International Labour Organization

Artificial Intelligence and the Transformation of Work: Implications for Cambodia and ASEAN

Labour Economics Conference 2026 | Cambodia's Labour Market Transformation and Economic Transition in the ASEAN Context: Skills, Technology and Resilience amid Global Economic Uncertainty

Phnom Penh | 11 November 2026

ASEAN labour markets and the AI transition: Key insights

1. Around 1 in 5 jobs face potential exposure to GenAI, reconfiguring tasks, occupations and skills demand
2. Uneven AI adoption could exacerbate labour market inequalities and gaps between small and large firms
3. Unequal preparedness means the benefits of AI may also diverge across ASEAN
4. AI-driven platforms are facilitating work for millions of on-location and online digital platform workers
5. Priority measures must be underpinned by social dialogue, policy coherence and inter-ministerial coordination

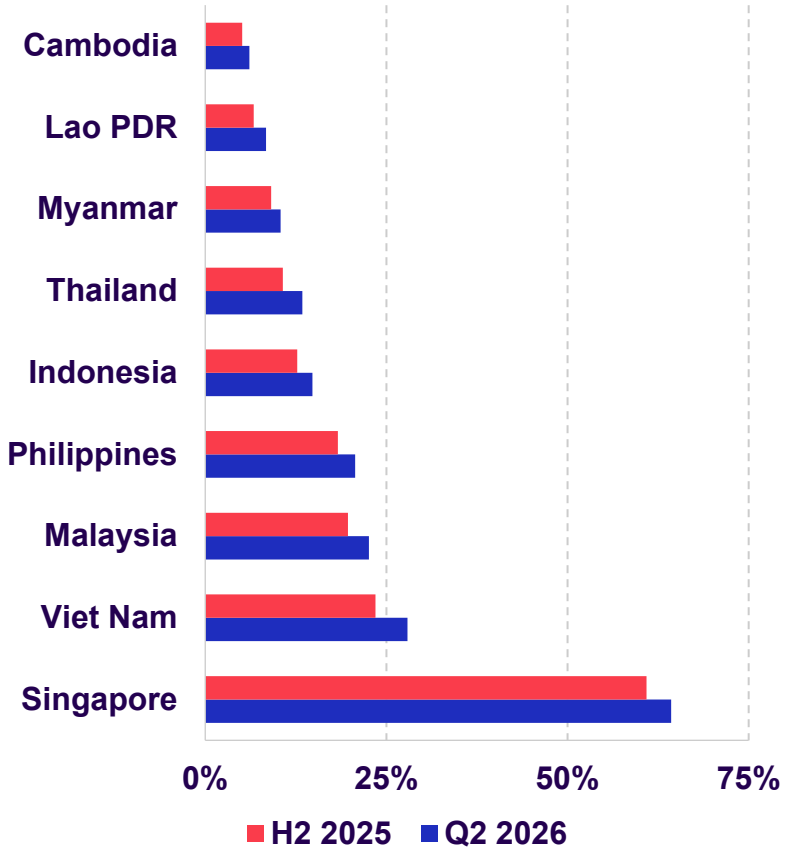
Understanding how AI and technology shape the world of work

- Five different **channels** for AI and technology to **impact** the world of work
  1. **Task transformation**, not just job **displacement**: Greater impact on the changes in what workers do and how they work
  2. **Job creation**: New jobs are also being created
  3. **Demand effects**: Productivity gains from AI can potentially lower prices and raise demand which, in turn, can create more jobs
  4. **Skills**: Changes in tasks, work processes and demand for labour have implications for skills demand, including AI, digital and soft skills
  5. **Job quality**: Beyond changes in the quantity of employment, a major impact of AI occurs through its implications for working conditions and the nature of work

