

FREE TRADE AGREEMENT

BETWEEN

CANADA

AND

THE REPUBLIC OF PANAMA

CANADA and **THE REPUBLIC OF PANAMA** (“Panama”), hereinafter referred to as “the Parties”, resolved to:

STRENGTHEN the special bonds of friendship and cooperation between their peoples;

CONTRIBUTE to the harmonious development and expansion of world and regional trade and to provide a catalyst to broader international cooperation;

BUILD on their respective rights and obligations under the *Marrakesh Agreement Establishing the World Trade Organization* and other multilateral and bilateral instruments of cooperation;

PROMOTE hemispheric economic integration;

CREATE an expanded and secure market for the goods and services produced in their territories, as well as new employment opportunities and improved working conditions and living standards in their respective territories;

REDUCE distortions to trade;

ESTABLISH clear, transparent and mutually advantageous rules to govern their trade;

ENSURE a predictable commercial framework for business planning and investment;

ENHANCE the competitiveness of their firms in global markets;

UNDERTAKE each of the preceding in a manner that is consistent with environmental protection and conservation;

ENHANCE AND ENFORCE environmental laws and regulations, and strengthen their cooperation on environmental matters;

PROTECT, ENHANCE AND ENFORCE basic workers' rights, strengthen cooperation on labour matters and build on their respective international commitments on labour matters;

PROMOTE sustainable development;

ENCOURAGE enterprises operating within their territory or subject to their jurisdiction to respect internationally recognized corporate social responsibility standards and principles and pursue best practices;

PROMOTE broad-based economic development in order to reduce poverty;

PRESERVE their flexibility to safeguard the public welfare;

and

AFFIRMING their rights and obligations under the WTO *Agreement on Trade-Related Aspects of Intellectual Property Rights* and other intellectual property agreements to which both Parties are party;

AFFIRMING the right to fully avail themselves of the flexibilities established in the TRIPS Agreement, including those related to the protection of public health and in particular the promotion of access to medicines for all, and taking note of the WTO *General Council Decision on the implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health* adopted 30 August 2003 and the *Protocol amending the TRIPS Agreement* of 6 December 2005;

RECOGNIZING the differences in the level of development and the size of the Parties' economies and the importance of creating opportunities for economic development;

RECOGNIZING that the promotion and the protection of investments of investors of one Party in the territory of the other Party will be conducive to the stimulation of mutually beneficial business activity;

RECOGNIZING that states must maintain the ability to preserve, develop and implement their cultural policies for the purpose of strengthening cultural diversity, given the essential role that cultural goods and services play in the identity and diversity of societies and the lives of individuals; and

AFFIRMING their commitment to respect the values and principles of democracy and to promote and protect human rights and fundamental freedoms as proclaimed in the *Universal Declaration of Human Rights*;

HAVE AGREED as follows: