Basic information

2016/0067(NLE) NLE - Non-legislative enactments	Procedure completed
Agreement on the expansion of trade in information technology products (ITA) **Subject** 3.40.06 Electronics, electrotechnical industries, ICT, robotics 6.20.01 Agreements and relations in the context of the World Trade Organization (WTO) 6.20.04 Union Customs Code, tariffs, preferential arrangements, rules of origin	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	INTA International Trade	QUISTHOUDT-ROWOHL Godelieve (PPE)	15/02/2016
		Shadow rapporteur MOSCA Alessia Maria (S&D) BUCHNER Klaus (Verts /ALE)	
Council of the European Union			
European Commission	**Commission DG**	**Commissioner**	
	Trade and Economic Security	MALMSTRÖM Cecilia	

Key events

Date	Event	Reference	Summary
08/03/2016	Preparatory document	COM(2016)0122	Summary
30/03/2016	Legislative proposal published	06925/2016	Summary
14/04/2016	Committee referral announced in Parliament		
24/05/2016	Vote in committee		
26/05/2016	Committee report tabled for plenary, 1st reading/single reading	A8-0186/2016	Summary
08/06/2016	Decision by Parliament	T8-0257/2016	Summary
08/06/2016	Results of vote in Parliament		

10/06/2016	Act adopted by Council after consultation of Parliament		
10/06/2016	End of procedure in Parliament		
18/06/2016	Final act published in Official Journal		

Technical information

Procedure reference	2016/0067(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legal basis	Treaty on the Functioning of the European Union TFEU 207-p4 Treaty on the Functioning of the European Union TFEU 218-p6a
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	INTA/8/05972

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE578.814	04/04/2016	
Committee report tabled for plenary, 1st reading/single reading		A8-0186/2016	26/05/2016	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0257/2016	08/06/2016	Summary

Council of the EU

Document type	Reference	Date	Summary
Legislative proposal	06925/2016	30/03/2016	Summary
Document attached to the procedure	06926/2016	30/03/2016	

European Commission

Document type	Reference	Date	Summary
Preparatory document	COM(2016)0122	08/03/2016	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2016/0971
OJ L 161 18.06.2016, p. 0002

Summary

Agreement on the expansion of trade in information technology products (ITA)

2016/0067(NLE) - 08/06/2016 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 529 votes to 110, with 37 abstentions a legislative resolution on the draft Council decision on conclusion, on behalf of the European Union, of an agreement in the form of the Declaration on the Expansion of Trade in Information Technology Products (ITA).

In line with the recommendation made by Committee on International Trade, the European Parliament **gave its consent** to the conclusion of the Agreement.

To recall, the Information Technology Agreement (ITA) was concluded at the Singapore Ministerial Conference in December 1996 and entered into force in 1997. While only 29 WTO Member States initially concluded the agreement, ITA today counts 82 participants.

In May 2012, several countries proposed to expand the product coverage of the ITA. On 24 July 2015, the text of the "Declaration on the Expansion of Trade on Information Technology Products" was agreed, with a view to bind and eliminate customs duties on an additional list of 201 IT products.

The objective of the ITA expansion is to eliminate duties on IT goods not included in the original ITA.

Agreement on the expansion of trade in information technology products (ITA)

2016/0067(NLE) - 17/06/2016 - Final act

PURPOSE: to conclude, on behalf of the European Union, an agreement in the form of a Declaration on the expansion of Trade in Information Technology Products (ITA).

NON-LEGISLATIVE ACT: Council Decision (EU) 2016/971 on the conclusion, on behalf of the European Union, of an agreement in the form of the Declaration on the Expansion of Trade in Information Technology Products (ITA).

CONTENT: the Council adopted a decision approving, on behalf of the European Union, the Declaration on the expansion of the ITA and the schedules submitted in accordance with paragraph 5 thereof.

The ITA requires that each participant eliminates and binds customs duties at zero on a Most Favoured Nation basis for all information technology (IT) products covered.

To recall, the Ministerial Declaration on Trade in Information Technology Products, commonly referred to as the Information Technology Agreement ('ITA'), was adopted in Singapore on 13 December 1996.