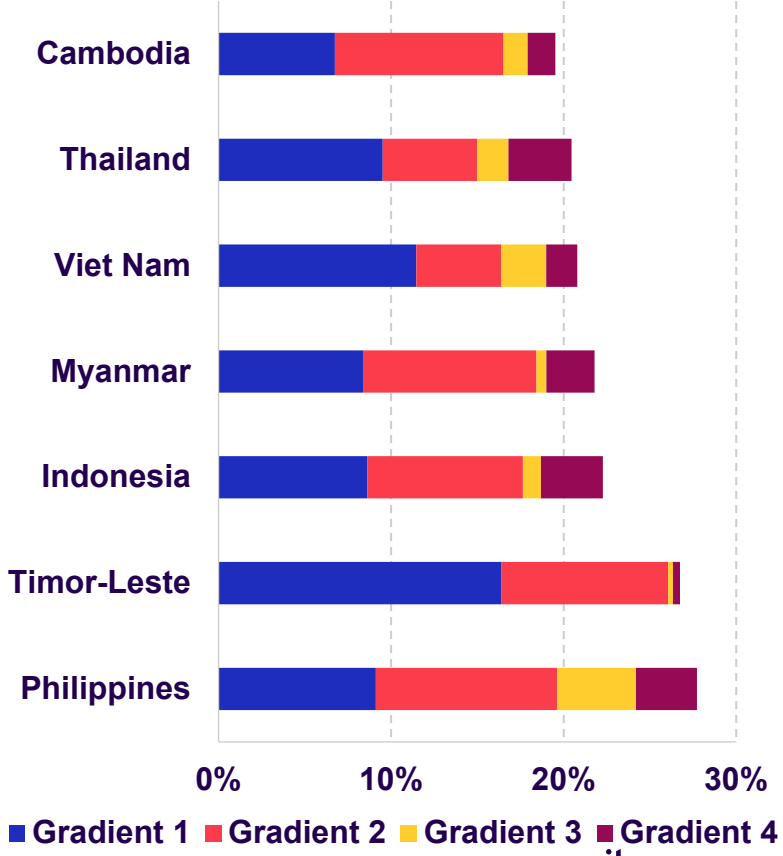
AI diffusion is accelerating, reconfiguring occupations and skills demand

- **AI use** is rising rapidly across ASEAN, but large gaps in adoption persist
- In **Cambodia**, AI use remains among the lowest in the region
- Around **1 in 5** jobs in ASEAN are potentially **exposed to GenAI**
- GenAI is more likely to **transform tasks** than eliminate entire jobs, making **job redesign** and **skills adaptation** priorities

GenAI product usage (% of population)



GenAI exposure, most recent year (% of employment)

