

# Legislación Economía



**Again, vote for less  
bad**

**Training program in sexual  
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JUNE 2022

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# Editorial

## WHAT LESSONS DOES THE ELECTORAL TOURNAMENT OF COLOMBIA PROVIDE US?

**O**n June 19, Colombian electorate, with significant apathy for underlying decision, elected Gustavo Petro as the new president of that country starting next August.

**I just want to list some lessons that this Colombian experience leaves us, namely:**

**1. Already at five in the afternoon local time, the result was known and therefore the strength of the entities responsible for the electoral tournament to have a reliable system is demonstrated, despite the size of the country and the fact that the population of Colombia is more than 10 times ours.**

**2. Along the same lines, and despite the**

**ideological differences, the losing candidate Rodolfo Hernández, who will be part of the Legislative Branch for having reached second place in the elections, immediately recognized the victory of Gustavo Petro and urged the winner to comply with his promises to fight corruption.**

**3. The traditional political parties did not reach the level of confidence of the voters, as to be serious contenders, and in particular the ruling party did not even participate through the candidate in the election because he was eliminated in the primaries.**

**4. Gustavo Petro has shown that dedication to politics in his case, full time, has given him the satisfaction of holding several important**

positions as senator and mayor of Bogotá and now after two lost elections in 2010 and 2018 he crowns his actions by being elected president.

5. Very similar to what happened in Chile a few years ago, the clumsiness of the current president Iván Duque in economic and particularly tax matters, linked to the excessive use of military and police force, remained present in the minds of Colombians who in the years 2019 and 2021 took to the streets to demand health conditions, equity and transparency and found no relief in a government that was turning its back on the great needs of the country.

6. Another of the lessons is that false news and abuse in social networks and in the media, produce at a certain moment a kind of boredom or repudiation of disqualification campaigns and therefore exacerbate the voter, who You can opt in the last case for the null vote or the blank vote, which in Colombia favored Gustavo Petro.

7. As occurs in our country, this great inequity is one of the factors that is contributing to a kind of tiredness of people with status quo, and that consequently leads voter to think of instant solutions because their state of poverty and abandonment in areas such as health, education, per capita income, employment opportunities, is so precarious that he wants to bet on a kind of savior or Messiah who will resolve his individual circumstances in the short term.

8. Now, that same situation in Colombia is being experienced today in Ecuador and Peru, due to similar circumstances, but with different rulers and yet both nations are on the verge of a coup.

It means that the election is not equivalent to a blanket of roses, nor is it a blank check for the elected presidents, since the list of needs is suddenly so enormous, those same voters who have given their vote to a President, they become permanent vigilantes, impatient for the

results, which often constitute empty promises that are launched in the heat of the electoral tournament.

It has happened here with the constitutional reforms, the reforms to the Social Security Fund, the electoral reforms and the management of public finances: all unfulfilled promises.

But the same is happening in Chile with President Boric, who is between the ropes because his new Constitution does not meet the expectations of all the Chilean people and his management of the economy does not seem to be successful.

9. Another element that constitutes a masterful lesson is the alignment of the political forces, because in Colombia the truth is that this atomization of the political forces of the right was a factor that greatly favored the new president Gustavo Petro. That teaching advises us to unite political forces in order to achieve victory instead of acting like feudal lords in a small country like ours.

10. Finally, this experience tells us that if the conditions of all the citizens of the country are not clearly improved, no personal, family or business success will allow us social, economic, much less political stability.

When a government of any extreme achieves power, rumors of capital, talent and initiative flight immediately arise.

I believe that one of the pillars of this country is that we can meet and enjoy our family, friends and possessions.

Let's make Panama a less unequal country.

*It will dawn and we will see...L&E*

# Invited Writer



## AGAIN, VOTE FOR LESS BAD

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**N**ow the Republic of Colombia faces on Sunday, June 19, 2022 the same dilemma that the Republic of Peru faced at the time in its second electoral round between the presidential candidates Pedro Castillo and Keiko Fujimori and in Chile also in the second electoral round. between Gabriel Boric and José Antonio Kast. According to our opinion and criteria, in these two electoral processes those peoples, instead of voting for the least bad, were inclined to favor the worst, winning Pedro Castillo in Peru and Gabriel Boric in Chile.

On May 29, 2022, the first electoral round of the Colombian elections was held and GUSTAVO PETRO of the Historical Pact was favored for the first position, as he had planned, who obtained 8,541,617 popular votes, equivalent to 40.34% and in the second RODOLFO HERNANDEZ, the independent from the League of Anti-Corruption Rulers, remained in position, who achieved 5,965,335 popular votes, or 28.17% of the valid votes. The electoral participation in this first round was 54.98%.

In accordance with the Colombian legal system, it is established that if in the first electoral round there is no candidate who has obtained half plus one of the votes, the first two in number of votes go on to participate in the second electoral round. In this way, GUSTAVO PETRO and RODOLFO HERNANDEZ will compete for the Presidency of Colombia in second electoral round on June 19 of the current year.

The difference in popular votes that GUSTAVO PETRO achieved over RODOLFO HERNANDEZ in the first round was 2,576,282 popular votes. As an illustrative data, in the last three presidential elections held in Colombia in the first round of 2010, the difference in votes was 3,667,821, with an electoral participation of 49.30%.

In 2014, the difference in votes in the first round between the first two was only 458,211 popular votes and the participation of the electorate was 40.04% of the voters authorized to vote. In the last elections, held in 2018, the difference in votes achieved by the

first position over the second position candidate was 2,761,788 votes and the electoral participation in that first round was 54.44%, very similar to the participation of 54.98 % in the year 2022.

With the data already provided, it is evident and confirmed that electoral abstention has been a repeated and frequent phenomenon in Colombian electoral processes, as was foreseeable and I pointed out during the May 29 first round, which benefited GUSTAVO PETRO for the diversity of presidential candidates who attended and divided the presidential vote, coupled with the discontent accumulated and expressed in the protests of the year 2021 in the main cities of Colombia, which undoubtedly represented the so-called hard vote with which he counted and made him widely successful to GUSTAVO PETRO and who will also have a great value in the second electoral round in his favor.

We consider it important to take into account the number of blank votes in the last three electoral processes in Colombia, mainly those of the second electoral rounds. Thus we see that in the 2010 elections, in the second electoral round, 444,274 blank votes were cast. In the following electoral tournament, 2014, the number of blank votes in the second round was 618,759. In the following election process, 2018, the number of blank votes in the second round was 807,924 votes.

As can be seen, the number of blank votes increased in each subsequent electoral process and unfortunately I estimate that in these 2022 elections, in its second round, the number of blank votes will also exceed that of 2018, despite the fact that in our trial is about elections that are of enormous importance for the future of that country and others in the Americas.

In the first round, PETRO's closest rival was RODOLFO HERNANDEZ SUAREZ, the independent millionaire who personifies right-wing populism and who, until a few months ago, did not reach 5% of the voting intention in that election.

The candidate RODOLFO HERNANDEZ SUAREZ

is a 77-year-old construction engineer, a former mayor with an anti-system discourse, whose only experience in government affairs was obtained as a Councilman in Piedecuesta (Santander) and when he held the position of Mayor of Bucaramanga.

His message during the current campaign is characterized by his constant denunciation of corruption and anti-establishment, which went down very well in a large sector of the population, to the point that before and a few days after the first round of elections was held, many Colombians and The media identified with the right, which supported Fico Gutiérrez -related to Uribism-, began to distance themselves from him and to demonstrate in favor of HERNÁNDEZ, convinced of his greater possibility of defeating PETRO, than Fico Gutiérrez beat Petro. That is why RODOLFO HERNANDEZ manages to surpass the Uribism candidate, Fico Gutiérrez. RODOLFO HERNANDEZ will avoid debates with his opponent because he knows that he has everything to lose.

His populist proposals are viewed with suspicion by the country's think tanks, including such as building low-cost housing for all Colombians, a city in the middle of the countryside for those serving prison sentences, eliminating embassies, taking away cars from legislators, suspending the use of presidential planes, lowering the salaries of advisers to legislators, vociferating controversial and exalted statements, calling his opponents thieves and corrupt, his admiration for Adolf Hitler – although he later said that it was a 'mental lapse' and, above all, the outburst he expressed the day after the first round was held: "Uribe died on Sunday, he is dead", thus forgetting the votes obtained by Federico (Fico) Gutiérrez, 5,058.10 or 23.92%, and the votes from the right that in the end voted for him despite being behind, thinking that he would be the only one who could beat PETRO in the second round.

Good sense shows us that the followers of Uribism are still a palpable political force in the country, although some think otherwise, since they also



have a presence in the considerable number of senators and representatives of the Lower House, that is, in the Legislative body, vital to approve laws in a democracy and remember that in a true democracy the principle of harmonious collaboration of public entities and the powers of the State must be given to satisfy the fulfillment of the essential purposes of the country. The opposite would suppose the danger of paralysis of the realization of the purposes of the State, which would imply a worsening in the general conditions of citizenship.

Candidate HERNANDEZ is characterized by his controversial expressions and actions, which have generated rejection by broad sectors of the population and strong criticism, to the point that some call him the "Colombian Trump." They do him a huge favor, considering that not a few consider former President Trump as possibly the worst president the United States has ever had.

For his part, the leftist candidate GUSTAVO PETRO is undoubtedly a great speaker and from a very young age he identified with leftist ideas and this time it is his intention to win these presidential elections after two failed attempts. He is still in the memory of Colombians when, as a senator for the second time, he investigated paramilitarism and his relations with politicians, especially with the then President of the Republic, Álvaro Uribe.

Objectivity recognizes that he is an intelligent, astute and obstinate political leader in participating as a presidential candidate after having lost on two previous occasions as a presidential candidate. As he had previously pointed out, GUSTAVO PETRO collected part of that discontent that was manifested through serious protests that paralyzed the country in 2021 and that will do so again in this second electoral round.

The Coalition of the Historical Pact that supports it obtained a high vote in the legislative elections, approximately 16 senators and 25 representatives to the Chamber. Although he did not achieve

the presidency of the republic in the first round, he did obtain a wide difference in popular votes over his closest adversary, who represented a surprise, Engineer RODOLFO HERNANDEZ.

It is evident that Colombians are in the presence of an electoral process characterized by an apparently close and dirty campaign between the two final participating candidates, and on this occasion, mainly, elections are reached with an unresolved economic crisis and pandemic, where there is a lot of uncertainty and a very deep social discontent that unfortunately was not resolved.

I have the feeling that regardless of who wins out of the two finalists on Sunday, June 19, the near future of Colombia is going to be marked by a lot of instability, improvisations, controversial decisions and complications, which will hardly be able to solve problems such as the economy of the country, the notorious poverty in the country, unemployment, the increase in the cost of living, etc.

Both candidates advocate making changes, obviously the candidate PETRO, a former guerrilla, is committed to deeper changes contained in leftist politics, which in our opinion could be the main reason for not being elected president of the republic due to the great concern of the Colombian electorate, who aspires to a president of his country identified with the left to govern the destinies of the nation in the next four years and the uncertain future that democracy could have.

Although according to my criteria both candidates do not represent the best to govern Colombia among the multiplicity of candidates who participated in the first electoral round; Colombia finds itself, of its own volition, faced with the unfortunate dilemma of choosing again, as happened in other countries, to vote for the least bad. *L&E*

# Norms of INTEREST

## TRAINING PROGRAM IN SEXUAL EDUCATION

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**W**ith the approval of Law 302 of May 31, 2022, the Training Program on Sexual and Affective Education is established in order to protect children and adolescents from early pregnancies, sexually transmitted infections and sexual crimes.

Law 302 will come into effect in the official and private school year of 2023.

The rule provides that the Program must be implemented in all official and private educational centers, shelters, community boards, health centers, homes and care centers, custody and compliance centers for adolescents and young people in conflict with the law in Panama.

**Among the objectives of the Program are:**

1. Reduce, as far as possible, early and unplanned pregnancies.
2. Prevent sexually transmitted infections.
3. Educate, identify and prevent crimes against freedom and sexual integrity, to the detriment of children and adolescents and the actions that must be taken when identified.

On the other hand, the official and private educational centers must notify the attendees about the topics to be discussed in each class, workshop, course, talk or initiative of the Program and the students will have the guidance of their family according

to the parameters of the Ministry of Education.

It will correspond to the Ministry of Education to implement the Program through classes, workshops, courses, talks or other initiatives. The Program will be dictated by the teaching staff with the support of the trained personnel of the Ministry of Health and its implementation must occupy at least forty hours during the entire period that includes general basic education and secondary education.

**The Program must guarantee that the student, among other things:**

1. Knows his body, its development and functioning, particularly regarding the reproductive system.
2. Be responsible, prudent and careful with your body.
3. Able to make decisions about postponing the start of sexual activity.
4. Know the matters of preventing early pregnancy.
5. Know your rights before sexual crimes.
6. Be able to develop positive social relationships through the practice of values such as respect, solidarity and friendship.

However, Law 302 must be regulated by the Executive within a period of six months from the enactment, that is, on June 1, 2022. *L&E*

# PROFIT AND COLLECTIVE INTEREST COMPANIES: A NEW OPPORTUNITY TO INVEST IN PANAMA

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**T**hrough Law 303 of May 31, 2022, benefit and collective interest companies are created and the legal framework for said companies is established.

Companies of collective benefit and interest are those commercial companies whose main objective is to generate a positive impact on society and the environment while deriving income from commercial activities, such as the sale of goods or services.

It has been arranged that the companies of benefit and collective interest, respond to demands or unsatisfied social needs through the creation of positive externalities, transparency and responsibility.

