

THE UNITED STATES TRADE REPRESENTATIVE EXECUTIVE OFFICE OF THE PRESIDENT WASHINGTON

April 12, 2018

The Honorable Maria Lorena Gutiérrez Minister of Trade, Industry and Tourism Ministry of Trade, Industry and Tourism Bogotá, Colombia

Dear Minister Gutiérrez:

In the course of discussions related to the implementation of the United States – Colombia Trade Promotion Agreement (CTPA), as well as to market access for U.S. heavy trucks, the United States and Colombia have reached the following understandings related to implementation of certain obligations in Chapter 16 (Intellectual Property Rights) and to the termination of Colombia's truck scrappage program pursuant to Decree 1517 of September 22, 2016.

With respect to Chapter 16 of the CTPA, in 2013 the Colombian Constitutional Court invalidated on procedural grounds a law enacting certain obligations under the CTPA, including under Articles 16.5 (Copyrights) and 16.6 (Related Rights). A bill amending Colombia's copyright law, including provisions related to certain provisions in Articles 16.5, 16.6 and 16.7, was introduced in the Colombian Congress in October 2017. The United States expects the copyright amendments to be signed into law no later than June 30, 2018, and understands that, pursuant to Article 241 of Colombia's Constitution, the Colombian Constitutional Court must rule on the constitutionality of the amendments before they enter into force.

Taking into account the steps remaining for entry into force of the copyright amendments, if the amendments have not been signed into law by June 30, 2018, the United States may, as it deems appropriate, withhold or suspend the application of benefits to Colombia under the CTPA to such extent as the United States deems appropriate. Further, if the Colombian Constitutional Court does not render a favorable opinion of the copyright amendments by [June 30, 2019], the United States may also, as it deems appropriate, withhold or suspend the application of benefits to Colombia under the CTPA to such extent as the United States deems appropriate. Once Colombia completes these actions, the United States shall promptly provide any benefit it has withheld or suspended.

With regard to Colombia's truck scrappage program, reflected in Decrees 2085 and 2450 of 2008, Resolution 3253 of 2008, Decree 1131 of 2009, Resolution 7036 of 2012, Decrees 486, 1250, and 1789 of 2013, Resolution 332 of 2017, and Resolution 721 of 2018, Colombia

commits to end the scrappage program, including the requirement that a truck of equal capacity be scrapped in order to register a new truck and any related bonding requirements, no later than December 31, 2018. Colombia further commits not to reinstate the program, or any other program with a similar distorting effect on the market for heavy trucks, in order to provide predictable and equitable access to the market. If Colombia fails to meet these commitments, including termination of the scrappage program by December 31, 2018, the United States may, as it deems appropriate, withhold or suspend the application of benefits to Colombia under the CTPA to such extent as the United States deems appropriate. Once Colombia fulfills its commitments, the United States shall promptly provide any benefit it has withheld or suspended.

Colombia will inform the Office of the United States Trade Representative every 60 calendar days, starting from the date of entry into force of this exchange of letters, regarding Colombia's efforts to complete the commitments contained in this agreement.

I have the honor to propose that this letter and your letter in reply confirming that your Government shares these understandings shall constitute an agreement between our two Governments, to enter into effect on the date of your letter in reply.

Sincerely yours,

Ambassador Robert E. Lighthizer United States Trade Representative



MINISTERIO DE COMERCIO, INDUSTRIA Y TURISMO República de Colombia

Bogotá, April 24, 2018

Honorable Ambassador Robert E. Lighthizer **United States Trade Representative** 600 17h Street NW - Winder Building Washington D.C. 2006 U.S.A.

Dear Ambassador Lighthizer:

I am pleased to acknowledge your letter of April 12, 2018, which reads as follows:

In the course of discussions related to the implementation of the United States - Colombia Trade Promotion Agreement (CTPA), as well as to market access for U.S. heavy trucks, the United States and Colombia have reached the following understandings related to implementation of certain obligations in Chapter 16 (Intellectual Property Rights) and to the termination of Colombia's truck scrappage program pursuant to Decree 1517 of September 22, 2016.

With respect to Chapter 16 of the CTPA, in 2013 the Colombian Constitutional Court invalidated on procedural grounds a law enacting certain obligations under the CTPA, including under Articles 16.5 (Copyrights) and 16.6 (Related Rights). A bill amending Colombia's copyright law, including provisions related to certain provisions in Articles 16.5, 16.6, and 16.7, was introduced in the Colombian Congress in October 2017. The United States expects the copyrights amendments to be signed into law no later than June 30, 2018, and understands that, pursuant to Article 241 of Colombia's Constitution, the Colombian Constitutional Court must rule on the constitutionality of the amendments before they enter into force.

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Nit. 830115297-6

Calle 28 N° 13A -15 / Bogotá, Colombia

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(6) GOBIERNO DE COLOMBIA















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MINISTERIO DE COMERCIO, INDUSTRIA Y TURISMO República de Colombia

With regard to Colombia's Truck Scrappage program, reflected in Decrees 2085 and 2450 of 2008, Resolution 3253 of 2008, Decree 1131 of 2009, Resolution 7036 of 2012, Decrees 486, 1250, and 1789 of 2013, Resolution 332 of 2017 and Resolution 721 of 2018, Colombia commits to end the scrappage program, including the requirement that a truck of equal capacity be scrapped in order to register a new truck and any related bonding requirements, no later than December 31, 2018. Colombia further commits not to reinstate the program, or any other program with a similar distorting effect on the market for heavy trucks, in order to provide predictable and equitable access to the market. If Colombia fails to meet these commitments, including termination of the scrappage program by December 31, 2018, the United States may, as it deems appropriate, withhold or suspend the application of benefits to Colombia under the CTPA to such extent as the United States deems appropriate. Once Colombia fulfills its commitments, the United States shall promptly provide any benefit it has withheld or suspended.

Colombia will inform the Office of the United States Trade Representative every 60 calendar days, starting from the date of entry into force of this exchange of letters, regarding Colombia's efforts to complete the commitments contained in this agreement.

I have the honor to confirm that my Government shares these understandings and that your letter and this reply shall constitute an agreement between our two Governments, to enter into effect on this day.

Sincerely,

Maria Lorena Gutiérrez

Minister of Trade, Industry and Tourism













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