



Measuring the ICT Sector



An introduction

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Torbjörn Fredriksson
(torbjorn.fredriksson@unctad.org)
Chief, ICT Analysis Section, UNCTAD




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What is the ICT Sector?

ISIC Rev 3.1


- Manufacturing
 - information processing and communication equipment
 - instruments that use electronic means to measure, test and control physical processes
- Services
 - Wholesale and renting of ICT goods
 - Telecommunication services
 - Computer-related services
- Only activities for which the production of ICT products represents the main activity





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Changes to the ICT Sector definition to reflect ISIC Rev.4




- Instruments that use electronic means to measure, test and control physical processes – *removed from definition*
- Two new classes of activities added
 - repair of computer and peripheral equipment
 - repair of communication equipment.
- New ICT-related service activities included
 - software publishing
 - computer programming
 - data processing
 - web portals

Why measure the ICT sector?



- A dynamic ICT sector contributes to making the private sector more productive and competitive.
- It creates new jobs and spurs innovation
- It also supports sustained use of ICTs throughout the entire economy.
- Even in low-income countries, a thriving ICT sector can make a difference:
 - Kenya: ICT sector grew 20% a year on average since 2000, accounted for 24% of GDP growth since then (World Bank, 2010).
- New technology and business models are creating many employment opportunities.
- Governments should carefully consider how best to tap into these.





Two core ICT indicators

- Share of business sector employment accounted for by the ICT sector (ICT-1)
- Share of the total business sector value added accounted for by the ICT sector (ICT-2)

<i>Country</i>	<i>Reference Year</i>	<i>ICT 1</i>	<i>ICT 2</i>
Republic of Korea	2008	6.10	12.19
Mauritius	2008	5.65	6.92
Switzerland	2008	5.33	7.48
Russian Federation	2008	4.61	4.89
United States	2009	4.05	5.27
Mexico	2008	2.24	4.03


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Data coverage still patchy

- ICT-1 indicator reported by 55 economies (of which 16 developing)
- ICT-2 indicator reported by 48 economies (of which 9 developing)
- Data missing for the majority of developing countries, including several economies in which the ICT sector plays a prominent role (e.g. China and the Philippines)
- No LDC is currently included
- Paucity of data underlines need for capacity-building
- Orbicom's project welcome contribution


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