Partnership on Measuring ICT for Development Global Event on Measuring the Information Society Geneva, 27-29 May 2008 Palais des Nations, Room XXV

Draft Opening Statement by Ms. Lakshmi Puri Acting Deputy Secretary-General, UNCTAD

Madame Chair,

Dr. Hamadoun Touré, Secretary General of the ITU,

Ms. Martine Dirven, Director, Division of Production, Productivity and Management, ECLAC.

Mr. Ralf Becker, Chief, Economic Statistics and Classifications Section, UNSD Ladies and gentlemen,

On behalf of UNCTAD, co-organizer and host of this conference, it is with great pleasure that I welcome you to the Global Event on Measuring the Information Society. The meeting is the collective result of no fewer than ten international organizations – the ITU, OECD, UNCTAD, the UNESCO Institute for Statistics, four UN Regional Commissions, the World Bank and the Statistical Office of the European Union (Eurostat) – all of whom have joined forces to work together on the subject of information society measurement under the umbrella of the global Partnership on Measuring ICT for Development, which was launched during the UNCTAD XII Conference in Brazil in 2004.

The global Partnership is addressing a major in ICT policy making: the availability of more reliable and comparable information about the emerging information society and economy; the need for standardized methodologies for the collection of statistics on the use of the Internet by individuals, households, businesses or schools; and the need for helping developing countries to produce the required information and data.

As we speak, delegates attending the 11th session of the Commission on Science and Technology for Development, which also takes places here in the building this week, are discussing policy options to achieve an inclusive information society, to bridge the global digital divide and to ensure that all people benefit from opportunities brought about by information and communication technologies. But how can we assess whether these goals have been achieved, and how will progress be monitored if we don't have comparable information and indicators? This is why the work on the follow up of the

World Summit on the Information Society, which is being taken up by the CSTD, benefits greatly from the work carried out on information society measurements.

The World Summit on the Information Society, in its Geneva Plan of Action agreed in 2003, identified specific targets, based on the Millennium Development Goals, which serve as global references for improving connectivity and access in the use of ICTs to be achieved by 2015. One of the targets is "to ensure that more than half the world's inhabitants have access to ICTs within their reach".

Five years after the summit, some appreciable progress has been achieved. For example, more than 50% of mobile phone subscribers are now in the developing world. But among the poorest of those, the LDCs, mobile phone penetration is still only at 10%. Similarly, we estimate that Internet penetration rates in developing countries remain at very low levels of 13%, while developed countries will have reached 65% by the end of 2008. The situation is worse in respect of broadband subscribers, with respective estimated penetration rates of 28% for developed countries in 2008, compared to a little over 3% for developing countries.

At the same time there is a growing importance of ICT in the global economy. For example, the ICT producing industry plays an important role as a supplier of ICT goods and services. Our last Information Economy Report shows that the weight of the ICT industry and of trade in ICT products (particularly in ICT services) in the world economy is growing fast. Developing countries in Asia are becoming main producers and exporters of ICT products, often based on strong FDI inflows. China and India have been two key players in this regard. Another key finding of the Report is that South-South trade (among developing countries) of ICT goods has overtaken trade between developed and developing countries (North-South) and between developed and developed countries (North - North). In some middle-income developing countries, the ICT industry could become an important source of not only employment but also affordable ICT products. The main challenge that remains now is to make sure that the poorest countries are not being left out of the global Internet economy. More comparable data on e-business and e-commerce are needed to monitor these developments, to formulate appropriate policies, and to design the necessary capacity building programmes.

Ladies and gentlemen,

The last major global meeting of the Partnership on Measuring ICT for Development took place in 2005, also in Geneva. At that meeting, a core list of ICT indicators was launched.

I am very pleased to say that much progress has been made since. A growing number of countries all over the world are adopting this core list of indicators. From our own annual data collection on ICT business indicators, we have experienced a considerable interest and commitment from countries who wish to know more about their information society developments and thus start to collect data. The awareness about the importance of the subject matter thus has increased significantly and ICT measurement has entered into the mainstream ICT for development agenda. At the same time, a large number of developing countries are requesting assistance in the development of their statistical work and this is an area where the international community needs to respond urgently.

This event will further advance the ICT measurement agenda by addressing important issues such as improving the core list of indicators and extending it, to include indicators on the use of ICT in education, by discussing how to measure security and trust in an online environment, how to measure e-government and the gender digital divide.

One of the pressing needs by the international community is to better understand the impact of ICT use on the society and economy. Therefore, this event will devote half a day to this topic. Studies have shown that ICTs can impact positively on economic growth, trade and enterprise performance. While most of the studies have focused on the developed countries, UNCTAD jointly with the Thai National Statistical Office undertook a project to examine the impact of ICTs on firm productivity in manufacturing firms in Thailand. The results show that the use of even basic ICTs can account for large differences in labour productivity in small firms, even more than in some developed countries. Internet access and web presence were also found to be correlated with higher sales per employee.

Ladies and gentlemen,

This Global Event is yet another step forward in our efforts to improve information society measurements at the international level and I am happy to see that there are so many representatives from developing countries. At the end of the meeting, we will have a better understanding of how to monitor information society developments, assess national and international ICT policies and strategies, and build capacities on ICT measurement in developing countries. I am convinced that this work will make a crucial contribution to advancing information societies.

Let me conclude by thanking all of you for having come to Geneva to participating in this event. I wish you a successful debate and look forward to its outcome.