension contributions and receive payments in foreign currency, which makes it an attractive alternative to other types of status. Notably, the self-employed do not have to pay income tax, and are only obliged to pay minimal social contributions amounting to around just USD 27 (KGS 330,000) per year.[222] The law sets out a list of activities that can be performed under self-employment status. Currently, this list comprises **82 occupations, among which are those popular on digital labour platforms**, such as software development, translation, marketing, tutoring, childcare, repair work, the installation of household appliances, car washing, courier services, and others.[223] Most recently, **ride-hailing drivers have been added to the list**.[224] In 2020, **online freelancing was for the first time specifically defined** as the provision of services by the self-employed via the Internet.[225]

While the status of self-employment in Uzbekistan was not specifically developed for platform work, it has the potential to effect positive change towards bringing platform work out of shadow economy. Within a span of two years, this policy has successfully brought into the open and effectively regulated the activities of more than 1.5 million individuals.[226]

Digitalisation and digital skills development policies

Policies and strategies to boost digitalisation have been identified in all of the Central Asian countries that are the focus of this study. The development of digital skills, electronic public services and ICT infrastructure are the main areas in which governments' efforts have been concentrated. These developments have the potential to enable the further growth of the platform economy through the provision of adequate digital infrastructure, a skilled workforce, accessible public services and the digitalisation of businesses playing a crucial role in this process.

Digital infrastructure

The development of digital infrastructure is a prerequisite for the digitalisation of society and the economy, including both online and on-location platform work. Yet Central Asian countries face challenges in the development of digital infrastructure due to gaps in the regulatory environment, limited private investment, and a lack of connectivity with global internet traffic.[227] The main problems are the high cost and low speed of broadband, as well as unequal access to such connectivity (see the section

[221] Interview with the Head of the Department of Labour Market and Employment of the Ministry of Labour, Migration and Employment of the Republic of Tajikistan, 23 June 2023, Dushanbe.
[222] https://www.gazeta.uz/ru/2021/08/05/self-employed/ ; https://lex.uz/ru/docs/4674893 ; https://kun.uz/ru/news/2023/02/01/tsifry-kotoryye-neobxodimo-znat-ot-brv-do-minimalnoy-pensii
[223] https://lex.uz/docs/4849605#4850820
[224] https://lex.uz/docs/6389639; https://kaktus.media/doc/464600_samozaniatost_kak_sovremennaia_yproshennaia_alternativa_ip.html
[225] https://lex.uz/docs/4849605
[226] According to data from the official website of the State Tax Committee of the Republic of Uzbekistan, the number of self-employed people was 1,866,139 as of September 2022. O'zbekiston Respublikasi Davlat soliq qo'mitasi, https://soliq.uz
[227] https://www.eurasian-research.org/publication/digital-central-asia-state-of-the-art/

on Internet and digitalisation). This, in turn, slows down the digital transformation of government and the economy.[228]

Table 8 below presents **national strategies and programmes that aim to address the above infrastructural issues, some of which have already brought positive results**. For instance, in Uzbekistan, the government had concentrated significant efforts on the development of ICT infrastructure. Between 2017 and 2022, the length of fibre-optic cables in the country increased almost sixfold.[229] Further progress in this area is expected during the implementation of the Digital Uzbekistan 2030 strategy. In Kazakhstan, all targets for the development of digital infrastructure set by the Digital Kazakhstan (2018-2022) programme were met. Over recent years, Kazakhstan, Kyrgyzstan and Uzbekistan have made notable progress in expanding internet access. Between 2020 and 2022, the share of people using the internet increased by 7, 13, and 16 percentage points, respectively.[230]

Table 8. Digital infrastructure development strategies and programmes in Central Asia

Country	Strategy/programme	Main objectives of digital infrastructure development
Kazakhstan	Digital Kazakhstan (2018-2022) [231]	Increasing the level of access to the domestic broadband network to 84.8 %. Providing 1,250 rural settlements with broadband. Increasing the level of internet users to 82 %.
	Concept of Digital Transformation, Development of the Information and Communication Technologies Industry and Cybersecurity (2023-2029)	Providing internet access to the remaining 250 rural settlements. Creating data processing centres throughout the country. Providing the population and business with high-speed 100 Mbit/s internet access.
Kyrgyzstan	Digital Kyrgyzstan 2019-2023 [232]	Building data centres. Developing fibre-optic cables with cross-border outlets and countrywide coverage. Improving broadband access in both urban and rural areas. Developing “smart cities” and technologies for the Internet of Things.
Tajikistan	Concept of the Digital Economy in the Republic of Tajikistan (2019)[233]	Providing ubiquitous broadband access. Developing communication systems and digital platforms, including a switch from 2G to 3G/4G connection in rural areas. Reducing the cost and increasing the speed of internet access.
Uzbekistan	Digital Uzbekistan-2030 (2020)[234]	Developing digital infrastructure by laying 20,000 km of fibre-optic cables and increasing the number of broadband access ports to 2.5 million. Connecting all settlements in the country to the internet at a speed of 10 Mbit/s.

[228] https://publicadministration.un.org/egovkb/en-us/Reports/UN-E-Government-Survey-2022
[229] https://cabar.asia/en/national-digitalization-strategies-of-central-asian-states-challenges-and-opportunities
[230] https://publicadministration.un.org/egovkb/en-us/Reports/UN-E-Government-Survey-2020 ; https://publicadministration.un.org/egovkb/en-us/Reports/UN-E-Government-Survey-2022
[231] https://egov.kz/cms/ru/digital-kazakhstan
[232] https://www.gov.kg/ru/programs/12
[233] https://policy.asiapacificenergy.org/sites/default/files/Concept%20of%20the%20Digital%20Economy%20in%20the%20Republic%20of%20Tajikistan%20%28EN%29.pdf
[234] https://lex.uz/ru/docs/5031048?ONDATE=06.10.2020&ONDATE2=02.04.2021&action=compare

Several policy initiatives aimed at **improving digital infrastructure** in the region have also been supported by international donors. Notable examples include the following:

- In 2018, the World Bank initiated the **Digital CASA (Digital Central Asia-South Asia)** programme to solve the problem of the availability, speed and price of broadband Internet by connecting Central and South Asia using fibre optic cables. This, in turn, is expected to contribute to the expansion of e-government services and digitally enabled income generation in the region.[235] The countries participating in the project are Kyrgyzstan,[236] Tajikistan,[237] Afghanistan and Pakistan. In addition to infrastructure development, the programme foresees tailored components for each country and includes skills development, the digital economy, and other areas (more details on these components are provided in the sections below).
- The **Central Asia Digital Connectivity** initiative was launched by the EU in 2022. The focus of the initiative is on strengthening digital access for businesses and citizens through investments in satellite connectivity infrastructure. The project aims to build five stations with internet exchange points and green data centres linked to broadband infrastructure in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. In addition to infrastructure development, technical support will be provided in the areas of telecoms reform, cybersecurity and personal data protection.[238]
- The **United Nations Digital Solutions Center for the Sustainable Development of Central Asian countries** will be established in Kazakhstan.[239]
- Lastly, **China is investing in its Digital Silk Road initiative,** introduced in 2015 as part of the country's Belt and Road Initiative. Through the Digital Silk Road, China provides technical and financial support to the development of digital infrastructure (e.g. 5G technology networks, data centres, smart cities and the like) to a number of countries, including those in Central Asia. Programmes within the Digital Silk Road initiative are mostly driven by the private sector, and encompass a range of diverse undertakings rather a unified strategy.[240] In Central Asia, most projects have been carried out in Kazakhstan and Uzbekistan. In Kyrgyzstan and Tajikistan, the primary focus has been on smart city projects.[241] Public reception of these projects under the initiative has been mixed. For example, reliance on Chinese equipment for smart city initiatives has provoked criticism from some local stakeholders, due to concerns over data collection on the part of equipment provider companies.[242]

E-government and business digitalisation

The level of e-government development across the Central Asia region has varied, but an upward trend is noticeable in all four countries that are the focus of this study. Based on UN E-Government survey data, Kyrgyzstan, Tajikistan and Uzbekistan are now among the group of countries ranked 'high' on the E-Government Development Index, while Kazakhstan is in the group ranked 'very high'.[243] This change has been fostered by work carried out within the framework of national digital transformation strategies and programmes (see Table 9 below).

