

Export Opportunities for Textiles & Apparel under the U.S.-Colombia Trade Promotion Agreement (TPA)



Richard Stetson & Laurie Mease
Office of Textiles and Apparel (OTEXA)
International Trade Administration
U.S. Department of Commerce

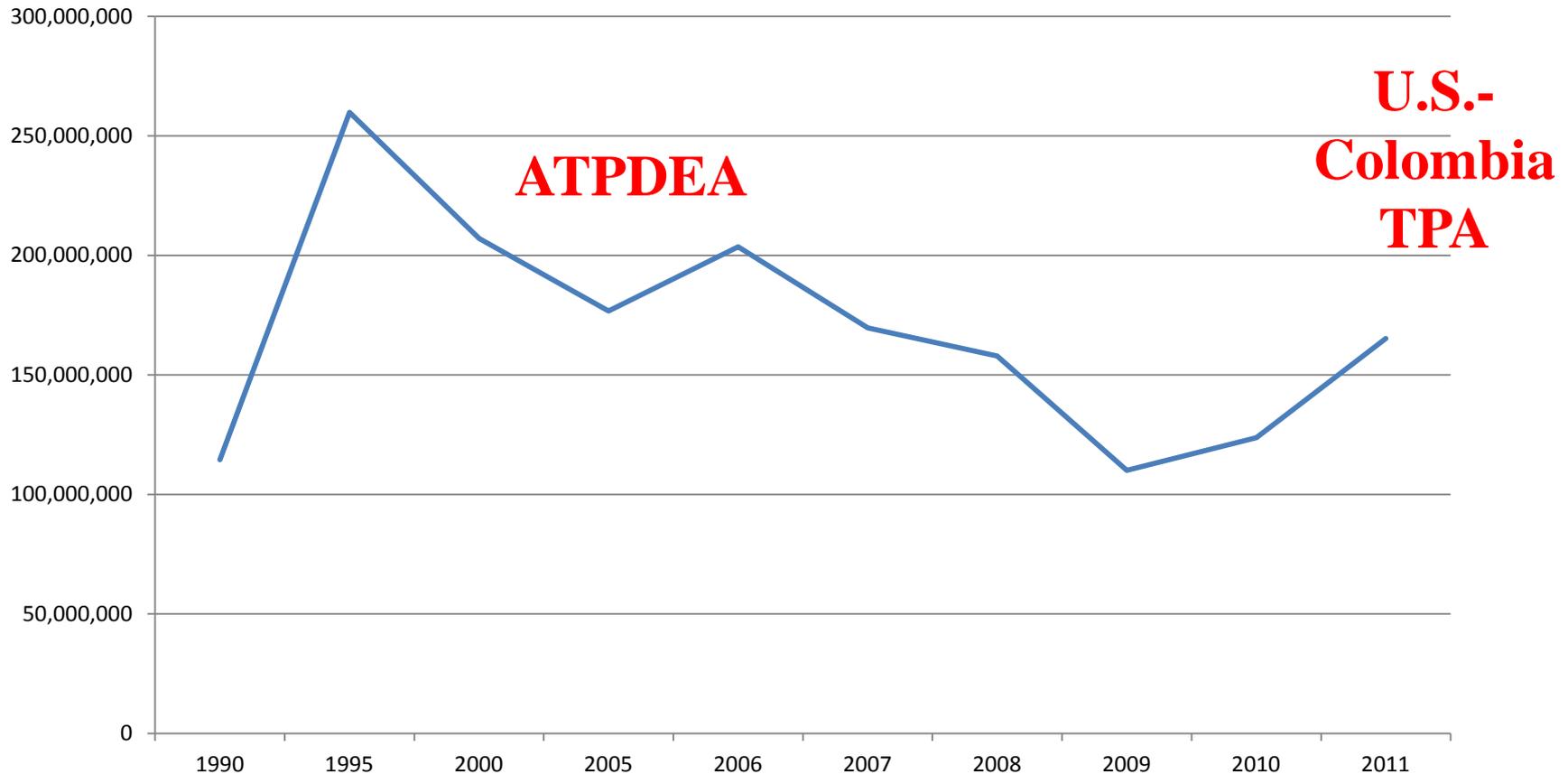
