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Jobs On The Way: U.S.-Korea Trade Agreement Enters Into Force

Washington, D.C. – United States Trade Representative Ron Kirk today applauded the entry into force on March 15, 2012, of the [U.S.-Korea trade agreement](#). At President Obama's direction, the Office of the U.S. Trade Representative worked with Congress, stakeholders, and the Korean government to address outstanding issues with the agreement and win its overwhelming bipartisan approval in Congress last fall. Today, thousands of tariffs on U.S. exports to Korea will be eliminated, non-tariff barriers to U.S. goods and services will come down, and new protections will come into place for U.S. exporters, investors, and intellectual property rights holders.

“Starting today, Korea’s doors are wide open for Made-In-America exports that will support well-paying jobs here at home. From manufactured goods to telecommunications services to agricultural products, more Americans can get back to work making merchandise, providing services, and growing crops for export to Korea,” said Ambassador Kirk. **“The U.S.-Korea agreement is a landmark deal with an important ally. It was on the leading edge of President Obama’s drive to craft trade policy that addresses the real barriers that our exporters and workers face, and we are pleased that it will start generating benefits today in both the United States and Korea.”**

In December 2010, President Obama announced the successful resolution of outstanding issues with the U.S.-Korea trade agreement, setting the stage for Congressional approval of an agreement estimated to support 70,000 American jobs from increased goods exports alone, with additional jobs potential from the further opening of Korea’s large services market to American firms and the elimination of non-tariff measures. Congress approved the pact in October 2011, with the largest-ever recorded vote of support in the U.S. Senate for a pending trade agreement.

The U.S.-Korea trade agreement is an integral part of the President’s efforts to increase opportunities for U.S. businesses, farmers and workers through improved access for their products and services in foreign markets, and supports the President’s National Export Initiative goal of doubling of U.S. exports in 5 years. For more on this agreement and its benefits for U.S. businesses and workers, visit <http://www.ustr.gov/uskoreaFTA>

Learn More:

[See How This Agreement Supports Jobs](#)

[Discover New Opportunities for Made in America Exports](#)

[Meet American Businesses Counting on This Agreement](#)

[Learn Key Facts About the Agreement](#)

How the Free Trade Agreement Affects the United States

On March 15, 2012, the United States-Korea trade agreement enters into force. This agreement is the United States’ most commercially significant free trade agreement in almost 20 years. In December 2010, President Obama announced the successful resolution of outstanding issues with the agreement. With entry into force, it will support at least 70,000 additional American jobs from increased goods exports alone, with even more jobs potential from the further opening of Korea’s large services market to American firms, and other measures. The entry into force provides significant benefits to U. S. suppliers of a variety of industrial and agricultural goods and services:

Improved Market Access to Korea's \$1 Trillion Economy

The agreement is an integral part of the President's efforts to increase opportunities for U.S. businesses, farmers, ranchers, and workers through improved access for their products and services in foreign markets, and supports the President's National Export Initiative goal of doubling of U.S. exports in 5 years. It promotes the further growth of the U.S. and Korean economies and enhances the competitiveness of U.S. businesses in the world's 12th largest economy.

New Opportunities for U.S. Exports of Industrial Products

Almost 80 percent of U.S. exports of industrial products to Korea are now duty-free, including: aerospace equipment, agricultural equipment, auto parts, building products, chemicals, consumer goods, electrical equipment, environmental goods, all footwear and travel goods, paper products, scientific equipment and shipping and transportation equipment. Remaining tariffs have also been reduced and will be eliminated over time.

New Opportunities for U.S. Exports of Agricultural Products

Nearly two-thirds of U.S. exports of agricultural products to Korea are now duty-free, including: wheat, corn, soybeans for crushing, whey for feed use, hides and skins, cotton, cherries, pistachios, almonds, orange juice, grape juice and wine. Remaining tariffs have also been reduced and will be eliminated over time.

New Opportunities for Services in Korea's \$580 Billion Services Market

The U.S.-Korea agreement provides meaningful market access commitments that extend across virtually all major sectors in Korea's large services market, such as greater and more secure access for international delivery services, telecommunications services, and the opening up of the Korean market for foreign legal consulting services, among many others.

In the area of financial services, it increases access to the Korean market and ensures greater transparency and fair treatment for U.S. suppliers of financial services.

New Commitments to Address Non-Tariff Barriers to U.S. Exports

The agreement addresses non-tariff barriers in a wide range of sectors and includes strong provisions to prevent motor vehicle safety and environmental regulations from acting as disguised barriers to trade, , to enhance regulatory transparency, and to increase market access with provisions on standard-setting, technology neutrality, and customs administration.

Greater Protections for Intellectual Property Rights

The agreement strengthens protections for intellectual property rights benefiting American creators and innovators, including protection for copyrighted works in a digital economy, anti-circumvention provisions to prohibit tampering with technologies, and tough penalties for piracy and counterfeiting.

Strong Enforcement Provisions

The agreement's strong enforcement provisions enable the United States to hold Korea to its obligations under the pact. These provisions include expedited dispute settlement procedures for vehicle-related matters and the ability – unprecedented in previous U.S. trade agreements – to “snap back” U.S. tariffs on passenger cars to their pre-agreement levels if Korea violates, nullifies, or impairs its commitments under the agreement in a way that materially affects the sale, purchase, transportation, distribution or use of U.S. vehicles in Korea.

Resources and Tools to Assist American Businesses

The U.S. government has a number of resources that can be accessed through our website – www.ustr.gov – to help American business learn about the benefits of the agreement. For example, the USTR website can connect you to a tool

that helps U.S. exporters determine whether their products benefit from a tariff reduction under the agreement, numbers to call with specific questions on utilizing the agreement, and links to summaries of benefits for each industrial sector. In addition, both the Department of Commerce and the Department of Agriculture have tools on their websites to help exporters take advantage of this important agreement.

Office of the United States Trade Representative • <http://www.ustr.gov/> • accessed on: Sun, 18 Mar 2012 16:15:06 -0400