[235] https://www.unescap.org/sites/default/files/Digital%20Central%20Asia%20South%20Asia%20%28CASA%29%20Program%2C%20World%20Bank.pdf
[236] https://projects.worldbank.org/en/projects-operations/project-detail/P160230?lang=en&tab=overview
[237] https://ewsdata.rightsindevelopment.org/projects/p171382-digital-casa-tajikistan/
[238] https://ec.europa.eu/commission/presscorner/detail/en/ip_22_6963
[239] https://astanatimes.com/2023/05/kazakh-initiative-to-establish-un-digital-solution-center-receives-unanimous-support-at-un-regional-commission/
[240] https://www.eurasiagroup.net/files/upload/Digital-Silk-Road-Expanding-China-Digital-Footprint-1.pdf
[241] https://e-cis.info/news/566/107475/
[242] https://www.rosalux.de/en/news/id/45540/die-digitale-seidenstrasse-herausforderungen-und-chancen-fuer-zentralasien
[243] https://publicadministration.un.org/egovkb/en-us/Reports/UN-E-Government-Survey-2022

Table 9. E-government development strategies and programmes in Central Asia

Country	Strategy/programme	Main objectives in digital government	Main objectives in digital economy
Kazakhstan	Digital Kazakhstan (2018-2022) [244]	Achieving the target of 80 % of public services being provided digitally.	Digitalising sectors of the economy, and creating an innovation ecosystem. Achieving a share of 2.6 % for e-commerce in the total volume of retail trade. Increasing the share of medium and large enterprises using digital technologies to 11 %. Increasing the use of cashless payments by 35 %. Reaching 30th place in the ICT Development Index.
	Concept of Digital Transformation, Development of the Information and Communication Technologies Industry and Cybersecurity (2023-2029) [245]	Achieving the target of 100 % of public services being provided digitally.	Increasing the volume of IT services exported. Reaching 41st place in the Global Innovation Index.
Kyrgyzstan	Taza Koom programme	Development of e-government.	n/a
	Digital Kyrgyzstan 2019-2023 [246]	Achieving the target of 80 % of public services being provided digitally. Reaching 72nd place in the E-Government Development Index.	Digitalising the agriculture, manufacturing and tourism sectors. Reaching 86th place in the ICT Development Index. Incentivising the development of e-commerce.
Tajikistan	Concept of the Digital Economy in the Republic of Tajikistan (2019)[247]	Transition to digital government.	Strengthening the legal and regulatory framework for digitalisation. Digitalising key areas of the economy (energy, extractive industries and agriculture) and creating of new sectors (Fintech).
Uzbekistan	Resolution on measures for the widespread introduction of the digital economy and government (2020)	Introducing digital technologies into the work of public services.	Introducing digital technologies into the work of enterprises. Training IT specialists. Providing comprehensive support for IT entrepreneurship.

[244] https://egov.kz/cms/ru/digital-kazakhstan
[245] https://www.zakon.kz/nauka/6391650-utverzhdena-kontseptsiya-tsifrovoy-transformatsii-i-razvitiya-otrasli-tekhnologiy-do-2029-goda.html
[246] https://www.gov.kg/ru/programs/12
[247] https://policy.asiapacificenergy.org/sites/default/files/Concept%20of%20the%20Digital%20Economy%20in%20the%20Republic%20of%20Tajikistan%20%28EN%29.pdf

	Development Strategy of the New Uzbekistan (2022-2026) [248]	Digitalising all public services by 2026.	Promoting digitalisation across various sectors, including education, healthcare and finance.
	Digital Uzbekistan-2030 (2020)[249]	Improving e-government services and the digitalisation of public administration, introducing a mobile identification system for access to public services and digital passports for citizens.	Undertaking the digital transformation of commercial banks by ensuring that they provide a wide range of online services, including the sale of credit products and the opening of deposit and settlement accounts remotely. Granting legal entities that are residents of the Republic of Uzbekistan the possibility of obtaining the status of a resident of a Technological Park for software products and information technologies. Providing services in IT training, the development and implementation of hardware and software, robotics, the export of information services, data storage and processing.

Within the framework of the strategies adopted, progress on the development of e-government is noticeable. In Kazakhstan, the Digital Kazakhstan (2018-2022) programme has resulted in an improvement in digital government services and better regulatory conditions for digital transformation.[250] As of 2023, 92 % of all government services are provided digitally.[251] In Kyrgyzstan, as of 2023, many public services are already available online. For example, patents for individual labour activity/entrepreneurship –the most common form of registration for on-location platform workers in the country – are now provided electronically; however, there is still much room for progress in the country. In Tajikistan, digitalisation has been incorporated into broader development policies. The provision of online services in the country has been slowed down by the uneven distribution of digital infrastructure.[252] In Uzbekistan, 56 % of public services were available digitally in 2022, and the country's new strategies aim to digitalise all public services by 2026.[253] Based on the UN E-Government Survey, Uzbekistan was among the landlocked developing countries experiencing the most intense improvements in e-government between 2020 and 2022, and is very close to entering the 'high' E-Government Development Index group of countries.[254]

The digitalisation of business is another priority for the governments of Central Asian countries. Its main goals include digitalising the priority sectors of the economy, developing and adopting cutting-edge digital technologies, and increasing the volume of IT services both domestically and for export. The available results of the completed programmes are mixed. In Kazakhstan, 7.8 % of medium and large enterprises were using digital technologies in 2022, compared with a target of 11 %. At the same time, the use of cashless payments grew at a much faster pace than expected, with an increase of 175 %. However, digitalisation of the private sector remains hindered by the quality of mobile internet and low internet coverage in rural and small urban areas.[255] In Uzbekistan, the volume of ICT services,

[248] https://cabar.asia/en/national-digitalization-strategies-of-central-asian-states-challenges-and-opportunities
[249] https://lex.uz/uz/docs/5031048?ONDATE=13.06.2023&ONDATE2=30.11.2021&action=compare
[250] https://www.oecd-ilibrary.org/sites/368d4d01-en/index.html?itemId=/content/publication/368d4d01-en#section-d1e721-27992c7fd0
[251] https://adilet.zan.kz/rus/docs/P2300000269#z13
[252] https://publicadministration.un.org/egovkb/en-us/Reports/UN-E-Government-Survey-2022
[253] https://www.eurasian-research.org/publication/digital-central-asia-state-of-the-art/
[254] https://publicadministration.un.org/egovkb/en-us/Reports/UN-E-Government-Survey-2022
[255] https://www.oecd-ilibrary.org/sites/368d4d01-en/index.html?itemId=/content/publication/368d4d01-en#section-d1e721-27992c7fd0

exports of ICT services, and the share of the digital economy in national GDP have grown over recent years.[256]

To support the growth of the digital economy and innovation, several Central Asian countries have established IT parks and hubs. Their activities include mentorship and acceleration, training courses for the wider public and, in some cases, a specialised tax regime for companies that are residents of IT parks.[257]

Digital skills and online platform work skills

Digital literacy is necessary for making effective use of e-government services and for participation in the online economy. Therefore, **a number of initiatives in the Central Asia region aim to equip people with digital skills** and prepare citizens for the evolving demands of the digital economy (see Table 10).

These initiatives mainly focus on the development of basic digital literacy, targeting the wider population or disadvantaged groups, such as rural residents and women. Projects such as "DigiKonush" and "Sanarip Insan" (Kyrgyzstan) **aim to enhance digital literacy**, **thereby bridging the urban-rural digital divide** and fostering economic empowerment among women and youth in rural regions. In Uzbekistan, digital literacy courses have been integrated into the school curriculum and digital skills training centres have been established to provide training programmes for adults. In Kazakhstan, comprehensive initiatives have taken place as part of the Digital Kazakhstan strategy to enhance digital literacy across the country. In upcoming years, special attention will be devoted to attaining the level of digital literacy among rural populations.

Specialised digital skills have also been addressed by skills development initiatives. In Uzbekistan, for example, more than one million people, mostly youth, took part in a large-scale project, "One Million Uzbek Coders", which focused on skills in data analysis, Android software development, front-end and full-stack development. In Kazakhstan, the Astana Hub offers a range of IT-related courses.

Several Central Asian countries have recognised the growing importance of online platform work as integral components of the digital economy, and acknowledged the opportunities it can provide for the local workforce. In Uzbekistan, the National Freelance Centre has been established to support those working via online labour platforms. A dedicated website has also been developed to provide information to support future freelancers. In Tajikistan, efforts have concentrated on the development of online work opportunities for youth.

Table 10. Programmes in the area of digital skills development in Central Asia

Country	Programme	Description
Kazakhstan	Digital Kazakhstan[258]	In 2018, courses were held in each region of Kazakhstan (in district centres, villages and towns) to teach the population basic digital literacy skills. Free training was provided to all who were interested, focusing on four areas: • Basic Digital Skills. These included the confident use of a personal computer or laptop, mobile devices and the internet, also touching on the topics of security and data protection. • E-government and e-government services. This topic covered the skills needed to work with the e-government portal, including obtaining the necessary electronic government services online without leaving home.

[256] https://www.eupoliticalreport.eu/uzbekistan-in-the-process-of-digitalization/
[257] https://it-park.uz/ru/itpark ; https://it-park.uz/ru/itpark/about ; https://astanahub.com/en/l/h/about-us
[258] https://egov.kz/cms/en/articles/digital_literacy

Country	Programme	Description
		• Open Government. Training on this topic included skills in using the four components of the open government portal: open data, open regulations, open dialogue, and budgets. • Electronic commerce. This training block included the skills needed to acquire, sell and promote goods and services online. During the first week of the project, more than 140,000 people participated in the training.
	State Youth Policy Concept for 2023-2029[259]	It is planned to provide digital literacy courses and social services to young people in villages.
	Smart Zholy[260]	Launched in 2014, this programme targets young Kazakhstani programmers and startups, who can present their ideas to leading Asian venture capital funds and create new innovative products and services in partnership with international companies. The programme is available at 14 regional centres and in the cities of Almaty and Astana. The project is implemented with the support of the Nursultan Nazarbayev Foundation in partnership with Echelon Asia Summit, the leading startup platform in Southeast Asia.
	Astana Hub educational programmes[261]	Astana Hub is a technology park and IT startup accelerator providing a range of courses such as a startup school, freelance school, "No Code" course (learning to create prototypes without programming skills), and "Tech Orda" (an IT course).
Kyrgyzstan	Digital Skills and Youth Employment Opportunities in the Digital Economy in the Kyrgyz Republic	This programme aims to enhance the capacity of the formal education system to meet the demands of the digital economy. This is achieved through the establishment of new digital skills standards and by strengthening the institutional capabilities of the technical universities and vocational lyceums in Bishkek and Osh. The programme is funded by the UNDP.[262]
	DigiKonush – Building a transparent future in rural communities of Kyrgyzstan through digitalisation[263]	Implemented by "Leader", the Centre for Civic Initiatives, in partnership with the Estonian Centre for International Development and supported by the EU, this programme targets digital literacy among women and youth in rural areas. Digital skills centres have already been opened for rural women and young people in three provinces of Kyrgyzstan.
	"Sanarip Insan" ("Digital Citizen")[264]	This project was launched by the European Neighbourhood Council together with the Public Association "Kyrgyz Internet Society", with the financial support of the European Union. It envisages new opportunities for developing the digital literacy of the population, providing knowledge about the digital and green economy to young people and women living in rural areas, and training a professional digital workforce.

