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Appendix I
[PANAMA]

Notes

1. This Appendix contains modifications of the provisions of the *Arancel de Importación de la República de Panamá*. Originating goods included in the Appendix are subject to the rates of duty set out in this Appendix in lieu of the rates of duty set out in Chapters 1 through 97 of the *Arancel de Importación de la República de Panamá*. Notwithstanding any tariff-rate quota provisions provided for elsewhere in the *Arancel de Importación de la República de Panamá*, originating goods shall be permitted entry into Panama as provided in this Appendix. Furthermore, any quantity of originating goods imported under a tariff-rate quota provided in this Appendix shall not be counted toward the in-quota amount of any tariff-rate quota provided for such goods elsewhere in the *Arancel de Importación de la República de Panamá*.

Auction System for Certain Tariff-Rate Quotas

2. Panama may use an auction system to implement and administer the tariff-rate quotas (“TRQs”) provided for in paragraphs 9, 10, 20, 21, and 22 of this Appendix (“auctioned TRQs”), provided that the conditions in subparagraphs (b) through (f) are met. The Parties shall agree on the policies and procedures for the auction system and any changes or amendments to them.
 - (a) Panama may delegate the operation of auctions under this system to a private entity other than a producer group.
 - (b) Panama shall ensure that for each auctioned TRQ:
 - (i) all auction policies and procedures are transparent, nondiscriminatory, and made available to the public, and, to that end, Panama shall disseminate the policies and procedures applicable to each auction through widely available publications, including on the websites of the relevant authorities, no later than 21 days in advance of an auction;
 - (ii) such policies and procedures are developed and implemented in a manner that minimizes the cost of participation in the auction and facilitates trade;
 - (iii) auctions are held on a regular basis and conducted in a timely fashion;
 - (iv) the auctioning body opens the first auction in year one on the first business day after the date the Agreement enters into force, and for each calendar year thereafter, the auctioning body opens the first auction not later than December 1 of the previous calendar year;
 - (v) each auction remains open for a minimum of one business day or until the in-quota quantity for the auction is fully allocated;

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- (vi) any in-quota quantity that has not been allocated during any auction and any balance in the annual in-quota quantity are offered at scheduled follow-up auctions that open within 45 days of the expiration of the previous auction period, or earlier upon request of an eligible importer, until the entire annual in-quota quantity has been allocated;
 - (vii) at least 60 percent of the annual in-quota quantity is made available or allocated by July 1 of each year;
 - (viii) any processor, retailer, restaurant, hotel or food service institution, distributor, or any other person of Panama that fulfills its legal and administrative requirements is eligible to participate as an importer in any auction, provided that no portion of an in-quota quantity is allocated to a producer group;
 - (ix) the in-quota quantity is allocated in commercially viable shipping quantities; and
 - (x) any fees charged related to the auction system are limited to the cost of the service rendered.
- (c) Panama shall not condition access to the in-quota quantity upon:
- (i) purchase of domestic production;
 - (ii) restrictions related to package size or product presentation;
 - (iii) re-exportation of the good; or
 - (iv) a requirement to complete delivery within a period of less than 90 days from the date of allocation.

Notwithstanding clause (iv), the auctioning body may require an importer to fill its allocation by the end of the calendar year.

- (d) To maximize utilization of its auctioned TRQs, Panama shall:
- (i) ensure that the auctioning body requires a performance bond from importers;
 - (ii) provide that any importer that cannot fill its TRQ allocation surrenders the unfilled portion by September 1 of each year;
 - (iii) ensure that the auctioning body holds a final auction by October 1 of each year to reallocate surrendered or unallocated in-quota quantities; and

