

6 November 2023

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## REPORT (2023) OF THE COMMITTEE OF PARTICIPANTS ON THE EXPANSION OF TRADE IN INFORMATION TECHNOLOGY PRODUCTS

- 1.1. The Committee of Participants on the Expansion of Trade in Information Technology Products, hereinafter referred to as "the Committee", was established pursuant to the provisions of the Ministerial Declaration on Trade in Information Technology Products ( $\frac{\text{WT/MIN}(96)/16}{\text{MIN}(96)/16}$ ), hereinafter referred to as "the Ministerial Declaration", and the provisions for the Implementation of the Ministerial Declaration on Trade in Information Technology Products ( $\frac{\text{G/L/160}}{\text{MIN}(96)/16}$ ), in order to carry out the provisions of paragraphs 3, 5, 6, and 7 of the Annex to the Declaration.
- 1.2. The Committee's rules of procedure provide for observer status to WTO Members that are not participants to the Ministerial Declaration, and governments that are observers to the Council for Trade in Goods. Requests for observer status by international intergovernmental organizations are considered on a case-by-case basis. The International Trade Centre (ITC) and the Organisation for Economic Cooperation and Development (OECD) have been granted observer status, and the World Customs Organization (WCO) has been granted observer status to meetings where issues of HS classification and HS amendments are included on the agenda.
- 1.3. The Committee has held two formal meetings and two informal meetings in 2023. The Committee's formal meetings were held on 29 March and 19 October and their minutes are contained in documents G/IT/M/78 and  $G/IT/M/79^1$ , respectively. The Committee also held two informal meetings, on 14 July and 18 September, on better functioning of the Committee, and to review Timor-Leste's ITA Schedules, respectively.
- 1.4. Taking into account that Mr Hazrul Imran Azahar (Malaysia) (the ITA Committee's Chairperson during 2022-2023) was temporarily unavailable due to a family emergency, Mr LOH Jia Jie (Singapore) was elected interim Chairperson to chair the ITA Committee's formal meeting on 29 March only. On 7 June 2023, through a written procedure, the Committee elected by acclamation Mr Don Spedding (Australia) as Chairperson for the period of 2023-2024.
- 1.5. As of 19 October, the total number of WTO Members that are participants to the Ministerial Declaration is 83. The Committee has consistently reviewed the status of implementation, a summary of which is provided in document G/IT/1 and its revisions.
- 1.6. At the Committee's meeting of 29 March, China and the United Kingdom exchanged views on the United Kingdom's ITA commitments.
- 1.7. Trade concerns over ITA implementation in Indonesia and Egypt were raised at the Committee's meeting in March and reiterated at its meeting in October.
- 1.8. The Committee continued its deliberations on the Non-Tariff Measures (NTMs) Work Programme in 2023. Regarding its work on the EMC/EMI Pilot Project, Israel and Viet Nam submitted information regarding their conformity assessment procedures on 18 January 2023 and 24 May 2023, respectively. The Committee noted that, among current participants, 46 had provided survey responses. The consolidated list of conformity assessment procedures for EMC/EMI used by ITA Participants is updated in document <a href="mailto:G/IT/W/17/Rev.30">G/IT/W/17/Rev.30</a>. The Committee encouraged those that had not yet done so to provide the information without any further delay.

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<sup>&</sup>lt;sup>1</sup> To be circulated.

