



# Connectivity Scorecard 2009

Colombia – a top-10 performer, but trailing Latin American peers limited by its macro-economic conditions

## Overview

With an overall score of 4.08, Colombia features in the list of top-10 performers within the group of 25 resource and efficiency-driven<sup>1</sup> economies featured in Connectivity Scorecard 2009.

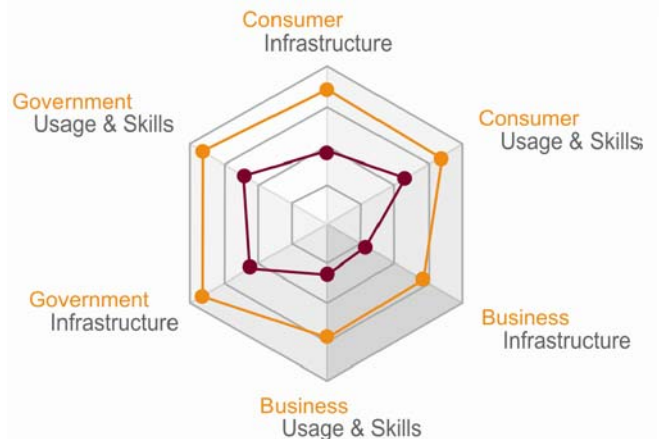
The country ranks 9th, ahead of most of the Asian and African nations studied, but loses out to its Latin American neighbors Chile, Mexico, Argentina and also Brazil, which at the 8th position is only one rank ahead, but with a considerably higher score of 5.12.

## Strengths

Colombia scores 0.48 and 0.58 in consumer infrastructure and consumer usage and skills respectively, putting up a moderate performance to the highest score in the first category, and performing fairly well in the latter. The country fares well in terms of fixed-line and mobile penetration, and the overall minutes of use of these networks. In addition, it also has a relatively strong broadband penetration, which is comparable to Brazil, although both nations lag behind the top-three performers Malaysia, Turkey and Chile. Colombia also has a high literacy rate, reflected in a high score of 0.9 (on a scale of 0 to 1).

	Score	Weight
Consumer Infrastructure	0.48 (0.81)*	0.16
Consumer Usage & Skills	0.58 (0.84)*	0.16
Business Infrastructure	0.30 (0.73)*	0.04
Business Usage & Skills	0.31 (0.74)*	0.55
Government Infrastructure	0.56 (0.93)*	0.01
Government Usage & Skills	0.61 (0.92)*	0.08

\* The score of the leading performer for this component



● Leading performer for this component ● Colombia

<sup>1</sup> As defined by the World Economic Forum



The government segment in Colombia also performs well, although its contribution to the overall score is limited due to the relatively low weighting provided to this category. The country has a high e-government ranking from the Brookings Institution, and scores 0.56 and 0.61 in terms of government infrastructure and usage and skills respectively.

### **Weaknesses**

The weak link in Colombia's otherwise relatively strong performance is the ICT enablement of its business sector. Colombia's business infrastructure score stands at a bleak 0.30 while it fares marginally better in business usage and skills with a score of 0.31. This latter in particular is a considerable drag on Colombia's performance, as it is weighted as 55 per cent of the total score.

Colombia's weak showing within the business segment is illustrated by the fact that the only individual indicators on which it earns relative scores of 0.5 or greater (on a 0 to 1 scale) are international bandwidth availability and secondary school enrolment, though this too is about the same as the median score within the wider peer group.

### **Analysis**

Colombia's overall performance reflects macro-economic constraints and its limited ability to attract sufficient investment rather than any specific failings of regulation within the sector.

In fact, Colombia's strong performance in the government sector is attributed to the early liberalization of the telecommunications sector in the 1990s, when local and long-distance telecommunications services were opened up, and the subsequent formation of an independent regulatory body, the Commission for Telecommunications Regulation (CRT). Since then the country has attracted foreign investment in this sector. For example, Bell South had wireless operations in Colombia that were later sold to Telefónica, and the two main mobile operators in Colombia currently – America Movil and Telefónica – are both foreign-owned.

It would also be fair to say that Colombia's relatively poor performance compared to its South American peers is more a reflection of its economic status (it is a poorer nation), rather than a specific feature of telecommunications policy or the sector.

In Colombia's case, therefore, the most effective strategy to attract more ICT investment would appear to involve improvements in areas such as political and macro-economic stability, and in human development measures such as secondary and tertiary educational enrolment.

## **APPENDICES**

### **About Connectivity Scorecard**

Connectivity Scorecard is a global ICT index, which measures the extent to which governments, businesses and consumers make use of connectivity technologies to enhance social and economic prosperity. Unlike other research available, Connectivity Scorecard also measures “usage and skills,” such as literacy, the use of enterprise software and the accessibility of women to ICT.

Nokia Siemens Networks has commissioned the study, which is the first of its kind to rank countries not only on their deployment of ICT infrastructure but also on the extent to which people, governments and businesses put this infrastructure to economically productive use.

The study is created by Leonard Waverman, Fellow of the London Business School and Dean and Professor at the Haskayne School of Business at the University of Calgary, and conducted under his direction by international economic consulting firm LECG.

For more information on Nokia Siemens Networks’ Connectivity Scorecard, visit [www.connectivityscorecard.org](http://www.connectivityscorecard.org)

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