

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

Scientific Equipment

Trade and Tariffs

This sector is defined by the World Trade Organization's Uruguay Round sector initiative on scientific equipment. Scientific equipment accounted for approximately 1.8 percent of total U.S. industrial exports to Colombia in 2007, totaling over \$110 million. The top U.S. exports in this sector included regulating equipment, physical and chemical analysis equipment, and measuring and checking machinery. Colombian tariffs range between 5 and 15 percent, with an average of 7.3 percent.

Colombian exports to the United States in this sector totaled \$3.5 million in 2007, which is less than 1 percent of Colombia's total industrial exports to the United States. Top Colombian exports to the United States included parts for gas, liquid, and electricity meters; liquid supply or production meters; and measuring and checking instruments. The U.S. tariffs range between zero and 4 percent with an average of 2 percent. All Colombian exports in this sector enter the United States duty-free under the Andean Trade Preference Act (ATPA) and Andean Trade Promotion and Drug Eradication Act (ATPDEA) tariff preferences.

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 tariff cut in years one and two, a 30 percent cut in year three, a 20 percent cut in year four, and the remaining 30 percent tariff cut in year five.

For scientific equipment, 98 percent of U.S. industrial exports will receive duty-free treatment immediately upon implementation of the Agreement, and duties on the remaining 2 percent of U.S. exports will be eliminated over 5 years.

The United States agreed to consolidate all ATPA and ATPDEA tariff preferences into the final tariff elimination schedules. This means that all scientific equipment exports from Colombia will continue to receive duty-free treatment.

Non-Tariff Barriers

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