November 15, 2012

Agenda

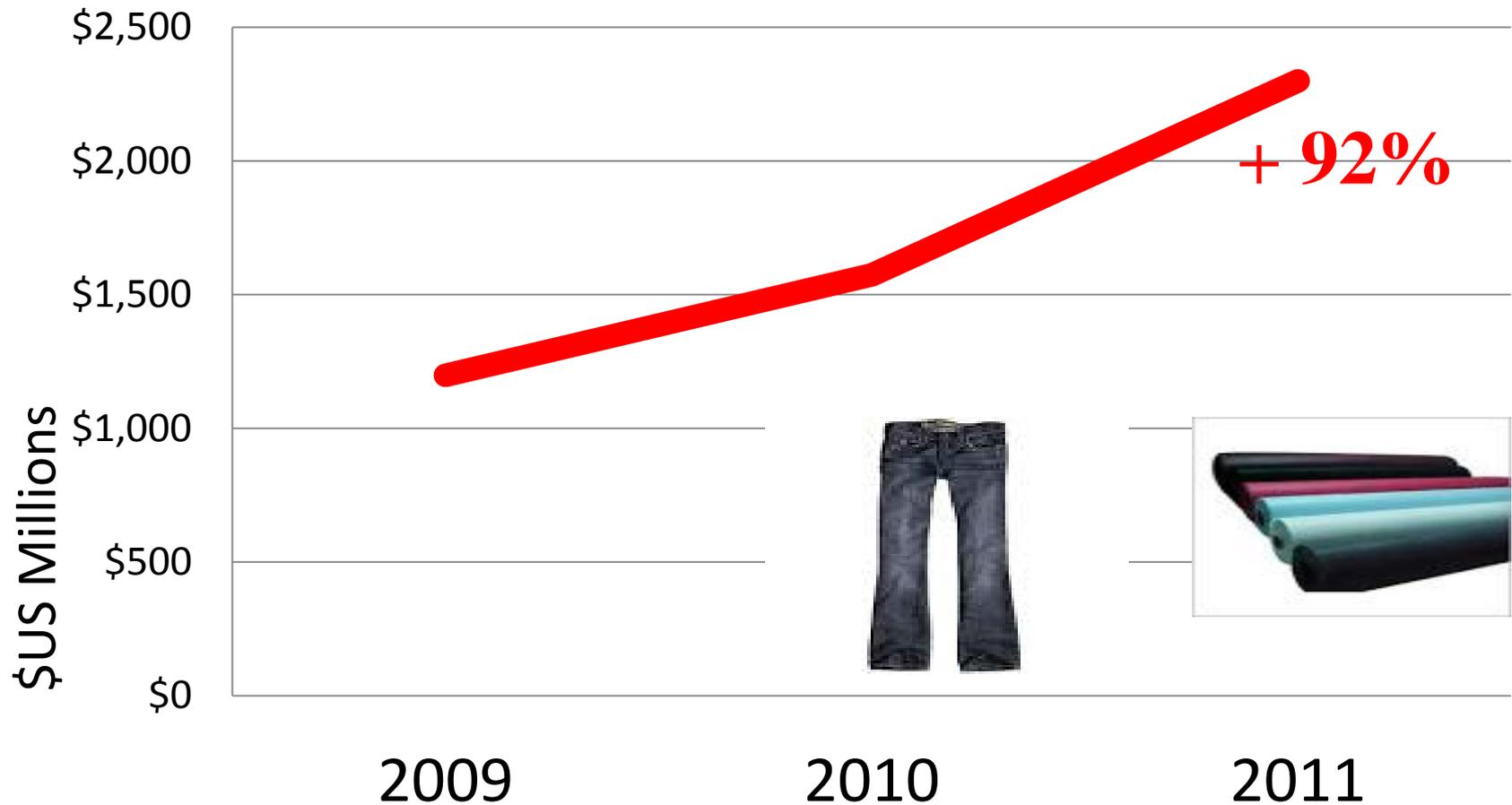
- Evolution of the U.S.-Colombia Textile Trade
- Colombia's Textile and Apparel Market
- U.S.-Colombia Trade Promotion Agreement (TPA)
- USA Sample Pavilion at Colombiatex 2013

