



Voluntary Report - Voluntary - Public Distribution

**Date:** January 30, 2025

Report Number: PN2025-0001

# Report Name: Streamlined Dairy Plants Registration in Panama

Country: Panama

**Post:** Panama City

**Report Category:** Dairy and Products, FAIRS Export Certificate Report, FAIRS Country Report, FAIRS Subject Report, Food and Agricultural Import Regulations and Standards - Certification, Food and Agricultural Import Regulations and Standards - Narrative, Country/Regional FTA's, Trade Policy Incident Report, Trade Policy Monitoring, WTO Notifications

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## **Report Highlights:**

On January 14, 2025, the Panamanian Food Agency (APA) and the Ministry of Health of Panama confirmed that the dairy plants registration process has been significantly expedited, resolving a trade barrier created on July 17, 2023. The new streamlined approach has reduced the estimated time to complete the process to a maximum of 2 days.

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





# **Trade Issue Background:**

The <u>2006 U.S.-Panama Agreement regarding certain SPS Measures and Technical Standards affecting</u> <u>Trade in Agricultural products</u>, states that "Panama further recognizes that the U.S. food safety regulatory system for all processed products, including but not limited to dairy products, intended for human or animal consumption is equivalent to Panama's regulatory system for those products, and shall not require, as a condition of the importation or sale of those products, approval of individual U.S. establishments by any Panamanian authority". On July 17, 2023, the Panamanian Food Agency (APA) began requiring that all dairy facilities (from all countries) exporting products to Panama must be registered in APA's database. The result was a backlog of plants with applications pending review and approval for inclusion in the database despite the 2006 agreement's clause exempting U.S. plants from non-automatic registration.

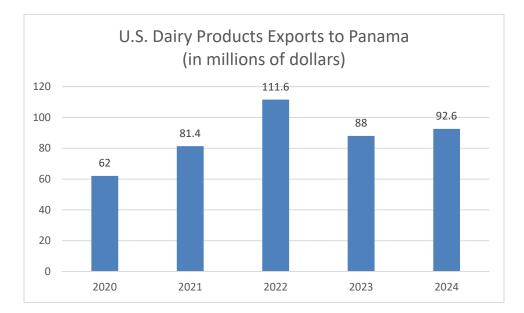
## **Resolution of the Trade Issue:**

On January 14, 2025, APA and the Ministry of Health of Panama confirmed expediting the registration process for U.S. dairy plant registration, resolving the 2023 trade barrier. A new streamlined approach has reduced the estimated time to complete the process to a maximum of 2 days. Now, applications are handled directly by APA, with no need for Ministry of Health approval, in compliance with the 2006 U.S.-Panama Agreement regarding certain SPS Measures and Technical Standards affecting Trade in Agricultural products.

To complete registrations, the Panamanian importer or the U.S. exporter now provides the following basic information:

- a) Name of the dairy plant
- b) Identification code number of the plant (example: 55-123 or 1234567 for list to EU)
- c) Physical address of the dairy plant
- d) List of Products that will be exported from that dairy plant to Panama
- e) Harmonized Tariff System (HTS) code of those products (6-digits)

In 2024, U.S. exports of dairy products to Panama totaled \$92.6 million. This resolution gives U.S. dairy exports a competitive advantage over the rest of the world, as only American products receive this benefit.



Source: U.S. Census Bureau Trade Data, BICO report.

#### Attachments:

No Attachments.