

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

Footwear and Leather Products

Trade and Tariffs

This sector includes footwear, travel goods, and a variety of other leather products.

The United States exported a negligible amount of footwear and leather products to Korea in 2005-2007, totaling an average of \$17.4 million. The top U.S. exports in this sector include rubber shoes, container bags, laced boots, and sports footwear. Korean tariffs range between 8 and 13 percent, with an average of 9.8 percent.

Korean exports to the United States in this sector averaged \$44.1 million in 2005-2007, or less than one percent of total Korean industrial exports to the United States. Top Korean exports in this sector include leather shoes, handbags, and waterproof footwear. The United States maintains tariffs between zero and 58.7 percent, with an average of 16 percent, on footwear and leather products.

Tariff Elimination

Industrial tariffs will be phased out according to seven tariff elimination categories: immediate elimination; linear cuts over three, five, or ten years; or nonlinear cuts over ten, twelve, or fifteen years. Tariff elimination under the nonlinear ten-year staging category will proceed with a 5 percent cut in the tariff in years one and two, a 7 percent cut in years three through five, a 10 percent cut in years six and seven, a 12 percent cut in year eight, a 17 percent cut in year nine, and a 20 percent cut in year ten. Tariff elimination under the nonlinear twelve-year staging category will proceed with 25 percent cuts in years nine through twelve. Tariff elimination under the nonlinear fifteen-year staging category will proceed with 20 percent cuts in years eleven through fifteen.

For footwear and leather products, 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 rubber shoes, container bags, and laced boots.

For U.S. imports, 95.2 percent of U.S. imports from Korea by value will receive duty-free treatment immediately upon implementation of the Agreement. Duties on the remaining 4.8 percent of the U.S. imports in footwear and leather products will be eliminated in twelve years using nonlinear staging.