U.S. Textile and Apparel Exports to Colombia (1990-2011)

US \$

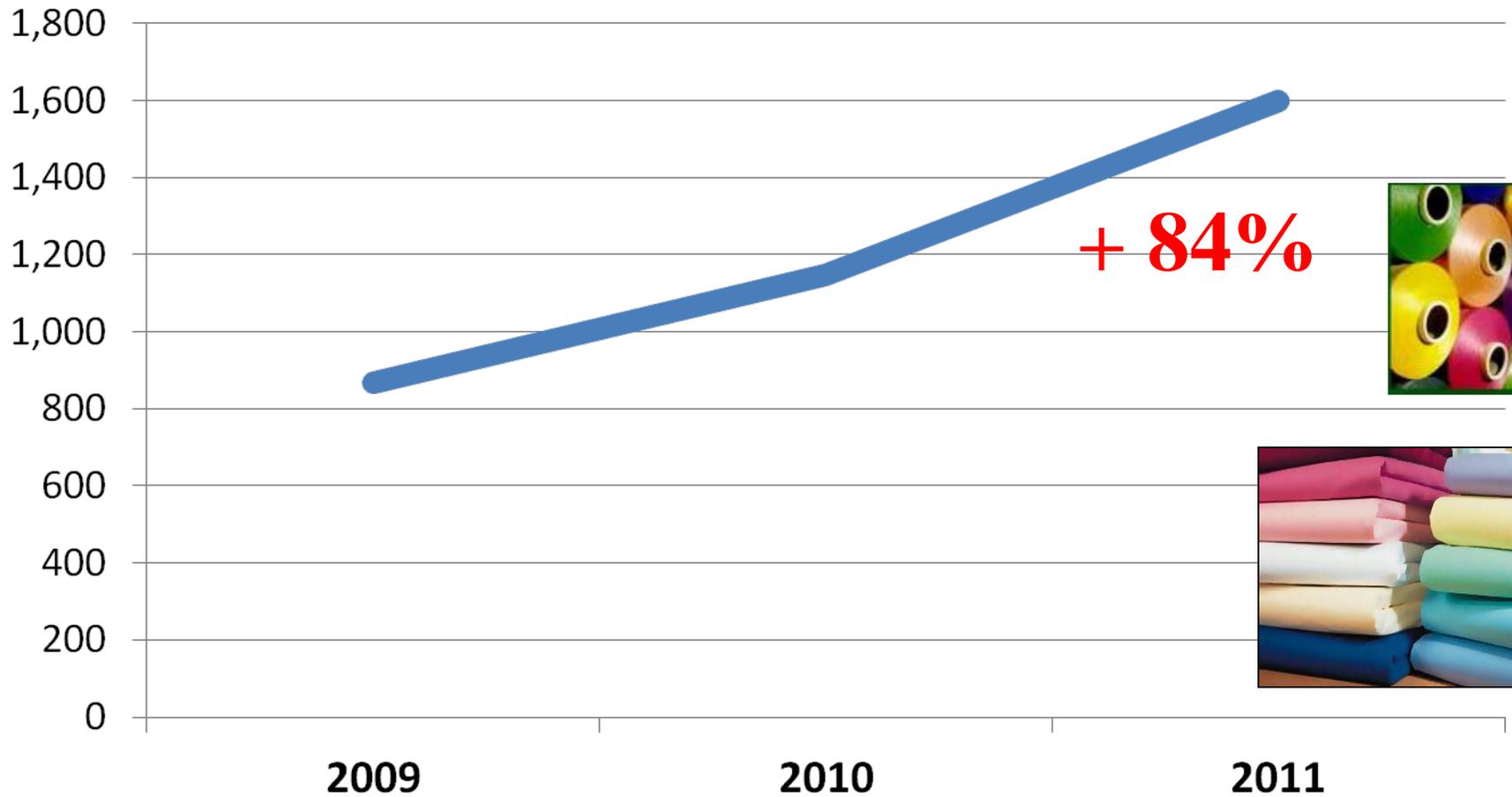


Colombia's Textile and Apparel Imports (Global)



