THE SYSTEM OF INDICATORS OF THE LEVEL OF DEVELOPMENT OF THE DIGITAL ECONOMY

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Abstract: This paper examines the system of indicators used to assess the level of development of the digital economy. It explores the importance of measuring and monitoring the digital economy's progress and presents key indicators that can effectively capture its various dimensions. The study highlights the significance of these indicators in evaluating the digital economy's growth, identifying areas for improvement, and informing policy decisions. The findings emphasize the need for a comprehensive and reliable system of indicators to accurately measure and analyze the digital economy's development.

Keywords: Digital economy, development, indicators, measurement, progress, policy decisions.

Introduction

The rapid advancement of technology and the widespread adoption of digital technologies have transformed economies worldwide. The digital economy plays a crucial role in driving innovation, productivity, and economic growth. As the digital economy continues to evolve, it becomes essential to assess its level of development and understand its impact on various sectors and society as a whole. To achieve this, a robust system of indicators is necessary.

The purpose of this paper is to explore the system of indicators used to measure the level of development of the digital economy. These indicators provide valuable insights into the digital economy's progress, performance, and potential areas for improvement. By monitoring these indicators, policymakers, researchers, and stakeholders can make informed decisions and develop effective strategies to foster digital transformation.

The paper will discuss key indicators that are commonly used to assess the digital economy's development. These indicators may include metrics related to digital infrastructure, connectivity, e-commerce activity, digital skills, innovation, and cybersecurity. Each indicator contributes to understanding different aspects of the digital economy's growth and impact.

Furthermore, the paper will emphasize the importance of a comprehensive and reliable system of indicators. The accuracy and relevance of these indicators are crucial for policymakers to formulate evidence-based policies and allocate resources effectively. Additionally, a standardized system of indicators enables comparisons across countries and regions, facilitating benchmarking and knowledge sharing.

The main indexes discussed in this section are the Digital Adoption Index, the Digital Society Index, the International Digital Economy and Society Index, and the Digitalization Index[1].

[1] J.Manyika, M. Chui: By 2025, Internet of things applications could have $11 trillion impact. https:// https://www.mckinsey.com/mgi/overview/in-the-news/by-2025-internet-of-things-applications-could-have-11-trillion-impact

As stated on the official website of the World Bank[2], the Digital Technology Adoption Index (DAI) is a worldwide index that measures the degree of digital technology adoption in countries in three areas of the economy: population, government and business. The index covers 180 countries on a scale of 0-1 and emphasizes the "supply side" of the introduction of digital technologies to maximize coverage and simplify theoretical connections. The total DAI is a simple average of the three subindexes. Each sub-index includes the technologies needed by the relevant agent to promote development in the digital age: increasing productivity and accelerating large-scale business growth, expanding opportunities and improving people's well-being, as well as improving the efficiency and accountability of service delivery for the government.