[259] https://primeminister.kz/en/news/working-by-template-not-to-work-alikhan-smailov-on-implementation-of-new-youth-policy-concept-23408
[260] https://fnn.kz/ru/projects/42
[261] https://astanahub.com/en/l/h/about-us
[262] https://www.undp.org/kyrgyzstan/projects/digital-skills-and-youth-employment-opportunities-digital-economy-kyrgyz-republic
[263] Project Digital skills trainings for local trainers "DigiKonush" (2022), available at: https://euprojects.kg/en/news/digital-skills-trainings-for-local-trainers-project-digikonush-building-a-transparent-future-in-rural-communities-of-kyrgyzstan-via-digitalization/
[264] Project "Sanarip Insan – Digital Citizen" (2022), available at: https://isoc.kg/projects/sanarip-insan-digital-citizen/

Country	Programme	Description
	Memorandum of understanding with Yandex Go	In May 2023, the Minister of Labour and Social Security of Kyrgyzstan and the General Director of Yandex Go signed a memorandum of understanding on the development of social and educational projects and platform employment.[265] This memorandum foresees the development of educational projects ranging from digital marketing to programming.
Tajikistan	The Concept of the Digital Economy in the Republic of Tajikistan	The Concept provides for the training of highly qualified personnel in conducting digital projects, as well as the creation of a system for training qualified personnel in both universities and enterprises, as well as for the development of digital skills among the population as a whole. The encompasses the development of a multi-stage plan for the continuous professional development of government employees who will be engaged in digital transformations, as well as the digital ecosystem.
	Creation of Distance Employment Centres[266]	The Ministry of Labour, Migration and Employment of the Republic of Tajikistan, within the framework of a joint project with the UNICEF Office in Tajikistan, is working to create Distance Employment Centres designed to teach young people how to use digital labour platforms to find paid work, and to assist them in finding employment on digital labour platforms. Currently, five such centres have been established.
	Impact Sourcing[267]	Launched in 2022 by the Ministry of Labour, Migration and Employment together with the UNICEF Office in Tajikistan, this project contributes to the development of remote work among young people, including via online platforms.
Uzbekistan	Digital Uzbekistan-2030 (2020)[268]	This programme encompasses several measures: • The introduction of a system to compensate up to 50 % of citizens' expenses incurred in obtaining international IT certificates in systems administration, database and cloud platform management, information security and other demanded areas, starting from 2021. • The opening of centres for training the general public (especially young people and women) in digital technologies in every district and city, on the basis of existing infrastructure facilities. • The gradual establishment, by the end of 2023, of more than 200 specialised schools providing for the in-depth study of informatics and information technologies for the creative development and training of students in the basics of computer programming. • The strategy also aims to improve the digital skills of civil servants by providing them with IT training through designated higher education institutions.
	One Million Uzbek Coders (OMUC)[269]	The goal of this programme was to educate a million people in four areas: data analysis, Android software development, front-end and full-stack development. The project was supported by the United Arab Emirates. A total of 1,175,933 people completed the training; 90 % of participants were school students, and 47 % were girls.
	National Freelancer Centre[270]	Based at IT Park Uzbekistan, the National Freelancer Centre will be established according to plans made by the Ministry of Public Education. The centre will

[265] https://kaktus.media/doc/481153_mintryda_kr_i_iandeks.taksi_podpisali_memorandym_o_vzaimoponimanii.html
[266] Interview with the Head of the Department of Labour Market and Employment of the Ministry of Labour, Migration and Employment of the Republic of Tajikistan, 23 June 2023, Dushanbe.
[267] https://www.unicef.org/tajikistan/stories/digital-outsourcing-help-girls-tajikistan-transit-decent-work-life
[268] https://lex.uz/uz/docs/5031048?ONDATE=13.06.2023&ONDATE2=30.11.2021&action=compare
[269] https://it-park.uz/en/itpark/news/one-million-uzbek-coders-finalists-determined
[270] Uzbekistan eyes setting up national freelancer center (trend.az)

Country	Programme	Description
		provide training on website and mobile application development, and will support freelancers in finding jobs. Freelancers who are residents of the centre will receive temporary employment certificates that will credit their work experience. Residents will also have the opportunity to accept foreign payments without incurring banking fees.
	www.myfreelance.uz	The Ministry of Digital Technologies of Uzbekistan, together with the Center for Digital Economy Research, the State Tax Committee, ITSM (Innovation, Technology, Strategy Center) and a number of national and international universities, has created a website providing methodological support to freelancers. The site contains a guide for beginner freelancers, life hacks that will be useful in their work, as well as free video courses.

Key findings and policy pointers

SWOT analysis

To outline the major potentials and challenges of online and platform work within Central Asia, the research team conducted a SWOT analysis based on insights from the desk research and country-level fieldwork. This SWOT framework summarises the strengths, weaknesses, opportunities and threats presented by online and platform work in the region. This analysis concentrates on three major domains: employment, working conditions, and skills development.

The platform economy has substantial strengths, providing workers with opportunities to secure employment, elevate income levels, increase flexibility, and – in some cases – to develop skills. However, these advantages coexist with poor social protections and labour rights, irregular income patterns, limited skills development and tax evasion. On a broader scale, the platform economy holds the potential to counter a lack of quality jobs in the region and to address the lack of prospects for youth and women. This is especially important in less developed economies in the region, such as Tajikistan. Nevertheless, it is important not to view the online and platform economy as a solution to unemployment, as it can come with unequal access to only a few high-quality jobs. Furthermore, to take advantage of the opportunities offered by the platform economy, it is necessary to strengthen internet infrastructure in the region, to further develop the necessary skills, and to improve the regulation of new forms of work. Although Kazakhstan, the most developed economy in the region, is in a stronger position to harness the benefits of the platform economy, other countries need to catch up. The summary of SWOT analysis is presented in Table 11 below.

Table 11. Online and platform work in CA region: SWOT analysis

Strengths	Weaknesses
New employment opportunities Labour market integration of youth and women Low barriers to entry for on-location platform work Higher income prospects in both online and on-location platform work On-the-job skills development opportunities via online labour platforms Flexible working arrangements	Undeclared work and tax evasion Lack of social protection and labour rights for workers Irregular incomes, particularly on online labour markets Lack of or insufficient access to skills development and certification opportunities Problem of de-skilling in on-location platform work
Opportunities	**Threats**
Increasing job quality in the region Proliferation of graduate-level jobs through online freelancing and platform work Labour market integration of vulnerable groups, including persons with disabilities, (return) migrants	High global competition on online labour markets and unequal access to work Gaps in digital infrastructure and access to it Insufficient digital, occupational, business and language skills Lack of acknowledgement of new forms of employment in regulation and policy

Development of skills that are in demand in local and global labour markets Substitute for migration and “brain drain” Potential to attract highly skilled migrants	

Policy pointers

To promote and ensure the positive impact of online and on-location platform work on workers, businesses and states within Central Asia, it is imperative to formulate policy interventions across key areas. These areas include aligning labour market regulations with developments in the platform economy, developing the skills essential for participation in the platform economy, and securing a sufficient level of digitalisation for the growth of the platform economy. Table 12 below summarises the key policy pointers emerging from this study’s findings. The sections that follow will discuss these key policy pointers in detail.

Table 12. Summary of policy pointers

Labour market and employment	Skills and human capital development	Digitalisation
• Defining the employment status of online and on-location platform workers and recognising this at policy level • Securing social protection for workers • Countering informality in the platform economy • Monitoring trends in the platform economy • Educating on the administrative procedures essential for self-employment • Securing youth employment via digital platforms • Facilitating the participation of women in the platform economy	• Upgrading essential digital skills of students and the general workforce • Providing access to micro-training modules in domain-specific skills • Encouraging independent learning from early education onwards • Building stronger English language competencies • Providing opportunities for the development of entrepreneurial skills • Enabling better skills recognition and signalling on digital platforms	• Improving ICT infrastructure and its inclusivity • Streamlining e-government services for the self-employed • Facilitating digital transformation in the private sector

Labour market and employment

To fully benefit from the platform economy, it is necessary to first implement appropriate labour market policies. These policies include regulating the employment status of workers and guaranteeing their social protection, countering informality, ensuring youth and female labour market integration, and facilitating individuals in effectively navigating the realm of platform work. These labour market policies are relevant to both online and on-location platform workers.

