

# Panama Free Trade Agreement

## Background

The U.S.-Panama FTA was finalized on June 28, 2007 under fast-track Trade Promotion Authority.

Panama is one of the fastest expanding economies in Latin America, with 7.5% growth in 2010.

Panama is already an important market for America's farmers and ranchers.

In 2010, the United States exported more than \$450 million of agricultural products to Panama.

## Highlights of the Agreement

- More than half of U.S. agricultural exports to Panama will become duty free immediately
- Remaining tariffs will be removed over 15 years
- Non-tariff barriers to U.S. products will be eliminated by agreements on technical standards and sanitary and phytosanitary measures
- Panama's tariffs on poultry range from 5% to 260%. Some will immediately drop to zero, and others will be phased out within 15 years



## Did you Know?

- More than 99% of Panama's exports to the U.S. are already duty-free, while more than 60% of our agricultural exports to Panama face tariffs and quotas
- U.S. agricultural exports to Panama face average tariffs of 15%, although duties can be much higher on key export products
- Tariffs on meat can be as high as 70%, grain as high as 90%, and poultry as high as 260%
- Top U.S. agricultural exports to Panama include corn, soybean cake and meal, wheat and rice

## Vote YES

This agreement levels the playing field and turns our trading relationship from a one-way street into a two-way street by opening opportunities for American exporters.

Implementing this agreement will provide more jobs and greater profitability throughout the supply chain for high-value U.S. agricultural products.

## What They're Saying

*The longer it takes to implement this agreement, the more we risk losing not only future opportunities to create jobs and increase exports, but also the market share and access we currently enjoy.*

- American Frozen Food Institute

*These agreements contain significant export gains for our meat and poultry products that will only be realized by passage and implementation. Conversely, inaction has proven to result in loss of U.S. market share and forfeiture of economic growth."*

- American Meat Institute

*Averaged across all agricultural products, the United States supplies 53% of Panamanian agricultural imports. The Panama FTA will prevent other countries...from taking some of the current share of the Panamanian market.*

- American Soybean Association

Learn more at <http://www.ustr.gov/trade-agreements/free-trade-agreements/panama-tpa>  
or <http://www.fas.usda.gov/itp/us-Panama.asp>

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