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BAUCUS APPLAUDS US-PANAMA FTA ENTERING INTO FORCE NEXT WEEK
Finance Chairman Led Passage of Legislation for Panama FTA to Boost U.S. Exports, Create More American Jobs

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today hailed the announcement that the U.S.-Panama Free Trade Agreement (FTA) will enter into force on October 31. The FTA will guarantee U.S. exporters access to Panama’s \$20.6 billion services market as well as more than \$15 billion in infrastructure projects in Panama for American businesses. The FTA was preceded by a Tax Information Exchange Agreement, which will help crack down on foreign tax evasion and money laundering. As Chairman of the Senate Finance Committee, Senator Baucus oversaw hearings on the Panama FTA in the Senate and fought for Congressional approval of the trade agreement.

“Free trade agreements like the Panama FTA will give the U.S. economy a much-needed boost and create new jobs for American workers here at home,” Senator Baucus said. **“Enhancing and expanding access to rapidly growing foreign markets like Panama is an opportunity for American workers, farmers, ranchers and businesses.”**

Senator Baucus has emphasized the importance of breaking down trade barriers and increasing opportunities for American exporters. He not only championed [passage of the Panama FTA](#) but also trade agreements with [South Korea](#) and [Colombia](#), and helped lead the way for their bipartisan [passage in the Senate](#) along with a renewal of the critical job-training program Trade Adjustment Assistance (TAA). The three agreements will increase U.S. exports by \$13 billion each year and boost U.S. Gross Domestic Product by more than \$15 billion, creating tens of thousands of American jobs in the process. He [traveled to Europe](#) earlier this month to push for additional market access for U.S. agriculture exports like barley and beef. Senator Baucus also [traveled to Colombia](#) last year where he met with Colombian President Juan Manuel Santos to advance the Columbia FTA and boost trade with Colombia.

More details on the Panama FTA are below:

The U.S.-Panama Free Trade Agreement

U.S.-Panama Trade

- Panama has one of the highest growth rates among Latin American nations, and the U.S. is currently its largest supplier of goods.
- Most goods exported from Panama to the U.S. already receive duty-free access, and the FTA will level the playing field for U.S. exporters by removing Panama’s tariffs on U.S. goods.

Creating American Jobs and Improving our Economy

- The FTA will guarantee access to Panama’s \$20.6 billion services market.

- The FTA will also increase U.S. access to more than \$15 billion in infrastructure projects in Panama, providing new opportunities to infrastructure machinery and equipment manufacturers.
- More than 87 percent of U.S. consumer and industrial exports to Panama will become duty-free immediately, and the remaining tariffs will be eliminated within the next 15 years.

Tax and Labor Issues

- The FTA includes strong language to crack down on tax evasion and money laundering in Panama.
- A new Tax Information Exchange Agreement signed in April brings Panama into compliance with OECD standards that prevent countries from becoming a tax haven.
- Panama also enacted strict new reforms to protect core labor rights.

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