

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

Medical Equipment

Trade and Tariffs

This sector is defined by the World Trade Organization's Uruguay Round sector agreement on medical equipment. Medical equipment accounted for 3.2 percent of total U.S industrial exports to Colombia in 2006, totaling \$160 million. The top U.S. exports in this sector included diagnostic and laboratory reagents, medical needles, diagnostic apparatus, MRIs, and x-ray apparatus. Colombian tariffs range between 5 and 15 percent, with an average of 8.8 percent in 2006.

Colombian exports to the United States in this sector totaled \$4.8 million in 2006, or less than 1 percent of Colombia's total industrial exports to the United States. Top Colombian medical equipment exports to the United States include artificial teeth and other artificial body parts. The United States is a signatory of the Uruguay Round sectoral agreement and as a result imposes zero duties on these products.

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 medical equipment, 96 percent of U.S. industrial exports will receive duty-free treatment immediately upon implementation of the agreement. Duties on the remaining 4 percent of U.S. exports will be eliminated within 10 years.

Non-Tariff Barriers

Colombia will eliminate its prohibition on the importation of remanufactured medical equipment, as defined in Chapter Four - Rules of Origin, on entry into force of the Agreement. Colombia will eliminate tariffs on most remanufactured medical equipment immediately and will phase out tariffs on a small number of remanufactured goods over 10 years.