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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 has 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.



Martinelli forecasts 9 percent growth for Panama this year (Source: AFP) Ricardo Martinelli, the president of Panama, estimated that his country's economy will grow by 9 percent this year, and he revealed plans for constitutional reform. "Our economy grew by between 6.5 and 7 percent last year. And this year will be better," Martinelli said. "Panama will have one of the most dynamic economies of Latin America with growth of 8 to 9 percent." Martinelli said that his forecast would exceed the growth of Peru and Chile, "the regional leaders".

Transporte Masivo de Panamá launches Metrobus system (Source: Efe) The government of Panama launched the first stage of the Metrobus public transport system to replace the capital's "red devil" buses. The first phase of the system will cover the Corredor Sur urban thoroughway 24 hours a day. By August next year, the Metrobus is expected to have 1,500 buses operating in routes all over the capital and its environs. The Metrobus is being managed by a Colombian-Panamanian consortium, Transporte Masivo de Panamá, which won the contract with an offer of \$269 million.

Panama slates \$2.85 billion in new projects (Source: La Estrella) Panama's government aims to maintain its rapid pace in growth of public projects. Tenders are expected to reach a total of \$2.85 billion. The projects to be put on offer include the Financial Tower, major highway improvements, Hospital City, a convention center, and 37 health clinics. In addition, Government City is to be added to the list, along with the eight markets in the cold-produce chain, and hydroelectric schemes.

Panama seeks bids for \$450 million hospital city (Source: La Prensa) Panama's social security system, La Caja de Seguro Social, aims to launch one of its most important investments of recent years. The project, known as "Hospital City" is expected to require a \$450 million investment. Bids are



to be invited on March 25. Companies interested in the project have come from Korea, Spain, the United States and South America. The new complex will house several of the system's specialist units.

Panama mulls \$325 million project for plants to produce diesel fuel from rubbish (Source: La Prensa) Panama's government is pondering the possibility of using waste to produce synthetic diesel for use by vehicles and power plants. Talks are well on the way involving the government and some municipal authorities for the purchase of five plants at \$65 million each. German technology would be used by the Alphakat company. The waste to be used by the project would include plastics, paper, rubber, wax, dirty oil and hydraulic liquids.

Panama to invest \$150 million for revamp of farming (Source: La Prensa) Panama's government will invest \$150 million in farming infrastructure following a five-year reduction of 35,000 hectares in the area under cultivation. Irrigation systems, dams and glasshouses are among the leading projects for agricultural authorities this year. The aim is to ensure supplies throughout the year of such basic staples as rice, vegetables, grains, meat and milk.

Royal Boskalis Westminster to build artificial residential island off Panama City (Source: Dredging Today) Royal Boskalis Westminster has been awarded a contract from Ocean Reef Island to construct an artificial island off the coast near the residential area of Punta Pacifica in Panama City. The project, with a contract value of approximately \$73 million, is already underway and the project is expected to be completed mid 2012. The prestigious project involves constructing an artificial island in the Pacific Ocean off the densely populated shoreline of Panama City.

Three companies show interest in 'airport city' project in Tocumen, Panama (Source: La Prensa) At least three international companies have shown interest in modifying the master plan of Panama's Tocumen airport to build an "airport city" on the neighbouring land. Spain's Prointec, SGS of France and Naco of the Netherlands are expected to hand in their proposals to the airport authorities. The project will be based on 300 hectares that the airport bought from the University of Panama for \$100 million.

After 35 days of crisis, President Martinelli orders total overhaul of water authority (Source: Newsroom Panama) After 35 days of water crisis in Panama, President Ricardo Martinelli has announced a "complete overhaul" of the national water authority, IDAAN, and a cancellation of billing for non-delivered December supplies. There have been persistent calls for the firing or resignation of the body's director Manuel González Ruiz. An emergency plan includes the distribution of bottled water and enabling some hydrants for the distribution of water, and an increase in delivery via tanker trucks, 24 hours a day. Companies of all types and size in Panama are being seriously affected by a shortage of potable water supplies that costs millions of dollars. The water crisis began last December 8th when a heavy rainstorm soaked Panama City and the province of Colon. During December alone, Cervecería Nacional, the SABMiller unit and Heineken, both lost 20 percent of its production. In the first two weeks of this year, the brewers' production losses amounted 50 percent.