Colombia's Textile Imports (Global)

US \$ Millions



2011 Exports of Textiles and Apparel

CAFTA-DR

Destination	
USA	75%*

Mexico

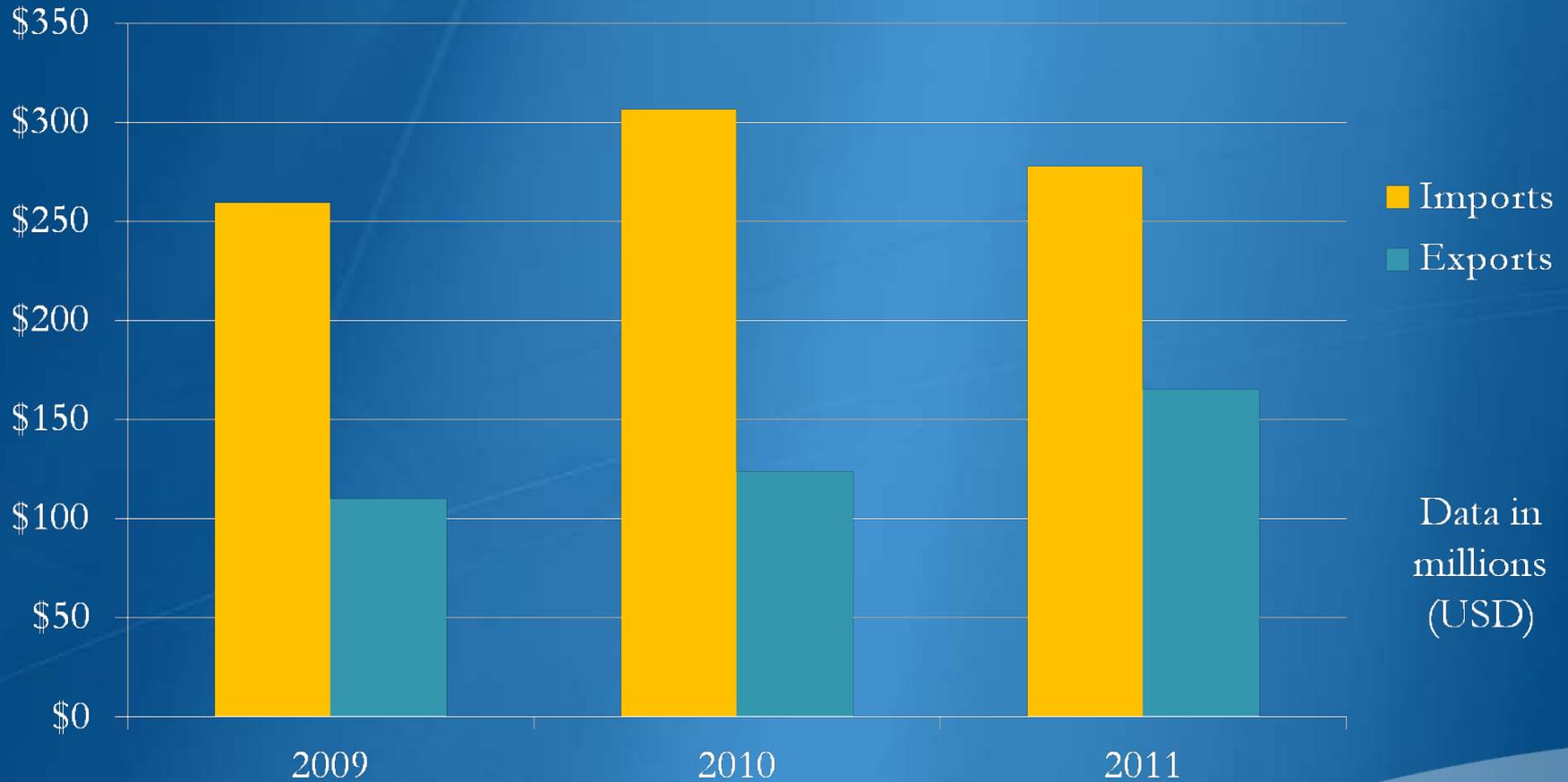
Destination	
USA	86%

Colombia

Destination	
USA	21%
Venezuela	21%
Ecuador	18%
Mexico	11%

* Estimate based upon available data

U.S. Textile & Apparel Trade with Colombia, 2009-2011



Source: U.S. Dept. of Commerce,
Office of Textiles & Apparel
(OTEXA), Trade Balance Report.

Top U.S. Imports from Colombia, 2009-2011

Product	\$ Value (2011)	% Change from 2009
Trousers	\$84.4 million	+5%
Knit Shirts	\$36.9 million	+17%
Underwear	\$28.3 million	+27%
Towels	\$22.6 million	+80%
Hosiery	\$10.4 million	-54%

Source: U.S. Dept. of Commerce,
Office of Textiles & Apparel
(OTEXA), Major Shippers Report.

Top U.S. Exports to Colombia, 2009-2011

Product	\$ Value (2011)	% Change from 2009
Felts & Other Nonwovens	\$33.1 million	+171%
Filament Yarn	\$22.0 million	+32%
Specialty & Industrial Fabrics	\$14.7 million	+15%
Knit & Knit Pile Fabrics	\$12.2 million	+43%
Cotton Broadwoven Fabrics	\$11.6 million	-22%

Source: U.S. Dept. of Commerce,
Office of Textiles & Apparel
(OTEXA), Export Market Report.

Colombian Consumers Demand Quality

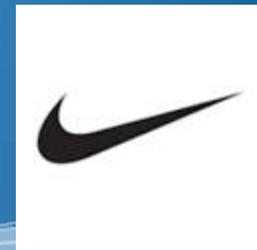