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- (iv) impose significant penalties on any importer that fails to import its allocated quantity and fails to surrender the unfilled portion of its allocation as provided in clause (ii), including forfeiture of the importer's performance bond as provided in clause (i) and loss of the right to participate in an auction for two consecutive years, unless the United States otherwise agrees.
- (e) For purposes of the administration of its auctioned TRQs, Panama shall deem the date on which an importer has filled its allocation as the date of the bill of lading for the relevant shipment(s).
- (f) Panama shall require that each member of the Board of Directors and the management of the auctioning body files an annual asset disclosure statement and does not participate in any decision where a conflict of interest or the appearance of a conflict of interest exists.
- (g)
 - (i) If the annual in-quota quantity of an auctioned TRQ is not filled in two of three consecutive years, the United States may request consultations with regard to the operation of the auction system with a view to identifying and addressing the causes for the incomplete utilization of the in-quota quantity.
 - (ii) The Parties shall hold consultations within 30 days of the request.
 - (iii) Panama shall implement any agreement that the Parties reach on the means to eliminate impediments to full utilization of an auctioned TRQ within 60 days or on such other date as the Parties may agree.
 - (iv) If Panama does not implement an agreement in accordance with clause (iii), or if the consultations do not result in an agreement under clause (iii) within 90 days of the request for consultations or on such other date as the Parties may agree, Panama shall thereafter administer the relevant TRQ on a first-come, first-served basis.
- (h) At the request of either Party, the Parties shall consult on any matter related to the application or operation of this paragraph. The consultations shall begin within 15 business days of the receipt of the request or on such other date as the Parties may agree.

Licensing System for Certain Tariff-Rate Quotas

3. Panama may use a licensing system to implement and administer the TRQs provided for in paragraphs 13, 14, and 25 of this Appendix, provided that, in addition to satisfying the requirements of Article 3.14, Panama meets the conditions set forth in subparagraphs (a)

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- and (b). The Parties shall agree on the policies and procedures for this licensing system and any changes or amendments to them.
- (a) Panama's policies and procedures to implement and administer the TRQs shall be transparent, nondiscriminatory, and made available to the public, and, to that end, Panama shall disseminate its procedures through widely available publications, including on the websites of its relevant authorities.
 - (b) Panama's procedures to administer the TRQs shall provide that:
 - (i) 80 percent of the annual in-quota quantity of the relevant TRQ shall be allocated, notwithstanding Article 3.14.2(b), to historical importers, and the remainder shall be allocated to new importers on a nondiscriminatory basis. Any remaining balance shall be allocated to interested importers on a nondiscriminatory basis;
 - (ii) the allocation to historical importers shall be made to each such importer in proportion to its share of total imports of the good of the United States during the prior 24-month period for which trade data is available;
 - (iii) a new importer that imports goods under the TRQ for three consecutive years shall be considered an historical importer;
 - (iv) allocations shall be made and import licenses shall be made available in a manner that allows importation under the TRQ to begin on the date of entry into force of this Agreement and thereafter on January 1 of each year;
 - (v) any importer that cannot fill its TRQ allocation shall surrender the unfilled portion by October 1 of each year;
 - (vi) surrendered quantities shall be reallocated to interested importers on a nondiscriminatory basis by November 1 of each year;
 - (vii) any importer that fails to import its allocated quantity and fails to surrender the unfilled portion of its allocation as provided in clause (v) shall be subject to significant penalties to be agreed by the Parties; and
 - (viii) import licenses shall be valid until the end of the calendar year.
 - (c) At the request of either Party, the Parties shall consult on any matter related to the application or operation of this paragraph. The consultations shall begin within 15 business days of the receipt of the request or on such other date as the Parties may agree.

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(d) For purposes of this paragraph:

historical importer means a person that imported the relevant good of the United States during the prior three consecutive years;

new importer means a person that does not qualify as a historical importer; and

interested importer includes historical importers and new importers.

Pork

4. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	1,600
2	1,800
3	2,000
4	2,200
5	2,400
6	2,544
7	2,697
8	2,858
9	3,030
10	3,212
11	3,404
12	3,609
13	3,825
14	4,055
15	unlimited

The quantities shall enter on a first-come, first-served basis.

