

Four key takeaways from Global Connectivity Index 2019

By Kevin Zhang, CMO, Huawei ICT Infrastructure

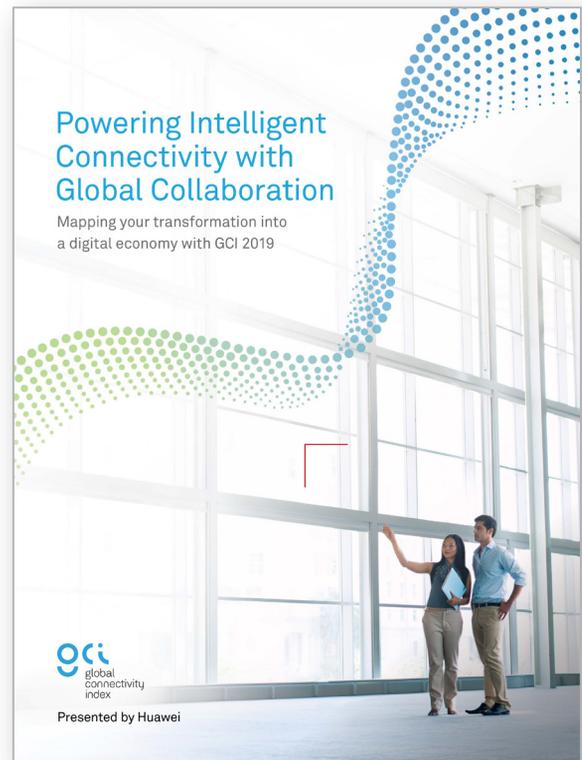
Our Global Connectivity Index 2019 (GCI 2019) report has landed rich with insights into the latest global ICT trends and how individual countries performed over the last year in terms of ICT maturity and build out.

Having already defined its value as a reference point for helping nations plan their digital journeys, GCI 2019 continues to track the worldwide evolution towards a global digital economy – an economy that in 2018 we predicted will double in value thanks to AI to hit US\$23 trillion by 2025.

And we believe that every nation – and every individual, home, and organization – should benefit from the goldmine of productivity and socioeconomic benefits that ICT will deliver.

What is the Huawei GCI?

Now in its fifth year, the GCI measures the ICT maturity of 79 nations, which account for 95 percent of global GDP and 84 percent of the world's population. Its



methodology attributes each nation a GCI score and rank based on its performance in ICT 40 indicators spanning four tech enablers: broadband, cloud, IoT, and AI.

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GCI 2019 incorporates historical data from all GCI reports since 2015, giving a historical context that continues to consolidate the insights the report delivers.

So Why is ICT Maturity Important?

The economic success and productivity gains made possible by digital transformation depend on investment in ICT infrastructure, a fact that’s not lost on policymakers or industry leaders. Nevertheless, we’re still seeing uneven ICT development throughout the world and an increase in the ICT version of the Matthew Effect: advanced nations are pulling further ahead and widening the digital divide – a trend that we’re helping to address head on with our digital inclusion initiative TECH4ALL.

But, it isn’t just a case of flexing financial muscle and throwing investment at ICT projects – guided investment is necessary to forge a strong digital economy that reflects current economic and

technological realities. And investing effectively requires an understanding of how ICT maturity influences productivity, a knowledge of where the tipping points for growth sit, and an insight into national ICT development in the context of an evolving global ecosystem that’s increasingly collaborative.

Major Themes in GCI 2019

This year’s report evolves the concept of Intelligent Connectivity (Figure 1), the powerful convergence of broadband and 5G, cloud, IoT, and AI – a convergence that represents the next stage of digital transformation.

Underpinned by the emergence of AI, Intelligent Connectivity is shaping a future where everything is beginning to act, react, and collaborate wirelessly and seamlessly with human preferences, commands, and intentions. In this future, we believe that everything will be sensing, connected, and intelligent.