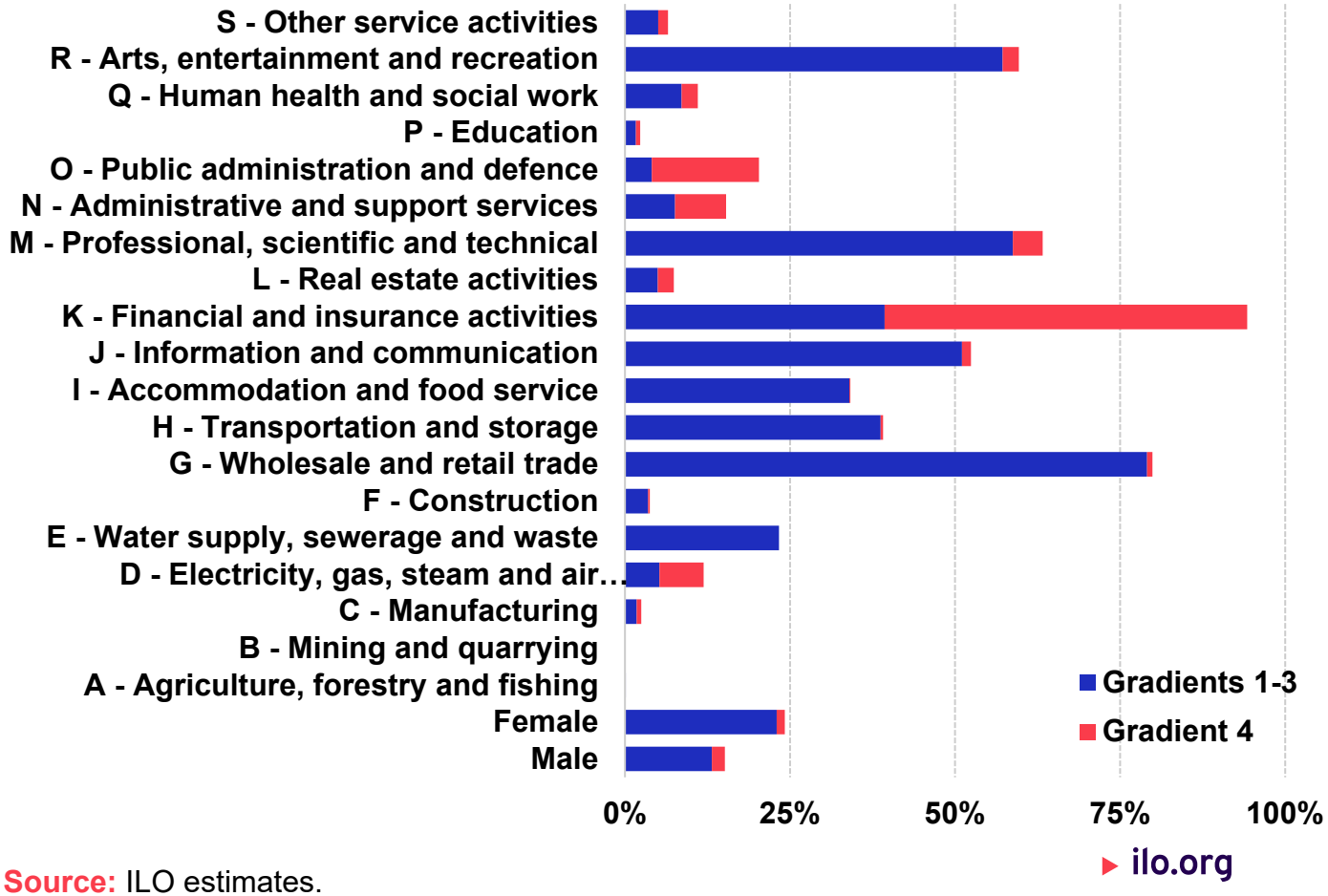


Source: Microsoft AI Economy Institute (2026); ILO estimates.

Gender gap reflects differences in sectoral and occupational composition

- In **Cambodia** and **ASEAN**, **women** face higher GenAI exposure than men
- **Clerical** and **sales** roles face particularly high exposure, with implications for **women** and **entry-level** workers
- Exposure is concentrated in **information-intensive** services such as **finance**, wholesale and **retail trade** and **professional services**
- The gender gap reflects where women work and underlying **occupational** and **sectoral segregation**

GenAI exposure by sex and sector, Cambodia, 2025 (% of employment)

