



FedEx Regulatory Alerts & Updates

Regulatory Alert: Colombia Full Implementation of De minimis

August 10, 2020

Background

The U.S. - Colombia Trade Promotion Agreement (the "Agreement") was signed on November 22, 2006 and entered into force on May 15, 2012. Under Article 5.7(g) of the Agreement, the parties established a duty and tax *de minimis*, the value threshold below which no customs duties or taxes are charged on imported goods. The Agreement *de minimis* threshold is set at USD 200.

What is the change?

On August 3, 2020, the Colombian government published Decree 1090 of 2020, which modifies the customs regulations promulgated through Decree 1165 of 2019. The decree implements the *de minimis* threshold for customs duties on shipments valued at USD 200 or less, regardless of country of origin. Previously, Colombia had been applying the USD 200 *de minimis* only with respect to taxes, not customs duties. The decree resolves a longstanding open issue under the Agreement, and takes effect on August 18, 2020, 15 days after its publication.

What does Decree 1090 actually say?

Shipments that reach the national customs territory through the official mail network and express delivery services that enter the country in the form of postal traffic and express delivery services, whose Free On Board (FOB) value is equal to or less than 200 U.S. dollars, not including delivery costs, will not be subject to the payment of the tariff corresponding to the specific tariff subheading of the merchandise or to the tariff subheadings 98.07.10.00.00 or 98.07.20.00.00 of the customs tariff.

Date of Implementation: August 18, 2020

References:

Decree 1090 of 2020 (Spanish text only)

<https://dapre.presidencia.gov.co/normativa/normativa/DECRETO%201090%20DEL%203%20DE%20AGOSTO%20DE%202020.pdf>

U.S. Colombia Trade Promotion Agreement

<https://ustr.gov/trade-agreements/free-trade-agreements/colombia-tpa/final-text>