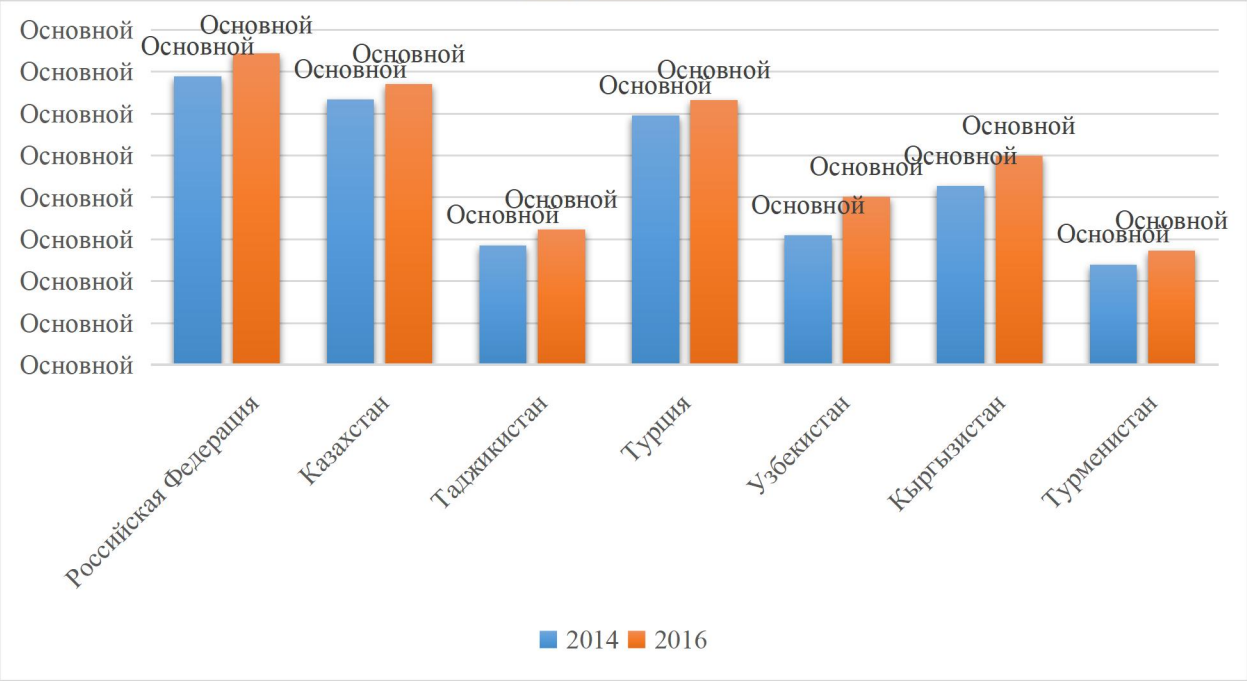


Fig. 1. Index of digital technology adoption in different countries[3]

In 2022, the index included indicators that were defined by the Digital Decade program. This program is a political program with specific goals and objectives for 2030 and will determine the digital transformation of Europe.

Table.2. DESI 2022 structure[4].

DESI measurement	Under the DESI dimension

[2] Digital Adoption Index, official website of the World Bank. https: // https://www.worldbank.org/en/publication/wdr2016/Digital-Adoption-Index.

[3] Digital Adoption Index, official website of the World Bank. https: // https://www.worldbank.org/en/publication/wdr2016/Digital-Adoption-Index.

[4] Европейская комиссия.

Human capital [5]	Internet user skills and advanced digital skills
Connection	Fixed broadband connection, fixed broadband coverage, mobile
Integration of digital technologies	broadband and broadband prices
Digital public services[6]	Digitalization of business and e-commerce

Figure 2 shows the rating of DESI member states for 2022. Finland, Denmark, the Netherlands and Sweden have the most developed digital economies in the EU, followed by Ireland, Malta and Spain. Romania, Bulgaria and Greece have the lowest DESI scores.

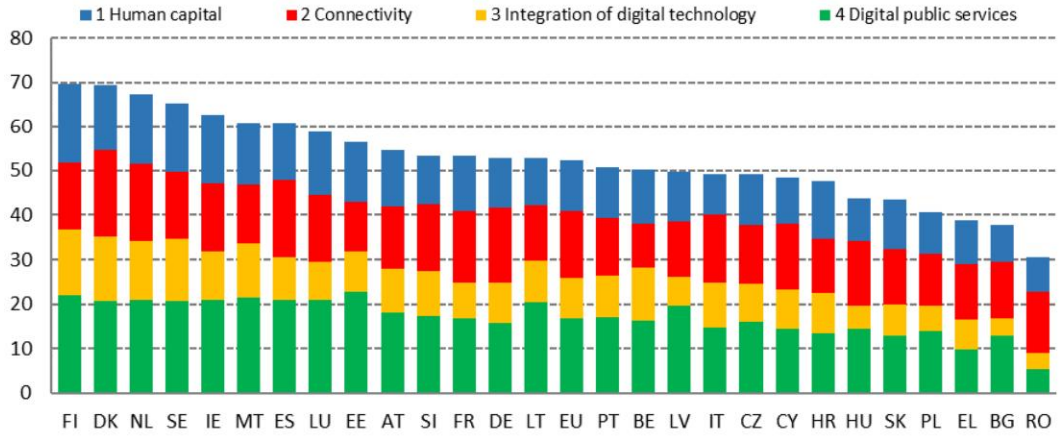


Figure 2 Digital Economy and Society Index, 2022[7]

The digital economy should be assessed on the basis of an extensive list of economic, technical and social indicators that allow for an objective analysis of its level of development, taking into account the development of communication infrastructure, the development of practical ICT skills among the population, the digitalization of business and industry, and the development of e-commerce.

In conclusion, the system of indicators plays a vital role in assessing the level of development of the digital economy. These indicators provide valuable insights into the digital economy's progress, strengths, and areas for improvement. A comprehensive and reliable system of indicators allows policymakers to make informed decisions, monitor the impact of policies, and foster a conducive environment for digital transformation.

[5] Equivalent to intervention field 3 (Human Capital) of the RRF Regulation (Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility, OJ L 57, 18.2.2021, p. 17).

[6] Equivalent to intervention field 4 (e-government, digital public services and local digital ecosystems) of the RRF Regulation.

[7] DESI 2022, Европейская комиссия

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3. Digital Adoption Index, official website of the World Bank. https: // https://www.worldbank.org/en/publication/wdr2016/Digital-Adoption-Index.
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6. Equivalent to intervention field 4 (e-government, digital public services and local digital ecosystems) of the RRF Regulation.
7. DESI 2022, Европейская комиссия

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