

U.S.-Peru Trade Promotion Agreement Market Access Results

Footwear and Leather Products

Trade and Tariffs

This sector includes footwear, travel goods and a variety of other leather products.

Footwear and leather products accounted for less than 1 percent of total U.S. industrial exports to Peru in 2004, totaling less than \$1 million. The top U.S. exports in this sector were trunks, suitcases, and container boxes and bags. Peruvian tariffs range between 12 and 20 percent with an average of 17.3 percent in 2004.

Peruvian exports to the United States totaled \$1.5 million in 2004, which is less than 1 percent of total Peruvian exports to the United States. Top Peruvian exports to the United States were sports footwear, rubber or leather sandals, and handbags. The United States' tariffs range between zero and 51 percent.

Tariff Elimination

Overall, tariffs will be phased out according to four tariff elimination categories: immediate elimination, equal cuts over five years, equal cuts over 7 years, and equal cuts over 10 years.

For footwear and leather products, 84 percent of U.S. industrial exports will receive duty-free treatment immediately upon implementation of the agreement. Duties on the remaining 16 percent of U.S. exports will be eliminated over ten years.

The United States agreed to provide immediate duty-free treatment to all products in this sector except for 17 sensitive rubber footwear items. For these 17 products, U.S. duties will be eliminated over ten years.

Footwear

Peru will eliminate tariffs on 79 percent of U.S. footwear exports immediately upon implementation of the agreement. Tariffs on the remaining 16 percent will be eliminated over ten years.

Travel Goods

Peru will eliminate all tariffs on travel goods immediately upon implementation of the agreement.