ICTs AS A DEVELOPMENT TOOL:
**enabling diversification, technology upgrading and innovation**

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ICT MATTERS
Relevant for the achievement of all SDGs

- E-commerce
- E-health
- E-agriculture
- E-business
- E-environment
- E-education
- E-banking
- Disaster risk reduction
- E-governance
- E-government

ICT Infrastructure
ICT skills
Local content
Legal framework
ICT GOODS MATTER

- ICT equipment needed to roll out infrastructure
- ICT devices needed for people and enterprises to make use of ICT infrastructure
- As the digital economy evolves, ICT goods and services increasingly important across:
  - Industries
  - Global value chains
  - Firm size
- ...and for innovation and diversification
WHAT IS AN ICT GOOD?

• ...must be intended to fulfil the function of information processing and communication by electronic means, including transmission and display (OECD Guide to Measuring the Information Society 2011)

• Five categories:
  ✓ electronic components
  ✓ computers and peripheral equipment
  ✓ communication equipment
  ✓ consumer electronic equipment
  ✓ miscellaneous
ICT GOODS TRENDS

- 95 products at six-digit level of HS 2007
- World imports of ICT goods: USD 2 trillion in 2015
- Electronic components largest category
- Developing Asia largest and fastest growing region

Source: UNCTADstat, stats.unctad.org/ict3ict4
COMMUNICATION EQUIPMENT

- Fastest growing category of trade in ICT goods
- Much of the growth associated with the "mobile revolution"
- Mobile money for the unbanked - an innovation for financial inclusion

Source: UNCTAD based on data from UNCTADstat and ITU.
ICT GOODS vs. ITA GOODS

Number of product codes at six digit level of HS 2007

- ITA I goods (144 codes)
- ICT goods (95 codes)
- Joint coverage (55 codes) is 58% of ICT goods and 38% of ITA I goods

- ITA I+II goods (270 codes)
- ICT goods (95 codes)
- Joint coverage (76 codes) is 80% of ICT goods and 28% of ITA I+II goods

ICT GOODS vs. ITA GOODS

Value of global imports in 2013

ICT goods (USD 2 tn)

Joint coverage (USD 1.9 tn) is 96% of ICT goods imports and 74% of ITA I goods imports

ITA II goods (USD 3 tn)

ICT goods (USD 2 tn)

Joint coverage (USD 2 tn) is 99% of ICT goods imports and 66% of ITA II goods imports

- ICT goods mostly covered by ITA II
  - 99% of ICT goods imports (in principle)
- 13 product codes only partially covered
  - imports of $440 bn
- 19 product codes not covered
  - imports of $16 bn
- One third of ITA II imports are not "ICT goods"

### ICT GOODS vs. ITA GOODS - SOME EXAMPLES

<table>
<thead>
<tr>
<th>ITA I (model list in HS2007)</th>
<th>ITA I+II (in HS2007)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ICT goods only</strong></td>
<td></td>
</tr>
<tr>
<td>950410 Video games of a kind used with a television receiver</td>
<td>852859 Other monitors, not of a kind solely/principally used in an automatic data processing system</td>
</tr>
<tr>
<td>852721 Radio-broadcast receivers</td>
<td>853110 Burglar/fire alarms &amp; similar apparatus</td>
</tr>
<tr>
<td>852859 Other monitors, not of a kind solely/principally used in an automatic data processing system</td>
<td>854071 Magnetrons</td>
</tr>
<tr>
<td><strong>Joint ICT and ITA (full coverage)</strong></td>
<td></td>
</tr>
<tr>
<td>851712 Telephones for cellular networks</td>
<td>854231 Electronic integrated circuits, processors &amp; controllers</td>
</tr>
<tr>
<td>847130 Portable automatic data processing machines</td>
<td>851712 Telephones for cellular networks</td>
</tr>
<tr>
<td>854140 Photosensitive semiconductor devices</td>
<td>851762 Switching &amp; routing apparatus</td>
</tr>
<tr>
<td><strong>Joint ICT and ITA (partial coverage)</strong></td>
<td></td>
</tr>
<tr>
<td>854231 Electronic integrated circuits, processors &amp; controllers</td>
<td>847330 Parts &amp; accessories of automatic data processing machines</td>
</tr>
<tr>
<td>854239 Other electronic integrated circuits</td>
<td>847170 Storage units</td>
</tr>
<tr>
<td>851770 Parts of telephone sets</td>
<td>852990 Other parts suitable for use solely/principally with the apparatus of headings 85.25 to 85.28.</td>
</tr>
<tr>
<td><strong>ITA goods only (partial coverage)</strong></td>
<td></td>
</tr>
<tr>
<td>901380 Other optical appliances and instruments</td>
<td>901380 Other optical appliances and instruments</td>
</tr>
<tr>
<td>844399 Parts &amp; accessories for printing machinery</td>
<td>901890 Other electro-medical apparatus &amp; sight-testing instruments</td>
</tr>
<tr>
<td>850440 Static converters</td>
<td>853690 Electrical apparatus for switching/protecting electrical circuits for making connections to/in electrical circuits</td>
</tr>
<tr>
<td><strong>ITA goods only (full coverage)</strong></td>
<td></td>
</tr>
<tr>
<td>854442 Electric conductors, fitted with connectors</td>
<td>844399 Parts &amp; accessories for printing machinery</td>
</tr>
<tr>
<td>853224 Fixed electrical capacitors</td>
<td>850440 Static converters</td>
</tr>
<tr>
<td>381800 Chemical elements doped for use in electronics</td>
<td>854442 Electric conductors, fitted with connectors</td>
</tr>
</tbody>
</table>

TOP ICT GOODS EXPORTERS 2013
ITA II Participants and Non-Participants

Major ICT goods exporters 2013 and 2015

ITA II participants and non-participants

- ITA II participants total exports of ICT goods of USD 1.8tn in 2015, up 0.5% from 2013
- Non ITA II participants exported only USD 135bn in 2015, down 10.3% since 2013, with the exception of Mexico and Viet Nam

Source: UNCTAD.
Thank you

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E-trade for All: https://etradeforall.org/