



Doing Business in Panama 2013

May 2013

Market Overview

Panama has historically served as the crossroads of trade for the Americas. Its strategic location as a bridge between two oceans and the meeting of two continents has made Panama not only a maritime and air transport hub, but also an international trading, banking, and services center. Panama's global and regional prominence is being enhanced by trade liberalization and privatization and it is participating actively in the hemispheric movement toward free trade agreements. Panama's dollar-based economy offers low inflation in comparison with neighboring countries and zero foreign exchange risk. Its government is stable and democratic and actively seeks foreign investment in all sectors, especially services, tourism and retirement properties.

Due to the country's historic evolution, which focused resources overwhelmingly on services and transactions, the assembly and manufacturing sectors - largely comprised of production of items such as processed foods, chemical products, construction materials and a small and declining clothing sector - remain severely underdeveloped. Panama's economy is characterized by great income disparities, with social and economic inequalities marked by a high percentage of the population living at or near the poverty level with significant underemployment and limited education and other social benefits.

In 2010 the three major credit rating agencies - Standard & Poor's, Moody's, and Fitch - all raised their credit ratings for Panama to investment grade, granting the Government of Panama international recognition for recent tax reforms and its record of steady GDP growth while keeping its deficits under control. The investment-grade rating both lowers the cost of borrowing for the Government of Panama and sends a positive signal to foreign investors.

Panama's economy is based primarily on a well-developed services sector, accounting for about 75% of GDP. Services include the Panama Canal, banking, the Colon Free Zone, insurance, container ports, and flagship registry. The country is currently engaged in a \$5.25 billion expansion of the Panama Canal that, when finished, would allow significantly larger vessels to transit and might alter shipping routes to and from multiple U.S. ports. This project, in conjunction with the expansion of the capacities of its ports on both the Atlantic and Pacific coasts and ongoing investment in regional fueling operations, will solidify Panama's global logistical advantage in the Western Hemisphere.

This logistical platform has aided the success of the Colon Free Zone (CFZ), the second largest in the world after Hong Kong, which has become a vital trading and transshipment center



Political and Economic Environment in Panama

May 2013

GOVERNMENT AND POLITICAL CONDITIONS

Panama is a representative democracy with three branches of government: executive and legislative branches elected by direct vote for 5-year terms and an appointed judiciary. The judicial branch is organized under a nine-member Supreme Court (each judge is appointed for a 10-year term) and includes all tribunals and municipal courts. An autonomous Electoral Tribunal supervises voter registration, the election process, and the activities of political parties. Anyone over the age of 18 may vote.

PRINCIPAL GOVERNMENT OFFICIALS

- President--Ricardo Martinelli
- Vice President --Juan Carlos Varela
- Minister of Foreign Affairs--Fernando Núñez Fábrega
- Ambassador to the United States--Mario Jaramillo

Panama maintains an embassy in the United States at 2862 McGill Terrace, NW, Washington, DC 20008 (tel: 202-483-1407), and consulates in Washington DC, Honolulu, Houston, Miami, New Orleans, New York, Philadelphia, San Juan, San Diego, and Tampa.

For more background information on the political and economic environment of the country, please click on the link below for the U.S. Department of State Background Notes:

<http://www.state.gov/r/pa/ei/bgn/2030.htm#political>.

Government of Panama website: <http://www.presidencia.gob.pa/>.

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: enrique.tellez@trade.gov;
Phone: 011-507-317-5080; or our website: www.export.gov/panama.

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serving the region and the world. CFZ imports - a broad array of luxury goods, electronic products, clothing, and other consumer products - arrive from all over the world to be resold, repackaged, and reshipped, primarily to regional markets. Because of this product mix, U.S. brand market share is significant, even if most of those products are made in Asia.

The U.S. is Panama's most important trading partner, with about 30% of the import market, and U.S. products enjoy a high degree of acceptance in Panama. In 2012, U.S. exports to Panama jumped 20% to \$9.9 billion - in no small part due to the fact that Panama's economy grew 10.6% in 2012. However, international competition for sales is strong across sectors including telecommunications equipment, automobiles, heavy construction equipment, consumer electronics, computers, apparel, gifts, and novelty products.

The Trade Promotion Agreement (TPA) between the U.S. and Panama that went into effect in October 2012 will continue to offer U.S.-made goods a competitive advantage. For 87% of U.S.-made goods, tariffs dropped to 0% immediately. However, Panama's average tariff on goods is only 7% and in several key sectors - sales of consumables to the Government for the Canal expansion and other infrastructure projects, automobiles, and goods for use in hotels - duties are either 0% or are waived.

Panama also has full free trade agreements (FTAs) with El Salvador, Taiwan, Singapore, Chile, Costa Rica, Honduras, Guatemala, Peru, Nicaragua, and Canada, as well as partial trade agreements with Colombia, Mexico, Dominican Republic and Cuba. It is engaged in active negotiations for full FTAs with Colombia and the EFTA countries and has completed negotiations with the European Union. Panama has also expressed interest in negotiating a full FTA with Mexico and in joining the Pacific Alliance, whose members Chile, Colombia, Mexico, and Peru are seeking further economic integration.

[Back to Top](#)

Market Challenges

Panama's inflexible labor laws are a source of concern for prospective investors. Firing practices are excessively regulated, reducing labor mobility and inhibiting hiring. While inexpensive in global terms, Panama's minimum wage is relatively high in a Central American context. In addition, competent technical employees fluent in English may be hard to find. These labor issues, coupled with relatively high costs for electricity, result in higher than average unit production costs in Panama.

Instances of questionable government practices continue to affect U.S. investors in Panama. These include bidding procedures, contract obligations, and a slow and imperfect judicial system. The current administration has announced an ambitious agenda of fiscal reform, anticorruption and transparency improvements, and reform of the Social Security system. With the exception of fiscal reform, however, there has been little to no progress on these

fronts. Continued improvements in the areas of educational and judicial reform will be critical for Panama to improve its business competitiveness standing in the region.

International indices generally rate Panama as one of the best countries in Latin America for business and investment. At the same time, however, U.S. investors have voiced concerns about corruption and inconsistent treatment. For these reasons we encourage U.S. companies interested in investing in Panama to read our report on [Investing in Panama](#) thoroughly and to [contact us](#) for more information. We also recommend that Americans interested in purchasing property in Panama review the U.S. Citizens Services note [here](#).

[Back to Top](#)

Market Opportunities

Panama has no restrictions on the outflow of capital or outward direct investment. Its accession to the World Trade Organization in mid-1997 opened up trade and lowered tariffs across the board, giving Panama the lowest average tariff rate in Latin America. Panama's recognition of the U.S. sanitary and phytosanitary system and the creation of a new Food Safety Authority have essentially eliminated the previous slow and arbitrary procedures for issuing permits for U.S. food products.

Consumer attitudes and many brand preferences are similar to the U.S. U.S. television, radio and magazines are all available and popular in Panama. Upper-income Panamanians frequently travel to the U.S. for vacation, medical treatment, study and business. Their buying patterns and tastes are similar to those of U.S. consumers.

U.S. goods and services enjoy a reputation for high quality and are highly competitive. Panama has in recent years established itself as a regional competitor to Miami for consumer retail, which may result in a larger market than its domestic population would indicate. The country boasts the highest per capita GDP in the region. However, income distribution is highly skewed toward a relatively small, consumer goods-oriented, economically powerful class. This class enjoys a very high level of disposable income. They prefer high quality trend-setting goods where price is a secondary determinant in the purchasing decision.

[Back to Top](#)

Market Entry Strategy

Due to its open economy, Panama has few market access problems. One of the more common market entry options is to appoint an agent or distributor. Another option is to find a local partner who can provide market knowledge and contacts. Other businesses have been successful via licenses or franchises.

The U.S. Commercial Service offers U.S. companies market entry assistance through a variety of services, any of which can be tailored to suit your needs. We also will work to defend your business interests in Panama if the need arises. We measure ourselves on our ability to help you do more business in Panama.

Given the ease of air travel between the U.S. and Panama, our Gold Key Service (GKS) is our most popular offering. This service connects you with qualified representatives, distributors, partners, or customers. The U.S. Embassy will conduct background checks, set up the meetings, and provide translation and driving services as part of the package.

To learn more about how we can assist you in doing more business in Panama, please visit our website at www.export.gov/panama. You can also call us at 011-507-317-5000 or email us at enrique.tellez@trade.gov.

[Back to Top](#)

For More Information

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Investment Climate in Panama

May 2013

Panama actively encourages foreign investment, and with few exceptions, the Government of Panama (GOP) makes no distinction between domestic and foreign companies for investment purposes. Panama continues to enjoy the strongest economic growth in Latin America. It benefits from stable and consistent economic policies and a government that consistently supports trade and open markets. In 2013, the economy is expected to continue to be one of the fastest growing in the world with predicted growth of 7.5% following expansion of 10.6% in 2012, and 10.5% in 2011. In 2012, Moody's raised Panama's sovereign debt rating to Baa2 and improved their outlook for Panama from "stable" to "positive". Panama's sovereign debt is also rated as investment grade by Fitch (BBB rating) and Standard & Poor's (BBB rating). The October 2012 entry into force of the U.S.-Panama Trade Promotion Agreement (TPA) provides a new set of opportunities for U.S. businesses interested in investing or exporting to Panama.

While international indices generally rate Panama as one of the best countries in Latin America for business and investment, poor rule of law, lack of judicial independence, a shortage of skilled workers, high levels of corruption, and poorly staffed government institutions all add risk and complication to business dealings. The U.S. Government has received numerous reports of fraud and corruption in connection with titles to property purchased by U.S. investors, in addition to complaints from some large investors and potential exporters about inconsistent treatment of their concessions and the lack of transparency in government procurement processes. In addition, upcoming national elections in 2014 have added an element of political uncertainty. For these reasons we encourage U.S. companies interested in investing in Panama to read thoroughly the in-depth report on Investment Climate published [here](#) and to [contact us](#) for more information.

For More Information

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Selling U.S. Goods and Services in Panama

May 2013

Sections

[Using an Agent or Distributor](#)

[Establishing an Office](#)

[Franchising](#)

[Direct Marketing](#)

[Joint Ventures/Licensing](#)

[Selling to the Government](#)

[Distribution and Sales Channels](#)

[Selling Factors/Techniques](#)

[Electronic Commerce](#)

[Trade Promotion and Advertising](#)

[Pricing](#)

[Sales Service/Customer Support](#)

[Protecting Your Intellectual Property](#)

[Due Diligence](#)

[Local Professional Services](#)

[Web Resources](#)

Using an Agent or Distributor

According to Panama's constitution, nationals and foreigners are treated equally under the law. Both Panamanian and foreign companies must fulfill the same basic requirements to organize and operate most types of business activities in Panama. There are restrictions on foreigners participating in retail trade and practicing certain professions. In practice, however, there are legal ways to overcome these restrictions. U.S. firms interested in retailing should consult a local attorney. Please [click here](#) for a list of qualified attorneys in Panama.

There is no law regulating the relationship between international suppliers and local agents and distributors. This relationship is only governed by the private agreements made between the parties involved. In cases of contract termination or disputes, the private contract clauses prevail over any other document or practice.

Individuals may engage in business activities in their own names or through legal entities. The most commonly adopted form of legal entity is the corporation (Sociedad Anonima, or S.A.). Other types of legal entities commonly used in Panama are general partnerships, simple limited partnerships, joint stock partnerships, and limited liability companies.

To learn more about how we can assist you in securing an agent or distributor in Panama, please visit our website at <http://export.gov/panama/servicesforuscompanies>. You can also call us at 011-507-317-5000 or email us at enrique.tellez@trade.gov.

[Back to Top](#)

Establishing an Office

Establishing an office in Panama is a straightforward process. There is plenty of office space available with many options related to location and cost. Panama has one of the most modern and flexible corporate law frameworks in Latin America. Below are some of the advantages offered by Panamanian corporate law:

- Two or more persons of any nationality may organize a corporation for any lawful purpose. They do not have to be domiciled in Panama. The articles of incorporation may be executed anywhere, even outside of Panama, and in any language, provided a Spanish translation is submitted for registration.
- There are no requirements regarding the amount paid in capital.
- Ownership of a Panamanian corporation may reside in a single individual or corporation and no part of the capital needs to be held by a Panamanian except if it is to undertake certain operations within Panama.
- There are no nationality or residence requirements for shareholders.
- Neither the directors nor the officers are required to be shareholders.
- The Board of Directors must be composed of at least three directors, but one person may hold more than one position.
- Meetings of shareholders or directors may be held outside of Panama and through electronic means. Proxies may be used by shareholders/directors.

In order to form a corporation in Panama, the client must furnish the following information:

- The name of the corporation. It may be in any language, but it must terminate in a word or abbreviation indicating that it is a corporation.
- The objectives and purposes of the corporation.
- The amount of the authorized capital. Usually the authorized capital will consist of US\$10,000 divided into 100 shares of US\$100 each. Shares may be nominative or bearer shares.
- Duration of the corporation, usually perpetual.
- The full names and addresses of three or more directors and/or officers.
- The domicile of the corporation.

The time period usually involved in setting up a corporation is from fifteen days to two months. Attorney fees usually range from US\$600 to US\$1,500 per corporation.

Every corporation organized pursuant to the laws of Panama must have a resident agent within Panama, who must be an attorney. The annual fee for this service is about US\$200. Approximately 400,000 corporations are registered in Panama.

In order to engage in commercial or industrial activities, all corporations, partnerships or individuals must obtain proper authorization from the Ministry of Commerce and Industry. There are three basic types of licenses involved:

- **Commercial License Class A** is required for wholesale operations, commercial and mortgage banks, financial companies, international financial brokers, insurance and reinsurance companies,

international transportation companies, mutual funds, public utilities, and high-technology service companies.

- **Commercial License Class B** is required for retail businesses, including representation agencies, service companies, bars, restaurants, drugstores, real estate agents, fuel stations, local transportation, distributors and others. This license is only granted to Panamanians or corporations owned solely by Panamanians.
- An **Industrial License** is required for extractive and manufacturing industries, as well as for construction companies.

Exemptions for business license requirements are granted to persons or legal entities engaged exclusively in agriculture, cattle, bee, or poultry raising, or in the manufacturing and sale of handicrafts, provided that the work is not performed by hired workers. Licenses must be kept at all times in a visible and accessible place. The cost for obtaining a license ranges from US\$250 to US\$750. Also, an annual tax is levied based on the net worth of the company, as stated in the income tax return, plus other income taxes.

Most service providers are required to withhold a seven percent (7%) value-added tax on most of their services.

[Back to Top](#)

Franchising

Panama is receptive to U.S. style franchising. The market for both specific and general franchising opportunities is attractive. Panama maintains no control on royalty payments or transfers. Recreation, entertainment services, fast food, automotive, and hotel and motel franchises are readily marketable as the local market demands better facilities and services. The U.S. Embassy recommends consulting a local attorney for details on how to set up a franchise in Panama. Please [contact us](#) for a list of qualified attorneys in Panama.

Key factors for market success in Panama are high quality, customer service, brand-name recognition and attractive packaging. U.S. products targeting the middle to upper-middle income market are usually competitive. Panamanians have a penchant for high quality U.S. products.

Consumers with high disposable income follow sophisticated U.S. and European consumption patterns. Many high-end U.S. and foreign brand names are represented in Panama. An aggressive marketing strategy is usually necessary to succeed in this trend-conscious market.