With regard to the benefit company regime, it has been established that any commercial company may opt for benefit company status by:

- 1. If it is an existing company, it must modify the articles of incorporation in order to adopt the status of company of benefit and collective interest.**
- 2. In the case of a new company, include it in the articles of incorporation.**
- 3. Establish in the agreement that the company will have the purpose of generating a social and environmental benefit through the development of at least two categories of impacts contemplated in the standard.**
- 4. Include the ending BIC in the company name.**

Another aspect to point out is that the BICs must be

dedicated primarily to one of the following categories:

- 1. Labor: hiring preferably of people with disabilities, poverty, extreme poverty or unemployment.**
- 2. Environment: proper use or conservation of energy, water, nature, wildlife and natural resources, recycling and reuse of waste.**
- 3. Education and sports: focused on improving the quality of education and/or promoting the arts, sports, culture or the advancement of knowledge.**
- 4. Health: focused on prevention and/or treatment to have a healthier population.**
- 5. Poverty and inequality: reduction of multidimensional poverty and inequalities in the country.**
- 6. Food: business activity focused on reducing malnutrition.**
- 7. Any other that is established.**

It will correspond to the Ministry of Commerce and Industries, to be in charge of supervising the BIC companies, in accordance with provisions that regulate exercise of commerce, industry and other economic activities that require notice of operation.

Law 303 will take effect within three months of its enactment, that is, as of August 31, 2022, and must be regulated by the Executive within a maximum term of three months. *L&E*

# CORAL REEF SYSTEM, ECOSYSTEMS AND SPECIES

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**L**aw 304 of May 31, 2022, establishes the protection of coral reef systems, ecosystems and associated species in Panama.

It is established that Law 304 aims to protect, conserve, generate sustainable use actions, restore, prevent pollution and rehabilitate coral reef ecosystems, coral communities, coral species and other ecosystems and species associated with coral reefs. coral, such as reef fish, wetlands and seagrasses, as well as establishing all the necessary actions and measures to ensure the conservation and resilience of coral ecosystems.

**It has been established that the principles that must be followed in the implementation of Law 304 are:**

**1. Precautionary principle.**

**2. Prevention.**

**3. Access to information and citizen participation.**

**4. Polluter-pays. 5. Adaptive development.**

It will correspond to the Ministry of the Environment to be the authority in charge of protecting, conserving, restoring, preventing pollution, monitoring and rehabilitating coral reef ecosystems, coralline communities, coral species and associated species, as well as establishing all the necessary actions and measures. to ensure the

conservation and resilience of coral ecosystems.

By means of the Law in reference, the Reef Committee is created with purpose of guaranteeing compliance with the object of said norm and its members must contribute to implementation and fulfillment of Law 304 from their respective areas.

Another aspect to mention is that the creation of artificial reefs is allowed, which may be installed for the following purposes, among others: recreation and promotion of sustainable tourism; production and promotion of sustainable fishing, education and research; shoreline protection; reef restoration; recovery of degraded areas and habitat propitiation for vulnerable species.

Within the prohibitions contemplated by Law 304, we can mention that construction or any other type of activity is prohibited, both in the waters and in the substrate of coral reef ecosystems, seagrasses and associated ecosystems, as well as all those activities that may cause irreversible damage to their ecosystem health.

Finally, the Ministry of the Environment, the Panama Maritime Authority, the Panama Aquatic Resources Authority, the Ministry of Agricultural Development, the Panama Tourism Authority, Senacyt, as members of the Committee, will have the obligation to include in their annual budget proposal the funds required to gradually fulfill the obligations and commitments established in this Law. *L&E*

## JUNE MONTH OF THE FAMILY

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**L**aw 305 of May 31, 2022 was sanctioned, through which the month of June of each year is declared the month of the family throughout the national territory, for this reason, the National Government and its public institutions, civil society and the municipalities will establish actions, plans and programs aimed at promoting a culture of protection,

promotion and enhancement of the family institution.

Similarly, they must generate actions that highlight the importance of the family and promotion of values such as respect, love, mutual help, tolerance, honesty, full compliance with paternal and maternal responsibility as pillars in family and social relationships. *L&E*



# TAX MEASURES BANKRUPTCY PROCESSES

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In the Official Gazette number 29549-A of June 1, 2022, Law 306 of June 1, 2022 is enacted, which establishes tax measures for insolvency proceedings and conciliated reorganization.

Law 306 provides that the reductions, removals, forgiveness of debts, discounts or any other type of benefit received by a debtor taxpayer, consisting of debt reductions as a result of the agreements executed by said debtor with its creditors in accordance with the processes bankruptcy reorganization established in Law 12 of 2016 and Law 212 of 2021, may be credited to the taxpayer's

retained earnings account and, consequently, will not be included as part of the gross income of the debtor taxpayer referred to in article 696 of the Tax Code.

In this order of ideas, creditors will not lose the right to deduct uncollectible accounts.

Based on this, the retained earnings based on what is indicated in the preceding paragraphs, will be exempt from the dividend tax referred to in article 733 of the Tax Code and, in addition, will be excluded for purposes of calculating or determining the taxable base of business operation notice tax. *L&E*

## MODIFY THE COMMERCIALIZATION AND DISTRIBUTION STRATEGY OF ORGANIC PRODUCTS

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**B**y means of Law 308 of June 1, 2022, Law 8 of 2002, relative to the marketing and distribution strategy of organic products, is modified.

The modification consists of the addition to Law 8 of a Chapter VII Commercialization and Marketing of Organic Products, with the introduction of articles 37-A to 37-E.

It corresponds to the State through its specialized institutions, creates public policies aimed at the promotion, marketing and commercialization of organic products to support the national producer in order to generate income and to guarantee the food and nutritional security of the Panamanian population through a sustainable production, friendly to environment and aware of adverse effects of climate change.

Law 308 contemplates that food and nutritional security, cultural identity and the preservation of the environment are declared of social interest due to the threat that climate change represents for human existence and for the improvement of the life of Panamanian farmers and society in general.

In the same way, the Panamanian State, through its

specialized institutions, will contribute in relation to the access of producers to the distribution and consumption centers of organic products, such as food markets, municipal, provincial or national fairs, supermarkets. and permanent sellers.

**For such purposes, the State will promote:**

**1. The identification and improvement of access roads, highways and roads that lead to orchards, land or fields of organic production in a way that facilitates the communication of the organic agro-entrepreneur with the vendors and/or consumers.**

**2. The development of appropriate infrastructure for access and transportation of products of organic origin.**

Under these parameters, the State, through its specialized institutions, must encourage the participation of private companies in regard to the development of municipal, provincial and national fairs, the market and promotion of organic products and cooperation in the construction of infrastructure. necessary to carry out these purposes. *L&T*

## SPECIAL ECONOMIC AREA OF AGUADULCE AND PORT TERMINAL

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With the approval of Law 309 of June 1, 2022, the Aguadulce Special Economic Area and the multipurpose port terminal are created, located in the community of El Salado, province of Coclé, for the development and operation of transactions, negotiations and a wide range of commercial, industrial, logistics, customs, tourism, import, export real estate and services activities, in accordance with the financial conditions and demands of international markets.

The administration and supervision of the Area will be in charge of the Executive Organ, and subject to the supervision of the Comptroller General of the Republic.

The Executive Branch, through Law, will create the organizational and administrative structure that will facilitate the development of the Special Area, through interaction with companies and investors and with other regulatory entities, according to their respective competencies.

Regarding the ownership of the assets and operations within the area, it has been established that the State will be the owner of the assets that are within the Special Area and of other real estate that is built, as well as the furniture, securities and rights you acquire. It will be up to the Executive to determine how it will exercise the

custody, administration, conservation and disposal of assets, through lease, concession, license, usufruct, temporary use and other forms of disposal of assets.

**In the Economic Area, wholesale import, export and re-export of finished products and services will be allowed, such as:**

- 1. Provisioning or other auxiliary maritime services for ships.**
- 2. Products leaving by air from airports located in central provinces.**
- 3. Products made by companies that manufacture finished products in the Special Economic Area, provided that the products marketed are complementary to the products they manufacture in this area.**
- 4. Products related to aircraft maintenance, repair, conversion and reconversion activities and related activities.**
- 5. Transport logistics.**
- 6. Products related to oil-free zones that operate**

## within the Economic Area.

It contemplates Law 309, the rights and obligations of the companies that are located in the Economic Area, as well as the applicable tax and customs regime, the immigration regime that grants a permanent resident permit to a foreigner who demonstrates having invested an amount not less than the sum of US\$300,000.00 in the risk capital of the company that is installed, in addition to the requirements demanded by the National Immigration Service.

For the tax and customs regime, it has been arranged that the companies that establish themselves in the Area may avail themselves of any of the special regimes established by law for the operation of headquarters of multinational companies, of multinational companies for the provision of services related to the manufacturing or companies operating and developing agro parks.

It is important to comment that it is reiterated that it is obligation of employers to train Panamanian workers to replace foreign specialized or technical personnel, whose training will be paid by the employer and may be carried out in Panama or abroad. In this regard, we see that the Labor Code when it comes to the hiring of foreign technicians imposes this obligation on employers, which is reaffirmed in Law 309.

We note that the aforementioned Law 309 enables a multipurpose port terminal for cruise service and international passenger service and also states that the Executive Branch will grant a concession for the construction, maintenance and operation of the Aguadulce multipurpose port terminal.

Regarding the entry into force of the norm, we have that it will enter into force in the fiscal period following that of its promulgation and must be regulated within a period not exceeding ninety days, counted from June 6, 2022, date of enactment. *L&E*

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## MUSICAL INSTRUMENTS AND THEIR SPARE PARTS

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**L**aw 311 of June 6, 2022, adds numeral 17 to literal a of paragraph 8 of article 1057-V of the Tax Code, in the sense of establishing that the transfer

of musical instruments and their spare parts are exempt from payment of the transfer tax on movable tangible assets and the provision of services. *L&E*



# GENERAL, PARTIAL OR SPECIFIC APPRAISALS

E

In recent days, Law 312 of June 6, 2022, modified article 768 of the Tax Code in the transitory paragraph, indicating that the National

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Government will not carry out general, partial or specific appraisals until June 30, 2024. *L&E*

# INCENTIVES FOR TOURIST ACTIVITY

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**T**hrough Law 314 of June 20, 2022, Law 80 of 2012 was modified, which dictates incentive regulations for the promotion of tourist activity and other provisions are dictated.

The aspects to highlight of the reform introduced to tax incentives, we can mention:

**1. Your objective is to encourage investment and financing for development of new tourist public lodging establishments or expansions of existing ones, including tourist products and their complementary services, which are registered in the National Registry of Tourism, located in regions, destinations or areas of tourist interest, with the exception of those located in the district of Panama.**

**2. For these companies, 60% of the total value of the project declared before the Tourism Authority of Panama will be recognized as a tax credit, excluding the value of the farm and the infrastructure of the master plan.**

**3. They will also be recognized 5% of the value of the infrastructure of the master plan, declared before the Tourism Authority of Panama.**

**4. The result of this equation is the maximum value that will be recognized to the investor in tourism tax credits.**

**5. This tax incentive will be granted until December 31, 2024.**

**6. The tax credit will be granted to the investor who is the first purchaser of the bonds, shares and other financial instruments issued by the tourist company or real estate investment company, and may be used for the payment of the tax / on the income caused, tax complementary and estimated income tax.**

**7. The investor may request recognition of the tax credit up to the 60% of the total value of the project declared before the Tourism Authority of Panama, excluding the value of the farm and**

the infrastructure of the master plan, plus 5% of the value to be recognized of the infrastructure of the master plan, declared before the Tourism Authority from Panama.

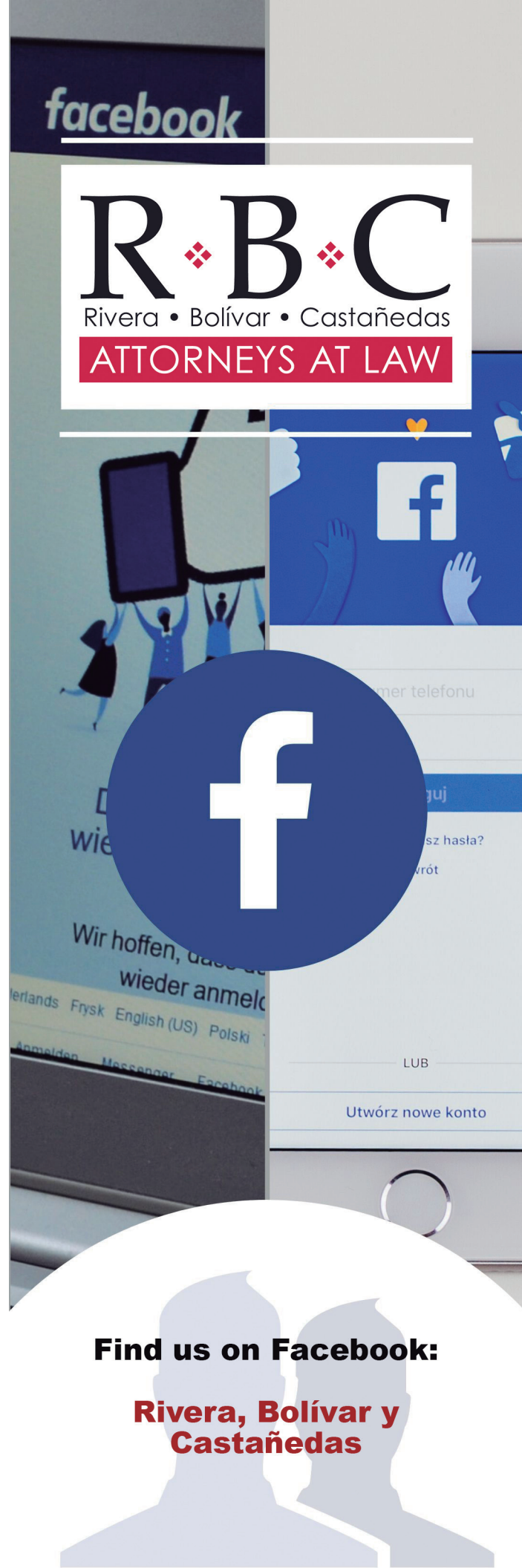
8. The tax credit may be recognized and applied annually from the second year of the investment.

