

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

## Aircraft and Related Equipment

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### Trade and Tariffs

This sector corresponds to the World Trade Organization's agreement on Civil Aircraft.

Aircraft and related equipment accounted for 3.7 percent of total U.S. industrial exports to Colombia in 2007, totaling \$229 million. The top U.S. exports to Colombia in this sector were aircraft, aircraft and helicopter parts, turbines, and turbojets. Colombian tariffs range between zero and 15 percent with an average of 7.4 percent.

Colombian exports to the United States in this sector totaled \$7.8 million in 2007, which is less than 1 percent of total exports to the United States. Top Colombian exports in this sector were parts of aircraft, turbines, and turbo propellers.

### Tariff Elimination

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 tariff cut will take place in year five.

One hundred percent of U.S. aircraft and related equipment exports, including high value products such as aircraft, turbines, and other aircraft parts will receive duty-free treatment immediately upon implementation of the Agreement. Duties on certain asbestos products with negligible trade will be eliminated over ten years.

The United States, as a party to the Agreement on Trade in Civil Aircraft, applies duty-free treatment on an MFN basis to these products. These goods will continue to receive duty-free treatment under this Agreement.

### Non-Tariff Barriers

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