[Back to Top](#)

Direct Marketing

Local laws allow companies and individuals to import directly with no intervention from agents or distributors. This situation opens the door for a direct marketing approach especially in certain sectors such as industrial goods, industrial machinery, agricultural equipment and other high value equipment or machinery.

[Back to Top](#)

Joint Ventures/Licensing

Joint ventures, especially for large projects, are becoming common in Panama. Some joint ventures are formed for limited periods of time, such as for a specific construction contract or technology transfer contract. The profits from joint ventures can be distributed annually to each joint venture partner and are taxed in the same manner as any other income.

Panamanian law requires the registration of license agreements, although in practice few licensors and licensees do so. License agreements are frequently used to reinforce rights to registered trademarks. The agreements must be attached to the registered trademark and filed with the Industrial Property Department in the Ministry of Commerce and Industry. The agreement becomes part of the file on the trademark covered.

Panama is an interesting and potentially profitable site for licensing agreements and joint ventures as well as routine buy/sell operations. The Colon Free Zone (CFZ) offers the U.S. exporter looking for regional marketing arrangements a convenient one-stop distribution center. However, there have been instances of money laundering, intellectual property piracy and drug trafficking reported in the CFZ. All U.S. firms should perform due diligence before commencing operations there. Please [contact us](#) for assistance in identifying good business partners in the CFZ.

[Back to Top](#)

Selling to the Government

The law (Law 22) regulating government procurement and other related issues went into effect at the end of 2006. It created the Direccion Nacional de Contrataciones Publicas (National Procurement Office), and was designed to streamline and modernize Panama's contracting system. One of the highlights of the law is the establishment of an internet-based procurement system <http://www.panamacompra.gob.pa>. All purchases must be announced in this system, in turn providing greater flexibility, transparency and speed in government purchases. The law also regulates the use of performance bonds, creates an administrative court to deal with procurement-related issues and an office to monitor public tenders (National Directorate for Public Tenders), allows for interest payment in the case of late payments to suppliers, and provides more expedited information access for all participants in the procurement process.

U.S. and other bidders for important government contracts continue to complain of lack of transparency, excessive delays, and bureaucracy in the bid selection process. Requirements may at times be designed to exclude competition and favor a particular supplier. Excessive bureaucracy has been also responsible for the government's slow payment record. Typical payment schedules range from three to six months after goods or services have been invoiced.

The Panama Canal represents significant business opportunities for U.S. exporters, with annual purchases of as much as \$300 million, including port and marine equipment, building materials, industrial equipment and transportation materials and equipment. Despite being a government agency, the Panama Canal Authority (ACP) is a unique organization that by constitutional law is

autonomous, runs a profitable and efficient operation, has full control over its budget and enjoys an excellent payment record.

The \$5.25 billion Canal expansion program, currently underway and expected to be operational in 2015, is opening additional business opportunities for U.S. exporters in a wide range of products and services; the prime contractor for the Canal Expansion has announced over \$450 million in U.S. purchases. However, some U.S. suppliers have reported problems with getting paid and the prime contractor is currently suing the ACP for as much as \$800 million in contracting disputes and changes in scope. U.S. companies considering business with the prime contractor may want to consider building the risk of nonpayment into their proposals.

[Back to Top](#)

Distribution and Sales Channels

Business practices in Panama are very similar to those in the United States. Business tends to be direct and straightforward. On average, Panama City accounts for 65% of total national sales of consumer goods. The remaining 35% is distributed among the principal cities of David, Colon, Santiago and Chitré.

Generally, the marketing channel structure in Panama is simple. Direct importers act as wholesalers and in many cases also as retailers. This situation is common in the case of apparel, automotive parts and hardware products. In the case of consumer goods, food and medicines, the retail operation is separate from the wholesale operation. For industrial goods, sales are normally handled by local exclusive agents or distributors. In other cases, local firms order directly from U.S. brokers or the manufacturer.

Some of Panama's major importers are also regional distributors for Central and/or South America, with warehousing facilities located in the Colon Free Zone (CFZ). Generally, CFZ importers/distributors have affiliated stores in Panama City for retail sale to the local market. We encourage U.S. companies with consumer retail products to look at selling through the Colon Free Zone to the region. For more information on this option please [contact us](#) after you read our report at <http://export.gov/panama/doingbusinessinpanama/exportingtolatinericathroughpanama>.

Most of Panama's trade moves through the Atlantic ports of Manzanillo, Cristobal and Evergreen, and the Pacific Port of Balboa. The Tocumen International Airport handles the bulk of Panama's air cargo.

[Back to Top](#)

Selling Factors/Techniques

Panama has the highest per capita income in Central America. However, the majority of income is skewed to a small, consumer goods-oriented economic class. These upper-middle and upper income class families have high levels of disposable income. They are interested in purchasing high quality, trend-setting goods. Price is less of a factor in purchasing decisions made by this class than for the middle and lower income classes. The majority of Panamanians are interested in quality, but price still plays a more important role in the purchase decision.

In recent years Panama's growth as a passenger air hub for Latin America and its competitive consumer retail environment have contributed to a proliferation of shopping malls that promote Panama as a shopping destination for the region's growing middle class. It is not uncommon to see Brazilians, Colombians, Venezuelans, and Central Americans flooding the malls, particularly during holidays. As a result, U.S. consumer retail and franchise companies can expect more sales opportunities than Panama's small population would at first indicate.

The use of the U.S. dollar as legal currency and consumer preference for high quality products at competitive prices are two reasons for high acceptance of U.S. products in Panama. Overall, U.S. products are well accepted in the market and are considered of good quality. However, in many instances, U.S. products must compete against lower priced products, especially from Asia. For example, as in the U.S. itself, Japanese and Korean electronics dominate the market because of aggressive market entry techniques and good quality at competitive prices. Note that U.S. brands, many of whom manufacture outside of the U.S., enjoy a prominent position in the marketplace and in the Colon Free Zone. Such brands as Nike, Oakley, and Columbia sportswear fall into this category.

[Back to Top](#)

Electronic Commerce

Law No. 112, signed on July 30, 2001, was the first law in the region to deal with e-commerce. A revised law (Law No. 55), passed in July 2008, enhanced the legal framework for developing e-commerce activities and strengthened the institutional setting for an effective application and management of the different aspects of e-commerce defined by the law.

Basic features of the e-commerce law are the following:

- It gives legal force to any transaction or contract completed electronically.
- It makes electronic signature a legal instrument except for real estate transactions and succession purposes.
- It creates the National Directorate of Electronic Commerce (Direccion Nacional de Comercio Electronico) as part of the National Commerce Directorate of the Ministry of Commerce and Industry to oversee the application of the law and act as a regulator.
- It defines certification organizations, which will issue signature certificates and define operating procedures. A certificate will allow any person or organization to claim legitimacy.
- It establishes that certification entities will register on a voluntary basis.

The Panamanian Chamber of Commerce has promoted the increased use of e-commerce with financial assistance from the Inter-American Development Bank (IDB). A number of Panamanian firms, especially supermarkets, fast food delivery, and consumer electronic stores, offer e-commerce facilities and more firms are working on providing these facilities. However, electronic commerce is still weak in Panama.

For more information on e-commerce please contact us at Enrique.Tellez@trade.gov.

[Back to Top](#)

Trade Promotion and Advertising

Television and newspaper advertising are the promotion tools of choice for the majority of distributors of U.S. products. E-mail marketing is becoming increasingly popular, especially for services. Panama has a very competitive advertising market, with standardized pricing and very good production quality. Additionally, trade shows, specialized seminars and exhibitions are effective tools for trade promotion. Special sale prices during events such as Mother's and Father's Day, Back-to-School, and Easter are usually advertised in newspapers during weekends.

Most foreign manufacturers of consumer products maintain a high profile presence in the country through newspaper ads, large billboards, sponsored sports events, and TV advertising. Web based advertising and company promotion is gaining popularity. Radio advertising is mainly used outside of the Panama City metropolitan area.

Major Newspapers:

- La Prensa: <http://www.prensa.com>.
- Grupo Epasa: <http://epasa.com>.
- La Estrella de Panama: <http://www.estrelladepanama.com>.
- Panama America: <http://www.pa-digital.com.pa>.

Business Web Sites:

- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Business Panama: <http://www.businesspanama.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Colon Free Zone: <http://www.zonalibredecolon.com.pa>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.
- Panama Info (focused on travel/tourism): <http://www.panamainfo.com>.

[Back to Top](#)

Pricing

The price structure for imported goods in Panama depends on the level of competition. The costs of transportation and import duties vary from item to item. Local prices can be higher or lower than world average depending on local competitive conditions. For the sake of illustration, the calculation below demonstrates average costs added to a product before it reaches the consumer. Import duties from non-FTA countries average 10% over cost, while insurance, and freight (CIF) value and wholesale and retail markups are about 25% each.

Average Pricing Schedule

• CIF Panama	\$100.00
• Import Duty (+10%)	+10.00
• Total Landed Cost	110.00
• Wholesale Price (+25%)	138.00
• Retail Price (+25%)	\$172.00

Note: A 7% value-added tax on CIF value plus the import duty is assessed at the time of customs liquidation. Since this value-added tax is payable on all goods, domestic and imported and is passed through to the consumer, it is not included in this calculation.

Note that goods made in the U.S. qualify for preferential treatment under the U.S. - Panama Trade Promotion Agreement (TPA). For 87% of U.S.-made goods, there are no longer any duties. For a significant percentage of the remaining goods, including agriculture, there is a sliding scale for reduced duties over time. As the TPA recently went into effect in October 2012, we believe that Panamanian buyers are particularly interested in carrying more U.S. brands.

For more information on whether or not your goods qualify for preferential treatment under the TPA, please visit our website at <http://export.gov/panama/u.s.-panamafreetradeagreement>.

[Back to Top](#)

Sales Service/Customer Support

Success among distributors is often decided by quality of the training, counseling and support they receive from their principals. U.S. companies should focus on providing U.S.-level training and technical assistance to their distributors and making sure they have the resources to provide after-sales support, including spare parts, service equipment, and quality service to the customers. Note that U.S. companies enjoy a clear advantage over foreign competitors in this area. U.S. products are highly regarded and a pricing strategy should include explicit consideration of presenting the products as a lower cost-of-ownership solution that includes U.S.-caliber aftermarket servicing and maintenance. In doing so U.S. providers may be able to better counter lower cost competitors from China, for instance.

[Back to Top](#)

Protecting Your Intellectual Property

Introduction

Several general principles are important for effective management of intellectual property rights in Panama. First, it is important to have an overall strategy to protect IPR. Second, IPR is protected differently in Panama than in the U.S. Third, rights must be registered and enforced in Panama under local laws. Companies may wish to seek advice from local attorneys or IP consultants. Please [click here](#) for a list of qualified attorneys in Panama.

It is vital that companies understand that intellectual property is primarily a private right and that the U.S. Embassy generally cannot enforce rights for private companies in Panama. It is the responsibility of the rights holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. While we are willing to assist you, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IPR in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights in the mistaken belief that the US Embassy can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to doctrines such as statutes of limitation or unreasonable delay in prosecuting a law suit. In no instance should our advice be seen as a substitute for the obligation of a rights holder to promptly pursue his case.

It is always advisable to conduct due diligence on partners. We recommend conducting more due diligence than would be normal for the U.S. A good partner is an important ally in protecting IP rights. Keep an eye on your cost structure and reduce the margins (and the incentives) of would-be bad actors. Projects and sales in Panama require constant attention. Work with legal counsel familiar with Panama laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions. In certain instances we can assist you with conducting due diligence by conducting a background check through our Business Facilitation Service. For more information on this service, please [contact us](#).

We also recommend that small and medium-size companies understand the importance of working with trade associations and organizations to support efforts to protect IPR and stop counterfeiting. There are a number of these organizations, both in Panama and the U.S.

We recommend that you start with the U.S. Government resources at Stopfakes.gov: <http://www.stopfakes.gov/> and then go to:

- U.S. Chamber of Commerce's IP Center: <http://www.uschamber.com/IP.htm>.
- The Global IP Center (U.S. Chamber of Commerce affiliate): <http://www.theglobalipcenter.com/>.
- National Association of Manufacturers (NAM): <http://www.nam.org/>.
- International Intellectual Property Alliance (IIPA): <http://www.iipa.com/>.
- International Trademark Association (INTA): <http://www.inta.org/>.
- International Anti-Counterfeiting Coalition (IACC): <http://www.iacc.org/>.
- Pharmaceutical Research and Manufacturers of America (PhRMA): <http://www.phrma.org/>.
- Biotechnology Industry Organization (BIO): <http://www.bio.org/>.

[Back to Top](#)

IPR Resources

A wealth of information on protecting IPR is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues - including enforcement issues in the U.S. and other countries - call the STOP! Hotline at 1-866-999-HALT or register at www.StopFakes.gov.

- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at 1-800-786-9199.
- For more information about registering for copyright protection in the U.S., contact the U.S. Copyright Office at 1-202-707-5959.
- The U.S. Commerce Department has positioned IP Attachés in key markets around the world. Mr. Albert Keyack, based in Rio de Janeiro, Brazil, covers Panama. He can be contacted at albert.keyack@trade.gov or at 011-55-21-3823-2499.

IPR Climate in Panama

Panama has an adequate and effective domestic legal framework to protect and enforce intellectual property rights. Intellectual property policy and practice in Panama is the responsibility of an inter-institutional Committee for Intellectual Property (CIPI), which includes representatives from six government agencies (Colon Free Zone, Intellectual Property Registry, Ministry of Education, Ministry of Health, Customs, and the Attorney General) under the leadership of the Ministry of Commerce and Industry. CIPI coordinates enforcement actions and holds seminars to increase knowledge of and improve compliance with IPR law. Individuals can search their website, <http://www.digerpi.gob.pa>, for information about trademarks, patents, plant varieties, collective rights, and various legal documents.

Since June 1997, two district courts and one superior tribunal have been exclusively adjudicating antitrust, patent, trademark, and copyright cases. In January 2003, Panama established an IPR-specific prosecutor with national authority, which has consolidated and simplified prosecution of those cases. Law No. 1 of 2004 added crimes against intellectual property as a predicate offense for money laundering; Law 14 establishes a five to 12 year prison sentence, plus possible fines. In 2012, Panama passed three new IPR laws including Law 61 of October 5, 2012, which amended the industrial property law and Law 64 of October 10, 2012 which amended the copyright law and introduced important updates to Panama's legislative framework to implement the IPR obligations of the TPA.

The U.S.-Panama Trade Promotion Agreement (TPA) also provides for improved standards for the protection and enforcement of a broad range of IPR, including protections for patents, trademarks, undisclosed test and other data submitted to obtain marketing approval for pharmaceuticals and agricultural chemicals, and digital copyrighted products such as software, music, text, and videos; and further deterrence of piracy and counterfeiting.

The 2012-2013 World Economic Forum Global Competitiveness Survey ranked Panama 38/144 for protection of intellectual property rights but only 132 out of 144 in judicial independence. The Embassy is aware of complaints by U.S. companies about judicial irregularities and corruption relating to intellectual property cases, though an ongoing dispute was resolved this year with the Supreme Court upholding the IP rights of a U.S. firm. Given Panama's role as a transshipment point and limited resources dedicated to addressing IPR (and other) issues, U.S. industry remains concerned that the Colon Free Zone is a conduit for trading in grey market, pirated and counterfeit goods.