GCI 2019 introduces what we call AI’s Upside

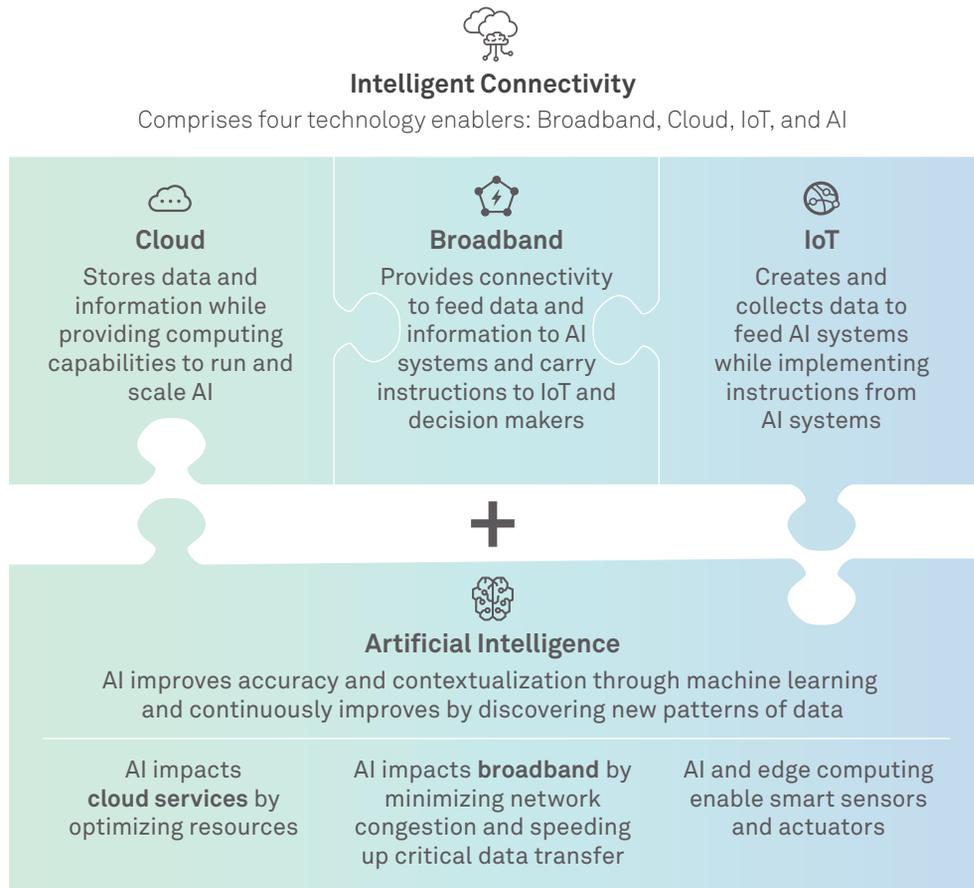


Figure 1 AI transforms connectivity into Intelligent Connectivity

Potential (Figure 2) – the potential growth that AI can realize for GDP when it’s deployed industry-wide. We’ve already predicted the value we believe AI will have on the digital economy (a doubling to US\$23 trillion), but for Intelligent Connectivity to flourish, collaboration needs to go deeper and wider.

Reflecting the rise of the cross-border collaboration that’s shaping the global economic ecosystem, we’ve identified five Ecosystem Stakeholders that underpin the digital economy, which we explore fully in GCI 2019.

Four Key Findings & Takeaways

To draw the above themes together, I’ve summarized a few of this year’s key findings:

Collaboration

Global collaboration will emerge as the new business paradigm, as enterprises, industries, and nations increasingly find they cannot go it alone. Protectionism will become an economic constraint, unable to yield the economic potential of Intelligent Connectivity operating within global business ecosystems.

