



PANAMA
Americas Region

COUNTRY STATS

POPULATION (2023):

4.45 million (Urbanization 69.14%)

POPULATION (2050):

5.74 million

GDP (2023):

\$82.49 million

AVG. ECONOMIC GROWTH (2019-2023):

3.65%

PER CAPITA INCOME (2023):

\$18,747

MARKET SNAPSHOT: PANAMA

Panama ranked as the 31st-largest U.S. agricultural export market in 2022, with exports totaling \$1.01 billion, up from \$881 million in 2021, with a three-year average of \$881 million. The country's economy is the 76th-largest in the world and the 3rd-largest in Central America. Panama imports all of its soybean meal, about 200,000 metric tons (MT) per year, with demand driven by the poultry, swine and feed manufacturing sectors, which have remained stable. Improvements to the Panama Canal made in the past four years increased efficiency and capacity; still, its value-added opportunities in agriculture remain untapped.

U.S. Soy has collaborated in Panama since the 1990s.

MARKET STATS

Soy Usage by Sector 2022

Animal Protein (total)	285.1 TMT	Aquaculture	4.5 TMT
Poultry	220.0 TMT	Cattle & Other Species	5.48 TMT
Pork	55.1 TMT		

TMT=thousand metric tons

SOY MARKET SIZE MY 2022/23

Product	Total Volume	U.S. Soy Volume	U.S. Soy % Share
Soy Complex (whole soybean, meal, oil)	287.22 TMT	280.3 TMT	97.5%
Whole Bean	36.22 TMT	36.22 TMT	100%
Soybean Meal	212.6 TMT	207.9 TMT	98%
Soybean oil	38.4 TMT	36.2 TMT	94.3%

TMT=thousand metric tons

STRENGTHS

- U.S. Soy continues to have the largest market shares across the soy complex. Demand is driven by a stable poultry sector and a dynamic pork industry that strongly increased meat consumption in 2021 and 2022.
- Technical assistance, sharply focused on animal nutrition and feed manufacturing to customer firms, has positively influenced their practices and efficiencies, enhancing valuation and preference for U.S. Soy.
- Customers appreciate the Free Trade Agreement in place with the U.S. Along with geo-location and favorable logistics from the U.S., efforts have been devoted to enhancing presence and providing more solid coverage of customer needs.
- USSEC has a strong relationship with the key stakeholders and industry associations (poultry, pork and aquaculture), as well as with lead firms at the individual level.
- Interest and participation in Soy Excellence Center (SEC) courses are increasing, especially for feed and poultry.

OPPORTUNITIES

- Increased use of full fat soybean meal in animal diets continues leveraging U.S. soybean imports; additional efforts could capitalize on the current position.
- The industry will benefit from participating in the SEC's growing programs across the range of sectors serviced.
- Aquaculture could benefit from additional technical assistance, as it has recovered output compared to previous years.
- Efforts with industry, particularly with the pork association and its producers, benefited from collaboration supporting protein consumption in 2021 and 2022 and increased per capita consumption of about 1 kg per year. Similar efforts could be continued there as well as implemented in the poultry sector.
- A relatively high level of per capita income as compared with other countries in the region could involve further collaboration to communicate on sustainability and U.S. Soy's nutrition and health advantages.
- The above efforts leverage the use of soybean oil in animal diets, as well as human consumption.
- As there are no local crushing or refining industries, U.S. soybean oil exporters and other processors in the region (customers of U.S. Soy) could find opportunities to compete with bottled products and bulk exports for the hotel, restaurant and institutional (HRI) sector.

CHALLENGES

- Animal protein (poultry and pork) production continues consolidating; the feed industry is largely concentrated.
- Imports of animal protein are poised to grow under the Free Trade Agreement with the U.S., particularly in swine as the zero tariff approaches.
- Panama represents a very small soybean oil market and as such, has only marginal increases in sales opportunities. Work with HRI and processed food stakeholders could incentivize the use of soybean oil for bottled and bulk exports.

Sources:

- USDA FAS
- U.S. Census Bureau
- The World Bank
- Statista
- Trading Economics
- UN-HABITAT
- URBANET
- Population Pyramid
- World Oil
- Focus Economics
- The Global Economy (sourced on WB)
- Ministerio de Desarrollo Agropecuario (MIDA)
- Instituto Nacional de Estadística y Censo
- Asociación Nacional de Avicultores de Panama
- Asociación Nacional de Porcinocultores de Panama