9. It may only be used up to a maximum amount equivalent to 50% of the income tax due, the complementary tax and the estimated income tax, provided that it does not exceed 15% of the initial amount of the tax credit per year, up to that the entire tax credit is consumed, for a maximum period of fifteen years, counted from the date on which the tax credit was granted.

10. For the purposes of managing the incentives regulated in this Law and without prejudice to the regulations adopted for this purpose by the Executive Branch, tourism projects must have their respective environmental impact study to obtain the resolution of recognition of tax credits. granted by the General Directorate of Revenue.

11. Tourism companies and real estate investment companies that benefit from bonds, shares and other financial instruments must post a performance bond for 2% of the total investment up to a maximum of US\$1,000,000.00.

12. This bond must be deposited within a non-extendable term of thirty days. *L&T*



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## EXTENDED MAXIMUM PRICES FOR THE SALE OF BASIC BASKET PRODUCTS

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**T**hrough Executive Decree No. 11 of June 21, 2022, the validity of Executive Decree No. 165 of July 1, 2014 is extended, which temporarily established the maximum retail prices of products of the basic family basket of foods.

Price control is maintained on 8 products, namely:

1. Bone-in strip steak.
2. Prime ground beef.
3. Panama whole chicken.
4. Prime rice.
5. Powdered milk.
6. Yellow cheese.
7. Sausages containing beef.
8. Sliced bread. *L&T*

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# JURISPRUDENCIA

## EXECUTIVE BODY SANCTIONS CONTROVERSIAL PROJECT LAW 789 THAT PROVIDES INCENTIVES FOR THE PROMOTION OF TOURIST ACTIVITY IN THE COUNTRY

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**O**n June 20, 2022, the President of the Republic sanctioned Bill 789, which provides incentives for the country's tourist activity, in the presence of members of the country's private sector. Which seeks to encourage tourism activity, protect State investment, do justice to the tourism sector and promote efforts to generate jobs, as stated by its proponent the HD. Melchior Herrera.

As we have already pointed out, Bill 789 has to do with the incentive for investment and financing for the development of new tourist public lodging establishments or extensions of existing ones, including tourist products and their complementary services that are found. registered in the National Registry of Tourism, in different regions, destinations or areas of tourist interest, with the exception of those located in the district of Panama. Its purpose

is to recognize as a tax credit 60% of the total value of the project declared before the Tourism Authority of Panama (ATP), excluding the value of the farm and the infrastructure of the Master Plan, plus 5% of the value to be recognized of the infrastructure of the Master Plan, declared before the ATP. The regulation is considered self-financing, because when tourist constructions start, ITBMS taxes, permits, contributions to the Social Security Fund (CSS) and later taxes on permanent income are generated for the State, which are then compensated with credits. granted. The reason for the initiative presented is to consolidate Panama as a world-class tourist destination, building at least 5,000 new rooms in the interior of the country, where 80% of tourism resources are concentrated, and to support the execution of the approved Sustainable Tourism Master



Plan. in 2021, which turns tourism into State policy.

The new law repeals Law 122 and modifies Law 80, which reduces the incentive from 100% to 60% tax credit of the total value of the project (excluding the value of the farm and infrastructure), plus 5% of the value of the infrastructure of the Master Plan and shortens the fiscal incentive period until December 31, 2024 (today it is until 2025) and limits to destinations or areas of tourist interest, outside the district of Panama. It is estimated that the development of projects in the interior of the country could generate an estimated 3,000 jobs in the construction sector in the next 2 years and then more than 2,000 permanent jobs in the operational stage of the hotels, which will improve the quality of life in various rural areas of the country. There are currently 39 projects that have started their certification process to apply for the incentives of Law 122, for a total of B/.2,940 million, distributed in different regions of the interior of the country. Tourism, which has become one of the main economic engines of the country, in 2019 represented an injection of foreign currency into the country for B/.7 billion. The investment projects that are developed from the private sector will complement the more than B/.700 million in public investment, through the Tourism Cabinet, impacting 8 priority destinations established in the Master Plan for Sustainable Tourism, currently in execution.

However, Bill 789 has been rejected by professionals, politicians and former officials of the country, who sent a letter to the President of the Republic requesting that he refrain from sanctioning the bill, which modifies

Article 9 of Law 80 of 2012, "which, in turn, dictates incentive regulations for the promotion of tourist activity in Panama and that intends to partially replace Law 122", which has already been criticized by different sectors of the country and which is contested for unconstitutional before the Supreme Court of Justice, a challenge that has the concept of the Attorney General of the Nation in the sense that it is, in effect, unconstitutional. The request states that the project grants a series of tax credits in favor of a limited group of investors, tax credits equivalent to between 60% and 100% of the amount of investment in tourism projects, on the grounds that such projects will help promote tourism nationwide. But what the promoters of this bill are looking for is that granting of such tax credits is equivalent to the State, that is, all citizens, defraying the cost of tourism investments that they carry out, and that only these investors will benefit from the same.

In 2020, the industry without chimneys, as the tourism sector is known, suffered one of the strongest blows in its history. The arrival of the Covid-19 pandemic and confinement completely paralyzed the activity. The World Tourism Organization (WTO) recently estimated a decline of more than 70% in international arrivals in 2020. Thus, world tourism will have fallen back to levels of 30 years ago. In the middle of last year, the Chamber of Tourism of Panama estimated that, with the total blockade of the sector, the tourism industry could be losing close to \$12 million a day and although a slight improvement is perceived due to the opening of some market activities, demand remains weak overall. *L&E*

## THE FIRST IMPLEMENTATION SCHEDULE FOR THE USE OF AUTHORIZED FISCAL EQUIPMENT AND THE ELECTRONIC BILLING SYSTEM OF PANAMA IS ESTABLISHED

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**O**n June 29, 2022, Executive Decree No. 25 of June 27, 2022 was published in Official Gazette No. 29567-A; whereby Articles 11 and 12 of Law 76 of 1976 are regulated, establishing the implementation schedule for the use of authorized fiscal equipment and the Electronic Invoicing System of Panama.

This Executive Decree was drafted based on numeral 14 of Article 184 of the Political Constitution, which gives the power to the President of the Republic, together with the respective minister, to regulate the laws that need it for their best compliance. This without departing from its text or its spirit.

Turning to the Articles that this Decree regulates, the first is Article 11 of Law 76 of 1976, which was modified by Law 72 of 2011 and then by Law 256 of 2021. By virtue of its last modification, it was of the tenor Next:

***"Article 11. The issuance of an invoice or equivalent document is mandatory to accredit any operation related to the transfer, sale of goods and provision of services by persons residing in Panamanian territory, regardless of the way in which the transfer is perfected. , the sale of goods or the provision of services, the form of payment, as well as the nationality of the parties.***

*...*

***The documentation of operations related to the transfer, sale of goods and provision of services referred to in this article must be issued through the use of authorized fiscal equipment or through the Electronic Billing System of Panama, under the modalities of Authorized Provider. Qualified or Free Biller of the Electronic Billing System of Panama." The highlight is ours.***

On the other hand, Article 12 in its paragraph 1, provides

that the Executive Branch will establish the calendar for the adoption of the authorized fiscal equipment or the Electronic Invoicing System of Panama for companies within the free or free zones that exist or are created. Then, in paragraph 3, they indicate the activities in which the executive will establish said option schedule as well, including: public passenger transport services, national or international, by land, air or sea; cargo transport services for petroleum derivatives; operations and services in general carried out by banks and other financial institutions, among others.

Article 1 of Executive Decree 25 adopts as suitable means to document transactions related to transfers, sales of goods and provision of services, optionally, for those who according to the Tax Code have the status of Taxpayer, the authorized Tax Teams and the Electronic Billing System of Panama.

As for exempt taxpayers, we have those who, due to their internet connectivity, nature or volume of activity, may use billing means, receipts or equivalent documents, provided that the provisions of the Law and regulations are complied with. Said exceptions are not permanent, but temporary, as long as the conditions that originated said exception exist.<sup>1</sup>

A point of great relevance is established in Article 4, when talking about the Protection of Personal Data, submitting to the inherent information of the documented transactions through authorized fiscal equipment or through the Electronic Billing System of Panama and with the exceptional methods, to comply with the obligations provided by Law 81 of 2019, on data protection.

Let us remember that this Law 81 of 2019, was regulated by Executive Decree 285 of May 28, 2021

and has recently stood out for the fines imposed by the National Authority for Transparency and Access to Information (ANTAI) for data violation personal, as in the cases of Horizontal Property Checkpoints, a company and a digital medium; for amounts that could range from B/.1,000.00 to B/.10,000.00.

In this Decree, in its Article 6, the creation of a Billing Method Certification is also established, which will include a QR code to be physically placed in a visible place in its declared address and branches and thus certify said method, identify the taxpayer and comply with the billing system selection obligations authorized by Law. This code will be obtained by e-Tax 2.0, free of charge and can be downloaded from August 1, 2022.<sup>2</sup>

**In Article 7, the calendar is established to implement said authorized fiscal equipment or the Electronic Invoicing System of Panama:**

• **As of January 2, 2023:**

**- Private entities duly authorized by the Panama Maritime Authority to ensure compliance with construction, navigation, pollution prevention and safety standards for merchant ships, passenger transport, pleasure, scientific research, work, oil exploration and drilling for international traffic, whether registered or not, in the Merchant Marine of Panama.**

**- Operations by stock exchanges and authorized products in Panama.**

**- International public passenger transport services by land, air or sea.**

**- National public passenger transport services by**

<sup>1</sup>Article 2, last paragraph of Executive Decree 25 of June 27, 2022; published in Official Gazette 29567-A on June 29, 2022.

<sup>2</sup>Article 6 of Executive Decree 25 of June 27, 2022; published in Official Gazette 29567-A on June 29, 2022.

air.

- Petroleum derivative cargo transportation services.

- Hostels with less than seven rooms.

- Activity of leasing real estate under notarized contracts or registered in the Ministry of Housing and Territorial Planning, carried out by natural or legal persons who manage their own assets without the intervention of third parties.

• As of February 1, 2013:

- Operations and services in general carried out by banks and other financial institutions, including financial leasing companies and investment funds, bank credit, trust or financial institutions governed by special laws, cooperatives, savings institutions and funds, pension, retirement and social security and savings and loan entities.

- Baru Free Trade Zone.

- City of Knowledge

- Free Zones.

- Oil Free Zones.

- Headquarters of Multinational Companies (SEM).

- Panama Pacific Special Economic Area (AEEPP).

- Colon Free Zone (ZLC).

• Will be established later:

- The mandatory entry into force for the implementation of fiscal equipment or electronic invoicing for those activities that are not listed in the previous calendar, will be established later.<sup>3</sup>

Their usual billing method must be maintained at the entry into force of the Decree and until the date on which they must adopt any of the billing methods. However, according to Article 8, they may implement when they deem it convenient and before the corresponding date, the billing system that they select by adopting the authorized fiscal equipment or the Electronic Billing System of Panama.

As for sanctions, those provided for in Article 11 of Law 76 of 1976 and those provided by the Seventh Book of the Fiscal Code, in relation to the collection of credits arising from sanctioning processes, will be applied. Serious sanctions related to temporary closure will apply Article 736 of the Tax Code and will never apply to establishments that are the domicile of the taxpayer.<sup>4</sup> *L&E*

<sup>3</sup>Article 7 after the first Calendar table, of Executive Decree 25 of June 27, 2022 published in Official Gazette 29567-A on June 29, 2022.

<sup>4</sup>Article 8 of Executive Decree 25 of June 27, 2022 published in Official Gazette 29567-A on June 29, 2022.

## THE ENTITIES ISSUING SECURITIES ARE NOT RESPONSIBLE FOR THE PAYMENT OF INCOME TAX ON THE SALE OF SUCH SECURITIES

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### The norm Accused of Unconstitutional:

The plaintiff seeks to declare unconstitutional a sentence of literal e) of article 701 of the tax code, introduced by law 18 of June 19, 2006, and article 117-C of executive decree No. 170 of October 27, 1993, added by article 4 of executive decree 135 of February 6, 2012, which are as follows:

### Article 701 (literal e) of the Tax Code:

**Article 701.** For the purposes of calculating the Income Tax in the cases mentioned below, the following rules will be followed:

With the exception of the provisions of numerals 1 and 3 of article 269 of Decree Law 1 of July 8, 1999, profits obtained from the sale of bonds, shares, participation quotas and other securities issued are taxable by legal persons, as well as those obtained from the alienation of other personal property. In cases of

gains obtained from the sale of securities, as a result of the acceptance of the public offer for the purchase of shares, in accordance with the provisions of Decree Law 1 of July 8, 1999, which constitute taxable income in the Republic of Panama, as well as for the alienation of shares, participation quotas and other securities issued by legal entities, which constitute taxable income in the Republic of Panama, the taxpayer will be subject to a capital gains treatment and, consequently, will calculate the Tax on Income on earnings obtained at a fixed rate of ten percent (10%). The Executive Branch will regulate this matter.

The buyer will have the obligation to retain the seller, a sum equivalent to five percent (5%) of the total value of the alienation, as an advance to the Income tax on capital gains. The buyer will have the obligation to remit the withheld amount to the Treasury, within ten (10) days following the date on which the obligation to pay arose. If there is non-compliance, the issuer of the security is jointly and severally liable for the unpaid



Tax. The Executive Branch will regulate this matter.

The taxpayer may choose to consider the amount withheld by the buyer, as the final income tax to be paid as a capital gain. When the advance of the Tax withheld is greater than the amount resulting from applying the rate of ten percent (10%) on the capital gain obtained in the alienation, the taxpayer may present a special affidavit accrediting the withholding made, and claim the excess. that may result in your favor as a tax credit applicable to Income Tax, within the fiscal period in which the transaction was perfected. The amount of profits obtained from the sale of securities will not be cumulative to the taxpayer's taxable income.

The Executive Branch, through the Ministry of Economy and Finance, will regulate the procedure for the recognition of fiscal credits resulting from transfers of securities under the capital gains regime established in this article.

Without prejudice to the provisions of current legislation, Panamanian source income shall be considered to be that produced by capital or securities invested economically in the national territory, whether their alienation occurs inside or outside the Republic.

For the purposes of calculating the Income Tax in the case of the sale of goods furniture, the taxpayer will undergo capital gains treatment and consequently, it will calculate the income tax on the profits obtained at a fixed rate of ten percent (10%).

**(The phrase object of the lawsuit is highlighted), Article 117-C of Executive Decree 170 of October 27, 1993, added by Article 4 of Executive Decree 135 of February 6, 2012.**

In case of non-compliance by the buyer or acquirer of the duty to withhold the Income Tax advance referred to in this article, the issuing entity of the bonds, shares, participation fees and other securities will be jointly and severally liable for the unpaid tax. as well as charges moratoriums established by article 1072-A

of the Tax Code.

### **Criteria or Foundations of the demand:**

The plaintiff points out that Law 18 of June 29, 2006 modified subparagraph e) of article 701 of the Tax Code in order to reform the system of profits obtained from the alienation of bonds, shares, participation quotas and other securities issued by persons legal. It indicates that in literal e) of article 701 of the Tax Code, prior to the amendment introduced by Law 18 of 2006, it was established that profits obtained from the disposal of bonds, shares, participation quotas and other securities issued by legal persons. The aforementioned provision states that, for the sale of shares, participation quotas and other securities issued by legal entities that constitute taxable income in Panama, the taxpayer will be subject to a capital gains treatment and, consequently, the income tax on profits obtained at a fixed rate of ten percent. He explains that said provision establishes that the buyer will have the obligation to withhold a sum equivalent to five percent of the total value of the disposal, as an advance for capital gains income tax, and that the buyer will have the obligation to remit to the treasury the amount withheld within ten days following the date on which the obligation to pay arose.

It maintains that with the modification made by Law 18 of 2006, the sentence that is branded as unconstitutional was introduced in literal e) of article 701, in which the following is stated: **"If there is non-compliance, the issuer of the security is jointly and severally liable for the unpaid tax."**

Similarly, it accuses the final paragraph of Article 117-C of Executive Decree 135 of February 6, 2012, amending Executive Decree 170 of October 27, 1993, of being unconstitutional, where it is established that: **"In case of non-compliance by the buyer or acquirer of the duty to withhold income tax in advance referred to in this article, the issuing entity of the bonds, shares, participation fees and other securities will be jointly and severally liable**

### for the unpaid tax, as well as the default charges established by article 1072-A of the Tax Code”.

In other words, it indicates that the income that is taxed as a result of the securities transfer transaction is the income that is obtained, so that it is an income tax that is produced by the profit obtained in the transaction alienation of securities, so if the company is charged with joint and several liability for non-payment, it is being treated differently from that of a taxpayer, which is also deduced from the provisions of article 117-C of Executive Decree 170 of 1993.

### Considerations of the Plenum of the Supreme Court of Justice:

Once with the procedural procedures inherent to this type of business, this Constitutional Court proceeds with the substantive analysis.

In order to resolve this censorship, the first thing that must be distinguished is the concept of the Withholding Agents figure and its legal purpose.

In this sense, it should be noted that in our tax system, withholding agents are characterized as substitute subjects of the direct taxpayer, which means that the persons or entities that intervene in certain taxable acts and operations provided for in the law are obliged to act as agents. retention of the tax caused by the holder of the income or income, in order to deliver them to the tax administration at the time of paying the corresponding income or income, this figure is provided for in the Tax Code in article 731 and in the literal b of paragraph A of article 1057-V, as in other regulations.

As we can see, in our environment the figure of the withholding agent is widely regulated in the formal law and in the regulations of the law, so in principle there does not seem to be a problem so that literal

e) of article 701 of the Tax Code and its regulations provided for in article 117-C of Executive Decree 170 of October 27, 1993, added by article 4 of Executive Decree 135 of February 6, 2012, contemplate this figure as the responsible agent in the retention and remission to the treasury of the amount provided for in said regulations with respect to the total value of the alienation in question. The withholding agent, as has been seen, serves as a means of collection, so that when established in literal e) of article 701 of the Tax Code and its regulations, nothing more than determines a means or instrument of collection or collection. of the tax.

Under these conditions, we see that the means of collection established in literal e) of article 701 of the Tax Code and its regulations conforms to the provisions of article 52 of the Constitution, according to which: “No one is required to pay tax or tax that were not legally established and whose collection was not made in the manner prescribed by law. This standard establishes the principle of tax legality, which, in short, preaches that there is no tax without a prior law that establishes it or a mechanism for its collection without a prior law that foresees it.

Regarding the joint and several liability established by the legal and regulatory norm on the issuing entity, the Plenary observes that, as the plaintiff has maintained, the norm certainly imputes a responsibility to the issuing entity for the buyer's breach of its retention duty, which is unjustifiable in light of articles 32 and 48 of the Constitution.

It is unconstitutional because it establishes a joint and several liability on the issuing entity when it is not part of the sale transaction and therefore is not liable for the income tax, making the issuing entity charge in its equity, the obligation to pay the unpaid tax and the corresponding late charges.

Given the foregoing, the Plenary considers that the phrase **"If there is non-compliance, the issuer of the security is jointly and severally liable for the unpaid Tax"** contained in the third paragraph of literal e) of article 701 of the Tax Code and the last paragraph of article 117-C of Executive Decree No. 170 of October 27, 1993, added by article 4 of Executive Decree 135 of February 6, 2012, are unconstitutional.

### Explanatory vote

#### Magistrate Abel Augusto Zamorano

As Professor Edison Gnazzo indicates, the term tribute "has a broader technical meaning and covers taxes, fees and contributions, such as contributions for improvements, Public Registry fees and toll fees, as long as they are linked to taxed operations.

Yes, for example, the property tax levied on residential real estate would not be deductible from the owner's income, if it is not used to carry out taxable operations. Likewise, the ITBM; it is deductible by the buyer of a good. When it cannot be used as a tax credit. (GNAZZO, Edison; "Taxes and Expenses of the Republic of Panama. Sibauste Editoria, 2003. Panama. P. 133).

In this regard, it should be noted that the withholding is rather part of the management or collection of the tax, and within this, it consists of the obligation attributed to a person or entity, to withhold a part of the amount to whom generate certain yields, profits or benefits that constitute taxable activities, to subsequently give them and enter them directly in the Tax Administration or Public Treasury, specifically to the General Directorate of Revenue.

Regarding the issue of managing the tax, which falls on the passive subject (taxpayer) to whom the law imposes a set of material (tax) and formal duties (return of income obtained, payment of taxes, etc.), it is refers to withholdings as a mechanism that

contributes to collection.

I consider that these explanations are necessary, for a greater clarity of the decision adopted, for which I consider that these are aspects that should have been clarified in this resolution, due to the importance of the matter that is addressed and its implications.

### Personal Analysis

Although it is clear in this resolution that, in accordance with tax legality, the taxpayer is the natural or physical person and the legal entity or entities, to whom the tax regulations impose compliance with the tax obligation, so it falls on them the obligation to pay taxes, that is, who is obliged by law to pay the tax, for having carried out the taxable event, is necessary, for a greater understanding that the responsibility for non-compliance with their tax obligations cannot be extended. who has the duty to withhold the tax, the object of the tax retainer, understood as such, who holds this function.

The taxpayer, who is the subject taxed by law, due to his profits or profits, is the one who must bear the corresponding withholding, according to the tax table indicated in the law.

The retainer, in this case held by the issuer of the security, is linked to the fulfillment of the material and formal benefits of the main obligation, placing himself in the place of the taxpayer in the tax relationship, and although they may intervene in the development and application of the tax, being obliged to remit the payment of the tax obligation, in no way does it constitute the taxpayer of the same, since its obligations only derive from its duty to withhold.<sup>L&E</sup>

# TAX ADMINISTRATIVE COURT URGES THE DGI ON THE LEGAL DUTY TO PROPERLY MOTIVATE THE RESOLUTIONS

COMPETENCE: ADMINISTRATIVE TAX COURT

DATE: April 25, 2022

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The forensic firm, acting on its own behalf, filed with the Administrative Tax Court, Appeal against Resolution No. 201-9407 of December 11, 2020 and its confirmatory act contained in Resolution No. 201-1070 of February 19, 2021, both resolutions issued by the General Directorate of Revenue of the Ministry of Economy and Finance, where they decided to sanction a fine of Fifteen thousand balboas with 00/100 (B/.15,000.00), for not providing the information requested from the company based on the provisions of Law 51 of October 27, 2016.

## BACKGROUND

The Department of Exchange of Tax Information of the General Directorate of Revenue, requested information from the forensic firm in its capacity as resident agent of the company based on the provisions of Law 22 of 2011, "By which the Agreement between the Republic of Panama and the Kingdom of Spain to Avoid Double Taxation on Income and Wealth Taxes and Prevent Tax Evasion and its Protocol, made in Madrid, on October 7, 2010".

On September 30, 2019, the forensic firm, in response to the note, provided the information requested by the Tax Information Exchange Department of the General

Directorate of Revenue.

The Tax Information Exchange Department sent a second note, stating that, although it is true that the company resigned from the position of resident agent by deed, it cannot be lost sight of that article 28 of Law 23 of 2015, establishes that the activities carried out by professionals subject to supervision must take the basic measures of due diligence and in the case of legal persons.

Through the Resolution, the Tax Information Exchange Department of the General Directorate of Revenue, resolved to sanction the forensic firm with a fine in the amount of fifteen thousand balboas with 00/100 (B/.15,000.00), for not providing the information requested. of the company based on the provisions of Law 51 of 2016. The forensic firm filed a formal appeal for reconsideration against Resolution No. 201-9407 of December 11, 2020, stating that Law 51 of 2016, grants jurisdiction to the Ministry of Economy and Finance, for the implementation of the exchange of information for tax purposes. When reviewing the law, it is observed that, basically, it is about rules aimed at exchange of information for tax purposes, particularly related to financial assets managed by financial subjects within

framework of reportable accounts. Thus, law firms are not included among entities subject to reporting.

Therefore, this situation does not seem applicable to law firms or other non-financial subjects, which leads to the conclusion that the General Directorate of Revenue is not the competent authority to apply the sanctions established in Law 51 of 2016.

## CONSIDERATIONS OF THE COURT

The Administrative Tax Court considers that the forensic firm timely delivered the available information to the authorities, and that the information that was not delivered was simply not in its possession, not being obliged to obtain additional information, since the relationship had not been reactivated, that is, that the “incomplete” delivery of the requested information cannot be attributed to causes attributable to the signature, an essential assumption to apply the sanctions established in articles 19 and 22 of Law 51 of 2016.

On the other hand, the Court refers to the non-application by the Treasury of the criteria for administering the sanctions established in article 22 of Law 51 of 2016, that is, taking into account the seriousness of the offense, recidivism and the magnitude of the damage, for which the reasons that led to imposing the most serious sanction are not explained in the contested administrative acts, despite having been argued in the appeal for reconsideration presented in a timely manner by the forensic firm.

The Administrative Court is of the opinion that there are sufficient elements in the procedural records to conclude that, although all the information requested by the Tax Administration was not delivered, it was not due to causes attributable to the source of information, evidencing the cooperation of the same in a timely manner, and the adoption of reasonable measures to obtain it, given the particular circumstances of the case, reason for which the revocation of the imposed sanction proceeds.

## RESOLUTIVE PART

THE TAX ADMINISTRATIVE COURT, in plenary session, administering justice on behalf of the Republic and by authority of the Law, provides:

FIRST. REVOKE in all its parts, the Resolution, which sanctioned the forensic firm with a fine of fifteen thousand balboas with 00/100, (B/15,00.00) for not providing the required information in accordance with the provisions of Law 51 of 27 October 2016, and its confirmatory act, both issued by the General Directorate of Revenue of the Ministry of Economy and Finance.

## SALVAGE OF VOTE

### MAGISTRATE ANEL JESÚS MIRANDA BATISTA

Judge Anel de Jesús Miranda disagrees with the decision made by the majority of the plenary session of the magistrates, through Resolution No. TAT-RF-50 of April 25, 2022, since he considers that the signature should not express that there is an extinction of the obligation to maintain information, since at the time the first requirement was requested by the Tax Administration, on September 9, 2020, so the firm was not exempt from complying with the obligations established in Law 23 of April 27, 2015 and Law 51 of October 27, 2016, since the de facto termination had not materialized.

The Magistrate considers that the sanction imposed on the firm should have been modified and not excluded since the original and confirmatory act did not substantiate the reasons for which the fine was imposed in the amount of Fifteen Thousand Balboas (B/.15,000.00 balboas), Therefore, we consider it prudent to point out to the Tax Administration the importance of the motivation of administrative acts, as established in numeral 1 of article 201 of Law 38 of July 31, 2000.

By virtue of the foregoing and in accordance with the foregoing considerations, the Magistrate maintains his opinion that what was appropriate was to modify the original administrative act and, failing that, apply the minimum fine established by Law 51 of October 27, 2016. *L&E*



# Panamanian ECONOMY

**THE UNEMPLOYMENT RATE IN PANAMA DECREASED TO 9.9%, BUT INFORMALITY INCREASES TO 48%**

Source: GCRP

According to the Multiple Purpose Survey (EPM) carried out by the National Institute of Statistics and Census, the unemployment rate decreased by 1.4 points, that is, from 11.3% registered in October 2021 to 9.9%, according to this latest measurement.

