

**U.S. – COLOMBIA
TRADE PROMOTION AGREEMENT:
BENEFITS TO THE U.S. SPIRITS INDUSTRY
(October 2011)**

The Distilled Spirits Council of the United States, Inc., a national trade association representing U.S. producers, marketers and exporters of distilled spirits products and importers of wine, strongly supports the U.S.-Colombia Trade Promotion Agreement (CTPA). DISCUS member companies export spirits products to more than 130 countries worldwide, including to Colombia.

The CTPA opens the market for U.S. exports.

- Colombia currently assesses a tariff of 20% *ad valorem* on imported spirits. Colombia will eliminate its 20% *ad valorem* tariff on U.S.-origin brandy, gin, liqueurs and certain other spirits immediately upon entry-into-force of the Agreement. The tariffs on U.S.-origin whiskey, rum and vodka will be phased-out in equal annual stages over 10 years.

The CTPA secures important protection for Bourbon and Tennessee Whiskey.

- Colombia has agreed to recognize Bourbon and Tennessee Whiskey as distinctive products of the United States. This recognition provides the industry with an important anti-counterfeiting tool because it ensures that only spirits produced in the United States, in accordance with the laws and regulations of the United States, may be sold as Bourbon or Tennessee Whiskey in Colombia. Bourbon and Tennessee Whiskey are by far the leading U.S. spirits exports worldwide.

The CTPA will end discriminatory treatment of U.S. spirits.

- Colombia will eliminate the discriminatory practices of its state alcohol monopolies. Currently, the alcohol monopolies (*Licoreras*) in several states engage in market-distorting and anti-competitive practices in the distilled spirits market.
- Colombia agreed to eliminate its discriminatory excise taxes on distilled spirits within four years from the date of entry-into-force of the CTPA. CTPA will ensure that U.S. distilled spirits are taxed the same as domestically-produced spirits, consistent with national treatment obligations.

