

FREE TRADE AGREEMENT Colombia-EFTA

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Juan Perez
Director Proexport London
www.investincolombia.com.co

WHY AN FTA WITH EFTA?



- The challenge in 2002: From 2 FTAs with 5 countries to 11 with 47 countries
- EFTA countries (Switzerland, Iceland, Norway and Liechtenstein) show consistently strong macroeconomic indicators and are key partners for **trade and investment**.
- EFTA countries total imports: USD 248 b/year
- EFTA: 12.5 million consumers with combined income per capita of USD45,000



- **Colombian GDP** would increase 0.01%, **Exports and Imports** would grow 0.06% y 0.05%, respectively.
- **Export** Sectors more benefited: food and beverages, petroleum products, coal, tobacco products, vegetable oils, textiles and apparel.
- **Imports** would grow in: metal products, plastic products, chemicals, rubber products, industrial machinery and equipment, wood and its products, paper and paper products, other minerals.

AREAS OF NEGOTIATION



Access to market in goods

- Access to Markets for:
 - Agricultural goods
 - Industrial goods
- Rules of Origin
- Customs administration and trade facilitation
- Sanitary and phytosanitary measures
- Technical barriers to trade
- Trade remedies

Services and Investment

- Trade in Services
- Movement of Service Providers
- Telecommunications
- Financial Services
- Investments
- Electronic Commerce

Horizontal Issues

- Intellectual Property
- Government Procurement
- Competition Policy
- Cooperation to Strengthen Trade Capacity
- Dispute settlement

ACCESS TO MARKETS AGRICULTURAL GOODS



Concessions from Colombia to EFTA:

- Lamb meat, fruits and vegetables, fruit juices, chocolates, tobacco and cigarettes
- Switzerland received a quota for cheeses with duty phase-out in 17 years

Concessions from Switzerland to Colombia:

- **Immediate Access:** bananas, coffee (green and processed), gelatins, cheeses, tropical fruit juices, some baked goods, preparations from fruits and vegetables, cigarettes and tobacco. This represents **88%** of Colombia's agricultural exports
- **Partial duty reductions:** sweets and candy, chocolates, some preparations from fruits and vegetables, some baked goods. **12%** Colombian exports
- Sugar will maintain current GSP concessions: a small duty-free quota plus a partial duty reduction



Concessions from Colombia to EFTA

- **Immediate duty-free access:** textiles and apparel, minerals and precious stones, metal products, autoparts, chemicals, some medicines, some fungicides, insecticides and herbicides, rubber, wood, machines and equipment. **(85.7% of imports)**
- **5 year duty phase-out:** chemical products, paints and pigments, rubber products, leather, wood products, cement, ceramics, glass, oil and fuels. **(12.6% of imports)**
- **10 year duty phase-out:** plastic products, paper products, textiles and apparel, footwear, leather products, automobiles. **(1.7% of imports)**

Concessions from EFTA to Colombia

Immediate duty-free access for 100% of imports



- **Rules of Origin:** a clear and transparent regime applies to both agricultural and industrial goods
- **Customs Administration and Trade Facilitation:** rules on transparency, simplification of procedures, automatized information.
- **Sanitary and Phitosanitary Measures:** Experts forum to solve problems that may affect bilateral trade. Cooperation mechanisms to facilitate effective access to markets. Possibility for sanitary authorities to enter into agreements.
- **Technical Barriers to Trade:** Cooperation procedures to facilitate access to markets: promoting the accreditation of organisms for conformity evaluation; promoting acceptance of conformity evaluation results; transparency in publication of technical standards.
- **Trade Remedies:** possibility to apply tariff-based bilateral safeguard to facilitate reajustment of specific sectors.



- **Services:** Disciplines on national treatment, Most Favored Nation and access to markets in order to reduce distortions and discrimination. Positive list approach on various subsectors. Specific annexes on Telecommunications and Financial Services
- **Mobility of Service Providers:** Commitments on transparency, procedures and points of contact to facilitate mobility of business people.
- **E-Commerce:** Cooperation to promote this type of trade.
- **Investment:** International standards and norms on national treatment and Most Favored Nation.



INTELLECTUAL PROPERTY

- **Biodiversity:** a text was agreed on patents and its relationship with biodiversity.
- **Public Health:** reiteration of WTO commitments on the possibility to adopt measures to protect public health or promote public interest.
- **Patents:** possibility to grant compensation for unreasonable reductions of the term of protection as a result of delays in the approval of marketing permits by sanitary authorities.
- **Data Protection:** A five year term of protection is established for pharmaceutical products.
- **Transfer of Technology:** importance of promoting research and technological innovation with a commitment to seek cooperation.
- Norms on **trademarks, geographical indications, copyrights and designs.**



- **Government Procurement:**

- Rules on transparency, non-discrimination and procedures.
- Covers central and subcentral government.
- Access to important market for goods and services.
- Co-operation mechanism for SME participation.

- **Competition Policy:**

- Norms to avoid anti-free-market practices.
- Cooperation regarding notification, exchange of information, technical assistance and consultations.

- **Cooperation:** a permanent mechanism to support public and private institutions with technical assistance to implement the FTA.

- **Dispute Settlement:**

Stages, consultations; good offices, conciliation, mediation and panel.



THANKS!

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