

Information Technology: Assessing Indian Realities Vis-à-Vis World Trade Organisation Disciplines

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Abstract : The World Trade Organisation's (WTO) Information Technology Agreement (ITA), was concluded at the Singapore Ministerial Conference in 1996. The ITA is considered to be one of the biggest tariff-cutting deals because it eliminates all customs-related duties on the exportation of specific categories of information technology products to the territory of any other signatory to the Agreement. Over time, innovations in the information and communication technology (ICT) sector mandated the consideration of expanding the list of products covered by the ITA, which took place in the form of ITA-II negotiations during the WTO's Nairobi Ministerial Conference. India, which was an original Member of the ITA-I, however, decided to opt-out of the negotiations to expand the list of products covered by the agreement. Instead, it preferred to give priority to its national policy initiative, namely the 'Make-in-India' programme [the MiI programme], which embarks upon fostering the domestic production of, inter alia, the ICT sector. India claims to have abstained from the ITA-II negotiations by stating that the zero-tariff regime created by the ITA-I debilitated its electronics-manufacturing sectors and on the contrary resulted in an over-reliance on imported electronic inputs. The author undertakes doctrinal research to examine India's decision to opt-out of ITA-II negotiations, against the backdrop of the MiI Programme, which endeavours to improve productivity across-the-board. This paper accordingly scrutinises the tariff-cutting strategies of India to weigh the better alternative for India. Apropos, it examines whether initiatives like the MiI programme could plausibly resuscitate the ailing domestic electronics-manufacturing sector. The author opines that the country's present decision to opt-out of ITA-II negotiations should be perceived as a welcome step. Thus, market-oriented reforms such as the MiI Programme, which focuses on indigenous innovation to improve domestic manufacturing in the ICT sector, should instead, in the present circumstances gain priority. Consequently, the MiI Programme would aid in moulding the country's current tariff policy in a manner that will concurrently assist the promotion and sustenance of domestic manufacturing in the IT sector.

Keywords : electronics-manufacturing sector, information technology agreement, make in india programme, world trade organisation

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