## International Technology Agreement (ITA II) Expansion

This agreement, sometimes known as the 'ITA II', requires that each signatory country eliminates customs duties, bringing them to zero on a Most Favoured Nation basis for all the information technology (IT) products covered. The original ITA covered about 200 tariff lines, including computers, telephones, inputs, components and machinery for the production of IT goods.

The duty free treatment given by the ITA participants has played an important role in the development and expansion of trade over the last 20 years. Trade in the sector is said to have quadrupled. However, technological progress has changed the IT sector beyond recognition, while the coverage of the ITA remained the same.

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 EU enacted this agreement in Official Journal L161 18th June 2016.

The following members of the World Trade Organisation (WTO) have agreed to take part in the expansion of world trade in information technology (IT) products by signing up to the expanded ITA:

**Albania** 

**Australia** 

Canada

China

**Costa Rica** 

**European Union (all 28 member states)** 

**Guatemala** 

Hong Kong, China

**Iceland** 

Israel

Japan

Korea

Malaysia

Montenegro

**New Zealand** 

Norway

**Philippines** 

**Singapore** 

**Switzerland** 

Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu

**Thailand** 

**United States of America** 

These countries have agreed to eliminate customs duties in three equal steps with the first rate reduction effective no later than 1 July 2016, the second such rate reduction no later than 1 July 2017, the third such rate reduction no later than 1 July 2018, and the elimination of customs duties shall be completed effective no later than 1 July 2019.

Copyright © 2016 Morley Consulting Limited All rights reserved



Some countries may move more quickly to eliminate all import duty on the agreed products.

The goods/products covered by the expansion to the ITA are listed by tariff code. The full list of 201 tariff codes is listed below:

- •Attachment A lists the HS 2007 subheadings or parts thereof to be covered by the ITA expansion.
- •Attachment B lists specific products to be covered by the ITA expansion wherever they are classified in the HS 2007.

## **ATTACHMENT A**

I de cons	LIC		Dundrust Description
Item	HS	ex *	Product Description
	2007		
001	350691	ex	Optically clear free-film adhesives and optically clear curable liquid
			adhesives of a kind used solely or principally for the manufacture of
			flat panel displays or touch-sensitive screen panels
002	370130		Other plates and film, with any side exceeding 255 mm
003	370199		Other
004	370590		Other
005	370790		Other
006	390799	ех	Thermoplastic liquid crystal aromatic polyester copolymers
007	841459	ех	Fans of a kind used solely or principally for cooling microprocessors, telecommunication apparatus, automatic data processing machines or units of automatic data processing machines
008	841950	ех	Heat exchange units made of fluoropolymers and with inlet and outlet tube bores with inside diameters measuring 3 cm or less
009	842010	ех	Roll laminators of a kind used solely or principally for the manufacture of printed circuit substrates or printed circuits
010	842129	ex	Liquid filtering or purifying machinery and apparatus made of fluoropolymers and with filter or purifier membrane thickness not exceeding 140 microns
011	842139	ex	Filtering or purifying machinery and apparatus for gases, with stainless steel housing, and with inlet and outlet tube bores with inside diameters not exceeding 1.3 cm
012	842199	ex	Parts of filtering or purifying machinery and apparatus for liquids, made of fluoropolymers and with filter or purifier membrane thickness not exceeding 140 microns; parts of filtering or purifying machinery and apparatus for gases, with stainless steel housing, and with inlet and outlet tube bores with inside diameters not exceeding 1.3 cm
013	842320	ех	Scales for continuous weighing of goods on conveyors using electronic means for gauging weights
014	842330	ех	Constant weight scales and scales for discharging a predetermined weight of material into a bag or container, including hopper scales, using electronic means for gauging weight
015	842381	ех	Other weighing machinery, having a maximum weighing capacity not exceeding 30 kg using electronic means for gauging weight