Panama's Petroleum plan: Panama is analyzing potential oil exploration in the Caribbean, especially in areas near Darien, Bocas del Toro and Azuero. Research on existing sources of hydrocarbons, which began in 2010, has advanced by 60%, and by next March Panama could tender the first few blocks of exploration and development rights. There is also the possibility that Panama refines oil for domestic consumption and even import. Opportunities for: Consultants, Oil companies, Engineers, Surveyors, Environmentalists, Lawyers and Economists.

Tenders

New tender for \$500 million City Government (Source: Prensa.com) By declaring as void the contract call for design of the City Government, the Government of Panama will launch a new tender. Determined by the evaluation committee, none of the three companies which submitted bids, F. G.



Guardia y Asociados, Consorcio Ciudad Gubernamental Proyecto Arnaiz, and Omniconsult, managed to meet the minimum requirements set out in the terms and conditions of the project. Ministry sources explained that when the deadlines are met, a new tender will be summoned.

Panama invites bids for \$102 million health centers (Source: Panamá América) The bidding is for the study, plan development, construction and equipment of 10 primary care health centers. The technical specifications chapter outlines the requirements and scope as well as the design to develop the blueprint for plans and implementation, construction and civil engineering equipment and the furniture for the ten Innovative Primary Health Care Centers. The execution of the project may not exceed 15 months.

\$ 35 million investment for historical center Panama (La Prensa) The Ministry of Works will invite bids for a project to improve the area known as "Casco Antiguo"; investment is estimated at \$ 35 million. The works include the "burial of cables, recovery of sewer system, repairing streets and sidewalks, construction of parking for a minimum of 100 vehicles and lighting". The project undertaken by the Ministry is added to the one from the Office of the Casco Antiguo (OCA) which comprises of park illumination, sidewalk repair and installation of a tourism information center.

Panama launches \$9 million tender for Cold Chain Market (Source: Presidencia de Panamá) The Cold Chain Department invited bids for building and equipping a Public Market in David, Chiriqui. Tender rules are posted at the Panamacompra.gob.pa. web portal and the target date for submission of proposals is March 2nd, 2011. This facility in David, which will have a market area of 20 thousand people and will benefit about 200 retailers in the zone, is part of the innovative project the government is pushing of building public markets. The study, design and technical support of this new, modern public market in David, which is to be built at the ground of the former workshops of the Ministry of Public Works (MOP), was made by Mercasa and awarded by the Cold Chain Department through a public ceremony held in recent months. According to official estimates, the period of construction for the facility will be between 12 and 15 months. The market will feature ample parking and public spaces where fruits, vegetables and fresh meat and fish can be bought.

Panama tenders a fourth bridge at the Canal (Source: pa-digital.com.pa) President Ricardo Martinelli announced he will support the construction of a fourth bridge over the Panama Canal. The president said he will soon launch a tender for the construction of the project.

Panama to build new water treatment plant (Source: Presidencia de Panamá) President Ricardo Martinelli stated that a new water treatment plant will be built in the Eastern area of Panama City. The president's statements came after a water supply crisis occurred in Panama City, as a result of heavy rains last December which affected the Alajuela Lake, the main water supply of the Chilibre water treatment plant. The president said that they "will do another water treatment plant in Panama City near the Bayano River to supply water to the entire Eastern Panama area and not rely solely on Lake Madden (Alajuela) and the Chilibre water treatment plant".

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

Events



Call for participation at ExpoComer on 23-26 March

The Dutch Embassy will be present at the 2011 Expocomer Fair on 23-26 of March. The fair will host an exhibition area of 1000 stands, where national and international businesses from almost 40 countries will exhibit their supplies and demands, as well as the services and products in the following areas: food & beverages, textiles & accessories, services, technology and construction. The fair offers a unique opportunity to establish business



contacts with businessmen, high ranking multinational executives, products and services suppliers, government authorities, international companies and agencies and seminars among others. The organization of this fair is in the hands of the Panama Chamber of Commerce. For more information or participation you can visit the website: www.expocomer.com or contact our Consulate-General in Panama, Tel.: 00507 263 6494. Dutch companies which cannot be present may wish to send folder material etc. through the Consulate-General. Email: consuladonl@cwpanama.net

[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 'handelswijzers' (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.handelswijzer.com, www.doingtradeincentralamerica.com or www.centralamericab2b.com.

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

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