

United States, Colombia Set Date for Entry into Force of U.S.-Colombia Trade Agreement

Bilateral Pact, Expected to Support Jobs for American Workers, to Take Effect May 15

Cartagena, Colombia – President Barack Obama announced today that the U.S.-Colombia Trade Promotion Agreement will take effect on May 15, 2012. This announcement follows completion of work by the United States and Colombia to review each other's laws and regulations related to the implementation of the Agreement, as well as Colombia's important steps to fulfill the Action Plan Related to Labor Rights. Before the President's announcement, United States Trade Representative Ron Kirk exchanged letters with officials from the Government of Colombia in which each country confirmed that it had completed its applicable legal requirements and procedures for the Agreement's entry into force.

“This agreement will provide American businesses, farmers and ranchers with significantly improved access to the third largest economy in South America. One month from today, the value of the U.S.-Colombia trade agreement will begin to be seen in lower tariffs on autos, consumer goods, agricultural commodities, machinery, and other exports from the United States, which will make our goods more competitive in the Colombian market. That means support for well-paying jobs at home,” said Ambassador Kirk. **“Taking this next step toward entry into force of this agreement is recognition that Colombia has met the milestones of, and continues to demonstrate its strong commitment to, the Action Plan Related to Labor Rights. We will continue working with the Santos Administration to help it continue to meet its long-term commitments to improve its labor practices and deter violence against labor leaders. We are making good on President Obama's promise to use a new approach to trade and stand up for the protection of workers in the U.S. and around the world.”**

On May 15, over 80 percent of U.S. exports of consumer and industrial products to Colombia will become duty-free, including agricultural and construction equipment, building products, aircraft and parts, fertilizers, information technology equipment, medical scientific equipment, and wood. Also, immediately more than half of U.S. exports of agricultural commodities to Colombia will become duty-free, including wheat, barley, soybeans, high-quality beef, bacon, and almost all fruit and vegetable products.

The Agreement also will provide significant new access to Colombia's \$180 billion services market, supporting increased opportunities for U.S. service providers. For example, Colombia agreed to eliminate measures that prevented firms from hiring U.S. professionals, and to phase-out market restrictions in cable television.

These commitments, including those related to labor, are backed by the Agreement's strong enforcement provisions.

BACKGROUND

The U.S. - Colombia trade agreement is an integral part of the President's efforts to increase opportunities for U.S. businesses, farmers, ranchers, and workers through improved access for their products and services in foreign markets. The Agreement supports the President's National Export Initiative goal of doubling of U.S. exports. It will also enhance the competitiveness of both small and large U.S. businesses in Colombia's growing economy.

U.S. goods exports to Colombia in 2011 were \$14.3 billion. An analysis of the U.S.-Colombia trade agreement by the U.S. International Trade Commission estimates the Agreement will lead to an increase in U.S. GDP of \$2.5 billion. The economies of the two countries are largely complementary in terms of the goods each exports to the other. For example, Colombia is a

large importer of grains from the United States while it exports a number of tropical fruits to our country. In addition, U.S. cotton, yarn and fabric exports to Colombia are used in many apparel items that Colombia exports to the United States.

The U.S.-Colombia trade agreement's implementing bill, approved on October 12, 2011, authorizes the President to exchange notes with Colombia providing for the entry into force at such time as the President determines that Colombia has taken measures necessary to comply with provisions of the Agreement that are to take effect on the date of the entry into force.

Additional information related to the Agreement is available [here](#) and [here](#).