Panama is a member of the World Intellectual Property Organization (WIPO), the Geneva Phonograms Convention, the Brussels Satellite Convention, the Universal Copyright Convention, the Bern Convention for the Protection of Literary and Artistic Works, the Paris Convention for the Protection of Industrial

Property, and the International Convention for the Protection of Plant Varieties. In addition, Panama was one of the first countries to ratify the 6. 6. WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty. As part of TPA implementation, Panama has recently ratified or acceded to the Patent Cooperation Treaty, the Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite, and the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure.

[Back to Top](#)

The National Assembly in 1994 passed a comprehensive copyright bill (Law 15), based on a World Intellectual Property Organization model. Law 15 provides copyright protection based on the life of the author plus 50 years. If there are co-authors, the protection is until 50 years after the death of the last author. Collective works, software and audiovisual works are also covered for 50 years since the date of publication or after the work is finished (with no publication). The law modernizes copyright protection in Panama, provides for payment of royalties, facilitates the prosecution of copyright violators, protects computer software, and makes copyright infringement a felony. Though Panama's 1994 copyright law modernized copyright protection and amendments to the law in 2004 provided for a special Copyright Office with anti-piracy enforcement powers, piracy remains a problem. Films in theatrical release are often downloaded to DVDs and videos, reproduced on optical discs, and then distributed by street vendors.

Law 64 of 2012 implemented the WIPO treaties in a manner consistent with the U.S. digital Millennium Copyright Act. The law also extended copyright protection to life of the author plus 70 years; and mandates the use of legal software in government agencies. It also includes provisions to protect against the theft of encrypted satellite signals and the manufacturing or sale of tools to steal such signals.

Patents

Panama is a member of the Paris Convention for the Protection of Industrial Property. Panama's Industrial Property Law (Law 35 of 1996) provides a term of 20 years of patent protection from the date of filing. Law 35 provides specific protection for trade secrets.

Trademarks

Panama's legal system provides for a trademark protection regime, which includes a simplified process of trademark registration, and the ability to renew a trademark for 10-year periods. However, U.S. companies report judicial irregularities and corruption once the cases reach the courts. In one case, a U.S. multinational's brand was illegally copied and the Colon Free Zone-based distributor of the IPR-infringing goods continued to sell the knock-offs for approximately eight years before the Supreme Court finally resolved the case.

Due Diligence

It is important to conduct due diligence in order to assess the credibility/background of a business prospect. In certain instances we can assist you with conducting due diligence by conducting a

background check through our Business Facilitation Service. For more information on this service, please contact us at 011-507-317-5000 or at enrique.tellez@trade.gov.

The following websites can be useful in obtaining information on corporations/individuals.

- For verification of corporate registration, name of board members: <https://www.registro-publico.gob.pa/>.
- For credit references: <https://www.apc.com.pa/default.aspx>.
- For banking references: <http://www.asociacionbancaria.com/>.
- For verification of commercial licenses: <http://www.mici.gob.pa/>.

For affiliation with major chambers of commerce:

- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Business Panama: <http://www.businesspanama.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Panamanian Chamber of Construction (CAPAC): <http://www.capac.org/>.

[Back to Top](#)

Local Professional Services

- For relocation services: <http://www.larmgroup.com/>.
- For architectural/engineering services: <http://www.spia-pma.org/spia/spia.htm>.
- For insurance services: Panamanian Insurance Association (APADEA): 507-225-9475.
- For banking services: <http://www.asociacionbancaria.com/>.
- For attorney services: <http://www.cnapanama.com/>.
- For accounting services: <http://www.colegiocpapanama.org/>

Additional Web Resources

- For more information on Industrial property protection you can go to the following site: <http://www.digerpi.gob.pa/>.
- For more information on procurement law and on “Panamacompra” please access the following site: <http://www.panamacompra.gob.pa/panamacompra/>.
- For information on Panama Canal procurement opportunities please access the following website: <http://www.pancanal.com/eng/procsales/buy.html>.

[Back to Top](#)

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: enrique.tellez@trade.gov;
Phone: 011-507-317-5000; or visit our website: <http://www.export.gov/panama>.

The U.S. Commercial Service – Your Global Business Partner

With its network of offices across the United States and in more than 75 countries, the U.S. Commercial Service of the U.S. Department of Commerce utilizes its global presence and international marketing expertise to help U.S. companies sell their products and services worldwide. Locate the U.S. Commercial Service trade specialist in the U.S. nearest you by visiting <http://www.export.gov/eac>.

Disclaimer: The information provided in this report is intended to be of assistance to U.S. exporters. While we make every effort to ensure its accuracy, neither the United States government nor any of its employees make any representation as to the accuracy or completeness of information in this or any other United States government document. Readers are advised to independently verify any information prior to reliance thereon. The information provided in this report does not constitute legal advice. The Commercial Service reference to or inclusion of material by a non-U.S. Government entity in this document is for informational purposes only and does not constitute an endorsement by the Commercial Service of the entity, its materials, or its products or services

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Trade Regulations and Standards in Panama

May 2013

Sections

[Import Tariffs](#)

[Trade Barriers](#)

[Import Requirements and Documentation](#)

[U.S. Export Controls](#)

[Temporary Entry](#)

[Labeling and Marking Requirements](#)

[Prohibited and Restricted Imports](#)

[Customs Regulations and Contact Information](#)

[Standards](#)

[Trade Agreements](#)

[Contacts](#)

Import Tariffs

[Return to top](#)

When Panama joined the WTO in 1997, the government lowered tariffs to a maximum of 15%, except for a few agricultural products, and to an overall average of 12%, the lowest in the region. The revised import duty structure was significantly lower than the one negotiated for WTO accession and represented a substantial commitment to trade liberalization. In October 2012, the Trade Promotion Agreement (TPA) between the United States and Panama came into effect and reduced import duties to zero for 87% of the products in the tariff schedule, with the exception of some food and agricultural products, on which duties will reduce gradually over the course of the next ten years.

Trade Barriers

[Return to top](#)

As part of the negotiations for the TPA, the previous administration approved a Phytosanitary Agreement that eliminated sources of discretion and abuse in the import approval process, thus lifting any existing phytosanitary barriers. Panama has no other trade barriers.

Import Requirements and Documentation

[Return to top](#)

Import Licenses

No import licenses are required in Panama. Any company holding a commercial license can freely import goods into Panama. A commercial or industrial license is required by individuals or companies wishing to engage in commercial or industrial activities. Phytosanitary permits are required to import non-food agricultural products only. Special import permits are required for all types of firearms, ammunition, fertilizers, and certain foods. Import permits can be obtained from the Ministry of Security.

Export Controls

The Fiscal Code regulates all matters concerning the country's exports. The Code establishes that all national products may be exported, except:

- Drugs, with the exception of those having pharmaceutical or scientific purposes.
- Staple products determined by the government to be temporarily scarce in the country.
- Those products the Panamanian government decides not to export for reasons of international agreements or for the economic interest of the country.

Law 61 of 2002 abolished the requirement for some exports (primarily metals and natural resources) to pay taxes.

Import Documentation

[Return to top](#)

Processing of customs documents in Panama for imports is fast, efficient and reliable. Merchandise imported into Panama must be cleared through customs by a customs broker licensed by the government of Panama. The following goods are imported under duty free status: those that are consigned to national or municipal governments, imported by foreign diplomats, consigned to the Panama Canal, sold to vessels transiting the Canal, or intended for re-export.

Basic import documentation required by the Panamanian Customs office includes:

- Import Declaration (prepared and signed by a customs broker).
- Commercial Invoice (original plus four copies to be presented in English or Spanish).
- Airway Bill.
- Bill of Lading (to be presented in triplicate).
- Commercial license number.
- Phytosanitary Certificate (In case of animal and plant products, to be obtained from the U.S. Department of Agriculture), and previous authorization from the Panamanian Food Safety Authority (AUPSA).
- Certificate of Free Sale (if required).
- Certificate of Origin (in the case of application for duty free treatment).

While no official form is required to document content of origin under the U.S.-Panama TPA, we have published a sample form that includes instructions in English and Spanish. U.S. exporters and Panamanian importers are free to use this format which is available by clicking [here](#).

Any food product or other item used for human consumption (including for use on human skin or clothes) may be subject to the Certificate of Free Sale (CFS) documentation requirement. The main purpose of the CFS is to verify that a product is sold freely and used widely in the U.S. Potential exporters of items subject to the CFS documentation requirement may wish to contact the Food and Drug Administration, Division of Programs and Enforcement Policy, 200 C Street, SW, Washington, DC 20204. As of the date of this publication, the relevant FDA guidance can be found here: <http://www.fda.gov/RegulatoryInformation/Guidances/ucm125789.htm>.

The bill of lading must be presented for the clearance of goods without exception. If for any reason any other required document cannot be presented within 24 hours after the shipment has arrived, clearance of the goods will be permitted by posting a bond equal to the amount of import duties. The

bond is cancelled if the prescribed documents are presented in due form within a period of 90 days. The bond may be extended in justified cases, an additional 90 days.

Export Documentation

[Return to top](#)

The Vice Ministry of Foreign Trade (VICOMEX) was created in 1998 to promote exports and investment. It facilitates the processing of export documentation through a "One Stop" (Ventanilla Unica) office that can reduce the export process to a few hours.

Export documentation required by Panamanian customs authorities includes:

- Commercial invoice.
- Export declaration (usually prepared and signed by a customs broker).
- Certificate of Origin (issued by the Chamber of Commerce, Industry and Agriculture of Panama, VICOMEX, or SIP/Sindicato de Industriales de Panama and approved by VICOMEX).
- Bill of Lading.
- Airway Bill.
- Veterinary, Sanitary or Phytosanitary Certificate (when applicable).

There is no requirement to use export brokers for export documentation.

U.S. Export Controls

[Return to top](#)

There are no specific U.S. export controls regarding Panama, with the exception of fire arms, ammunition and certain high tech goods that require U.S. export licenses.

Temporary Entry

[Return to top](#)

The Panamanian Fiscal Code establishes a temporary entry regime of 90 days for all types of merchandise. This temporary entry may be extended for up to one year. There are two options for temporary entry. First, the goods can enter the country if the importer makes a deposit equivalent to the import duty. This payment will be reimbursed at the time the goods leave the country. Second, an insurance company can issue a bond for the importer covering the import duty value, payable if the goods fail to exit the country as scheduled.

Special temporary provisions apply in the case of trade shows and exhibitions taking place at Panama's exhibition and convention center, Atlapa. Goods can enter the Atlapa Convention Center with no warranty payment or bond required.

Samples with commercial value are subject to temporary entry requirements. Samples with no commercial value are admitted duty free. If samples arrive in large containers, they will be dutiable even though they may be marked as free samples.

If the goods are eligible for duty free treatment under the TPA between the United States and Panama, the above procedure does not apply.

Labeling and Marking Requirements

[Return to top](#)

Local regulations require labels to be in the Spanish language. However, this regulation is not enforced at present, except for medicines, agricultural chemicals, toxic products, and food products that

require specific instructions or warnings due to human health risks. Labels are required to have basic information regarding the name and address of manufacturer, expiration date, list of ingredients, lot number, and the product form, e.g. powder, liquid, etc.

In general, products which comply with U.S. labeling and marking requirements are accepted for sale in Panama. Food products labeling and marking must comply with CODEX Alimentarius guidelines.

All goods arriving in Panama intended for re-exportation immediately must be marked "PANAMA IN TRANSIT" on each box or outside container.

Prohibited and Restricted Imports

[Return to top](#)

The following products cannot be imported into Panama:

- Counterfeit coins or printed material that imitates currencies.
- Equipment or instruments for manufacturing coins.
- Liquors, wines, beers or medicines with labels that falsely describe contents, or of any kind of harmful preparation.
- Certain firearms or war materials.
- Foreign lottery or raffle tickets.
- Opium in the form of gum or for smoking.
- Obscene brochures, books, newspapers, magazines, or postcards containing negative portrayals of the country's culture, civilization or dignity.
- Plants, seeds, or animals when determined by the Ministry of Agriculture.

Customs Regulations and Contact Information

[Return to top](#)

Customs Regulations

Panama assesses import duties on an ad valorem basis. The ad valorem system uses the declared CIF value as the basis for import duty calculations and in some cases utilizes historical price information as a reference.

In addition to the duty, all imports into Panama are subject to a 7 percent transfer or value added tax (ITBM) levied on the CIF value, plus import duty and other handling charges. Pharmaceuticals, foods and school supplies are exempt from the ITBM tax.

Due to the TPA between the U.S. and Panama, some 87% of U.S. products enter Panama duty free. For other products, duties may be phased out over time. Since there are a number of exceptions it is convenient to check what products are under duty free regime. We suggest that U.S. exporters go through the following process to determine duties today and in the future:

1. [Customs Info Database](#) - shows you tariffs/duties that Panama is currently assessing. You can access this database by simply signing up with your email address. Note: Panama already allows duty-free imports for certain projects, e.g. Canal expansion or Metro construction. Please [contact us](#) for more information on these exceptions.
2. [Tariff Tool for Free Trade Agreements](#) - shows you how tariffs will be phased out for any particular good in any country that has a Free Trade Agreement (current or pending) with the U.S. *Cautionary note: this tool does not show agricultural products. In addition, it is not*

completely accurate for current tariff rates; instead, it shows what Panama is allowed to charge, which may be higher.

If you are selling a product with U.S. content, even if it is being sold through the Colon Free Zone to other countries in Latin America, it is worth documenting the content of origin. Doing so makes your products more profitable if sold not only in Panama but through the Colon Free Zone to other countries in Latin America with which the U.S. has a Free Trade Agreement, e.g. Chile, Peru, Colombia, or Dominican Republic. Documenting content of origin is not difficult - a sample Content of Origin document is available for your use [here](#).

Beginning in 1995, Panama adopted the Harmonized System (HS) or Tariff Nomenclature as its customs classification system.

In general, the Panamanian customs system does not represent a significant obstacle for U.S. exporters.

Contact information for the Panamanian customs' office is:

Direccion General de Aduanas

P.O. Box 0819-07729

Panama, Panama

Phone: 507-506-6407

Fax: 507-506-6240

Contact: Virna Luque, Director

E-Mail: evelyn.ballesteros@ana.gob.pa

www.ana.gob.pa

Standards

[Return to top](#)

[Overview](#)

[Standards Organizations](#)

[Conformity Assessment](#)

[Notify U.S. Service](#)

[Product Certification](#)

[Accreditation](#)

[Publication of Technical Regulations](#)

[Contacts](#)

Standards Overview

[Return to top](#)

As a WTO member, Panama implemented the WTO's Agreement on Technical Barriers to Trade (TBT) that includes the Code of Good Practice for the Preparation, Adoption and Application of Standards. The government of Panama (GOP) passed Law 23 of July 15, 1997, which established new dispositions on product standards, labeling and certification policy, and redefined the functions of the Directorate General of Standards and Industrial Technology (DGNTI) and the Panamanian Commission for Industrial and Technical Standards (COPANIT). Basically, DGNTI was given the main role in establishing standards and technical regulations, while COPANIT was given an advisory role to DGNTI. The National Council for Accreditation (CNA) was charged with all national accreditations.

Panama has an open economy and there are no significant market access problems related to standards and technical regulations. Certain market access problems have occurred in the past with several agricultural products, but they have been mostly related to phytosanitary issues.

