



South Africa Improves in World Digital Ranking

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South Africa Improves in World Digital Competitiveness Rankings

The Institute for Management Development (IMD) has released the IMD World Digital Competitiveness Rankings (WDCR) for 2024, which evaluates the digital competitiveness of 67 global economies across three key factors: (i) Knowledge (ii) Technology and (iii) Future Readiness. This year, South Africa improved four places to 54th in 2024 from 58th in 2023. All factors have improved in the recent IMD World Digital Competitiveness Rankings, reflecting South Africa's commitment to building its Digital capabilities and readiness for the future.

The knowledge factor assesses the “know-how necessary” to discover, understand, and build new technologies. South Africa improved in this factor, moving up from 58th in 2023 to 54th in 2024. This factor has three sub-factors namely: (i) Talent, (ii) Training & education and (iii) Scientific concentration. Both Talent and Training & Education sub-factors recorded improvement while the Scientific Concentration sub-factors saw a decline. Under this factor, South Africa continues to rank high (2nd) in Total expenditure on education. Despite this high ranking, South Africa ranks low in terms of higher education achievement ranked 61st. Furthermore, South Africa also performs badly on the Management of cities ranking 66th.

The Technology factor observes the overall context that enables the development of digital technologies. South Africa's ranking in this factor has improved to 54th in 2024 from 59th in 2023. The improvement was mainly due to the Technological framework sub-factor performance which improved from 61st in 2023 to 55th in 2024. The regulatory framework sub-factor fell in 2024 digital rankings. The sub-factor declined from 56th in 2023 to 62nd in 2024. It also recorded weaknesses as starting business ranks 61st and immigration laws ranks 65th. Although the Capital sub-factor decline has recorded strengths, IT and Media stock capitalisation ranks 7th and investment in telecommunications ranks 12th.

The future readiness factor, which assesses the level of a country's preparedness to exploit digital rankings, recorded an improvement in rankings. South Africa improved to 50th in 2024 (from 56th in 2023). The factor has three sub factors namely: (i) Adaptive attitude (ii) Business agility and (iii) IT integration. All the sub-factors have recorded an improvement in the 2024 digital rankings.

This year's report acknowledges that the rapid adoption of Artificial Intelligence (AI) is transforming industries and reshaping the global economy in unprecedented ways. It further emphasizes that AI must trickle down into the workplace in every real way to unlock meaningful gains in labour and multifactor productivity. Countries that effectively exploit the power of AI technologies are likely to enhance their digital competitive advantage, leading to sustained economic growth, improved productivity, and greater global influence.

Singapore topped the ranking among 67 global economies. Switzerland was second and Denmark third. This is the eighth year that the WCC has produced its WDCR, tracking the ever-changing conditions of digital governance, economy, and society. It is the first year that Ghana, Nigeria, and Puerto Rico have been measured