

# Connectivity Scorecard 2011

## Bangladesh



**Bangladesh**  
**0.90**

	Score	Weight
<b>Consumer Infrastructure</b>	0.08 (0.88)*	0.17
<b>Consumer Usage and Skills</b>	0.21 (0.70)*	0.17
<b>Business Infrastructure</b>	0.02 (0.64)*	0.49
<b>Business Usage and Skills</b>	0.21 (0.71)*	0.15
<b>Public Sector Infrastructure</b>	0.13 (0.83)*	0.02
<b>Public Sector Usage and Skills</b>	0.06 (0.68)*	0.01

\*The score of the leading performer for this component

Table 1: Component Scores & Weights 2011

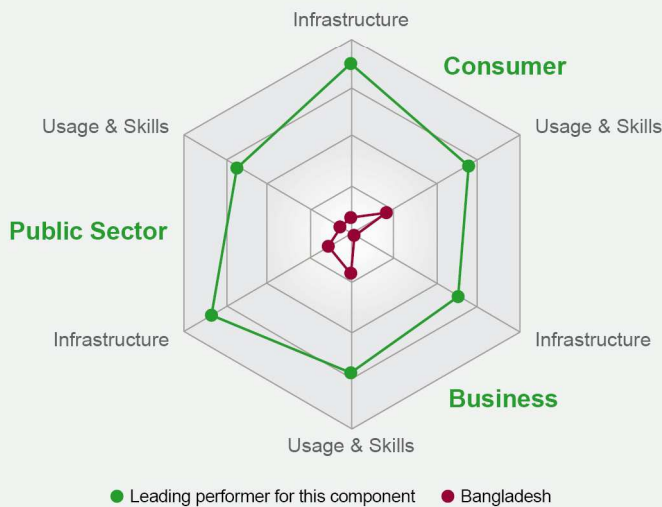


Fig 1: Component Scores 2011

### Overview

Bangladesh tumbles one spot to finish last among resource and efficiency-driven economies<sup>1</sup> on the Connectivity Scorecard 2011. With a score of 0.90, it lags behind neighboring India (1.25) this year and is just behind Kenya (0.95).

Bangladesh performs well in the area of mobile telephony but offers a disappointing performance in the consumer and business infrastructure sub-components. It does not fare too well on the public sector-related metrics either, where its indicator score rankings are 20<sup>th</sup> to 23<sup>rd</sup>. But in the e-Government online service index, Bangladesh ranks 12<sup>th</sup>.

### Strengths

Bangladesh's score in the consumer usage and skills sub-component is propped up by good mobile voice minutes usage. Here, the country manages to outperform several resource and efficiency-driven countries, including India and Nigeria.

The country bags its other high score of 0.21 in the area of business usage and skills, which indicates increased awareness of information and communications technology (ICT) usage in the enterprise sector.

Bangladesh achieves its second-highest score in the public sector sub-component, highlighting the government's strong focus on using ICT to reach out to its citizens. These top scores, however, pale in comparison with the best-performing countries in these sub-components.

<sup>1</sup> As defined by World Economic Forum [www.weforum.org](http://www.weforum.org)

## Weaknesses

Bangladesh puts up its weakest showing in the business infrastructure sub-component, largely on account of low personal computer (PC) penetration and internet subscription levels. Here, the country scores an abysmal 0.02.

The Bangladeshi government's efforts to provide e-government infrastructure to the citizens are somewhat offset by the country's low score in the area of public sector usage and skills. This shows low offtake of e-government services by citizens.

## Conclusions

Being at the bottom of its peer group of resource and efficiency-driven economies, Bangladesh has a huge task at hand of improving its performance on the ICT front. The country, in particular, needs to address issues such as an extremely low PC and internet penetration.

These issues, however, stem from bigger developmental challenges such as low literacy rates and lack of basic infrastructure for the citizens. However, the country seems to be making progress in some of these areas with ingenious solutions such as using solar power to tackle its electricity problems and to power mobile phones and other devices.

Bangladesh's mobile network has skyrocketed from nine million subscribers in 2005 to 52.4 million subscribers and penetration of 32 per 100 people in 2009. Mobile signals cover 97% of the population. By September 2010, Bangladesh had 65.1 million subscribers and a penetration rate of 40%. Despite this, operators claimed that high taxes on SIM have resulted in a 2009 year with sluggish growth. The number of fixed lines has increased by 100% in the five years between 2004 and 2009, from 0.83 to 1.66 million, equivalent to penetration of one line per 100 people in December 2009.

