

U.S.-Oman Free Trade Agreement Market Access Results

Aircraft & Related Products

Trade and Tariff

Aircraft and related products, which totaled almost \$78 million in 2003, accounted for 21 percent of total non-textile industrial good exports to Oman. Airplanes and other aircraft dominate this area, accounting for 79 percent of total U.S. exports to the region in this sector.

Oman either applies a duty of 5 percent on imports of aircraft and related products or allows the products to enter duty free. The average tariff for this sector is 4.21 percent

Oman did not export any products in this sector to the United States in 2003.

The United States, as a party to the Agreement on Trade in Civil Aircraft, applies duties ranging from zero to 6 percent. The average tariff for this sector is 0.60 percent. The highest duties are applied to bicycle speedometers.

Tariff Elimination

In industrial goods overall, tariffs will be phased out according to four tariff elimination categories: 1) immediate elimination, 2) equal cuts over 5 years, 3) equal cuts over 10 years and 4) no reduction in rate until January 1 of year ten when the good enters duty free.

Currently, 78 percent of aircraft and related products imported into the United States receive duty-free treatment. Upon implementation of the agreement, all duties on the remaining 22 percent of aircraft and related products will be eliminated immediately for imports from Oman.

Approximately 18 percent of aircraft and related products enter Oman duty free. Immediately upon implementation of the agreement, Oman will allow for duty free treatment for 100 percent of aircraft and related products imported from the United States.