

Connectivity Scorecard 2011

Pakistan



Pakistan
1.14

	Score	Weight
Consumer Infrastructure	0.19 (0.88)*	0.18
Consumer Usage and Skills	0.30 (0.70)*	0.18
Business Infrastructure	0.01 (0.64)*	0.49
Business Usage and Skills	0.11 (0.71)*	0.09
Public sector Infrastructure	0.13 (0.83)*	0.04
Public sector Usage and Skills	0.10 (0.68)*	0.01

*The score of the leading performer for this component

Table 1: Component Scores & Weights 2011

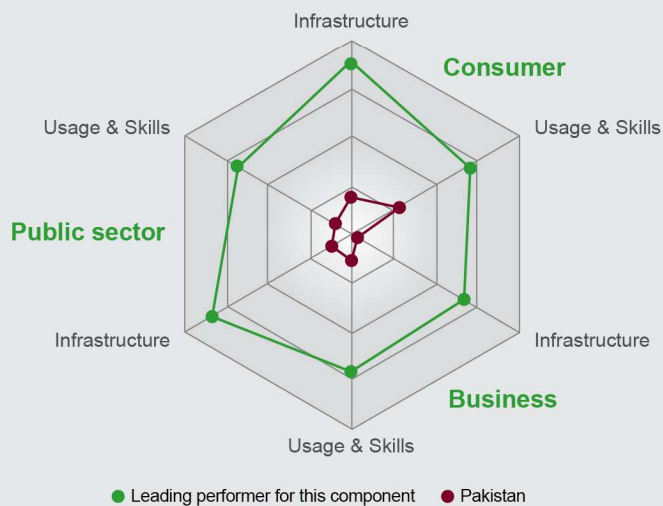


Fig 1: Component Scores 2011

Overview

Pakistan scores 1.14 and climbs three places from last year to rank 22nd among the 25 resource and efficiency-driven¹ economies on the Connectivity Scorecard 2011.

Pakistan's overall performance mirrors its scores on most human development indices. The challenges that obstruct the country's telecom growth are the same as the hurdles obstructing its socio-economic growth.

Pakistan has witnessed significant investments in the telecom sector, including those made by foreign players. However, its position in the bottom five group of countries belies the strides it has made in improving consumer access to Information and Communications Technology (ICT) services. In addition, its ICT performance is marred by several weaknesses and the country has a huge task at hand of developing a robust infrastructure and increasing ICT usage by its various user segments.

Strengths

Pakistan achieves its highest score in the consumer usage and skills component due to the strong mobile sector performance as in many other Asian and African countries. The country gets highest relative scores exactly from mobile-related indicators. However, the country's score of 0.30 is substantially lower than the highest score of 0.70, which reflects the wide gap between Pakistan and the best performing resource and efficiency-driven countries on the Scorecard.

¹ As defined by The World Economic Forum www.weforum.org

Weaknesses

Pakistan's key weaknesses lie in the business infrastructure component, where it scores an abysmal 0.01, against a top score of 0.64. This indicates extremely low investments by Pakistani businesses in ICT. Pakistan also disappoints in the business usage and skills component, in line with its weak business infrastructure.

Conclusions

Much like any other resource and efficiency-driven economy, Pakistan delivers a stronger performance in the consumer component than in the enterprise sector. The country has seen a 14-fold increase in mobile telephony in the last decade alone. However, there still exist large gaps in its performance in this area. For instance, Pakistan has only 1 million broadband subscribers i.e. less than 1 per cent penetration per 100 inhabitants. Therefore, it needs to continue building on its successes in consumer infrastructure.

The country has a bigger challenge in the business component. Pakistani businesses are not sophisticated ICT users, as evidenced by the extremely low scores in the business infrastructure component. Considering the vital role played by technology in today's global digital economy, such a performance places Pakistan's enterprise sector at a huge disadvantage and therefore, calls for concerted efforts to correct the situation.

2011 vs. 2010

Pakistan scores 1.14 and ranks 22nd on this year's Connectivity Scorecard as compared to a score of 1.53 and 25th rank in 2010. For the resource and efficiency economies, two major differences drive the difference in scores and rankings this year². 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, it is possible 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 derived. In general, this change has resulted in more weight put on the "business

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

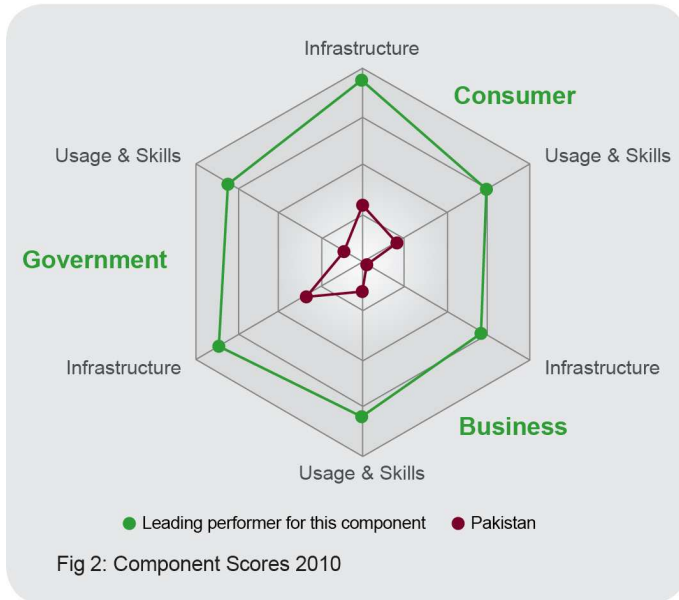
*last year's rank in parenthesis

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

infrastructure" component than in previous versions of the Scorecard. Further, the inclusion of new indicators has made a significant difference to countries' relative performance on the business components of the Scorecard. This 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 difficult to interpret the Scorecard in terms of absolute "improvements" or "deteriorations" and to make comparisons of scores over time.

² For more information download the Connectivity Scorecard 2011 Report from www.connectivityscorecard.org



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 Communea.

For more information on the Connectivity Scorecard, visit www.connectivityscorecard.org

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