



U.S.-Korea Trade Agreement Implementation Provides Duty-Free Access for U.S. Exports

On March 15, 2012, the United States-Korea Trade Agreement entered into force. The Agreement will immediately eliminate or reduce tariffs on almost all U.S. industrial exports to Korea. The new trade agreement presents a number of new opportunities for U.S. exporters seeking to enter or expand their presence in the Korean market.

Here are facts on the Agreement that should be of interest to U.S. exporters to the Korean market:

- Entry into force of the Agreement allows U.S. companies to export eligible industrial goods to Korea duty-free under **5,692** tariff lines that had previously been subject to import tariffs.
- Before March 15, 2012, these same products faced an average Korean tariff rate of **7 percent**.
- Sectors with a large number of products that became duty-free on March 15, 2012 include:
 - Chemicals (**2,104** tariff lines)
 - Machinery (**805** tariff lines)
 - Consumer Goods (**658** tariff lines)
 - Metals and Ores (**490** tariff lines)
 - Electrical Equipment (**268** tariff lines)
 - Environmental Goods (**245** tariff lines)
 - Information and Communications Technologies (**162** tariff lines)
 - Footwear and Travel Goods (**103** tariff lines)
 - Automotive (**101** tariff lines)
- Additional information on sectors that will benefit from immediate tariff elimination under the trade agreement can be found in the table below.
- Beyond the tariff lines that go immediately to zero, Korea has made meaningful reductions throughout its tariff schedule for eligible U.S. products. With entry into force of the Agreement, Korea's average tariff rate for industrial goods from the United States was reduced from **6.2 percent** to **1.1 percent**.
- These tariff cuts present new opportunities for U.S. exporters and give U.S. exporters an advantage over imports from Korea's non-FTA partners. To find out when tariffs on your specific products go to zero, consult the [FTA Tariff Tool](http://export.gov/FTA/FTATariffTool) at <http://export.gov/FTA/FTATariffTool>.
- For more information, you can also contact your local [U.S. Export Assistance Center](#) and the [U.S. Commercial Service at the American Embassy in Seoul, Korea](#), or visit www.trade.gov/fta/korea.

New Duty-Free Access in Korea: Highlights for U.S. Exports

This following chart offers a snapshot, by sector, of the number of tariff lines that became duty-free for eligible U.S. exports to Korea on March 15, 2012.

Sector	Lines Now Duty-Free
Aerospace	38
Agricultural Equipment	2
Automotive	101
o Autos	34
o Auto Parts	67
Building Products	196
Chemicals	2104
o Cosmetics	15
o Fertilizers	47
o Pharmaceuticals	213
o Plastics	183
o Rubber	134
Consumer Goods	658
o Appliances	65
o Furniture	42
o Recreation Goods	132
o Toys	56
Electrical Equipment	268
Environmental Goods	245
Fish and Fish Products	54
Footwear and Travel Goods	103
o Footwear	51
o Travel Goods	52
Information and Communications Technologies	162
Machinery	805
o Energy Equipment	131
o Tools	130
Medical Equipment	48
Metals and Ores	490
o Nonferrous Metals	288
o Steel	272
Paper and Paper Products	7
Scientific Equipment	90
Shipping and Transportation	59
Wood and Lumber	45