**Continuity of the IT ecosystem**

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Pakistan’s surge in the IT industry has led to many high-paying jobs for many experts. This has played a role in government development and private business prosperity.

The IT industry contributes up to 7 percent to Pakistan’s GDP. The industry is growing due to young people coming up with innovative solutions and outsourcing services. IT is being used in different institutions like banking, telecommunications, healthcare, education, and much more.

Consequently, IT exports have increased over time. In 2020, IT exports grew at a rate of 47 per cent which led to it reaching 1.9 billion in just 11 months. However, between 2021 and 2022 it grew by 28 per cent which means that if more effort was put in, there would be an increase in IT exports from Pakistan. The growth in IT exports grew due to remote working in the world. Ideally, the transition to freelancing has played a huge role in the demand for IT products.

Measures need to be taken to ensure that IT exports increase from $ 3 billion to $15 billion. The first way is by extending the tax exemption of the IT sector to 2025. Previously, tax exemption had been given till 2025, but changes were made. The government is now charging a 0.25 per cent tax. When consolidated, the government will collect less than $8 million and will have a high risk of freelancers moving from Pakistan. This will be a disadvantage rather than an advantage.

Many Pakistan citizens will prefer to go to places like Estonia or Portugal where they don’t have to pay any taxes as freelancers. They will only need to pay taxes if they are providing services to the country. Luckily, Pakistani has many freelancers who are integrated into the online working ecosystem.

Second, Pakistan needs to identify marketable products that can help increase IT export. Certain unique products are scarce and can work as the main channel to increase the demand. Pakistan has many freelancers who work for foreign clients and who can be used to build IT export products. This will hugely benefit the country and even increase GDP. More workforce will ensure the continuity of the IT ecosystem. IT export expansion will lead to growth from $3 billion to $15 billion steadily. There is a need for investment in the research field to explore new fields that can expand the already existent dynamics.

Third, the support of talent in Pakistan can help increase the IT export sector. In an attempt for the government to increase capacity building, the government launched the NAVTTC programme. This programme provides regulation, coordination, and policy direction for technical/vocational training. The NAVTTC programme aims to train 50,000 individuals with marketable skills. This will help produce more freelancers who will play a part in the economic growth of the country.

Fourth, if incentives were given, this would work as a motivation for the industries to provide high-quality products or services. Additionally, there is a need for performance-based rewards like in other industries to ensure that the industry players feel motivated. Award ceremonies can even be hosted to celebrate the market/industrial players in the IT sector. If the government provides enough support, it will lead to an increase in innovation and inventions. There are many brilliant minds out there but the lack of support cripples them. This can also be in terms of grants, funding, or technological competitions that bring together innovative minds to solve certain technological problems.

Fifth, incubation centres need to be established in all universities. This will give a chance to the young entrepreneur to understand the ecosystem. Currently, it’s performing pretty well in the major cities of the country. These incubation centres can be linked with the NAVVTC programme of the federal government. There are many brilliant students who, if given a chance, can contribute to great innovations. They can work as groups or at an individual level. In the long run, this will reduce the number of unemployed people in Pakistan.

To meet the growing demand in the IT sector, most companies launched capacity-building programmes for fresh and experienced graduates. This can also be boosted by the development of IT zones or software technology parks. Like-minded professionals can interact and come up with great solutions to keep up with trends with 4.0 industrial opportunities that include cyber-physical systems, cloud systems, machine-to-machine communication, smart manufacturing, big data and data mining, robotics, and augmented reality. These are opportunities that need to be dwelt upon to ensure the prosperity of the IT hardware and software export in Pakistan.

Just recently, the prime minister targeted around $15 billion in IT and IT-enabled services exports. However, there are different views regarding that. The taxing system can prevent this from coming into being. There is a need for more reforms to be made to ensure that the dream can be achieved. Yes, the target is achievable but some changes need to be made to ensure that everything falls in place without any stakeholder feeling like it’s not going to work out perfectly.

There is a lot of potential for IT in Pakistan. This can go concurrently with the IT export expansion. This is in combination with open digitization for shared services like cloud platforms. In addition, there is a need for support of the standardization efforts to maximize reusability and create synergies.

There is a need for women and girls to have equal access to ICT to help reduce inequalities and support IT growth. This will also lead to the promotion of the domestic software market to the global market. Once the IT export industry grows, all other industries will grow. Pakistan has a lot of potential that needs to be cultivated.

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