

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

Infrastructure and Machinery

Trade and Tariffs

The infrastructure and machinery sector includes a variety of products such as pumps, rock drilling equipment, valves, and air conditioning equipment. In 2003, infrastructure and machinery accounted for approximately 9.5 percent of U.S. non-textile industrial exports to Oman and totaled \$35.8 million.

Energy products are an important sub-category of infrastructure and machinery. In 2003, they accounted for approximately \$16.5 million or 46 percent of the U.S. exports of infrastructure and machinery to Oman. Centrifugal pumps were the leading U.S. export.

Infrastructure and machinery products entering into Oman are duty free or are subject to a 5 percent tariff. The average applied tariff for infrastructure and machinery products is 4.97 percent.

Oman's infrastructure and machinery exports to the United States in 2003 were about \$7,000 and accounted for a negligible 0.002 percent of Oman's total non-textile industrial exports to the United States.

The United States applies tariffs on energy products of zero to 12 percent, with an average of 2 percent. The highest tariffs are applied to slip joint pliers.

Tariff Elimination

The U.S.-Oman FTA will eliminate all industrial tariffs in the United States and Oman within 10 years of implementation. Tariffs will be phased out according to three tariff elimination categories: 1) immediate elimination, 2) equal cuts over 5 years, and 3) equal cuts over 10 years.

Currently, 48 percent of infrastructure and machinery products enter the United States duty free. Immediately upon implementation of the agreement, the remaining 52 percent of imports from Oman will receive duty free treatment.

Oman currently allows 0.5 percent of infrastructure and machinery imports from the United States to enter duty free. Immediately upon implementation 100 percent of infrastructure and machinery imports from the United States will be duty free.