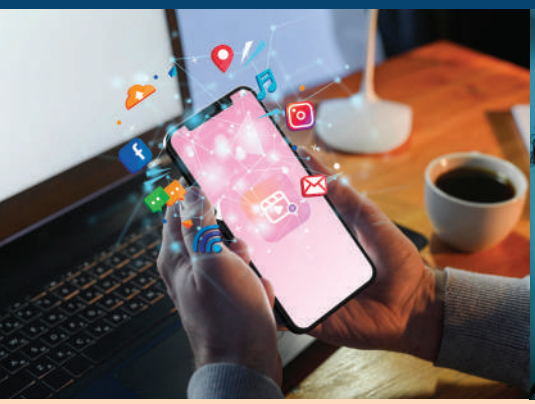
Blueprint Consortium Africa

POLICY BRIEF

Issue No.2, May 2026

Smartson Ainomugisha, Alice Nalweera and Caroline Nankabirwa

From Access to Opportunity: Empowering Uganda's Youth to Leverage the Internet for Employment and Income Generation







Executive Summary

While Uganda's digital economy is expanding, internet use among youth (15-30 years) remains strikingly low and deeply unequal. This brief highlights the disparities in internet use by sex, location and subregion; barriers to internet use; patterns of social media use; and digital skills gaps. The findings show that overall youth internet use stands at only 14.1 percent, with sharp divides between urban and rural areas, and between male and female youth. High data costs and slow internet speeds are the leading barriers to internet use. Among youth who are online, the majority spend their time on passive social activities rather than economically productive uses, and over six in ten youth lack the digital skills needed to conduct business online. Addressing these challenges requires coordinated action across government, telecom companies, and development partners to reduce the cost of data and devices, expand internet infrastructure in rural areas, and invest in digital skills training focused on business and income generation. Additionally, productive and entrepreneurial use of digital platforms among the youth should be promoted, so that internet connectivity translates into real economic opportunity.

Introduction

Uganda has made notable strides in expanding ICT infrastructure and improving internet connectivity over the past decade. By end of 2024, internet penetration stood at 20 percent, with subscriptions exceeding 15 million (UCC, 2024). The Fourth National Development Plan (NDP IV) targets an increase in the share of the population using the internet from 20 percent in FY2023/24 to 45 percent by 2030, recognising digital transformation as a key enabler of employment creation and inclusive growth (NPA, 2025). Additionally, the government aims to reduce youth unemployment from 13 percent to 10.4 percent over the NDP IV period, underscoring the need to intentionally grow and fully harness the digital economy as a viable alternative pathway to employment creation.

Achieving these targets requires urgent attention to the barriers that prevent Ugandans from not only accessing the internet for basic communication but also leveraging it for productive purposes, particularly employment creation and income generation. This is especially critical for the youth, who represent the country's largest and fastest-

growing population segment, and whose economic inclusion is central to realising Uganda's broader development ambitions.

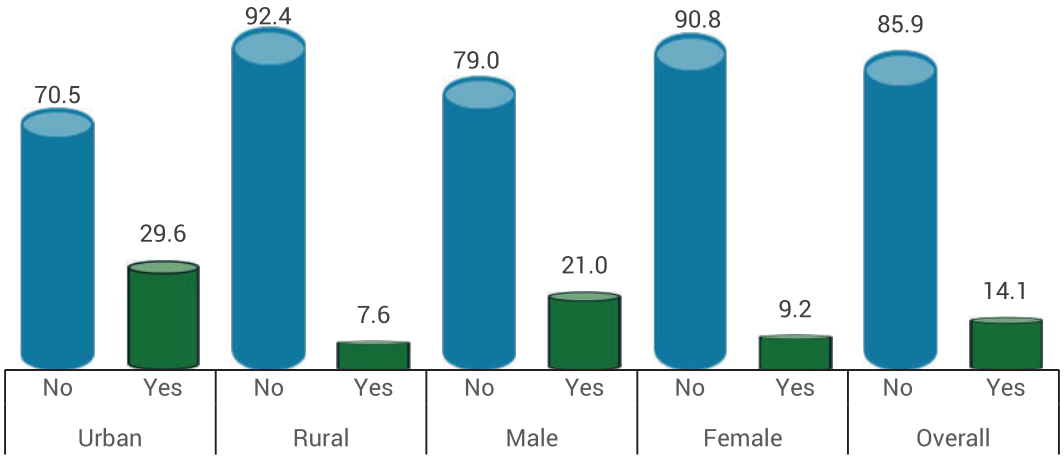
This policy brief is based on data from the 2022 National IT Survey, conducted by the National Information Technology Authority – Uganda (NITA-U) using the Households and Individuals questionnaire. The brief examines disparities in internet use among youth (15–30 years) by geographic location, sex and subregion; barriers to internet use; patterns of social media use; and the digital skills gap.