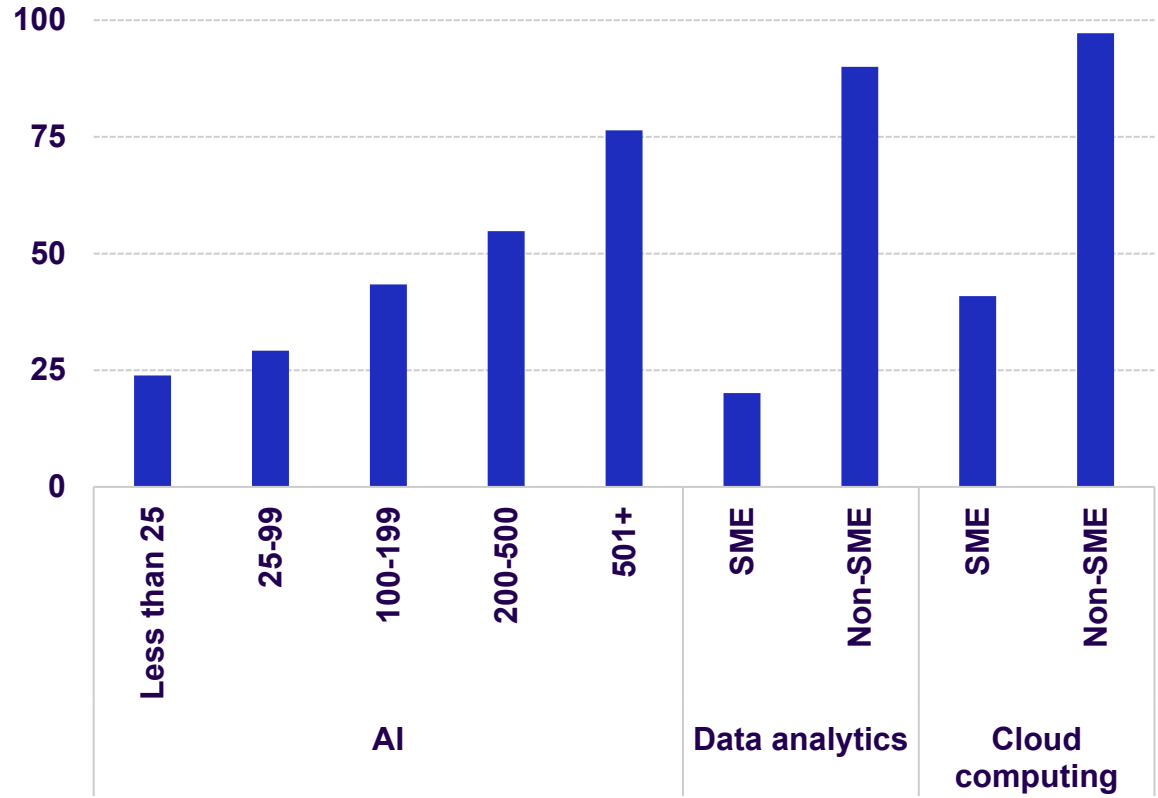


Source: ILO estimates.

Uneven adoption could widen the gap between small and large firms

- **Adoption of AI is uneven across firms**: smaller enterprises risk falling behind as adoption deepens
- **Access is not enough**: productivity gains require AI to be integrated into business processes
- **Skills and management capabilities are key constraints**, alongside finance and uncertainty over returns
- Without support for MSME digital transformation, AI could **widen existing productivity gaps**

Adoption rate of selected digital technologies by firm size (no. of employees) or firm type, Singapore, most recent year (%)

