

IT Industry of Pakistan : Achievements, Opportunities and Challenges

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by

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Overview

- Where do we stand / Achievements
 - Telecom / Internet Industry
 - Higher Education
 - E-Commerce / Software Industry
- Opportunities
 - IT Enabled Services / BPO
 - Our Strengths
- Challenges

Telecom Industry

- Total Internet bandwidth has increased from 16Mbps in 2000, to about 800 Mbps today (Avg. Growth of 167% per anum)
- Mobile Users: 0.3m in 2000 to 2.1m in 2003 (Avg. Growth of 91% per anum)
- Cost of Internet Bandwidth was \$25,000 in 2000, and today is \$5,400 for 2Mbps (Avg. of 32% reduction per anum)
- The number of Internet users is up to 1.5m
- DSL and HFC broadband services have been introduced
- Deregulation of LDI and LL begun

Higher Education

- HEC Budget for 2004-5 Rs. 9.5 Billion, from Rs. 0.8B in 1999-2000 (Avg. 64% increase per annum)
- Considerable funding being made available to Universities for development projects
- A foreign faculty program put in effect
- Plans for producing 1000+ PhDs annually put in place
- HEC Revised Curriculum
- PERN: Pakistan Education and Research Network
- 11,000 Online journals being provided free of cost

Ecommerce / Software Industry

- E-Commerce / PKI
 - Electronic Transactions Ordinance (ETO) 2002
 - Pakistan's first Certificate Authority / Public Key Infrastructure being setup by NIFT jointly with VeriSign
- Software Industry:
 - Largely undocumented
 - Pakistani Software Market: Anywhere between US\$50-100m. vs. about US\$30m in 1999

Opportunities: BPO

- International Corporations are moving Business Processes Offshore
- Estimated 3.3 Million Jobs will move out of US by 2015
- Companies Are Outsourcing:
 - Telecommunications, Financial Services, Health Care & Energy
 - Call Centers, Help Desk, Human Resources, Bill Payment
 - Software Production, Engineering, Design, QA/QC
- Approximately US\$150 Billion Industry
 - Worldwide 11% Growth
 - 15% Growth expected in the Asia/Pacific region
 - Indian ITES/BPO market has seen growth of over 50%.
 - US\$3.6B in 2003-4
 - Only 2.5% share of worldwide market
- Our Strengths
 - Large, Young workforce
 - Low labour costs
 - English Speaking

Challenges Ahead

- Education/Curriculum
 - Ensure Skilled Labour Force with Depth & Breadth
 - Project Management Skills
- Improve QA/QC
 - Emphasize CMM certifications
- Regulatory Environment
- Creation of Domestic Demand
 - Promote local software
- Promoting Research
 - Accurate Information of the IT Industry
 - Predict the future / Research

Thank You!