



The Rt. Hon. Baroness Catherine Ashton
Commissioner for Trade
European Commission
B-1049 Brussels

23 September 2009

Dear Commissioner,

I am writing to you to express BUSINESSEUROPE's support for the review the European Commission is currently undertaking on the WTO Information Technology Agreement (ITA). The increasing importance of the IT sector is highly illustrated by the fact that in about the last ten years the value of IT products in world exports has by far more than doubled, rising from around € 400 bn (in 1996) to more than € 1000 bn (2008). In addition to the success stories of a number of European IT companies, the competitiveness of this sector is of tremendous importance for the European economy as a whole. For instance, access to high quality IT products are vital for corporate supply chains, sales or human resources management.

Since its entry into force in April 1997, BUSINESSEUROPE has been very supportive of the ITA which has proven highly successful in facilitating and expanding global trade in IT products. However, its exclusive focus on eliminating customs and other duties does not reflect today's complex environment in which companies have to face a number non-tariff obstacles to trade.

BUSINESSEUROPE supports the Commission's approach to carry out an in-depth review of the current ITA in order to adapt it to the technological developments that have taken place over the years. This should include a significant, future oriented enlargement of the product coverage for tariff elimination and expand the coverage of participating WTO members to include all major producers of IT products still operating outside the agreement. It should provide a mechanism to eliminate existing and prevent the introduction of new non-tariff barriers in the IT sector. Finally, a revised ITA should be regularly evaluated and updated when necessary in order to keep track of technological improvements in this fast changing sector.

At a more systemic level, a review of the ITA could be a catalyst for reviving the Doha negotiations which need to advance on the sectoral and non-tariff barriers components of the industrial market access negotiations. In that light, the ITA has clearly demonstrated the benefits of completely liberalising trade between major industrial and emerging country producers.

We hope that you will support this position and are at your disposal should you need additional information.

Yours sincerely,

Best regards



Philippe de Buck