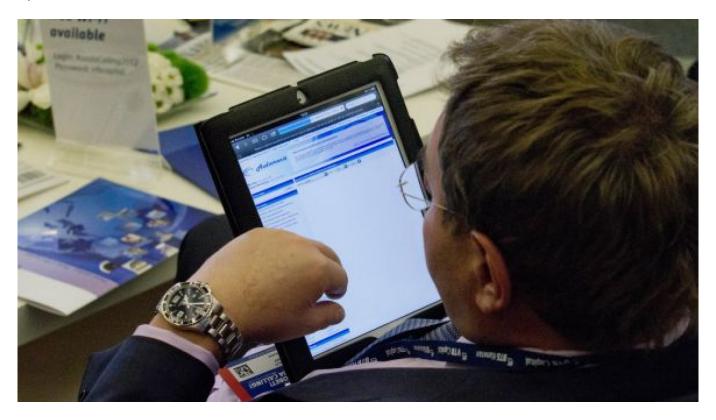


Russia Moves Up in Networked Readiness Index

By Guennadi Moukine

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The increasing number of mobile broad band and overall Internet users helped improve the country's ranking. **Vladimir Filonov**

Russia has moved up two positions in the Networked Readiness Index, according to the Global Information Technology Report, published annually by the World Economic Forum and the INSEAD business school.

The index measures countries' ability to exploit the opportunities offered by information and communications technology and the impact of ICT on the competitiveness of nations.

This year, Russia is in the 54th place, ahead of Azerbaijan (56), Georgia (65) and Ukraine (73) but behind Estonia (22), Lithuania (32), Latvia (41) and Kazakhstan (43). At the top of the list are Finland, Singapore and Sweden.

Russia's position has improved since 2010, when the country was in the 80th place.

The movement is driven by 3G mobile broadband usage (20th place) and a growing number of Internet users (56th place).

With the rollout of 4G technology, mobile broadband use in Russia is set to grow even more.

"2013 is a year of infrastructure rollout," Michael Hecker, MTS' vice president for strategy and corporate development, said on Thursday. Next year will see a wave of 4G-enabled smartphones and users will be billed for how much data they use rather than for how many phone calls they make, he added.

The report highlights the importance of Internet connectivity for the economy. Experts from Deloitte suggested that mobile broadband availability and high 3G data usage in Russia added 1.4 percent to gross domestic product per capita growth annually.

While more people are using the Internet, the country ranks low on online businesses transactions (107th place), intellectual property protection (125th place) and political and regulatory indicators (108th place).

Igor Kaloshin, CEO of Intel's Russian subsidiary, said on Thursday that Russia needed to build a more favorable climate to encourage innovation and to allow start-ups to introduce new technology.

Yekaterina Osadchaya, a spokeswoman for the Communications and Press Ministry, called for removing excessive regulatory and administrative barriers to stimulate the development of network operators, Vedomosti reported Thursday.

The authors of the report suggest that developed IT infrastructure, together with a favorable environment, would drive innovation in business, as well as in healthcare and education.

"Despite initial concerns that ICT would hasten the deployment of resources towards developing countries, the benefits of ICT are now widely recognized as an important way for companies and economies to optimize productivity, free up resources and boost innovation and job creation," said Benat Bilbao-Osorio, a co-editor of the report.

This year, the Networked Readiness Index includes 144 countries, measuring their ability to utilize the opportunities offered by information and communications technology.

The BRI is compiled with the help of publicly available data and an annual opinion survey conducted by the World Economic Forum in collaboration with 167 research institutes and business organizations.

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