

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

Paper and Paper Products

Trade and Tariffs

This sector is defined by the World Trade Organization's Uruguay Round sectoral agreement on paper.

Paper and paper products accounted for 2.9 percent of total U.S. industrial exports to Peru in 2004, totaling \$42 million. The top U.S. exports in this sector included graphics paper and paperboard, chemical woodpulp, kraftliner, and newsprint. Peruvian tariffs range between 4 and 12 percent, with an average of 9.7 percent in 2004.

Peruvian exports to the United States totaled \$5.8 million in 2004, or less than 1 percent of Peru's total industrial exports to the United States. Top Peruvian exports to the United States included books, advertising material, and other printed matter. The United States is a signatory of the Uruguay Round sectoral agreement and as a result imposes zero duties on these products on an MFN basis.

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 paper products, 86 percent of U.S. industrial exports will receive duty-free treatment immediately upon implementation of the agreement. Tariffs on another 7 percent of exports will be eliminated over five years, and 6 percent will be eliminated over seven years. Duties on the remaining 1 percent of U.S. exports will be eliminated over ten years.

Tariffs on many priority kraft, writing, and drafting paper products including will be eliminated immediately upon implementation of the agreement.