Clarifying the employment status and tax obligations of platform workers and freelancers is a foundational step towards safeguarding labour rights and ensuring legal compliance with such rights and obligations. Some notable steps have already been taken in this direction, making the regulation of platform work in Central Asia more advanced than in some other regions (e.g. the Southern and Eastern Mediterranean region and Eastern Partnership countries). In Kazakhstan, legislative changes have mainly been aimed at regulating on-location platform work. The most notable amendments concern the definition of the main concepts related to platform work, introducing provisions on the conclusion of employment contracts with workers on certain types of on-location platforms,[271] and the development of a specialised tax regime and social security contributions for platform workers. In Uzbekistan, online freelancing and a number of occupations that are common on on-location platforms (e.g. ride-hailing drivers, couriers, cleaners, etc.) have been defined as occupations eligible for the special status of self-employment. Due to the simplified registration procedure and favourable tax regime introduced, this policy has the potential to bring platform workers out of the shadow economy and provide them with social protection.[272] No similar initiatives have yet been introduced in Tajikistan and Kyrgyzstan, and employment contracts are still not mandatory for dependent on-location platform workers in Kazakhstan although a court precedent has been established recognising a Glovo courier as employee (see the section on Labour and employment regulations). While initiatives in Uzbekistan and Kazakhstan represent important first steps in regulating platform work in the region, the overall regional regulation of platform work is still lagging behind similar endeavours to regulate the platform economy in the EU.[273] The Directive for the regulation of platform work in the EU seeks to ensure that people working through digital platforms are granted employment status corresponding to their actual work arrangements, in order to counter false self-employment. This means that platform workers can also be classified as employees and granted associated employee benefits if their working arrangements fulfil the criteria defined for employment, such as the presence of control and direction from the platform. In line with the Directive, Member States will establish a rebuttable presumption of employment at a national level. This EU initiative could provide an important model for the development of local policies. Policymakers in Central Asia should understand the importance of regulating new forms of work, and should further incorporate these into existing legal frameworks. Although employment contracts would be an option for some forms of on-location work, enabling self-employment and streamlining the legal obligations of the self-employed appear to be the most promising avenue for regulating platform work. Crucially, when regulating the platform economy, it is important that policymakers strike a balance between labour market flexibility and the creation of jobs on the one hand, and protecting the quality of jobs and workers' rights on the other. [274]

Due to the complexity of regulating the platform economy, **transformative shifts concerning workers' status could be highly protracted, and short-term initiatives aimed at the social protection of**

[271] The new provisions are mainly tailored towards on-location ride-hailing and delivery platforms. The Labour Code makes a distinction between such platforms and crowdworking platforms (e.g. Naimi.kz, Megamaster.kz, Upwork), stipulating that employment contracts should be concluded in the former case, while for crowdworking platforms the worker-platform relationship should not be classified as employment, and falls under civil law regulation.
[272] According to data from the official website of the State Tax Committee of the Republic of Uzbekistan, the number of self-employed people was 1,866,139 as of September 2022. O'zbekiston Respublikasi Davlat soliq qo'mitasi, https://soliq.uz
[273] For more information, see: https://ec.europa.eu/commission/presscorner/detail/en/ip_21_6605 and Rights for platform workers: Council agrees its position – Consilium (europa.eu)
[274] Datta, N., Rong, C., Singh, S., Stinshoff, C., Iacob, N., Nigatu, N.S., & Klimavičiūte, L. (2023). *Working without borders: The promise and peril of online gig work,* World Bank, Washington, DC. Available at: https://openknowledge.worldbank.org/entities/publication/ebc4a7e2-85c6-467b-8713-e2d77e954c6c

workers may therefore be needed. In the interim, many online and platform workers within the CA region find themselves without social and legal protections, due to the informal nature of their work engagements. Consequently, short-term initiatives could focus on expanding health and social benefits targeted at those in atypical work arrangements. For example, platforms could be incentivised to undertake voluntary initiatives providing social benefits to workers, such as "The Pledge" by Glovo.[275] While governments cannot impose such initiatives in the short run, platforms could be encouraged through dialogue, financial incentives or clarifications that they will not be treated legally as employers purely because they provide such benefits.

Furthermore, pervasive informality not only negatively impacts workers, but also strains state budgets. Therefore, both **short- and long-term remedies aimed at countering widespread informality are essential.** These could be executed through heightened scrutiny of on-location platforms' legal compliance, as well as heightened transparency in cross-border financial transactions. This could prove challenging, however, as Central Asian economies – with the exception of Kazakhstan – are predominantly informal.

Up-to-date data is necessary for evidence-based decision making, and one of the main issues governments face in regulating the platform economy is a lack of information about this type of work. Very little data and research has been carried out on online and platform work in Central Asia, and insights from developed countries may not be the most applicable to this context. Thus, to be able to regulate the platform economy, countries should set up systems to monitor developments in platform work, such as the strengthening of capabilities for data collection and analysis. Gathering relevant information on the platform economy can also empower governments to take a more active role in supporting and improving platform work.

It is equally **important that platform workers have a solid knowledge of administrative procedures related to their employment.** Platform workers should have ready access to guidance concerning taxation protocols, business registration, implications for social welfare, and the various governmental processes required not only to comply with legal requirements, but also safeguard their rights. This could be achieved through courses or comprehensive guidelines, educating workers on the requirements for the different categories of employment available in their respective countries. A model example of this practice is www.myfreelance.uz, a government-supported project that provides support to online freelancers navigating complex administrative procedures.

From the broader perspective of the CA region's specificities, online and platform work could be employed as tools to better integrate youth and women into the labour market.

First, **labour platforms could potentially compensate for the lack of quality jobs for Central Asian youth**. This is especially the case in the less developed countries in the region, given the highly skilled work available on online labour platforms. However, it is important to acknowledge that success on online labour platforms typically necessitates a foundation of prior education and sometimes previous work experience. Thus, the policy focus should be on providing opportunities to gain experience and develop skills prior to entering online labour markets**.** [276] In contrast, on-location platforms offer jobs that are more accessible, with lower barriers to entry and higher earnings – albeit that these opportunities often lack stability and avenues for skills development and career progression. Thus, policymakers should strike a balance between securing employment and high earnings on the one hand, and skills development on the other.

Second, **online work offers significant potential to empower women by offering them flexibility and higher earnings**. Across the region, the overall participation of women in the labour force is lower

[275] https://www.thecourierspledge.com/
[276] https://www.oii.ox.ac.uk/news-events/news/how-workers-learn-skills-in-the-online-platform-economy-and-how-platforms-policies-and-learning-providers-can-support-them/

than that of men, and they usually work in poorer-quality jobs. This is especially the case in the less developed countries in the region, particularly Tajikistan (see the section on the Labour market). In addition, women are underrepresented in both online and on-location platform work. However, the findings of this study also indicate that women can expect higher hourly incomes than men on online labour platforms in most CA countries (see the section on Working conditions). This represents a significant opportunity to boost women's incomes and also further empowering women across the region. To unlock the potential that platform work offers for women, it is important to develop programmes that can increase female engagement with the digital economy.

Key competencies, skills and human capital development

Understanding the development of skills in relation to platform work should be a paramount goal for informed policymaking. However, skills requirements diverge significantly between online and on-location platform work, as indicated in the respective sections of this report. While online platform work and freelancing necessitate a wide spectrum of skills that warrant comprehensive policy interventions, on-location work tends to be less skill-intensive, reducing the need for extensive interventions.[277] Consequently, the focus of the following policy pointers primarily revolves around skills development for online freelancing and online platform work.

Numerous facets of skills development enhance the prospects of success for online freelancers and platform workers. These encompass domain-specific expertise and several key competencies, such as self-directed learning capabilities, digital skills, linguistic proficiencies and business skills. Furthermore, policy interventions must go beyond aiding freelancers in acquiring skills, but also facilitate the validation and showcasing of their proficiencies within online marketplaces.[278] Achieving these objectives entails fostering flexibility within educational and vocational systems, alongside targeted upskilling interventions. Public employment services can play a role in designing policy interventions necessary to meet the needs of both jobseekers and platforms.

First, **digital skills are essential for all online freelancing and platform work**, and need to be developed prior to entering the realm of platform work.[279] Although levels of digital skills in the CE region are comparatively low, many important upskilling initiatives exist, paying special attention to the development of basic digital skills (see the section on Digital skills and online platform work skills). The populations of Central Asian countries would therefore benefit from the continuation and expansion of existing programmes aimed at basic and advanced digital skill development. Established frameworks for digital competence such as widely used DigComp[280] could be used to achieve this.

Beyond digital skills, **online platform workers would also benefit from tailored training in domain-specific skills**. While formal education provides basic knowledge for occupations such as software development and writing, most of the jobs available on platforms requires such specific knowledge to be constantly updated, due to rapid developments in technology. To keep pace with evolving skills needs, online platform workers in the CA region could benefit from short and regularly updated upskilling programmes. Although our research shows that workers in this region regularly make use of massive open online courses (MOOCs), they could benefit significantly from online courses being developed in collaboration with local VET programmes to better address learners' needs. Such programmes should

[277] Workforce Development Centre (2022). Labour market of Kazakhstan 2022: On the way to digital reality. Available at: https://iac.enbek.kz/ru/node/1457

[278] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/3085

[279] https://www.oii.ox.ac.uk/news-events/news/how-workers-learn-skills-in-the-online-platform-economy-and-how-platforms-policies-and-learning-providers-can-support-them/

[280] https://digital-skills-jobs.europa.eu/en/actions/european-initiatives/digital-competence-framework-digcomp

follow up-to-date trends in the market, primarily the supply of and demand for skills on online labour platforms and in industry locally.[281]

Due to shifting skills demands within online labour markets, the **facilitation of independent learning is one of the key policy interventions needed in education**. Independent learning encompasses a wide range of skills such as the ability to research and analyse evolving skills requirements; actively asking for feedback; and possessing the ability to assess and adapt one's learning strategies. These skills should be developed early on in education process.[282] Because the educational systems in most CA countries are fairly rigid (see the section on Youth and education), policy interventions should focus on already developing autonomous learning competencies at the level of primary education. This could be achieved by facilitating autonomous learning through individuals setting their own learning objectives, along with the autonomous utilisation of specific learning tools and individual experimentation.[283]

