

U.S.-Colombia Free Trade Agreement Market Access Results

Agricultural Equipment

Trade and Tariffs

This sector is defined by the World Trade Organization Uruguay Round sector initiative on agricultural equipment.

Agricultural equipment accounted for less than one percent of total U.S. industrial exports to Colombia in 2007, totaling \$19 million. The top U.S. exports to Colombia in this sector included tractors, harvesters, and mowers. Colombian tariffs range between 5 and 15 percent, with an average of 10.8 percent.

Colombia exported less than one million dollars of agricultural equipment to the United States in 2007, or less than one percent of all U.S. industrial imports from Colombia. The United States maintains zero tariffs on agricultural equipment.

Tariff Elimination

Overall, tariffs will be phased out according to five tariff elimination categories: immediate elimination, equal cuts over five years, unequal cuts over five years, equal cuts over seven years, and equal cuts over ten years. Tariff elimination under the unequal five-year staging category will proceed with a 10 percent cut in the tariff in years one and two, a 30 percent cut in year three, a 20 percent cut in year four, and the remaining 30 percent of tariff phasing will take place in year five.

For agricultural equipment, over 92 percent of U.S. industrial exports will receive duty-free treatment immediately upon implementation of the agreement. Tariffs on the remaining 8 percent of U.S. exports will be eliminated over five years with equal cuts.

Non-Tariff Barriers

Colombia will eliminate its prohibition on the importation of remanufactured agricultural equipment, as defined in Chapter Four - Rules of Origin, upon entry into force of the Agreement. Colombia will eliminate tariffs on most remanufactured agricultural equipment immediately and will phase down tariffs on a small number of remanufactured goods over 10 years.