(b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall be removed in accordance with the provisions of staging category S in paragraph 3(g) of the General Notes of the Schedule of Panama to Annex 3.3.

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- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 02031110, 02031120, 02031210, 02031290, 02031910, 02031920, 02031990, 02032110, 02032120, 02032210, 02032290, 02032910, 02032920, 02032990, 02101119, 02101190, 02101910, 02101929, 02101990, 16024111, 16024210, 16024290, and 16024919.

Pig Fat

5. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	636
2	674
3	715
4	757
5	803
6	851
7	902
8	956
9	1,014
10	1,075
11	1,139
12	1,207
13	1,280
14	1,357
15	unlimited

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall be removed in accordance with the provisions of staging category E in Annex 3.3, paragraph 1(e).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 02090011, 02090012, 02090019, 02090021, 02101111, and 02101921.

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Certain Processed Pork Products

6. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	318
2	337
3	357
4	379
5	401
6	426
7	451
8	478
9	507
10	537
11	569
12	604
13	640
14	678
15	unlimited

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall be removed in accordance with the provisions of staging category E in Annex 3.3, paragraph 1(e).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 16024914, 16024915, and 16024990.

Chicken Leg Quarters (Bone-in)

7. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

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Year	Quantity
	(Metric tons)
1	660
2	726
3	799
4	878
5	966
6	1,063
7	1,169
8	1,286
9	1,415
10	1,556
11	1,712
12	1,883
13	2,071
14	2,278
15	2,506
16	2,757
17	3,033
18	unlimited

The quantities shall be allocated and enter in accordance with the terms of an Export Trade Certificate of Review (ETCR), provided an ETCR is approved pursuant to the *Export Trading Company Act of 1982*, 15 U.S.C. §§ 4011-4021 (2000). There shall be no import licensing requirement for quantities allocated and entered in accordance with the ETCR. If an ETCR is not approved, the quantities shall be allocated in a manner to be established by mutual agreement of Panama and the United States.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall be removed in accordance with the provisions of staging category W in paragraph 3(k) of the General Notes of the Schedule of Panama to Annex 3.3.
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 02071319c (bone-in) and 02071419c (bone-in).

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Fluid Milk

8. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	11
2	11
3	12
4	12
5	13
6	13
7	14
8	15
9	16
10	16
11	17
12	18
13	19
14	20
15	unlimited

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category G in Annex 3.3, paragraph 1(g).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 04011000, 04012010, 04012020, 04012090, 04013010, and 04013021.

Nonfat Dry Milk

9. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

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Year	Quantity
	(Metric tons)
1	2,625
2	2,756
3	2,894
4	3,039
5	3,191
6	3,350
7	3,518
8	3,694
9	3,878
10	4,072
11	4,276
12	4,490
13	4,714
14	4,950
15	5,197
16	5,457
17	unlimited

The quantities shall be allocated and enter in accordance with paragraph 2.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category H in Annex 3.3, paragraph 1(h).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 04021091, 04021092, 04021099, and 04039022.

Whole Milk Powder

- 10. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

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Year	Quantity
	(Metric tons)
1	53
2	55
3	58
4	61
5	64
6	67
7	70
8	74
9	78
10	81
11	86
12	90
13	94
14	99
15	104
16	unlimited

The quantities shall be allocated and enter in accordance with paragraph 2.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category U in paragraph 3(i) of the General Notes of the Schedule of Panama to Annex 3.3.
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 04022191, 04022199, 04022991, 04022999, and 04039023.

Yogurt

- 11. (a) The aggregate quantity of goods entered under the provision listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

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Year	Quantity
	(Metric tons)
1	53
2	55
3	58
4	61
5	64
6	67
7	70
8	74
9	78
10	81
11	86
12	90
13	94
14	99
15	unlimited

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category G in Annex 3.3, paragraph 1(g).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 04031010, 04031021, 04031022, 04031031, 04031032, 04031091, and 04031099.