“Colombia is known for having one of the most advanced and distinguished textile and clothing industries in the Americas. With over 100 years’ experience, it is distinguished by high quality and exceptional human talent. [It has] an educated consumer base that are knowledgeable about textiles and clothing products and demand quality. The Colombian consumer is well-served by local brands that offer quality, design, and good prices that are current with global fashion trends.”

Source: Euromonitor International



New Opportunities for Apparel

“The approval of the U.S.-Colombia Free Trade Agreement (FTA) will bring greater benefits to Colombian apparel makers as it guarantees that [U.S.] inputs [U.S. yarn, fabric] enter duty-free. The country is becoming attractive to investors. Brands such as Levi's, Nike, Diesel and Ralph Lauren are already made in Colombia.”



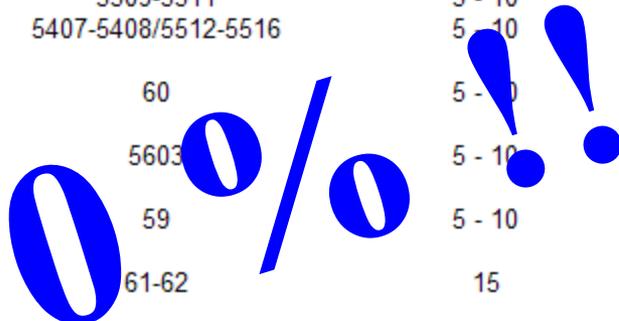
Source: Euromonitor International

valorem on the C.I.T. (cost, insurance and freight) value of shipments.

Colombia: Ad valorem Tariffs on Textiles, Apparel, Footwear and Travel Goods

HS Chapter/Subheading	Tariff Rate Range (%)
Yarn	
-silk 5003-5006	5 - 10
-wool 5105-5110	5 - 15
-cotton 5204-5207	5 - 15
-other vegetable fiber 5306-5308	5
-man-made fiber 5401-5406/5501-5511	5 - 15
Woven Fabric	
-silk 5007	5
-wool 5111-5113	5 - 10
-cotton 5208-5212	5 - 10
-other vegetable fiber 5309-5311	5 - 10
-man-made fiber 5407-5408/5512-5516	5 - 10
Knit Fabric	
60	5 - 10
Non Woven Fabric	
5603	5 - 10
Industrial Fabric	
59	5 - 10
Apparel	
61-62	15
Home Furnishings including: bed, bath, kitchen linens, etc.	
63	5 - 15
Carpet	
57	15
Footwear	
64	5 - 15
Travel Goods	
4202	15

