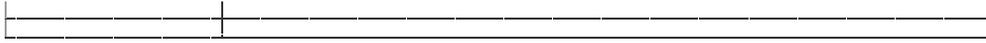


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ID	93314
Question	
COA Meeting Number	93 
COA Meeting start date	28/07/2020
Question by	Costa Rica
Section	
Answer By	Panama
Question Type	New Question
Specific Implementation Matter (SIM):	
Notification Numbers	G/AG/N/___ / G/AG/N/___ / G/AG/N/___ 
Sub-section	
Notification Formats	
Question full text	<p>Panama – Non-tariff barriers to agricultural trade during the COVID-19 pandemic</p> <ul style="list-style-type: none"> Costa Rica wishes to express its concern regarding the growing number of non-tariff barriers applied by the Government of Panama and their negative impact on bilateral and regional trade in agricultural products. Moreover, the upsurge in these measures comes at a time of high economic vulnerability due to the effects of the COVID-19 pandemic. This is not a new problem. In recent years, Costa Rica has faced a growing number of regulatory and non-regulatory barriers that prevent our agricultural exporters from accessing the Panamanian market. Tomato exports have been impeded by phytosanitary restrictions for several years now, and, since October 2019, we have faced new barriers for banana, plantain, pineapple and strawberry exports. These problems are compounded by the Panamanian animal health authority's decision, on 30 June, not to renew the export authorizations of animal product establishments in Panama's trading partners until on-site inspections have been carried out. Trade facilitation practices had, until then, allowed establishments to continue exporting even when the period covered by an authorization had expired. This decision affects exports of dairy products, pork, beef, processed poultry meat, sausages and fish food from numerous trading partners. Costa Rica has no objection to the application of this requirement; what we do not understand is the value of enforcing it in the midst of the pandemic. The new measure appears to punish the exporting country for the failure to conduct inspections of previously authorized establishments, and, even more so, when, as in Costa Rica's case, these inspections have been repeatedly requested in the last two years only to be cancelled or postponed by the Panamanian authorities. The fact is that the requirement for on-site visits could not have come at a worse time. The pandemic makes it impossible to schedule this type of inspection, as both Panama and Costa Rica are subject to international travel restrictions, and the Panamanian authorities know this. In practice, this has led not only to the sudden cessation of trade in the range of animal products exported from Costa Rica to Panama, thereby harming Costa Rican producers, but also to the halting of shipments of critical products for consumption and production in Panama. The closure of the Panamanian market has already greatly affected the business activity of Costa Rican enterprises, which have reported losses of millions of dollars, at a time when the economic crisis is worsening because of the global pandemic. Account should also be taken of the fact that 79% of Panamanian imports of liquid milk and 38% of other milk products consumed in the country come from Costa Rica; an increase in prices in the Panamanian market would therefore be to the detriment of Panama's own consumers. Costa Rica has tried to engage in dialogue with the Panamanian authorities in order to understand their reasoning and find mutually satisfactory solutions. To date, we have been unsuccessful. Costa Rican exporting enterprises comply with all the applicable rules and regulations and meet the highest international sanitary and quality standards. Furthermore, there have been no changes to Costa Rica's health status that justify these measures right in the middle of the pandemic. The Panamanian authorities refuse to explain the reasons for implementing the measures, which are inconsistent with Central American trade regulations and Panama's WTO commitments. The Panamanian health authorities appear to be going against the global trend, which is to facilitate trade in agricultural products during the pandemic, and instead are imposing requirements that, for obvious reasons, cannot be met while our countries are in lockdown. In the absence of any answers from Panama, Costa Rica fears that this is an example of a protectionist policy designed to take advantage of the situation generated by the pandemic – one clearly inconsistent with Panama's WTO commitments. In light of the foregoing, we therefore request, as a matter of urgency, that the Panamanian authorities take into consideration the exceptional circumstances generated by the COVID-19 pandemic and immediately implement measures to facilitate trade in agricultural products and restore the flow of trade, which came to a standstill three weeks ago. We hope that Panama will remedy this situation as soon as possible and allow trade to continue while things get back to normal and the appropriate renewal procedures take place. Costa Rica and Panama are neighbours and historical allies with very close trade ties. Indeed, our shared vision means that Costa Rica will always stand ready to support Panama in its food safety and development objectives. All we ask is that these objectives be pursued in the compliance with the rules of the multilateral trading system and in such a way as to benefit both nations.

Answer	
Answer Full Text	Agradecemos a Costa Rica por sus comentarios, esperamos poder continuar el diálogo entre las capitales sobre este tema.

AGCD To Complete	
Keywords	<input type="checkbox"/> Market access <ul style="list-style-type: none"> <input type="checkbox"/> Tariff and other quotas <ul style="list-style-type: none"> <input type="checkbox"/> Transparency issues <input type="checkbox"/> Tariff quota fill <input type="checkbox"/> Product/tariff line coverage
Product Categories	<input type="checkbox"/> All agricultural products <ul style="list-style-type: none"> <input type="checkbox"/> Live animals <ul style="list-style-type: none"> <input type="checkbox"/> Bovine <input type="checkbox"/> Swine <input type="checkbox"/> Sheep and goat
Question Summary	Panama – Non-tariff barriers to agricultural trade during the COVID-19 pandemic
<input type="checkbox"/> QnAForm_DeferredAnswerEn	QnAForm_TextDeferredAnswer



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