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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.

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.



Three new ports projected in Panama (Source: pa-digital.com.pa) The Panama Maritime Authority is promoting the concession of two new ports on the Pacific and one on the Atlantic, plus a shipyard in Colon. The news was confirmed by Jorge Barakat Pitty, Deputy Administrator of the Panama Maritime Authority (AMP), who noted that "the three ports would be completely new and could be developed giving concession for the land and the sea bottom so entrepreneurs can develop the structure directly." Regarding the Braswell Company's yard on the Pacific Ocean, whose concession expires

this year, the AMP official said, "The Government intends to launch an international tender for any person supporting their financial ability to invest in the shipyard." Several Dutch companies such as Boskalis, Van Oord, Fugro and APM Terminals have already expressed their interest in the new ports. Opportunities for port developers and operators, equipment suppliers, consulting engineers, marina developers, heavy equipment operators, electricians and metal-mechanical personnel.



Panama Canal vs. Colombia Dry Canal (Source: CentralAmericaData.COM) There is never too much facilitation for commerce: we welcome the Chinese-Colombian project to unite by ground the Pacific with the Atlantic. The Panama Canal Authority understands that and beyond feeling prepared for the competition this project would represent, they indicate that the more developed infrastructure the region has, the more it becomes a logistics hub. The proposed "dry canal" is the subject of discussions between the governments of Colombia and China.

The Development Bank of China would finance the project, which would cost \$ 7,600 million, and will have as a main element a 220 kilometer railway which will transport 40 million tons of goods, linking the Pacific Ocean with an industrial center built near Cartagena. The culmination of works to expand the Panama Canal, scheduled for 2014, will allow transit of 600 million tons of cargo a year. "It's a real proposal ... and it is quite advanced," Juan Manuel Santos, Colombia's president, said. "The studies [the Chinese] have made on the costs of transporting per ton, the cost of investment, they all work out." Plenty of opportunities for Dutch engineering, construction and logistics companies.

Qatar interested in Panama's port development (Source: Autoridad Marítima de Panamá)

The Development Director of Qatar recently visited Panama and expressed his country's interest in investing in Panama. The Director of Business Development of the Ministry of Commerce and Industry of Qatar, Nassir Jarallah Al-Marri, explained his country is interested in developing major business projects with Panama and that they are exploring areas such as maritime and airports, tourism, agriculture and trade. He said his visit will allow him to prepare an agenda for the upcoming official mission. He furthermore expressed his admiration for the growth of Panama's merchant marine and ports, noting that his country welcomed the great development that Panama has in different sectors of the economy. A high-level official delegation will visit Panama this year aiming to strengthen trade relations between both nations.

Panama Congress backs law to allow foreign governments to invest in mines (Source: Bloomberg) Panamanian lawmakers voted to allow foreign governments to invest in mines, a move intended to spur development of the country's gold and copper resources. A majority of Congress approved the new mining bill, which also sets higher fees and royalties for mine companies. The new mining code must be approved by another Congressional vote and signed by President Ricardo Martinelli before it becomes law. Opening mines to state-owned firms will give companies such as Inmet Mining an additional source of financing as development costs rise.

Panama clears way for \$5 billion Inmet copper mine (Source: Reuters) Panamanian lawmakers repealed a law preventing foreign government investment in mining. The reform also cleared the way for Canada's Inmet Mining to build a \$5 billion copper mine, the largest in Central America. Despite angry cries against mining from indigenous groups who broke into the Congress building during the session, lawmakers approved the overhaul with 42 votes in favor, 15 against and no abstentions.

South Korea voices interest in Panama mining with reforms to attract foreign firms (Source: AFP) South Korea has expressed interest in boosting investment in Panama, especially in mining projects, following reforms there. A statement by President Ricardo Martinelli said South Korean President Lee Myung-Bak expressed interest in natural resources projects in a recent conversation. The reforms enacted in Panama, which have drawn protests from environmentalists, labor leaders and others, make it easier for foreign companies to invest in mining.



Panama launches \$1.6 billion construction of Central America's first metro (Fuente: AFP) Construction of the first metro in Central America began in Panama City, a \$1.6 billion project that will open to riders in 2014. The subway -- the ninth in Latin America but the first in Central America -- is being built by an international consortium that includes France's Alstom, Brazil's Norberto Odebrecht and Spain's Fomento de Construcciones y Contratas. The government plans four subway lines in total, one of them over the Panama Canal.



Panama invests \$200 million in improvements to the nation's airports (Source: Efe) The government of Panama is investing more than \$200 million in the construction and revamp of several of the nation's airports in a drive to boost tourism and commerce. The ministry of economy said that the \$100 million expansion of the Tocumen international airport is the top priority. Improvements are also being made to Albrook, with \$12.5 million; Howard, \$11.6 million; Colón, \$58 million, and David, \$27 million.

Copa Holdings reports 32 percent increase in fourth-quarter net to \$92.8 million (Source: Reuters) Copa Holdings, the parent company of Panamanian carrier Copa Airlines, reported a 32 percent increase in fourth-quarter profit. New York-listed Copa reported net income of \$92.8 million, or \$2.11 per share. According to Copa the consolidated passenger traffic grew with 18.6 percent while capacity increased by 19.6 percent.



Panama's banks advance \$17 billion of new lending (Source: La Prensa) Most business segments in Panama's banks showed double-digit growth last year. The year showed reactivation in credit, a solid domestic and foreign credit portfolio, and sound indices of liquidity. The banks lent \$17 billion in new lending, a 13.9 percent increase compared to the previous year.

Panama's food exports fall for second year amid lack of interest and poor planning (Source: Fresh Fruit Portal) A lack of interest and planning has led to a second year of decline in Panama's food exports, including melon and watermelon. From January to November 2010, exports fell by 9.4 percent compared to the same period in 2009. From 2008 to 2010, export value fell from \$1.1 billion to \$679 million, representing a 38.2 percent decrease.

Tenders

New tender for \$500 million City Government (Source: Prensa.com)

By voiding the contract 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 (Source: La Prensa) The Ministry of Works will invite bids for a project to improve the area known as "Casco Antiguo"; the total 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 announces \$24 million bidding for mobile hospitals (Source: La Prensa) The Ministry of Health is putting out to tender the supply, installation and maintenance of three mobile hospitals. These hospitals will be located in the regions of Metetí, Darién Province, in Mariato, Veraguas and Tole, Chiriqui. The Ministry of Health requires the hospitals to include equipment and to comply with applicable ISO and international quality (IEC). The objective of the Health Ministry is to bring primary and emergency medicine to marginalized regions as well as solving the overcrowding problem in the country's current hospitals. Bids must be submitted by January 7, 2011.

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 in the grounds 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 recently. 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 to acquire fruits, vegetables and legumes, fresh meat and fish.

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 come after a water supply crisis occurred in Panama City as a result of heavy rains last December. These rains affected the Alajuela Lake, the main water supply for the Chilibre water treatment plant. The president said: "We 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

Dutch Pavilion at Panama Maritime X (Source: panamamaritimeconference.com)



The event focused on the latest regulations, technology, industry trends and highlights of employment, education and training. The meeting was held at the Hotel Riu Plaza Panama, Panama City, from February 13th to 16th 2011 and was opened by President Martinelli himself which visited all the stands at the Congress. Panama Maritime X offered world class exhibition and speakers as well as experts and officials from leading industries and governments. The event covered environmental initiatives, financial challenges and operational issues and included a unique range of technical visits to



port facilities, locks of the Panama Canal and the Panama Canal expansion site at the Pacific. Panama Maritime X provided opportunities to establish business contacts within the maritime industry. Ten Dutch companies were present at the fair: APM Terminals, VT Shipping, IHC Merwede, Radio Holland, Fugro, KTK Tugs, Smit, Sealand, Hubel Marine and Van Oord.



Call for participation at ExpoComer on 23-26 March

The Dutch Embassy will be present at the 2011 Expocomer Fair on 23-26 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 e.g. businessmen, high ranking multinational executives, products and services suppliers, government authorities and international companies and agencies. , The organization of this fair is in the hands of the Panamanian 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 that would like to participate or cannot be present but may wish to send folder material etc. can contact the Consulate-General. Email: consuladonl@cwpanama.net



[More information](#)



Pioneers in international business

TRADE PLATFORM

In 2009 the Departments of Commerce of the Dutch Embassies Guatemala-City, Managua and San José developed a trade platform. This Business to Business (B2B) tool helps Central American and Dutch companies to find each other with the aim of exchanging information and doing business. On the

website www.doingtradeincentralamerica.com several information sources for Dutch companies interested in doing business with Central American companies are grouped together. The Embassy of the Netherlands launched its trade platform on the 1st of November, it 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 convenient tool 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