

# NEWS RELEASE

Distilled Spirits Council is the trade association representing producers and marketers of distilled spirits sold in the United States.

Website: <http://www.distilledspirits.org>

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## **Distilled Spirits Council Applauds Progress on U.S.–Colombia Trade Promotion Agreement**

WASHINGTON, DC – The Distilled Spirits Council today congratulated the United States and Colombian governments for reaching an agreement on labor and judicial reforms, which will clear the way for Congressional consideration of the long-pending U.S.-Colombia Trade Promotion Agreement (CTPA).

“This free trade agreement will result in measureable benefits for the U.S. distilled spirits industry,” said Distilled Spirits Council Senior Vice President Christine LoCascio, who noted that Colombia’s 20% *ad valorem* tariff on U.S.-origin brandy, gin, liqueurs and certain other spirits will be eliminated immediately upon implementation.

Tariffs on other categories of spirits with U.S.-origin including whiskey, rum and vodka will be phased-out in equal annual stages over 10 years after the agreement enters into force.

“This agreement provides important protections for Bourbon and Tennessee Whiskey, which account for the vast majority of U.S. spirits exports worldwide,” said LoCascio. “These safeguards will benefit both producers and consumers by ensuring that only genuine Bourbon and Tennessee Whiskey produced in the United States, in accordance with U.S. laws and regulations, will be available in the Colombian market.”

Under the agreement, Colombia has also agreed to eliminate its discriminatory excise tax treatment on U.S. distilled spirits within four years of its entry-into-force. “This obligation will ensure that U.S. spirits products are on a level playing field with domestically-produced spirits in the Colombian market,” said LoCascio, who also noted that the Council stands ready to support swift Congressional approval of the agreement.

After two years of declining exports, in 2010 U.S. spirits exports to Colombia totaled \$1.1 million, up 85 percent from the previous year.