

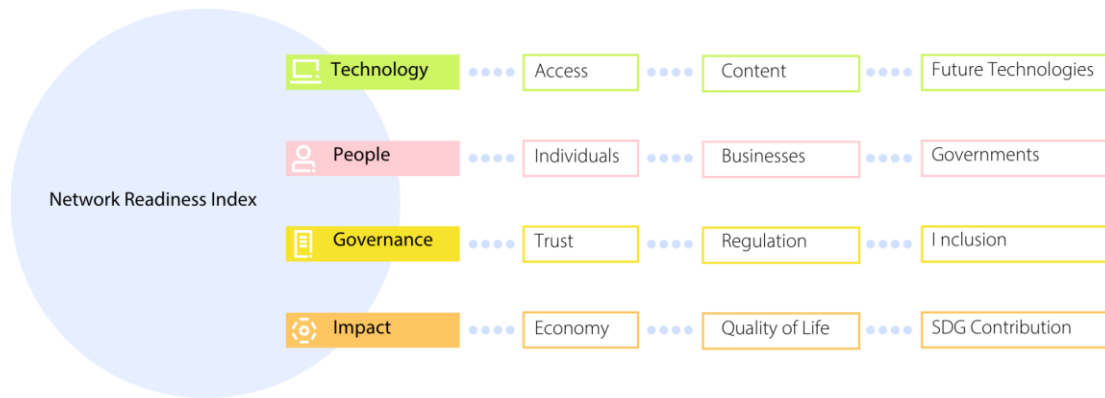
Network Readiness Index 2024



Azerbaijan

The Network Readiness Index (NRI) is one of the leading global indices on the application and impact of information and communication technology (ICT) in economies around the world. In its latest version of 2024 the NRI Report maps the network-based readiness landscape of 133 economies based on their performances in four different pillars: Technology, People, Governance, and Impact. Each of these pillars is itself comprised of three sub-pillars (see Figure 1) that have been populated by a total of 54 variables.

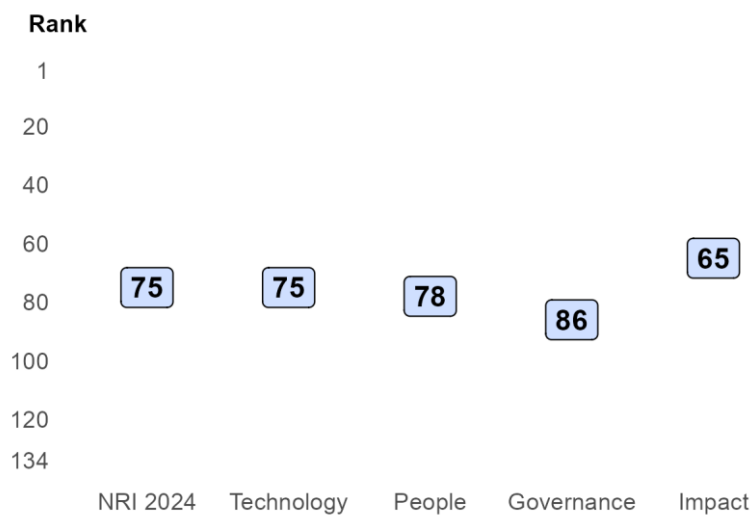
Figure 1: The NRI 2024 model



Global NRI position of Azerbaijan

Azerbaijan ranks 75th out of the 133 economies included in the NRI 2024 (Figure 2). Its main strength relates to Impact. The greatest scope for improvement, meanwhile, concerns Governance.

Figure 2: Azerbaijan global ranking, overall and by pillar



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Performance at sub-pillar level

When it comes to sub-pillars, the strongest showings of Azerbaijan relate to Economy, Individuals and Businesses, among others (Table 1). More could be done, though, to improve the economy's performances in the Content, Governments and Regulation sub-pillars.

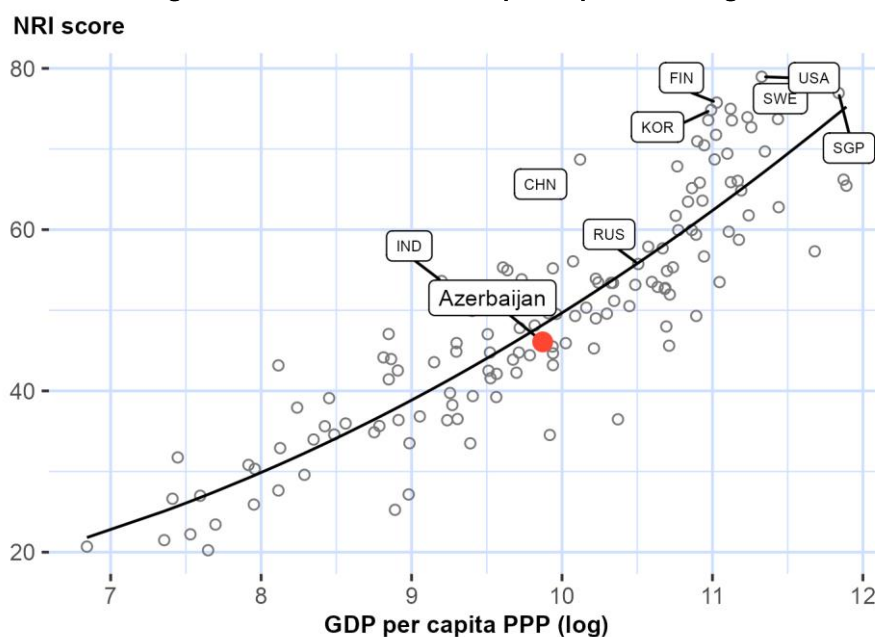
Table 1: Azerbaijan rankings by sub-pillar

Sub-pillar	Rank	Sub-pillar	Rank
Economy	34	Quality of Life	81
Individuals	48	SDG Contribution	87
Businesses	49	Inclusion	91
Access	64	Content	93
Future Technologies	64	Governments	100
Trust	74	Regulation	100

NRI score and income

Figure 3 shows the position of Azerbaijan in terms of both NRI score and GDP per capita (PPP). The trend line shows the expected NRI score given an economy's income level. As can be seen, Azerbaijan is well below the trend line, which suggests that it is underachieving and that one would expect it could raise its network readiness in view of its income level.

Figure 3: NRI score and GDP per capita PPP (log)



Note: USA = United States (rank: 1), SGP = Singapore (rank: 2), FIN = Finland (3), SWE = Sweden (4), KOR = Republic of Korea (5), CHN = China (17), and IND = India (49). Azerbaijan belongs to the group of upper-middle-income countries, where the best performer is China (CHN). The top performer of its region-CIS-is Russian Federation (RUS).

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Performance against its income group and region

Upper-middle-income countries

Azerbaijan is ranked 20th in the group of upper-middle-income countries (Figure 4, left panel). In terms of pillar performance, it has a score higher than the income group average in two of the four pillars: Technology and Impact. At the sub-pillar level, it outperforms upper-middle-income countries in five of the twelve sub-pillars: Access, Future Technologies, Individuals, Businesses and Economy.

CIS

Azerbaijan is ranked 4th within CIS (Figure 4, right panel). It lags behind its region in each of the four pillars. With regard to sub-pillars, it outperforms the average in CIS in four of the twelve sub-pillars: Future Technologies, Businesses, Regulation and Economy.

Figure 4: Performance of Azerbaijan against its income group and region, overall and by pillar

