**Enabling digital transformation**

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Digital technologies in Pakistan could create up to Rs9.7 trillion ($59.7 billion) in economic value by 2030, if they are fully leveraged. This is equivalent to about 19 per cent of the country’s GDP in 2020.

‘Digital Lives Decoded 2022’, a study conducted by Telenor Asia, found that 54 per cent of Pakistanis believe mobile devices and mobile technology have significantly improved their careers and aided in developing their skills, with women reporting that their mobile devices have significantly improved their quality of life.

Mobile phones are also widely seen as a way of generating income. Nearly half of the people surveyed in the study feel mobile usage provided work and income opportunities that were unavailable before the pandemic. In Pakistan, 38 per cent of the respondents believe mobile access has created new opportunities for them.

Our research points to mobile connectivity being an enabler of productivity, progress, economic opportunity, and flexibility. Enabling people to connect to what matters most to them, accessibility to information, increasing productivity and an easy and safe way to manage their finances, are just a few of the many advantages of an increasingly digitized world.

However, privacy and security have become serious concerns in every country we surveyed for the Digital Lives Decoded 2022, including Pakistan.

In the World Economic Forum’s Global Risk Report 2023 unveiled last month, the failure of cyber security measures, including loss of privacy, data fraud or theft, and cyber espionage was identified as one of the top five risks that Pakistan faces. The Global Cyber Security Index, which measures the commitment of countries to cybersecurity, placed Pakistan 18th out of 38 Asia-Pacific nations, trailing Bangladesh, Sri Lanka and India.

As key providers of connectivity and digital access, telecommunication and the financial industry can today be seen as important gatekeepers of security. Companies need to build resilience and have robust capabilities to detect cybersecurity attacks, minimize impact and be able to quickly restore operations as top priorities of their business security agenda in the years to come.

However, many countries including Pakistan are currently facing an unprecedented rise in the cost of living and business operations. Further, economic volatility has severely impacted the business sector’s financial health. The need for future investments to protect and secure customers and businesses against cyber threats may thus not have the focus it requires. There is therefore an increased need for close dialogue and engagement within all ecosystem players including the government to work in tandem in strengthening capabilities and capacities in cyber security in the country.

There is a clear need and opportunities for Pakistan and its young, entrepreneurial community to leverage on new technologies and modern telecommunication and digital infrastructure. However, the current business and regulatory environment in the country is restricting further investments in the industry.

With critical digital infrastructure still recovering from the damage of serious floods last year, an emphasis on launching 5G, especially in Pakistan where mobile broadband usage is still low, may not drive maximum benefit to end users and the economy. 4G technology should continue to be developed as it still has immense potential to support society’s current and short-term future demands quite effectively. Good and effective use cases on 5G should be explored based on local needs as the technology further matures.

Due to an unprecedented rise in the cost of operations in Pakistan, the sector’s financial health has been severely impacted. The need for further investments to make customers and businesses in Pakistan less vulnerable to cyber threats is urgent. Such priorities include the build-up of national capabilities and capacities in cyber security. The country already produces over 20,000 Information Technology (IT) graduates each year, has nurtured over 700 tech start-ups since 2010, and has the fourth highest earning IT workforce in the world, so there is tremendous potential left untapped.

There is an urgent need for the telecom sector to get the much-needed fiscal space and support to continue investing in and modernizing the infrastructure which would meet the digital needs of Pakistani society, enable the economic recovery and support the government’s longer term nation building ambitions.

As an owner of two of Pakistan’s most significant telco and mobile financial companies, Telenor looks forward to continued engagement with the government, civil society and all other digital ecosystem players in the country to support the continued digital development of Pakistan.

The writer is the head of Telenor Asia.