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BUSINESS OPPORTUNITIES IN PANAMA

DAVID CITY'S MALEK AIRPORT TO BE EXPANDED

The Enrique Malek International Airport in David, in the province of Chiriqui bordering Costa Rica, will soon be expanded to include three new terminals for larger airplanes and more parking spaces for planes. The expansion of the Enrique Malek airport will provide adequate facilities to welcome international flights and tourists charters without having to land in Panama City's Tocumen Airport. The project had been delayed by the necessity to move fuel tanks to allow the construction of the terminals and parking place. The Chiriqui province is one of the most visited provinces of Panama. Since the past two years, many foreigners- European and American mostly- have relocated and make their homes in areas such as Boquete, Cerro Punta and Volcan.

If you are interested in receiving details of commercial ventures in the aviation sector, please contact Ms. Maria de Lourdes Marengo, mmarengo@pmallawyers.com

IDEAL PANAMA WILL BUILD HYDRO ELECTRIC PLAN IN THE PROVINCE OF CHIRIQUI

Ideal Panama, a construction company owned by Mexican investor Carlos Slim, will build the hydro electric plant known as the Baitun project, in the province of Chiriqui, said the Publics Service Authority (ASEP, Autoridad de los Servicios Publicos).

The project had been submitted to public bidding but the companies that participated in the tender did not comply with the requirements established by ASEP resulting in the immobilization of the construction for 4 years.

According to ASEP officials, Mr. Slim's company Ideal Panama made a combined offer for the Baitun and Bajo de Mina projects which are currently being built.

If you are interested in receiving details of commercial ventures, please contact Ms. Ivette Martinez, imartinez@pmalawyers.com

PANAMA RATIFIES ILO MARITIME CONVENTION

Panama became this month the latest country to ratify the ILO's Maritime International Labour Convention that aims to guarantee seafarers' rights. Panama is now the fourth major shipping country in the world to ratify the convention adopted in Geneva in February 2006.

The Maritime Labour Convention sets out a seafarers' "bill of rights" and establishes a strong compliance and enforcement mechanism based on flag State inspection and certification of seafarers' working and living conditions. This is supported by port State inspection of ships to ensure ongoing compliance between inspections. Panama Ship Registry is the largest open registry in the world with nearly 25% of the world merchant fleet flying the flag of Panama. It has also the largest seafarers' workforce estimated at around 150,000 seafarers. As a Flag State, Panama also played a leadership role in an important tripartite meeting of experts to adopt guidelines for flag state inspection under the Maritime Labour Convention 2006, according to an ILO statement. Panama's ratification also means that one of the two requirements for entry into force (33 % of the world gross tonnage) is more than achieved. Progress in many other countries indicates that the second requirement for entry into force, ratification by at least 30 countries, is expected by 2011.

ILO Director-General Juan Somavia said, "The decision by Panama to ratify this Convention underlines its commitment to taking a leadership role in the maritime industry and its desire to secure decent conditions of work for seafarers on its ships. With this ratification, one of the two conditions for the entry into force of this Convention has been fulfilled".

If you are interested in receiving details of business opportunities and commercial ventures in the maritime sector, please contact Mrs. Maria de Lourdes Marengo, mmarengo@pmalawyers.com and Mr. Belisario Porras, bporras@pmalawyers.com

BUNKER 2001 CONVENTION ENTERED FORCE JANUARY 2009

With Panama's ratification of the Bunker 2001 Convention, all ships registered under the Panama flag will be responsible for any environmental contamination caused by accidental fuel leakage or hydrocarbon discharge. They will, therefore, require additional insurance to cover fuel contamination. In addition to the ship owner, the company or person that charters the vessel, ship manager and the registered owner will have to pay compensation in case of accident or negligence on their part for damages to the environment caused by lubricants and fuel. The Bunker 2001 entered force in January of this year. A number of other conventions for the protection of the environment are being studied by the Panama Maritime Authority (AMP)'s officials for their future ratification, including the prohibition of use of lead paint and the sale for scrap metal of vessels that transported toxic material or use their parts to repair other vessels, said the AMP Administrator Fernando Solorzano.