Butter

- 12. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	116
2	121

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3	127
4	134
5	140
6	147
7	155
8	163
9	171
10	179
11	188
12	198
13	207
14	218
15	unlimited

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category G in Annex 3.3, paragraph 1(g).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 04051000, 04052010, 04052090, and 04059090.

Cheddar Cheese

- 13. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	364
2	379
3	394
4	409
5	426
6	443

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7	461
8	479
9	498
10	518
11	539
12	560
13	583
14	606
15	630
16	Unlimited

The quantities shall be allocated and enter in accordance with paragraph 3.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category U in paragraph 3(i) of the General Notes of the Schedule of Panama to Annex 3.3.
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 04039013, 04069011, and 04069019.

Other Cheese

- 14. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity (Metric tons)
1	364
2	379
3	394
4	409
5	426
6	443
7	461
8	479
9	498

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10	518
11	539
12	560
13	583
14	606
15	630
16	656
17	unlimited

The quantities shall be allocated and enter in accordance with paragraph 3.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category H in Annex 3.3, paragraph 1(h).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 04061010, 04061090, 04062010, 04062090, 04063000, 04064000, 04069020, and 04069090.

Ice Cream

- 15. (a) The aggregate quantity of goods entered under the provision listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity (Metric Tons)
1	263
2	276
3	289
4	304
5	319
6	335
7	352
8	369
9	388
10	407
11	428
12	449

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13	471
14	495
15	520
16	unlimited

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category V in paragraph 3(j) of the General Notes of the Schedule of Panama to Annex 3.3.
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 21050010, 21050091, and 21050099.

Other Dairy Products

- 16. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	137
2	143
3	150
4	158
5	166
6	174
7	183
8	192
9	202
10	212
11	222
12	233
13	245
14	257
15	unlimited

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The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category G in Annex 3.3, paragraph 1(g).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 19011019, 19019023, 22029011, and 22029019.

Fresh or Chilled Potatoes

- 17. (a) The aggregate quantity of goods entered under the provision listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	765
2	780
3	796
4	812
5	828
6	845
7	862
8	879
9	896
10	914
11	933
12	951
13	970
14	990
15	1,010

After year 15, the in-quota quantity shall increase in each year by two percent of the previous year's in-quota quantity.

The quantities shall enter on a first-come, first-served basis.

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- (b) Goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall continue to receive most-favored-nation treatment.
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provision: 07019000.

Fresh or Chilled Onions

18. (a) The aggregate quantity of goods entered under the provision listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	816
2	832
3	849
4	866
5	883
6	901
7	919
8	937
9	956
10	975
11	995
12	1,015
13	1,035
14	1,056
15	1,077

After year 15, the in-quota quantity shall increase in each year by two percent of the previous year's in-quota quantity.

The quantities shall enter on a first-come, first-served basis.

- (b) Goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall continue to receive most-favored-nation treatment.
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provision: 07031000.

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Dried Kidney Beans

19. (a) The aggregate quantity of goods entered under the provision listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	795
2	840
3	885
4	930
5	975
6	1,020
7	1,065
8	1,110
9	1,155
10	1,200
11	1,245
12	unlimited

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category Q in paragraph 3(e) of the General Notes of the Schedule of Panama to Annex 3.3.
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provision: 07133330.

Corn

20. (a) The aggregate quantity of goods entered under the provision listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

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Year	Quantity
	(Metric tons)
1	298,700
2	307,661
3	316,891
4	326,398
5	336,189
6	346,275
7	356,663
8	367,363
9	378,384
10	389,736
11	401,428
12	413,471
13	425,875
14	438,651
15	unlimited

The quantities shall be allocated and enter in accordance with paragraph 2.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category F in Annex 3.3, paragraph 1(f).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 10059090, 11042320, and 11042390.