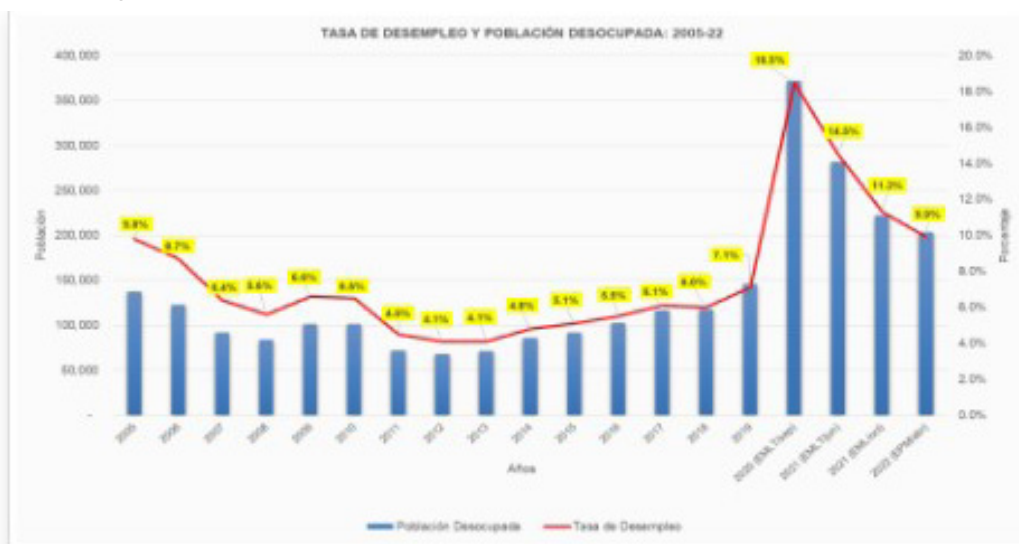
The variations in the unemployment rate, clearly positive, account for the state of economic recovery that the country is experiencing, specifically in the analysis of the labor market situation.

If we compare the figures released by the April 2022 survey, with the GDP estimates in the first quarter of 2022, which presented a growth of 13.6%, compared to the similar period of the previous year, it can be reaffirmed that the results of both indicators, They show consistency and account for the notable progress of two key economic indicators, taking into consideration that we are still facing a health crisis, due to Covid-19.

The improvement in the unemployment indicators in accordance with the GDP confirms the forecasts presented by the Comptroller at the beginning of the year before the National Assembly of Deputies, when it declares that "by the year 2022, economic activity will continue to advance at an encouraging pace".

If we compare the estimates with respect to October 2021, the unemployed population decreases (18,827 less), the Economically Active Population is strengthened (83,149 more people) and employed population increases by 5.8%.

In this sense, the country faces challenges in terms of quality of employment, as there is a slight increase in the percentage of informality, registered at 48.2% (April 2022), while, in October 2021, it was recorded at 47.6%. *L&E*





# GDP GROWED 13.6% IN THE FIRST QUARTER 2022

Source: GCRP

The estimate of GDP in the first quarter of 2022 presented a growth of 13.6%, compared to the similar period of the previous year.

The indicators that support this behavior confirm the forecasts set forth by the Comptroller Gerardo Solís at the beginning of the year before the Legislative Assembly when he stated that, “by the year 2022, economic activity will continue to advance at an encouraging rate” to achieve a GDP based “on the result of three public policy variables: Public Expenditure, Exports of Goods and Services and Investment, both public and private”.

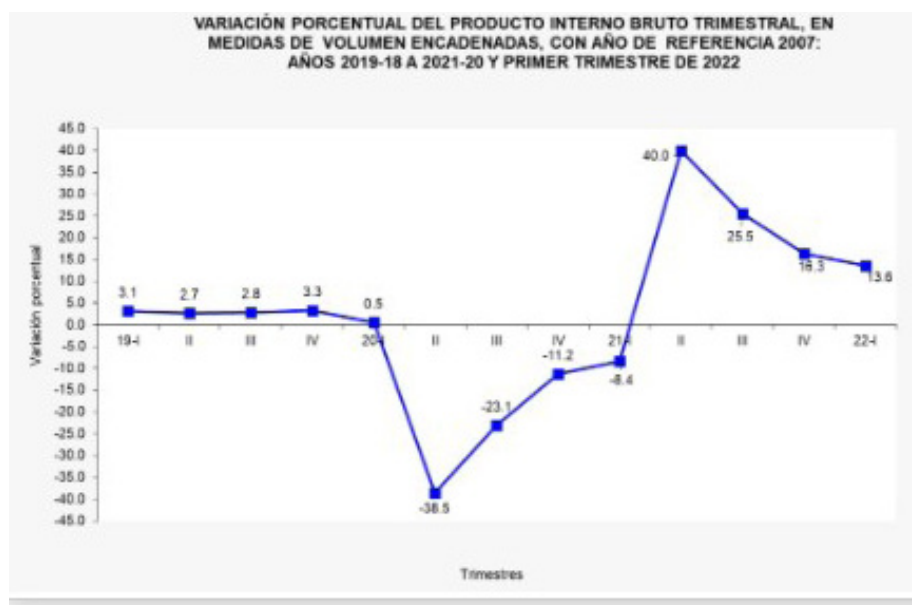
The quarterly GDP (in chained volume measures) registered an amount of B/.11,097.2 million for the estimated period, which corresponded to an increase of B/.1,327.8 million.

The behavior of economic activities continues its recovery process thanks to the control of the pandemic, allowing the total opening of the

economy despite the fact that, at the beginning of the quarter, there was a fourth wave of COVID-19.

During the first three months of the year, the activities that marked a favorable performance at the internal level were: Transportation and communications, commerce, construction, manufacturing industry due to the increased production of meat and meat products, as a result of the greater slaughter of cattle in 8.0%, pigs in 5.1% and poultry in 6.9%; real estate and business, financial, government, health, other community and personal services; as well as agricultural activities.

On the other hand, the added values generated by activities related to the rest of the world that presented increases: the Panama Canal with an increase in its income from tolls by 2.6%, mainly those related to the transit of Panamax ships by 13.2%, the air transport and re-exports from the Colon Free Zone at 22.4%; as well as pineapple exports at 19.6% and watermelon at 12.7%.*L&E*



## CONSUMER PRICE INDEX (CPI): MAY 2022

Source: GCRP

### Comment of the National Urban CPI for May 2022, in relation to April 2022:

The groups that showed increases were: Transportation in 3.1%; Food and non-alcoholic beverages 0.7%; Restaurants and hotels 0.6%; Alcoholic beverages and tobacco 0.2%; and Housing, water, electricity and gas 0.1%.

The increase registered in the Transportation group was due to the increase in two of its seven classes. The greatest variation was in the class: "Fuels and lubricants for personal transportation equipment" 7.8%, due to the increase in the price of fuel for automobiles.

The Food and non-alcoholic beverages group reflected growth in ten of its eleven classes. The greatest variations were in the classes: "Milk, cheese and eggs" at 2.0%; "Vegetable Legumes" 1.6%, due to the increase in the price of legumes and beans, "Food products, Renací." and "Coffee, tea and cocoa" both 1.4%. The increase in "Food products, n.e.p." it was due to the rise in the price of sweet sauce, pasta, mayonnaise, broths and soups; and in "Coffee, tea and cocoa" due to the growth in the price of coffee.

The increase observed in the Restaurants and hotels group was due to the increase in its two classes. The greatest variation was in the class "Restaurants, cafes and similar establishments" at 0.6%, as a result of the increase in the price of meals and non-alcoholic beverages outside the home, and meals prepared to take away.

The rise reflected in the group Alcoholic beverages and tobacco was due to growth in three of its four classes. The class with the greatest variation was "Beer" at 0.7%.

The Housing, water, electricity and gas group presented an increase in two of its eight classes. The greatest variation was "Housing maintenance and repair services" at 1.4%, due to the increase in the price of home repair services.

The groups Health, Communications, and Miscellaneous goods and services registered a slight variation, and Education remained unchanged.

The groups that presented a decrease were: Clothing and footwear; and Furniture, articles for the home and for ordinary maintenance, both 0.2%;

and Recreation and culture 0.1%. The decrease registered in the Clothing and footwear group was due to the reduction in three of its four classes. The class with the greatest variation was "Other articles and clothing accessories" 0.6%, due to the decrease in the price of clothing accessories.

The reduction observed in the group Furniture, articles for the home and for ordinary maintenance was due to the drop in four of its eleven classes.

The greatest variations were in the classes: "Utensils for the home" at 0.8%, and "Non-durable household goods" 0.6%, caused by the decrease in the price of cleaning and conservation products.

The Recreation and Culture group showed reduction in four of its sixteen classes. The class with the greatest variation was "Equipment for the reception, recording and reproduction of sounds and images" at 0.7%, due to the drop in the price of television and DVD player.

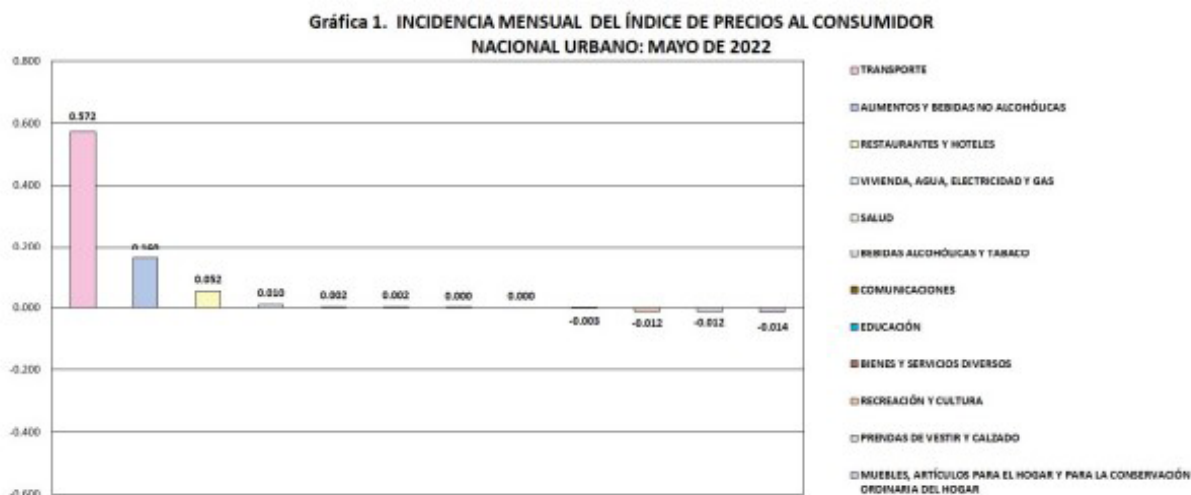
#### • Year-on-year variation of the National Urban CPI (May 2022 compared to May 2021):

The National Urban CPI reflected an interannual variation of 4.2%. The groups that registered increases were: Transportation at 16.1%; Restaurants and hotels 3.9%; Food and non-alcoholic beverages 3.5%; Education 2.5%; Housing, water, electricity and gas 2.0%; Alcoholic beverages and tobacco at 1.3%; Furniture, articles for the home and for the ordinary maintenance of the home 1.2%; Health, and Miscellaneous goods and services, both 0.9%.

The Communications group presented a slight variation.

The groups that showed decreases were: Recreation and culture in 0.8%; and Clothing and footwear 0.2%.

Below is the graph with the monthly incidence by group of the National Urban CPI for May 2022:*L&T*



Incidence: Corresponds to the contribution of each group with respect to the total variation of the National Urban Index, therefore, the sum of the incidences results in the variation of the index.

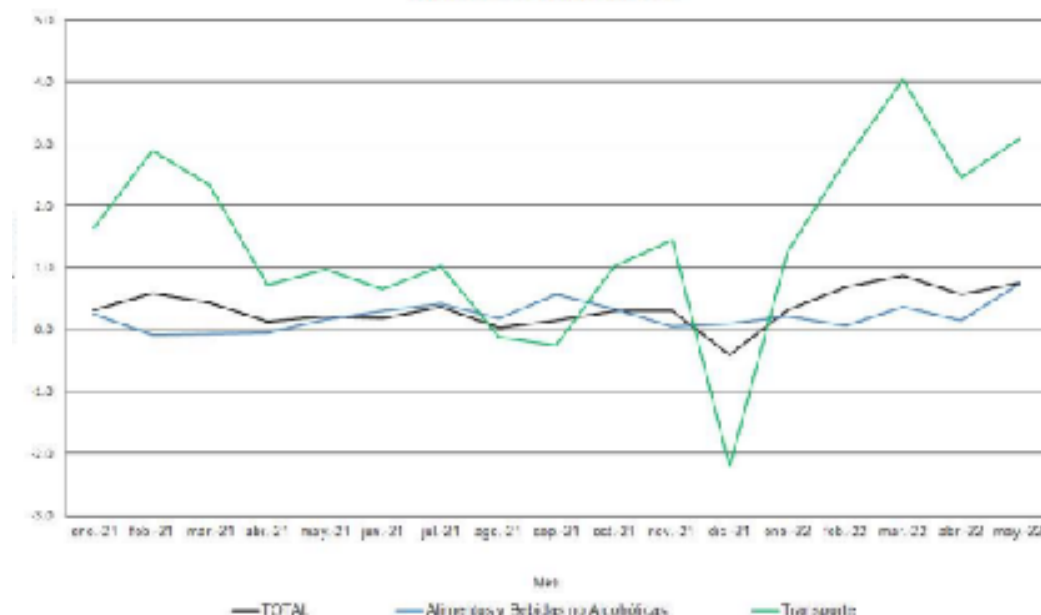
**CUADRO 1. INCIDENCIA Y VARIACIÓN PORCENTUAL MENSUAL DEL ÍNDICE DE PRECIOS AL CONSUMIDOR NACIONAL URBANO, SEGÚN GRUPO DE ARTÍCULOS Y SERVICIOS: MAYO DE 2022**  
BASE 2013=100

| Grupo de artículos y servicios  | Ponderaciones | Incidencia | Variación mensual |
|---|---------------|------------|-------------------|
| <b>TOTAL</b>  | <b>100.0</b>  | <b>0.8</b> | <b>0.8</b>        |
| Alimentos y bebidas no alcohólicas  | 22.4          | 0.160      | 0.7               |
| Bebidas alcohólicas y tabaco  | 0.7           | 0.002      | 0.2               |
| Prendas de vestir y calzado   | 7.7           | -0.012     | -0.2              |
| Vivienda, agua, electricidad y gas  | 8.5           | 0.010      | 0.1               |
| Muebles, artículos para el hogar y para la conservación ordinaria del hogar | 7.8           | -0.014     | -0.2              |
| Salud   | 3.4           | 0.002      | 0.0               |
| Transporte  | 16.8          | 0.572      | 3.1               |
| Comunicaciones  | 4.3           | 0.000      | 0.0               |
| Recreación y cultura  | 9.7           | -0.012     | -0.1              |
| Educación   | 2.4           | 0.000      | -                 |
| Restaurantes y hoteles  | 6.7           | 0.052      | 0.6               |
| Bienes y servicios diversos   | 9.8           | -0.003     | 0.0               |

- Cantidad nula o cero.

