

Doing Business in Panama

Deputy Ambassador of the Kingdom of the Netherlands in Panama

Jurriaan Middelhoff



Panamanian Economy

- Panama is the fastest growing economy of Latin-America: GDP growth 5,4% (2017).
- Ease of Doing Business (World Bank) 79th place.
- (Expanded) Panama Canal
- Tocumen International Airport



Second Terminal Tocumen International Airport



Panama Canal Expansion



ZONA LIBRE DE COLON

Colón Free Trade Zone



Free Trade Zones

- Colón Free Zone (CFZ)
- Panama Pacifico
- City of Knowledge
- Export Processing Zones (EPZ's)/ Zonas Francas

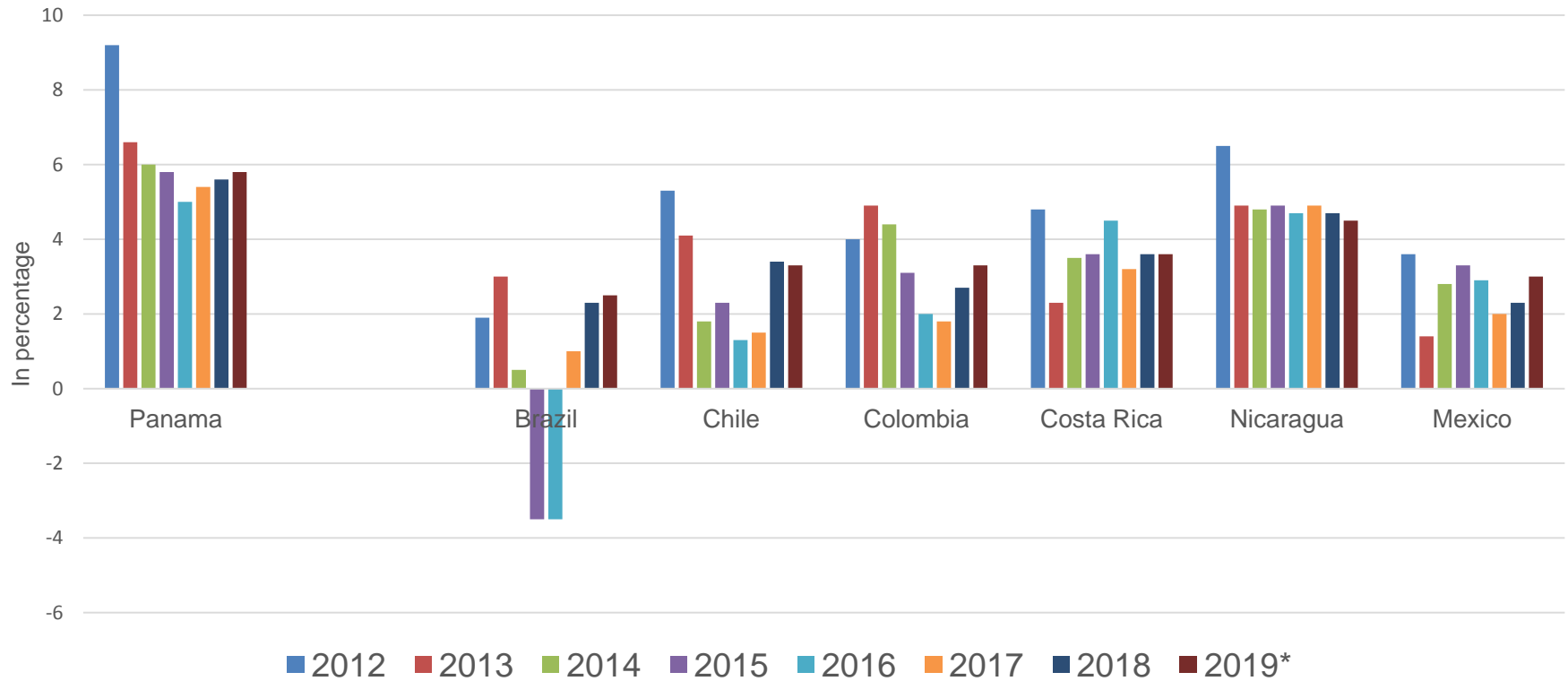


Benefits of Doing Business in Panama



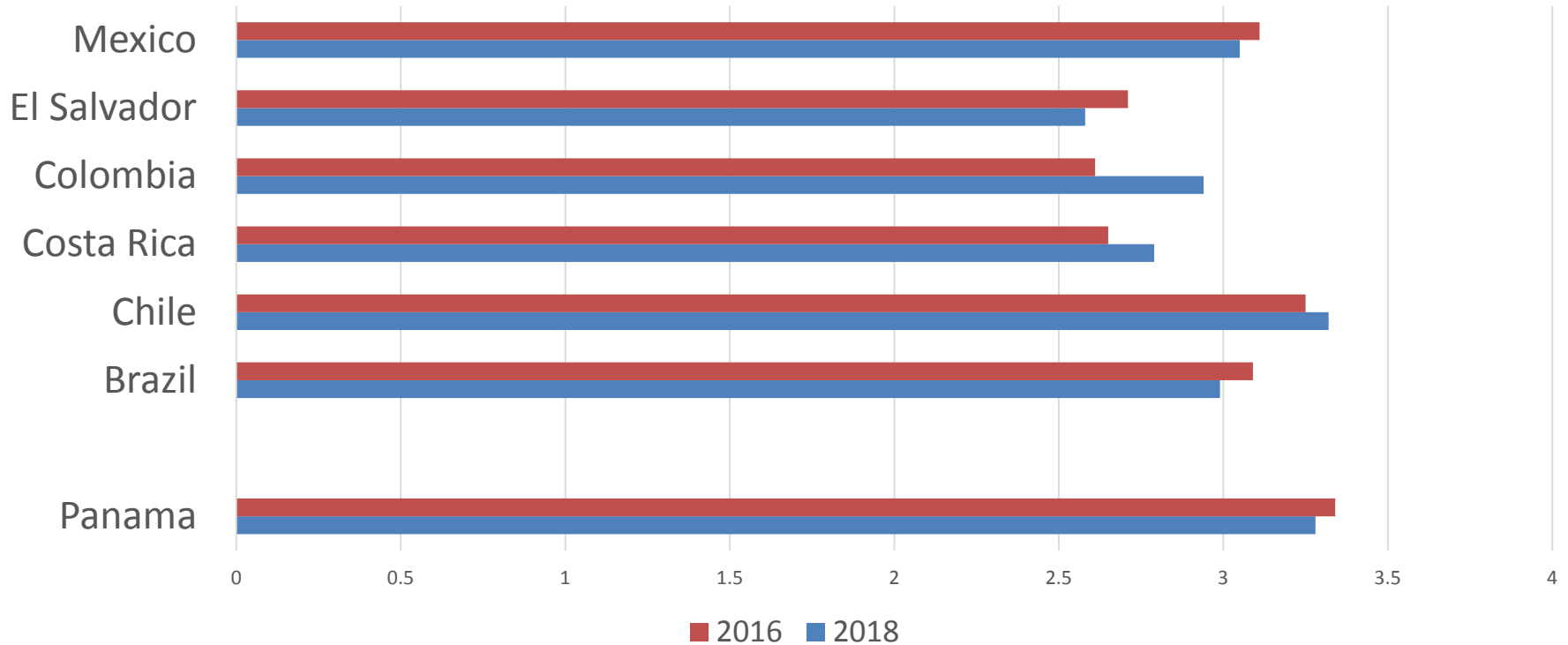
Panamanian Economy

GDP growth compared to other L-A countries

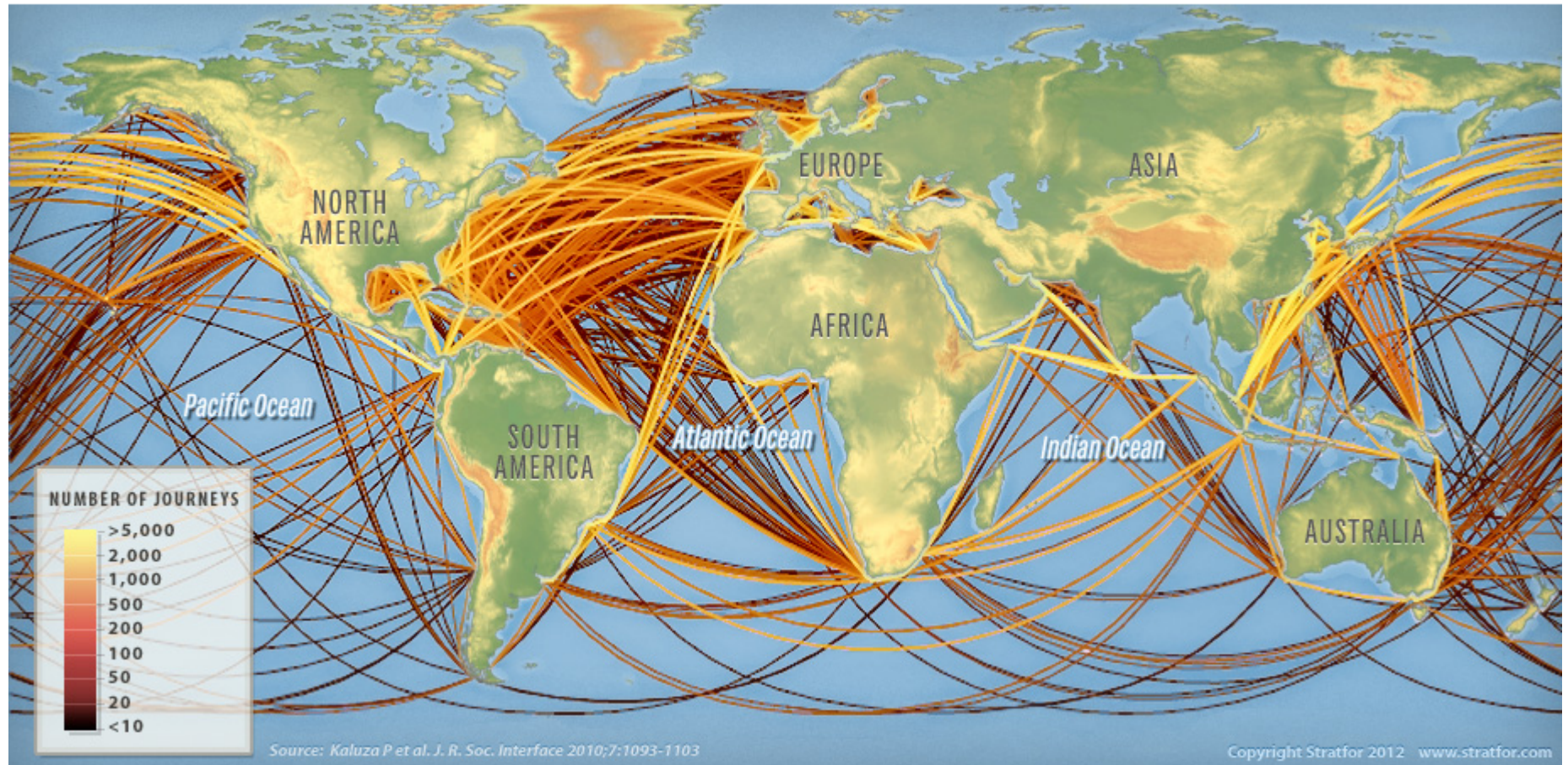


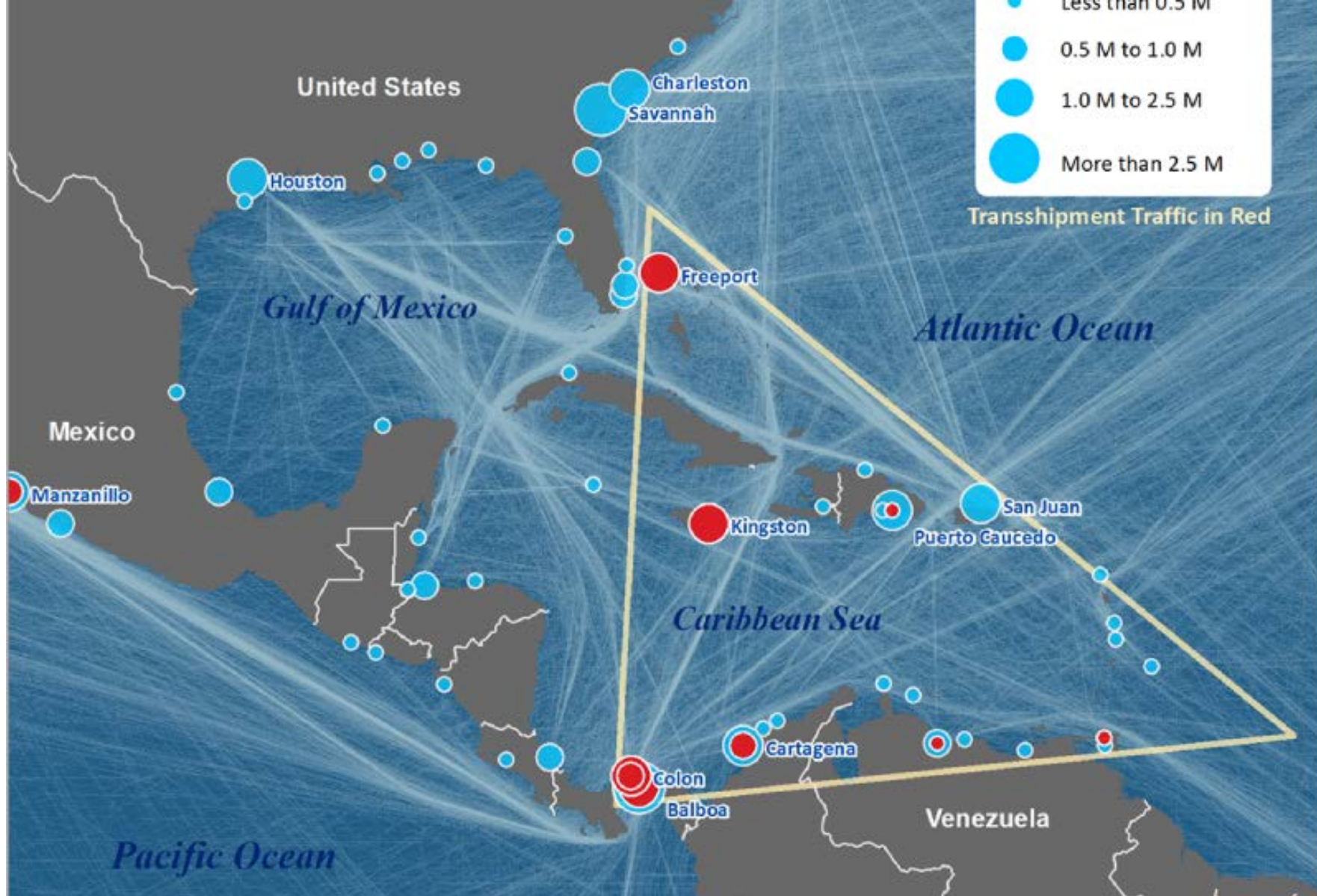
Panamanian Economy