Online platform workers in the CA region could also benefit significantly from the development of English language competences. While most of the population in CA is proficient in Russian, only a minority is proficient in English.[284] This is a problem for the proliferation of online platform work, as English-language platforms are of equal importance in the region to Russian-language ones (see the section on the Prevalence of online work). Accordingly, policy initiatives should seek to increase the coverage and quality of English language courses within both educational and vocational curricula. Moreover, English language courses could also benefit the broader adult population, particularly in rural areas, where proficiency is lower.[285]

To increase the competitiveness of CA online platform workers, it is crucial to support them in developing entrepreneurial skills. Online platform workers function as independent contractors, responsible for sourcing their own work, shaping their career trajectories, and navigating legal responsibilities – all of which make entrepreneurial skills crucial.[286] However, such skills do not appear to be the focus of regional educational systems. Thus, policy interventions should increase their focus on youth entrepreneurship programmes that facilitate skills such as decision-making, adaptability and innovation. Activities such as simulating the establishment of mini-enterprises in these programmes could significantly improve individuals' capabilities for working self-employed.[287]

Lastly, **online freelancers and platform workers not only have to acquire the necessary skills for platform work, but must also showcase them effectively to potential clients**. Previous research[288], as well as the focus groups conducted for this study, show that for platform workers, signalling their competences and reliability to employers is one of the main challenges on these highly competitive online labour markets. To address this issue, **policymakers could initiate public portfolio-based**

[281] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/3085
[282] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/3085
[283] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/3085
[284] https://www.ef.com/wwen/epi/
[285] https://www.ef.com/wwen/epi/regions/asia/kazakhstan/
[286] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/3085
[287] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/3085
[288] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/3085

systems. Such systems would enable workers to exhibit and promote substantiated evidence of their qualifications, skills and platform-related experience across diverse platforms on their personal profiles. However, the challenge still exists of incentivising platforms to use these external portfolio systems, and the outcomes of previous initiatives of this type remain inconclusive.[289]

Digitalisation

The expansion of platform work relies heavily on the development of a comprehensive digital ecosystem. Therefore, **policies targeting the enhancement of digital infrastructure, e-government initiatives, and the digital transformation of the private sector are indispensable to nurturing the growth of both online and on-location platform work.**

To foster both on-location and online platform work, better ICT infrastructure is needed. This includes widespread access to high-speed internet connectivity, and the availability of the necessary hardware equipment. As outlined in the section on Internet and digitalisation, the whole region struggles with very low internet speeds, while some countries such as Tajikistan also suffer from poor access to the internet. Thus, significant advances have been made in the development of digital infrastructure in Kazakhstan and Uzbekistan (see the section on Digital infrastructure), greater investment in faster internet is necessary. Furthermore, a substantial portion of the population faces challenges stemming from the scarcity of essential hardware, particularly computers, which is necessary to participate in online freelancing and platform work. The establishment of technology centres or publicly supported co-working spaces could be shorter-term solutions to ensure both access to the internet for the populace, as well as the provision of requisite equipment.

Self-employed workers often have to deal with complex administrative procedures relating to taxation and social contributions, and monitoring these activities can be also challenging for governments**.** Thus, **both online and platform workers and governments would benefit greatly from digitalised government services.** Although most Central Asian countries have made advances towards e-governance, significant differences exist between them, with Kazakhstan achieving the highest degree of digitalisation in its public sector (see the section on E-government and business digitalisation). The further expansion of e-services for taxation and social benefits would simplify the administrative process for the workers, and potentially discourage the prevalent informality within the sector.

Lastly, **broader digital transformation of the private sector could enhance the skills development and employability of online and platform workers.** Although Kazakhstan and Uzbekistan have made some advances in the use of digital technologies in the private sector, all of the CA economies are still lagging behind developed countries in this regard (refer to the section on E-government and business digitalisation). To catch up, CA economies should support the private sector's digitalisation efforts and the growth of the ICT sector, alongside exploring prospects for public-private partnerships.

[289] Cedefop (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: https://www.cedefop.europa.eu/en/publications/3085

REFERENCES

Barcevičius, E., Gineikytė-Kanclerė, V., Klimavičiūtė, L., & Martín, N.R. (2021). *Study to support the impact assessment of an EU initiative to improve the working conditions in platform work.* Luxembourg: Publications Office of the European Union. Available at: https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8428&furtherPubs=yes

Berg, J. (2016). Income security in the on-demand economy: Findings and policy lessons from a survey of crowdworkers, *Comparative Labor Law & Policy Journal, 37*(3), pp. 543-576. Available at: https://heinonline.org/HOL/Page?handle=hein.journals/cllpj37&div=36&g_sent=1&casa_token=1F_sJ9T3-fkAAAAA:ct42Uh1jJyYWxrKZauQhopyJ-EqCFGSQWRpm8fbsc_HTI_1ogYJnmHeKbI7EdwLXlDl2SuPa

Berg, G., Guadamillas, M., Natarajan, H., & Sarkar, A. (2020). *Fintech in Europe and Central Asia: Maximizing benefits and managing risks,* Washington DC: World Bank. Available at: https://elibrary.worldbank.org/doi/abs/10.1596/33591

Bjarnason, M., Sykes, M., Burgio, C., & Somfalvy, E. (2013*). Developing skills in Central Asia through better vocational education and training systems,* OECD, Private Sector Development Policy Handbook. Available at: https://www.voced.edu.au/content/ngv%3A58118

Burunciuc, L. (2021). *How Central Asia can ensure it doesn't miss out on a digital future,* World Bank Blogs. Available at: https://blogs.worldbank.org/europeandcentralasia/how-central-asia-can-ensure-it-doesnt-miss-out-digital-future

Cedefop. (2021). *Skill development in the platform economy: Comparing microwork and online freelancing.* Luxembourg: Publications Office of the European Union, Cedefop research paper, No 81. Available at: http://data.europa.eu/doi/10.2801/592284

Datta, N., Rong, C., Singh, S., Stinshoff, C., Iacob, N., Nigatu, N.S., & Klimavičiūte, L. (2023). *Working without borders: The promise and peril of online gig work,* Washington DC: World Bank. Available at: https://openknowledge.worldbank.org/entities/publication/ebc4a7e2-85c6-467b-8713-e2d77e954c6c

Duggan, J., Sherman, U., Carbery, R., & McDonnell, A. (2020). Algorithmic management and app-work in the gig economy: A research agenda for employment relations and HRM. *Human Resource Management Journal, 30*(1), pp. 114-132. Available at: https://onlinelibrary.wiley.com/doi/pdf/10.1111/1748-8583.12258?casa_token=x3znfque_10AAAAA:wIL-wc5m7M5_QDRUqd7Fg4GclulOHnWuROgYuh14S-Bsbhi4lvfUe0zsreG49ZPIHwU5WKodPtJ1p6A

European Training Foundation (2021). *The future of work – New forms of employment in the Eastern Partnership countries: Platform work.* Available at: https://www.etf.europa.eu/en/publications-and-resources/publications/future-work-new-forms-employment-eastern-partnership

European Training Foundation (2022). *Embracing the digital age. The future of work in the Western Balkans.* Available at: https://www.etf.europa.eu/sites/default/files/2023-04/Embracing%20digital%20age_Western%20Balkans.pdf

Germany Trade & Invest (GTAI) (2022), *Jahresaktionsprogramm Asien übergreifend 2021* ['Annual action programme across Asia 2021']. Available at: https://www.gtai.de/de/trade/asien-uebergreifend/entwicklungsprojekte/jahresaktionsprogramm-asien-uebergreifend-2021-791910

International Labour Organization (ILO) (2021). *The role of digital labour platforms in transforming the world of work.* Available at: World Employment and Social Outlook 2021: The role of digital labour platforms in transforming the world of work (ilo.org)

International Labour Organization (ILO), & Federation of Trade Unions of Kazakhstan (2022). *Влияние цифровизации на рынок труда Республики Казахстан: Определение стратегии действий профсоюзов в Казахстане путем анализа доступа к социальной защите, правовой и практической среды трудовых отношений в секторах, где преобладают формы уязвимой занятости* ['The impact of digitalisation on the labour market of the Republic of Kazakhstan: Defining a strategy for the actions of trade unions in Kazakhstan by analysing access to social protection, the legal and practical environment of labour relations in sectors dominated by forms of vulnerable employment']. Available at: https://kasipodaq.kz/wp-content/uploads/%D0%9E%D1%82%D1%87%D0%B5%D1%82-%D0%BF%D0%BE-%D0%BF%D0%BB%D0%B0%D1%82%D1%84%D0%BE%D1%80%D0%BC%D0%B5%D0%BD%D0%BD%D0%BE%D0%B9-%D0%B7%D0%B0%D0%BD%D1%8F%D1%82%D0%BE%D1%81%D1%82%D0%B8-%D0%BE%D0%BA%D1%82%D1%8F%D0%B1%D1%80%D1%8C-2022.pdf