As the silver lining to Bangladesh's bleak performance, its mobile telephony growth adds another ray of hope. The country is one of the fastest-growing telecom markets in Asia and the mobile phone has already become a powerful tool in the hands of its citizens, who are using it to access healthcare information as well as to learn English. Bangladesh's state-owned mobile network, Teletalk is to get a headstart over the private networks with its 3G network and will launch its services before the other networks are granted a license. The regulator, the BTRC will issue licenses on demand, but Teletalk will get

Rank [*)	Country	Connectivity Score
1 [1]	Malaysia	6.61
2 [3]	Chile	6.21
3 [5]	Russia	5.68
4 [7]	Turkey	5.51
5 [4]	Argentina	5.46
6 [6]	Brazil	5.14
7 [8]	Mexico	4.87
8 [10]	Ukraine	4.81
9 [2]	South Africa	4.68
10 [9]	Colombia	4.06
11 [12]	Thailand	3.68
12 [13]	Tunisia	2.79
13 [15]	Vietnam	2.73
14 [17]	China	2.72
15 [14]	Iran	2.41
16 [19]	Philippines	2.15
17 [n/a]	Syria	2.11
18 [20]	Indonesia	2.01
19 [16]	Sri Lanka	2.01
20 [18]	Egypt	1.89
21 [21]	India	1.25
22 [25]	Pakistan	1.14
23 [23]	Nigeria	1.09
24 [22]	Kenya	0.95
25 [24]	Bangladesh	0.90

\*last year's rank in parenthesis

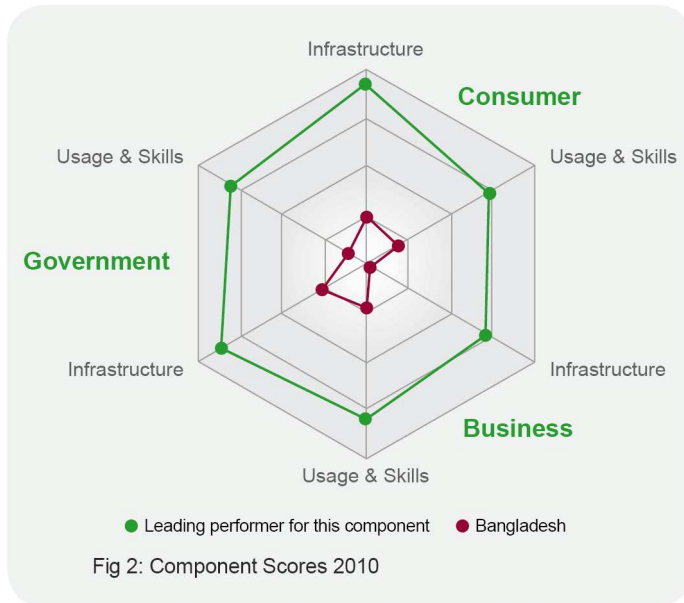
Table 2: Connectivity Scorecard 2011 Results – Resource & Efficiency-driven Economies

priority. The launch of 3G services will make affordable, high-speed broadband services a reality for the masses. Bangladesh has the lowest mobile TCO<sup>2</sup>, less than 2 USD per month, in the group of 50 countries analyzed.

## 2011 vs. 2010

Bangladesh ranks 25<sup>th</sup> with a score of 0.90 this year compared with a rank of 24<sup>th</sup> and a score of 1.53 in 2010. For the Resource and Efficiency economies, two major differences drive the difference in scores and rankings this year. First, there is the use of new weights that have a particular effect on the split between "infrastructure" and "usage and skills" in the business and public sector components of the Scorecard. Using Conference Board data we are able to obtain weights specifically for the relative contributions of ICT capital and labour force improvements to economic growth, from which the split between infrastructure (capital) and usage and skills is

<sup>2</sup> Nokia TCO (Total Cost of Ownership) study 2011



derived. In general, this change has resulted in more weight put on the “business infrastructure” component than in previous Scorecards.

Further, the inclusion of new indicators has made a significant difference to countries’ relative performance on the business components of the Scorecard. This, however, has been discussed in detail above. The Connectivity Scorecard is based on comparative scores between countries, and, therefore, each country’s performance is measured in relation to the best performing nation in each segment at a given point of time. As with other indices of relative rankings, it is therefore hard to interpret the Scorecard in terms of absolute “improvements” or “deteriorations” and to make comparisons of scores over time.

### About Connectivity Scorecard

The Connectivity Scorecard is a global ICT index which unlike other available research, is the first of its kind to rank countries in terms of “useful connectivity” – that is, not only on the deployment of ICT infrastructure but also to measure the extent to which consumers, businesses

and the public sector “make use” of connectivity technologies to enhance social and economic prosperity. This “useful connectivity” is defined as the bundle of infrastructure, complementary skills, software and informed usage that makes ICT the key driver of productivity and economic growth.

Commissioned by Nokia Siemens Networks, the study was created by Professor Leonard Waverman, Dean, Haskayne School of Business, University of Calgary, and Fellow, London Business School. The study was conducted by the consulting firms Berkeley Research Group and Communicea.

For more information on the Connectivity Scorecard, visit [www.connectivityscorecard.org](http://www.connectivityscorecard.org)

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