

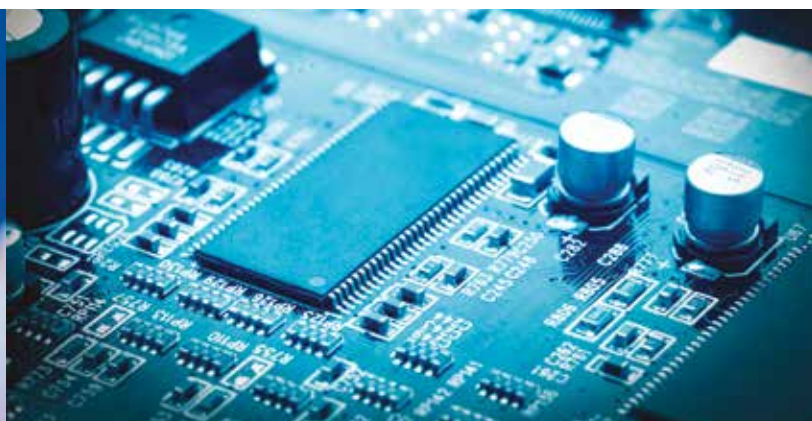
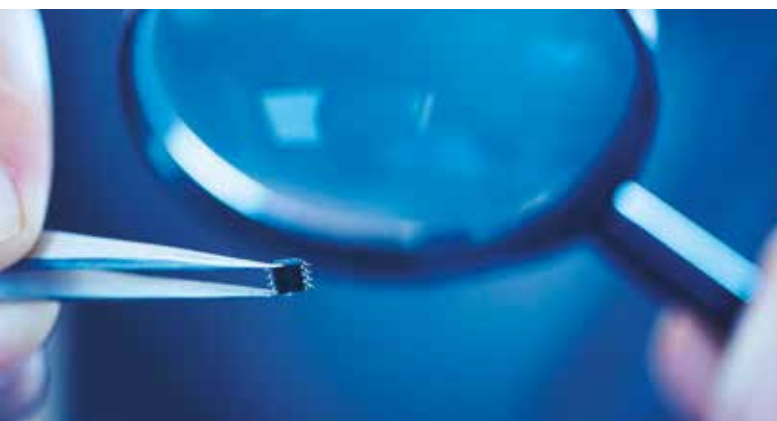
# Foreword by WTO Director-General Roberto Azevêdo

2017 marks the twentieth anniversary of the WTO's Information Technology Agreement (ITA). The ITA was a landmark deal for the global trading system not only because it was the first to be signed after the establishment of the WTO in 1995, but also because it has helped to support and facilitate the phenomenal growth of trade in the information technology sector.

Exports in the products covered by the ITA tripled from US\$ 549 billion in 1996 to approximately US\$ 1.7 trillion in 2015. This represents an annual growth rate in these exports of 6 per cent. ITA exports account for a remarkable 15 per cent of global manufacturing exports, despite the falling prices of some of the main ITA product categories. On this basis, global trade under the ITA is bigger than trade in automotive products or pharmaceuticals.

ITA membership has also increased over the years – from 29 WTO members in 1996 to 82 at the time of publication. ITA participants now account for approximately 97 per cent of world trade in the products covered by the Agreement. All participants have completely eliminated import duties and other charges on key goods and inputs for the IT sector. In a world where goods and component parts often cross borders many times before they reach market, this is essential in fostering trade.

Of course, the ITA is not only about eliminating duties and expanding trade, it is also about stimulating innovation and spreading new technologies. By lowering costs for IT products, the Agreement has contributed to the adoption and diffusion of computers and mobile phones, thereby helping more people to become connected. This helps consumers and businesses alike – particularly





small and medium-sized enterprises. In addition, the ITA has helped to improve the trading environment for IT products by improving predictability for business and fostering investment in the participants' economies.

Inspired by the successful experience of the ITA, a group of WTO members struck another deal to eliminate tariffs on a new range of IT products in December 2015, during the WTO Ministerial Conference in Nairobi. Trade in these products accounts for around US\$ 1.3 trillion a year. The expanded ITA is already working to make new-generation ICT goods cheaper, thereby spreading digital connectivity even further. Together, the ITA and ITA expansion represent important drivers behind the diffusion of information technology and innovation, and towards affordable access to the Internet.

This publication celebrates the ITA's twentieth anniversary, reviews the impact of the ITA and its expansion, and shares insights on the role of information technology for development, including its contribution to the 2030 Sustainable Development Agenda. As WTO members explore paths to advance the multilateral trading system in the years ahead, the ITA experience, as documented here, may provide some useful lessons.

A handwritten signature in black ink, reading "Roberto Azevêdo".

**Roberto Azevêdo**

Director-General