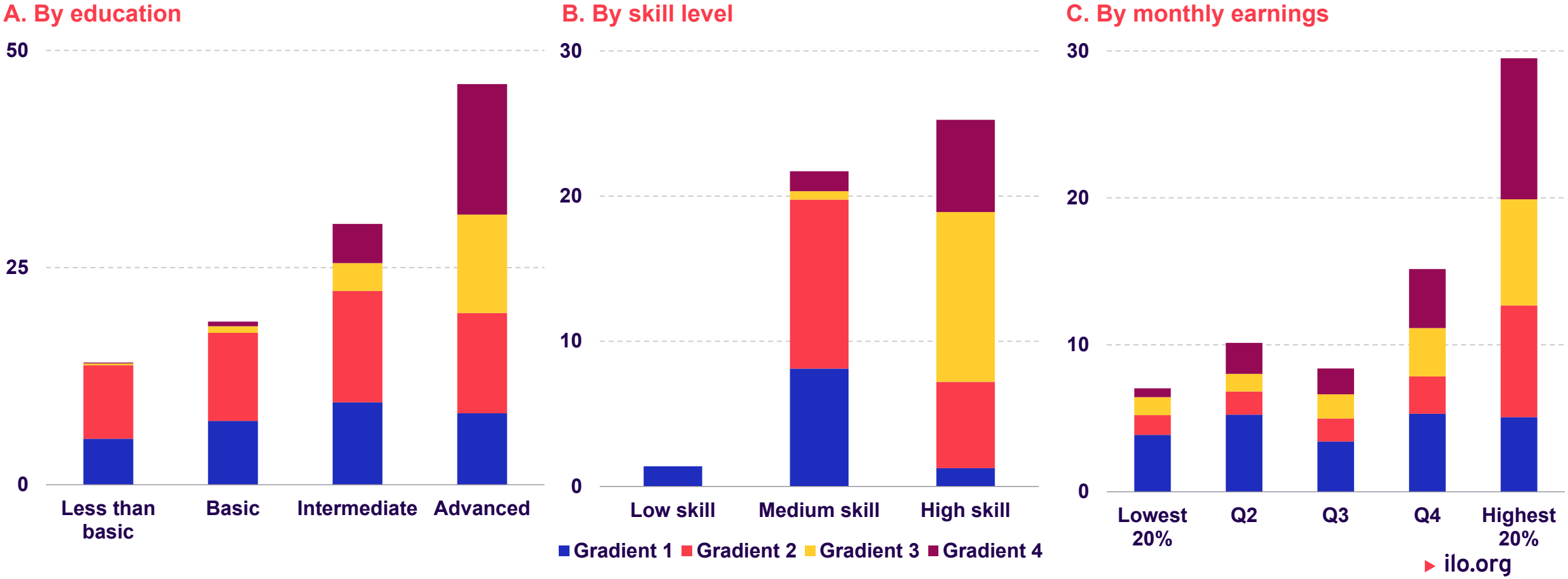


Source: Singapore Ministry of Manpower (2026); Singapore Infocomm Media Development Authority (2026).

AI could exacerbate existing inequalities across the labour market

► Estimate of potential GenAI exposure, Cambodia, 2025 (% of employment)

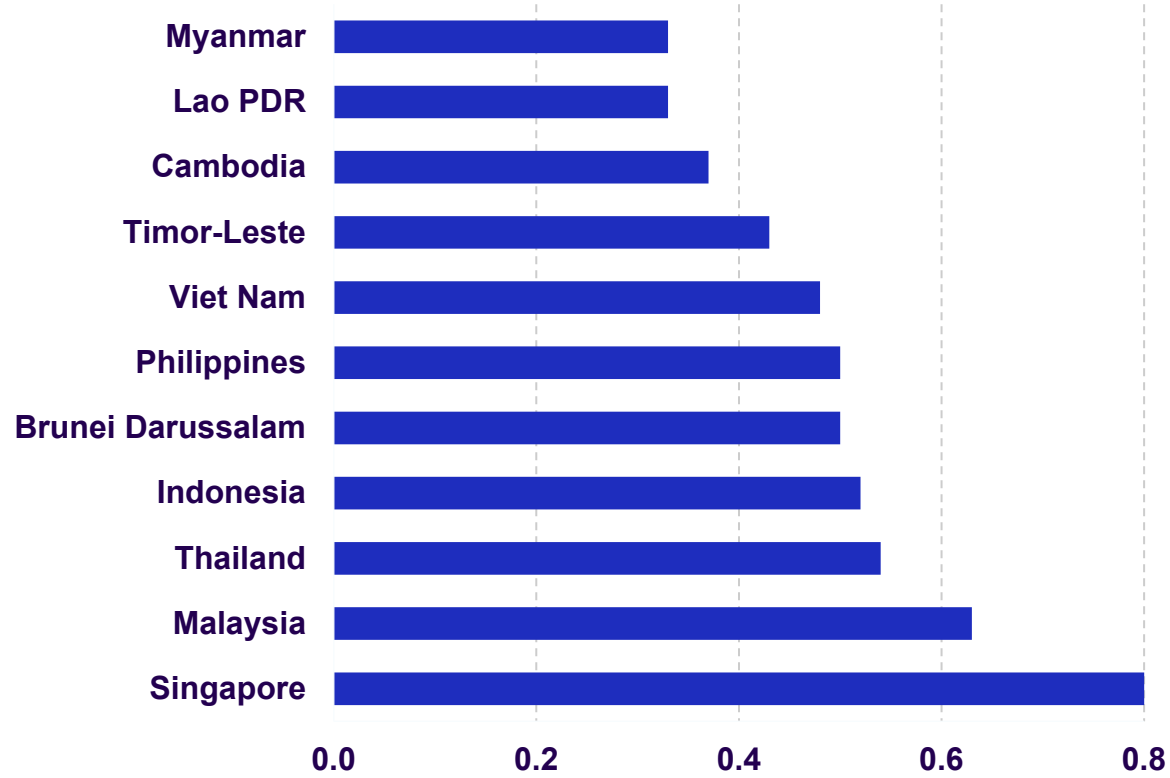
Source: ILO estimates.