International Labour Organization (ILO), & Federation of Trade Unions of Kazakhstan (2022). *Определение стратегии действий профсоюзов Казахстана в отношении нестандартных форм занятости (неформальной, самостоятельной и платформенной занятости)* ['Determination of the strategy of action of trade unions in Kazakhstan regarding non-standard forms of employment (informal, independent and platform employment)']. Available at: https://kasipodaq.kz/wp-content/uploads/%D0%9E%D0%A2%D0%A7%D0%95%D0%A2-%D0%BF%D0%BE-%D0%BF%D1%80%D0%BE%D0%B5%D0%BA%D1%82%D1%83-%D0%A4%D0%9F%D0%A0%D0%9A-%D0%B8-%D0%9C%D0%9E%D0%A2-%D0%9E%D0%BF%D1%80%D0%B5%D0%B4%D0%B5%D0%BB%D0%B5%D0%BD%D0%B8%D0%B5-%D1%81%D1%82%D1%80%D0%B0%D1%82%D0%B5%D0%B3%D0%B8%D0%B8-%D0%B4%D0%B5%D0%B9%D1%81%D1%82%D0%B2%D0%B8%D0%B9-%D0%BF%D1%80%D0%BE%D1%84%D1%81%D0%BE%D1%8E%D0%B7%D0%BE%D0%B2-%D0%9A%D0%B0%D0%B7%D0%B0%D1%85%D1%81%D1%82%D0%B0%D0%BD%D0%B0-%D0%B2-%D0%BE%D1%82%D0%BD%D0%BE%D1%88%D0%B5%D0%BD%D0%B8%D0%B8-%D0%BD%D0%B5%D1%81%D1%82%D0%B0%D0%BD%D0%B4%D0%B0%D1%80%D1%82%D0%BD%D1%8B%D1%85-%D1%84%D0%BE%D1%80%D0%BC-%D0%B7%D0%B0%D0%BD%D1%8F%D1%82%D0%BE%D1%81%D1%82%D0%B8.pdf

International Organization for Migration (IOM) (2022). *World Migration Report 2022*, Geneva. Available at: https://worldmigrationreport.iom.int/wmr-2022-interactive/

Khasenov, M. (2023). Employment relationship and platform work: Global trends and case of Kazakhstan, *Labor Law Yearbook*. Available at: https://dspace.spbu.ru/bitstream/11701/39122/1/195-201.pdf

Lehdonvirta, V., Kässi, O., Hjorth, I., Barnard, H., & Graham, M. (2019). The global platform economy: A new offshoring institution enabling emerging-economy microproviders. *Journal of management, 45*(2), pp. 567-599. Available at: https://journals.sagepub.com/doi/pdf/10.1177/0149206318786781

Mogilevski, R. (2020). Labour market and technological development in Central Asia. *University of Central Asia – Institute of Public policy and Administration Working Paper No. 58.* Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3796925

OECD (2018). *Business environment in Central Asia: Skills*, Paris: OECD Publishing. Available at: https://www.oecd-ilibrary.org/development/enhancing-competitiveness-in-central-asia/business-environment-in-central-asia-skills_9789264288133-7-en

OECD (2021). *Informality and COVID-19 in Eurasia: The Sudden Loss of a Social Buffer*. Available at: https://www.oecd.org/eurasia/informality-in-eurasia.htm

Popiel, P. (2017). 'Boundaryless' in the creative economy: assessing freelancing on Upwork. *Critical Studies in Media Communication, 34*(3), pp. 220-233. Available at: https://www.tandfonline.com/doi/pdf/10.1080/15295036.2017.1282618

Schmidt, F.A. (2017). *Digital labour markets in the platform economy: Mapping the political challenges of crowd work and gig work,* Bonn: Friedrich-Ebert-Stiftung. Available at: https://www3.weforum.org/docs/WEF_The_Promise_of_Platform_Work.pdf

Solidarity Center (2022). *Roadmap to justice: How Kazakhstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kazakhstans-platform-economy-workers-can-stand-for-their-rights/

Solidarity Center. (2022). *Roadmap to justice: How Kyrgyzstan's platform economy workers can stand for their rights,* Solidarity Center. Available at: https://www.solidaritycenter.org/publication/roadmap-to-justice-how-kyrgyzstans-platform-economy-workers-can-stand-for-their-rights-2022/

Stephany, F., Kässi, O., Rani, U., & Lehdonvirta, V. (2021). Online Labour Index 2020: New ways to measure the world's remote freelancing market. *Big Data & Society.* Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3849445

United Nations (2022). *United Nations E-government survey 2022,* New York: United Nations. Available at: https://publicadministration.un.org/egovkb/en-us/Reports/UN-E-Government-Survey-2022

United Nations Children's Fund (UNICEF), & European Training Foundation (ETF) (2021). *Building a resilient generation in Central Asia and Europe: Youth views on lifelong learning, inclusion, and the green transition.* Available at: https://www.unicef.org/eca/reports/building-resilient-generation-central-asia-and-europe

Workforce Development Centre (2022). *Labour market of Kazakhstan 2022: On the way to digital reality.* Available at: https://iac.enbek.kz/ru/node/1457

World Economic Forum (2020), T*he promise of platform work: understanding the ecosystem,* Geneva: World Economic Forum. Available at: https://www3.weforum.org/docs/WEF_The_Promise_of_Platform_Work.pdf

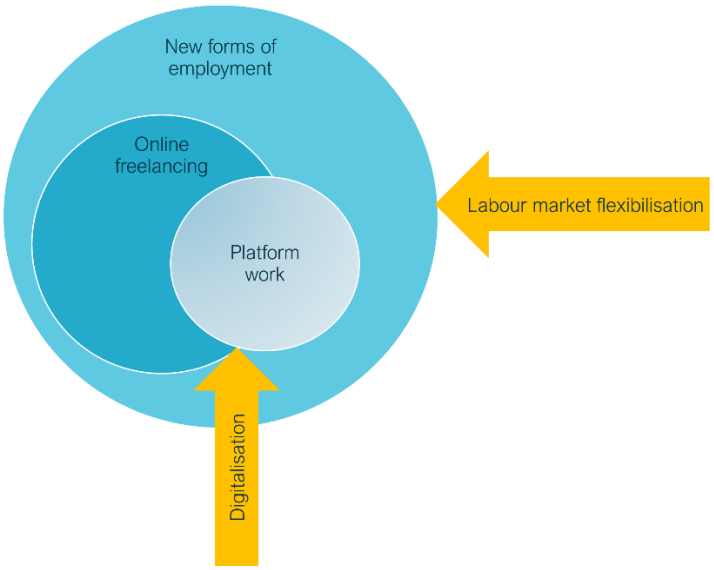
Annex 1. Conceptualisation of platform work

The main concepts involved in the present study are online work/online freelancing and work through digital labour platforms ('platform work'). Both platform work and online freelancing can be understood as new forms of employment, in the sense that they diverge from the traditional employment relationship between an employee and a single employer, with stable work schedules and places (namely, the relationships on which the development of labour regulation in most countries has for a long time been based). This divergence relates to the flexibilisation of the labour market, and is a feature also common to the other forms of employment.[290] However, what distinguishes platform work and online freelancing from other forms of work driven by labour market flexibilisation is its heavier emphasis on the aspect of digitalisation. In other words, the digitalisation of societies and economies has enabled online freelancing and platform work to become feasible ways to earn a living.

In some cases, online freelancing can be seen as a broader category, covering platform work. This applies in particular to the provision of professional services through platforms such as Upwork, Freelancer.com and similar. However, not all forms of platform work can be classified as online freelancing. On the one hand, some work is not implemented *online,* but rather *on-location* (e.g. cleaning or repair work by workers recruited by clients through platforms). On the other hand, not all platform work can be classified as *freelancing:* EU policymakers have already made steps to review the labour market classification of ride-hailing drivers and delivery couriers, who are in a *de facto* subordinate relationship with the platforms they use.[291] In some countries of the EaP and Western Balkan regions analysed in previous studies, it was found that drivers or delivery personnel tended to be employed by the platform companies.

This relationship between the concepts of this study is therefore illustrated in Figure 27 below.

Figure 27. Main concepts of the study



[290] e.g., casual work, mobile work, job sharing, collaborative employment, interim management and employee sharing.
[291] European Commission (2021). Proposal for a Directive of the European Parliament and of the Council on improving working conditions in platform work, 9 December 2021, COM(2021) 762 final. Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2021%3A762%3AFIN

Online freelancing can be broadly defined as **independent work** outside of an employment relationship that **does not involve the commitment** of a worker to a particular client in the long term. Online freelancers **work remotely** and find work through different channels such as websites, social media, digital platforms, personal connections, agencies and professional associations. Online freelancers provide mostly high-complexity services that require specific qualifications, although this is not always the case.

Specifically, **platform work** refers to work intermediated by **digital labour platforms** – internet-based companies that intermediate and organise work provided by workers or self-employed people to third-party clients. This is a very specific business model which intermediates labour and monetary transactions, and takes commission fees on these transactions.[292]

Platform workers, in turn, are individuals providing services intermediated via digital labour platforms, regardless of these the legal employment status of these individuals (worker, self-employed or any third-category status).

Platform work is a highly heterogeneous phenomenon. **Several dimensions** can be used to further classify and systematise the variety within platform work. First, there are **two broad types of platform work** (see also Table 13 below), based on whether workers can work online remotely, or whether they must meet the client/go to a specific physical location in order to implement the task:

- **Remote, web-based services:** remote delivery of electronically transmittable services (e.g. via freelance marketplaces), also referred to by various sources as cloud work, crowd work,[293] online freelancing,[294] remote platform work or global-reach platform work.[295]
- **On-location services:** delivery of services (e.g. transportation, cleaning or delivery services) is physical, although matching and administration services between customers and service providers are digital. Also referred to in various studies as app work,[296] location-based digital labour or mobile labour markets.[297]

[292] It is very important not to confuse digital labour platforms with similar concepts, sometimes referred to using similar terms. Websites that post job advertisements by companies that are looking for employees; digital tools used for work (such as Microsoft Teams or Zoom) and other similar technologies are sometimes called "platforms", but these are not "digital labour platforms" in the sense that this term is used in this study.

