



Newsflash Panama August 2010

Edition 53



Panama-City

Embassy of the Kingdom of the Netherlands

The Panama Newsflash is a publication composed by the Consulate-General of the Kingdom of the Netherlands in Panama and the Embassy of the Kingdom of the Netherlands in San José. The newsflash provides an update in terms of imperative economical developments, the most important tenders and a selection of other relevant business news that have to do with Panama. This newsflash is shared with a distinctive group of Dutch businesses with special interests in Panama. It is put together on the basis of publicly available information from various sources such as news articles, press releases, and third party information. The Consulate-General of the Kingdom of the Netherlands in Panama and the Embassy of the Kingdom of the Netherlands in San José are not responsible for the accuracy of the published information. If you do not wish to receive the Panama newsflash, or would like to add a person to the distribution list, or if you desire to send your comment, please feel free to send a message to sanjose@trade-minbuza.nl.

Panama Economy up 5.3 percent in first quarter The Panamanian economy grew 5.3 percent in the first quarter of 2010, according to a government report. The Ministry of Economy and Finance based its report on figures compiled by the National Institute of Statistics and Census. These figures compute economic activity such as construction and consumer spending. Several other bodies have projected that the local economy will grow by about 5 percent this year, making it one of the leading economies in terms of growth in the region.

\$400 million Airport-City in Panama (Source: Prensa.com) The project includes the construction of a hotel, conference center and a hospital in the region of the capital's international airport, Tocumen. The 300 hectare construction site purchased by the Tocumen Airport Administration from the University of Panama for \$109 million. Juan Carlos Pino, general manager of the airport terminal, commented that the concept will be developed by the government with construction zone concessions granted to the private sector, the aim being to sell the rights to premises and generate a new source of income for the airport, similar to the way the duty free works currently.

Panama's free zone for oil to begin operations by the end of this year (Source: La Prensa) By the end of the year, Panama's Colón free oil zone will begin operations. The zone is to be located in the port of Manzanillo under a permission from the Ministry of Trade and Industry. The four tanks, with its pumps and fittings, has been constructed by Colon Oil and Services (Coassa) for a \$14 million investment. The operator is understood to be a European company. A government source said that Oiltanking, a German company, is likely to be given the contract.

Martinelli speaks out on easing regulations for 'responsible' mining in Panama (Source: Newsroom Panama) The global environmental lobby disregards the benefits of responsible mining in the development of a country, said Panama's president, Ricardo Martinelli, in Lima.



Martinelli added that his government was at a crossroads on the amendment of legislation to facilitate foreign investment in the mining sector. The Panamanian Government intends to promote a law that allows foreign investors to exploit, among others, the copper deposit at Cerro Colorado, one of the largest copper reserves in the world that has failed to move forward because of environmental impact studies.

Brazil's Galores launches refrigerated chain for perishable foods in Panama (Source: La Estrella) Some \$16 million of perishable foods go to waste each year in Panama. However, a private investment of some \$30 million hopes to reduce the losses sharply by next year. Galores Group, a Brazilian company is developing the first refrigerated warehouse in Panama. The government has a similar scheme but Galores has beaten it to the gun.

Spanish consortium heads bidding for Panama Metro management (Source: Efe) A Spanish consortium formed by Metro de Barcelona, Ayesa and Inelectra seems sure to be the winner of the tender for the management contract for Line 1 of the Panama City Metro. Assuming no objections are presented by Friday's deadline, the Spanish group will be the winners. Of the five bids, Metro de Barcelona's offer was the lowest at \$27.97 million. The highest offer was \$37.90 million.

Tenders

Panama irrigation projects worth \$600 million (Source: pa-digital.com.pa) Panama's Ministry for Farming Development (Mida) plans to contract two irrigation projects next year.

One of the projects will be located in Veraguas while the other is in Santa María, both in the centre-west of the country. These works add to irrigation projects already underway in the country such as "Remigio Rojas" in Chiriquí and El Caño in Coclé, for which \$65.3 and \$1.5 million have been invested respectively. Producers are claiming they need financial support towards land investments in order to take advantage of the Remigio Rojas system.

\$386 million award of Panamanian Hospital contracts suspended (Source: pa-digital.com.pa)

Due to complaints received from Samsung the public acquisitions directorate has suspended the award process. The evaluating committee had awarded the \$386 million contract for five hospitals to IBT Health consortium and FCC Construcción. Korean Samsung C&T Corporation contested the decision. The suspension of the award allows the claims made about the 31 May decision to be investigated.

