

# *Measuring the Information Society Report 2014*

## *Highlights*

- With almost 7 billion subscriptions worldwide, mobile cellular is reaching market saturation, and global growth is at a ten-year low of 2.6%.
- Though mobile access is almost ubiquitous: 450 million people still live out of reach of a mobile signal.
- By end 2014, almost 3 billion people will be using the Internet, up from 2.7 billion at the end of 2013.
- 4.3 billion people are still not online; 90% of those live in the developing world.
- Fixed broadband has reached mature levels in developed countries with an average 27.5% penetration and continuous low growth of 3.5%. Penetration in developing countries remains low at 6% with an average 6% growth. There is less than 1% fixed-broadband penetration in the 48 UN-designated Least Developed Countries.
- Mobile broadband growth remains strong and global mobile broadband penetration will reach 32% penetration by end 2014, up from below 10% in 2009.
- Africa stands out with a mobile broadband growth rate of over 40% in 2014.
- A significant gap remains in mobile broadband penetration: 84% in developed countries driven by 3G+ services, and 21% in developing countries progressed by 3G technologies.
- There is a growing rural-urban divide, in particular in the developing world: rural areas have lower 3G coverage, smaller proportion of households with Internet access and fewer enterprises and schools are connected compared with urban areas.
- Increased market competition can drive affordability in telecommunications services: in developing countries, fixed-broadband prices could be reduced by 10% if competition and the regulatory framework improved
- Fixed-broadband prices continue to decrease – almost 70% globally from 2008 to 2013 and over 20% in developing countries from 2012 to 2013 – and advertised speeds are increasing.
- Average price for an entry-level fixed-broadband plan represented 26% of GNI p.c. in the developing world at end 2013 – Broadband Commission target is set at 5%.
- Mobile broadband may help to connect 20 – 30% of households with the lowest incomes – but currently it is six times more affordable in developed countries than in developing.

- Total telecommunication revenue stagnated at around USD 1.88 trillion, or 2.7% of world GDP in 2012; developing countries saw a 4% growth in telecommunication revenues.
- Developing countries share of total telecommunication revenues at 32% in 2012 – up from 26% in 2007 – nearing their share of global GDP at 36%.
- In 2012, investment in telecommunications grew by 4% to USD 307 billion globally - developing countries invested an all-time high of USD 121 billion, making their share in total investment almost 40%.

### **ICT Development Index (IDI)**

- Denmark leads the IDI, replacing long-time front runner the Republic of Korea.
- Eight of the Top 10 leaders are European – the continent has the highest average regional IDI value of 7.14, Africa has the lowest at 2.31.
- Almost all countries improved their IDI values over the last year, but ICT development differs widely across the globe with IDI values ranging from 0.96 to 8.86.
- Wireless broadband drives IDI progress in ‘dynamic’ countries, most of which are from the developing world.
- Some 2.5 billion people living in the world’s ‘least connected countries’ (LCCs) need targeted policies for improved access to ICTs which could help advance socio-economic development.
- 20 out of 38 of the MDG indicators show significant correlation with the IDI, in particular those related to poverty reduction and health. In the case of CO2 emissions, the analysis revealed a significant positive correlation between an increase in carbon dioxide (CO2) emissions and an increase in the IDI, which highlights a possible adverse impact that ICTs can exert on the environment.

### **Big data and ICT measurement**

- Big data from the ICT services industry, in particular mobile phone data, are already helping to produce development insights of relevance to public policy, such as understanding socio-economic well-being and poverty, forecasting unemployment and analyzing societal ties.
- Using big data for ICT measurement could reveal new insights into the digital divide and pooling big data from different sources could lead to new policy-relevant indicators.
- Privacy issues remain the biggest challenge – issues of interoperability and standardization of big data analytics will need to be addressed before widespread deployment.