

April 14, 2022

Ambassador Katherine Tai
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

The Honorable Tom Vilsack
Secretary
U.S. Department of Agriculture
Independence Avenue and 12th Street, S.W.
Washington, D.C. 20250

Dear Ambassador Tai and Secretary Vilsack,

The undersigned organizations write in support of the U.S. – Panama Trade Promotion Agreement (TPA), an agreement implemented a decade ago that has been successful in delivering benefits to American farmers, ranchers, workers, and agribusinesses. On March 16th the Panamanian government submitted a formal request to the Office of the U.S. Trade Representative and the U.S. Department of Agriculture seeking to revise the agricultural tariff elimination terms of the TPA. We urge you to support this agreement as passed by the U.S. Congress and oppose any change to the remaining Panamanian agricultural tariff phase outs, tariff-rate quotas (TRQs), or agricultural safeguards.

The agreement is still in the process of being fully implemented with gradual annual tariff reductions and small growth in tariff rate quotas (TRQs). Panama's TRQs for pork and pork products, chicken, dairy, potatoes, onions, kidney beans, corn, rice, and processed tomatoes have been in place for ten years and were negotiated to slowly transition and minimize potential negative impacts. Several of these TRQs have another ten years of slowly increasing before free trade with Panama is achieved, providing sufficient time for the local industries to prepare and adapt. In addition, under the TPA, Panama is also allowed to impose temporary agricultural safeguards on certain import sensitive products as it transitions to a more open market, just as the United States can.

Ensuring the TPA is fully implemented as originally negotiated supports the need to diversify export markets for U.S. food and agricultural products, which is an important element of the Administration's work to prevent harmful supply chain disruptions. Additionally, making modifications to an implemented TPA would be an alarming precedent to set. With the lack of any current new free trade agreement (FTA) negotiations taking place, uninterrupted implementation of the current market access opportunities secured through our existing FTAs is all the more vital for American farmers and food manufacturers. Panamanian consumers welcome high-quality American grown and produced goods, and the TPA helps U.S.-origin products to be cost competitive with other foreign suppliers.

Thank you for your attention. Please do not hesitate to contact us if you have any questions.

Sincerely,

American Farm Bureau Federation

American Feed Industry Association

American Soybean Association

Corn Refiners Association

Edge Dairy Farmer Cooperative

International Dairy Foods Association

National Association of State Departments
of Agriculture

National Council of Farmer Cooperatives

National Grain and Feed Association

National Milk Producers Federation

National Pork Producers Council

North American Export Grain Association

North American Meat Institute

Sweetener Users Association

U.S. Dairy Export Council

US Dry Bean Council

USA Rice Federation