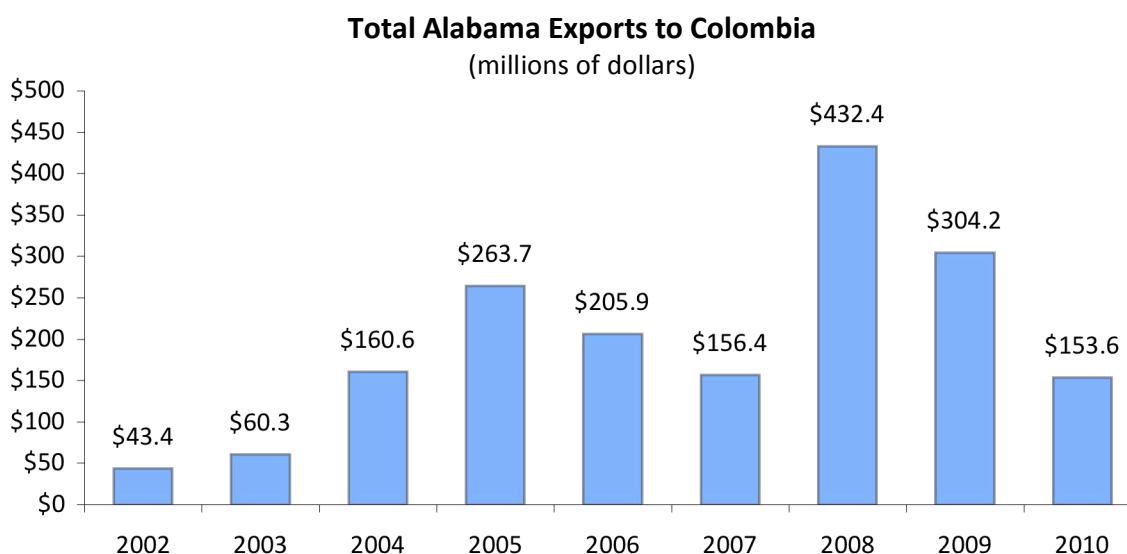# Business Roundtable℠

ALABAMA AND COLOMBIA – A GROWING PARTNERSHIP

A U.S.-Colombia Trade Promotion Agreement (CTPA) has the potential to increase both trade and investment between the United States in Colombia, improving on an already strong relationship. In particular, Alabama stands to gain from increased business ties, as the CTPA will create jobs at home through increased export market access for both goods and services, reduced prices for manufacturers, and an improved investment environment.

AT $154 MILLION IN 2010, COLOMBIA IS ALABAMA'S 21ST LARGEST EXPORT MARKET

Total Alabama Exports to Colombia
(millions of dollars)

Year	Value
2002	$43.4
2003	$60.3
2004	$160.6
2005	$263.7
2006	$205.9
2007	$156.4
2008	$432.4
2009	$304.2
2010	$153.6

Source: U.S. Department of Commerce

Upon implementation of the CTPA, more than 58 percent of Alabama's exports to Colombia will be duty-free. This tariff elimination gives Alabama exporters a cost advantage of up to $7.3 million over similar products exported by competitors who do not have an FTA with Colombia.

While Alabama exporters typically face tariffs of 10-15 percent, 94 percent of Colombia's exports to the United States in 2010 entered duty free. CTPA would level the playing field for Alabama exporters.

