

# U.S.-Peru Trade Promotion Agreement Market Access Results

## Agricultural Equipment

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### Trade and Tariffs

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

Agricultural equipment accounted for 1.2 percent of total U.S. industrial exports to Peru in 2005, totaling \$20 million. The top U.S. exports in this sector included tractors, dairy machinery, harvesters, and mowers. Peruvian tariffs range between zero and 12 percent, with an average of 4.5 percent in 2005.

Peru exported a negligible amount of agricultural equipment to the United States in 2005. The United States maintains zero tariffs on agricultural equipment.

### Tariff Elimination

Overall, tariffs will be phased out according to four tariff elimination categories: immediate elimination, equal cuts over five years, equal cuts over seven years, and equal cuts over ten years.

All U.S. exports of agricultural equipment will receive duty-free treatment immediately upon implementation of the agreement.

### Non-Tariff Barriers

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