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PANAMA IN THE INTERNATIONAL NEWS

PICTURE PERFECT PANAMA

THE MOVE CHANNEL.COM

January 26, 2009

With the extension of the Panama Canal, Panama is set to grow from strength to strength and can already lay claim to being Latin America's fastest growing economy... Last year, visitor numbers increased by an impressive 27 per cent and tourism is already the country's biggest contributor to gross national product.

Few locations can stack up as well as the fast growing hub of Panama City with its low levels of consumer debt, a GDP growth expected to exceed 8.7 per cent this year and the world's second highest rate of hotel occupancy in the world.

With current hotel occupancy running at 84.7 per cent, second in the world only to Perth and a rapidly increasing influx of flights and employment comparable to Dubai five years ago, the demand for hotel accommodation in Panama City is at a premium. Nations Hotel ---Nations Hotel is located in the key financial district of Panama City - Bella Vista - a hotspot for nightlife, shopping and restaurants. This five star hotel is a short walk from the ocean and harbour and is ideal for both international holidaymakers and the business community.

Nations Hotel will offer a range of rooms throughout its impressive 26 storey structure designed by renowned national Architect Musa Asvat Kasu.

Investors can choose between varying sizes of bedroom hotel rooms and also one and two bedroom apartment units. Each room and unit comes with a unique furniture package while all rooms have ceilings of 10 foot in height ensuring a feeling of space. The hotel boasts a restaurant, bar and lounge, business centre, conference space and parking garage. You can also enjoy a pool deck, fitness centre and spa, flat screen TVs, outdoor terraces, 24 hour security, valet parking, laundry service and high speed Internet access.

One bedroom hotel rooms, (from 34 square metres) start at £95,245; one bedroom apartments (from 52 square metres) start at £142,865 and two bedroom apartments (from 86 square metres) start from £357,972. Investments start from just £37,801 with a 60 per cent LTV mortgage and the expected net yields are in excess of 12 per cent. Panama looks like such a solid bet as staggering tourism growth looks set to increase demand further and the rental potential looks extremely strong for the future. Ben Jefferis, Sourcing Manager at Property Frontiers, said, "We have always believed that South America will escape the wider reaches of the global credit crisis. "Due to its very low level of consumer debt, Panama, along with Brazil, offers the greatest long term potential for growth and security.

"Panama has very few rivals in its potential for economic expansion. A combination of infrastructure, finance, tourism, taxation and the second highest hotel occupancy rate in the world make this a country worth serious consideration," added Mr Jefferis.

CURACAO INKS DEAL WITH PANAMA CANAL

FAIRPLAY DAILY NEWS

February 5, 2009

CURAÇAO Port Authority's plans to expand its cargo and cruise business took a step forward today with the signing of a joint promotion deal with the Panama Canal.

"The Memorandum of Understanding with the Curaçao Ports Authority will strengthen each of our abilities to serve the needs of the international maritime community," Panama Canal Authority Administrator & CEO Alberto Alemán Zubieta said in a statement. "Curaçao and Panama will work together to promote the route to Curaçao via the canal, fostering cruise business and regional trade of petroleum products in the coming years." As part of the MOU, the ACP and CPA will undertake activities to promote the oceanic exchange of goods including joint advertisements, data interchange and competitive market analyses of the shipping industry. In addition, the ACP and CPA will share information on their latest advancements, such as modernization efforts and personnel training programs. "With direct links to major markets and telecommunications infrastructure, the Port of Willemstad – Curaçao's largest port – is at the centre of the CPA's capital improvement plan. We now look forward to the opportunities this MOU will bring for both entities, as we constantly work to enhance our services," Richard J López Ramírez, general managing director of CPA said. Agustín Diaz, MD of CPA added, "As one of the Caribbean's most developed and organized ports, Curaçao continues to maximize its strategic location, offering the region's largest dry dock, modern cruise terminals and a state-of-the-art mega cruise facility.

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