Unequal AI preparedness risks increasing disparity across ASEAN

- **AI preparedness varies sharply across ASEAN**, from 0.33 in Lao PDR and Myanmar to 0.80 in Singapore
- **Cambodia scores 0.37**, constrained by skills gaps, low STEM participation and limited research capacity
- **Closing the gap requires more than digital connectivity**: investment in skills and innovation is critical
- **Institutions and policy are also key**: governance and regulation need to support innovation while managing new risks

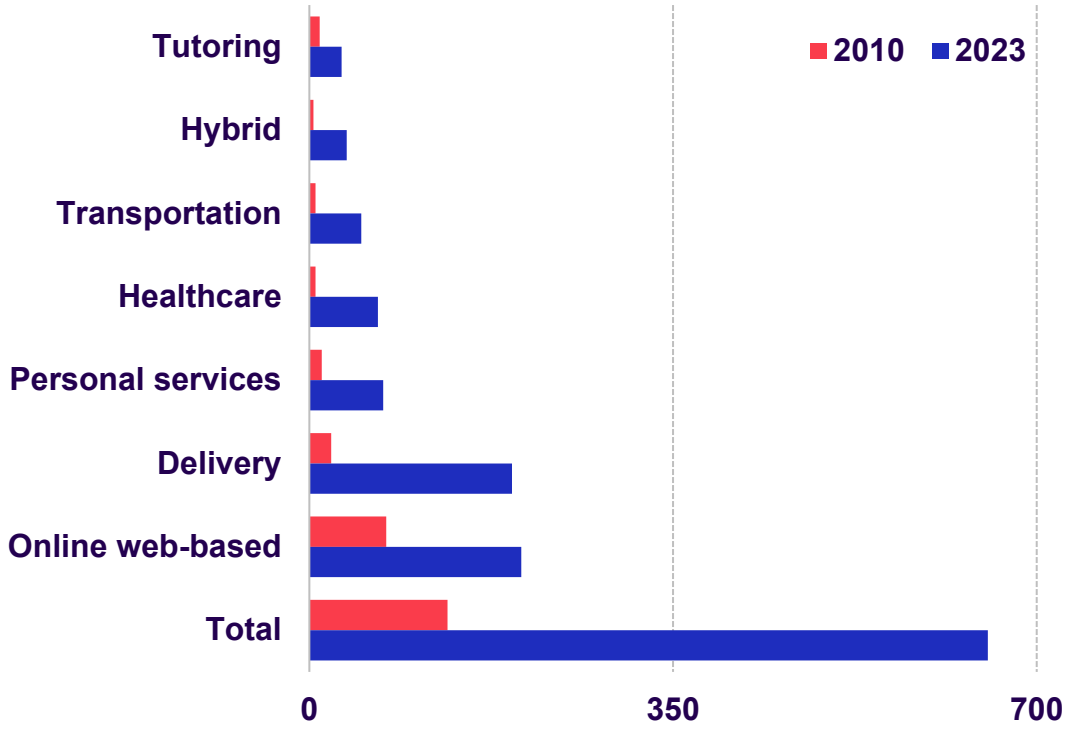
AI preparedness across ASEAN, 2023



Note: AIPI ranges from 0 (low) to 1 (high) and combines four dimensions: digital infrastructure; human capital and labour-market policies; innovation and economic integration; and regulation and ethics.
Source: IMF AI Preparedness Index (AIPI), 2023.