According to WTO guidelines, Panama informs WTO of any standards or technical regulations activities. U.S. companies can participate in the standards development process by contacting DGNTI and submitting specific requests or suggestions. There are no limitations to participation by foreign countries.

Products for which Panama has not set standards/regulations can enter the Panamanian market provided that they comply with standards and technical regulations from the U.S., Europe or any other industrialized country.

Standards Organizations

[Return to top](#)

The Directorate General of Standards and Industrial Technology (DGNTI) establishes technical regulations and standards in Panama. Because of budget and other limitations, this organization has been mostly dedicated to establishing standards for food products upon specific requests by industrial organizations and according to WTO guidelines. DGNTI establishes a semiannual working plan showing all activities it will undertake for the following six months. DGNTI performs its functions through its three departments: Standards, Certifications and the Information Center.

U.S. Government's "Notify U.S." Service

[Return to top](#)

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. Notify U.S. is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical

regulations that can affect your access to international markets. Register online at <http://www.nist.gov/notifyus/>.

Conformity Assessment

[Return to top](#)

While DGNTI leads in conducting conformity assessments, it is joined by a number of other public and private organizations. These organizations include the Central Laboratory of Health from the Ministry of Health (MINSAs), the University of Panama, the Technological University of Panama, the National Secretariat of Science and Technology (SENACYT), the Ministry of Agricultural Development (MIDA), the Consumer Protection Authority and Defense of Competition, and the Agricultural Marketing Institute (IMA). Panama does not have any Mutual Recognition Agreement (MRA) with U.S. organizations.

Product Certification

[Return to top](#)

Once the conformity assessments have been conducted, the DGNTI will issue a conformity assessment certificate. DGNTI is the only organization authorized to issue conformity assessments related to products. Other private organizations such as SGS and Bureau Veritas deal with conformity assessments on system or procedures and can issue certificates, but only related to systems.

Accreditation

[Return to top](#)

The National Council for Accreditation (CNA) created by Law 23, July 15, 1997, is the government authority in charge of all national accreditations. This Council is formed by a number of government organizations including the Ministries of Commerce, Health and Agricultural Development, and the National Secretariat of Science and Technology (SENACYT). The CNA works through a technical secretariat, which is the technical body of the Council. Accreditation is largely voluntary.

The technical secretariat appoints accreditation committees, which are groups formed by specialists from the public and private sectors. These committees provide basic input for CNA decisions. Accreditation is obligatory for organizations that deal with fuel laboratories and environmental testing laboratories. All other accreditations are voluntary. Accreditation can be granted in three categories: Laboratories (calibration and testing), inspection organizations, and certifying organizations. As of December 2010 there were fifteen organizations that had been accredited by CNA, but there were several accreditation applications under review.

Publication of Technical Regulations

[Return to top](#)

All final technical norms and regulations are published by the Ministry of Commerce and Industry in the Official Gazette or "Gaceta Oficial."

Law 23 requires that the Panamanian Commission for Industrial and Technical Standards (COPANIT) and the General Directorate of Standards and Industrial Technology (DGNTI) publish all agreements, technical regulations, norms and procedures.

Official Gazette or Gaceta Oficial: <http://www.gacetaoficial.gob.pa/>

Panama, Rep. of Panama

Tel. (507) 527-9393

Fax. (507) 527-9391

The WTO TBT Inquiry Point and National Information Center is:

Comision Panameña de Normas Industriales y Tecnicas (COPANIT)

P.O. Box 0815-01119

Panama, Rep. Of Panama

Tel. (507) 560-0716

Fax. (507) 560-0721

E-mail: dgnti@mici.gob.pa

<http://www.mici.gob.pa>

Trade Agreements

[Return to top](#)

Panama has full FTAs in force with the following countries or economies: (with date of entry into force): El Salvador (2003), Taiwan (2004), Singapore (2006), Chile (2008), Costa Rica (2009), Honduras (2009), Guatemala (2009), Nicaragua (2010), Peru (2012), U.S. (2012), and Canada (2013). Panama has partial trade agreements with Mexico (1985), Dominican Republic (1987), and Cuba (2009). It is engaged in active negotiations with Colombia and the EFTA countries and has completed negotiations on agreements with the European Union (signed in 2010 but not yet in force).

The U.S. - Panama TPA's primary benefit for U.S. companies is to lower tariffs on most goods. However, the TPA also includes provisions relating to customs administration and trade facilitation, technical barriers to trade, government procurement, investment, telecommunications, electronic commerce, intellectual property rights, and labor and environmental protection. Under the TPA, U.S. firms will have better access to Panama's services sector than Panama provides to other WTO Members under the General Agreement on Trade in Services. All services sectors are covered under the TPA except where Panama has made specific exceptions. Moreover, Panama agreed to become a full participant in the WTO Information Technology Agreement. Panama has also entered into a bilateral agreement with the United States that resolved a number of regulatory barriers to trade in agricultural goods ranging from meat and poultry to processed products, including dairy and rice.

Panama has bilateral investment agreements with the United States, the United Kingdom, France, Switzerland, Germany, Taiwan, Canada, Argentina, Spain, Chile, Uruguay, the Czech Republic, Netherlands, Cuba, Mexico, Dominican Republic, Korea Ukraine, Sweden, Qatar, Finland, and Italy. The U.S.-Panama Bilateral Investment Treaty (BIT) entered into force in 1991 (with additional amendments in 2001 to reflect Panama's joining the International Center for the Settlement of Investment Disputes (ICSID). The investor protection provisions in the TPA have supplanted those in the BIT. Nevertheless, the TPA preserves for ten years the option for investors to invoke dispute settlement under the BIT with respect to investments covered by the Treaty as of the date of entry into force of the TPA, in the case of disputes that arose prior to the date of entry into force of the TPA, and for disputes arising on or after the date of entry into force of the TPA out of an investment agreement that was in effect before the date of entry into force of the TPA.

Contacts

[Return to top](#)

Ministerio de Comercio e Industrias (Ministry of Commerce and Industry)

Ricardo Quijano, Minister

P.O. Box 0815-01119

Panama, Republic of Panama

Tel: (507) 560-0661

Fax: (507) 560-0663

www.mici.gob.pa

Direccion General de Normas y Tecnologia Industrial (DGNTI)

Contact: Vacant, Director General

P.O. Box 0815-01119

Panama, Rep. of Panama

Tel. (507) 560-0716

Fax. (507) 560-0721

E-mail: dgnti@mici.gob.pa

Comision Panameña de Normas Industriales y Tecnicas (COPANIT)

Contact: Ahmed Moron, Acting Director

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Panama, Rep. of Panama

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Fax. (507) 560-0721

E-mail: dgnti@mici.gob.pa

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<http://www.cna.gob.pa>

Ministerio de Desarrollo Agropecuario (Ministry of Agricultural Development)

Oscar A. Osorio, Minister

P.O. Box 0816-01611

Panama, Republic of Panama

Tel: (507) 507-0601

Fax: (507) 232-9045

www.mida.gob.pa

Ministerio de Salud, (Ministry of Health)

Dr. Javier Diaz, Minister

P.O. Box 0816-01611

Panama, Republic of Panama

Tel: (507) 512-9100

Fax: (507) 512-9240

www.minsa.gob.pa

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: enrique.tellez@trade.gov;
Phone: 011-507-317-5000; or visit our website: <http://www.export.gov/panama>.

The U.S. Commercial Service – Your Global Business Partner

With its network of offices across the United States and in more than 75 countries, the U.S. Commercial Service of the U.S. Department of Commerce utilizes its global presence and international marketing expertise to help U.S. companies sell their products and services worldwide. Locate the U.S. Commercial Service trade specialist in the U.S. nearest you by visiting <http://www.export.gov/eac>.

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Trade and Project Financing in Panama

May 2013

Sections

[How Do I Get Paid? \(Methods of Payment\)](#)

[How Does the Banking System Operate?](#)

[Foreign-Exchange Controls](#)

[U.S. Banks and Local Correspondent Banks](#)

[Project Financing](#)

[Web Resources](#)

How Do I Get Paid? (Methods of Payment)

[Return to top](#)

As Panama is an international banking center, there are a number of payment options for Panamanian importers. U.S. suppliers often demand irrevocable letters of credit when making overseas sales and these are readily provided by the local banking system. Bank drafts are also available at very reasonable cost. The local banking system is modern and efficient and payments have not represented an issue for Panamanian importers.

U.S. exporters may be able to gain a competitive advantage through the use of open account terms coupled with export credit insurance. The terms allow Panamanian buyers to take receipt of goods and sell them in order to obtain the needed cash to repay the U.S. exporter. In the event of default, the export credit insurance would make the U.S. exporter whole.

For more information on gaining a competitive edge through offering financing to buyers in Panama, please review our guide on Getting Paid by Your Latin American Buyer here: <http://export.gov/panama/financingexporttopanama>. This guide is published in English and in Spanish, so that you can share it with potential Panamanian buyers.

Several banks operating in Panama have longstanding relationships with the Export-Import Bank of the United States, which is the leading issuer of export credit insurance to U.S. exporters, and can help you assess the creditworthiness of a Panamanian buyer. In addition, the CS Panama office can conduct background checks as part of a Business Facilitation Service for any Panamanian buyer before you decide to offer financing terms.

How Does the Banking System Operate?

[Return to top](#)

The U.S. Dollar is Panama's currency and there is no central bank. The National Bank of Panama has certain functions of a central bank, such as serving as the clearinghouse for the banking system.

Panama opened its banking sector to foreign competition in 1970 under legislation which placed high priority on banker-depositor confidentiality. In early 2013, there were over 90 banks registered in Panama with total assets close to \$90 billion. The banking legislation establishes three classes of operations. General license banks operate full service banks in Panama and compete for domestic and

foreign deposits and loans. International License or "Offshore" banks, can only accept deposits from persons or organizations located overseas. Representative Offices can only perform representational activities. There are also two state-owned deposit-taking institutions. Foreign and Panamanian banks compete on equal terms. Banks are organized into the Panamanian Banking Association (Panamanian and Foreign Banks) and are licensed and regulated by the Banking Supervisory Authority (Superintendencia de Bancos). Panama's banking system does not have a deposit insurance scheme.

Foreign-Exchange Controls

[Return to top](#)

There are no foreign exchange controls. The U.S. dollar is the national currency. There are no restrictions on capital flows in or out of the country.

U.S. Banks and Local Correspondent Banks

[Return to top](#)

Given the number of banks operating in Panama, we suggest that you visit the Panamanian Banking Association's site, where you will find a comprehensive and up-to-date list of all the banks, at: http://www.asociacionbancaria.com/Bancos_Licencia_General.html. If for some reason this link does not function, please go to the general home site and look for "Lista de Miembros" on the lefthand menu: <http://www.asociacionbancaria.com/>.

Project Financing

[Return to top](#)

The **Inter-American Development Bank (IDB)** has financed several studies and projects related to health, education, tourism and infrastructure. The World Bank's International Bank for Reconstruction and Development (IBRD) also has funded a number of small social-sector-oriented projects. Panama became a member of the World Bank's Multilateral Investment Guarantee Agency in 1997. The Panamanian government has pursued financing from International Financial Institutions for a number of infrastructure and social sector investment projects. Both the IDB and the World Bank maintain offices in Panama.

The **Overseas Private Investment Corporation (OPIC)** is an agency of the U.S. Government. OPIC's mission is to mobilize & facilitate the participation of U.S. private capital and skills in the economic and social development of less developed countries and areas.

The **U.S. Trade and Development Agency (USTDA)** advances economic development and U.S. commercial interests in developing and middle income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA is very active in Panama and has funded a number of renewable energy and infrastructure orientation visits and feasibility studies here.

The **Small Business Administration's (SBA) Office of International Trade** may also have financial resources for U.S. exporters with fewer than 500 employees. The mission of SBA's Office of International Trade is to enhance the ability of small businesses to compete in the global marketplace; facilitate access to capital to support international trade; ensure that the interests of small business are considered and reflected in trade negotiations; and support and contribute to the U.S. Government's international agenda.

Web Resources

[Return to top](#)

- Export-Import Bank of the United States: <http://www.exim.gov>.
- Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html.
- OPIC: <http://www.opic.gov>.
- Trade and Development Agency: <http://www.tda.gov/>.
- SBA's Office of International Trade: <http://www.sba.gov/oit/>.
- USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>.
- World Bank's Panama site: [click here](#).
- Inter-American Development Bank (IDB) Panama site: [click here](#).

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: enrique.tellez@trade.gov
Phone: 011-507-317-5000; or visit our website: <http://www.export.gov/panama>.

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Selling U.S. Goods and Services in Panama

May 2013

Sections

[Using an Agent or Distributor](#)

[Establishing an Office](#)

[Franchising](#)

[Direct Marketing](#)

[Joint Ventures/Licensing](#)

[Selling to the Government](#)

[Distribution and Sales Channels](#)

[Selling Factors/Techniques](#)

[Electronic Commerce](#)

[Trade Promotion and Advertising](#)

[Pricing](#)

[Sales Service/Customer Support](#)

[Protecting Your Intellectual Property](#)

[Due Diligence](#)

[Local Professional Services](#)

[Web Resources](#)

Using an Agent or Distributor

According to Panama's constitution, nationals and foreigners are treated equally under the law. Both Panamanian and foreign companies must fulfill the same basic requirements to organize and operate most types of business activities in Panama. There are restrictions on foreigners participating in retail trade and practicing certain professions. In practice, however, there are legal ways to overcome these restrictions. U.S. firms interested in retailing should consult a local attorney. Please [click here](#) for a list of qualified attorneys in Panama.

There is no law regulating the relationship between international suppliers and local agents and distributors. This relationship is only governed by the private agreements made between the parties involved. In cases of contract termination or disputes, the private contract clauses prevail over any other document or practice.

Individuals may engage in business activities in their own names or through legal entities. The most commonly adopted form of legal entity is the corporation (Sociedad Anonima, or S.A.). Other types of legal entities commonly used in Panama are general partnerships, simple limited partnerships, joint stock partnerships, and limited liability companies.

To learn more about how we can assist you in securing an agent or distributor in Panama, please visit our website at <http://export.gov/panama/servicesforuscompanies>. You can also call us at 011-507-317-5000 or email us at enrique.tellez@trade.gov.

[Back to Top](#)

Establishing an Office

Establishing an office in Panama is a straightforward process. There is plenty of office space available with many options related to location and cost. Panama has one of the most modern and flexible corporate law frameworks in Latin America. Below are some of the advantages offered by Panamanian corporate law:

- Two or more persons of any nationality may organize a corporation for any lawful purpose. They do not have to be domiciled in Panama. The articles of incorporation may be executed anywhere, even outside of Panama, and in any language, provided a Spanish translation is submitted for registration.
- There are no requirements regarding the amount paid in capital.
- Ownership of a Panamanian corporation may reside in a single individual or corporation and no part of the capital needs to be held by a Panamanian except if it is to undertake certain operations within Panama.
- There are no nationality or residence requirements for shareholders.
- Neither the directors nor the officers are required to be shareholders.
- The Board of Directors must be composed of at least three directors, but one person may hold more than one position.
- Meetings of shareholders or directors may be held outside of Panama and through electronic means. Proxies may be used by shareholders/directors.

