

PANAMA at a glance:



Panama: highest growth in the region

"Panama will be the fastest-growing economy in Latin America", said Inter-American Development Bank (IDB)'s Panama representative Gina Montiel.

Source: *La Prensa* (January 18, 2017).

Panama's economy over the medium term is expected to be one of the most dynamic, averaging a 5.4% GDP growth, according to the latest World Bank estimations.

Source: *Hitler Cigarruista - Capital Financiero* (January 10, 2017).

Multilateral Convention to be ratified by Assembly

Panama' recently-signed Multilateral Convention on Mutual Administrative Assistance in Tax Matters (MAC), which will allow more than 100 countries to request financial information from Panama, is set to be ratified by the National Assembly.

Once ratified, the Government will request to be withdrawn from international discriminatory lists.

Source: *Roberto González Jiménez. - La Prensa* (December 21, 2016).



Panama's Vice-president and Chancellor Isabel De Saint Malo (second from left to right) during her participation in the World Economic Forum in Davos, Switzerland (Source: Panama's Presidency Ministry).

Panamanian Vice-president highlights pro-fiscal transparency measures in Davos

During the World Economic Forum in Davos, Switzerland, Panamanian Vice-president, Isabel de Saint Malo, assured that the country has taken "all of the necessary measures" to comply with the highest international standards for the prevention of tax evasion and avoidance.

During a debate about "Taxation Without Borders", de Saint Malo assured that Panama started taking measures "way before" the wrongfully-called Panama Papers scandal.

"Since we arrived at the government two and a half years ago,



we have established a very clear road-map and we have taken all the necessary measures that had to be taken, even before the Panama Papers, because we assumed that we were behind in many areas”, explained de Saint Malo.

The leak pointed to a “global problem”, she argued, whose solution required Panama’s participation, but also the rest of the world’s, and stressed that “today there are no pending issues in Panama’s steps towards meeting the highest international standards”.

Source: Agencias EFE (January 19, 2017).

France recognizes Panama’s willingness to cooperate on tax matters



French ministers Michel Sapin and Christian Eckert (Source: AFP).

France appreciated Panama’s “willingness” to advance fiscal cooperation and transparency after a bilateral meeting at the Ministry of Economy and Finance’s operational headquarters to try to revoke the country’s inclusion in the list of tax havens.

“Ministers Michel Sapin and Christian Eckert took note of Panama’s willingness to advance in fiscal cooperation and transparency,” the press office of the French tax administration said.

“During the meeting, it was noted the recent changes made by Panama in its legislation

regarding access to company accounting and the identification of the effective beneficiaries of the different structures, effective as of January 1, 2017.” Panama ambassador to France Pilar Arosemena de Alemán described the meeting as “constructive”.

French officials said the bilateral meeting was held in “a constructive environment” with the “objective of identifying if Panama could meet the conditions to leave the French list of non-cooperative jurisdictions.”

Ambassador Arosemena revealed that a team of tax specialists from the French Economy Ministry will travel to Panama in February 2017 to set up a bilateral agreement with the Panamanian authorities to consolidate the automatic exchange of tax information.

Source: Victoria Isabel Cardiel C., - La Prensa (January 18, 2017).

Record yearly volumes in the Panama Stock Exchange (BVP)

The volume traded in the Panama Stock Exchange (BVP) marked a historic record of \$7,376.6 million last year. The figure surpasses by 10.6% the previous record and by 40.6% the traded volume in 2015.

The primary market amounted to \$3,933.8 million, while the secondary market reached \$2,182.2 million, or 44% more than the previous year.

The private sector accounted for the bulk of the volume traded, with \$4,859.0 million. That is, 65.9% of the total and 28% more than the previous year.

Source: Roberto González Jiménez. - La Prensa (January 16, 2017).

Panama launches high-level commission

With the purpose of strengthening their international and financial services, the Government of the Republic of Panama re-launched on Thursday February 2nd, the “High-

level Commission for International Services and Financial Resources" (CANSIF, for its Spanish acronym), with the purpose of re-focusing this advisory body to develop new competitive advantages for the country and to strengthen the Panamanian services platform.

CANSIF, which is a team advisory committee composed of representatives of the public and private sectors, was created a few years ago with the main responsibility for establishing and promoting the country strategy in the face of international pressure for greater transparency and exchange of information.

The concrete achievements made, allow Panama to move from a defensive strategy to focus primarily on the development of new services and competitive advantages that maintain the validity of the Panamanian Services Platform in compliance with the expectations of the international community.

Source: Panamanian Ministry of Economy and Finance (February 2, 2017).



The inaugural act of the High Level Presidential Commission for the Defense of International and Financial Services (Source: La Prensa: Isaac Ortega).

Panama advances in the fight against money laundering

The government presented the "Risk Assessment of Panama for the Prevention of Money Laundering and the Financing of

Terrorism", during a forum held by the Ministry of Economy and Finance (MEF).

"The National Assessment of Risk of Panama identifies economic activities and classified as low, medium or high risk stop the money laundering. This document allows us to take measures to eliminate or mitigate these risks, and it is essential to develop our strategy to prevent the laundering of money," informed Minister of Economy and Finance Dulcidio De La Guardia.

"The establishment of this new legal framework for our country has been a titanic work, achieved in record time thanks to the joint efforts of the public and private sector. In February 2016, Panama came out of the gray list of the FATF, today we are taking a step in the right direction and we are going to continue day after day", stressed the Minister.

Source: Panamanian Ministry of Economy and Finance (January 24, 2017).



Dulcidio De La Guardia, Minister of Economy and Finance (Source: Ministry of Economy and Finance).

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