Rapid growth of AI-driven platforms is creating new opportunities in ASEAN

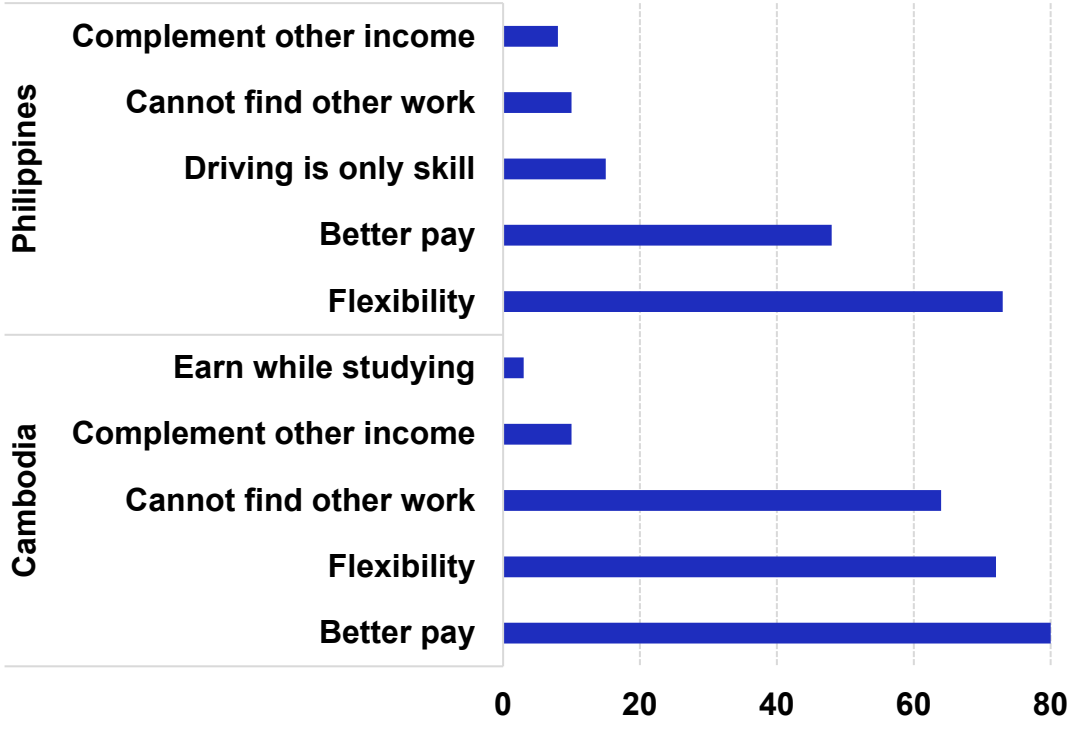
Number of active digital labour platforms globally



Note: Personal services include domestic work. Online web-based include professional services, creative and multimedia work, sales and clerical roles and microtasks.

Source: ILO (2026).

Motivations for seeking platform work, delivery riders and drivers, Cambodia and Philippines, 2025 (%)



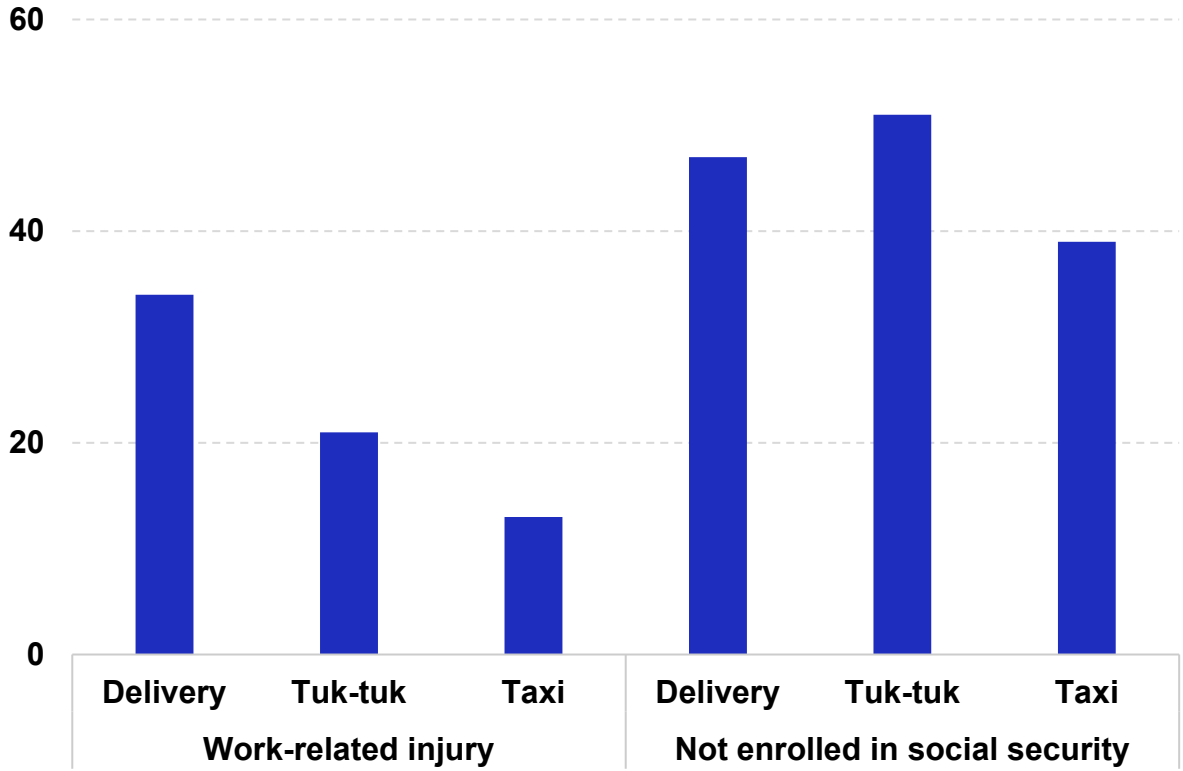
Note: Cambodia data is based on ILO survey of 1,237 digital platform workers in Phnom Penh.

