

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary Public

Date: 7/23/2018

GAIN Report Number: PA1806

Panama

Post: Panama

Panama activates TPA's Agricultural Special Safeguard

Report Categories:

Agricultural Situation

Approved By:

Anita Katial, Regional Agricultural Counselor

Prepared By:

Arlene Villalaz, Agricultural Specialist

Report Highlights:

On July 20, 2018, the Government of Panama activated the Agricultural Special Safeguard under the U.S. – Panama Trade Promotion Agreement (TPA), re-establishing the bound tariff rate of 70% to the majority of the harmonized tariff codes for U.S. Pork and Pork products, until December 31, 2018.

General Information:

On July 20 2018, the Ministry of Commerce and Industry's National Director of International Trade Treaties Administration published in the Official Gazette of Panama, Resolution 002 of July 16, 2018, establishing an Agricultural Special Safeguard for U.S. pork and pork products under the TPA.

From January 2, 2018 through July 16, 2018, Panama imported 3,506.10 Metric Tons (MT) of U.S. Pork. The CY 2018 TPA tariff rate quota is 2,697 MT, reporting an increase of 809.10 MT, due to the competitive price for U.S. pork and pork products, reaching the trigger level of 130% of the tariff rate quota, based on the TPA's Annex 3.17 of Chapter Three *National Treatment and Market Access for Goods*.

Panama imported \$31.9 million in U.S. Pork and pork products on CY 2017.

The Resolution 002 of July 16, 2018 re-establishes the bound tariff rate of 70% to the majority of the harmonized tariff codes for pork meat and pork products from the United States, and is effective immediately until December 31, 2018, as follows:

HTS Code	Description	Preferential tariff with TPA CY2018	New Tariff with Agricultural Special Safeguard
0203.11.00	In carcass or half carcass	53.33%	60.00%
0203.12.00	Pork legs, shoulders and their parts, deboned	62.22%	70.00%
0203.19.00	Others	62.22%	70.00%
0203.21.00	In carcass or half carcass	62.22%	70.00%
0203.22.00	Pork hams, shoulders and their parts, deboned	62.22%	70.00%
0203.29.00	Others	62.22%	70.00%
0210.11.19	Others	62.22%	70.00%
0210.11.90	Others	62.22%	70.00%
0210.19.10	Pork ribs	62.22%	70.00%
0210.19.29	Others	62.22%	70.00%
0210.19.90	Others	62.22%	70.00%
1602.41.11	Hermetically or vacuum packed	35.56%	40.00%
1602.42.10	Hermetically or vacuum packed	35.56%	40.00%
1602.42.90	Others	62.22%	70.00%
1602.49.19	Others	62.22%	70.00%