Evidence indicates that:

A significant digital divide exists between urban and rural youth, and between male and female youth. Overall, internet use is low among youth (14.1 percent) but varies substantially by residence and sex of the individual. As shown in Figure 1, a larger share of internet users are in urban areas (29.6 percent) compared to only 7.6 percent for youth in rural areas. Additionally, most of the internet users are male youth (21.0 percent) compared to 9.2 percent for their female counterparts. At subregion level, the largest share of youth internet users is from Buganda South (27.3 percent), followed by Kampala (20.4 percent) as Figure 2 shows, both of which are largely urban.

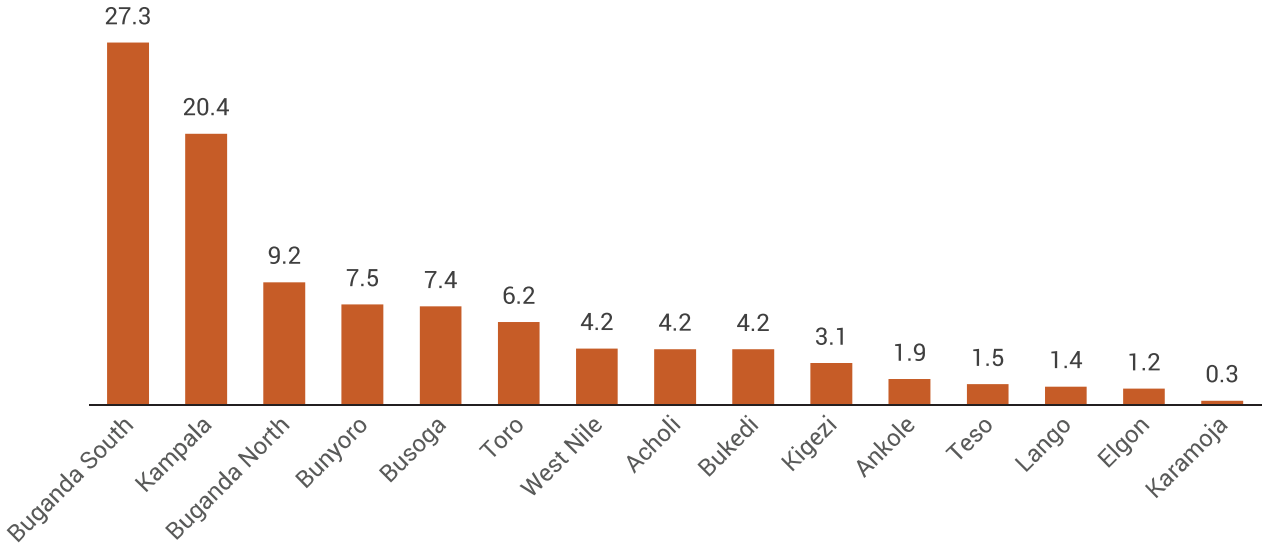
These findings clearly indicate a significant digital divide between youth living in urban and rural areas, male and female youth and across the different subregions of the country. This urban-rural divide is largely driven by the concentration of internet infrastructure, including mobile towers, fibre-optic networks and electricity supply in cities and peri-urban areas.

Figure 1: Internet use among youth by location and sex (%)



Source: Author's construction

Figure 2: Internet use among youth by subregion (%)



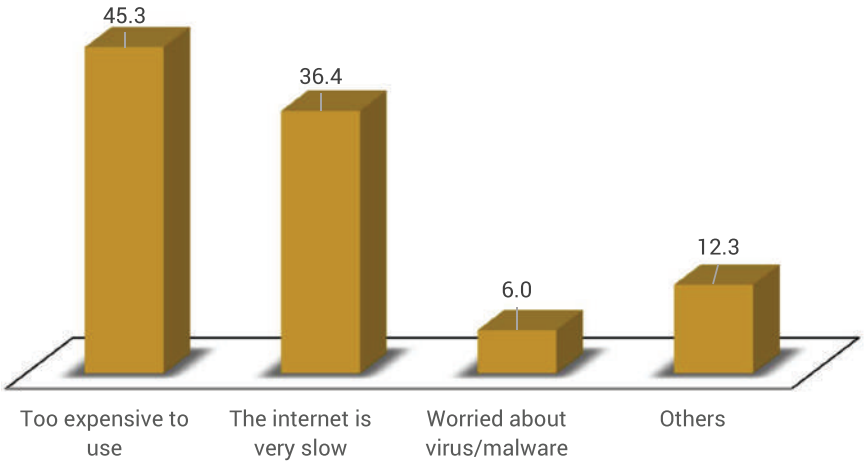
Source: Author's construction

Furthermore, people in rural areas find smart devices expensive, internet costs relatively high for regular consumption and exhibit limited digital literacy (UNCDF, 2021) . The gender gap reflects broader socioeconomic inequalities: female youth are more likely to lack the financial means to purchase smartphones and data bundles, and cultural norms in some communities restrict women's independent use of technology (ITU, 2023; GSMA, 2022).