016	842382	ех	Other weighing machinery, having a maximum weighing capacity exceeding 30 kg but not exceeding 5,000 kg using electronic means for gauging weight, excluding machines for weighing motor vehicles
017	842389	ех	Other weighing machinery, having a maximum weighing capacity
			exceeding 5,000 kg using electronic means for gauging weight
018	842390	ex	Parts of weighing machinery using electronic means for gauging
			weight, excluding parts of machines for weighing motor vehicles
019	842489	ех	Mechanical appliances for projecting, dispersing, or spraying of a
			kind used solely or principally for the manufacture of printed circuits
			or printed circuit assemblies
020	842490	ех	Parts of mechanical appliances for projecting, dispersing, or spraying
			of a kind used solely or principally for the manufacture of printed
			circuits or printed circuit assemblies
021	844230		Machinery, apparatus, and equipment
022	844240		Parts of the foregoing machinery, apparatus or equipment
023	844250		Plates, cylinders and other printing components; plates, cylinders
			and lithographic stones, prepared for printing purposes (for
			example, planed, grained or polished)
024	844331		Machines which perform two or more of the functions of printing,
			copying or facsimile transmission, capable of connecting to an
			automatic data processing machine or to a network
025	844332		Other, capable of connecting to an automatic data processing machine or to a network
026	844339		Other
027	844391		Parts and accessories of printing machinery used for printing by
			means of plates, cylinders and other printing components of heading 84.42
028	844399		Other
029	845610	ех	Machine tools operated by laser or other light or photon beam
			processes of a kind used solely or principally for the manufacture of
			printed circuits, printed circuit assemblies, parts of heading 8517, or
			parts of automatic data processing machines
030	846693	ex	Parts and accessories of machine tools operated by laser or other
			light or photon beam processes of a kind used solely or principally
			for the manufacture of printed circuits, printed circuit assemblies,
			parts of heading 8517, or parts of automatic data processing
			machines; Parts and accessories of machine-tools operated by
			ultrasonic processes of a kind used solely or principally for the
			manufacture of printed circuits, printed circuit assemblies, parts of
			heading 8517, or parts of automatic data processing machines; Parts and accessories of machining centres of a kind used solely or
			principally for the manufacture of parts of heading 8517, or parts of
			automatic data processing machines; Parts and accessories of
			numerically controlled (other lathes) of a kind used solely or
			principally the manufacture of parts of heading 8517, or parts of
			automatic data processing machines; Parts and accessories of
			numerically controlled (other drilling) of a kind used solely or
			principally for the manufacture of parts of heading 8517, or parts of
			automatic data processing machines; Parts and accessories of
			numerically controlled (other milling machines) of a kind used solely
			or principally for the manufacture of parts of heading 8517, or parts

			of automatic data processing machines; Parts and accessories of
			sawing or cutting-off machines of a kind used solely or principally for
			the manufacture of parts of heading 8517, or parts of automatic
			data processing machines; Parts and accessories of machine-tools
			operated by electro-discharge processes of a kind used solely or
			principally for the manufacture of printed circuits, printed circuit
			assemblies, parts of heading 8517, or parts of automatic data
			processing machines
031	847210		Duplicating machines
032	847290		Other
033	847310		Parts and accessories of the machines of heading 8469
034	847340		Parts and accessories of the machines of heading 8472
035	847521		Machines for making optical fibers and preforms thereof
036	847590	ех	Parts of machines of subheading 847521
037	847689	ex	Money-changing machines
038	847690	ex	Parts of money-changing machines
039	847989	ex	Automated electronic component placement machines of a kind
			used solely or principally for the manufacture of printed circuit
			assemblies
040	847990	ex	Parts of automated electronic component placement machines of a
			kind used solely or principally for the manufacture of printed circuit
			assemblies
041	848610		Machines and apparatus for the manufacture of boules or wafers
042	848620		Machines and apparatus for the manufacture of semiconductor
	0.0000		devices or of electronic integrated circuits
043	848630		Machines and apparatus for the manufacture of flat panel displays
044	848640		Machines and apparatus specified in Note 9(C) to this Chapter
045	848690		Parts and accessories
046	850440		Static converters
047	850450		Other Inductors
048	850490		Parts
049	850590	ex	Electromagnets of a kind used solely or principally for magnetic
0.5	050550	CX	resonance imaging apparatus other than electromagnets of heading
			90.18
050	851430	ex	Other furnaces and ovens of a kind used solely or principally for the
			manufacture of printed circuits or printed circuit assemblies
051	851490	ex	Parts of other furnaces and ovens of a kind used solely or principally
			for the manufacture of printed circuits or printed circuit assemblies
052	851519	ex	Other wave soldering machines of a kind used solely or principally
332	001010	CX	for the manufacture of printed circuit assemblies
053	851590	ex	Parts of other wave soldering machines of a kind used solely or
		J,,	principally for the manufacture of printed circuit assemblies
054	851761		Base stations
055	851762		Machines for the reception, conversion and transmission or
	001702		regeneration of voice, images or other data, including switching and
			routing apparatus
056	851769		Other
057	851770		Parts
058	851810		Microphones and stands therefor
059	851821		Single loudspeakers, mounted in their enclosures
033	031021		Single loudspeakers, modified in their enclosures