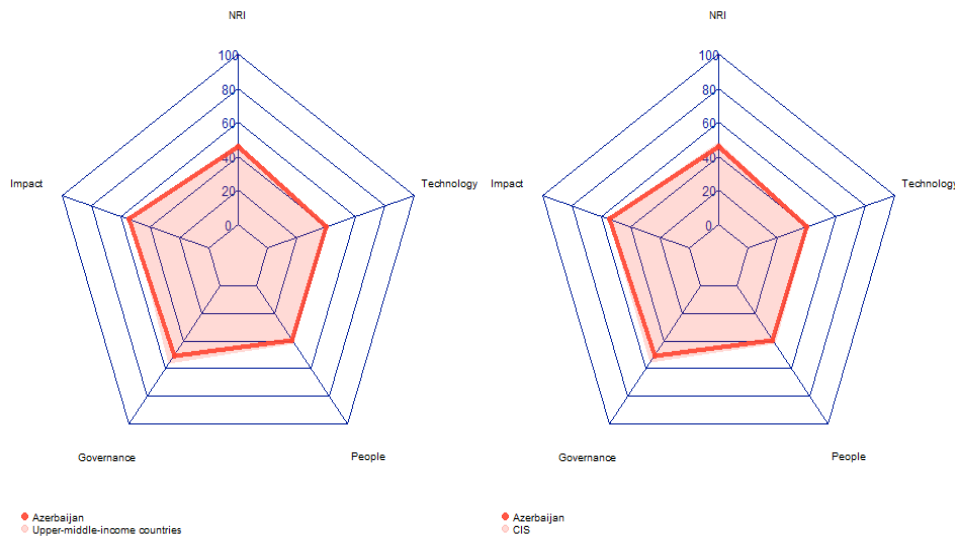


Table 2: Azerbaijan scores vs. averages of its income group and region, overall and by pillar

Dimension	Azerbaijan	Upper-middle-income countries	CIS
NRI	46.08	47.52	48.48
Technology	40.16	39.51	40.94
People	39.31	41.65	42.30
Governance	50.45	56.74	55.72
Impact	54.38	52.19	54.97

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Strongest and weakest indicators

The indicators where Azerbaijan performs particularly well include 1.1.4 Population covered by at least a 3G mobile network, 2.1.4 Adult literacy rate, and 4.1.3 Prevalence of gig economy (Table 3). By contrast, the economy's weakest indicators include 3.3.5 Rural gap in use of digital payments, 3.2.2 ICT regulatory environment, and 4.1.4 ICT services exports.

Table 3: Highlight of Strengths and Opportunities for Azerbaijan

Strongest indicators	Rank	Weakest indicators	Rank
1.1.4 Population covered by at least a 3G mobile network	1	4.3.2 SDG 4: Quality Education	68
2.1.4 Adult literacy rate	10	2.3.2 Data Capabilities	73
4.1.3 Prevalence of gig economy	16	3.3.4 Gender gap in Internet use	85
1.3.2 Investment in emerging technologies	23	3.2.4 E-commerce legislation	87
3.3.3 Availability of local online content	24	2.3.4 R&D expenditure by governments and higher education	88
1.1.5 International Internet bandwidth	38	1.3.4 Computer software spending	101
4.3.5 SDG 11: Sustainable Cities and Communities	39	2.2.3 Annual investment in telecommunication services	102
3.1.2 Cybersecurity	48	4.1.4 ICT services exports	107
2.2.1 Firms with website	51	3.2.2 ICT regulatory environment	116
1.1.1 Mobile tariffs	57	3.3.5 Rural gap in use of digital payments	117

Note: For the full list of strengths and weaknesses, see At-A-Glance table.

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NRI 2024 At-A-Glance: Azerbaijan

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Rank: 75 (out of 133)

Score: 46.08

Pillar/sub-pillar	Rank	Score	Pillar/sub-pillar	Rank	Score
A. Technology pillar	75	40.16	C. Governance pillar	86	50.45
1st sub-pillar: Access	64	66.36	1st sub-pillar: Trust	74	42.94
2nd sub-pillar: Content	93	17.75	2nd sub-pillar: Regulation	100	57.64
3rd sub-pillar: Future Technologies	64	36.38	3rd sub-pillar: Inclusion	91	50.77
B. People pillar	78	39.31	D. Impact pillar	65	54.38
1st sub-pillar: Individuals	48	51.86	1st sub-pillar: Economy	34	41.25
2nd sub-pillar: Businesses	49	38.97	2nd sub-pillar: Quality of Life	81	61.74
3rd sub-pillar: Governments	100	27.10	3rd sub-pillar: SDG Contribution	87	60.14

