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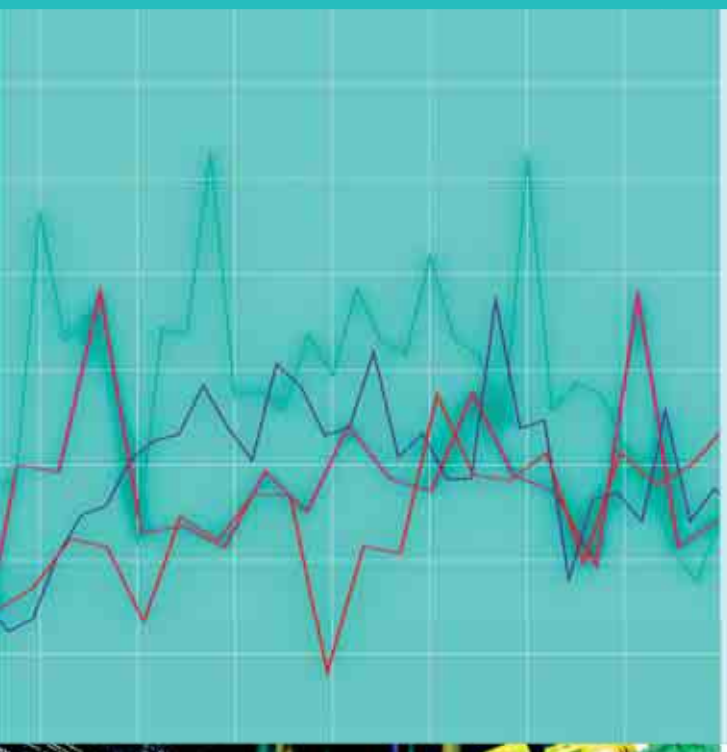

Measuring the Information Society

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International Telecommunication Union
Place des Nations
CH-1211 Geneva Switzerland

Original language of publication: English.

ISBN 92-61-13801-2

Foreword

I am pleased to present the 2011 edition of *Measuring the Information Society*. Each year, this publication features the latest *ICT Development Index (IDI)* and *ICT Price Basket (IPB)* – two benchmarking tools to monitor information society developments worldwide. While the IDI captures progress made in regard to ICT infrastructure, use and skills, the IPB is a powerful tool in monitoring the affordability of ICT services and in explaining why some countries have moved faster than others in their ICT development. The report also takes an in-depth look at broadband development and presents new data on subscriptions, speed and bandwidth. An analysis of Internet user statistics reveals some of the key challenges and opportunities that need to be addressed to bring more people online in developing countries.

Over the past two years, the world has witnessed continuous growth of ICT services and uptake worldwide. All 152 economies included in the IDI have improved their scores, confirming the continuous spread of ICTs and the growing global information society. While most of the leading IDI countries are still from the developed world, it is encouraging to see that the most dynamic performers are developing countries. The majority of these are middle-income countries, however, and most of the least developed countries remain at the bottom of the index. The report shows that while ICT and income levels are closely related, income constraints can be overcome by strong policy measures. A number of countries have succeeded in reaching higher IDI levels than would be expected given their income levels. This should encourage all countries to proactively promote ICT policies and create an enabling environment that allows the sector to grow.

The affordability of ICT services is key to bringing more people into the information age. Our latest IPB compares 2008 and 2010 tariffs for fixed-telephony, mobile-cellular telephony and fixed-broadband Internet services at global and regional levels, and highlights the difference in prices between developed and developing regions. Covering 165 economies, it is the only price basket to monitor the affordability of ICT services worldwide. The results show that ICT prices continue to fall, in particular fixed-broadband prices, which dropped by more than 50 per cent over the past two years. While this is extremely encouraging, broadband is still too expensive in many developing countries, where it costs on average more than 100 per cent of monthly income, compared with 1.5 per cent in developed countries. Countries without affordable broadband access run the risk of falling behind in the global information society, and I hope that this report will prompt policy-makers to look into ways of lowering ICT prices.