5 - 15 %



▶ **Export Information**

- Export Opportunities
- OTEXA Trade Events
- Market Reports/Tariffs
- Hot Issues

▶ **Reference Material**

- Federal Register Notices
- Webinars
- Labeling Requirements
- Foreign Tariffs
- Worn Clothing
- Berry Amendment
- MTBs
- Other Legislation
- Publications
- Archive
- References/Resources
- Importing into the U.S.

For more detailed tariff information, see the [Current Situation of Schedules of WTO Members](#) on the WTO website. The tariff data on the [Direccion De Impuestos Y Aduanas Nacionales - DIAN website](#) may not be up-to-date.

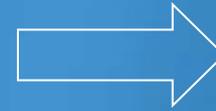
Minimum Import/Reference Prices--Colombia has established a minimum ad valorem tariff amount below which a duty may not fall, or a minimum value for a product below which an additional tariff is charged. For low-priced items, this can cause the tariff to be an inordinate share of the value

“Yarn-Forward” Rule of Origin

Yarn



Fabrics



Apparel



Rules of Origin

DUTY FREE

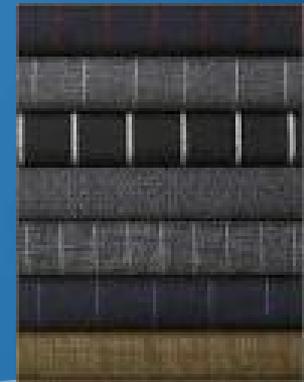
!



- Yarns: generally the fiber must be from the U.S. or Colombia; the yarn must be spun/extruded in the U.S. or Colombia



- Fabric:
 - Woven: generally, yarn forward
 - Knit: generally, fiber forward



- Apparel: yarn forward

- FTA Home
- Australia
- Bahrain
- CAFTA-DR
- Chile
- Colombia (May 15, 2012)
 - Safeguards
 - Market Information
 - Trade Data
 - Text and Documentation
 - Advisory Committee Reports
 - Commercial Availability
- Israel
- Jordan
- Korea
- Morocco
- NAFTA
- Oman
- Panama (pending)
- Peru
- Singapore
- OTEXA Home

Free Trade Agreements

Summary of the U.S. - Colombia Trade Promotion Agreement (TPA)

****The information presented on this website is meant to serve as a guide.**

Only the agreement text and the customs regulations issued to

<http://otexa.ita.doc.gov/>

advanced ruling from the customs administration in the country to which they are exporting.**

If you have any questions about this Agreement, please contact Richard Stetson at the U.S. Department of Commerce Office of Textiles and Apparel at 202-482-3400 or by [email](#).

Status: The Agreement was signed on November 22, 2006, ratified by the U.S. Congress on October 12, 2011, and signed by the President on October 21, 2011. Implementation - May 15, 2012. **ATPDEA eligibility will expire on May 15, 2012 for Colombia.**

How U.S. Textile and Apparel Companies Benefit

Colombia has developed as an important export market for U.S. yarn and fabric manufacturers. The U.S.-Colombia TPA represents continued efforts to promote economic growth and expand trade with Colombia, and to create opportunities for U.S. yarn, fabric, apparel, and footwear exports.

The textile and apparel trade with Colombia has benefited from the

OTEXA Export Services



- OTEXA has over 30 years of experience in facilitating exports for small and medium-sized companies:
 - Export counseling and assistance
 - Market Research
 - U.S. Pavilions at established overseas trade shows
 - Trade Missions
 - Catalog/Sample presentations at overseas trade shows



- January 22-24, 2013
- Fibers, yarns, fabrics, buttons, buckles, zippers, ribbons, lining, labels, collars, chemicals, and machinery...for the textile, apparel, footwear, and home goods industries.
- Attended by over 16,000 persons, including **8,000 buyers**, more than 400 journalists, and **520 exhibitors from 46 countries**.