High cost and slow internet speed are the leading barriers to internet use among youth in Uganda. As shown in Figure 3, the main barrier to internet use is high cost, reported by 45.3 percent of the youth, followed by slow internet speed (36.4 percent). The high cost of internet usage can be attributed to multiple factors, including the high retail cost of smartphones and expensive data bundles. Beyond these high costs, data bundles are depleted rapidly, and consumption rates vary significantly by telecommunication companies despite mobile lines being used in the same phone. Data bundles also expire upon reaching their validity period even when unused, representing a direct loss to consumers (Ainomugisha, 2023). Most notably, a modest smartphone capable of supporting stable internet connectivity and online business activity costs about UGX 300,000 (approximately USD 80), which remains unaffordable for most young Ugandans.

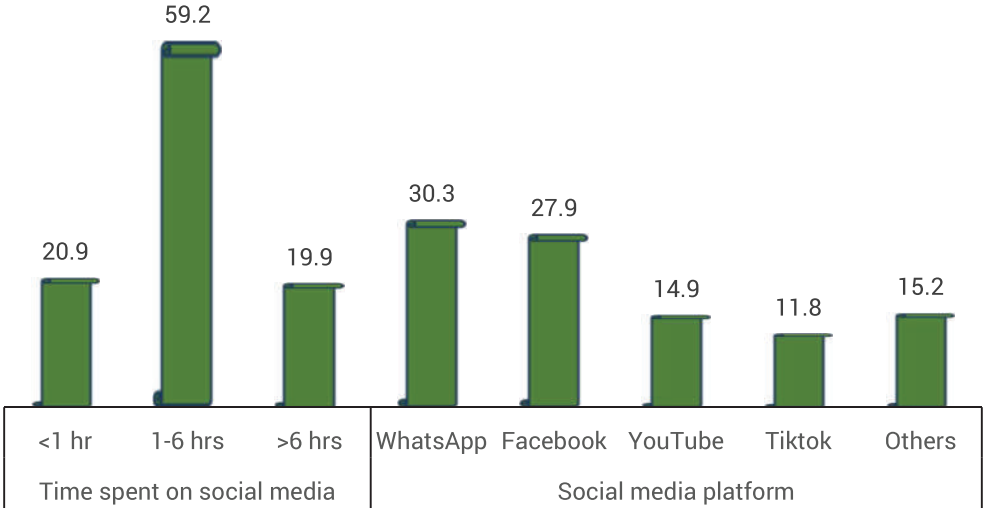
Youth are online but not earning: social media use is overwhelmingly passive rather than productive. As illustrated in Figure 4, most youth spend between one to six hours on social media (59.2 percent) while 19.8 percent spend over six hours on social media. The commonly used social media platform is WhatsApp (30.3 percent), followed by Facebook (27.9 percent), YouTube (14.9 percent) and TikTok (11.8 percent). Nearly half of youth (48.3 percent) use social media primarily for chatting, calling or

Figure 3: Barriers to internet use among youth (%)