The ICT for development debate is witnessing an obvious shift: the focus is no longer on the mobile-cellular miracle, but on the need for high-speed broadband Internet access. The report shows that wireless-broadband Internet access is the strongest growth sector, with prepaid mobile broadband mushrooming in many developing countries and Internet users shifting from fixed to wireless connections and devices. The emergence of new mobile devices, such as smartphones and tablet computers, is accelerating this process, but they are still too expensive in developing countries and there is a need to develop more affordable models and products. Furthermore, the availability of bandwidth and capacity will increasingly determine the use and beneficial impact of ICTs. As this report shows, a digital divide is unfolding between those with high-speed/capacity/quality access (as is the case in many high-income countries) and those with lower speed/capacity/quality access (as is the case in many low-income countries). While the potential development impact of bringing people from developing countries online via wireless access is enormous, high-end users from the business sector and public and private organizations continue to rely on high-speed fixed-broadband connections. Policy-makers should act swiftly to facilitate the spread of broadband and ensure that broadband services are fast, reliable and affordable.

The policy focus is often on enhancing ICT infrastructure and access. The full ICT development impact will only be felt, however, once people are using the technologies effectively. As more and more countries collect Internet user data, they provide valuable insights into who is currently online. The report shows that the Internet usage

divide runs along gender, education, income and age lines, and there are significant differences between people living in rural and urban areas of developing countries. A promising way of bringing more people from developing countries online is by targeting the younger generation. Social networking and user-created content has become one of the main online activities in which young people especially are actively engaging. Given that 47 per cent of the population in developing countries are under 25 years of age, there is an incredible potential in terms of increasing the number of Internet users. Providing Internet access in schools starting at primary level is key – once students have started using the Internet they will strive to continue to do so irrespective of their age, gender, income or final school qualification.

To ensure that the information society will be truly global and inclusive, much needs to be done to bring its benefits to the poorest in our societies. This means that future policy action needs to address issues that are related not only to access, but also to:

- price;
- bandwidth;
- speed and quality of service;
- skills;
- content and language; and
- applications targeted to low-end users.

In order to effectively monitor trends and assess progress, there is need for continuous development of reliable indicators. Measuring the Information Society is a key contribution to this process. I trust that the data and analysis provided will be useful to policy-makers, the ICT industry, academia, market analysts and others who are monitoring global ICT developments.

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Acknowledgements

The 2011 edition of *Measuring the Information Society* was prepared by the ICT Data and Statistics Division within the Telecommunication Development Bureau of ITU. The team included Susan Teltscher (Head of Division), Vanessa Gray, Esperanza Magpantay, Doris Olaya, Ivan Vallejo and Sonya Buracond (during her internship at ITU). Christoph Stork (consultant to ITU) provided substantive inputs to Chapter 5 of the report. Olivier Poupaert, Nathalie Rollet, and Ekaterina Bonacheva (during her internship at ITU) contributed to the data collection and Michael Minges (consultant to ITU) compiled and prepared the data set on international Internet bandwidth. Helpful comments and suggestions were received from Martin Adolph (ITU/TSB) and Sergio Buonomo (ITU/BR), as well as colleagues in the ITU Regional Office for Asia and the Pacific. The work was carried out under the overall direction of Cosmas Zavazava, Chief a.i., Project Support and Knowledge Management Department, Telecommunication Development Bureau.

The report includes data received from Eurostat, the United Nations Population Division and Wireless Intelligence, as well as purchasing power parity conversion factors received from the World Bank and fibre-optic access data provided by the Fiber-to-the-Home Council, which is greatly acknowledged.

ITU also appreciates the cooperation of countries that have provided data included in the ICT Development Index and ICT Price Basket.

The report was edited by the ITU English Translation Section, led by Anthony Pitt. The desktop publishing was carried out by Nathalie Rollet, and the cover was designed by Simon de Nicola. Administrative support was provided by Herawasih Yasandikusuma.