In order to form a corporation in Panama, the client must furnish the following information:

- The name of the corporation. It may be in any language, but it must terminate in a word or abbreviation indicating that it is a corporation.
- The objectives and purposes of the corporation.
- The amount of the authorized capital. Usually the authorized capital will consist of US\$10,000 divided into 100 shares of US\$100 each. Shares may be nominative or bearer shares.
- Duration of the corporation, usually perpetual.
- The full names and addresses of three or more directors and/or officers.
- The domicile of the corporation.

The time period usually involved in setting up a corporation is from fifteen days to two months. Attorney fees usually range from US\$600 to US\$1,500 per corporation.

Every corporation organized pursuant to the laws of Panama must have a resident agent within Panama, who must be an attorney. The annual fee for this service is about US\$200. Approximately 400,000 corporations are registered in Panama.

In order to engage in commercial or industrial activities, all corporations, partnerships or individuals must obtain proper authorization from the Ministry of Commerce and Industry. There are three basic types of licenses involved:

- **Commercial License Class A** is required for wholesale operations, commercial and mortgage banks, financial companies, international financial brokers, insurance and reinsurance companies,

international transportation companies, mutual funds, public utilities, and high-technology service companies.

- **Commercial License Class B** is required for retail businesses, including representation agencies, service companies, bars, restaurants, drugstores, real estate agents, fuel stations, local transportation, distributors and others. This license is only granted to Panamanians or corporations owned solely by Panamanians.
- An **Industrial License** is required for extractive and manufacturing industries, as well as for construction companies.

Exemptions for business license requirements are granted to persons or legal entities engaged exclusively in agriculture, cattle, bee, or poultry raising, or in the manufacturing and sale of handicrafts, provided that the work is not performed by hired workers. Licenses must be kept at all times in a visible and accessible place. The cost for obtaining a license ranges from US\$250 to US\$750. Also, an annual tax is levied based on the net worth of the company, as stated in the income tax return, plus other income taxes.

Most service providers are required to withhold a seven percent (7%) value-added tax on most of their services.

[Back to Top](#)

Franchising

Panama is receptive to U.S. style franchising. The market for both specific and general franchising opportunities is attractive. Panama maintains no control on royalty payments or transfers. Recreation, entertainment services, fast food, automotive, and hotel and motel franchises are readily marketable as the local market demands better facilities and services. The U.S. Embassy recommends consulting a local attorney for details on how to set up a franchise in Panama. Please [contact us](#) for a list of qualified attorneys in Panama.

Key factors for market success in Panama are high quality, customer service, brand-name recognition and attractive packaging. U.S. products targeting the middle to upper-middle income market are usually competitive. Panamanians have a penchant for high quality U.S. products.

Consumers with high disposable income follow sophisticated U.S. and European consumption patterns. Many high-end U.S. and foreign brand names are represented in Panama. An aggressive marketing strategy is usually necessary to succeed in this trend-conscious market.

[Back to Top](#)

Direct Marketing

Local laws allow companies and individuals to import directly with no intervention from agents or distributors. This situation opens the door for a direct marketing approach especially in certain sectors such as industrial goods, industrial machinery, agricultural equipment and other high value equipment or machinery.

[Back to Top](#)

Joint Ventures/Licensing

Joint ventures, especially for large projects, are becoming common in Panama. Some joint ventures are formed for limited periods of time, such as for a specific construction contract or technology transfer contract. The profits from joint ventures can be distributed annually to each joint venture partner and are taxed in the same manner as any other income.

Panamanian law requires the registration of license agreements, although in practice few licensors and licensees do so. License agreements are frequently used to reinforce rights to registered trademarks. The agreements must be attached to the registered trademark and filed with the Industrial Property Department in the Ministry of Commerce and Industry. The agreement becomes part of the file on the trademark covered.

Panama is an interesting and potentially profitable site for licensing agreements and joint ventures as well as routine buy/sell operations. The Colon Free Zone (CFZ) offers the U.S. exporter looking for regional marketing arrangements a convenient one-stop distribution center. However, there have been instances of money laundering, intellectual property piracy and drug trafficking reported in the CFZ. All U.S. firms should perform due diligence before commencing operations there. Please [contact us](#) for assistance in identifying good business partners in the CFZ.

[Back to Top](#)

Selling to the Government

The law (Law 22) regulating government procurement and other related issues went into effect at the end of 2006. It created the Direccion Nacional de Contrataciones Publicas (National Procurement Office), and was designed to streamline and modernize Panama's contracting system. One of the highlights of the law is the establishment of an internet-based procurement system <http://www.panamacompra.gob.pa>. All purchases must be announced in this system, in turn providing greater flexibility, transparency and speed in government purchases. The law also regulates the use of performance bonds, creates an administrative court to deal with procurement-related issues and an office to monitor public tenders (National Directorate for Public Tenders), allows for interest payment in the case of late payments to suppliers, and provides more expedited information access for all participants in the procurement process.

U.S. and other bidders for important government contracts continue to complain of lack of transparency, excessive delays, and bureaucracy in the bid selection process. Requirements may at times be designed to exclude competition and favor a particular supplier. Excessive bureaucracy has been also responsible for the government's slow payment record. Typical payment schedules range from three to six months after goods or services have been invoiced.

The Panama Canal represents significant business opportunities for U.S. exporters, with annual purchases of as much as \$300 million, including port and marine equipment, building materials, industrial equipment and transportation materials and equipment. Despite being a government agency, the Panama Canal Authority (ACP) is a unique organization that by constitutional law is

autonomous, runs a profitable and efficient operation, has full control over its budget and enjoys an excellent payment record.

The \$5.25 billion Canal expansion program, currently underway and expected to be operational in 2015, is opening additional business opportunities for U.S. exporters in a wide range of products and services; the prime contractor for the Canal Expansion has announced over \$450 million in U.S. purchases. However, some U.S. suppliers have reported problems with getting paid and the prime contractor is currently suing the ACP for as much as \$800 million in contracting disputes and changes in scope. U.S. companies considering business with the prime contractor may want to consider building the risk of nonpayment into their proposals.

[Back to Top](#)

Distribution and Sales Channels

Business practices in Panama are very similar to those in the United States. Business tends to be direct and straightforward. On average, Panama City accounts for 65% of total national sales of consumer goods. The remaining 35% is distributed among the principal cities of David, Colon, Santiago and Chitré.

Generally, the marketing channel structure in Panama is simple. Direct importers act as wholesalers and in many cases also as retailers. This situation is common in the case of apparel, automotive parts and hardware products. In the case of consumer goods, food and medicines, the retail operation is separate from the wholesale operation. For industrial goods, sales are normally handled by local exclusive agents or distributors. In other cases, local firms order directly from U.S. brokers or the manufacturer.

Some of Panama's major importers are also regional distributors for Central and/or South America, with warehousing facilities located in the Colon Free Zone (CFZ). Generally, CFZ importers/distributors have affiliated stores in Panama City for retail sale to the local market. We encourage U.S. companies with consumer retail products to look at selling through the Colon Free Zone to the region. For more information on this option please [contact us](#) after you read our report at <http://export.gov/panama/doingbusinessinpanama/exportingtolatinericathroughpanama>.

Most of Panama's trade moves through the Atlantic ports of Manzanillo, Cristobal and Evergreen, and the Pacific Port of Balboa. The Tocumen International Airport handles the bulk of Panama's air cargo.

[Back to Top](#)

Selling Factors/Techniques

Panama has the highest per capita income in Central America. However, the majority of income is skewed to a small, consumer goods-oriented economic class. These upper-middle and upper income class families have high levels of disposable income. They are interested in purchasing high quality, trend-setting goods. Price is less of a factor in purchasing decisions made by this class than for the middle and lower income classes. The majority of Panamanians are interested in quality, but price still plays a more important role in the purchase decision.

In recent years Panama's growth as a passenger air hub for Latin America and its competitive consumer retail environment have contributed to a proliferation of shopping malls that promote Panama as a shopping destination for the region's growing middle class. It is not uncommon to see Brazilians, Colombians, Venezuelans, and Central Americans flooding the malls, particularly during holidays. As a result, U.S. consumer retail and franchise companies can expect more sales opportunities than Panama's small population would at first indicate.

The use of the U.S. dollar as legal currency and consumer preference for high quality products at competitive prices are two reasons for high acceptance of U.S. products in Panama. Overall, U.S. products are well accepted in the market and are considered of good quality. However, in many instances, U.S. products must compete against lower priced products, especially from Asia. For example, as in the U.S. itself, Japanese and Korean electronics dominate the market because of aggressive market entry techniques and good quality at competitive prices. Note that U.S. brands, many of whom manufacture outside of the U.S., enjoy a prominent position in the marketplace and in the Colon Free Zone. Such brands as Nike, Oakley, and Columbia sportswear fall into this category.

[Back to Top](#)

Electronic Commerce

Law No. 112, signed on July 30, 2001, was the first law in the region to deal with e-commerce. A revised law (Law No. 55), passed in July 2008, enhanced the legal framework for developing e-commerce activities and strengthened the institutional setting for an effective application and management of the different aspects of e-commerce defined by the law.

Basic features of the e-commerce law are the following:

- It gives legal force to any transaction or contract completed electronically.
- It makes electronic signature a legal instrument except for real estate transactions and succession purposes.
- It creates the National Directorate of Electronic Commerce (Direccion Nacional de Comercio Electronico) as part of the National Commerce Directorate of the Ministry of Commerce and Industry to oversee the application of the law and act as a regulator.
- It defines certification organizations, which will issue signature certificates and define operating procedures. A certificate will allow any person or organization to claim legitimacy.
- It establishes that certification entities will register on a voluntary basis.

The Panamanian Chamber of Commerce has promoted the increased use of e-commerce with financial assistance from the Inter-American Development Bank (IDB). A number of Panamanian firms, especially supermarkets, fast food delivery, and consumer electronic stores, offer e-commerce facilities and more firms are working on providing these facilities. However, electronic commerce is still weak in Panama.

For more information on e-commerce please contact us at Enrique.Tellez@trade.gov.

[Back to Top](#)

Trade Promotion and Advertising

Television and newspaper advertising are the promotion tools of choice for the majority of distributors of U.S. products. E-mail marketing is becoming increasingly popular, especially for services. Panama has a very competitive advertising market, with standardized pricing and very good production quality. Additionally, trade shows, specialized seminars and exhibitions are effective tools for trade promotion. Special sale prices during events such as Mother's and Father's Day, Back-to-School, and Easter are usually advertised in newspapers during weekends.

Most foreign manufacturers of consumer products maintain a high profile presence in the country through newspaper ads, large billboards, sponsored sports events, and TV advertising. Web based advertising and company promotion is gaining popularity. Radio advertising is mainly used outside of the Panama City metropolitan area.

Major Newspapers:

- La Prensa: <http://www.prensa.com>.
- Grupo Epasa: <http://epasa.com>.
- La Estrella de Panama: <http://www.estrelladepanama.com>.
- Panama America: <http://www.pa-digital.com.pa>.

Business Web Sites:

- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Business Panama: <http://www.businesspanama.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Colon Free Zone: <http://www.zonalibredecolon.com.pa>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.
- Panama Info (focused on travel/tourism): <http://www.panamainfo.com>.

[Back to Top](#)

Pricing

The price structure for imported goods in Panama depends on the level of competition. The costs of transportation and import duties vary from item to item. Local prices can be higher or lower than world average depending on local competitive conditions. For the sake of illustration, the calculation below demonstrates average costs added to a product before it reaches the consumer. Import duties from non-FTA countries average 10% over cost, while insurance, and freight (CIF) value and wholesale and retail markups are about 25% each.

Average Pricing Schedule

• CIF Panama	\$100.00
• Import Duty (+10%)	+10.00
• Total Landed Cost	110.00
• Wholesale Price (+25%)	138.00
• Retail Price (+25%)	\$172.00

Note: A 7% value-added tax on CIF value plus the import duty is assessed at the time of customs liquidation. Since this value-added tax is payable on all goods, domestic and imported and is passed through to the consumer, it is not included in this calculation.

Note that goods made in the U.S. qualify for preferential treatment under the U.S. - Panama Trade Promotion Agreement (TPA). For 87% of U.S.-made goods, there are no longer any duties. For a significant percentage of the remaining goods, including agriculture, there is a sliding scale for reduced duties over time. As the TPA recently went into effect in October 2012, we believe that Panamanian buyers are particularly interested in carrying more U.S. brands.

For more information on whether or not your goods qualify for preferential treatment under the TPA, please visit our website at <http://export.gov/panama/u.s.-panamafreetradeagreement>.

[Back to Top](#)

Sales Service/Customer Support

Success among distributors is often decided by quality of the training, counseling and support they receive from their principals. U.S. companies should focus on providing U.S.-level training and technical assistance to their distributors and making sure they have the resources to provide after-sales support, including spare parts, service equipment, and quality service to the customers. Note that U.S. companies enjoy a clear advantage over foreign competitors in this area. U.S. products are highly regarded and a pricing strategy should include explicit consideration of presenting the products as a lower cost-of-ownership solution that includes U.S.-caliber aftermarket servicing and maintenance. In doing so U.S. providers may be able to better counter lower cost competitors from China, for instance.

[Back to Top](#)

Protecting Your Intellectual Property

Introduction

Several general principles are important for effective management of intellectual property rights in Panama. First, it is important to have an overall strategy to protect IPR. Second, IPR is protected differently in Panama than in the U.S. Third, rights must be registered and enforced in Panama under local laws. Companies may wish to seek advice from local attorneys or IP consultants. Please [click here](#) for a list of qualified attorneys in Panama.

It is vital that companies understand that intellectual property is primarily a private right and that the U.S. Embassy generally cannot enforce rights for private companies in Panama. It is the responsibility of the rights holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. While we are willing to assist you, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IPR in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights in the mistaken belief that the US Embassy can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to doctrines such as statutes of limitation or unreasonable delay in prosecuting a law suit. In no instance should our advice be seen as a substitute for the obligation of a rights holder to promptly pursue his case.

It is always advisable to conduct due diligence on partners. We recommend conducting more due diligence than would be normal for the U.S. A good partner is an important ally in protecting IP rights. Keep an eye on your cost structure and reduce the margins (and the incentives) of would-be bad actors. Projects and sales in Panama require constant attention. Work with legal counsel familiar with Panama laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions. In certain instances we can assist you with conducting due diligence by conducting a background check through our Business Facilitation Service. For more information on this service, please [contact us](#).

We also recommend that small and medium-size companies understand the importance of working with trade associations and organizations to support efforts to protect IPR and stop counterfeiting. There are a number of these organizations, both in Panama and the U.S.

We recommend that you start with the U.S. Government resources at Stopfakes.gov: <http://www.stopfakes.gov/> and then go to:

- U.S. Chamber of Commerce's IP Center: <http://www.uschamber.com/IP.htm>.
- The Global IP Center (U.S. Chamber of Commerce affiliate): <http://www.theglobalipcenter.com/>.
- National Association of Manufacturers (NAM): <http://www.nam.org/>.
- International Intellectual Property Alliance (IIPA): <http://www.iipa.com/>.
- International Trademark Association (INTA): <http://www.inta.org/>.
- International Anti-Counterfeiting Coalition (IACC): <http://www.iacc.org/>.
- Pharmaceutical Research and Manufacturers of America (PhRMA): <http://www.phrma.org/>.
- Biotechnology Industry Organization (BIO): <http://www.bio.org/>.

[Back to Top](#)

IPR Resources

A wealth of information on protecting IPR is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues - including enforcement issues in the U.S. and other countries - call the STOP! Hotline at 1-866-999-HALT or register at www.StopFakes.gov.

- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at 1-800-786-9199.
- For more information about registering for copyright protection in the U.S., contact the U.S. Copyright Office at 1-202-707-5959.
- The U.S. Commerce Department has positioned IP Attachés in key markets around the world. Mr. Albert Keyack, based in Rio de Janeiro, Brazil, covers Panama. He can be contacted at albert.keyack@trade.gov or at 011-55-21-3823-2499.

IPR Climate in Panama

Panama has an adequate and effective domestic legal framework to protect and enforce intellectual property rights. Intellectual property policy and practice in Panama is the responsibility of an inter-institutional Committee for Intellectual Property (CIPI), which includes representatives from six government agencies (Colon Free Zone, Intellectual Property Registry, Ministry of Education, Ministry of Health, Customs, and the Attorney General) under the leadership of the Ministry of Commerce and Industry. CIPI coordinates enforcement actions and holds seminars to increase knowledge of and improve compliance with IPR law. Individuals can search their website, <http://www.digerpi.gob.pa>, for information about trademarks, patents, plant varieties, collective rights, and various legal documents.

Since June 1997, two district courts and one superior tribunal have been exclusively adjudicating antitrust, patent, trademark, and copyright cases. In January 2003, Panama established an IPR-specific prosecutor with national authority, which has consolidated and simplified prosecution of those cases. Law No. 1 of 2004 added crimes against intellectual property as a predicate offense for money laundering; Law 14 establishes a five to 12 year prison sentence, plus possible fines. In 2012, Panama passed three new IPR laws including Law 61 of October 5, 2012, which amended the industrial property law and Law 64 of October 10, 2012 which amended the copyright law and introduced important updates to Panama's legislative framework to implement the IPR obligations of the TPA.

The U.S.-Panama Trade Promotion Agreement (TPA) also provides for improved standards for the protection and enforcement of a broad range of IPR, including protections for patents, trademarks, undisclosed test and other data submitted to obtain marketing approval for pharmaceuticals and agricultural chemicals, and digital copyrighted products such as software, music, text, and videos; and further deterrence of piracy and counterfeiting.

The 2012-2013 World Economic Forum Global Competitiveness Survey ranked Panama 38/144 for protection of intellectual property rights but only 132 out of 144 in judicial independence. The Embassy is aware of complaints by U.S. companies about judicial irregularities and corruption relating to intellectual property cases, though an ongoing dispute was resolved this year with the Supreme Court upholding the IP rights of a U.S. firm. Given Panama's role as a transshipment point and limited resources dedicated to addressing IPR (and other) issues, U.S. industry remains concerned that the Colon Free Zone is a conduit for trading in grey market, pirated and counterfeit goods.

Panama is a member of the World Intellectual Property Organization (WIPO), the Geneva Phonograms Convention, the Brussels Satellite Convention, the Universal Copyright Convention, the Bern Convention for the Protection of Literary and Artistic Works, the Paris Convention for the Protection of Industrial

Property, and the International Convention for the Protection of Plant Varieties. In addition, Panama was one of the first countries to ratify the 6. 6. WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty. As part of TPA implementation, Panama has recently ratified or acceded to the Patent Cooperation Treaty, the Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite, and the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure.

[Back to Top](#)

The National Assembly in 1994 passed a comprehensive copyright bill (Law 15), based on a World Intellectual Property Organization model. Law 15 provides copyright protection based on the life of the author plus 50 years. If there are co-authors, the protection is until 50 years after the death of the last author. Collective works, software and audiovisual works are also covered for 50 years since the date of publication or after the work is finished (with no publication). The law modernizes copyright protection in Panama, provides for payment of royalties, facilitates the prosecution of copyright violators, protects computer software, and makes copyright infringement a felony. Though Panama's 1994 copyright law modernized copyright protection and amendments to the law in 2004 provided for a special Copyright Office with anti-piracy enforcement powers, piracy remains a problem. Films in theatrical release are often downloaded to DVDs and videos, reproduced on optical discs, and then distributed by street vendors.

Law 64 of 2012 implemented the WIPO treaties in a manner consistent with the U.S. digital Millennium Copyright Act. The law also extended copyright protection to life of the author plus 70 years; and mandates the use of legal software in government agencies. It also includes provisions to protect against the theft of encrypted satellite signals and the manufacturing or sale of tools to steal such signals.

Patents

Panama is a member of the Paris Convention for the Protection of Industrial Property. Panama's Industrial Property Law (Law 35 of 1996) provides a term of 20 years of patent protection from the date of filing. Law 35 provides specific protection for trade secrets.

Trademarks

Panama's legal system provides for a trademark protection regime, which includes a simplified process of trademark registration, and the ability to renew a trademark for 10-year periods. However, U.S. companies report judicial irregularities and corruption once the cases reach the courts. In one case, a U.S. multinational's brand was illegally copied and the Colon Free Zone-based distributor of the IPR-infringing goods continued to sell the knock-offs for approximately eight years before the Supreme Court finally resolved the case.

Due Diligence

It is important to conduct due diligence in order to assess the credibility/background of a business prospect. In certain instances we can assist you with conducting due diligence by conducting a

background check through our Business Facilitation Service. For more information on this service, please contact us at 011-507-317-5000 or at enrique.tellez@trade.gov.

The following websites can be useful in obtaining information on corporations/individuals.

- For verification of corporate registration, name of board members: <https://www.registro-publico.gob.pa/>.
- For credit references: <https://www.apc.com.pa/default.aspx>.
- For banking references: <http://www.asociacionbancaria.com/>.
- For verification of commercial licenses: <http://www.mici.gob.pa/>.

For affiliation with major chambers of commerce:

- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Business Panama: <http://www.businesspanama.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Panamanian Chamber of Construction (CAPAC): <http://www.capac.org/>.

[Back to Top](#)

Local Professional Services

- For relocation services: <http://www.larmgroup.com/>.
- For architectural/engineering services: <http://www.spia-pma.org/spia/spia.htm>.
- For insurance services: Panamanian Insurance Association (APADEA): 507-225-9475.
- For banking services: <http://www.asociacionbancaria.com/>.
- For attorney services: <http://www.cnapanama.com/>.
- For accounting services: <http://www.colegiocpapanama.org/>

Additional Web Resources

- For more information on Industrial property protection you can go to the following site: <http://www.digerpi.gob.pa/>.
- For more information on procurement law and on “Panamacompra” please access the following site: <http://www.panamacompra.gob.pa/panamacompra/>.
- For information on Panama Canal procurement opportunities please access the following website: <http://www.pancanal.com/eng/procsales/buy.html>.

[Back to Top](#)

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: enrique.tellez@trade.gov;
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Agricultural Products

A Top U.S. Export Prospect for Panama

May 2013

Consumer Oriented Agricultural Products

Consumer oriented agricultural products constitute the most important sector. The primary products are snack foods (\$52.2 million), other consumer oriented products (\$57.0 million), dairy products (\$40.7 million), and processed fruits and vegetables (\$32.8 million). All of these categories, in 2012 denote the highest export levels since at least 1970, with an annual growth of 18%. Specialty food products, such as confections, cheese, coffee, snacks, spices, ethnic, natural, organic and more, are the best prospects of U.S. exports to Panama, due to the growing demand of consumers.

Market Estimates

<i>(in US\$ millions)</i>	2010	2011	2012	2013 ^{est}
Total Market Size	759.4	993.4	1030.1	1067.2
Total Local Production	533.6	560.5	588.5	616.5
Total Exports	479.9	493.3	503.1	512.9
Total Imports	705.7	926.2	944.7	963.6
Imports from the U.S.	200.8	251.7	296.5	349.9
Exports to the U.S.	27.4	25.5	38.0	50.5

Data Sources: Dept. of Commerce, U.S. Bureau of the Census Trade Data.

General Comptroller of Panama, National Institute of Statistics and Census.

Bulk Agricultural Products

High commodity prices sent this category to a decrease of U.S. bulk agricultural products exports to Panama of -34%. Most important products for this category are: wheat (\$45.4 million, all from the U.S.), "paddy" rice (\$41.0 million, 99% from the U.S.) and yellow corn (\$16.1 million, where the U.S. lost 82% of its market share in 2012 with the Argentinean corn).

Market Estimates

<i>(in US\$ millions)</i>	2010	2011	2012	2013 ^{est}
Total Market Size	395.6	503.2	647.8	792.2
Total Local Production	143.5	160.2	178.8	197.4
Total Exports	34.2	43.0	53.8	64.6
Total Imports	286.3	386.0	522.8	659.7
Imports from the U.S.	148.9	162.9	107.5	100.0
Exports to the U.S.	25.6	46.3	40.0	46.0

Data Sources: Dept. of Commerce, U.S. Bureau of the Census Trade Data.
 General Comptroller of Panama, National Institute of Statistics and Census.
 Food and Agriculture Organization of the United Nations (FAOSTAT).

Intermediate Agricultural Products

High demand for soybean meal (\$45.2 million) continues to drive this sector, which is mainly used for feeding chicken and pork production. All soybean meal imports are from the U.S.

Market Estimates

(in US\$ millions)	2010	2011	2012	2013 ^{est}
Total Market Size	189.8	193.5	196.1	198.7
Total Local Production	4.3	4.5	5.1	5.7
Total Exports	22.8	22.0	23.0	24.0
Total Imports	208.3	211.0	214.0	217.0
Imports from the U.S.	94.9	80.0	85.2	90.8
Exports to the U.S.	0.3	0.2	2.9	5.6

Data Sources: Dept. of Commerce, U.S. Bureau of the Census Trade Data.
 General Comptroller of Panama, National Institute of Statistics and Census.
 Food and Agriculture Organization of the United Nations (FAOSTAT).

For More Information

In Panama, the U.S. Department of Agriculture maintains a Foreign Agricultural Service (FAS) office. FAS links U.S. agriculture to the world to enhance export opportunities and global food security. You can contact the U.S. Embassy Panama FAS office via email at: agpanamacity@fas.usda.gov; by phone at 011-507-317-5297; or by visiting the FAS Panama website at <http://panama.usembassy.gov/fas.html>.

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Automotive Parts & Service Equipment A Top Export Prospect for Panama

May 2013

Market Estimates

<i>(in US\$ millions)</i>	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	148	163	179	197
Total Local Production	0	0	0	0
Total Exports	0	0	0	0
Total Imports	148	163	179	197
Imports from the U.S.	62	70	77	84

The above statistics are unofficial estimates.

Overview

The market for new automobiles showed substantial recovery in 2012, after a significant decline in the last previous years. Approximately 50,000 new cars were sold in 2012. As a result, demand for automotive parts and service equipment has increased. The automotive inventory in Panama is estimated to be 1,000,000 units. U.S. participation in the automotive parts and service market is significant, with a market share of more than 40%. The main competitors are Japan, Korea, and Taiwan. However, the U.S. market position will improve as sales of U.S. cars increase. Demand will also remain strong for U.S.-made car parts and accessories for Japanese models.

It is important to note that cars are not subject to import duties, regardless of national content of origin. They are, however, subject to a progressive sales tax based on the value of the car. The recently implemented U.S. - Panama Trade Promotion Agreement (TPA) does not, therefore, give a competitive advantage to U.S.-made cars. But the TPA does give an advantage to U.S.-made automotive parts, which can enter duty-free. There are no import restrictions on these products. Sub-sectors offering the best market opportunities are servicing equipment, tubes and tires, and engine parts.

Sub-Sector Best Prospects

Good prospects for U.S. exports include engine parts, pumps, filters, batteries, ignition parts, spark plugs, lamps, body parts, brake parts, shock absorbers, tires, exhaust components, and used or remanufactured parts especially for buses, dump trucks, and other commercial vehicles.

Opportunities

Panama is experiencing a construction boom, with approximately \$15 billion in outstanding public sector projects alone, in addition to the Panama Canal expansion project and a number of private commercial and residential developments. This activity will bring excellent opportunities for U.S. exporters of auto and truck parts. In 2012 the Government of Panama completed replacement of the entire bus fleet serving Panama City and continues to impose greater regulations on car inspections, which has the resulting effect of greater demand for automotive parts.

Web Resources

- American Chamber of Commerce in Panama: <http://www.panamcham.com> .
- Business Panama: <http://www.businesspanama.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: jeane.zuniga@trade.gov; Phone: 011-507-317-5392; or visit our website: <http://www.export.gov/panama>.

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Building Products

A Top Export Prospect for Panama

May 2013

Market Estimates

(in US\$ millions)	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	975.0	1,084.0	1,188.0	1,306.0
Total Local Production	467.0	514.0	565.0	621.0
Total Exports	0.0	0.0	0.0	0.0
Total Imports	508.0	570.0	623.0	685.0
Imports from the U.S.	360.0	416.0	454.0	498.0

The above statistics are unofficial estimates.

Overview

The construction sector in Panama continued its steady growth but the rate of growth slowed down in the last two years, as a result of the world economic situation. Growth is slowing down in 2013 as the construction of the new Panama Canal locks is advancing. The majority of construction in recent years was in middle to high-income apartments and commercial buildings, but the construction activity is now concentrating on low-cost housing and high-end suburban housing, as well as infrastructure. The growth in the construction sector has been fed by retiring baby boomers from the U.S., as well as immigrants from South America and Europe. A growing demand exists for after-construction building products used for improving, decorating or modifying existing buildings.

U.S. building products are well received because of their perceived quality and competitive price. U.S. products in this sector enjoy a market share of over 60%. Major competitors are Taiwan, Italy and Spain. There are no significant restrictions on imported products. Import duties on the vast majority of U.S.-made building products have been eliminated as a result of the Trade Promotion Agreement between the United States and Panama.

Sub -Sector Best Prospects

The demand is especially strong for gypsum board, lighting, and roofing/flooring products. The Canal project is requiring massive amount of cement, aggregate products and steel.

Opportunities

Housing projects, construction of new hotels in Panama City, and infrastructure projects will continue to generate a strong demand for building materials.

Web Resources

- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Business Panama: <http://www.businesspanama.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.
- Panamanian Construction Chamber: <http://www.capac.org>.
- Ministry of Housing and Urban Development: <http://www.mivi.gob.pa/>.

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: jeane.zuniga@trade.gov; Phone: 011-507-317-5392; or visit our website: <http://www.export.gov/Panama>

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Computers and Peripherals A Top Export Prospect for Panama

May 2013

Market Estimates

<i>(in US\$ millions)</i>	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	246	278	314	361
Total Local Production	0	0	0	0
Total Exports	0	0	0	0
Total Imports	246	278	314	361
Imports from the U.S.	197	212	251	288

The above statistics are unofficial estimates.

Overview

The following factors are responsible for the continued positive outlook of this sector:

- Office automation is a growing trend in both the public and private sectors.
- There are many accessible computer suppliers both locally and abroad, particularly in the Miami area.
- There is a growing computer culture, which resulted from government programs aimed at increasing the use of computers/Internet, and modernization of existing systems in government offices as well as in public schools.
- There is a close connection with the U.S., particularly among young Panamanians who have gone to U.S. schools or look with favor on the social networking culture. Internet services, computer magazines, journals, and other literature from the U.S. are widely available.
- Import duty on U.S.-origin products have been reduced to zero as a result of the Trade Promotion Agreement between the U.S. and Panama.