Rough Rice

- 21. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (d) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	7,950
2	8,427

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3	8,933
4	9,469
5	10,037
6	10,639
7	11,277
8	11,954
9	12,671
10	13,431
11	14,237
12	15,091
13	15,997
14	16,957
15	17,974
16	19,053
17	20,196
18	21,408
19	22,692
20	unlimited

The quantities shall be allocated and enter in accordance with paragraph 2.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), including as adjusted in accordance with subparagraph (c), shall be removed in accordance with the provisions of staging category X in paragraph 3(l) of the General Notes of the Schedule of Panama to Annex 3.3.
- (c) If in any calendar year specified in subparagraph (a), Panama determines to provide reduced duty or duty-free treatment on an additional quantity of the rice described in subparagraph (d) in order to address a shortfall of supply, the aggregate quantity of rice eligible for duty-free treatment listed for that year in subparagraph (a) shall be increased by the amount of such additional quantity. For greater certainty, Article 3.14 (Administration and Implementation of Tariff-Rate Quotas) shall apply with respect to the administration of any increased quantity provided for in this subparagraph.
- (d) Subparagraphs (a), (b), and (c) apply to the following *Arancel de Importación de la República de Panamá* provision: 10061090.

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Milled Rice

22. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (d) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	4,240
2	4,494
3	4,764
4	5,050
5	5,353
6	5,674
7	6,015
8	6,375
9	6,758
10	7,163
11	7,593
12	8,049
13	8,532
14	9,044
15	9,586
16	10,161
17	10,771
18	11,417
19	12,102
20	unlimited

The quantities shall be allocated and enter in accordance with paragraph 2.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), including as adjusted in accordance with subparagraph (c), shall be removed in accordance with the provisions of staging category X in paragraph 3(l) of the General Notes of the Schedule of Panama to Annex 3.3.

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- (c) If in any calendar year specified in subparagraph (a), Panama determines to provide reduced duty or duty-free treatment on an additional quantity of the rice described in subparagraph (d) in order to address a shortfall of supply, the aggregate quantity of rice eligible for duty-free treatment listed for that year in subparagraph (a) shall be increased by the amount of such additional quantity. For greater certainty, Article 3.14 (Administration and Implementation of Tariff-Rate Quotas) shall apply with respect to the administration of any increased quantity provided for in this subparagraph.
- (d) Subparagraphs (a), (b), and (c) apply to the following *Arancel de Importación de la República de Panamá* provisions: 10062000, 10063000, and 10064000.

Refined Corn Oil

23. (a) The aggregate quantity of goods entered under the provision listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	368
2	386
3	405
4	425
5	447
6	469
7	492
8	517
9	543
10	unlimited

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category D in Annex 3.3, paragraph 1(d).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provision: 15152900.

Draft as of March 22, 2007
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Processed Tomatoes

24. (a) The aggregate quantity of goods entered under the provisions listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

Year	Quantity
	(Metric tons)
1	798
2	822
3	847
4	872
5	898
6	925
7	953
8	982
9	1,011
10	1,042
11	1,073
12	1,105
13	1,138
14	1,172
15	unlimited

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category F in Annex 3.3, paragraph 1(f).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provisions: 20029011, 20029012, 20029019, 20029021, and 20029029.

Frozen French Fries

25. (a) The aggregate quantity of goods entered under the provision listed in subparagraph (c) shall be free of duty in any calendar year specified herein, and shall not exceed the quantity specified below for the United States in each such year:

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Year	Quantity
	(Metric tons)
1	3,640
2	3,786
3	3,937
4	4,095
5	unlimited

The quantities shall be allocated and enter in accordance with paragraph 3.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a), shall be removed in accordance with the provisions of staging category B in Annex 3.3, paragraph 1(b).
- (c) Subparagraphs (a) and (b) apply to the following *Arancel de Importación de la República de Panamá* provision: 20041020.