

**Statement by H.E. Minister for Economy, Trade and Industry
Mr. Motoo HAYASHI for the Press Conference on the conclusion
of the Information Technology Agreement (ITA) Expansion**

December 16, 2015
Nairobi, Kenya

Thank you. I hereby would like to announce the conclusion of negotiations on the expansion of trade in information technology products (“ITA Expansion”) on behalf of the 53 Participants.

Today, the 53 Members who are party to the ITA Expansion negotiations have reached final agreement on the tariff elimination of 201 IT products, including staging commitments for each product. Annual trade in these 201 products is valued at approximately \$1.3 trillion per year, which accounts for approximately 10 per cent of world trade today. This value considerably exceeds the share of world trade represented by automotive products which stands at approximately 4.8 per cent. In addition, trade in these 201 products by these 53 Members represents approximately 90 per cent of total global trade in these products.

With respect to staging, the first reduction of customs duties will begin on 1 July 2016, and over 90 per cent of the 53 Members’ customs duties on a total tariff line basis will be eliminated within three years. Moreover, the complete elimination of customs duties on these 201 products for all 53 Members will be completed by 1 January, 2024.

Since the original ITA was reached in 1996, the rapid development of information technology has given rise to numerous new products such as new generation semi-conductors, semi-conductor manufacturing equipment, optical lenses, GPS navigation equipment, and medical equipment such as magnetic resonance imaging products and ultra-sonic scanning apparatus. This ITA Expansion eliminates tariffs on these cutting edge IT products.

The tariff elimination agreed upon today will greatly facilitate the dissemination of these innovative information technologies throughout society as a whole, contributing to the early detection and prevention of illnesses, the improvement of quality of life as well as the advancement of economic activities all over the world. With the ITA Expansion, the IT industry would also benefit from the deepening of global value chains, promotion of innovation, and creation of new businesses.

In May 2012, the Participants launched negotiations for the expansion of the product coverage of the ITA.

The Participants have negotiated intensively for three and a half years, including at the Ministerial and Leader level, and after overcoming numerous difficulties reached an agreement on a product list in July 2015. We continued to negotiate intensively on the staging period for each product. Negotiations were continued here in Nairobi, and were finally concluded today. Today's successful conclusion is the result of the hard work, effort and contribution of all Participants and past ITA chairs, and together with all of you, I wish to applaud the hard work of all of the people involved in this negotiation. I also would like to express our gratitude for the hard work and effective assistance of Director-General Azevedo and WTO staff members throughout the process.

The conclusion of the ITA Expansion negotiations is the first large-scale tariff elimination in the 21st century. The successful conclusion of ITA Expansion negotiations firmly demonstrates that the WTO can deliver meaningful results which contribute significantly to the development of the global economy.

Finally, as chair of the ITA Expansion negotiations, I wish to celebrate this historical achievement. I hope other WTO Members will share our common vision that trade liberalization of IT products will pave the way for people worldwide to benefit from information technology and will decide to join this important initiative as was the case with the original ITA which saw members increase from the original 28 to 82.

Thank you for your kind attention.