Computer products from the U.S. are well received and are perceived as incorporating state-of-the-art technology. The U.S. has a strong position in this market with a market share over 60%. Prices for U.S. computers and peripherals are competitive against products from Korea, Taiwan and Japan. The most promising end users are banks, commercial establishments, universities, the Panama Canal, and government organizations.

Sub-Sector Best Prospects

Best prospects are personal computers, LAN equipment, laptops, and laser printers.

Opportunities

The Government of Panama is a major computer user. It has been committed to increasing use and modernization of computer systems and has promoted the Internet access for most of the population. In addition, the Government has committed to paying for all software licenses for Microsoft Office users, which it is touting as a first in Latin America. The Panama Canal and the banking sector are also important buyers of computer equipment and are always current with technology. The Panama Canal has set a high standard for the rest of the government by publicizing all public tenders, both upcoming and awarded, in a fully searchable database that is web-accessible to the public.

Web Resources

- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Business Panama: <http://www.businesspanama.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.
- IT and Telecom Chamber of Panama (CAPATEC): <http://www.capatec.org.pa/>.
- Government of Panama's Secretariat of Science/Technology/Innovation: <http://www.senacyt.gob.pa/>.
- Panama Canal Authority: <http://www.pancanal.com/eng/index.html>.

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: Enrique.Tellez@trade.gov; Phone: 011-507-317-5080; or visit our website: <http://www.export.gov/panama>.

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Electrical Power Equipment

A Top U.S. Export Prospect for Panama

May 2013

Market Estimates

(in US\$ millions)	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	114.0	128.0	143.0	164.0
Total Local Production	0.0	0.0	0.0	0.0
Total Exports	0.0	0.0	0.0	0.0
Total Imports	114.0	128.0	143.0	164.0
Imports from the U.S.	47.0	55.0	61.0	72.0

The above statistics are unofficial estimates.

Overview

Panama has an installed capacity of approximately 2,500 MW, about 60% of which is hydropower. Since Panama experiences a dry season, it supplements hydropower with thermo electric generation, primarily fuelled by bunker. The net cost to end users is approximately \$.14/kwh, much of which is attributable to generating costs. Panama is seeking to lower this cost, as well as smooth out the supply, in order to increase its competitiveness for foreign direct investment. For comparison with electricity rates in other countries, including the U.S., please refer to the U.S. Department of Energy's Information Administration at: <http://www.eia.doe.gov/emeu/international/elecprih.html>.

Panama's demand for electricity is growing by approximately 50 MW per year. The government would like to increase the percentage of renewable in the generation matrix to about 70-80% of the total. The growth of the construction sector has generated a steady demand for electricity in the last 5-7 years. This growth is expected to continue during the next few years driven by the projected increase in low cost housing construction and the implementation of a number of infrastructure projects, including the expansion of the Panama Canal. The electric sector in Panama is controlled by the private sector with the exception of the transmission company which is fully owned and operated by the government.

The Panamanian market is very receptive to U.S. electrical power equipment. Its high quality, durability, competitive prices, quick delivery and service capability are the main factors behind this preference. Price and quality are the main factors in selecting equipment suppliers, followed by after-sale service, which includes technical assistance.

Competitors come principally from Sweden, Italy, Brazil, Germany and England. Panama has no particular standards and regulations for power generation equipment. All U.S. made equipment is readily accepted in Panama and import duties for U.S. products have been reduced to zero as a result of the Trade Promotion Agreement between the U.S. and Panama.

Sub-Sector Best Prospects

The market offers excellent opportunities for both hydroelectric generators, especially small and medium size plants, and thermo generators. There is strong interest by several companies to develop non-traditional energy sources and the Government of Panama is expected to play a stronger role in promoting the use of these technologies.

Opportunities

The Government of Panama passed Law No. 45 of August 4, 2004 to provide a number of incentives for the construction and development of new electric generation plants, especially hydroelectric plants (up to 20 MW) and other clean energy sources. Also, a new law to promote wind power generation was passed in 2011.

Web Resources

- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.
- Government of Panama's Electric Regulatory Agency: <http://www.asep.gob.pa/>.
- Government of Panama's Science/Technology/Innovation: <http://www.senacyt.gob.pa/>.

For More Information

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Franchising

A Top U.S. Export Prospect for Panama

May 2013

Market Estimates

<i>(in US\$ millions)</i>	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	99	105	115	134
Total Local Production	11	12	14	18
Total Exports	0	0	0	0
Total Imports	88	93	101	116
Imports from the U.S.	80	85	92	105

Overview

The Franchising sector in Panama offers excellent opportunities for U.S. companies. Panama is highly receptive to U.S. franchise concepts and the economy is showing excellent and consistent growth.

Foreign franchises comprise 95 percent of the total number of franchises in the country. The U.S. is the market leader but competition is increasing from other countries such as Colombia, Guatemala, El Salvador, Mexico, and some European countries. Competitive prices, product quality, and strong promotion are the main factors determining successful market penetration. There are no major restrictions for franchise operations in Panama. Because the U.S. Dollar is legal tender in Panama and there are well-developed banking systems, business transactions are substantially easier than in other countries. Most banks are familiar with the franchise business.

Sub-Sector Best Prospects

The market is continuing a diversification trend with new franchises entering the market in different sectors such as house cleaning, security services, beauty services, flower arrangements, mail, and packaging services.

Opportunities

For historical reasons, Panamanians are receptive to U.S. culture and American business. U.S. franchises are well regarded and accepted in Panama. Many Panamanian have traveled to the U.S. and are familiar with U.S. franchise concepts. In addition, Panama has become a regional shopping destination for many Latin Americans, with a steady stream of foreign visitors in Panama's growing malls. As a result, there is significantly greater purchasing power in the franchise space, particularly in restaurants, than Panama's own income distribution and small population would at first indicate.

Web Resources

- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.

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Hotel and Restaurant Equipment A Top U.S. Export Prospect for Panama

May 2013

Market Estimates

<i>(in US\$ millions)</i>	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	87.0	97.0	105.0	115.0
Total Local Production	0.0	0.0	0.0	0.0
Total Exports	0.0	0.0	0.0	0.0
Total Imports	87.0	97.0	105.0	115.0
Imports from the U.S.	52.0	55.0	63.0	69.0

The above statistics are unofficial estimates.

Overview

The market for hotel and restaurant equipment in Panama continues to be strong. A number of new hotels and restaurants are opening throughout the country, not only in Panama City but also in the beaches and the mountains in the interior close to the Costa Rican border. The most important U.S. hotel brands are all now present in Panama and a variety of restaurants, including well known U.S. franchises of fast food and other restaurants can be found in Panama City and other important cities of the country.

Part of the hotel boom is due to government laws providing fiscal and other benefits for new hotel construction. The restaurant boom has resulted from a large influx of tourists and new residents coming from Venezuela, Colombia and other countries. The large infrastructure projects such as the metro construction and the expansion of the Panama Canal have also attracted a large number of new residents and temporary workers and executives.

The hotel and restaurant market is very competitive. The U.S. keeps a strong leadership position in this market. Main competitors are from France, Italy, Spain and Brazil.

Sub- Sector Best Prospects

Best products are kitchen equipment, chafing dishes, industrial stoves, laundry equipment, and furniture in general.

Opportunities

The growth of the economy and the increasing flow of tourists as well as the Trade Promotion Agreement between the U.S. and Panama that has reduced import duties to zero for hotel

and restaurant equipment are indicators of excellent market opportunities for U.S. exporters of hotel and restaurant equipment.

Web Resources

- Camara de Turismo de Panama: <http://www.camtur.com>
- Autoridad de Turismo de Panama: <http://www.atp.gob.pa>
- Asociacion Panamena de Hoteles: <http://apatelpanama.com>
- Government of Panama's Telecom Regulatory Agency: <http://www.asep.gob.pa/> .
- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: jeane.zuniga@trade.gov
Phone: 011-507-317-5392; or visit our website: <http://www.export.gov/panama>.

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Medical Equipment

A Top U.S. Export Prospect for Panama

May 2013

Market Estimates

<i>(in US\$ millions)</i>	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	75.0	82.0	89.0	98.0
Total Local Production	0.0	0.0	0.0	0.0
Total Exports	0.0	0.0	0.0	0.0
Total Imports	75.0	82.0	89.0	98.0
Imports from the U.S.	38.0	43.0	49.0	54.0

The above statistics are unofficial estimates.

Overview

The medical equipment market in Panama continues to be strong as a result of increased demand by the public sector caused by new hospital and clinic projects as well as a growth in employees within the national social security system. Government spending represents more than 60% of the national market of medical equipment. The Panamanian economy has continued to grow and unemployment has reached historic low levels.

The private hospitals, although not showing as strong a level of growth, have kept a stable demand as they are always renewing equipment and facilities in order to remain competitive in a dynamic market. Many Panamanian doctors have been trained in the U.S. and are very familiar with U.S. equipment and medical practices. Most large private hospitals keep affiliation with U.S. hospitals and health organizations. However, competition from Europe and Asia has increased as those countries have implemented aggressive financing and marketing practices.

The recently implemented Trade Promotion Agreement between the U.S. and Panama should contribute to strengthen the U.S. market position against its main competitors.

Sub- Sector Best Prospects

Best prospects are electro medical equipment, monitoring equipment, imaging equipment and laboratory equipment.

Opportunities

The Ministry of Health is developing a strong program of hospital and clinic construction and the Caja de Seguro Social (Social Security organization) is building a new metropolitan medical facility in Panama City (Ciudad Hospitalaria). Additionally, the University of Panama announced the construction of a new facility for medical training. All of these projects will have a significant impact on the demand for medical equipment.

Web Resources

- Ministry of Health: <http://minsa.gob.pa>
- Caja del Seguro Social: <http://css.org.pa>
- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: Enrique.Tellez@trade.gov; Phone: 011-507-317-5080; or visit our website: <http://www.export.gov/panama>.

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Ports and Shipbuilding Equipment A Top U.S. Export Prospect for Panama

May 2013

Market Estimates

<i>(in US\$ millions)</i>	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	46.0	51.0	57.0	65.0
Total Local Production	0.0	0.0	0.0	0.0
Total Exports	0.0	0.0	0.0	0.0
Total Imports	46.0	51.0	57.0	65.0
Imports from the U.S.	25.0	28.0	31.0	54.0

The above statistics are unofficial estimates.

Overview

Because of its strategic location Panama is a key maritime center. The Panama Canal has historically been the symbol of Panama's maritime activities. Panama's traditional main ports, Cristobal on the Atlantic and Balboa on the Pacific, were privatized in the 1990s. Both ports are now modern facilities run by Hutchison Whampoa and are capable of handling increased container traffic. Additionally, two major container ports operate on the Atlantic side: Manzanillo (operated by the Seattle, WA-based Carrix) and Coco Solo (operated by Taiwanese-based Evergreen Marine Corporation). PSA International, a Singaporean company, recently built a smaller container port on the west side of the Pacific entrance into the Canal. Panama's container handling capability has increased from 250,000 in 1997 to over 6 million in 2012.

A trans-isthmian railroad, built by the U.S. firms Kansas City Southern and Mi-Jack Products Inc., has been in operation since 2001. The railroad allows for surface container multimodal transshipment between the Pacific and Atlantic, in parallel with the Canal. The Panamanian ports are among the most active ports in the region and this situation is expected to continue in the near future, as the world economy show signs of recovery.

The U.S. has a strong position in the port equipment market, with a market share of over 50 percent. Major competitors are Korea, Japan, Germany, and the People's Republic of China.

Sub-Sector Best Prospects

This increased port activity offers excellent opportunities for U.S. port equipment exporters. The following product categories enjoy good demand: quay cranes, container cranes, forklifts, top loaders, rubber tire gantry cranes, power packs, and flatbeds. Additionally, the new ports offer opportunities for material handling equipment such as small forklifts, small trucks, and similar equipment.

Opportunities

As the world economy recovers from the global crisis and the Canal expansion is completed, Panamanian ports will continue showing a strong growth. This will generate increased business opportunities for port related activities, including port equipment, dredges, consulting services, and fuel supplies.

Web Resources

- Maritime Chamber of Commerce: <http://www.camaramaritima.org.pa/>.
- Government of Panama's Maritime Authority: <http://www.amp.gob.pa/>.
- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: Enrique.Tellez@trade.gov; Phone: 011-507-317-5080; or visit our website: <http://www.export.gov/panama>.

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Security and Safety Equipment

A Top U.S. Export Prospect for Panama

May 2013

Market Estimates

<i>(in US\$ millions)</i>	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	59.0	66.0	74.0	85.0
Total Local Production	0.0	0.0	0.0	0.0
Total Exports	0.0	0.0	0.0	0.0
Total Imports	59.0	66.0	74.0	85.0
Imports from the U.S.	32.0	36.0	40.0	45.0

The above statistics are unofficial estimates.

Overview

The market for security and safety equipment continues to present a very good outlook. While the crime rate is still relatively low, particularly by Latin American standards, it has risen in the last few years and there is increasing public awareness of the need to respond.

Commercial institutions and households are usual targets for armed assaults. There is also an increasing need for security equipment in residential areas and public places. Because of raising labor costs, many businesses and households are automating security. Additionally, the boom in the construction sector and the expansion of the Panama Canal is generating strong demand for safety equipment.

The United States has kept a strong presence in the security and safety equipment sector with more than 50 percent market share during recent years. This situation is likely to improve as a result of the Trade Promotion Agreement between the U.S. and Panama, which has eliminated import duties on U.S.-made products in this sector. American products are considered to be of high quality, and the proximity of the U.S. for spare parts and servicing needs continues to give U.S. companies a competitive advantage. Major competitors are from Japan, Korea and Germany. There are no restrictions on the entry of security and safety equipment. U.S. and European standards are accepted in Panama. Main users are banks, the Panama Canal, retailers, ports, hotels, airports, hospitals, and large local and multinational corporations.

Sub-Sector Best Prospects

Best sales prospects are electronic surveillance equipment, fire and burglar alarms, smoke detectors, and safe/strong boxes. Car alarm systems are always in strong demand. All types of safety equipment such as gloves, eyeglasses, harnesses, vests, etc., are in great demand.

Opportunities

New gated communities in Panama City and condominiums are increasing the use of surveillance electronic equipment. The Panama Canal is also a major user of security and safety equipment, as well as the ports, which rank as the largest in the region.

Web Resources

- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.

For More Information

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Telecommunications Equipment

A Top U.S. Export Prospect for Panama

May 2013

Market Estimates

<i>(in US\$ millions)</i>	2011	2012	2013 ^{est}	2014 ^{est}
Total Market Size	892.0	998.0	1,097.0	1,207.0
Total Local Production	0.0	0.0	0.0	0.0
Total Exports	0.0	0.0	0.0	0.0
Total Imports	892.0	998.0	1,097	1,207.0
Imports from the U.S.	359.0	401.0	441.0	485.0

The above statistics are unofficial estimates.

Overview

After its privatization in 1998, the telecommunications sector in Panama has shown a strong growth. Cable & Wireless (a British company) acquired the operation of the national utility. Cable & Wireless improved and expanded a number of services, digitalized all switching stations and upgrading transmission lines to the latest technology. Additionally, four cellular companies are now operating in Panama: Cable & Wireless (England), Telefonica (Spain), Claro (Mexico), and Digicel (Ireland) There are over 500,000 fixed telephone lines in the country, and over 5 million cellular lines, giving Panama one of the highest teledensity rates in Latin America. Panama has today one of the most modern and dynamic telecommunications sectors in Latin America. Main competitors in the market are the United Kingdom, Japan, Sweden, France and Canada.

