

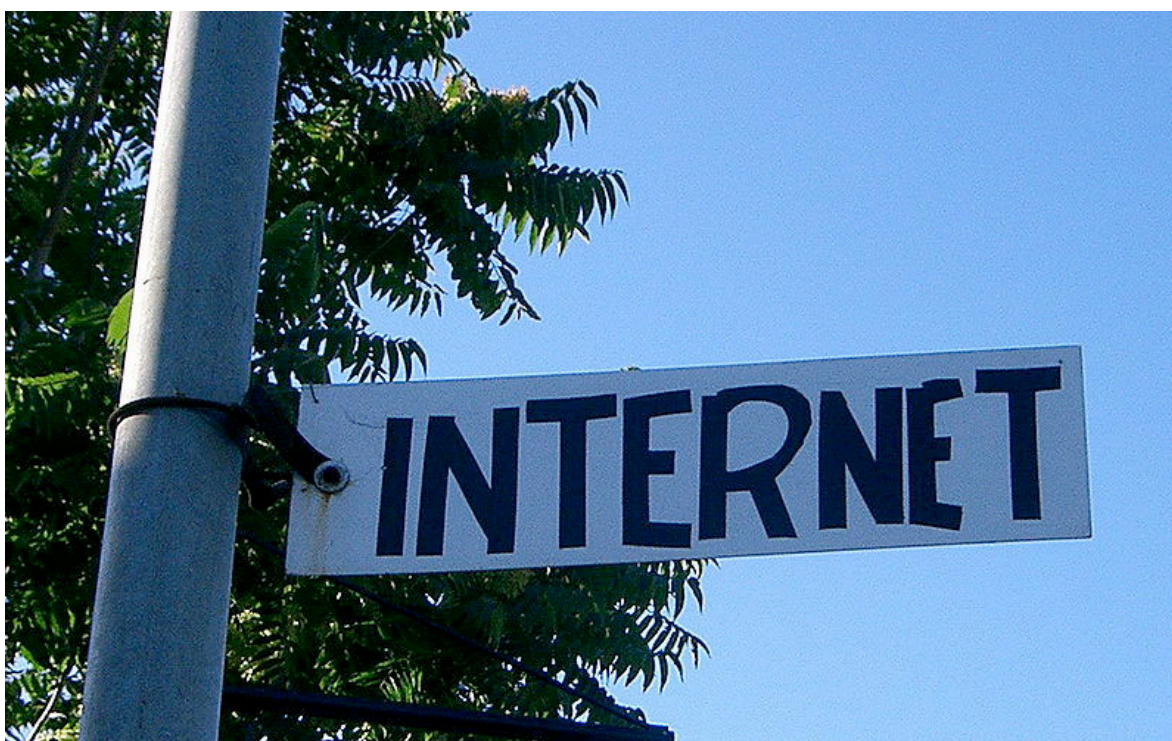


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## **Information technology use rises as price of communications services drops – UN**



15 September 2011 –

The use of information and communication technologies (ICTs) continues to accelerate worldwide, spurred by a steady decrease in the price of telephone and broadband Internet services, the United Nations telecommunication agency [reported](#) today.

New data in the UN Telecommunication Union's (ITU) annual ICT report, entitled "Measuring the Information Society 2011," ranks the Republic of Korea as the world's most advanced ICT economy, followed by Sweden, Iceland, Denmark and Finland.

The report includes the 2010 ICT Price Basket (IPB) index, which spans 165 economies and combines the average cost of fixed telephone, mobile cellular and fixed broadband Internet services. It found that the price of ICT services dropped by 18 per cent globally between 2008

and 2010, with the biggest decrease in fixed broadband Internet services, where average prices came down by 52 per cent.

Also featured is the ICT Development Index (IDI), which ranks 152 countries according to their level of ICT access, use and skills, and compares 2008 and 2010 scores. Most countries at the top of that ranking are from Europe and the Asia-Pacific region. The United Arab Emirates and Russia are ranked first in their respective regions, while Uruguay leads in South America.

Saudi Arabia, Morocco, Viet Nam, and Russia were some of the most dynamic countries between 2008 and 2010, with all of them making substantial improvements in their IDI ranks.

All countries included in the IDI improved their scores, underlining the increasing pervasiveness of ICTs in today's global information society, the report notes.

“While the IDI leaders are all from the developed world, it is extremely encouraging to see that the most dynamic performers are developing countries,” said Dr. Hamadoun Touré, the ITU Secretary-General.

“The ‘mobile miracle’ is putting ICT services within reach of even the most disadvantaged people and communities. Our challenge now is to replicate that success in broadband,” he said.

According to the report, while ICT and income levels are closely related, getting the right public policy mix can accelerate ICT uptake. A number of countries, including Australia, Japan, New Zealand and the Republic of Korea have higher IDI levels than their income levels would predict.

The expansion of mobile networks in developing countries remains buoyant, with 20 per cent growth in mobile subscriptions over the past year and no signs of a slowdown, the report notes.

In developed countries, on the other hand, mobile cellular penetration has reached saturation, with average penetration over 100 per cent at the end of last year, compared with 70 per cent in developing countries.

Mobile broadband (3G) services are also spreading fast. Some 154 economies worldwide had launched 3G networks by the end of last year. Wireless broadband Internet access remains the strongest growth sector in developing countries, growing by 160 per cent between 2009 and 2010, according to the report.

Conversely, the number of dial-up Internet subscriptions has been decreasing rapidly since 2007 and, based on current trends, the “death of dial-up” is expected to become a reality over the next few years, the report predicts.

Comparing fixed and mobile broadband technologies and services, the report also finds huge differences in network capacity, speed and quality. In many developing countries, while the minimum speed for broadband (256 kbit/s) may be sufficient for email and other very basic services, it is inadequate for graphics-rich, data-intensive applications and services.

The report also notes that the actual speed experienced by both fixed- and mobile broadband customers is often much lower than the advertised speed, and calls on ICT regulators to take steps to encourage operators to provide consumers with clearer information on coverage, speed and prices.

The ITU research indicates that targeting students may be the most effective way to increase Internet use in developing countries. The Internet is only used by around 21 per cent of the population in the developing world, compared with almost 70 per cent in developed countries.

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