Panama to invest \$100 million in street lighting (Source: laestrella.com.pa)

Over the next four years, 72,000 new street lights will be fitted and current installations replaced throughout the country. The existing lights, which are fitted with high-pressure sodium lamps, will be replaced with LED bulbs. This is expected to lead to energy savings of 50-80%. Dennis Moreno from the Panamanian Public Services Authority (ASEP) told laestrella.com.pa that the scheme is designed to help people feel safer on their way home at night.

Note: for more information on these and other tenders, please contact nltrade@cwpanama.net

Events

Expo Logistics Panama in October Atlapa Conventions Center will host Expo Logistics Panama on October 7th and 8th, 2010. The event includes conferences, and is intended for businessmen from the maritime, ports and aerial transportation industries.



According to its organizers, Expo Logistics Panama is an international trade show for logistics and multimodal transportation, and is the largest in the region.



Dutch B2B matchmaking trade mission to Central America

The EVD has assigned DLV Plant, with the local support of INCAE business school (Ranked #1 in Latin America), the Ministries of Agriculture of Central America, the Dutch Embassies in Central America and SNV to organize a B2B Tomato & Dairy Trade Mission. The mission will also focus on social corporate responsibility and fair trade. The events will take place in Panama and Costa Rica, where representatives and branch organizations from whole Central America will be present. A trade mission will be planned for 14-20 of November. For more details send an e-mail to Jan Tuinstra at j.tuinstra@dlvplant.nl



1-3 October 2010: Second Edition Eco Feria Panama The Asociacion Conciencia Ecologica de Panama would like to invite you to the second edition of the Panama Eco Feria, which is set for the 1st to the 3rd of October 2010 in Salon Las Totumas in the Atlapa Convention Center. The first edition was held in January 2010 and thanks to its success it has been decided to organize the second edition only 7 months later. With the help of the German-Panamanian company ForestFinance - CO2OL, who will make Eco Feria Panama the first fair to fully offset its carbon footprint. Instead of the event being open only for two days, this edition will be held for three days. Over 8000 visitors are expected, as well as countless people involved in the business of ecological products and services. Some of the participants are Mar Viva, Smithsonian, Alcandia de Panama, Organica, Energia Solar Pass and several government institutions

[More information](#)



TRADE PLATFORM:

In 2009 the Departments of Commerce of the Dutch Embassies Guatemala-City, Managua and San Jose developed a trade platform. This Business to Business (B2B) tool helps Central American and Dutch companies find each with the aim of exchanging information and doing business. On the website www.doingtradeincentralamerica.com several information sources for Dutch companies interested in doing trade with Central American companies are grouped together. The Embassy of the Netherlands has launched the trade platform on the 1st of November and can be found on the website www.centralamericab2b.com. This service is provided free of charge. The advantages of this trade platform include the possibility to promote your company for free, publish your trade leads, search for potential contacts or partners in the different countries and sectors, and contact the companies that you are interested in. Additionally, events that could be potentially interesting to Dutch or Central American companies will be published on this platform. To maximize the accessibility for all parties, the website is in English. In addition, a short manual will be provided to make the usage of the website as easy as possible.

To benefit from all these services, please register your company on http://www.centralamericab2b.com/index.php?option=com_comprofiler&task=registers.



EVD Panama country webpage

The EVD has a Panama country webpage where you can find up to date information in the areas of: business news, economical developments, tenders, country information (incl. fact sheet and laws), interesting sectors, activities, important documents and the business country guide from the Embassy of the Kingdom of the Netherlands. For more information please visit the website: www.evd.nl/landen. More information can be obtained from Judith Brussee, country manager Panama, through email panama@info.evd.nl or by phone (0031) 070-7788692.



Embassy of the Kingdom of the Netherlands as information source

On the website of the Embassy of the Kingdom of the Netherlands in San José (covering the countries Panama, Costa Rica, Honduras and El Salvador) you can find general information about the specific countries but also commercial information. Our 'handelwijzers' (business trade guides) entail broad and up-to-date information about how to do business in each of the four countries. It is a useful tool/guide for Dutch exporters and investors. Visit: www.holanda.cr, www.handelwijzer.com, www.doingtradeincentralamerica.com or www.centralamericab2b.com.

For more information you can contact our commercial department at the Dutch Embassy in San José thru email sanjose@trade-minbuza.nl or by phone (00506) 2296 1490 (Carel Richter or Hans Buhrs).

You can also contact our Consulaat-Generaal in Panama (Debby van der Schuit), Phone: (00507) 263 6494 or (00507) 264 7257. Email: consuladonl@cwpanama.net