

Public Policy

How Intel promotes innovation worldwide



Intel Public Policy

Trade

Intel supports trade agreements and rules that facilitate general commerce between countries and expand the high-tech industry's access to growing world markets.

Background

The semiconductor industry is global with regard to its supply chain, markets, research and development, and workforce. Intel has approximately 85,000 employees, 300 facilities in 50 countries, and business activities spanning over 100 countries. Rapid and cost-effective movement of people, products, equipment, and ideas across international borders is critical to our industry. But trade is not just a border issue. National legal systems that are transparent, predictable, non-discriminatory, and which minimize non-tariff barriers also foster fair and open trade. Open trade enables the dissemination of technology at the lowest cost possible, helps bridge the digital divide, and thus benefits consumers and economies universally.

To achieve these objectives, Intel works proactively to support the development of free trade agreements (FTAs) on a worldwide (via the World Trade Organization or WTO), regional (e.g., the Central American Free Trade Agreement), and bilateral (e.g., the pending U.S./Korea FTA) basis. Such FTAs improve Intel's access to markets around the world by eliminating tariffs on products, increasing intellectual property (IP) protections critical to innovation and investment, and ensuring a more open and transparent regulatory and standards environment necessary for long-term success.

The benefits of WTO trade rules and other FTAs are clear. Studies have shown, for example, a significant increase in exports and related job growth between FTA countries vis-à-vis non-FTA countries. Other studies have shown that weak IP systems not up to par with WTO standards impair trade and inhibit both local innovation and foreign direct investment.

Key Issues

Technical regulations and standards.

National technical regulations and standards should be non-discriminatory and not create unnecessary obstacles to trade, as required under the WTO Agreement on Technical Barriers to Trade (TBT). The TBT Agreement also typically requires that international standards be used as a basis for national technical regulations and standards.

Key Issues (continued)

IP protection.

WTO members should ensure that their IP laws comply, at a minimum, with the requirements of the WTO Agreement on Trade Related Aspects of IP (TRIPS) Agreement. Such TRIPS requirements include basic standards and protections for patents and other IP, significant restrictions on compulsory licensing, and the provision of expeditious remedies that prevent and deter infringements.

Tariff elimination.

The significant benefits of the WTO Information Technology Agreement (ITA) should be secured by maintaining duty-free treatment of listed products, expanding that list to include other information technology (IT) products, and increasing ITA signatories.

Government procurement.

The WTO Agreement on Government Procurement (GPA) ensures transparency and non-discrimination in national and some sub-national government procurement activities. GPA signatories should be expanded to include at least all of the BRIC (Brazil, Russia, India, China) countries.

Liberalization of IT services.

WTO members that have committed to liberalize their telecom services should ensure that their spectrum allocation policies are consistent with the requirements of Article VI of the General Agreement on Trade in Services. Such policies will ensure the dissemination of innovative and cost-effective broadband technologies, which are quickly becoming the backbone of our digital economy.