The Network Readiness Index in detail

Indicator	Rank	Score	Indicator	Rank	Score
A. Technology pillar	75	40.16	C. Governance pillar	86	50.45
<i>1st sub-pillar: Access</i>	64	66.36	<i>1st sub-pillar: Trust</i>	74	42.94
1.1.1 Mobile tariffs	57	66.36	• 3.1.1 Secure Internet servers	85	45.49
1.1.2 Handset prices	76	56.28	3.1.2 Cybersecurity	48	89.33
1.1.3 FTTH/building Internet subscriptions	64	31.02	3.1.3 Online access to financial account	86	26.70
1.1.4 Population covered by at least a 3G mobile network	1	100.00	• 3.1.4 Internet shopping	91	10.25
1.1.5 International Internet bandwidth	38	76.47	• <i>2nd sub-pillar: Regulation</i>	100	57.64
1.1.6 Internet access in schools	56	68.03	3.2.1 Regulatory quality	77	45.60
<i>2nd sub-pillar: Content</i>	93	17.75	3.2.2 ICT regulatory environment	116	58.93
1.2.1 GitHub commits	78	4.61	3.2.3 Regulation of emerging technologies	NA	NA
1.2.2 Internet domain registrations	92	1.28	3.2.4 E-commerce legislation	87	75.00
1.2.3 Mobile apps development	78	61.37	3.2.5 Privacy protection by law content	99	51.05
1.2.4 AI scientific publications	82	3.74	<i>3rd sub-pillar: Inclusion</i>	91	50.77
<i>3rd sub-pillar: Future Technologies</i>	64	36.38	3.3.1 E-Participation	88	37.21
1.3.1 Adoption of emerging technologies	NA	NA	3.3.2 Socioeconomic gap in use of digital payments	96	54.39
1.3.2 Investment in emerging technologies	23	67.00	• 3.3.3 Availability of local online content	24	85.10
1.3.3 Robot density	NA	NA	3.3.4 Gender gap in Internet use	85	56.43

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Indicator	Rank	Score		Indicator	Rank	Score	
1.3.4 Computer software spending	101	5.77	○	3.3.5 Rural gap in use of digital payments	117	20.72	○
B. People pillar	78	39.31		D. Impact pillar	65	54.38	
<i>1st sub-pillar: Individuals</i>	48	51.86		<i>1st sub-pillar: Economy</i>	34	41.25	
2.1.1 Mobile broadband internet traffic within the country	89	6.07		4.1.1 ICT patent applications	NA	NA	
2.1.2 ICT skills in the education system	NA	NA		4.1.2 Domestic market scale	74	50.40	
2.1.3 Use of virtual social networks	75	49.81		4.1.3 Prevalence of gig economy	16	70.06	●
2.1.4 Adult literacy rate	10	99.68	●	4.1.4 ICT services exports	107	3.30	○
2.1.5 AI talent concentration	NA	NA		<i>2nd sub-pillar: Quality of Life</i>	81	61.74	
<i>2nd sub-pillar: Businesses</i>	49	38.97		4.2.1 Happiness	93	44.93	
2.2.1 Firms with website	51	61.21	●	4.2.2 Freedom to make life choices	67	76.94	
2.2.2 Number of venture capital deals invested in AI	NA	NA		4.2.3 Income inequality	NA	NA	
2.2.3 Annual investment in telecommunication services	102	41.91	○	4.2.4 Healthy life expectancy at birth	69	64.98	
2.2.4 Public cloud computing market scale	71	13.81		<i>3rd sub-pillar: SDG Contribution</i>	87	60.14	
<i>3rd sub-pillar: Governments</i>	100	27.10		4.3.1 SDG 3: Good Health and Well-Being	87	59.68	
2.3.1 Government online services	81	57.11		4.3.2 SDG 4: Quality Education	68	17.92	○
2.3.2 Data Capabilities	73	20.60	○	4.3.3 SDG 5: Women's economic opportunity	63	79.49	
2.3.3 Government promotion of investment in emerging technologies	NA	NA		4.3.4 SDG 7: Affordable and Clean Energy	89	73.39	
2.3.4 R&D expenditure by governments and higher education	88	3.59	○	4.3.5 SDG 11: Sustainable Cities and Communities	39	79.80	●

NOTE: ● a strength and ○ a weakness.

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