



STATEMENT
by the
WORLD INFORMATION TECHNOLOGY
AND SERVICES ALLIANCE (WITSA)
on the
WTO BASIC TELECOMMUNICATIONS
SERVICES NEGOTIATIONS (NGBT)

February, 1997

Introduction

The World Information Technology and Services Alliance (WITSA) is a global alliance of twenty-two (22) information technology (IT) associations dedicated to the promotion of the information technology industry worldwide. WITSA believes that a robust and viable IT industry is beneficial not only to its members, but also to the economies of their countries. Therefore, WITSA is proactive on issues which benefit the industry and its users.

WITSA believes that the current Group of Basic Telecommunications (GBT) negotiations being conducted under the auspices of the World Trade Organization (WTO) are vitally important to the information technology industry. We urge that the WTO member governments make true liberalizing offers in the discussions with a specific date commitment allowing for full competition. Those countries which, for whatever reason, are unable to open their markets to full competition immediately should phase-in competition starting with closed user groups as described more fully in the body of this statement.

Background

Negotiations to liberalize telecommunications services were a part of the Uruguay Round of trade talks which resulted in the General Agreement on Trade and Services (GATS). There was general consensus around "enhanced telecommunications services" under that agreement, however, the parties were unable to reach an accord on basic services. Negotiations to conclude a basic telecommunications services agreement were begun in May, 1994, and were scheduled to conclude on April 30, 1996.

During the months leading up to April, 1996, negotiators met frequently in bilateral discussions, in small groups and in sessions with all participants. By the agreed to end date, a range of offers had been received from 34 countries (European Union counted as one). In the final analysis, however, a number of countries concluded that the offers were not sufficient in either quantity or quality. Consequently, agreement was reached to extend the period for offers until February 15, 1997. The current round of discussions are referred to as the Group on Basic Telecommunications (GBT).

Impact on the Information Technology Business

Today, technology and telecommunications are the key enablers for improving products, processes, and services; getting closer to customers; and generating new business opportunities. Information Technology is enabling the reengineering of all key processes: hiring, planning, research and development, production, sales and marketing, and communications. Every business is becoming primarily an information machine that drives the delivery of appliances, health care, hamburgers, automobile, television, and so on.