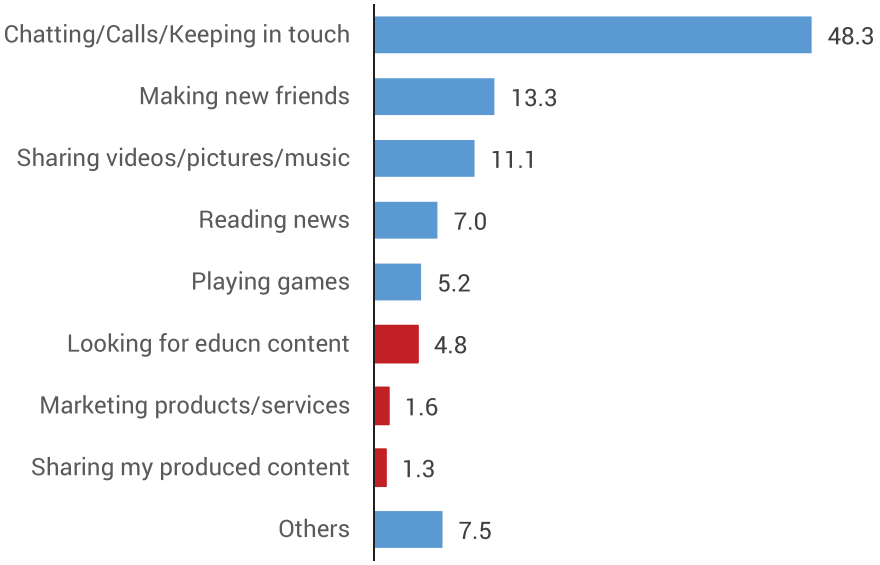
Source: Author's construction

Figure 4: Time spent on social media and platforms used by youth (%)



Source: Author's construction

Figure 5: Purpose of social media use among youth (%)



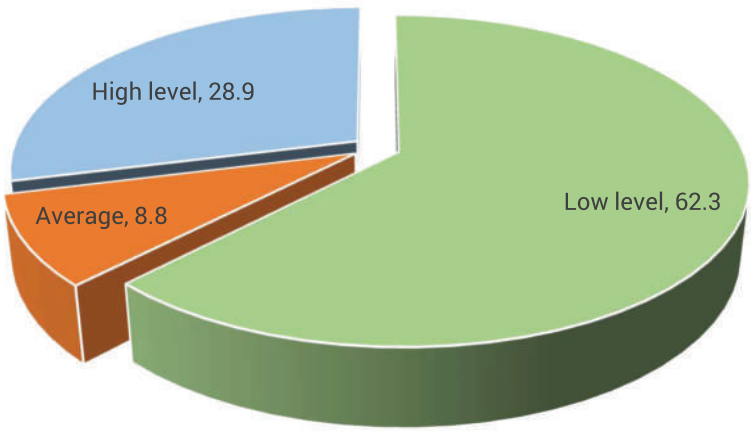
Source: Author's construction

keeping in touch with friends and family (Figure 5). In contrast, only 1.3 percent share self-produced content, 1.6 percent market goods or services, and 4.8 percent use social media for educational purposes.

While high social media engagement is not inherently problematic, the nature of that engagement matters considerably. Social media platforms present a growing avenue for income generation and entrepreneurship in the digital age; yet the results suggest that Ugandan youth are overwhelmingly passive consumers rather than active creators or traders, which represents a significant missed economic opportunity. The youth can tap into Uganda's fast-growing digital economy as content creators, online traders and digital service providers to generate meaningful income with relatively low start-up costs.

A critical digital skills gap is preventing most youth from turning internet access into jobs and income. As shown in Figure 6, the largest share of youth have limited skills to conduct business online (62.3 percent). The limited skills likely explain why most youth use social media for passive consumption rather than income generation. Yet these same platforms offer significant untapped opportunities, from content creation and digital marketing to e-commerce, that youth with the right skills could leverage to earn income and grow small businesses. For instance, WhatsApp Business, Facebook Marketplace and Instagram allow small-scale traders to reach customers at low cost. Youth with basic digital marketing skills can leverage these tools to grow home-based enterprises, supplement household incomes and participate in the growing gig economy. The economic stakes are substantial: GSMA modelling shows that with the right policy reforms, Uganda could create 1.79 million new

Figure 5: Purpose of social media use among youth (%)



Source: Author's construction

jobs and generate UGX 14.6 trillion in additional economic value by 2030 (GSMA, 2025).

What is the way forward?

In summary, internet use among Ugandan youth remains low, marked by pronounced urban-rural, gender, and geographic disparities, and compounded by inadequate digital skills for productive online engagement. These findings reveal a multi-dimensional challenge that demands coordinated policy action. The following recommendations are therefore proposed:

Reduce the cost of data and devices. The Ministry of ICT and National Guidance, in collaboration with the Uganda Communications Commission (UCC) should engage telecommunication companies to develop and introduce tiered, low-cost data packages specifically targeting youth, rural communities and women. Data bundle validity periods should also be regulated to prevent expiry of unused data, which represents a direct and regressive cost to low-income users. In addition, the government should explore tax incentives and public-private partnerships to support local assembly of affordable smartphones, given that the cost of an entry-level internet-capable device remains prohibitive for most young Ugandans. The recently launched National IP Peering Exchange (NIPX) project, which aims to reduce internet costs by routing domestic data traffic within the country rather than abroad, is a welcome initiative whose rollout should be expedited.