Sub- Sector Best Prospects

Best products are PABX systems, radio trunking systems, satellite-based telecommunications facilities, wireless systems and fiber optics cable.

Opportunities

The competition in the cellular telephony sector opened new opportunities for U.S. exporters of equipment, such as towers and a variety of supporting equipment. Additionally, Cable & Wireless and other companies that recently entered the market continue to modernize the fixed telephone system thus bringing opportunities for exporters of switching equipment, handsets, and a full range of equipment and accessories.

The Government of Panama has embarked upon an expansion of wireless internet access to the general population across the nation. Additionally, there is an ongoing government effort to modernize the telecommunications services in the different public organizations, including hospitals, financial entities, and public universities.

U.S. companies should take advantage of the duty-free access that U.S.-made equipment in this space enjoys due to the recently implemented U.S.-Panama Trade Promotion Agreement. In addition, given the heavy emphasis on ongoing parts and maintenance, U.S. companies should enjoy a competitive advantage over lower up-front cost upstarts from Asia that can't offer a lower total cost of ownership solution.

Web Resources

- IT and Telecom Chamber of Panama (Capatec): <http://www.capatec.org.pa/>.
- Government of Panama's Science/Technology/Innovation: <http://www.senacyt.gob.pa/>.
- Government of Panama's Telecom Regulatory Agency: <http://www.asep.gob.pa/> .
- American Chamber of Commerce in Panama: <http://www.panamcham.com>.
- Panama Chamber of Commerce: <http://www.panacamara.com>.
- Expocomer (Commercial Trade Show): <http://www.expocomer.com>.

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Business Travel in Panama

May 2013

Sections

[Business Customs](#)

[Travel Advisory](#)

[Visa Requirements](#)

[Telecommunications](#)

[Transportation](#)

[Language](#)

[Health](#)

[Local Time, Business Hours and Holidays](#)

[Temporary Entry of Materials](#)

[Web Resources](#)

Business Customs

[Return to top](#)

Business practices and customs in Panama are a unique blend of North American methods and traditional Latin style. Foreign corporations operating in Panama are important in shaping the style and manner of doing business. Panama uses the U.S. dollar as its currency – note that all prices quoted below are in U.S. dollars, although they are referred to by Panamanians colloquially as “Balboas.”

Travel Advisory

[Return to top](#)

The U.S. Department of State’s Bureau of Consular Affairs maintains current travel-related information at www.travel.state.gov. International travelers and citizens on extended stays overseas are advised to visit this site for foreign travel information and, when appropriate, warnings.

You can view the U.S. Department of State’s Panama-specific information here:

http://travel.state.gov/travel/cis_pa_tw/cis/cis_994.html.

Further information can be obtained from the Consular Section of the U.S. Embassy in Panama, Unit 9100, DPO AA 34002, Tel: (507) 317-5332, Fax: (507) 317-5278, or at <http://panama.usembassy.gov/>.

Visa Requirements

[Return to top](#)

U.S. citizens may enter Panama with a passport that does not expire for at least three months from the date of entry and a return airline ticket. They are automatically authorized to stay in the country for 180 days as a tourist. The 180-day period is nonrenewable. There is no tourist card requirement. Travelers should be ready to show that they are carrying “sufficient funds,” which is \$500 or travelers’ checks. Travelers are not often asked and sometimes a credit card or display of wealth is enough, but failure to show funds if asked can result in refusal of entry. There are visas available to businesspersons wishing to spend extended periods of time in Panama:

- **Inversionista (Investor):** A minimum of \$160,000 must be invested in setting up a company in Panama with a minimum of five Panamanian employees in its payroll, and \$1,050 must be deposited in advance (\$800 with the National Immigration Service and \$250 with the National Treasury).

- **Permiso Temporal (Temporary Permit):** For executives transferred from an overseas office to work in Panama temporarily or technicians working with a company in Panama for a limited time. Executives must prove their income will come from outside of Panama. Foreign technicians shall not exceed 15% of the employees of the company. The visa is valid for one year and is renewable up for six years.
- **Visa Corta Estancia Por Negocios (Short Stay Business Visa):** For businesspersons coming to Panama for the purpose of setting up a branch office of a foreign company in Panama. The visa is valid for up to nine months and is nonrenewable.
- **Permiso de Residencia para Nacionales de Paises con relaciones amistosas, económicas y de inversion con la República de Panamá (Friendly Nations Residency Permit).** The U.S. is included in the friendly nations list. This residency status is granted to individuals coming to Panama with the purpose of pursuing commercial or professional activities in Panama. Once approved, this permit grants an indefinite residency in Panama. Applicants must show a bank account with approximately \$5,000 or more and proof of a commercial or professional activity.

There are other business related residency permits available, some related to special zones such as the “Panama - Pacific Area”; the “City of Knowledge”; “Export Processing Zones”; and for “Call Centers.”

There is a \$40 departure tax on leaving the country. This charge is usually built into the return fare of the airline ticket.

U.S. Citizens are subject to Panamanian law when visiting Panama and penalties for possession, use and trafficking in illegal drugs are severe.

If you plan to bring representatives or technicians to the U.S. for training, you should be aware that Panamanian nationals need a valid visa. Visa applicants should go to the following link: http://panama.usembassy.gov/non-immigrant_visas.html.

U.S. Companies that require travel of foreign businesspersons from Panama to the U.S. should be advised that visa issuance is managed by the U.S. Department of State’s Consular Section rather than the U.S. Department of Commerce. Visa applicants should go to the following links:

- Panamanian Embassy in Washington, DC: www.embassyofpanama.org
- State Department Visa Website: <http://travel.state.gov/visa/>
- Panama U.S. Consular Section Website: <http://www.panama.usembassy.gov>

Telecommunications

[Return to top](#)

Panama has an excellent telecommunications infrastructure which includes broadband internet services, calling card availability, public phone services, and many public places around Panama City and other major cities to access the internet services and international phone calls. Direct dialing is available to more than 150 countries worldwide. The cell phone service is based on the GSM technology and you can buy prepaid SIM chips for unlocked GSM phones on the street. There are 170 radio stations and five television stations in Panama. There is cable TV service as well as satellite-based services.

Transportation

[Return to top](#)

Panama has excellent air transportation facilities. Three major U.S. airlines serve the country, as well as others from different countries. Copa, the Panamanian airline, has a regional hub at the Tocumen International Airport, connecting Panama with major cities in the U.S. and Latin America.

Buses and taxis are readily available in urban areas. Taxi fares are low and usually range from \$2-10 depending on the trip's length. Taxi services from hotels are typically more expensive but the cars are in better condition and it is generally safer. Congestion in the Panama City metro area is a rapidly increasing problem, but since the metro area is relatively compact, taxi service is the best way to get around. The Government of Panama is executing a plan for a fully integrated bus and metro transit system to deal with the congestion.

Transportation from Tocumen International Airport into Panama City can be made by a special taxi service, with prices between \$30-35 depending on the size of the taxi. Taxis may be shared with other passengers. Car rentals are available. There is no bus service at the airport.

Major car rental companies operate in Panama and offer excellent services.

There is train service from Panama City to Colon, on the Atlantic side, operated by Kansas City Southern. This is primarily a container transportation facility but the railroad also operates limited passenger service. It has become an attractive tourism option to visit Colon.

Language

[Return to top](#)

Panama's official language is Spanish. However, English is widely spoken as a second language in the main cities.

Health

[Return to top](#)

Health conditions in Panama are good, especially in the urban centers. Running water is available in almost all parts of the country and is usually potable. Use of bottled water or boiling before use is necessary only in some rural areas and small towns in the provinces. There are no major potential health risks when visiting Panama, particularly in the business areas of the country.

Local Time, Business Hours, and Holidays

[Return to top](#)

Panama does not observe Daylight Savings Time. So from roughly April - October, it is one hour behind U.S. East Coast Time. From November - March, it is at the same time as the U.S. East Coast.

Private business offices are open from 8:00 a.m. until 5:00 p.m., Monday through Friday, and Saturdays from 8:00 a.m. to 12 noon. Banks are open from 8:00 a.m. to 3:00 p.m., Monday through Friday. Most local banks open Saturdays from 9:00 A.M. to 12:00 Noon. Government offices are open from 8:30 a.m. to 4:30 p.m., Monday through Friday.

All private, government, municipal and U.S. Embassy offices are closed during local holidays. In addition the U.S. Mission observes all U.S. holidays.

The Panamanian holidays for 2013 are:

- January 1 New Year's Day.
- January 9 Mourning Day.
- February 12 Carnival
- March 29 Good Friday
- May 1 Labor Day.
- November 3 Independence Day from Colombia (Observed Monday, Nov 4).
- November 5 Colon's Day.
- November 10 The Uprising of Los Santos (Observed Monday, Nov 11).
- November 28 Independence Day from Spain (Observed Monday, Dec 2).
- December 8 Mother's Day (Observed Monday, Dec 9).
- December 25 Christmas Day.
- There is a large Jewish community so some businesses observe Jewish holidays.

Temporary Entry of Materials and Personal Belongings

[Return to top](#)

Business travelers should not have problems entering with laptops or any other personal business equipment or software if they are for personal use. Exhibiting materials can be brought into Panama subject to temporary entry restrictions.

Web Resources

[Return to top](#)

- U.S. Department of State's Panama-specific information: http://travel.state.gov/travel/cis_pa_tw/cis/cis_994.html.
- Government of Panama Tourism Bureau: www.atp.gob.pa.

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: enrique.tellez@trade.gov; Phone: 011-507-317-5000; or visit our website: <http://www.export.gov/panama>.

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Resources for Doing Business in Panama

May 2013

This publication gives you a listing of the key resources that U.S. companies should find useful in exploring export or investment opportunities for Panama. We encourage you to [contact us](#) first to discuss how we may be able to assist you.

Sections

- [U.S. Embassy Panama Contacts](#)
- [Washington, DC Contacts](#)
- [Ministries and Government-Owned Agencies in Panama](#)
- [Additional Resources in Panama](#)
- [Market Research for U.S. Exporters](#)
- [Upcoming Trade Events](#)

U.S. Embassy Panama Contacts

U.S. Commercial Service, U.S. Department of Commerce
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Fax: (507) 317-5573
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Tel : (507) 317-5080
Email: Enrique.Tellez@trade.gov

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Tel : (507) 317-5392
Email: Jeane.Zuniga@trade.gov

Diana Lozano, Commercial Specialist
Tel: (507) 317-5242
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Jonathan A. Plowman, Counselor for Economic Affairs
Tel: (507) 317-5301
Email: PlowmanJA@state.gov

Political Section, U.S. Department of State

Shelby Smith, Counselor for Political Affairs

Tel: (507) 317-5122

Email: Smith-WilsonSV@state.gov**Foreign Agricultural Service, U.S. Department of Agriculture**

Arlene Villalaz, Agricultural Specialist

Tel: (507) 317-5297

Email: Arlene.Villalaz@fas.usda.gov**U.S. Consular Section**

Tel: (507) 317- 5332

Email: Panama-CG@state.gov

American Citizen Services

Tel. (507) 317- 5000

Email: Panama-ACS@state.govhttp://panama.usembassy.gov/american_citizen_services_unit.html

U.S. Embassy Panama, Mailing Address:

9100 Panama City Pl.

Washington D.C. 20521-9100

Tel: (507) 317-5000

Fax: (507) 227-1964

Washington, DC - based Contacts[Back to top](#)**U.S. Department of Commerce**

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Export-Import Bank of the U.S.

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U.S. Trade and Development Agency

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Embassy of Panama

Ambassador Mario Jaramillo
 2862 McGill Terrace NW
 Washington, DC 20008
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 Fax: (202) 483-8413
www.embassyofpanama.org

Ministries and Government-Owned Agencies in Panama[Back to top](#)**Ministerio de Comercio e Industrias (Ministry of Commerce and Industry)**

Ricardo Quijano, Minister
 P.O. Box 0815-01119
 Panama, Republic of Panama
 Tel: (507) 560-0600
 Fax: (507) 560-0663
www.mici.gob.pa

Vice Ministerio de Comercio Exterior

Jose Pacheco, Vice Minister
 P.O. Box 0815-01119
 Panama, Republic of Panama
 Tel: (507) 560-0600
 Fax: (507) 560-0653
www.vicomex.gob.pa

Ministerio de Desarrollo Agropecuario (Ministry of Agricultural Development)

Oscar Osorio, Minister
 P.O. Box 0816-01611
 Panama, Republic of Panama
 Tel: (507) 507-0601
 Fax: (507) 266-2943
www.mida.gob.pa

Ministerio de Economía y Finanzas (Ministry of Economics and Finance)

Frank De Lima, Minister

P.O. Box 0816-02836

Panama, Republic of Panama

Tel: (507) 506-6753

Fax: (507) -507-7045

www.mef.gob.pa

Ministerio de Salud (Ministry of Health)

Dr. Javier Diaz, Minister

P.O. Box 0816-06812

Panama1, Republic of Panama

Tel: (507) 512-9400

Fax: (507) 212-9240

www.minsa.gob.pa

Ministerio de Obras Publicas (Ministry of Public Works)

Jaime Ford, Minister

P.O. Box 0816-06734

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Tel: (507) 507-9400

Fax: (507) 507-9419

www.mop.gob.pa

Autoridad Marítima Nacional (National Maritime Authority)

Roberto Linares, Administrator

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Tel: (507) 501-5000

Fax: (507) 501-5405

www.autoridadmaritima.gob.pa

Administracion de la Zona Libre de Colon (Colon Free Zone Administration)

Leopoldo Benedetti, General Manager

P.O. Box 0302-00512

Colon, Republic of Panama

Tel: (507) 475-9512

Fax: (507) 475-9628

www.zonalibredecolon.com.pa

Autoridad Aeronautica Civil (AAC) - (National Aeronautics Authority)

Rafael Barcenás, Director

P.O. Box 03073-03187

Panama, Republic of Panama

Tel: (507) 501-9000

Fax: (507) 501-9487

www.aeronautica.gob.pa

Instituto de Acueductos y Alcantarillados Nacionales (IDAAAN) - (National Water Works Company)

Abdiel Cano, Executive Director

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Fax: (507) 522-8502

www.idaan.gob.pa

Inter-American Development Bank (Panama office)

Marcelo Antinori, Representative

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Panama, Rep. of Panama

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Fax: (507) 206-0999

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Additional Resources in Panama

[Back to top](#)

American Chamber of Commerce and Industry of Panama (AmCham)

Affiliate of the U.S. Chamber of Commerce and Latin American Trade Coalition in Washington, DC.

P.O. Box 0843-0152

Panama, Republic of Panama

Maurice Belanger, Executive Director

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Market Research

[Return to top](#)

For market opportunities in Panama, we suggest that you first review our Doing Business in Panama guide here: <http://export.gov/panama/doingbusinessinpanama>. To view market research reports on opportunities in other countries, please go to the following website:

<http://export.gov/mrktresearch/index.asp>. Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, but free of charge.

Trade Events

[Return to top](#)

Please click on the link below for information on upcoming trade events.

<http://export.gov/tradeevents/index.asp>.

For More Information

The U.S. Commercial Service in Panama can be contacted via e-mail at: enrique.tellez@trade.gov
Phone: 011-507-317-5000; or visit our website: <http://www.export.gov/panama>.

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