060	851822		Multiple loudspeakers, mounted in the same enclosure
061	851829		Other
062	851830		Headphones and earphones, whether or not combined with a
			microphone, and sets consisting of a microphone and one or more
			loudspeakers
063	851840		Audio-frequency electric amplifiers
064	851850		Electric sound amplifier sets
065	851890		Parts
066	851981		Using magnetic, optical or semiconductor media
067	851989		Other
068	852110		Magnetic tape-type
069	852190		Other
070	852290		Other
071	852321		Cards incorporating a magnetic stripe
072	852329		Other
073	852340		Optical media
074	852351		Solid-state non-volatile storage devices
075	852352		"Smart cards"
076	852359		Other
077	852380		Other
078	852550		Transmission apparatus
079	852560		Transmission apparatus incorporating reception apparatus
080	852580		Television cameras, digital cameras and video camera recorders
081	852610		Radar apparatus
082	852691		Radio navigational aid apparatus
083	852692		Radio remote control apparatus
084	852712		Pocket-size radio cassette-players
085	852713		Other apparatus combined with sound recording or reproducing
	052715		apparatus
086	852719		Other
087	852721	ex	Radio-broadcast receivers not capable of operating without an
	002/22		external source of power, of a kind used in motor vehicles,
			combined with sound recording or reproducing apparatus capable of
			receiving and decoding digital radio data system signals
088	852729		Other
089	852791		Combined with sound recording or reproducing apparatus
090	852792		Not combined with sound recording or reproducing apparatus but
			combined with a clock
091	852799		Other
092	852849		Other
093	852871		Not designed to incorporate a video display or screen
094	852910		Aerials and aerial reflectors of all kinds; parts suitable for use
			therewith
095	852990	ex	Other, excluding organic light emitting diode modules and organic
			light emitting diode panels for the apparatus of subheadings
			8528.72 or 8528.73
096	853180	ех	Other apparatus excluding doorbells, chimes, buzzers and similar
097	853190		Parts
098	853630		Other apparatus for protecting electrical circuits
099	853650		Other switches

vehicles of head  101 853810 Boards, panels, goods of heading  102 853939 ex Cold-cathode flu displays  103 854231 Processors and	s, excluding battery clamp of a kind used for motor ing 8702, 8703, 8704, or 8711 consoles, desks, cabinets and other bases for the g 8537, not equipped with their apparatus corescent lamps(CCFLs) for backlighting of flat panel
goods of heading 102 853939 ex Cold-cathode flu displays 103 854231 Processors and memories, conv circuits, or other	g 8537, not equipped with their apparatus
102 853939 ex Cold-cathode fludisplays  103 854231 Processors and memories, convicircuits, or other	
displays  103 854231 Processors and memories, convicircuits, or other	iorescent lamps(CCFLS) for backlighting of flat panel
memories, conv	
circuits, or other	controllers, whether or not combined with
	verters, logic circuits, amplifiers, clock and timing
104   854232   Memories	circuits
105 854233 Amplifiers	
106 854239 Other	
107 854290 Parts	
108 854320 Signal generator	
	nd electrolysis machines of a kind used solely or e manufacture of printed circuits
110 854370 ex Articles specific	cally designed for connection to telegraphic or
telephonic appa	ratus or instruments or to telegraphic or telephonic
networks	
111 854370 ex Microwave amp	lifiers
112 854370 ex Cordless infrared	d remote control devices for video game consoles
113 854370 ex Digital flight-dat	a recorders
114 854370 ex Portable batter	y operated electronic reader for recording and
reproducing text	t, still image or audio file
	ocessing apparatus capable of connecting to a wired
or wireless netw	ork for the mixing of sound
116 854390 Parts	
117 880260 ex Telecommunicat	
	munication satellites
	lators and parts thereof
120 880529 Other	
	es of polarising material
122 900190 Other	
123 900219 Other	
124 900220 Filters	
125 900290 Other	
	us and equipment for photographic (including
	c) laboratories; negatoscopes
127 901060 Projection scree	
	ories of articles of subheadings 901050 and 901060
129 901110 Stereoscopic mid	•
130 901180 Other microscop	
131 901190 Parts and access	
	er than optical microscopes; diffraction apparatus
133 901290 Parts and access	
· ·	igned to form parts of machines, appliances, pparatus of this Chapter or Section XVI
135 901320 Lasers, other tha	
	sories, other than for telescopic sights for fitting to
	scopes

