

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

Agricultural Equipment

Trade and Tariffs

This sector is defined by the World Trade Organization Uruguay Round sector initiative on agricultural equipment.

Agricultural equipment accounted for a negligible proportion of U.S. industrial exports to Korea in 2003-2005, averaging nearly \$17 million. The top U.S. exports in this sector include tractors, lawn mowers, and straw balers. Korean tariffs range between zero and 8 percent, with an average of 0.4 percent.

Korean exports to the United States in this sector averaged over \$125 million in 2003-2005, or less than one percent of total Korean industrial exports to the United States. Top Korean exports in this sector include tractors and parts for lawn mowers and ground rollers. As a signatory of the Uruguay Round sectoral agreement on agricultural equipment, the United States maintains zero tariffs on products in this sector on an MFN basis.

Tariff Elimination

For agricultural equipment, 100 percent of U.S. exports will receive duty-free treatment immediately upon implementation of the Agreement, including high-trade U.S. products such as tractors, mowers, and balers. Many of these products are already MFN duty-free.

All U.S. imports from Korea will continue to receive duty-free treatment immediately upon implementation of the Agreement.

Non-Tariff Barriers

Korea will allow the importation of remanufactured agriculture equipment, as defined in Chapter Six - Rules of Origin, on entry into force of the Agreement.