

PRESS/69  
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## **RUGGIERO CITES PROGRESS IN THE INFORMATION TECHNOLOGY AGREEMENT**

The WTO Director-General, Mr Renato Ruggiero, issued today the following statement:

"Although we do not yet have an agreement on the removal of tariffs for trade in Information Technology products, the results of the negotiations over the weekend were certainly very encouraging. We now have commitments from countries representing more than 90% of the world market in IT products, putting us over the threshold that was set for an agreement.

"Trade in IT products is valued at over \$500 billion, comparable to trade in agriculture. But the importance of the Information Technology Agreement cannot be measured in numbers alone. Taken together with the historic accord on telecommunications reached last month, an ITA holds the potential to unlock enormous gains in development and growth which would benefit all countries, developed and developing alike. Knowledge is the most essential raw material of the global economy and with the progress we have made in these negotiations we are clearly laying the foundation for the trading system of the 21st century."

### **Note to Editors:**

The Ministerial Declaration on Trade in Information Technology Products (ITA) was signed on 13 December 1996 in Singapore by 28 governments at the conclusion of the first WTO Ministerial Conference. It provides for the elimination of customs duties and other charges on information technology products through equal annual reductions beginning on 1 July 1997 and concluding on 1 January 2000. These tariff cuts are to be implemented by participants on an m.f.n. basis (applicable to all WTO Members). The implementation of the agreement is contingent on the signing on of other participants that would result in raising the agreement's coverage to approximately 90 per cent of world trade in IT products.



The ITA provides for the submission of draft schedules by 1 March 1997. As of that date, 18 schedules had been received by the WTO Secretariat from the following: Canada, Costa Rica, Estonia, European Communities, Hong Kong, Iceland, India, Indonesia, Japan, Korea, Macau, Malaysia, Norway, Romania, Singapore, Switzerland, Thailand and the United States. The following have indicated their participation and are expected to submit their schedules in the next few days: Australia, New Zealand, Turkey and Chinese Taipei. Israel has also indicated its intention of participating and of submitting a schedule this week.

These ITA provides that by 1 April 1997, the participants should review and approve the schedules on a consensus basis, and determine formally if the 90 per cent threshold for implementation has been reached.

The ITA covers five main categories of products: computers (including printers, scanners, monitors, hard-disk drives, power supplies, etc.), telecom products (including telephone sets, fax machines, modems, pagers, etc.), semiconductors (including chips and wafers), semiconductor manufacturing equipment, software (e.g. diskettes and CD-ROMs) and scientific instruments.

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