

119TH CONGRESS
1ST SESSION

S. RES. 31

Calling on the Government of Panama to expel officials and interests of the People's Republic of China and terminate Chinese management of key Panamanian ports.

IN THE SENATE OF THE UNITED STATES

JANUARY 23, 2025

Mr. SCHMITT (for himself, Mr. COTTON, Mr. MARSHALL, Mrs. BRITT, Mrs. BLACKBURN, and Mr. RICKETTS) submitted the following resolution; which was referred to the Committee on Foreign Relations

RESOLUTION

Calling on the Government of Panama to expel officials and interests of the People's Republic of China and terminate Chinese management of key Panamanian ports.

Whereas the strategic location of the Panama Canal is vital to global trade and the security of the Western Hemisphere;

Whereas Panamanians and Americans have invested significantly to secure the sovereignty, stability, and prosperity of Panama, including the construction, defense, and transfer of the Panama Canal, ensuring it remains a critical asset for global commerce;

Whereas the construction of the Panama Canal by the United States required more than a decade of work (1904–

1914), involved tens of thousands of workers, and cost approximately \$375,000,000, equivalent to more than \$10,000,000,000 in 2025, with thousands of workers losing their lives due to disease and hazardous conditions;

Whereas the defense and operation of the Panama Canal during the 20th century further demonstrated the United States' commitment, at significant financial and human cost, to maintaining the vital global trade route;

Whereas the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal, signed at Washington September 7, 1977 (commonly referred to as the "Neutrality Treaty"), prohibits actions that undermine the canal's neutrality or threaten United States security interests and grants the United States the right to act, unilaterally if necessary, to defend the canal's neutrality and ensure its operational security;

Whereas the Neutrality Treaty obligates Panama and the United States to act against any threat to the neutrality or peaceful operation of the Panama Canal, including undue foreign control over its infrastructure or management;

Whereas when President Carter ratified the Neutrality Treaty, President Carter accepted a legally binding condition to the Treaty, adopted by the United States Senate, establishing an independent right of the United States to intervene militarily, consistent with United States constitutional processes, to reopen or restore the operations of the Panama Canal, as the United States deems necessary, to ensure the canal remains open, neutral, secure, and accessible;

Whereas the People's Republic of China, through state-owned enterprises and Chinese government-affiliated private entities, has expanded its influence with key infrastructure projects and ports around the world, including in Panama, raising concerns about undue leverage and potential threats to free and fair navigation and trade;

Whereas the People's Republic of China Belt and Road Initiative fosters economic dependence and exerts outsized geopolitical influence through its investments;

Whereas Panama joined the Belt and Road Initiative in December 2018;

Whereas the involvement of Chinese government-affiliated enterprises in the construction, management, and maintenance of other critical infrastructure, such as a proposed fourth bridge spanning the Panama Canal, calls into question the ability of Panama and the United States to defend the canal's neutrality and ensure its operational security;

Whereas two major ports in Panama, the ports of Balboa and Cristobal, are currently managed by Chinese-affiliated entities, such as Hutchison Ports, a Hong Kong-based operator with significant ties to China's economic and political ecosystem, threatening the sovereignty of Panama and the security of the Western Hemisphere;

Whereas the involvement of officials from the People's Republic of China and entities that are subject to the National Security Law of the People's Republic of China and similar laws in Panamanian ports and infrastructure compromises international security and disrupts critical trade routes;

Whereas the People’s Republic of China’s control over portions of the infrastructure of the Panama Canal poses a direct threat to the national security and strategic interests of the United States;

Whereas allowing foreign exploitation of Panama’s ports and infrastructure undermines the sacrifices made to secure Panama’s independence and the shared values between Panama and the United States; and

Whereas the United States and Panama have a long history of partnership and shared commitment to democratic governance, sovereignty, and the rule of law: Now, therefore, be it

1 *Resolved*, That the Senate—

2 (1) expresses profound concern about the pres-
3 ence and influence of the People’s Republic of China
4 in Panamanian ports and infrastructure, particularly
5 in facilities of strategic significance such as the
6 ports of Balboa and Cristobal;

7 (2) calls upon the Government of Panama to—

8 (A) reaffirm its commitment to the “per-
9 manent neutrality” of the Panama Canal as de-
10 fined by the Neutrality Treaty by seeking man-
11 agement structures that ensure unbiased, equi-
12 table access for vessels of all nations;

13 (B) review and terminate agreements al-
14 lowing Chinese state-owned enterprises or
15 China-based so-called private entities to manage

1 strategic infrastructure, including the ports of
2 Balboa and Cristobal;

3 (C) expel all officials from the People's Re-
4 public of China operating within Panamanian
5 ports and other critical infrastructure projects;
6 and

7 (D) reaffirm its commitment to maintain-
8 ing the sovereignty of Panama and protecting
9 the security of the Western Hemisphere by
10 seeking partnerships that align with democratic
11 values and mutual respect;

12 (3) urges the Government of the United States
13 to—

14 (A) leverage provisions in the Neutrality
15 Treaty, including Condition (1), to monitor and
16 address threats to the neutrality of the Panama
17 Canal, acting decisively to counter undue for-
18 eign influence;

19 (B) provide technical, financial, and stra-
20 tegic support to Panama as it seeks to assert
21 sovereignty over its critical infrastructure and
22 reduce its dependence on entities affiliated with
23 the People's Republic of China;

24 (C) strengthen collaboration with Panama
25 and other allies in the region to promote trans-

1 parent and sustainable investments in infra-
2 structure projects;

3 (D) establish a framework to restore oper-
4 ational control of the Panama Canal to a col-
5 laborative partnership between the United
6 States and Panama, which should honor the
7 spirit of the Neutrality Treaty, respect Pan-
8 ama's sovereignty, and incorporate United
9 States expertise and resources to benefit both
10 nations;

11 (E) offer significant United States invest-
12 ments to modernize Panama's canal infrastruc-
13 ture and provide alternatives to Chinese-funded
14 projects; and

15 (F) develop a joint United States-Panama
16 task force to oversee canal security and oper-
17 ations, enhancing regional security and ensur-
18 ing freedom of navigation;

19 (4) encourages Panama and other regional and
20 global allies to monitor and counter efforts by au-
21 thoritarian regimes to exploit economic
22 vulnerabilities to gain strategic leverage in the West-
23 ern Hemisphere; and

24 (5) directs that the Secretary of the Senate
25 transmit a copy of this resolution to the President

1 of the United States, the Secretary of State, the
2 President of Panama, and the National Assembly of
3 Panama.