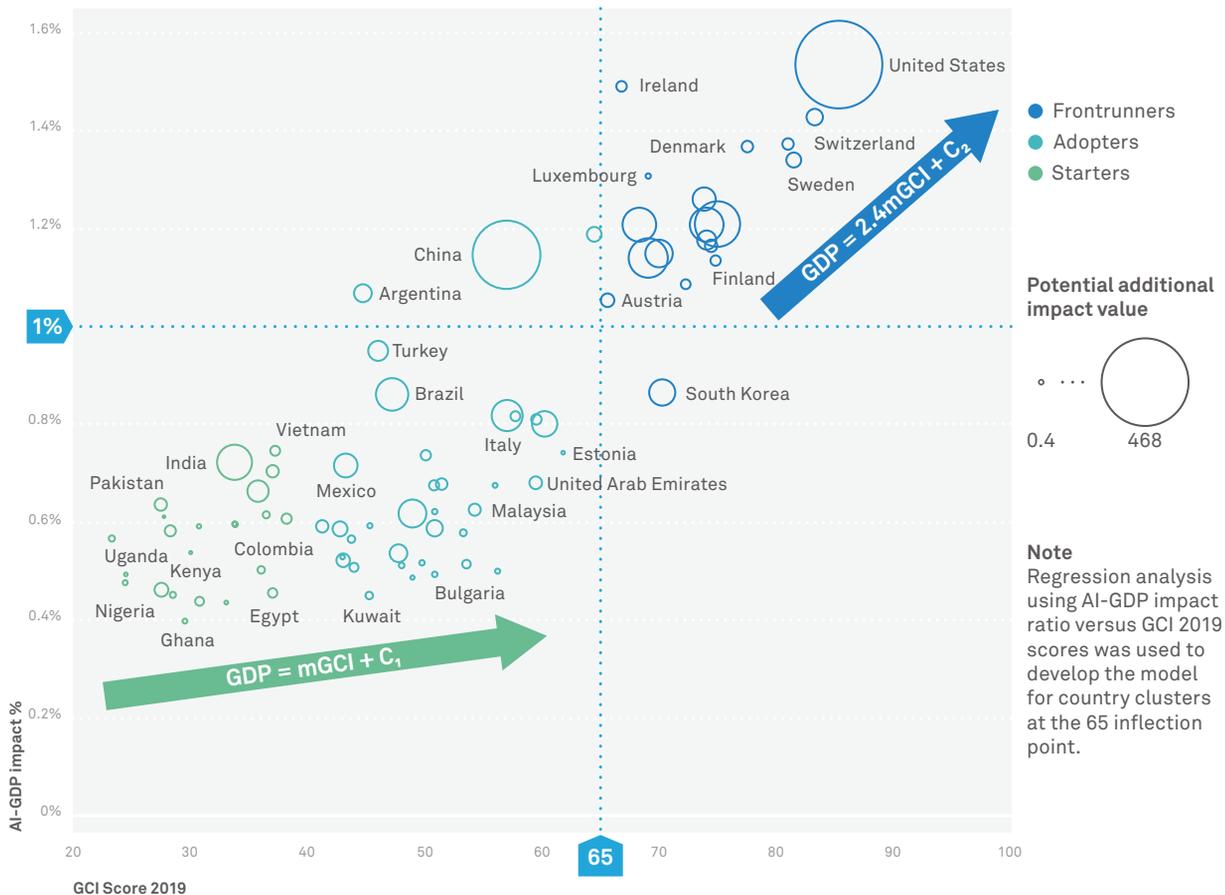


Figure 2 AI's upside potential

5G

Each new wireless generation typically starts boosting productivity and thus GDP at around 10 percent penetration. 5G's rapid rollout will hit this tipping point in four years, faster than any other previous generation.

AI & GDP growth

All nations – even ICT leaders – are beginners at artificial intelligence. Powered by IoT and cloud, AI will create a new tipping point of economic growth for advanced nations who've maxed out gains from existing ICT

infrastructure, and act as a potential catalyst for emerging nations to accelerate economic development. We expect that nations crossing the GCI tipping point score of 65 will see more than 1 percent added to their GDP growth in 2019.

Top movers in four years

Four nations have made standout gains in their GCI scores since 2015: Ukraine (up 4 places in the GCI rankings from last year and up 12 GCI points since 2015); Bulgaria (up 10 GCI points since 2015); Algeria (up 8 points since 2015); and Bangladesh (up 7 GCI points since 2015). [www](#)