137	901410		Direction finding compasses
138	901420		Instruments and appliances for aeronautical or space navigation
			(other than compasses)
139	901480		Other instruments and appliances
140	901490		Parts and accessories
141	901510		Rangefinders
142	901520		Theodolites and tachymeters (tacheometers)
143	901540		Photogrammetrical surveying instruments and appliances
144	901580		Other instruments and appliances
145	901590		Parts and accessories
146	901811		Electro-cardiographs
147	901812		Ultrasonic scanning apparatus
148	901813		Magnetic resonance imaging apparatus
149	901819		Other
150	901820		Ultra-violet or infra-red ray apparatus
151	901850		Other ophthalmic instruments and appliances
152	901890	ex	Electro-surgical or electro-medical instruments and appliances, and
			parts and accessories thereof
153	902150		Pacemakers for stimulating heart muscles, excluding parts and
			accessories
154	902190		Other
155	902212		Computed tomography apparatus
156	902213		Other, for dental uses
157	902214		Other, for medical, surgical or veterinary uses
158	902219		For other uses
159	902221		For medical, surgical, dental or veterinary uses
160	902229		For other uses
161	902230		X-ray tubes
162	902290	ex	Parts and accessories of apparatus based on the use of X-rays
163	902300		Instruments, apparatus and models, designed for demonstrational
			purposes (for example, in education or exhibitions), unsuitable for
			other uses
164	902410		Machines and appliances for testing metals
165	902480		Other machines and appliances
166	902490		Parts and accessories
167	902519		Other
168	902590		Parts and accessories
169	902710		Gas or smoke analysis apparatus
170	902780		Other instruments and apparatus
171	902790		Microtomes; parts and accessories
172	902830		Electricity meters
173	902890		Parts and accessories
174	903010		Instruments and apparatus for measuring or detecting ionising
			radiations
175	903020		Oscilloscopes and oscillographs
176	903031		Multimeters without a recording device
177	903032		Multimeters with a recording device
178	903033	ex	Other, without a recording device, excluding resistance measuring instruments
179	903039		Other, with a recording device
_,,	55555		Carrette and a contract and a contra

180	903084		Other, with a recording device
181	903089		Other
182	903090		Parts and Accessories
183	903110		Machines for balancing mechanical parts
184	903149		Other
185	903180		Other instruments, appliances and machines
186	903190		Parts and accessories
187	903220		Manostats
188	903281		Hydraulic or pneumatic
189	950410		Video games of a kind used with a television receiver
190	950430	ех	Other games, operated by coins, banknotes, bank cards, token, or by any other means of payment, other than automatic bowling equipment and games of chance that immediately return a monetary award
191	950490	ех	Video game consoles and machines, other than those of subheading 950430

<sup>\*</sup> Partially covered subheadings are identified by the symbol "ex".