- 1.9. On classification divergences, with regard to the possible HS2007 classification for the remaining 22 "Attachment B" items, the Secretariat had so far received comments from 21 delegations, which were compiled in document  $\underline{G/IT/W/40}$  and its Addenda and Supplements. The Committee encouraged delegations that had not yet provided their comments to do so as soon as possible in order to arrive at a common classification for these products within the existing HS nomenclature. In addition, one delegation requested the Secretariat to provide technical inputs regarding the 22 "Attachment B" items in the context of the latest HS nomenclature (HS 2022).
- 1.10. On product coverage, the Committee took note of the reports and updates from those participants that were engaged in the 2015 ITA Expansion ( $\frac{WT/L/956}{MT/L/956}$  and  $\frac{WT/MIN(15)/25}{MT/L/956}$ ) and its implementation. One delegation emphasized the importance of addressing non-tariff measures while exploring the possibility of further expanding product coverage.
- 1.11. In response to a request from the CTG Chairperson to the Chairpersons of the CTG's subsidiary bodies concerning their respective Committee's current and future functioning, ITA Participants held dedicated discussions at the ITA Committee's formal meeting held on 29 March. To facilitate further discussions on possible follow-up, the Secretariat prepared a consolidated table containing a list of possible improvements to the Committee's future functioning, contained in document <a href="JOB/IT/33">JOB/IT/33</a>, which was circulated on 3 July. Based on dedicated discussions at the Committee's informal meeting of 14 July, a communication from the Chairperson summarizing the current status of the Committee's work in this area was circulated in document <a href="JOB/IT/35">JOB/IT/35</a>, dated 9 August. In his follow-up communication, circulated in document <a href="JOB/IT/36">JOB/IT/35</a>, dated 31 August, two measures for action were proposed by the Chairperson for the Committee's adoption through written procedures, which were approved on this basis on 12 September.<sup>2</sup> In this connection, the Chairperson circulated a report, in document <a href="G/IT/W/57">G/IT/W/57</a>, which was subsequently approved and adopted by the Committee as its report to the CTG at the Committee's formal meeting of 19 October.<sup>3</sup>
- 1.12. Regarding new participants, on 27 February 2023, the Mission of Timor-Leste sent a Note Verbale to the WTO Director-General, expressing Timor-Leste's intention to join the ITA and ITA Expansion Agreements. At its formal meeting on 29 March, ITA Participants expressed their welcome to Timor-Leste's participation, and their support for its efforts to join the ITA and ITA Expansion Agreements. Upon the request of Timor-Leste's authorities, the Secretariat organized a technical workshop on the ITA Agreements, in Dili, from 12-16 June, with a view to enhancing officials' understanding of the two agreements and facilitating the preparation of Timor-Leste's draft Schedules. On 22 August, the authority officially submitted its ITA and ITA Expansion Schedules, which were subsequently circulated in documents G/IT/32 and G/IT/33. At the informal meeting held on 18 September, Timor-Leste's ITA Schedule was reviewed. Most ITA participants expressed their satisfaction with the submissions, with only a few technical issues being raised for additional clarification. At the formal meeting of 19 October, the Committee approved Timor-Leste's ITA Schedule by consensus. Timor-Leste's ITA commitments will be incorporated into its Goods Schedule and form part of its final WTO accession package. Timor-Leste will become a new participant to the ITA upon its WTO accession. On the same day, the ITA Expansion Group also approved Timor-Leste's ITA Expansion Schedule, which will be incorporated into its Goods Schedule and be implemented upon its WTO accession.
- 1.13. To improve WTO Members' understanding of the ITA and ITA Expansion Agreements, the Secretariat organized the very first Geneva-based Workshop on ITA and Digital Transformation, which ran from 14 to 17 March 2023. 30 government officials from 30 WTO developing Members and governments in the process of WTO accession participated in the workshop. The Secretariat reported the event to the Committee at its March meeting, and ITA Participants encouraged the Secretariat to organize similar activities in the future in order to advocate for the benefits of joining the ITA, as well as for ITA Participants and non-participants to share their respective experiences in this area. Also at the Committee's March meeting, the Secretariat made a presentation on recent trends in ICT trade, for which ITA Participants expressed their appreciation.
- 1.14. To strengthen its communication with the ICT industry, the Committee engaged in an informal dialogue with a number of IT company and association representatives on 16 March in Geneva. Representatives from Cisco, Applied Materials, Japan Electronics and Information Industries

<sup>&</sup>lt;sup>2</sup> The formal Committee decision was circulated in document <u>G/IT/34</u>.

<sup>&</sup>lt;sup>3</sup> Document <u>G/L/1498-G/IT/35</u>.

Association (JEITA), the Consumer Technology Association (CES), the Information Technology Industry Council (ITIC), Medtronic and the Semiconductor Industry Association (SIA) introduced a number of products and applications using the latest ICT technology in various aspects of business, logistics, infrastructure and medical care, and also shared the perspectives of their specific companies regarding the benefits of the ITA.