



**EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503**

October 11, 2011  
(House)

## **STATEMENT OF ADMINISTRATION POLICY**

### **H.R. 3079 – United States-Panama Trade Promotion Agreement Implementation Act**

(Reps. Cantor, R-Virginia, and McDermott, D-Washington)

The Administration strongly supports H.R. 3079, which approves and implements the United States–Panama Trade Promotion Agreement, signed by the United States and the Republic of Panama on June 28, 2007.

The Agreement advances U.S. national economic interests and meets the negotiating principles and objectives set out by the Congress in the Trade Act of 2002. Since 1985, our trade relationship with Panama has been characterized by the unilateral trade preferences that the United States provides through the Caribbean Basin Initiative (CBI) program. This program has contributed to economic growth and development and export diversification in Panama.

The Agreement will build on the success of the CBI program. Today, Panama is one of the fastest-growing economies in the Western Hemisphere. Most imports from Panama currently enter the United States duty-free, but U.S. exports to Panama face substantial tariffs. The Agreement will create significant new opportunities for American workers, farmers, ranchers, and businesses by opening Panama's market and eliminating barriers to U.S. goods, services and investment. Upon entry into force of the Agreement, Panama will immediately eliminate its tariffs on over 87 percent of U.S. exports of consumer and industrial goods and on more than half of U.S. exports of agricultural goods, by value.

The Agreement also contains state of the art provisions to help protect and enforce intellectual property rights, reduce regulatory red tape, and eliminate regulatory barriers to U.S. exports. The Agreement contains high standards for protecting labor rights, carrying out covered environmental agreements, and ensuring that key domestic labor and environmental laws are enforced, combined with strong remedies for non-compliance.

The Agreement is an important part of the Administration's efforts to spur economic growth, increase exports, and create jobs in the United States, while promoting our core values. The Agreement forms an integral part of the Administration's larger strategy of doubling exports by the end of 2014. It will strengthen our economic and political ties with Panama, support democracy and freedom, and contribute to greater competitiveness and economic growth in both countries.

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