

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

Automotive

Trade and Tariffs

The automotive sector covers motor vehicles and parts, including tires. In 2003 Oman imported approximately \$37 million worth of automotive goods from the United States, which accounted for 10 percent of Oman's total non-textile industrial imports from the United States. Four-wheel drive vehicles, automotive parts and private vehicles led imports in this sector.

Oman applies a 5 percent tariff to all automotive goods that enter the country.

Oman did not export any automotive goods to the United States in 2003. U.S. tariffs applied to automotive goods range from 0 to 25 percent, with an average of 2.4 percent.

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 rate goes to zero.

The United States applies duties on 40 percent of automotive parts and 4 percent of motor vehicles. Upon implementation of the agreement 100 percent of automotive equipment imports from Oman will be duty free immediately. Oman will also provide for immediate duty free treatment for 100 percent of automotive equipment imports from the United States.