## **ATTACHMENT B**

Multi-component integrated circuits (MCOs): a combination of one or more monolithic, hybrid, or multi-chip integrated circuits with at least one of the following components: silicon-based sensors, actuators, oscillators, resonators or combinations thereof, or components performing the functions of articles classifiable under heading 8532, 8533, 8541, or inductors classifiable under heading 8504, formed to all intents and purposes indivisibly into a single body like an integrated circuit, as a component of a kind used for assembly onto a printed circuit board (PCB) or other carrier, through the connecting of pins, leads, balls, lands, bumps, or pads.

For the purpose of this definition the following expressions mean:

- 1. "Components" may be discrete, manufactured independently then assembled onto the rest of the MCO, or integrated into other components.
- 2. "Silicon based" means built on a silicon substrate, or made of silicon materials, or manufactured onto integrated circuit die.
- (a). "Silicon based sensors" consist of microelectronic or mechanical structures that are created in the mass or on the surface of a semiconductor and that have the function of detecting physical or chemical quantities and transducing these into electric signals, caused by resulting variations in electric properties or displacement of a mechanical structure.

"Physical or chemical quantities" relates to real world phenomena, such as pressure, acoustic waves, acceleration, vibration, movement, orientation, strain, magnetic field strength, electric field strength, light, radioactivity, humidity, flow, chemicals concentration, etc.

- 3(b). "Silicon based actuators" consist of microelectronic and mechanical structures that are created in the mass or on the surface of a semiconductor and that have the function of converting electrical signals into physical movement.
- 3(c). "Silicon based resonators" are components that consist of microelectronic or mechanical structures that are created in the mass or on the surface of a semiconductor and have the function of generating a mechanical or electrical oscillation of a predefined frequency that depends on the physical geometry of

	these structures in response to an external input.  3(d). "Silicon based oscillators" are active components that consist of microelectronic or mechanical structures that are created in the mass or on the surface of a semiconductor and that have the function of generating a mechanical or electrical oscillation of a predefined frequency that depends on the physical geometry of these structures.
193	Light-Emitting Diode (LED) Backlights modules, which are lighting sources that consist of one or more LEDs, and one or more connectors and are mounted on a printed circuit or other similar substrate, and other passive components, whether or not combined with optical components or protective diodes, and used as backlights illumination for liquid crystal displays (LCDs)
194	Touch-Sensitive Data Input Devices (so-called touch screens) without display capabilities, for incorporation into apparatus having a display, which function by detecting the presence and location of a touch within the display area. The sensing of touch may be obtained by means of resistance, electrostatic capacity, acoustic pulse recognition, infra-red lights, or other touch-sensitive technology
195	Ink cartridges (with or without an integrated print head) for insertion into apparatus of HS subheadings 844331, 844332 or 844339, and incorporating mechanical or electrical components; thermoplastic or electrostatic toner cartridges (with or without moving parts) for insertion into apparatus of HS subheadings 844331, 844332 or 844339; solid ink in engineered shapes for insertion into apparatus of HS subheadings 844331, 844332 or 844339
196	Printed matter which grants the right to access, install, reproduce or otherwise use software (including games), data, internet content (including in-game or inapplication content) or services, or telecommunications services (including mobile services)**
197	Self-adhesive circular polishing pads of a kind used for the manufacture of semiconductor wafers
198	Boxes, cases, crates and similar articles, of plastic, specially shaped or fitted for the conveyance or packing of semiconductor wafers, masks, or reticles, of subheading 392310 or 848690
199	Vacuum pumps of a kind used solely or principally for the manufacture of semiconductors or flat panel displays
200	Plasma cleaner machines that remove organic contaminants from electron microscopy specimens and specimen holders
201	Portable interactive electronic education devices primarily designed for children

<sup>\*\*</sup> The tariff elimination for printed matter shall only affect the rights and obligations with respect to trade in goods, that is, it shall not affect market access other than tariffs of the participants. Nothing in the ITA expansion agreement shall prevent an ITA member from regulating the content of such goods, including Internet content, among other things. Nothing in the ITA expansion agreement shall affect a member's market access rights and obligations on trade in services or prevent a member from regulating its services market.

## **Need help?** Contact us:

Email: Enquiries@morley-consulting.co.uk Tel: +44 (0)7841133027 Web: www.morley-consulting.co.uk