



# BUSINESS LETTER

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## BUSINESS LETTER NO. 4-2009

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## ANNOUNCEMENT



PATTON, MORENO & ASVAT  
INTERNATIONAL LAWYERS

Patton, Moreno & Asvat is pleased to announce that Evans Alberto Gonzalez Moreno has become partner of the firm, effective as of January 2009.

Mr. Gonzalez Moreno has a Degree in Law and Political Sciences from the University of Panama (1998); a Master in Commercial Law from the Santa Maria La Antigua Catholic University (2001) and a Master in Procedural Law from Universidad Latina de Panama (2005).

Since he joined the firm in 2000, Mr. Gonzalez Moreno has developed a successful practice in the areas of civil and maritime litigation, arbitration, commercial and civil law, administrative law, criminal law, intellectual property, real estate and contracts.

A member of the Panamanian National Bar Association, the Panamanian

Maritime Law Association, Inter-American Association of Intellectual Property, the Panamanian-Colombian Institute of Procedural Law and the Inter-American Federation of Lawyers, of which, Mr. Gonzalez chairs the Young Lawyers' Section. Our commitment to provide our clients with legal services of excellence is reaffirmed by Mr. Gonzalez Moreno's appointment and we congratulate him for this deserved personal and professional achievement.

## **BUSINESS OPPORTUNITIES IN PANAMA**

### **PANAMA AND FINLAND SIGN ACCORD ON INVESTMENT PROTECTION**

Panama and Finland have signed an Accord for the protection of investments in both countries. The document was signed by Panama's First Vice President and Minister of Foreign Affairs Samuel Lewis Galindo and Finland's Under Secretary of State Pekka Huhtanieri. According to Panama and Finland officials, the signature shows the mutual interest to increase commercial relations between the two countries and ease the establishment of Finnish companies regional headquarters in Panama.

If you are interested in receiving details of commercial ventures, please contact Ms. Ivette Martinez, [imartinez@pmalawyers.com](mailto:imartinez@pmalawyers.com)

### **PANAMA 'S 2008 GDP AT 9.2%**

Panama's Gross Domestic Product (GDP) grew by 9.2% last year, led by construction and activities related to the Panama Canal, reported Panama's Comptroller-General Office. In 2007, Panama's GDP grew by 11.5%.

The construction industry grew 30% last year compared with 2007, boosted by residential and commercial real estate projects, road building and the beginning of a \$5.25Bn expansion of the canal.

The transport sector, storage and communication grew by 15.7%, with a 12.7% increase in port services, a 7.1% rise in canal activity, a 17.4% gain in transportation services, and 21.8% growth in telecommunications.

### **QATAR AND OXY CONTINUING FEASIBILITY STUDY FOR REFINERY**

Panama has given Qatar Petroleum and Occidental Milinstring Projects (OXY) more time to complete a feasibility study on a refinery in the western part of the country, officials said. The two companies should have presented a report last December on the feasibility of the project to be carried out in the western province of Chiriqui, which borders Costa Rica.

The Minister of the Presidency, Rafael Mezquita said the contract extension was ratified during a Cabinet meeting. The two companies will report on the possibility of completing the project, which would enable the country to process and refine crude oil. The feasibility study, carried out since 2007 by Qatar Petroleum and U.S.-based Occidental Petroleum (OXY), will determine if it is advisable to build the refinery, specify the building plans and provide other details.

The construction of the refinery, which has a budget of \$8Bn and would process about 350,000 barrels of crude oil per day, would require a work force of approximately 5,000 jobs. Some 1,000 jobs would be created to

operate and maintain the facility.

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### **PANAMA CANAL CHOOSES DELOITTE AS AUDITOR FOR THE LOCKS CONSTRUCTION TENDER**

The Panama Canal Authority (ACP) announced the final composition of the ACP Evaluation Committee that will review proposals submitted by consortia vying to win the largest contract under the \$5.25Bn Canal expansion program – the design and construction of the new set of locks. The Committee is comprised of 15 Canal employees selected through a rigorous process launched in October 2007.

Proposals for the new set of locks contract will be submitted to the ACP March 3 and separated into two categories – price and technical. Price proposals will be moved to an independent and secure environment while technical proposals are evaluated. The 15 Committee members will assess select aspects of each technical proposal in separate teams divided by areas of expertise.

During the evaluation process, members will receive support from more than 40 local and international specialists and work in coordination with the ACP Official Contracting Office. The ACP also hired Deloitte to audit the technical review process and certify the Committee follows the rigorous analysis procedure to evaluate the bids.

If you are interested in receiving details of the Panama Canal expansion and of the tenders opportunities launched by the Panama Canal Authority (ACP) and opportunities in the maritime sector, please contact Ms. Maria de Lourdes Marengo, [mmarengo@pmalawyers.com](mailto:mmarengo@pmalawyers.com) and Ms. Ivette Martinez, [imartinez@pmalawyers.com](mailto:imartinez@pmalawyers.com)

### **PANAMA CANAL TO RECEIVE LOCKS CONSTRUCTION PROPOSALS MARCH 3**

The Panama Canal Authority (ACP) expects four prequalified consortia, comprised of more than 30 companies, to submit their proposals to design and build the canal's new set of locks on March 3.

The contract is the largest under the ACP \$5.25Bn expansion program. Once submitted, the price proposals will not be reviewed until the technical proposals have been evaluated and points computed. Panama Canal officials have said they expect to award a winner before the end of May. The new set of locks will constitute the core of the canal's new lane of traffic.

If you are interested in receiving details of the Panama Canal expansion and of the tenders opportunities launched by the Panama Canal Authority (ACP) and opportunities in the maritime sector, please contact Ms. Maria de Lourdes Marengo, [mmarengo@pmalawyers.com](mailto:mmarengo@pmalawyers.com) and Ms. Ivette Martinez, [imartinez@pmalawyers.com](mailto:imartinez@pmalawyers.com)

## PANAMA IN THE INTERNATIONAL NEWS

### PANAMA SETS UP NEW COUNCIL TO MANAGE \$ 1.11BN ECONOMIC STIMULUS PACKAGE XINHUA, FEB 11, 09

PANAMA CITY, Xinhua -- Panama set up a new council Tuesday for carrying out the government's financial crisis management program, local media reported. The Directive Council of the Financial Stimulus Program, which will be temporary and whose extension will depend on the country's economic circumstances, will manage the government's incentive package of \$1.11Bn designed to lighten the impact of the global crisis.

The measure aims to maintain economic stability, employment growth and commercial activity achieved in the country in the past years, said Erich Rodriguez Auerbach, Secretary of State Communications. "Its main aim will be to take on-time public policies to prevent or counteract the impacts posed by the global financial crisis," Rodriguez stressed. He said the program will support the economic agents or clients of banks who need funds to overcome economic difficulties, mainly those who are finding it difficult to get credit.

Panama has about 90 registered banks from all over the world and is considered to have one of the most solid financial systems in the region.

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