The ITA states that participants are to meet periodically under the auspices of the Council on Trade in Goods of the World Trade Organisation (WTO) to review the product coverage with a view to agreeing, by consensus, whether it is appropriate to modify the Attachments to that Annex to incorporate additional products in the light of technological developments, experience in applying the tariff concessions or changes to the Harmonised System nomenclature.

The agreement in the form of a Declaration on the Expansion of the ITA (and the schedules containing the staging commitments of the participants) was adopted by the Ministers of the participant countries on 16 December 2015 during the 10th WTO Ministerial Conference in Nairobi.

ENTRY INTO FORCE: 17.6.2016.

Agreement on the expansion of trade in information technology products (ITA)

2016/0067(NLE) - 26/05/2016 - Committee report tabled for plenary, 1st reading/single reading

The Committee on International Trade adopted the report by Godelieve QUISTHOUDT-ROWOHL (EPP, DE) on the draft Council decision on the conclusion, on behalf of the European Union, of an agreement in the form of the Declaration on the Expansion of Trade in Information Technology Products (ITA).

The committee recommended the European Parliament to **give its consent** to the conclusion of the Agreement.

To recall, the first Information Technology Agreement (ITA) was concluded at the Singapore Ministerial Conference in December 1996 and entered into force in 1997. While only 29 WTO Member States initially concluded the agreement, ITA today counts 82 participants.

The ITA requires that each participant eliminates and binds customs duties at zero on a Most Favoured Nation basis for all information technology (IT) products covered. The ITA covers about 200 tariff lines, including computers, telephones, but also inputs, components and machinery for the production of IT goods.

In May 2012, six countries launched negotiations to expand the product coverage of the agreement (EU, US, Japan, Korea, Taiwan and Costa Rica). They came to be joined by 21 other members. On 24 July 2015, an agreement was reached on an additional list of 201 IT products. Annual trade in these 201 products is valued at over USD 1.3 trillion per year, and accounts for approximately 10% of total global trade today.

The agreement in the form of a Declaration on the Expansion of the ITA (and the schedules containing the staging commitments of the participants) was adopted by the Ministers of the participant countries on 16 December 2015 during the 10th WTO Ministerial Conference in Nairobi.

In the short justification which accompanies the report, it is stated that EU exports EUR 189 billion in products covered by the ITA expansion, a figure that is expected to increase significantly following tariff cuts.

The agreement will lead to lower prices for consumers, but also for producers who depend on imported components. Some sectors will however also experience increased competition. Members are therefore pleased to see that the EU negotiated longer staging for some products that were considered to be sensitive, while the majority of the non-sensitive tariffs will be eliminated at the entry into force of the agreement.

Given that the expansion of the ITA is a landmark deal, the first major tariff cutting deal since the WTO was created with a huge potential to create jobs and boost GDP growth, it is proposed that the European Parliament gives its consent to the conclusion of the Agreement.

Agreement on the expansion of trade in information technology products (ITA)

2016/0067(NLE) - 08/03/2016 - Preparatory document

PURPOSE: to conclude, on behalf of the European Union, an agreement in the form of a Declaration on the expansion of Trade in Information Technology Products (ITA).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the "Ministerial Declaration on Trade in Information Technology Products", known as the Information Technology Agreement (ITA), was concluded by 29 WTO Member States at the Singapore Ministerial Conference in 1996. The ITA entered into force in the European Union in 1997. Today, the ITA counts 82 participants, or half of WTO Members, and covers 97 % of trade in this sector.

The ITA requires that each participant eliminates and binds customs duties at zero on a Most Favoured Nation basis for all information technology (IT) products covered. The ITA covers about 200 tariff lines, including computers, telephones, but also inputs, components and machinery for the production of IT goods.

The ITA Ministerial Declaration establishes that participants shall meet periodically under the auspices of the Council on Trade in Goods to review the product coverage specified in the Attachments, with a view to agreeing, by consensus, whether in the light of technological developments, experience in applying the tariff concessions, or changes to the HS nomenclature, the Attachments should be modified to incorporate additional products.

