

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

Footwear and Leather Products

Trade and Tariffs

This sector includes footwear, travel goods and a variety of other leather products. Footwear and leather products accounted for less than 1 percent of total U.S. industrial exports to Peru in 2007, totaling about \$1.8 million. The top U.S. exports in this sector were footwear with leather uppers, container boxes and bags, and leather sandals. Peruvian tariffs range between 12 and 20 percent with an average of 17.3 percent.

Peruvian exports to the United States totaled \$1.6 million in 2007, which is less than 1 percent of total Peruvian exports to the United States. Top Peruvian exports to the United States were sports footwear, rubber or leather sandals, and handbags. The United States' tariffs range between zero and 64 percent.

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 footwear and leather products, 84 percent of U.S. industrial exports will receive duty-free treatment immediately upon implementation of the agreement. Duties on the remaining 16 percent of U.S. exports will be eliminated over ten years.

The United States agreed to provide immediate duty-free treatment to most products in this sector. Certain sensitive rubber footwear items are excluded from duty-free preferences under the ATPA/ATPDEA. For these 17 tariff lines, U.S. duties will be phased out over ten years.

Footwear

Peru will eliminate tariffs on 79 percent of U.S. footwear exports immediately upon implementation of the agreement. Tariffs on the remaining 21 percent will be eliminated over ten years.

Travel Goods

Peru will eliminate all tariffs on travel goods immediately upon implementation of the agreement.