

Digital Technology Gap in Pakistan

We live in a world where interaction between state and its citizens, and economic performance, are identified as being redefined by rapid technological developments. It has been shown, from the past few years, how digital technology holds the key for economic productivity, better governance and global competitiveness. But, unfortunately, Pakistan is unable to unleash the full potential of digital technology in spite of large, tech savvy population and broader access of internet. This is mainly due to the patchy efforts and the absence of comprehensive framework. Only 17.7% of Pakistan's citizens make digital payments and only 59 million people used card facility, counts only 24% of overall population while Indian 71% of its population used digital technology. Consider Pakistan's spending on E-commerce is \$10bn in 2023 that is far below from Bangladesh spending that is \$16bn. The reason behind these situation is lack of proper infrastructure and low digital literacy.

It is against the background of the Asian Development Bank's Report, "Pakistan's Digital Ecosystem: A Diagnostic Report" suggested a number of reforms. It states that Pakistan should reduce GST on digital payment. upto 5%. It should promote small and medium

size digital businesses. Pakistan should
increase digital investment and remove
traditional (pay^m syst) payment systems in
order to increase its revenue and
eliminated corruption. It would be a
great opportunity to Pakistan to unlock
its full potential and provide better
economic system to its citizens.

and discourage

it is an opportunity