

# U.S.-Colombia Free Trade Agreement Market Access Results

## Electrical and Electronic Equipment

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### Trade and Tariffs

This sector includes various electrical and electronic products, including batteries, power distribution equipment, and some consumer electronics.

Electrical and electronic equipment accounted for 2.4 percent of total U.S. industrial exports to Colombia in 2006, totaling \$117.7 million. The top U.S. exports in this sector were insulated coaxial cable, generating sets, audio players, and radio receivers. Colombian tariffs range between 5 and 20 percent with an average of 11 percent in 2006.

Colombian exports to the United States in this sector totaled less than \$33 million in 2006, which is less than half a percent of the total Colombian industrial good exports to the United States. Top Colombian exports to the United States were insulated conductors and lead-acid batteries. The United States' tariffs range between zero and 15 percent with an average of 3 percent. All Colombian exports of electrical and electronic equipment enter the United States duty-free under the Andean Trade Preference Act (ATPA) and Andean Trade Promotion and Drug Eradication Act (ATPDEA) tariff preferences.

### Tariff Elimination

Tariffs will be phased out according to five tariff elimination categories: immediate elimination, equal cuts over five years, unequal cuts over five years, equal cuts over seven years, and equal cuts over ten years. Tariff elimination under the unequal five-year staging category will proceed with a 10 percent tariff cut in years one and two, a 30 percent cut in year three, a 20 percent cut in year four, and the remaining 30 percent tariff cut in year five.

For electrical and electronic equipment, 68 percent of U.S. industrial exports will receive duty-free treatment immediately upon implementation of the agreement. Tariffs on another 16 percent of exports will be eliminated over five years. Duties on 4 percent of exports will be eliminated over seven years and the remaining 12 percent of U.S. exports will be eliminated over ten years.

Tariffs on high-priority electrical and electronic products such as video recorders and projectors, radiobroadcast receivers, and coaxial cable will be eliminated immediately upon implementation of the Agreement.

The United States agreed to consolidate all ATPA and ATPDEA tariff preferences into the final tariff elimination schedules. This means that all electrical and electronic equipment exports from Colombia will continue to receive duty-free treatment.

### Non-Tariff Barriers

Colombia will eliminate its prohibition on the importation of remanufactured electrical and electronic goods, as defined in Chapter Four - Rules of Origin, on entry into force of the

Agreement. Colombia will eliminate tariffs on most remanufactured electrical and electronic goods immediately and will phase down tariffs on a small number of remanufactured goods over 10 years.