

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

Scientific Equipment

Trade and Tariffs

This sector is defined by the World Trade Organization's Uruguay Round sector initiative on scientific equipment. Scientific equipment accounted for approximately 1.1 percent of total U.S. industrial exports to Peru in 2005, totaling nearly \$19 million. The top U.S. exports in this sector included spectrometers, telecommunication measuring devices, and automatic liquid and heat regulating devices. Peruvian tariffs range between 4 and 12 percent, with an average of 4.4 percent in 2005.

Peruvian exports to the United States totaled \$175 thousand in 2005, which is less than 1 percent of Peru's total industrial exports to the United States. Top Peruvian exports to the United States included spectrometers, measuring and checking instruments, and optical radiation equipment. The U.S. tariffs range between zero and 4 percent with an average of 2 percent. All Peruvian exports in this sector enter the United States duty-free under the Andean Trade Preference Act (ATPA) and Andean Trade Promotion and Drug Eradication Act (ATPDEA) tariff preferences.

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.

For scientific equipment, all U.S. industrial exports will receive duty-free treatment immediately upon implementation of the agreement.

The United States agreed to consolidate all ATPA and ATPDEA tariff preferences into the final tariff elimination schedules. This means that all scientific equipment exports from Peru will continue to receive duty-free treatment.

Non-Tariff Barriers

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