0.0 Cuando la cantidad es menor a la mitad de la unidad o fracción decimal adoptada para la expresión del dato.

**Gráfico 2. EVOLUCIÓN DE LA VARIACIÓN DEL ÍNDICE DE PRECIOS AL CONSUMIDOR NACIONAL URBANO, TOTAL, ALIMENTOS Y BEBIDAS NO ALCOHÓLICAS Y TRANSPORTE: ENERO DE 2021-MAYO DE 2022**



**CUADRO 2. EVOLUCIÓN DE LA VARIACIÓN DEL ÍNDICE DE PRECIOS AL CONSUMIDOR NACIONAL URBANO, SEGÚN GRUPO DE ARTÍCULOS Y SERVICIOS: DE ENERO A MAYO DE 2022**

| Grupo de artículos y servicios  | Variación porcentual mensual |            |            |            |            |
|---|------------------------------|------------|------------|------------|------------|
|   | 2022                         |            |            |            |            |
|   | Enero                        | Febrero    | Marzo      | Abril      | Mayo       |
| <b>TOTAL</b>  | <b>0.3</b>                   | <b>0.7</b> | <b>0.8</b> | <b>0.6</b> | <b>0.8</b> |
| Alimentos y bebidas no alcohólicas  | 0.2                          | 0.1        | 0.4        | 0.2        | 0.7        |
| Bebidas alcohólicas y tabaco  | 0.3                          | 1.6        | -0.2       | 0.4        | 0.2        |
| Prendas de vestir y calzado   | 0.1                          | 0.0        | 0.0        | 0.1        | -0.2       |
| Vivienda, agua, electricidad y gas  | -0.4                         | 0.4        | 0.2        | 0.2        | 0.1        |
| Muebles, artículos para el hogar y para la conservación ordinaria del hogar | 0.2                          | 0.7        | 0.0        | 0.0        | -0.2       |
| Salud   | 0.1                          | 0.0        | 0.5        | 0.1        | 0.0        |
| Transporte  | 1.3                          | 2.7        | 4.0        | 2.4        | 3.1        |
| Comunicaciones  | 0.0                          | 0.0        | 0.0        | 0.0        | 0.0        |
| Recreación y cultura  | 0.0                          | 0.1        | -0.2       | -0.2       | -0.1       |
| Educación   | 0.0                          | 2.0        | -          | -          | -          |
| Restaurantes y hoteles  | 0.6                          | 0.1        | 0.2        | 0.9        | 0.6        |
| Bienes y servicios diversos   | 0.0                          | 0.3        | 0.4        | 0.0        | 0.0        |

- Cantidad nula o cero.

0.0 Cuando la cantidad es menor a la mitad de la unidad o fracción decimal adoptada para la expresión del dato.

## ISSUANCE OF STATE SECURITIES IS AUTHORIZED

Source: MEF

**T**hrough Decree No. 14 of June 22, 2022, the Cabinet Council authorized one or several issues of State Securities and their placement in the local capital market, for an amount of up to one million eight hundred thousand dollars (US\$1,800,000,000.00). ), with the objective of partially financing the resource needs of the General State Budget for fiscal year 2022, as well as for the execution of local and international liability management operations.

According to data provided by the MEF, the balance of the total public debt decreased by US\$48.7 million (0.1%) compared to the balance registered at the end of April 2022. In the month of May, US\$33.0 million were disbursed corresponding to the auction of Treasury bills with a term of 12 months and a weighted average yield of 2.41%.

The report adds that, during the month of May, disbursements were received from the Multilateral Organizations for US\$2.0 million, concerning the Innovation Program for Social Inclusion and Productivity, signed with the Inter-American Development Bank (IDB).

Additionally, within the service of the external debt, US\$54.5 million were destined to payment of the principal of the Multilateral Organization. In addition, US\$40.0 million were allocated for interest payments, of which US\$26.3 million corresponding to the Global Bond 2047-4.5% and US\$13.7 million corresponding to loans contracted with Multilateral and Bilateral Organizations stand out. *L&E*

## PANAMA WILL RECEIVE US\$250 MILLION FROM THE WORLD BANK TO PROTECT HUMAN CAPITAL AND SPEED UP RECOVERY

Source: World Bank

**T**he World Bank's Board of Executive Directors today approved a US\$250 million loan to support the Government of Panama's program to protect and foster the accumulation of human capital during the COVID-19 crisis, while strengthening institutions to achieve a more inclusive and sustainable economic recovery.

The operation is the second in a series of two Development Policy Financing programmatic loans, with the first operation approved by the Board in December 2020 for US\$300 million.

The series is organized around three pillars:

**The first pillar focuses on protecting human capital during the pandemic and strengthening institutions during recovery, expanding the provision of health, education and social protection services.** Through policy actions, such as the addition of remote health services (telehealth), access, continuity, and quality of health care service delivery will be improved. The modernization of the educational system will also be strengthened through digital transformation;

and support will be given to vulnerable households still affected by the pandemic through the New Panama Solidarity Plan. The reforms also seek to reduce the carbon footprint of the health and education sectors, while improving resilience to shocks such as natural events and pandemics.

The second pillar focuses on strengthening institutions for a more transparent and fiscally sustainable economic recovery, including combating illicit financial flows and improving public procurement. This pillar supports actions related to the transparency and efficiency of the mobilization and use of public resources, which expand the implementation of key reforms, such as the regulatory framework for the creation of the Single Registry of Final Beneficiaries, and a new procurement law.

**The third pillar focuses on strengthening institutions to drive a more inclusive and environmentally sustainable economic recovery.** The COVID-19 crisis widened pre-existing social gaps, with vulnerable groups in rural areas and indigenous populations



The US\$250 million loan from the International Bank for Reconstruction and Development (IBRD) has a variable spread for 20 years, including a two-year grace period.



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# World ECONOMY

## AMID A SHARP SLOWDOWN IN GROWTH, THE RISK OF STAMPFLATION INCREASES

Source: World Bank

Adding to the damage caused by the COVID-19 pandemic, the Russian invasion of Ukraine has exacerbated the slowdown in the world economy, which is entering what could become a prolonged period of low growth and high inflation, according to the latest **World Economic Prospects** report prepared by the World Bank. This context increases the risk of stagflation, with potentially damaging consequences for both middle-income and low-income economies.

Global growth is forecast to slow from 5.7% in 2021 to 2.9% in 2022, down considerably from the 4.1% forecast in January. It is projected to hover around that pace over the 2023-24 period, as the war in Ukraine

affects activity, investment and trade in the near term; pent-up demand dissipates, and accommodative fiscal and monetary policies are phased out. As a result of the damage caused by the pandemic and the war, this year, the level of per capita income in developing economies will be almost 5% below its pre-pandemic trend.

"The war in Ukraine, lockdowns in China, supply chain disruptions and the risk of stagflation affect growth. For many countries, it will be difficult to avoid recession," said World Bank Group President David Malpass. "The markets are expectant, so it is urgent to promote production and avoid trade restrictions. Changes in fiscal, monetary, climate and debt policies are required

to counter capital misallocation and inequality”.

The June **World Economic Prospects** report presents the first systematic assessment of how current global economic circumstances compare with the stagflation of the 1970s, with a particular focus on how stagflation might affect emerging markets and developing economies. The recovery from stagflation in the 1970s required sharp increases in interest rates in the major advanced economies, which played a major role in triggering a series of financial crises in emerging markets and developing economies.

“Developing economies will need to balance the need to ensure fiscal sustainability with the need to mitigate the effects of multiple crises on the poorest citizens,” said **Ayhan Kose**, director of the World Bank’s Outlook Group. “Clearly communicating monetary policy decisions, building on the credibility of monetary policy frameworks, and protecting central bank independence can effectively anchor inflation expectations and reduce the degree of monetary tightening required to achieve the desired effects on inflation. and activity”.

The current environment resembles that of the 1970s in three main respects: ongoing supply-side shocks that support inflation, preceded by a prolonged period of highly accommodative monetary policy in major advanced economies; lower growth prospects; and vulnerabilities that emerging markets and developing

economies face from the tightening of monetary policy that will be necessary to curb inflation.

However, the current episode also differs from that of the 1970s in multiple dimensions: the dollar is strong, reflecting a stark contrast to the currency’s severe weakness in that decade; percentage increases in commodity prices are lower, and the balance sheets of major financial institutions are generally stronger. More importantly, unlike in the 1970s, central banks in advanced economies and many developing economies now have clear mandates for price stability and, over the past three decades, have established a credible track record of meeting its inflation targets.

Global inflation is expected to be subdued next year, but will likely remain above inflation targets in many economies. The report notes that if inflation remains high, a repeat resolution of the previous episode of stagflation could result in a sharp global slowdown, accompanied by financial crises in some emerging markets and developing economies.

The report also offers new insights into how the effects of the war on energy markets are clouding the outlook for global growth. The war in Ukraine caused a spike in prices for various energy-related commodities. Higher energy prices will reduce real incomes, increase production costs, tighten financial conditions and limit macroeconomic

policy, especially in energy-importing countries.

Growth in advanced economies is forecast to slow sharply from 5.1% in 2021 to 2.6% in 2022 (1.2 percentage points below January projections). Growth is projected to moderate further to 2.2% in 2023, largely reflecting the withdrawal of monetary and fiscal policy support provided during the pandemic.

Among emerging markets and developing economies, growth is also projected to fall from 6.6% in 2021 to 3.4% in 2022, well below the annual average of 4.8% during the period between 2011 and 2019. The negative side effects of the war will substantially offset any short-term stimulus for some commodity exporters from higher energy prices. Forecasts for 2022 growth have been revised for almost 70% of emerging market and developing economies, which includes most commodity-importing countries as well as four-fifths of low-income countries.

The report highlights the need for decisive policy action at the national and global levels to prevent the war in Ukraine from leading to worse consequences for the world economy. This will include global efforts to limit damage to those affected by war, cushion the impact of rising oil and food prices, speed up debt relief, and expand vaccination in low-income countries. It will also entail strong domestic supply responses while maintaining

well-functioning global commodity markets.

In addition, policymakers should refrain from implementing distorting policies, such as price controls, subsidies, and export bans, which could add to the recent rise in commodity prices. In the complex context of higher inflation, lower growth, a more restrictive financial situation and a limited space for fiscal policy, governments will have to redefine the priority of expenditures to direct them to provide specific support to vulnerable populations.

### Regional perspectives:

**East Asia and the Pacific:** Growth is projected to slow to 4.4% in 2022 and pick up to 5.2% in 2023. For more information, see the panorama regional (i).

**Europe and Central Asia:** The regional economy is forecast to contract by 2.9% in 2022 before growing by 1.5% in 2023. For more information, see the panorama regional (i).

**Latin America and the Caribbean:** Growth is forecast to slow to 2.5% in 2022 and 1.9% in 2023. For more information, see the panorama regional.

**Middle East and North Africa:** Growth is forecast to accelerate to 5.3% in 2022 before fading to 3.6% in 2023. For more information, see the panorama regional (i).

**South Asia:** Growth is forecast to slow to 6.8% in 2022 and 5.8% in 2023. For more information, see the panorama regional (i).

**Sub-Saharan Africa:** Growth is forecast to moderate to 3.7% in 2022 and pick up to 3.8% in 2023. For more information, see the panorama regional. *L&E*

## NEW EDITION OF THE UNITED NATIONS FOOD OUTLOOK REPORT: THE WORLD'S MOST VULNERABLE PAY MORE FOR LESS FOOD

Source: FAO

The global cost of food imports is on track to hit a new record of \$1.8 trillion this year, but most of the projected increase is due to higher prices and transport costs rather than higher volumes. according to a new report released today by the Food and Agriculture Organization of the United Nations (FAO).

costs, despite of the reduction in imported volumes. "These are alarming signs from a food security perspective, as they indicate that importers will find it difficult to finance rising international costs, which may herald the end of their resilience to price increases," according to the report.

"It is worrying that many vulnerable countries pay more, but receive less food," says the FAO in the latest edition of the Food Outlook report.

"Given rising input prices, weather concerns and heightened market uncertainty as a result of the war in Ukraine, the latest FAO forecasts point to the likelihood of contracting food markets and food import costs reaching a new record high," said Mr Upali Galketi Aratchilage, FAO Economist, Lead Editor of the Food Outlook report.

