India's Proposals on IDI

Greetings from Department of Telecommunications, Government of India.

ITU has published the report titled 'Measuring digital development – The ICT Development Index 2024' on 25th June 2024 in which ICT Development Index (IDI) scores of the participating countries have been provided by ITU. It is observed that the report relies heavily on estimated data owing to limited data availability. The index should accurately capture the progress made by member states, which have been taking earnest steps in developing their ICT sector and bridging the digital divide. It is, therefore, important that new indicators be explored to make the IDI more inclusive, progressive and transparent and the methodology be revised which should also be in tune with the changing times and technology.

India is reaching out to you regarding a significant initiative that aligns with your ongoing efforts to improve the methodology of the ICT Development Index (IDI). As we recognize, the ICT Development Index is a critical tool for measuring and guiding advancements in information and communication technologies, and refining its methodology can lead to more accurate and actionable insights.

We have identified several areas where improvements could be made, including use of PPP$ instead of GNIpc and FTTH subscriptions as % of total fixed broadband subscriptions. Given your country's similar proposals and proactive stance on this issue, we believe there is a strong synergy between our efforts.

We would like to explore opportunities for collaboration in upcoming ITU meetings like 16th EGTI/EGH meeting, PP conference etc. We would greatly value your insights and expertise in this endeavor. India has certain suggestions for improvements in the ICT Development Index. We are seeking your support in following proposals made by India.

The proposals are broadly divided into following two categories,

- Changes/ Inclusion of **Indicators**
- Changes in **Methodology**

Changes/ Inclusion of Indicators

1. Use of PPP$ in Affordability indicators

ICT Development Index proposes to compare affordability of telecommunication services in the different member states with GNI per capita. It is to be noted that all International bodies including World Bank (WB), International Monetary Fund (IMF), Organization for Economic Co-operation and Development (OECD) etc. recommended and used PPP$ as a correct method of price comparison.

a. PPPs are designed specifically to compare the price levels of expenditures between countries and should therefore be used to effect international comparisons.*

b. PPP exchange rates are relatively stable over time.**

c. PPP is regarded as a better measure of overall well-being.**

d. World Bank compares cost of living across world cities by constructing a Price Level Index (PLI) by combining PPP data as available from ICP of World Bank with Economist Intelligence Unit's World Cost of Living Survey data. ***

In view of above, it is suggested that price comparison indicators of ICT Development Index be captured in PPP$

2. Inclusion of fixed broadband subscription by speed

It is proposed to include fixed broadband subscription by speed >10Mbps per fixed broadband subscription in the pillar of meaningful connectivity as meaningful connectivity requires high quality infrastructure that is not only in place and
functioning but allows for a fast and reliable connection. Inclusion of the indicator'Fixed broadband subscription by speed greater than 10Mbps as % of fixed broadband subscriptions' under meaningful connectivity pillar of IDI may be done owing to following reasons:

a. Meaningful connectivity is possible if users get to enjoy an enriching and
productive online experience.

b. Data is available for 149 countries in ITU Database for this indicator.

3. Inclusion of FTTH subscriptions as % of total fixed broadband subscriptions

It is proposed to include FTTH subscriptions as % of total fixed broadband subscriptions per fixed broadband subscription in the pillar of meaningful connectivity as meaningful connectivity requires high quality infrastructure that is not only in place and functioning but allows for a fast reliable and efficient connection.

On analysing the data of fixed broadband subscription technology wise, it can be seen that FTTH subscriptions are growing for the past 10 years whereas subscriptions in other technologies are declining.

Also, the data is available for around 131 countries.

4. **Inclusion of Global Cybersecurity index**

It is proposed to include Global Cybersecurity index as safe and secure internet is important for people to have the trust to go online. Also, safety and security is an important enabler for meaningful connectivity.

ITU has also identified 2 indicators in Tier 1 under Security enabler of UMC where one of them is 'Global Cybersecurity index score'.

Data for this indicator is available for 195 countries.

Hence India strongly proposes to consider the inclusion of 'Global Cybersecurity Index' in the Safety and Security enabler of Meaningful connectivity pillar in the Index.

5. Inclusion of 5G network coverage

To better measure the infrastructure for Meaningful connectivity, India proposes to give some weightage to the 5G network coverage as 'To be meaningful, infrastructure must be of high quality, allowing for a fast and reliable connection'.

The fifth generation of wireless technology—5G—represents the changing face of connectivity. 5G wireless technology is meant to deliver higher multi-Gbps peak data speeds, ultra-low latency, more reliability, massive network capacity, increased availability, and a more uniform user experience to more users. 5G network will have use cases every sector of an economy.

India strongly proposes to include 5G network coverage in the composite indicator-Mobile network coverage with lesser weightage initially and this can be increased subsequently.

Data is available for 128 countries in ITU Database for this indicator.

6. Inclusion of ICT Regulatory Environment

India proposes including a new indicator "ICT Regulatory environment" for including in IDI under "Meaningful Connectivity- Security".

ICT Regulatory environment is part of ICT Regulatory framework which would promote security, protection and control of ICT system which are most important factors of data security. It is based on ICT Regulatory Tracker Composite Index of ITU that provides measures of existence and features of ICT legal and regulatory framework.

Data is available for over 150 countries.

Changes in Methodology

7. Data estimation

It is observed that 19% of data points are estimated/not available in the IDI 2023 report. This figure is 20.4% for IDI 2024 report. Hence it is proposed that data estimation may be avoided.

As mentioned in the IDI 2023 report, one of the criteria for selection of indicator in IDI is "recent data should be available for as many as 196 considered economies as possible, to ensure the broadest coverage possible and reduce reliance on estimates". However, the report relies heavily on estimated data as in IDI 2024, 20.4%
(355 data points) are estimated/not available. Moreover, data for indicators like"Internet users (%)", "Household with internet access at home (in %)" and "Mobile ownership (in %)" are estimated to the extent of 42.3%, 40% and 64.7% respectively. It is also observed that 101 data points are estimated but not published by ITU which is not a transparent method of computing the scores of the countries.

8. Inclusion of growth rate of 10 years for indicators identified in Index

It is proposed to include growth rate of 10 years for all indicators. One measure of estimating efforts can be categorically growth rates over past 10 years. It is pertinent to mention here that along with measuring the value of indicators, the efforts made by member states is equally important. Growth rate reveals the efforts made by the countries and will guide their efforts towards effectively ensuring that they meet the goal of Universal and Meaningful connectivity.

In view of the above, it is submitted that in addition to the value of indicators, due weightage should be given to growth rate for past 10 years for the indicators selected in IDI.

9. Grouping of countries

It is proposed to group countries based on some similarities so that performance of countries can be assessed as per the group to which they belong based on similarities in geographies, income, population etc. Grouping of countries is necessary because:

a. Grouping countries encourages dialogue and collaboration among member states facing similar issues or sharing common goals. It provides a platform for exchanging best practices, lessons learned, and innovative solutions that can be applied across different contexts.

b. By categorizing countries into groups based on their characteristics or development status ensures that recommendations are context-specific and relevant to the challenges and opportunities faced by each group of countries. It helps in assessing development progress and formulating appropriate policies.

India is aware that Resolution 131 provides space for continuation of the present methodology for 4 years. However, proactive steps needs to be taken up to revamp the IDI methodology so as to frame a more inclusive and robust index that meets the expectations of the member states and reflect the progress made by them in developing their ICT ecosystem. We are excited about the potential to work together to drive meaningful improvements in the ICT Development Index and look forward to your positive response.