Source: ILO (2026); ILO (forthcoming).

While digital platform work is expanding, gaps in decent work persist

- Platform work offers flexibility and income opportunities, but **decent work gaps** remain
- **Occupational injuries** are common and many workers lack **social security**
- Other key challenges concern **pay** and **working time**, **representation**, **algorithmic transparency** and **data privacy**
- Labour **governance** frameworks need to evolve to ensure worker **protections** keep pace with AI and technological **innovations**

Share of platform workers reporting work-related injury and non-enrolment in social security, Cambodia, 2025 (%)



Note: ILO survey of 1,237 digital platform workers in Phnom Penh. Social security coverage is primarily through the voluntary NSSF scheme.

Source: ILO (2026).

ASEAN is strengthening governance of AI and the changing world of work

Regional frameworks increasingly connect responsible AI with workforce readiness, but greater attention is needed on AI governance in the workplace

1 Responsible and ethical AI governance

- ASEAN Guide on AI Governance and Ethics (2024)
- Expanded ASEAN Guide on AI Governance and Ethics – Generative AI (2025)
- Declaration on the Establishment of an ASEAN AI Safety Network (2025)
- ASEAN Digital Masterplan 2030

2 Skills and workforce readiness

- ASEAN Labour Ministers' Statement on the Future of Work (2019)
- ASEAN Declaration on Human Resources Development for the Changing World of Work and Its Roadmap
- Joint Statement on Skills Development for the Future Workforce in ASEAN (2025)
- ASEAN Responsible AI Roadmap (2025–2030)

3 Emerging priorities: AI governance at work

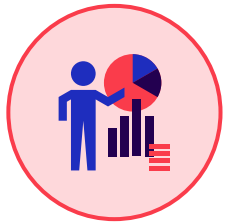
- HR recruitment and performance evaluation
- Algorithmic management, transparency and discrimination
- Worker data, privacy and workplace surveillance
- Occupational safety and health risks
- Worker representation and social dialogue

Policies for inclusive AI and digital transformation for decent work



Policy integration and tripartite governance

- Decent work and human-centred principles
- Inter-ministerial coordination and policy coherence
- Tripartite governance and social dialogue



LM risk surveillance, analytics and foresight

- Monitoring exposure, adoption and impacts
- Identifying affected sectors and workers for support
- Forecasting to anticipate changes and guide policy



Gender-responsive skills and labour market programmes

- Employment facilitation, career guidance and LMI
- Reskilling, upskilling and AI digital skills
- Gender-inclusive pathways to higher-value work



Supportive environment for MSME AI adoption

- Digital infrastructure and connectivity
- Innovation capacity and productivity ecosystem
- Guidance on ethical and responsible workplace adoption



Stronger regional cooperation across ASEAN

- Cross-country knowledge exchange and regional dialogue
- Harmonization of AI and skills monitoring
- Regional frameworks and guidelines for AI governance at work

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Thank you

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