# GENEVA2023

# **The ICT Development Index**

**Information Session** 



4 July 2023



# A brief history of the IDI

#### 2009 – 2017

The ICT Development Index was introduced in 2009 and published until 2017

#### In 2017

An EGTI/EGH meeting adopted a revised set of indicators for the IDI.

A methodologically sound index could not be computed using the new indicators due to challenges in data availability, harmonization, and methodology.

#### 2018 – 2020

Efforts to publish the IDI or to develop an entirely new index were unsuccessful.

#### 2021 – 2022

In 2021, ITU Council decided that decision regarding the future of the IDI should be deferred to the Plenipotentiary Conference 2022, where Resolution 131 was revised and offered new guidance for resuming the IDI

#### 2023

Development of a new IDI

# **Resolution 131: Process and index features**

- Urgency to resume IDI
- Development through EGTI/EGH and formal consultations, facilitated by BDT Director
- Special EGTI/EGH meeting convened to resolve contentious issues
- Integrity of all ITU's statistical work must be preserved, in strict adherence to UN principles on good statistics
- Methodology submitted for approval by Member States and adopted if 70% of respondents approve it

If approved:

- Published without rankings only scores
- Validity period: 4 editions
- In each edition, Member States can opt out (and re-join in subsequent editions)

# Process

#### Completed in 2023

- Feb-Mar: 'Zero draft' prepared by Secretariat to inform EGTI/EGH consultation
- Mar-Apr: compilation of comments received, responses, and update of methodology (Version 1)
- Apr-May: Version 1 sent to Member States for comments
- May-Jun: compilation of comments received, responses, and update of methodology (Version 2)
- Jun: Special EGTI/EGH meeting convened to resolve contentious issues

#### Next steps in 2023

- Jun-Jul: ITU Secretariat to produce final version of the IDI methodology (Version 3) + statistical assessment by Joint Research Centre
- Aug-Sep: IDI methodology sent to Member States for approval. Two questions:
  - Do you approve the methodology?
    Do you want to opt out from the 2023 edition?
- If at least 70% of responding Member States approve, IDI to be published in Nov-Dec.
- If methodology approved: Data for use in IDI sent to Member States for information in October

## Steps to develop an index

#### Step



4

5

6

7

8

9

 $10^{10}$ 

- Develop the conceptual framework based on the stated objective
- Identify potential indicators that capture those concepts
- For each considered indicator, assess coverage, methodological soundness, quality of data

Based on this assessment, revisit the framework, concepts, and/or indicators (steps 1-3) if necessary

- Identify and treat any outliers and missing data
- Define the suitable normalization, weighting, and aggregation methods
- Calculate the index
- Assess the statistical and conceptual coherence of the index
- Conduct sensitivity analyses and assess the impact of uncertainties on resulting scores

Based on the results of the sensitivity analysis, revisit steps 1-8 if necessary

- Make sense of the data and validate the results
- Communicate the results and underlying information

# **Conceptual framework: Universal and Meaningful Connectivity**



### The measurement challenge



**Criteria applied** 

- Relevant to UMC concept
- Clear interpretation
- Official source
- Reliable

- Sufficient variation
- Available and timely



#### Indicator selection

# The measurement challenge: inherent trade-offs

- Exclude countries that have not conducted a household ICT survey recently or exclude HH indicators?
- Timeliness of data: trade-off between coverage and timeliness
- ICT sector evolves fast: data collection comes with a lag (e.g., 5G coverage)
- Different policy priorities across the world (one size fits all?)

#### **Compromises needed!**



# The ICT Development Index

ICT Development Index (as of 14 June 2023)		
Universal connectivity pillar	Meaningful connectivity pillar	
Proportion of individuals who used the Internet (from any location) in the last 3 months (yHH7)	Mobile network coverage	Mobile data and voice high- consumption basket price
	Percentage of the population covered by at least a 3G mobile	(% of GNI per capita) (i271mb_high_ts_GNI)
Proportion of households with Internet access at home (xHH6)	network (i271G) Percentage of the population	Fixed-broadband Internet basket
Active mobile-broadband subscriptions per 100 inhabitants (i911mw) Fixed broadband penetration	covered by at least an LTE / WiMAX mobile network (i271GA)	price (as % of GNI per capita) (i154_FBB_ts_GNI)
	Mobile broadband Internet traffic	Percentage of individuals who own a mobile phone (xHH18)*
	per mobile broadband subscriptions (GB) (i136mwi_subs)*	ICT Skills
	Fixed broadband Internet traffic per fixed broadband subscriptions (GB) (i135tfb_subs)*	



# How to ensure a maximum number of countries included?

• Use a 2-year window to assess data availability (2020-2021)



#### 165 economies potentially covered (baying non-estimated data available)

(having non-estimated data available for at least 50% of the 10 indicators)





# Apply statistical methods to Ensure a statistically sound methodology

#### **Treat outliers**

Outliers become unrealistic targets; biases correlation analysis, affects normalization.

Winsorize where necessary.

#### **Missing data**

Estimate missing values using the most fitting model where possible. Depends on quality of other available indicators.

Estimates sent to countries for information.



#### **Goal posts**

Thresholds & goalposts will be established at 100%, 95% or the 95<sup>th</sup> percentile, as reasonable.

#### Normalization

Indicators measured at different scale should be rescaled to 0-100.

Where reasonable, the min-max approach is used (with thresholds and goalposts). Traffic indicators logtransformed.



#### Correlation

Analyse correlation patterns to assess the statistical coherence of the framework.

Highlight trade-offs, complementarities, compensability between indicators.



# Weighting and aggregation

- In absence of clear conceptual and statistical justifications, neutral approach applying equal weights at each level of aggregation is preferred.
- Weighting scheme mirrors the two dimensions of the UMC concept.



# How to interpret an index and its limitations?



#### Index scores are entry points

- Advocacy role
- High-level view of current state (and later, trends)
- Look for details in individual indicators for analyses

#### **Recognize uncertainty**

- An index is sensitive to the methodological choices
- Sensitivity analysis highlights how assumptions influence scores
- Uncertainty analysis indicates possible scores ranges

# Thank you!