Logistics Performance Index



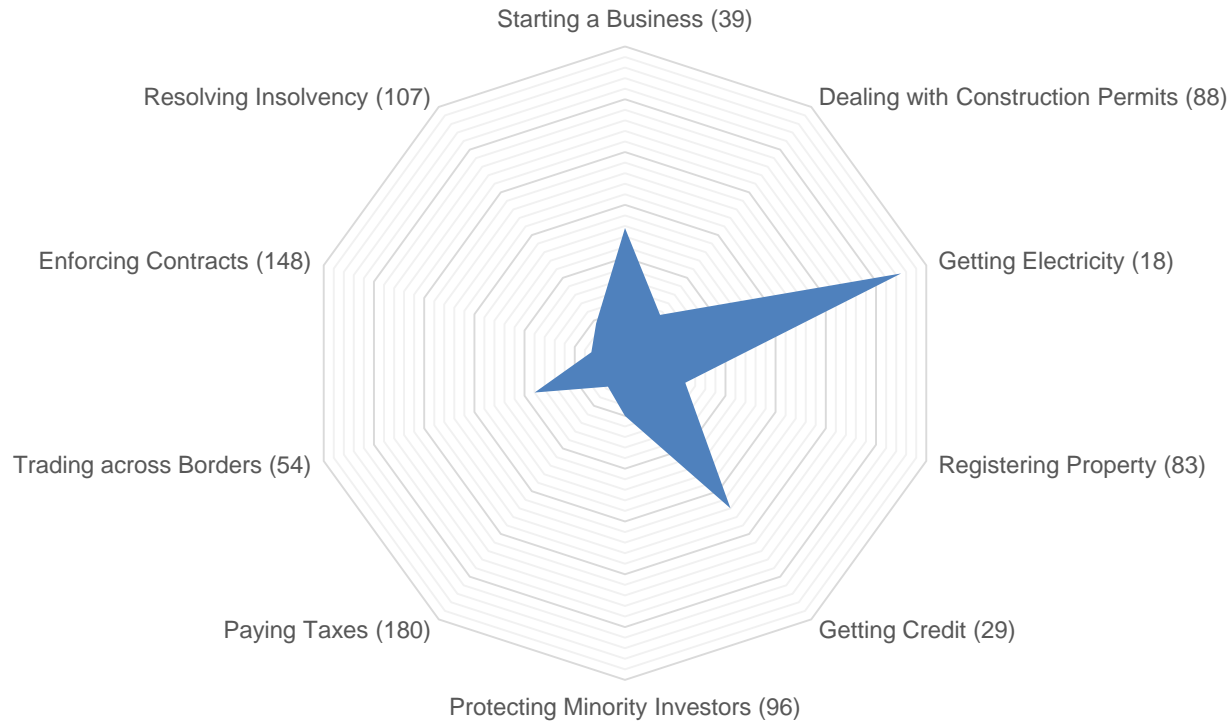
GLOBAL SHIPPING ROUTES





Doing Business in Panama

Ease of Doing Business 2018





Benefits of Doing Business in Panama



Benefits of Doing Business in Panama

- Face-to-face contact is very important: trade-fairs, lectures, business events etc.
- Spanish as the main spoken language
- Territorial tax system: Companies only pay taxes on income generated in Panama.
- Panamanian financial sector is one of the largest in the region.
- Democratically elected government
- National is directly linked to the US Dollar and the USD is a valid currency as well.
- Panama is a relatively safe country, compared to other countries in the region.



Challenges

According to Global Competitiveness Index, in which Panama ranked 50th, the main challenges are:

- Inefficient government bureaucracy. For example: long procedures to register a company. This takes about 6 working days and costs around USD 600.
- Corruption
- Inadequately educated workforce
- Restrictive labor regulations



Support provided by the Embassy

- Delivering market information: report on doing business in Panama (Dutch)
- Panama Business News
- Promotional activities
- Troubleshooting
- Government to Government
- Advice on financial instruments