Expand internet infrastructure to close the urban-rural connectivity gap. NITA-U and the Ministry of ICT and National Guidance should scale up investment in fibre-optic and 4G network expansion to underserved subregions, with explicit targets for rural coverage rather than defaulting to commercially attractive urban centres. Given that internet connectivity in rural areas is constrained not only by network coverage but also by unreliable electricity supply, coordination with the Ministry of Energy and Mineral Development to expand rural electrification alongside broadband infrastructure is essential. Closing the urban-rural connectivity gap will require treating digital infrastructure and energy access as complementary investments rather than separate priorities.

Invest in digital skills training, with a focus on business and income generation. The Ministry of Gender, Labour and Social Development, in partnership with development partners should scale up practical digital skills training programmes targeting youth. The training should go beyond basic computer literacy to equip young people with skills in digital marketing, content creation, e-commerce and online entrepreneurship. In this regard, the government should leverage existing expertise and infrastructure including Enterprise Uganda, which has an established national network for business development services, and innovation hubs such as the Innovation Village and Outbox Hub to design and deliver market-relevant digital skills programmes. Engaging these actors would ensure that training is grounded in real business needs, reaches youth outside formal education channels and builds a pipeline of digitally skilled young entrepreneurs capable of generating income through the internet.

Promote productive and entrepreneurial use of social media among youth. The Ministry of ICT, working with the Ministry of Gender, Labour and Social Development, should design and implement targeted awareness campaigns that reframe social media as a tool for economic empowerment, not merely social interaction. These campaigns should highlight real examples of Ugandan youth who have built businesses through digital platforms, to shift attitudes and aspirations. Youth centers, community libraries and skills hubs can serve as access points for mentorship and peer learning in digital entrepreneurship. The government should also engage with major social media platforms operating in Uganda to explore partnership arrangements that provide discounted or zero-rated access to productive platforms such as digital marketplaces and educational content for youth users.

Build partnerships with global digital labour markets. The Ministry of Gender, Labour and Social Development, in collaboration with the Ministry of ICT and National Guidance, should establish partnerships with global freelancing platforms such as Upwork, Fiverr, and Toptal to expand access to international remote work opportunities for skilled Ugandan youth, complemented by targeted digital skills training to ensure young people are not only connected but also competitive. The government should further engage the Bank of Uganda and relevant financial service providers to streamline cross-border payment systems, addressing a longstanding barrier that continues to limit the earning potential of Uganda's digital workforce, including restricted access to international payment platforms such as PayPal.

Support local digital content creation as an economic pathway. The Ministry of Gender, Labour and Social Development, in partnership with the Uganda Communications Commission, should establish dedicated youth funds and grants to support local digital content creators, including those running educative blogs, online businesses, and local language educational platforms. Government

agencies should additionally leverage these creators as channels for public awareness and sensitization campaigns — an approach that simultaneously strengthens the creative economy and ensures that government messaging is relatable, accessible, and far-reaching. Special emphasis should be placed on promoting content in local languages to foster inclusivity and accommodate youth across varying literacy levels and geographic locations.

References

Ainomugisha, S. (2023). *How to speed up the adoption of e-commerce by MSMEs in Uganda*. Economic Policy Research Centre.

GSMA. (2022). *The mobile gender gap report 2022*. GSMA Connected Women.

GSMA. (2025). *Driving digital transformation of the economy in Uganda: Opportunities, policy reforms and the role of mobile*. GSMA.

International Telecommunication Union. (2023). *Measuring digital development: Facts and figures 2023*. ITU.

National Planning Authority. (2025). *Fourth National Development Plan (NDP IV), 2025/26–2029/30*. NPA.

Uganda Communications Commission. (2024). *Annual communications sector report 2024*. UCC.

UNCDF. (2021). *Bridging Uganda's digital divide: Gender mainstreaming in digital agriculture*. UNCDF.

Recent Policy Briefs

How visa facilitation reforms and expanding air connectivity can boost Uganda's international tourist arrivals.
Smartson Ainomugisha, March 2026

Blueprint Consortium Africa is Africa's Centre of Excellence for applied research, monitoring and evaluation, data science and analytics. The Consortium is headquartered in Kampala, Uganda. We bring together leading experts from government, academia, and the private sector to generate rigorous, actionable evidence that informs policy and decision-making across Uganda and the Continent.

Blueprint Consortium Africa

Learn more about us at:

P.O Box 188120 Kampala (GPO)
Physical address: Kyambogo
Website: www.bcafrika.com
Tel.:+256 706768197
Email: info@bcafrika.com

https://www.bcafrika.com/

Blueprint Consortium Africa