[293] Duggan, J., Sherman, U., Carbery, R., & McDonnell, A. (2020). Algorithmic management and app-work in the gig economy: A research agenda for employment relations and HRM. *Human Resource Management Journal*, 30(1), 114-132. Available at: https://onlinelibrary.wiley.com/doi/pdf/10.1111/1748-8583.12258?casa_token=x3znfque_10AAAAA:wIL-wc5m7M5_QDRUqd7Fg4GclulOHnWuROgYuh14S-Bsbhi4lvfUe0zsreG49ZPIHwU5WKodPtJ1p6A

[294] Popiel, P. (2017). 'Boundaryless' in the creative economy: assessing freelancing on Upwork. *Critical Studies in Media Communication*, 34(3), 220-233. Available at: https://www.tandfonline.com/doi/pdf/10.1080/15295036.2017.1282618?casa_token=Olp1RyQHb3QAAAAA:wOfFguqGsg31_nlCXEyalWCGrEoBVz9a-mDm3FYc-GCjYo6XtaujKsKEv0d0-wAQom_6kzzZSxSB

[295] World Economic Forum, Platform for Shaping the Future of the New Economy and Society (2020). The promise of platform work: understanding the ecosystem. Geneva: World Economic Forum. Available at: https://www3.weforum.org/docs/WEF_The_Promise_of_Platform_Work.pdf

[296] Duggan, J., Sherman, U., Carbery, R., & McDonnell, A. (2020). Algorithmic management and app-work in the gig economy: A research agenda for employment relations and HRM. *Human Resource Management Journal*, 30(1), 114-132. Available at: https://onlinelibrary.wiley.com/doi/pdf/10.1111/1748-8583.12258?casa_token=x3znfque_10AAAAA:wIL-wc5m7M5_QDRUqd7Fg4GclulOHnWuROgYuh14S-Bsbhi4lvfUe0zsreG49ZPIHwU5WKodPtJ1p6A

[297] Schmidt, F.A. (2017). Digital labour markets in the platform economy: Mapping the political challenges of crowd work and gig work. Bonn: Friedrich-Ebert-Stiftung. Available at: https://library.fes.de/pdf-files/wiso/13164.pdf

Table 13. Main categories of platform work

	Online	On-location
High-skill	▪ Online professional services (e.g. accounting, legal, teaching, consultations, project management and similar). ▪ Online creative and multimedia work (e.g. animation, graphic design, photo editing and similar). ▪ Online sales and marketing support work (e.g. lead generation, posting ads, social media management, search engine optimisation and similar). ▪ Online software development and technology work (e.g. data science, game development, mobile development and similar). ▪ Online writing and translation work (e.g. article writing, copywriting, proofreading, translation and similar).	▪ Construction and repair services. ▪ At-home beauty services. ▪ On-demand sports and health services. ▪ On-demand photography services. ▪ On-demand teaching and counselling services. ▪ Tourism and gastronomy services.
Low-skill	▪ Online clerical and data-entry tasks (e.g. customer services, data entry, transcription). ▪ Online micro-tasks (e.g. object classification, tagging, content review, website feedback and similar).	▪ Transportation services (e.g. services similar to taxi, moving). ▪ Delivery services (e.g. courier and food delivery services, grocery delivery). ▪ Housekeeping and other home services. ▪ On-demand pet care services (e.g. dog-walking). ▪ On-demand childcare and elderly care services. ▪ Temporary ancillary work. ▪ Mystery shopper activities.

Second, **task complexity and the level of skills required** vary a lot. Although on-location platform work is more often associated with lower skill levels than online platform work, this is not necessarily true in all cases. While the latter can involve carrying out low-complexity tasks not requiring any additional skills besides basic digital literacy, on-location work can also involve high-complexity tasks such as teaching, consultancy and similar. **Please note that skills-related questions are the most important underlying theme of the country reports.**

Importantly, the following related activities were not considered within the scope of this study:

- **Remote work for a company by which a worker is employed**: The fact that work is conducted online does not automatically mean that it is platform work. In the relationship of platform work, the platform should operate as an intermediary between workers and their clients.
- Income generated using platforms, **where capital – not labour – is the key factor** in income generation. For example, Airbnb hosts rent out their real estate; on eBay, users can generate income by selling products; other platforms exist that allow users to lend money and generate interest, etc.

Annex 2. Methodology

Desk research and literature review

Desk research in the CA countries' national languages, as well as Russian and English, was the initial step in the data collection process. Desk research included:

- **Primary sources,** such as statistics, policy and legal documents, platform websites, official statistics, specific regulations, court rulings, project reports, etc.
- **Secondary sources**, such as literature reviews, research papers, studies that explore platform work and its challenges, news articles, etc.

During the desk research, researchers explored the information available in the national languages by identifying key terms. For example, English concepts such as 'freelance work', 'online work', 'platform work', 'freelancing'/'freelancer', 'online platforms' and 'gig work' were translated and used to guide the research in Russian and other relevant languages. Table 14 below provides a list of the main English keywords used.

Table 14. Initial search keywords

Topic	Keywords
Online and platform work	gig work/economy, freelancing, online work/labour, digital work/employment, food-delivery services, taxi app services, web-based work, temporary gigs, platform economy/work, freelance jobs/work, online labour platforms, digital labour platforms, on-location platforms, *[specific platform names]*
Strategic and policy approaches	active labour market policies, youth policies, youth guarantee, youth employment policy, employment policy, digital skills policy, digital skills project, digital infrastructure
Horizontal aspects	youth, school to work transitions, digital skills, digital competencies

Analysis of platform websites

Another key method used for desk research was the **review and analysis of specific platforms**. First, the most popular labour platforms that in each of the Central Asian countries analysed were identified. Researchers then reviewed the interface, worker registration process and requirements of each platform, as well as their terms and conditions.

Exploratory analysis of online non-platform freelancing

Some online freelancers work outside of platforms. They work online for one or more clients, but are not in an employment relationship. Researching these types of online freelancers is difficult, due to informal nature of this work and a lack of data. For these reasons, only an exploratory analysis was conducted. Researchers enquired as to where and how online freelancers find work. Online job search portals (specifically, job offers for remote work and foreign companies), social media groups (e.g. Facebook

groups of freelancers) and blog posts/promotional websites targeting freelancers[298] were the key data sources for desk research on this topic.

Interviews

A total of 37 interviews were conducted, representing the following stakeholder groups in the four Central Asian countries analysed:

- Policymakers (e.g. representatives of the country's ministry of labour).
- Representatives of the most prominent digital labour platforms.
- Experts or researchers who have analysed atypical work, new forms of work or platform work in the region.
- Social partners or NGOs (e.g. trade unions, IT sector associations).

A full list of interviewees is presented in Table 15 below.

An additional interview was conducted with an Upwork representative for the region.

Table 15. List of interviewees

Organisation	Date	Target group
KAZAKHSTAN		
Ministry of Labour of Republic of Kazakhstan	28 May 2023	Policymaker
Ministry of Labour of Republic of Kazakhstan	23 June 2023	Policymaker
HeadHunter	28 May 2023	Expert – employment services
Uwork.kz	19 May 2023	Digital labour platform – local freelance platform
Kazdual.kz	26 May 2023	Experts in employment and the labour market at universities
Paloma365	6 June 2023	Representatives of online/platform workers who could provide an overview of these forms of employment
Chocofood	5 June 2023	Digital labour platform – local on-location platform
Uber KZ	9 June 2023	Digital labour platform – international on-location platform

[298] For example, see: https://www.remotepass.com/blog/all-you-need-to-know-about-working-as-an-independent-contractor-in-egypt

Association of legal entities "Kazakhstan Association of IT Companies"	7 June 2023	Social partners or NGOs – IT sector association
KYRGYZSTAN		
High Technology Park	8 June 2023	Social partner, platform developer
CRM Technologies	9 June 2023	Social partner, platform developer
National Statistical Committee of the Kyrgyz Republic	8-9 June 2023	Expert or researcher
National Statistical Committee of the Kyrgyz Republic	8-9 June 2023	Expert or researcher
Ministry of Labour, Social Protection and Migration	9 June 2023	Policymaker
Central Committee, Mining and Metallurgical Trade Union of the Kyrgyz Republic	12 June 2023	Social partner, Trade Union
Namba Soft – Namba Group	19 June 2023	Digital labour platform – local on-location platform
KSSDA – Kyrgyz Software and Service Developers Association	22 June 2023	Social partner, platform developer
Glovo	22 June 2023	Digital labour platform – international on-location platform
TAJIKISTAN		
Ministry of Labour, migration and employment	23 June 2023	Policymaker
State Agency for Labour and Employment	23 June 2023	Policymaker
Research Institute of Labour, Migration and Employment	30 June 2023	Researcher who could provide an overview of these forms of employment
NGO "Ilmhona" (co-learning space)	30 June 2023	Expert
NGO "Ilmhona" (co-learning space)	30 June 2023	Expert
zypl.ai academy	23 June 2023	Expert
ICT Center	30 June 2023	Non-governmental organisation
Digital platform http://www.joikor.tj	30 June 2023	Digital labour platform

Tajik National Association of Social work schools	30 June 2023	Expert who could provide an overview on these forms of employment
UZBEKISTAN		
Institute for Labour Market Research by the Ministry for Employment	22 June 2023	Social partner
IT Park Branch in Karakalpakstan	15 June 2023	Social partner
Karakalpak Branch of UZINFOCOM, Single Integrator for the creation and support of state information systems	15 June 2023	Expert
Education in IT Park Uzbekistan | Young Women Leader | Championing Uzbekistan as the IT Hub of Central Asia | Promoting Inclusive IT Education	28 June 2023	Social partner
"Data Life Centre" Ltd	15 June 2023	Expert
Institute for Labour Market Research	3 July 2023	Research institute
Ministry of Digital Technologies of the Republic of Uzbekistan	19 July 2023	Policymakers
Ministry of Employment and Poverty Reduction of the Republic of Uzbekistan	26 June 2023	Policymakers
Horizontal		
Upwork	21 July 2023	Digital labour platform

Automated collection of data from the web

The insights from desk research and interviews were supplemented with data from three relevant online labour platforms for the provision of web-based services: **Freelancer.com, Guru.com** and **Weblancer.com.** This selection was influenced by several factors. First, these three platforms are international websites that have notable numbers of workers from all of the CA economies, which can be filtered by location. Second, the platforms are not specialised, offering a variety of jobs that require a range of skills and qualifications (as opposed, for example, to platforms focusing specifically on designers, programmers or translators, etc.). Third, the websites of these platforms display information in a way that is especially convenient for data scraping (e.g. they provide skills and hourly rate data in their search results, while other platforms do not), thus allowing comparative data to be gathered in a relatively short amount of time.