Colombiatex



- USA SAMPLE BOOTH - We market U.S. textile goods
- Provide samples, brochures, contact information
- \$900
 - Saves man power, travel costs, booth costs
 - An initial step in the market

<http://colombiatex.inexmoda.org.co/2013/>

OTEXA Website: Your Textile and Apparel Resource

<http://otexa.ita.doc.gov>

- Trade Data
 - U.S. Imports
 - U.S. Exports
 - FTA Data
 - Trade Preference Programs
- Free Trade Agreements
 - Summary of the Agreements
 - Legal Texts and Documents
- Trade Data
- Safeguards
- Commercial Availability
- Trade Preference Programs
 - AGOA
 - ATPDEA
 - CBTPA
 - Hope Act
- Export Information

INTERNATIONAL TRADE ADMINISTRATION

OFFICE OF TEXTILES AND APPAREL (OTEXA)

Contact Us | About OTEXA | Site Map | Home

Tuesday, Oct 2, 2012 4:24:41 PM

Trade Data

Textiles and Apparel
Footwear, Leather & Travel Goods
The Textile Correlation

Trade Agreements

Free Trade Agreements
CAFTA-DR
TPAs
Cumulation

Trade Preference Programs

AGOA
ATPDEA
CBTPA
Hope Act

Announcements

[10092012](#) - Limitations of Duty- and Quota-Free Imports of Apparel Articles Assembled in Beneficiary Sub-Saharan African Countries From Regional and Third-Country Fabric, 2011-2013
[027012](#) - Modifications to Certain Textile and Apparel Rules of Origin of the CAFTA-DR, effective October 13, 2012
[0210012](#) - Applications for 2013 Wool Tariff Rate Quota (TRQ) Licenses are now available. Completed applications must be postmarked by October 22, 2012.
[0150012](#) - Colombia 2013 - January 22-24, 2013
[0909012](#) - The Office of the U.S. Trade Representative is requesting comments regarding its request for World Trade Organization consultations with Argentina on certain measures imposed by the Argentine government on the importation of certain goods. Measures include Argentina's non-automatic import license requirements on many textile, apparel, footwear and travel goods products. Comments should be submitted on or before September 28, 2012; however, comments will be accepted during the course of the dispute settlement proceedings.
[0804012](#) - Going Global 2012 - **Updated**
[0815012](#) - Public Comments requested by October 15 for the Office of the U.S. Trade Representative's annual National Trade Estimate Report on Foreign Trade Barriers

Free Trade Agreements

Summary of the Agreements
Legal Texts and Documents
Trade Data
Safeguards
Commercial Availability

Trade Preference Programs

AGOA
ATPDEA
CBTPA

Export Information

Export Opportunities
Going Global Guide
OTEXA Trade Events
Market Reports/Tariffs
Hot Issues

Trade Data

U.S. Imports
U.S. Exports
FTA Data

Summary of the Agreements

Trusted sites 100%

Other Online Resources



- U.S. Customs
[http://www.cbp.gov/xp/cgov/trade/trade_programs/textiles and quotas/](http://www.cbp.gov/xp/cgov/trade/trade_programs/textiles_and_quotas/)
 - Import Regulations
 - Rulings and Ruling Requests
- U.S. ITC – Tariff Schedule <http://usitc.gov/>
- Census – Schedule B <http://www.census.gov/foreign-trade/schedules/b/>
- U.S. Trade Representative – TPA Text <http://www.ustr.gov/uscolombiatpa>
- Export.gov <http://www.export.gov>

Questions?



- If you have a question, please submit it in writing using the “Q&A” or “Ask a Question” feature.
- We will address as many questions as time allows.
- The remaining questions will be addressed via email following the webinar.
- If questions come up later, please contact OTEXA.

Thank You

Richard Stetson

202-482-2582

Richard.Stetson@trade.gov

Laurie Mease

202-482-2043

Laurie.Mease@trade.gov

