

# U.S.-Panama Trade Promotion Agreement

## Market Access Results

### Fish and Fish Products

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#### Trade and Tariffs

This sector is defined by the World Trade Organization Uruguay Round sector initiative on fish, and includes live fish as well as fresh, frozen, or processed fish and shellfish products.

Fish and fish products accounted for less than 1 percent of U.S. industrial exports to Panama in 2007, totaling \$2.9 million. The top U.S. exports in this sector were shrimp, sardines, and frozen squid. Panamanian tariffs range between zero and 15 percent with an average of 12.7 percent.

Panamanian exports to the United States in this sector totaled over \$85.7 million in 2007, or 46.7 percent of Panamanian industrial exports to the United States. Top Panamanian exports in this sector were frozen and preserved shrimp, yellow fin tuna, frozen fish fillets, and rock lobsters. The United States' tariffs on fish and fish products range between zero to 35 percent, with an average of 2.0 percent.

#### Tariff Elimination

Tariffs will be phased-out according to four tariff elimination categories: immediate elimination; linear cuts over five years; linear cuts over ten years; and nonlinear cuts over ten years. Tariff elimination under the nonlinear ten-year staging category will proceed with a 3 percent cut in the tariff in years one and two, a 5 percent cut in years three through six, an 18 percent cut in years seven and eight, and a 19 percent cut each in years nine and ten.

For fish and fish products, 82 percent of U.S. exports will receive duty-free treatment immediately upon implementation of the Agreement. Tariffs on less than one percent of exports will be eliminated over 5 years. Duties on the remaining 18 percent of U.S. fish exports, including preserved tuna, will be eliminated in equal or unequal cuts over ten years. Tariffs on high-priority U.S. fish exports such as shrimp, sardines, and cuttle fish will be eliminated immediately upon implementation of the Agreement.

For U.S. imports, 100 percent of U.S. imports will receive duty-free treatment immediately upon implementation of the Agreement. For three tariff lines of canned tuna, which account for less than 1 percent of U.S. imports from Panama, the U.S. tariff will be phased out over ten years.