

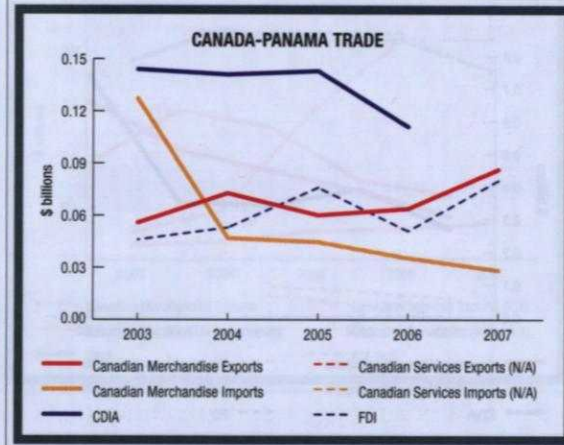
## Opening Doors to Latin America and the Caribbean

The Canada-Costa Rica Free Trade Agreement (CCRFTA) entered into force on November 1, 2002. Under the CCRFTA, approximately 83% of Canada's exports to Costa Rica benefit from duty-free access (72% of Canadian agricultural exports and 89% of non-agricultural exports).<sup>11</sup> Between 2002 and 2007, two-way merchandise trade increased by 39.2% (from \$324 million to \$451 million). The CCRFTA provides for the progressive and asymmetrical elimination of tariffs, demonstrating that it is possible to take into account differences in the levels of development and size of free trade partners.

Canada remains committed to concluding a free trade agreement with the Central America Four. For more information, please see Chapter 4, "Regional and Bilateral Free Trade Agreements and Other Initiatives." The CA4 countries (El Salvador, Guatemala, Honduras and Nicaragua), along with the Dominican Republic and Costa Rica, concluded the U.S.-Central America-Dominican Republic Free Trade Agreement (U.S.-CAFTA-DR) in 2005. The agreement has now been implemented in all participating countries. The Government of Canada is closely monitoring the challenges facing Canadian companies in the CA4 markets and continues to work toward ensuring a level playing field.

### Panama

	2007	Percentage change since 2006 (%)
Population	3.343 million	1.8
GDP	21.216 billion	11.2
Canadian Goods exports	86.381 million	35.3
Canadian Services exports	-	-
Canadian Goods imports	28.665 million	-19.2
Canadian Services imports	-	-
CDIA	-	-
FDI	80 million	56.9



Panama's services-based economy grew by more than 11.2% in 2007, giving it the highest growth rate in Latin America and the Caribbean.<sup>12</sup> The Panama Canal expansion, which will double the Canal's size to accommodate the super "post-Panamax" ships, is a US\$5.3-billion project that began in 2007 and is expected to be finished by 2014.

<sup>11</sup> Global Trade and Information Services, *World Trade Atlas*, 2007.

<sup>12</sup> [www.contraloria.gob.pa/archivos\\_informesdelc/InformeContralor2007/3.htm](http://www.contraloria.gob.pa/archivos_informesdelc/InformeContralor2007/3.htm)