Information Technology Industry Council

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Symposium on the 15th Anniversary of the ITA
The Power of ICT
Connecting the world as never before

People on our planet: 7 billion

Mobile phones: 6.6 billion

Using the Internet: 2006 – 18%
2011 – 35%
Driving Economic Growth

ICT accounts for 6% of global GDP.

Global value-added by ICT industries has more than doubled from $1.2 \text{ trillion} \text{ in 1995} \text{ to} \ 2.8 \text{ trillion} \text{ in 2010.}
Creating High-Paying Jobs & Driving Productivity

In the United States, ICT workers earn roughly $75,000 annually, compared to average US workers wages of $42,000.

In Jordan, the average tech job pays six times the average government job.

ICT workers account for 3 to 5 times more productivity than non-ICT workers.
Driving the Digital Economy

The annual global economic benefits of the commercial Internet equal $1.5 trillion and conservatively will grow to $3.8 trillion by 2020.

Internet’s Economic Impact

% Internet contribution to GDP
Benefits of the ITA
One of the most successful WTO trade agreements.

Two-way Trade in ITA Products

$4 trillion (2008)

$1.2 trillion (1996)
Lower tariffs have helped emerging economies achieve astounding ICT export numbers.

- **54%** of total exports from the Philippines
- **38%** of total exports from Malaysia
- **20%** of total exports from Thailand
The ITA has supported the development of software & services industries in major economies such as India.
Lower tariffs on ICT products have vastly contributed to the diffusion of technologies.

**INDONESIA:**

Mobile phone subscribers went from **.28 per 100** people in 1996 to **92 per 100** in 2010

**6th most Twitter users in the world**

**3rd largest number of Facebook members**
Benefits of ITA Expansion
ITA expansion could add $190 billion to the global economy...every year! ...equivalent to Saudi Arabia’s annual oil exports

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ITA expansion will generate good jobs.

...could create **60,000** new jobs in the United States

...and hundreds of thousand of jobs around the world
ITA expansion could drop duties to zero on roughly $400 billion in ICT imports globally, reducing tariffs by about $50 billion annually....a boon to consumers.
Negotiation Masterpiece: *Framed for Success*

- Ambitious
- Expeditious
- Elegant
- Inclusive
Global High-Tech Industry Calls for Ambitious Expansion of Information Technology Agreement

— Updated: May 16, 2011 —

High-tech industry associations from around the world strongly support advancing an ambitious new tariff-reduction initiative to significantly expand product coverage of the Information Technology Agreement (ITA), which is one of the most meaningful and successful trade agreements in the World Trade Organization (WTO).

From 1996 to 2008, total ITA product trade has increased more than 19 percent annually, from $1.2 trillion to $4.0 trillion. In the process, the ITA has helped drive innovation, accelerate productivity, increase employment, lower consumer prices, and bridge communities across the globe in ways unimaginable 15 years ago.

Yet while the high-tech sector has exploded with new and improved products since the ITA came into force, the product scope of the agreement has never been expanded. The time has come to take the next big step in promoting trade in high-tech products.

ITA expansion would yield immediate and substantial benefits, removing tariffs on a vast array of tech products not currently covered by the agreement. In addition, it would go far towards eliminating uncertainty that arises as convergence in the tech industry continues to advance. With dramatic innovations underway that often bring many technology functions into one product, questions of convergence will only multiply.

We are deeply committed to working with our governments to move quickly to advance this initiative, which will expand trade, stimulate growth, increase jobs, spur innovation, and promote prosperity around the world.
Thank you!

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