Information Technology Industry Council

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Tech Sector Welcomes Russia to the WTO

Urges Nation to Meet ITA Commitment, Presses Congress on PNTR

WASHINGTON, D.C…. The Information Technology Industry Council (ITI) today applauded Russia's formal entry to the World Trade Organization (WTO), and challenged leadership in both Russia and the United States to complete work to eliminate trade barriers between the countries.

ITI Vice President for Global Policy John Neuffer issued this statement:

"It's official. Today, Russia is a member of the World Trade Organization. The 18-year journey to Russia's membership in the global trade community is finally complete. This is a major step forward for global trade and economic growth. It will generate more trade for technology products and easier access to this rapidly developing market. Importantly, it also means that Russia will join the system of global trade accountability and follow rules that will ensure a more open and even trading system to the benefit of Russia and her trading partners.

"We urge Russia, in concert with its WTO membership, to fulfill its commitment to join the Information Technology Agreement (ITA). While good progress has been made on this front, some final steps remain. The ITA has proved to be the most commercially important WTO trade agreement in existence, and Russia's participation is a vital component to the ITA's continued success.

"The Russian market presents major opportunities for the tech sector. From computer hardware to IT services to innovative software, Russia's demand for tech products grows substantially each year. The nation's participation in the WTO and the ITA will expand significantly the sales of tech goods and services to Russia as well as the U.S. jobs that go with these exports.

"Now, it is incumbent on the Congress to take the critical step and provide permanent normal trading relations for Russia. Absent this action, the myriad benefits of new jobs and new market access could be little more than promises on paper. Those benefits all too easily could flow to our competitors."

KEY TRADE FACTS: RUSSIA

- Russia is the 6th largest economy in the world.
- U.S. goods exports to Russia in 2011 were $8.3 billion, up 37.9% ($2.3 billion) from 2010.
- Russia's annual IT spending is expected to total approximately $22 billion in 2012 and is forecast to grow to nearly $39 billion by 2016.

- The market for computer hardware in Russia, worth nearly $11 billion in 2011, is projected to grow by approximately 12% annually over the next five years, with annual spending on personal computers expected to reach more than $17.6 billion by 2016.
- Russia's software market is expected to be worth $4.4 billion in 2012 and could nearly double in size by 2016, growing 18% annually to reach $8.4 billion by that time.
- The IT services market in Russia is forecast to more than double in size from $6.3 billion in 2012 to $12.8 billion by 2016.

About ITI

The Information Technology Industry Council (ITI) is the premier advocacy and policy organization for the world's leading innovation companies. ITI navigates the constantly changing relationships between policymakers, companies, and non-governmental organizations, providing creative solutions that advance the development and use of technology around the world. We develop first-rate advocacy strategies and market-specific approaches. And we deliver results. Visit itic.org to learn more.

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