

# Connectivity Scorecard 2011

## Sri Lanka



**Sri Lanka**  
**2.01**

	Score	Weight
<b>Consumer Infrastructure</b>	0.26 (0.88)*	0.15
<b>Consumer Usage and Skills</b>	0.53 (0.70)*	0.15
<b>Business Infrastructure</b>	0.10 (0.64)*	0.52
<b>Business Usage and Skills</b>	0.18 (0.71)*	0.11
<b>Public sector Infrastructure</b>	0.09 (0.83)*	0.06
<b>Public sector Usage and Skills</b>	0.10 (0.68)*	0.01

\*The score of the leading performer for this component

Table 1: Component Scores & Weights 2011

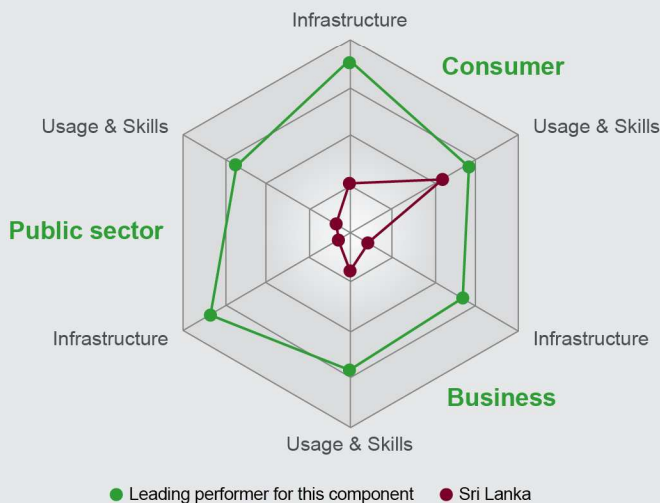


Fig 1: Component Scores 2011

### Overview

Sri Lanka scores 2.01 and falls three places to rank 19<sup>th</sup> among the resource and efficiency-driven<sup>1</sup> economies on the Connectivity Scorecard 2011. However, despite such a performance, the country once again manages to outperform its South Asian neighbors India, Bangladesh and Pakistan this year.

Sri Lanka achieves moderate scores in the consumer infrastructure metrics, and slightly better scores in the consumer usage and skills metrics. However, the country's weak business infrastructure has a large negative impact on its overall score. It is also indicative of the obstacles faced by the country in harnessing Information and Communications Technology (ICT) for socio-economic development.

### Strengths

Sri Lanka achieves its highest score of 0.53 in the consumer usage and skills component. The country had over 17 million mobile subscribers as of December 2010, or an 85% mobile telephony penetration. Although fixed-line penetration is relatively low, the growth in mobile telephony has pushed the total teledensity to nearly 100%.

Sri Lanka achieves its second-highest score in the consumer infrastructure component, helped by its strong mobile subscriber penetration rate.

### Weaknesses

Sri Lanka delivers its weakest performance in the business infrastructure component. Business investments in hardware and software are low, and broadband penetration in the enterprise sector is rather weak.

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

Low internet penetration is a key weakness of the country's consumer infrastructure. According to estimates by Sri Lanka's telecommunications authority, there were only 0.3 million internet subscribers in the country as of December 2010<sup>2</sup>.

The country performs poorly on the public sector-related metrics. While the provision of government services online is just about average, the acceptance of such services is rather poor.

## Conclusions

Most resource and efficiency-driven economies perform better in the consumer component than on business-related metrics, and Sri Lanka is no exception. The considerable interest among telecom companies to invest in and tap this developing market is reflected in the mobile telephony growth. However, as with its other peers, Sri Lanka has a long way to go in boosting its internet and broadband penetration.

Considering the role businesses play in the development of an economy, Sri Lanka's weak business infrastructure is a bigger cause for concern. However, all these factors do not detract from the promise held out by the country with its high literacy rates and better performance on most human development metrics than many of its neighbors. With its long period of political unrest having come to an end, it is fair to expect that Sri Lanka will now be able to devote more investments and resources towards bridging the gaps in its ICT landscape.

## 2011 vs. 2010

Sri Lanka scores 2.01 and ranks 19<sup>th</sup> on this year's Connectivity Scorecard compared to a score of 3.18 and a rank of 16<sup>th</sup> in 2010. For the resource and efficiency economies, two major differences drive the difference in scores and rankings this year<sup>3</sup>. 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

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

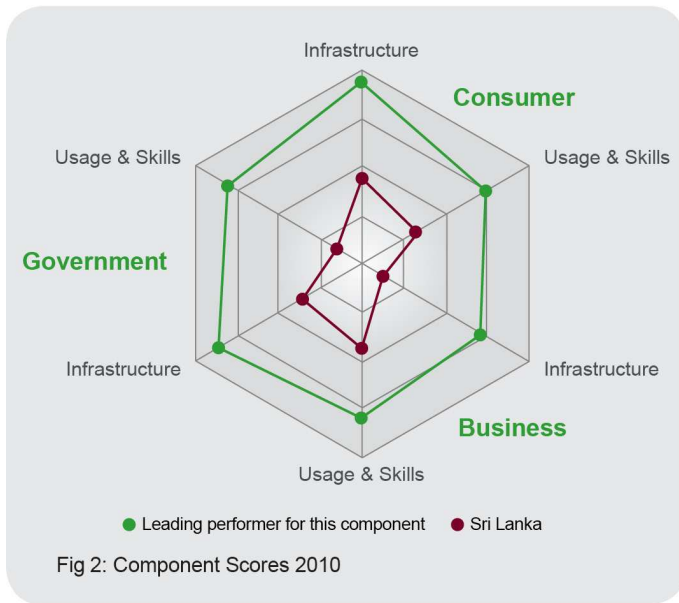
Table 2: Connectivity Scorecard 2011 Results – Resource & Efficiency-driven Economies

resulted in more weight put on the "business infrastructure" component than in previous editions 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.

<sup>2</sup> <http://www.trc.gov.lk>

<sup>3</sup> For more information download the Connectivity Scorecard 2011 Report from [www.connectivityscorecard.org](http://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](http://www.connectivityscorecard.org)

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