In May 2012, several countries proposed to expand the product coverage of the ITA. On 24 July 2015, the text of the **"Declaration on the Expansion of Trade on Information Technology Products" was agreed, with a view to bind and eliminate customs duties on an additional list of 201 IT products**. Annual trade in these 201 products is valued at over USD 1.3 trillion per year, and accounts for approximately 10 % of total global trade today.

The participants agreed on the staging commitments for each product listed in document G/MA/W/117. The agreement in the form of a Declaration on the Expansion of the ITA (and the schedules containing the staging commitments of the participants) was adopted by the Ministers of the participant countries on 16 December 2015.

IMPACT ASSESSMENT: an economic assessment was made by an external company before the negotiations started. With the final results of the negotiations now known, **the Commission has made its own in-house assessment**, of which the following three elements are the most important findings:

- **EUR 74-150 billion of EU exports** are covered by the agreement;
- EU exporters will **save EUR 0.8-2.1 billion in duty payments** upon their extra EU exports;
-

as the products under negotiation are crucial intermediates in many **EU exports significant value chain effects can be expected**. A general equilibrium simulation points to overall exports of goods that may increase by about 0.7 % to 1.4 % of their baseline value. In terms of current extra EU exports of goods, this amounts to EUR 12-24 billion.

CONTENT: under this draft Decision, the Council is called upon to **approve, on behalf of the European Union, the Declaration on the Expansion of Trade in Information Technology Products** (ITA), together with the schedules submitted by other participants in the negotiations and which are contained in the WTO document G/MA/W/117.

The objective of the ITA expansion is to eliminate duties on IT goods not included in the original ITA.

BUDGETARY IMPLICATIONS: in total **the European Union is expected to lose EUR 1.5 billion in duties on IT goods**. However, this loss will be spread out over a total of 7 years. Most low duties will be eliminated at entry into force, representing 25 % of duty value. After 3 years more than 60 % of duty will have been phased out, while 30 % will only be eliminated after 7 years.

Agreement on the expansion of trade in information technology products (ITA)

2016/0067(NLE) - 30/03/2016 - Legislative proposal

PURPOSE: to conclude, on behalf of the European Union, an agreement in the form of the Declaration on the Expansion of Trade in Information Technology Products (ITA).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the Ministerial Declaration on Trade in Information Technology Products, commonly referred to as the Information Technology Agreement ('ITA'), was adopted in Singapore on 13 December 1996. Paragraph 3 of the Annex to the ITA states that participants are to meet periodically under the auspices of the Council on Trade in Goods of the World Trade Organization (WTO) to review the product coverage with a view to agreeing, by consensus, whether it is appropriate to modify the Attachments to that Annex to incorporate additional products.

On 8 July 2009, the Council authorised the Commission to negotiate a review of the ITA with a view to expanding its product coverage to reflect technological developments and convergence. On 28 July 2015, the participants in the negotiations issued a Declaration on the Expansion of Trade in Information Technology Products ('the Declaration on the expansion of the ITA'), which records the results of the negotiations.

During the 10th WTO Ministerial Conference held in Nairobi from 15 to 18 December 2015, the participants in the negotiations issued the Ministerial Declaration which endorses and opens for acceptance the Declaration on the expansion of the ITA. The Ministerial Declaration also records the agreement of the participants in the negotiations with the draft schedules submitted by each of them pursuant to paragraph 5 of the Declaration on the expansion of the ITA, which are included in WTO document G/MA/W/117.

CONTENT: the draft Council Decision seeks the approval, on behalf of the European Union, of the Declaration on the expansion of the ITA and the schedules submitted in accordance with paragraph 5 thereof.

For further details please refer to the summary of the initial legislative proposal dated from 8.3.2016.

Agreement on the expansion of trade in information technology products (ITA)

2016/0067(NLE) - 08/03/2016

PURPOSE: to conclude, on behalf of the European Union, an agreement in the form of a Declaration on the expansion of Trade in Information Technology Products (ITA).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the "Ministerial Declaration on Trade in Information Technology Products", known as the Information Technology Agreement (ITA), was concluded by 29 WTO Member States at the Singapore Ministerial Conference in 1996. The ITA entered into force in the European Union in 1997. Today, the ITA counts 82 participants, or half of WTO Members, and covers 97 % of trade in this sector.

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