Estimated Increases in U.S. Exports in Sectors Important to Alabama

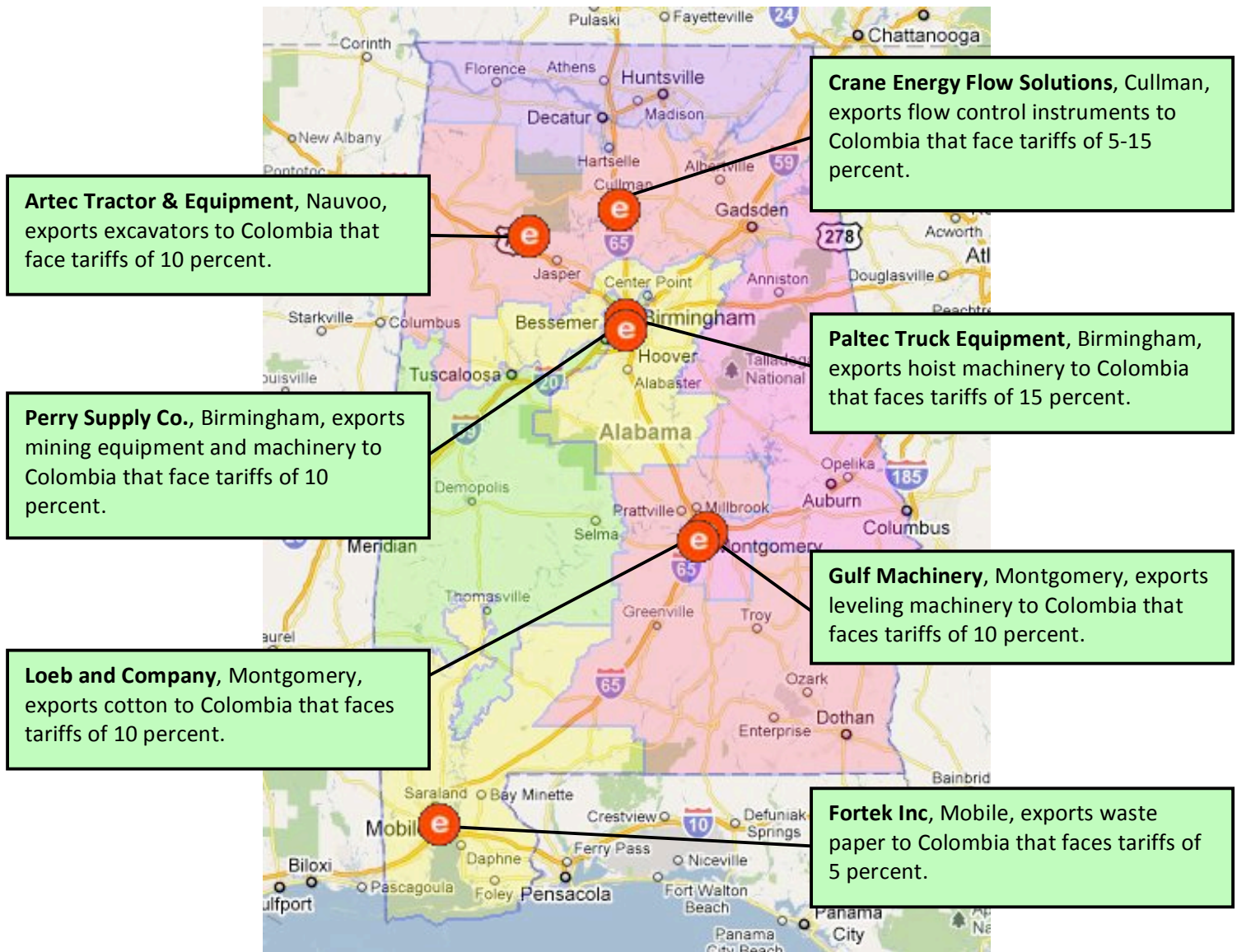| Sector	Percent
Poultry Products	72.3%
Fabricated Metal Products	56.4
Primary Metal Products	44.3
Paper Products	27.9
Chemicals	22.6
Transportation Equipment	16.1

Source: U.S. International Trade Commission

10 ALABAMA EXPORTS THAT CTPA WILL MAKE DUTY FREE IMMEDIATELY

Product	Value of Exports to Colombia (2010)	Potential Duty Savings
Parts for derricks	$35,127,819	$1,756,391
Organo-sulfur compounds	8,889,900	up to 444,495
Dumping machinery	5,063,595	759,539
Parts for lifting/loading machinery	4,890,443	733,566
Excavators	2,504,486	250,449
Organo-inorganic compounds	2,499,768	up to 124,988
Pneumatic rubber tires	2,271,701	340,755
Chemical woodpulp	2,153,731	215,373
Poultry products	2,025,210	101,261
Salts	2,013,301	up to 201,330

COMPANIES WHOSE EXPORTS BECOME DUTY FREE IMMEDIATELY UPON IMPLEMENTATION OF CTPA

Crane Energy Flow Solutions, Cullman, exports flow control instruments to Colombia that face tariffs of 5-15 percent.

Artec Tractor & Equipment, Nauvoo, exports excavators to Colombia that face tariffs of 10 percent.

Paltec Truck Equipment, Birmingham, exports hoist machinery to Colombia that faces tariffs of 15 percent.

Perry Supply Co., Birmingham, exports mining equipment and machinery to Colombia that face tariffs of 10 percent.

Gulf Machinery, Montgomery, exports leveling machinery to Colombia that faces tariffs of 10 percent.

Loeb and Company, Montgomery, exports cotton to Colombia that faces tariffs of 10 percent.

Fortek Inc, Mobile, exports waste paper to Colombia that faces tariffs of 5 percent.

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