Dutch Companies Active in Panama



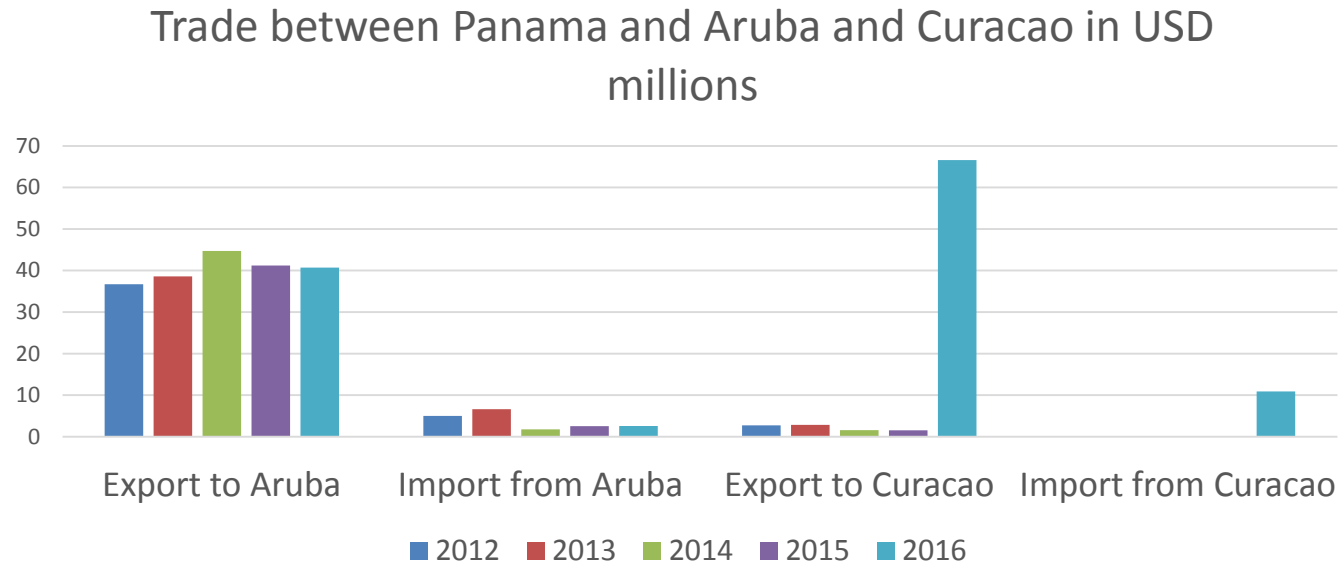
Opportunities for companies from Aruba and Curacao in Panama

- South Caribbean Cruise going from Colón to Curacao and Aruba
- New Amador cruise terminal
- Direct Copa flights towards Aruba and Curacao
- Bunkering (new LNG Terminal), Tugboats (further expansion Canal)
- RoRo terminal, Port of Corozal, metro lines (8 in total)
- Multimodal logistics hub Tocumen (free zone with cargo terminal, warehouses with access to runway and zone focused on added value activities)
- Fast train Panama City – David and possibly Costa Rica



Trade opportunities for Aruba and Curacao

- Currently mainly medication, clothes and hard liquor is being traded
- Alternative trade partner for Venezuela in terms of food-stuffs



Maritime & logistics Trade Mission to Panama and Costa Rica 17 – 21 March 2019

- Panama Maritime Conference with key players of the Panamanian maritime sector and international maritime companies
- Mission leader: H.E. Mr. Eugene Rhuggenaath
- Representation in the Dutch Pavilion, providing an attractive space for networking and meetings
- Networking events, high-level meetings with authorities and a visit to company visits
- 2 days in Panama and 2 days in Costa Rica
- Participation costs 1000 EUR p.p.
- Contact pan-ea@minbuza.nl to register



Other initiatives

Holland House Panama



Creating of an agrologistics Food Hub (masterplan Stig, more export potential to Aruba and Curacao)

Trade mission on Water – to IAHR conference September 2019





Welcome to Panama!

Questions?

Jurriaan Middelhoff
@NLinPanama

pan-ea@minbuza.nl

nederlandwereldwijd.nl/landen/panama/