The global cost of food imports is projected to increase by US\$51 billion from 2021, of which US\$49 billion will reflect higher prices. The least developed countries are estimated to see a 5 percent contraction in their food import costs this year and sub-Saharan Africa and the group of net food-importing developing countries to see an increase in total

FAO has proposed the creation of a Food Import Financing Fund to provide balance of payments support to low-income countries that are most dependent on food

imports as a strategy to safeguard their food security.

Animal fats and vegetable oils are the products that contribute most to the increase in import costs projected for 2022, although closely followed by cereals in the case of developed countries. Developing countries as a whole are reducing imports of grains, oilseeds and meat, reflecting their inability to cover rising prices.

Published twice a year, the Food Outlook report provides FAO's reviews of supply and demand trends in the markets of the world's major food commodities, including cereals, oil crops, sugar, meat and dairy products, and fish. Trends in forward markets and transportation costs for food staples are also examined. The new edition also contains two special chapters that examine the role of rising prices for agricultural inputs, such as fuel and fertilizer, and the risks that the war in Ukraine poses for world food markets.

## Conclusions

Global production of the major cereals is forecast to decline in 2022 for the first time in four years and global utilization is also projected to decline for the first time in 20 years. However, the use of cereals for direct human consumption is not expected to be affected, as the reduction in total use will be due to a decrease in the use of wheat, coarse grains and rice for feed.

World wheat stocks are set to increase slightly in the year, mainly due to anticipated stock builds

in China, the Russian Federation and Ukraine.

World maize production and utilization are expected to reach new records due to increased ethanol production in Brazil and the United States of America and industrial starch production in China.

Global consumption of vegetable oils is expected to outstrip production, despite projected demand rationing.

Although meat production is projected to decline in Argentina, the European Union and the United States of America, global production is forecast to increase by 1.4%, mainly due to an expected 8% increase in meat production. pork in China, which will reach and even exceed the level before the dramatic spread of the African swine fever virus that occurred in 2018. World dairy production is expected to grow more slowly than in previous years, limited by declining dairy herd numbers and profit margins in several major producing regions, and trade may contract from the high level from 2021.

World sugar production is expected to rise after three years of decline, driven by increases in India, Thailand and the European Union.

Global aquaculture production is estimated to increase by 2.9%, and capture fisheries production is likely to increase by 0.2%. As a result of higher fish prices, total earnings from exports of fishery and aquaculture products are expected to



increase by 2.8%, while volumes will fall by 1.9%.

The Food Outlook report takes a closer look at major agricultural commodities, including wheat, maize, rice, oil crop complex, dairy products, meat, fish and sugar.

### Agricultural inputs and the future

Along with the rise in food prices - as the FAO Food Price Index approaches its all-time high and the prices of several staple foods have risen sharply in the last year - the agricultural sectors they are exposed to supply constraints due to increases in input costs, particularly fertilizers and fuels, which could drive further increases in food prices.

High food prices are often an advantage for producers, as farm profits are increased. However, the rapid rise in input costs –caused by rising energy costs and export restrictions on the main fertilizers imposed by the main players in the sector– more than compensates for this situation, and in the event if prolonged, it would raise concerns about whether the supply response can be both quick and sufficient. “The spike in input prices raises questions about whether the world’s farmers can afford to buy them,” say Josef Schmidhuber and Bing Qiao of FAO’s Markets and Trade Division in their special chapter on the dynamics of high input prices.

Farmers may reduce input applications or switch to crops that require fewer inputs, which would

not only result in lower productivity, but would have negative effects on exports of important food products to international markets, increasing the burdens faced by farmers. countries that rely heavily on imports to meet their basic food needs. The chapter adds that this also applies to major exporting countries, noting, for example, that some farmers in North America are switching from corn to soybeans, which require less nitrogen fertilizer.

The Global Input Price Index, a new tool introduced by FAO in 2021, is now at an all-time high and has risen faster than the FAO Food Price Index over the last 12 months.

This points to low (and declining) real prices for farmers, despite rising prices faced by consumers, which in turn hampers incentives for farmers to intensify production in the future. For that to happen, however, either the global input price index must fall, or the food price index must rise further, or a combination of the two.

For now, and based on current conditions, the situation “does not bode well for the market-driven supply response that could curb further food price increases in season 2022. /23 and possibly the next,” according to the report. *L&E*

## IT IS NECESSARY TO STRENGTHEN PUBLIC REVENUES TO EXPAND FISCAL SPACE AND MAKE SPENDING SUSTAINABLE

Source: ECLAC

The XXXIV Regional Seminar on Fiscal Policy held at the headquarters of the Economic Commission for Latin America and the Caribbean (ECLAC) in Santiago, Chile. In the meeting -one of the main references for the discussion of fiscal issues in the region- the participants address the challenges of fiscal policy for a sustainable and inclusive recovery, in a complex macroeconomic context characterized by lower growth and rising inflation. In addition, they analyze options to strengthen tax collection and the progressiveness of the tax structure, the role of public spending as an instrument of development and the future of fiscal rules in the region in light of the experience of the pandemic that began in 2020.

In addition to the authorities of the Ministries of Finance of 12 countries, recognized experts from international organizations, academia, civil society and non-governmental organizations also participate. The meeting, organized by ECLAC, has the participation of the Inter-American Development Bank (IDB), the Organization for Economic Cooperation and Development (OECD), the World Bank (WB) and the International Monetary Fund (IMF), and sponsored by the Spanish Agency for

International Development Cooperation (AECID).

It was opened by Mario Cimoli, Acting Executive Secretary of ECLAC, and Claudia Sanhueza, Undersecretary of Finance of the Ministry of Finance of Chile (as host country). In his words of welcome, Cimoli pointed out that this seminar is taking place in a difficult context. "Two or three years ago we debated in the midst of a situation that, despite the low growth of our economies, posed a stable macroeconomic situation. Today, fiscal policy plays a determining role", he indicated.

"Everyone agrees that fiscal policy is going to play a decisive role. This panel will discuss what kind of policies are necessary. Perhaps the rate policy is not enough, other instruments can be used. It is necessary to review tax expenditures, the issue of tax evasion and avoidance, among others. The crisis urges us to intervene, and fiscal policy must intervene," he declared.

For her part, Claudia Sanhueza indicated that "we have been coming out of the pandemic and now we are in a difficult year in terms of inflation. It is important to get together and reflect on how fiscal policy

-which is behind the social contract of our societies- can help us face the moment and look forward".

During the meeting, ECLAC released the Fiscal Panorama of Latin America and the Caribbean 2022, an annual report in which the United Nations regional body urges a design of fiscal policy that strengthens the collection and progressiveness of the structure tax and strategically orient public spending to turn it into a development instrument, in order to promote sustainable and inclusive development.

In its 2022 edition, the Fiscal Panorama analyzes the behavior of the fiscal policy of the countries of the region during 2021, the year in which the strong increase in fiscal revenues and the slowdown in public spending led to the reduction of fiscal deficits. For its part, gross public debt contracted moderately to stand at 53.7% of GDP in Latin America and 89.1% of GDP in the Caribbean at the end of the year, remaining high compared to the levels observed during the 20 years before the pandemic.

The report also examines the set of fiscal rules applied in the region, highlighting the mechanisms that countries used to relax those rules and allow for the fiscal expansion that was necessary to deal with the pandemic in 2020. Timely review the existing fiscal rules and consider reforms to create a fiscal institutional framework that contributes not only to macroeconomic stability, but also to overcoming macroeconomic shocks and to the protection of social spending and public investment, the document states.

In addition, the Fiscal Panorama analyzes the fiscal frameworks applied to oil and mining activity in producing countries in the region. The rise in international prices in the current context underscores the relevance of having fiscal frameworks that allow countries to collect a fair proportion of the economic rent from the extractive activities of goods that belong to the nation. Moving towards the adoption of progressive fiscal frameworks acquires even greater relevance in the context of the transition towards an economy

with zero net emissions of greenhouse gases, he emphasizes. While hydrocarbon-producing countries will see reduced tax revenues from this activity in the future, countries with significant mining sectors could benefit from this environmental transition. As the report points out, there are ample spaces to strengthen these fiscal frameworks to enhance the sector's contribution to financing for sustainable development.

Within the framework of the XXXIV Fiscal Seminar, the results of the report Tax Statistics in Latin America and the Caribbean (version 2022) were also presented, a publication prepared jointly by ECLAC, the Center for Tax Policy and Administration of the OECD, the OECD Development Center, the Inter-American Center of Tax Administrations (CIAT) and the IDB. The document details the tax trends in the region in 2020, when the tax pressure fell 0.8 percentage points of GDP to reach 21.9% of GDP on average, amid the COVID-19 pandemic. Tax revenue, relative to output, fell in 20 of the 26 countries covered in the report during the year. The performance of tax revenues in the region contrasted sharply with that of OECD countries, where tax pressure increased slightly, 0.1 percentage point of GDP, to reach an average of 33.5% of GDP.

On Tuesday, June 14, the dynamics of subnational public finances in countries of the region were examined, analyzed in the study prepared jointly by ECLAC and the IDB Panorama of fiscal relations between levels of government of Latin American countries and el Caribe 2022. This report presents detailed and internationally comparable statistics on the subnational public finances of Latin American and Caribbean countries. Key issues such as regional trends in subnational public finances, progress and challenges in fiscal relations between levels of government, and the impact of the pandemic on subnational public finances are analyzed. It also offers a systematized analysis of the main aspects of fiscal relations between the levels of government of 26 countries in the region. *L&E*

## 110TH INTERNATIONAL LABOR CONFERENCE INTERNATIONAL LABOR CONFERENCE ADDS HEALTH AND SAFETY TO FUNDAMENTAL PRINCIPLES AND RIGHTS AT WORK

Source: ILO

**D**elegates attending International Labor Conference (ILC) have adopted a resolution to add the principle of a safe and healthy working environment to the Fundamental Principles and Rights at Work of International Labor Organization (ILO).

Delegates adopted the measure in the plenary session of the Conference on Friday, June 10.

**Until now there were four categories of Fundamental Principles and Rights at Work:**

- **Freedom of association and effective recognition of the right to collective bargaining;**
- **The elimination of all forms of forced or compulsory labour;**
- **The effective abolition of child labour;**

- **The elimination of discrimination in employment and occupation.**

The Conference decision means that occupational safety and health will become the fifth category.

The Fundamental Principles and Rights at Work were adopted in 1998 as part of the ILO Declaration on Fundamental Principles and Rights at Work. Under the Declaration, ILO member states, regardless of their level of economic development, undertake to respect and promote these principles and rights, whether or not they have ratified the relevant conventions.

Each of the fundamental principles is associated with the most relevant ILO Conventions. The new fundamental Conventions will be the Occupational Safety and Health Convention, 1981 (No.155), and the Promotional Framework for Occupational

Safety and Health Convention, 2006 (No.187) . The Conference also approved eight amendments to the Maritime Labor Convention, 2006 (MLC, 2006), which focuses on the rights and working conditions of seafarers. These amendments had been negotiated and adopted in May 2022 by representatives of seafarers, shipowners and governments during the fourth meeting (Part II) of the MLC Ad Hoc Tripartite Committee, 2006.

The new provisions, expected to come into force in December 2024, will help improve the living and working conditions of seafarers around the world, building on some of the lessons learned during the pandemic.

The ILC General Discussion Committee on decent work and social and solidarity economy (SSE) adopted conclusions complemented by a resolution. The 16 points of the conclusions include an important definition of the SSE and provide guidance on promoting the SSE in context of decent work. The Committee also called on ILO to develop a strategy and action plan on decent work and the social and solidarity economy, to be presented to the ILO Governing Body at its November 2022 meeting.

### World of work summit

Earlier, the ILC held the High-Level Summit on the World of Work: Addressing Multiple Global Crises, Promoting People-Centered Recovery and Resilience. Discussions focused on the urgent action needed to address the employment and social consequences of the current crises, and the use of human-centred approaches to support peace, resilience and inclusive development, particularly for the most vulnerable populations.

"While the outlook is bleak and the prospects uncertain, we must not lose sight of our vision of a better future of work. The hopes and dreams of millions of people depend on us. We cannot

let them down. Together, we must deliver on our promise of a better future." better, fairer and more inclusive for all," said ILO Director-General Guy Ryder at the opening of the Summit. "We must renew our efforts to create decent work opportunities, especially for the most vulnerable groups," he added.

In a separate segment, the summit also featured speeches by the Presidents of the Republic of Seychelles, Wavel Ramkalawan, and of Honduras, Iris Xiomara Castro Sarmientos. Both addressed the most pressing issues affecting the world of work.

Speaking of the exclusion generated by the capitalist system, Castro Sarmiento emphasized the problems faced by small producers, adding: "In this system of exclusion, women and children bear the brunt of each other. stocks."

"Our message must be one of hope. Our actions and policies must present hope for our people, as we fight against the scourges of corruption, exploitation and injustice," said Ramkalawan. *L&E*

## ILO: INCREASED LABOR PRODUCTIVITY IS AN IMPERATIVE FOR A LATIN AMERICA THAT SEEKS MORE AND BETTER JOBS

Source: ILO

**T**he ILO today raised the need to formulate effective strategies to increase labor productivity in Latin America, given the evidence of a persistent regional lag that compromises the possibilities of finding the course of a future of work with sustainable growth and more and better jobs.

"We are facing the imperative of increasing productivity in the region," the ILO stated in a new report that was presented this Wednesday during a virtual conversation that brought together representatives of governments, as well as employers' and workers' organizations, entitled "Transition technology, technological change and productive development policies in LAC: challenges and opportunities".

conversation highlighting that the region faces "structural challenges" of great dimensions since "there are wide productivity gaps within countries between productive sectors, companies, groups of workers", in addition to other external ones that "have been amplified with respect to more advanced countries in the framework of the acceleration of the digital transition and technological change".

