

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

Construction Equipment

Trade and Tariffs

This sector is defined by the Uruguay Round sector agreement on construction equipment in the World Trade Organization.

Construction equipment accounted for less than one percent of average U.S. industrial exports to Korea in 2005-2007, totaling \$132 million. The top U.S. exports in this sector include lifting and loading machinery, self-propelled derricks, and freight elevators. Korea maintains zero tariffs on construction equipment.

Korean exports to the United States in this sector averaged nearly \$643 million in 2005-2007, or 1.5 percent of total Korean industrial exports to the United States. Top Korean exports in this sector include backhoes, front-end shovel loaders, and track-laying tractors. As a signatory of the Uruguay Round Sector Agreement, the United States maintains zero duties on construction equipment.

Tariff Elimination

For construction equipment, 100 percent of U.S. exports, including high-trade U.S. products such as lifting and loading machinery, derricks, and freight elevators, will continue to receive duty-free treatment following the implementation of the Agreement.

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

Non-Tariff Barriers

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