



Trade Facts

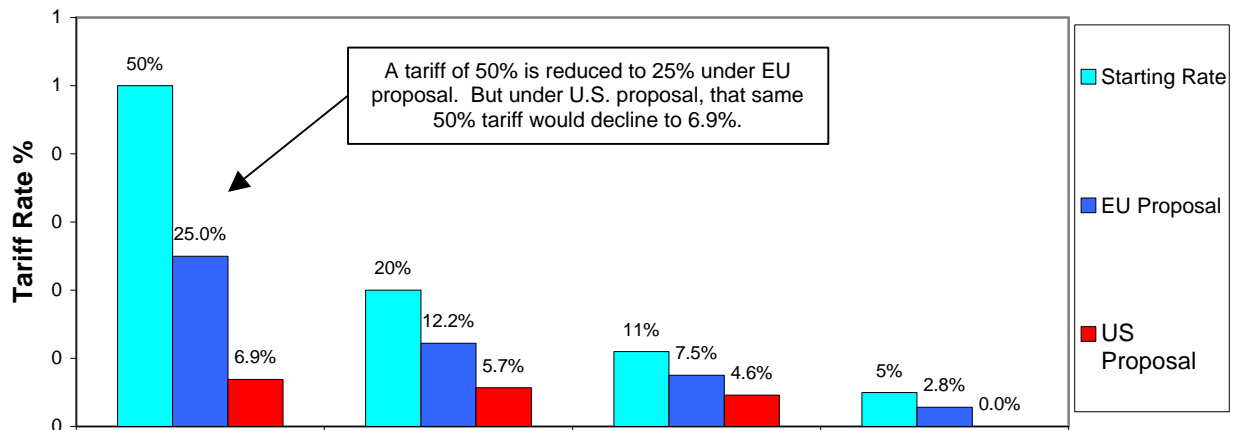
From the Office of the United States Trade Representative
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U.S. Proposes A Tariff-Free World *Comparison to EU Proposal*

- The U.S. proposal on consumer and industrial products calls for comprehensive tariff elimination, while the European Union proposal* calls only for tariff compression and reductions and would retain high duties on products of interest to developing countries.
- The U.S. proposal eliminates duties of 5% or less, making more than three-quarters of imports to the U.S., Europe and Japan duty-free by 2010. The EU proposal is vague on cutting low tariffs.
- The U.S. proposal calls for zero tariffs in highly-traded sectors no later than 2010. The EU proposal does not contain a sectoral approach.

Results of U.S. and EU Proposals in 2010 On Sample Consumer & Industrial Goods Tariffs



* Estimates based on EU presentation to WTO, November 4, 2002

In 2015, tariffs under EU proposal would remain unchanged from 2010 rates shown above. But under U.S. proposal, all tariffs would be zero.