Trustworthy Digital Society Hub

May 2025

**A Trust Index for Sovereign and Sub-sovereign Assessments**

**Introduction**

The governing institutions of a country, region, or municipality express their effectiveness through the quality of public services that they deliver. These services are live demonstrations of the capacity of institutions to plan, fund, implement, and maintain operations across a range of critical social and economic functions. The standards of public services enjoyed by different populations reflect the competence, reliability, adaptability, innovation, and accountability of their governments, and their general ability to translate policy into practice. The capacity of governments to deliver services to individuals – on a general basis and during critical life events – forms a basis for public trust and institutional legitimacy. Standards of public service delivery can inform estimations of the institutional strength and resilience of debt-issuing sovereign and sub-sovereign governments.

The digitisation of service delivery makes the reliability and trustworthiness of digital systems central to institutional credibility. Digitisation enables increasingly detailed real-time monitoring of institutional performance, through platforms supporting the collection and analysis of voluminous data on service quality: objective metrics for processes and outcomes, and subjective metrics for user experience and trust. A global trust index that summarises information on the quality of government services – and the maturity of their underlying digital systems – can serve to track and benchmark factors relevant to modern credit assessments. This note will briefly review the sovereign assessment methodology of the three major credit ratings agencies – Moody’s, Standard & Poor’s, and Fitch – before explaining the role that a global trust index can play in supporting future assessments.

**Assessment Methodologies**

*Moody’s*

Moody’s starts every sovereign rating with an empirical scorecard that sits inside a wider, judgment‑based committee process. The scorecard is organised around four building‑block factors—Economic Strength, Institutions & Governance Strength, Fiscal Strength and Susceptibility to Event Risk. Economic Strength and Institutions & Governance are averaged (with a simple 50/50 split) to create what Moody’s calls the “Economic Resiliency” anchor. That anchor is then combined with Fiscal Strength using dynamic weights that move gradually as a country becomes wealthier, larger and better‑governed: at the top of the rating scale Fiscal Strength carries barely one‑quarter of the overall weight, whereas for the weakest sovereigns it can account for roughly half. The last step is a downward (never upward) adjustment for Event‑Risk exposures, after which the scorecard produces a broad rating range that the committee can refine further.

1. **Moody’s**

The governing institutions of a country, region or municipality express their effectiveness through the quality of the