To collect these data, we filtered all of the freelancers available on the three selected platforms (Freelancer.com, Guru.com and Weblancer.com) by country of interest. The results of this search were

scraped and presented as brief platform worker profiles. Each platform was scraped and further analysed as a separate dataset, given that the information provided on each platform was not identical in its form, and datasets could not therefore be instantly merged without losing important information and running the risk of duplications. This comparative information was compiled into a single dataset covering all three platforms to enable regional and cross-platform analysis.

Once scraped, the data were cleaned for duplicates (both duplications resulting from the data collection activities, as well as duplicated profiles present on the platforms, based on their descriptions). It is important to note, however, that the actual number of workers could differ from the number of observations in the dataset, because the same person might have an account on multiple platforms, or some accounts could be used by more than one freelancer. The data were then coded to enable more detailed analysis. The key coding efforts were directed at developing the following new variables:

- **Occupation.** One of six occupations was ascribed to each platform worker using the classification applied by the iLabour Project[299] (see table below), which aligns with the conceptual framework of the present study. To ascribe platform workers to specific occupations on Freelancer.com and Guru.com, keyword information was used from the 'tags' provided in the 'skills' section of each worker's profile. Each occupation was assigned a list of keywords (see Table 16 below). This list was significantly expanded through several iterations, both using a sorting algorithm in Python and manual classification. The final list comprised around 1,200 skills. An algorithm was then used, which checked for correspondence between each profile's skills and the skills listed for each occupation. In instances where a profile contained skills corresponding to more than one occupation from the list of occupations, the code was drafted in such a way as to ensure that the dominant occupation would prevail. For example, this meant that if an individual listed three skills in the field of software development and technology and one in creative and multimedia, the occupation assigned would be software development and technology. Some profiles did not list any skills. Such cases were not assigned an occupation. In cases where a profile had an equal number of skills from two different occupations, it was randomly assigned to one or other category. Because the sample was very large, minimal bias is expected, as randomised classification would achieve a relatively even distribution. Lastly, researchers also counted the number of skills from different occupations that matched the skills of individual profiles, to determine the number of occupations per worker. The above automated method could not be applied to the platform Weblancer.com, because skill tags are not mandatory on this platform, and only a fraction of workers use them. However, for most workers, their profile description is sufficient to determine their occupation. In such cases, researchers used the same classification principles were used as for other two platforms, but this process was manual rather than automatised, as the descriptions consist of unstructured text.

Table 16. Coding of occupations[300]

Occupation	Examples of coding keywords
Clerical and data entry	Customer Service, Data Entry, Transcription, Excel, Web Search, Customer Support, Call Center, Account management, Typing, Word, Procurement, Event Planning, Virtual Assistant, PowerPoint, Microsoft Office, PDF, Administrative Support

[299] Please see the detailed methodology in Kassi (2016). *How is online work classified in the OLI?.* Available at: https://ilabour.oii.ox.ac.uk/how-is-online-work-classified/

[300] This initial list was significantly expanded through further iterative classification.

Creative and multimedia	Animation, Graphic Design, Photography, Audio, Logo, Infographics, User Interface, Photoshop, Design, Illustration, Logo, Illustrator, Art, Artist, Cartoon, Caricature, 3D, CATIA, AutoCAD, Crafts, Drawing, Painting, Video, Music, Cinema, Voice, Corel Draw, Solidworks, Graphics, Cinematography, Adobe Lightroom, Adobe Premiere Pro, Comics, Visualization, Photo, Rendering, Sketching, CAD/CAM, After Effects, 4D, Singing, Acting, Sound Design, Adobe Flash, GIMP, Animate, Vynod, Creative, UX/UI, UI, UX, Vocals, Piano, Retouching
Professional services	Accounting, Legal, Project management, Building Architecture, Mechanical Engineering, Chemical Engineering, Audit, Metatrader, Finance, Business Analysis, Business Plan, Tutoring, Market Research, Power BI, Electronics, Statistics, Business Intelligence, Medicine, Medical, Data Analytics, Business Analytics, Consulting, Psychology, Coaching, MATLAB, Human Resources, Teaching, Lecturing, Genealogy, Electrical Engineering, Biotechnology, Attorney, Academic, Mathematics, Physics, Tableau, Trading, Civil Engineering, Aerospace, Law, Dynamic 365, Geotechnical, Patent, Strategy, Atlassian, Financial, Jira, Recruitment, Account Payables Management, A/R Management, Revit, Nintex, Autodesk, Risk Management, Planning, Microsoft Project, Cryptocurrency, SPSS, Research, Management Skills, Epidemiology, Team Management, Project Documentation, Budget Planning, Scrum, Product Management, Project Plan, Business Case
Sales and marketing support	Lead Generation, Advertising, SEO, Marketing, Facebook, Sales, Telemarketing, CMS, Classifieds Posting, Google AdWords, Instagram, CRM, TikTok, Shopify, Branding, eCommerce, Reviews, Amazon, eBay, Alibaba, Conversion Rate, YouTube, Buyer Sourcing, Prestashop, Google, Sales, Advertisement, Social Media
Software development and technology	Automation, Data Science, Programming, Mobile, Development, Software, AI, Python, PHP, Java, CSS, HTML, C++, Programming, Scraping, .NET, AJAX, Linux, Developer, Android, Apple, Geolocation, AngularJS, WordPress, Node.js Computer Science, PHP, Joomla, Computer, Database, Robotics, Game Development, Azure, LabVIEW, Scrip, UNIX, MySQL, Technical Support, Network, iPhone, DNS, Security, Machine Learning, Cloud, Cisco, ASP, DevOps, Xamarin, Magento, Drupal, Bootstrap, Selenium, Microsoft Access, Debugging, Telecom, Data Mining, Data Extraction, Technology, Windows, Testing, Clojure, CUDA, SCADA, Vectorization, Informatica, IoT, iPad, Bluetooth, Angular, Apache, SDL, Data Management, Digital Asset Management, Data Migration, MSI, Virtual Reality, Worldbuilding, Gaming
Writing and translation	Writer, Article, Writing, Copywriting, Translation, Editing, Proofreading, Grammar, Spelling, English, Polish, German, Lithuanian, Spanish, Danish, Dutch, French, Italian, Romanian, Turkish, Russian, Slogans, Portuguese, Greek, Arabic, Czech, Hungarian, Norwegian, Japanese, Chinese, Hindi, Blog, Estonian, Subtitles
Blank	*Keywords belonging to too many different occupations, making it unable to indicate which is the dominant profession/unclear descriptions*

- **Gender**. Determining an individual's gender from personal names was challenging in the CA region, due to the heterogeneity of names and the inability to create a simple sorting algorithm. One option to solve this issue was to use name databases with defined gender corresponding to names. However, freely available name databases are not exhaustive enough, as they do not contain all name variations. The approach adopted was therefore the online commercial software Gender

API.[301] This software classifies names based on an extensive database of names from different languages and machine learning classificatory algorithms. Not all the names were sorted, as less frequently occurring ones included nicknames, company names and incomprehensible text. Thus, only those names that appeared at least five times were classified. Using this process, around 88 % of all names were ultimately classified.

- **Activity**. In general, many workers who register on web-based work platforms never manage to secure work assignments. We therefore used the indicator of the number of reviews or completed projects to understand the activity rates of platform workers. More specifically, workers were classified as active if: 1) they had a review/feedback (meaning that they had completed at least one task via the platform, and had been assessed by their clients); 2) if the number of completed projects was more than 0.

Focus group discussions

The three focus group discussions (FGDs) conducted as part of this research primarily aimed to cover the first key research topic: new trends in work organisation, skills demand and skills development. They aimed to understand participants' perspectives towards such working arrangements, as well as skills development and career prospects. Two of the focus groups were conducted in English, and one in Russian.

Each focus group comprised three to four participants, with backgrounds in translation, market and web research, data entry, virtual assistance, UI/UX design, software development, ethical hacking, or QA testing. Participants' educational backgrounds were in engineering, informatics and software development, economics, philology, and project management. They were recruited through a job post on Upwork, and were remunerated for their participation. The following criteria were considered, to ensure an optimally diverse set of participants in each FGD:

a. Participants spoke either English or Russian fluently.

b. Participants represented different occupational profiles.

c. Participants had different backgrounds and experiences (e.g. in terms of age, gender, the CA country in which they live, how long they had been working through platforms, etc.). Interactions between participants of different ages, with different views and experiences allowed the researchers to gather better insights on the inherent biases of the participants.

In preparing for the focus groups, as well as when carrying them out, and during the analysis and presentation of results, the research team duly adhered to the relevant **ethical considerations.** After each focus group, the researchers prepared **detailed notes**, which were further used in analysis.

[301] https://gender-api.com/