Coenjaerts considered that the region needs "a renewed and in-depth debate in the region where the main factors that drive increased productivity, the digital transition and the repercussions of these processes on decent work, job creation, improvements distributive and the development of sustainable companies and promoters of technological change".

The Regional Director a.i. of the ILO for Latin America and the Caribbean, Claudia Coenjaerts, began the

The ILO report was the subject of an exchange that



included the participation of the Minister of Labor of Brazil, José Carlos Oliveira, the Vice Ministers of Labor of Ecuador and Chile, Jorge Benavides Ordoñez and Giorgio Boccardo Bosoni, and Kaira Reece of the Trade Union Confederation of the Americas (CSA) and Imelda Restrepo, from the International Organization of Employers (IOE).

The conversation, organized as a side event of the 4th OECD Ministerial Meeting on Productivity being held in Brazil, also included the participation of José Antonio Ardavín, head of the Organization's Latin America Division.

The new ILO report highlights the "urgent need to systematically understand the factors that contribute to the sustained increase in productivity, and on that basis encourage instances of social dialogue necessary to accompany and regulate the inevitable transitions that this process entails."

He adds that "in this context, it is imperative to think about what factors are behind the Latin American lag."

The report highlights that according to the accumulated evidence "the vast majority of the countries of Latin America and the Caribbean (LAC), even before the health and economic crisis derived from the Covid-19 pandemic, have shown a stagnation both labor productivity and total factor productivity.

"Labor productivity has persistently decreased in comparative terms with respect to the rest of the world during the last four decades," said the ILO consultant and author of the report, Claudio Maggi, in the presentation before the tripartite conservatory.

Maggi highlighted the importance of identifying and promoting a series of "virtuous dynamics between productivity, growth and work."

The tripartite conversation addressed aspects such as the challenges imposed by the digital transition and the advent of new technologies, the challenges in terms of training, the current complex situation characterized by high international uncertainty and a pandemic that still does not end, and the high informality in the region.

Likewise, challenges were raised in terms of public policies, and also in the operation of companies.

Coenjaerts recalled that the ILO experience "shows that in addition to external factors (macroeconomic stability, favorable business environment, sector structure, external markets), the improvement of cooperation in the workplace, the effective representation of workers, the management of quality, non-polluting production, human resource management, professional training, and occupational health and safety, contribute positively to increased productivity".

At the same time, "the region's agenda in terms of digital transformation and productivity needs public policies that help remove the obstacles that appear in the way of said transformation and that ensure that this transition fosters the creation of more and better jobs". *L&E*



## KNOW THE ENVIRONMENTAL IMPACT LAWS IN PANAMA

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**E**nvironmental impact is defined as the negative or **positive** alteration of the natural environment or modified as a consequence of development activities, which can affect the existence of human life, as well as the renewable and non-renewable natural resources of the environment.

According to Law 41 of July 1, 1998, General of the Environment of the Republic of Panama, in Article 41 it is mentioned that the Ministry of Health is the authority in charge of regulating, monitoring, controlling and sanctioning everything related to guaranteeing health. human. Likewise, from the perspective of environmental health, it will coordinate, with the Ministry of the Environment, technical measures and administrations, so that environmental alterations do not directly affect human health.

Article 3. Investment projects, public and private, works or activities, of a national, regional or local nature, and their modifications, which are included in the exhaustive list contained in Article 16 of these Regulations, must be submitted to the

Evaluation Process. of Environmental Impact before beginning the realization of the respective Project.

Once the affidavit for the Category I Environmental Impact Studies has been submitted and approved, or the Environmental Resolution that approves the execution of the Project for the Category II or III Environmental Impact Studies has been issued, the Projects submitted to the Impact Assessment Process may begin. Environmental that have been approved.

The evaluation process begins when the Environmental Impact Study is received or submitted to the ANAM authority empowered for this purpose.

Article 4. None of the projects, works or activities affected by the requirement to submit to the Environmental Impact Assessment Process, may start their execution without having the approval of the notarized Sworn Statement for Category I Environmental Impact Studies and with the Environmental Resolution of the National Environmental Authority for Category II and III Environmental Impact Studies.

Article 5. The permits and/or authorizations related to projects, works or activities subject to the environmental impact assessment process, granted by other competent authorities in accordance with the applicable regulations, do not imply the environmental viability for said project, work or activity, which will be granted once the corresponding is issued.

Environmental Resolution or the Sworn Statement is approved as appropriate.

Article 6. Those promoters who start their activities, works or projects, without having the due Resolution that approves the Environmental Impact Study, will be subject to paralysis by the Regional or General Authority of the corresponding National Environmental Authority without prejudice of the environmental responsibility that derives from this fact, which does not exclude the obligation that the Promoter of the project has to present to the National Environmental Authority the Environmental Impact Study, whose presentation was omitted at the beginning of the process or of some other tool of environmental management, when the Authority so requires.

Article 7. Plans, programs and policies that have significant environmental effects must be submitted to a Strategic Environmental Assessment. The National Environmental Authority will regulate this aspect for which it will have a term of two years counted from the entry into force of this regulation. *L&E*



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# Psychological

**JUNE 22, 2022: DAY OF THE PSYCHOLOGIST IN PANAMA**

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**J**une 22 is a special date, since Psychologist's Day is celebrated, despite being in the midst of a pandemic caused by covid-19, it is a date to highlight how important and indispensable the career is within the field of mental health.

The profession is regulated by Law 55 of December 3, 2002, which establishes the legal parameters of professional practice and by the Code of Ethics and Professional Responsibility of the Psychologist, which establishes the deontological regulations related to the practice of the profession in our country.

The event was commissioned by the Association of Psychology Students of the Latin University of Panama (ADEPSI), under the coordination of the director of the School of Psychology, Augusto

Méndez. This year, ADEPSI presented the theme: "The challenge of psychology in the post-COVID-19 world".

**Where different topics were presented such as:**

- **Mental Health for relatives of patients with Alzheimer's Disease.**
- **Therapeutic skills in the face of suicide.**
- **The importance of psychometric evaluation.**
- **Contributions of Industrial Organizational Psychology in the post-pandemic labor reality in Panama.**
- **Conversations: community psychology and its**

## future in Panama.

### • Among other topics.

One of the exhibitions that we were able to attend was Contributions of Organizational Industrial Psychology in the post-pandemic labor reality in Panama, where the psychologist Evelina Aedo tells us about the history of industrial and organizational psychology that has developed in the midst of historical events of relevance as were the two world wars and the conflicts generated by the struggle for civil rights. From an economic point of view, organizational psychology has had a great impact, and even more so due to the COVID-19 pandemic.

In companies, psychologists involved in organizational psychology work on issues relevant to organizational development such as leadership, job satisfaction, achievement motivation, communication, conflict management, organizational change and group processes within an organization. . The approach to these issues aims to constantly intervene in the activities carried out by companies, detecting support needs to design specific actions that affect improvements in the conditions found. However, when entering confinement, the modality was virtual, which made it more difficult to evaluate the employee and qualify their work commitment by a not so feasible method, since they did not take into account that the collaborator has taken a home space to continue working, when before the home was the place of rest for this collaborator.

**Many companies managed to restructure themselves, providing improvements to their employees, letting them know that despite the fact that the long process of reincorporation to**

**the offices will bring new methods such as:**

### • Active listening and adaptation.

### • Continuous feedback.

### • Open spaces for conversation.

### • Surveys.

In this way, employees and employers will notice that it is not a work space, that is, in certain jobs it is not necessary for the collaborator to have to go to the office every day; the pandemic made it clear to us that many jobs can be done from home, however, employers must ensure that employees carry out all assignments, this is where organizational psychologists come in and we explain that with the necessary tools we will see work efficiency, It is essential for companies to achieve their objectives and maintain their profitability. In fact, it is one of the aspects to which most attention is paid at the managerial level. *L&E*



# Agenda Cultural

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## THEATER

- Pacific Theater: tickets in [panatickets.com](http://panatickets.com) and <https://teatropacific.net>
  - o Poli: Tell stories of the jungle on July 2,3,9 and 10.
  - o RED on July 4,5,18,19,25 and 26.
  - o Lasso Cotton World Tour on July 3.

- En Circulo Theater: tickets in [panatickets.com](http://panatickets.com)
  - o La Chula Linda from July 7 to 30.

- El Angel Theater:
  - o Adventures in the Haunted Mansion from July 3 to August 21.
- La Plaza Theater: tickets 6258-3964 and [panatickets.com](http://panatickets.com)
  - o Trap for cheating husbands until July 2.
  - o Adventures of the Haunted Mansion every Sunday in July and August.
  - o Una canita al aire from July 6 to 31.

- ABA Theater:
  - o Until jealousy separates us until July 31.

- National Theater: tickets in [panatickets.com](http://panatickets.com)
  - o Our Music in Symphony from July 5 to 7.

- El Telón Studio Theater: tickets in [panatickets.com](http://panatickets.com)
  - o A Court Without Peace on July 1, 2,3,7 and 8.

- Balboa Theater:
  - o Briceño visiting on July 15, tickets at os en <https://ticketpluspty.com>

- Athenaeum-City of Knowledge Auditorium:

- o Simply Piazzola on July 9, tickets at <https://ticketpluspty.com>

Digital theater billboard: tickets at [www.verteatro.com](http://www.verteatro.com)

- "The Writer of Epitaphs"
- "Life's begins after a good cup of coffee"
- "God creates them and the Devil puts them together."
- "First Dates"
- "The diva"
- "Beware of the Tie"
- "The Witch SINDY NERO"
- "Dora and Prudence"
- "To bed with the thief"
- "Fourteen"

Teatro Pacific Digital Billboard: Tickets at <https://teatropacific.net>

## MUSEUMS

- MAC: whastapp 6598-0014
  - o Exhibition "The impossible being"
  - o July 1: Fierce Friday Pride Kiki Ball
  - o July 7: Video Club Mac
  - o July 7: Dialogue on the book: "The fragility of the human body"
  - o July 9: Conversation: LGBTQ Media
  - o July 10 Closing of the exhibitions: Save seeds in the hair and the tread of the Rhea.



## ACTIVITIES, CONCERTS AND PARADES

- XVI Alfredo De Saint Malo International Music Festival (ASMF) from June 22 to July 3, 2022.
  - o Friday, July 1 at 7:30 p.m.: Narciso Garay Philharmonic Concert and the Youth Music School Symphony Band, San José Church, Golden Altar. Ticket: voluntary donation.
  - o Saturday, July 2 at 11:00 a.m.: Piano and Strings Chamber Music at the National Library. Ticket: voluntary donation.
  - o Saturday, July 2 at 7:30 p.m.: Bossa Brasil "Ordinarius" at the Ateneo, City of Knowledge. Tickets panatickets.com
  - o Sunday, July 3 at 5:00 p.m.: Orchestras of the 2022 Festival in Iglesia San José, Altar de Oro. Ticket: voluntary donation.
  - o Monday, July 4 at 7:30 p.m.: Ensemblast at the Anita Villalaz Theater.
  - o July 5, 6 and 7: Our songs in symphony at the National Theater. Tickets panatickets.com
- Pollera Conferences: Traditional clothing from Panama, on July 9 at 2:00 p.m. at the Gladys Vidal Theater reservations: 506-9835 ext 7969
- Expoinmobiliaria Acobir from June 30 to July 3 at the Panama Convention Center.
- Mecedades Symphonic Tour on July 10 at Anayansi Theater, Atlapa, tickets at <https://ticketpluspty.com>
- La Kshamba & Tabou Combo in concert at Latitude 47 on July 30th. panatickets.com tickets
- IFF PANAMA FORCINEMA: On-site Management Assistance Workshop from July 11 to 15 at the City of Knowledge/Innovation Center.
- "Bastille Day, Bal Populaire" on July 15 at 7:00 p.m. at Alliance Française tickets at @alianzafrancesade panama
- Archdiocesan Campaign begins with the collection in the streets on July 2 and 3 and the envelopes will be available during the month.

## IMPORTANT DATES

- July 3: International Plastic Bag Free Day.
- July 4: Independence Day of the United States of America.
- July 7: Soil Conservation Day.
- July 14: Anniversary of the Storming of the Bastille (France).
- July 11: Foundation of the Ernesto J. Castellero National Library.
- July 11: World Population Day.
- July 16: Patron Saint Festivities of the Virgen del Carmen.
- July 17: Boy's and Girl's Day. (third Sunday of July)
- July 20: Patron saints of Santa Librada.
- July 23: World Sjögren's Syndrome Day
- July 24: Birth of Simón Bolívar.
- July 25: Driver's Day.
- July 25: Santiago Apóstol.
- July 26: International Day for the Defense of the Mangrove Ecosystem.
- July 26: Grandparents' Day.
- July 27: World Hepatitis Day.
- July 30: World Day Against Human Trafficking. *L&E*



## *Alianzas alrededor del Mundo*

Mitrani, Caballero, Rosso Alba, Francia, Ojam & Ruiz Moreno- ARGENTINA

Guevara & Gutiérrez S. C. Servicios Legales- BOLIVIA

Machado Associados Advogados e Consultores- BRASIL

DSN Consultants Inc- CANADÁ

Lewin & Wills Abogados- COLOMBIA

Rivera, Bolívar y Castañedas- PANAMÁ

Espinosa & Asociados- CHILE

Lawnetworker S.A. Asesores Legales- ECUADOR

Peter Byrne & Associates- ESTADOS UNIDOS

Machado Associados Advogados e Consultores- ESTADOS UNIDOS

Ortiz, Sosa, Ysusi y Cía., S.C.- MÉXICO

Estudio Rubio Leguía Normand & Asociados- PERU

Adsuar Muñoz Goyco Seda & Pérez-Ochoa, P.S.C.- PUERTO RICO

Pellerano & Herrera- REPÚBLICA DOMINICANA

Alvarado & Asociados- NICARAGUA

Torres, Plaz & Araujo- VENEZUELA

Facio & Cañas- COSTA RICA

