



May 15, 2013

FACT SHEET: U.S.-COLOMBIA ECONOMIC AND TRADE RELATIONSHIP

Colombia is the 3rd largest economy in Central and South America and one of our most important strategic partners in the region. Colombia's economy is forecasted to grow at 4.1 percent in 2013 according to the IMF's World Economic Outlook. Colombia's merchandise imports from the world have increased by more than 300 percent from \$13.6 billion in 2003 to \$58.6 billion in 2012. The United States is the largest supplier to the Colombian market, with U.S. exports comprising 24 percent of Colombia's imports of goods in 2012.



The completion of the U.S.-Colombia Trade Promotion Agreement reduced barriers to U.S. exports, creating new opportunities for U.S. businesses, workers, farmers and ranchers, thereby supporting more jobs for Americans. The total volume of trade between the U.S. and Colombia continued to climb in 2012, reaching \$41 billion, which is an increase of nearly 10 percent over 2011.

U.S. MERCHANDISE EXPORTS TO COLOMBIA

Export Growth: Between 1999 and 2012, U.S. goods exports to Colombia grew by more than 360 percent, from \$3.6 billion in 1999 to \$16.4 billion in 2012.

- U.S. goods exports in 2012 were 14 percent higher than in 2011.
- In the first quarter of 2013, goods exports to Colombia were up 22.4 percent compared to the same period in 2012, the third fastest growth among the top 30 export markets.
- Colombia has grown from being the 30th largest market for U.S. goods exports in 2000 to the 22nd largest market in 2012.

Largest Merchandise Export Categories: In 2012, the largest U.S. merchandise export category to Colombia was mineral fuel and oil valued at \$3.5 billion.

- Other top export categories included machinery (\$3.1 billion), electrical machinery (\$1.6 billion), organic chemicals (\$904 million), and aircraft, spacecraft, and parts (\$753 million).

Merchandise Export Growth: Between 2011 and 2012, U.S. merchandise exports to Colombia grew by \$2.1 billion, or 14 percent.

International Trade Administration

The International Trade Administration (ITA) is the premier resource for American companies competing in the global marketplace. ITA has 2,400 employees assisting U.S. exporters in more than 100 U.S. cities and 72 countries worldwide. For more information on ITA visit www.trade.gov.

- Exports of mineral fuel and oil increased by \$769 million, of which \$762 million was oil (not crude).
- Other export categories showing high dollar growth were aircraft, spacecraft and parts (up \$419 million), electrical machinery (up \$388 million), and articles of iron or steel (up \$231 million).

Manufactured Goods: Manufactured goods represented 94 percent of U.S. goods exports to Colombia in 2012.

State Exports to Colombia: Increasing exports to Colombia has benefits at the local level as well as the national. In every year for the past 10 years, exporters in all 50 states and the District of Columbia reported exports to Colombia.

- In 2012, 21 states reported merchandise export shipments to Colombia above \$100 million.
- In 2012, the largest state exporters of merchandise to Colombia included Texas (\$5.6 billion), Florida (\$3.1 billion), Louisiana (\$1.5 billion), and California (\$732 million).

U.S.-COLOMBIA TRADE PROMOTION AGREEMENT (TPA)

On May 15, 2012, the U.S.-Colombia Trade Promotion Agreement (TPA) entered into force, immediately eliminating tariffs from 80 percent of U.S. consumer and industrial goods (more than 3,600 tariff lines). The remaining tariffs will be phased out over a 10 year period. Prior to the TPA's entry into force, the average Colombian tariff rate on U.S. industrial goods was higher than 10 percent.

Additionally, immediately upon the agreement's implementation, the average Colombian import tariff on U.S. industrial goods fell to about 4 percent. Since the agreement's implementation, Colombian average import tariff rate on industrial goods has fallen still further, and is now 3.4 percent.

Export Growth: Since the TPA took effect, U.S. goods exports to Colombia have increased 19 percent compared to the same period (i.e., June 2012 - March 2013) the previous year.

Increased Imports from Colombia: 2012 imports from Colombia amounted to \$24.6 billion, a 7 percent increase relative to 2011, making Colombia the United States' 20th largest source of imports worldwide.

Information Technology Agreement: As part of the TPA with the United States, Colombia joined the World Trade Organization's Information Technology Agreement, under which participants offer preferential treatment to imports of high-tech goods. Colombia's participation in the Information Technology Agreement has been advantageous for U.S. exporters. In 2012, the United States exported some \$2.2 billion in Information Technology Agreement goods to Colombia, up from \$1.8 billion in 2011.